

ANNUAL REPORT 2000/01



Kotahi ano te kohao te ngira,
E kuhuna ai te miro ma, te miro whero,
Me te miro pango.
A muri I a au kia mau ki te ture,
Ki te whakapono, ki te aroha.
Hei aha te aha! Hei aha te aha!

There is but one eye of the needle
Through which the white, red and black threads must pass.
After me obey the commandments, keep faith,
And hold fast to love and charity
Forsake all else.

Na Potatau Te Wherowhero, 1858

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The Annual Report was adopted at a meeting of the Hamilton City Council held on 13 September 2001



R M Rimmington, Mayor

NA TE KOROMATUA ME TE RANGATIRA KAIWHAKAHAERE

Tena koe/koutou e whai wahanga nei ki te panui i teneki ripoata-a-tau. Ka tukuna e matou teneki ripoata nga tutukitanga mo te tau i pahure ake nei. He maha hoki nga kaupapa i horohia nei e matou, ko ngetehi o nga kaupapa he mea hou. Heoi, ko nga kaupapa katoa, ka taea e te Kaunihera te tapiri atu ki nga whai rawa me nga whai tipuranga o nga ropu-a-iwi o Kirikiriroa.

Ko te mahi a te Kaunihera hei whakatinana i nga ratonga katoa o Kirikiriroa, no te mea, ka pumau tonu te Kaunihera, a, ka kitea he parekareka te noho, te mahi me te takaro a te tangata i roto o Kirikiriroa. E ngakau nui ana a Kirikiriroa mo te wahi noho. Ka piki haere te nama o nga tangata no Kirikiriroa mai i nga nama mo Aotearoa, ko te tumanako, tata 140,000 nga tangata neke atu e noho mai ana ki Kirikiriroa a te tau 2016 e tu mai nei.

Ki te tokerau o te taone nei ka tipu haere nga nama o nga hunga e noho mai na, nui noa atu nga wariu o te whakataetanga o te Kaunihera \$77.3 miriona mai i te marama o Hurae te tau 2000 tae noa ki te Hune o teneki tau. Ko te take i homai nei whenei putea hei awhina atu te huarahi mai i teneki pito o te taone nei. Na te Kaunihera i tutuki he momo putea (\$7.7miriona) mo nga rori a Wairere me Resolution. Hei ata whakatau e te Kaunihera nga rori i taua pito o te taone, kia kore e whakararu nga tangata i konei.

Kua tutuki pai te whakatu whare hou mo te Huinga waka, \$3.4 miriona te utu (\$5.61 miriona te utu mo te whenua). E ai ki te ripoata, e tukuna atu e te Kaunihera, ki nga hunga noho kainga, 33 orau nga tangata (mai i te 100) i whakamanahia e te whare nei, piki atu 75 te orau inaianei. Mai i whenei ripoata ka whai hua te Kaunihera i nga hiahia o te hunga noho kainga.

Ka tahuu tonu te Kaunihera ki te hanga tetehi whare hakinakina mahanga, a te 9 o Pepuere 2002 te tuwheratanga o te whare hakinakina. Na te Westpac Trust paka i takoha nga oneone mo te maioru, e pai ana nga kaititiro te matakitaki. Na te Whare Kararehe o Kirikiriroa i whiwhi e toru nga taika i te marama o Aperira, heoi ano, kei reira inaianei e noho mai ana. Mai i taua wa ka piki haere nga tangata i uru atu ki roto i te Whare Kararehe. 23,000 nga manuwiri i tau atu i te marama o Aperira i pahure ake nei, rahi atu i te tau mua noa atu.

Tapiri atu te Kaunihera ki nga wariu i tutuki pai e pa ana ki a Rotorua (Hamilton Lake). E tata ana \$830.000 te hangaia e te Kaunihera mo taua wahi, ko te take ka whakapaingia e nga Papa takaro me whera atu ahuatanga.

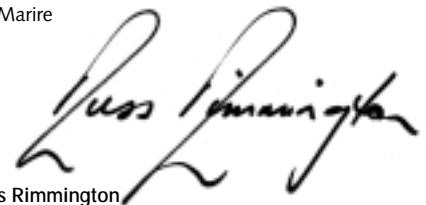
Kua oti pai i te Kaunihera te paihikara whikoi kei waenganui i te CBD me Te Whare Wananga o Waikato \$305,000 te utu. Kei te ata titiro te Kaunihera ki nga orange o nga tauira o te Whare Wananga o Waikato kei runga i nga paihikara, na te mea, me pewhea te tiaki i a ratou ki runga i te rori. Heoi, kei te whera tonu ki a Mill Street, kei te rahi ake te Kaunihera mo nga rori nei, ka ahei tonu te rere o nga motoka i reira.

Kei te haere tonu te au o te raima (concrete) ki roto i te wheketere i Pukete \$35 miriona te utu mo te whakapai. Ko Pukete te tuarua o nga wheketere whenei huri noa i a Aotearoa. Tata te mutunga o teneki wheketere, ka tuwhera a te Hepetema e tu mai nei. Ko nga hihi o te Ra te rongoa o nga waiparu i puta atu mai i teneki wheketere.

Ka whakaputaina e te Kaunihera he putea awhina, \$5.2 miriona ki a Carter Holt Harvey puka-ngawari (tissue paper) wheketere, hei tapiri atu ki tetehi putea penapena, heoi ano, ko te katoa o nga putea ka heke iho te utu.

Ma te Kaunihera e pikautia i nga kauapa putea, nga take popori me te noho humarire o nga iwi katoa. Kua tutuki noa atu nga kauapapa i horahia nei e matou, ka pumau tonu te Kaunihera. Ka tau ano te utu kei waenganui i a tatou. Noho ora mai i raro i nga manaakitanga o te runga rawa.

Pai Marire



Russ Rimmington

Te Koromatua, o Te Kaunihera o Kirikiriroa



Tony Marray

Te Rangatira Kaiwhakahaere

FROM HIS WORSHIP THE MAYOR AND THE CHIEF EXECUTIVE

Thank you for taking the time to look over Council's Annual Report. This report is a great opportunity for you to catch up on what Council has achieved, and the direction it has taken over the last year. Many of the projects are based on what Council set out to do in the Annual Plan, but others are new. All projects, however, are taken on to add value to the city with the community's long-term growth and prosperity in mind.

Council has invested in quality facilities and services ensuring Hamilton continues to be a great place in which to live, work and play. We are a city in good heart. The city continues to grow faster than the national average and is expected to be in excess of 140,000 by 2016.

The city's residential growth, particularly to the north, has been phenomenal with consents worth \$77.3 million approved in the year July 2000 to June 2001. To service the increasing traffic demands from these areas, Council has completed a significant (\$7.7 million) roading project in Wairere Drive and Resolution Drive. Quiet seal asphalt has been used here to minimise impact on residents.

Construction of the new \$3.4 million Transport Centre development (land value \$ 5.61 million) has had a huge impact. This service moved from a satisfaction rating of 33 (out of 100) last year to 75 in this year's Annual Residents Survey and it is heartening to see such strong evidence that Council is on the right track in meeting residents' needs.

Work has begun on the twin-stadium redevelopment. Waikato Stadium has a scheduled opening date of February 9 2002. WestpacTrust Park received earth from the stadium for a new embankment, significantly improving spectator viewing.

Hamilton Zoo champion of endangered species welcomed three Sumatran tigers in April. Since then, the zoo has seen a dramatic rise in visitor numbers as well, with 23,000 going through in April alone - more than double the year before.

Council is adding further value to Hamilton's lifestyle by completing the \$830,000 redevelopment of the Hamilton Lake Domain including the playground and other facilities.

Improvements to cycleways between the CBD and the University of Waikato have been completed on time and within the \$305,000 budget. Council has looked at ways to improve cyclist safety in Hamilton, with this project catering to university students. However, the ongoing Mill Street widening also includes cycle lanes as well as improving traffic flow, and therefore safety.

The continuous concrete pour as part of the \$35 million upgrade of the Pukete wastewater secondary treatment plant was the second-largest pour in New Zealand. The plant is nearly complete and will be opened in September 2001 to provide secondary treatment with ultraviolet disinfection, significantly improving the quality of discharged wastewater.

The Municipal Endowment Fund has invested in the \$5.2 million Carter Holt Harvey Tissue Distribution Factory to add to other great investments all contributing funds that reduce rates.

Council is charged with the responsibility of providing direction for economic, social and community well-being. We feel we have achieved that by carefully weighing the need to ensure a sound infrastructure for this growing city against keeping rates to a reasonable level.



Russ Rimmington
Mayor, Hamilton City Council



Tony Marray
Chief Executive, Hamilton City Council

COUNCIL MEMBERS



ELECTED BY ALL RESIDENTS
His Worship The Mayor

Russ Rimmington
ph. 838 6976

EAST WARD COUNCILLORS



Peter Bos
ph. 838 2210



Jody Garrett
ph. 853 5234



Alison Mallett
ph. 838 0769
ext. 903

WEST WARD COUNCILLORS



Ted Armstrong
ph. 838 6766



Brian Impson
ph. 838 6653



Dave Macpherson
ph. 021 477 388



Garry Mallett
ph. 838 0769
ext. 902



Grant Thorburn
ph. 834 6462

SOUTH WARD COUNCILLORS



Brian Farrell
ph. 843 4847



Steve McLennan
ph. 021 727 850



Pippa Mahood
ph. 856 3218



Jocelyn Marshall
ph. 834 3374



Grant Thomas
ph. 843 5594

COUNCIL ORGANISATION

Mayor Of Hamilton
Russ Rimmington

Deputy Mayor
Brian Impson

Economic And Audit
Chairperson Cr Garry Mallett

Works And Services
Chairperson Cr Grant Thorburn

Social And Community
Chairperson Cr Dave Macpherson

Statutory Management
Chairperson Cr Ted Armstrong

Strategic Planning And Policy Co-ordination
Chairperson Cr Alison Mallett

District Plan Hearings
Chairperson Cr Steve McLennan

MANAGEMENT EXECUTIVE



FROM LEFT TO RIGHT: Philip Burton, Sue Duignan, Mike Theelen, Tony Marryatt, Mike Garrett, Sally Davis, Graeme Fleming.

General Manager Marketing

- Philip Burton
- Marketing and Communication
 - Events Sponsorship
 - Economic Development Communication

General Manager Community Services

- Sue Duignan
- City Parks
 - Community Support
 - Leisure Facilities
 - Libraries and Museum
 - Parks and Gardens

General Manager Strategic

- Mike Theelen
- Strategic, Annual and District Plans
 - Annual Report
 - Sustainable Environment
 - Iwi Liaison

Chief Executive

Tony Marryatt

General Manager Corporate

- Mike Garrett
- Finance and Administration
 - Human Resources
 - Information Management
 - Property Management
 - Risk Management

General Manager Works And Services

- Sally Davis
- Design Services
 - Roads and Traffic
 - Utilities
 - Water Treatment Station and Wastewater Treatment Plant
 - Water, Drainage and Refuse
 - Energy Management

General Manager Environmental Services

- Graeme Fleming
- Animal Care and Control
 - Building Control
 - Business Support
 - Environmental Health
 - Parking Enforcement
 - Planning Guidance

ADVISORS

Auditor

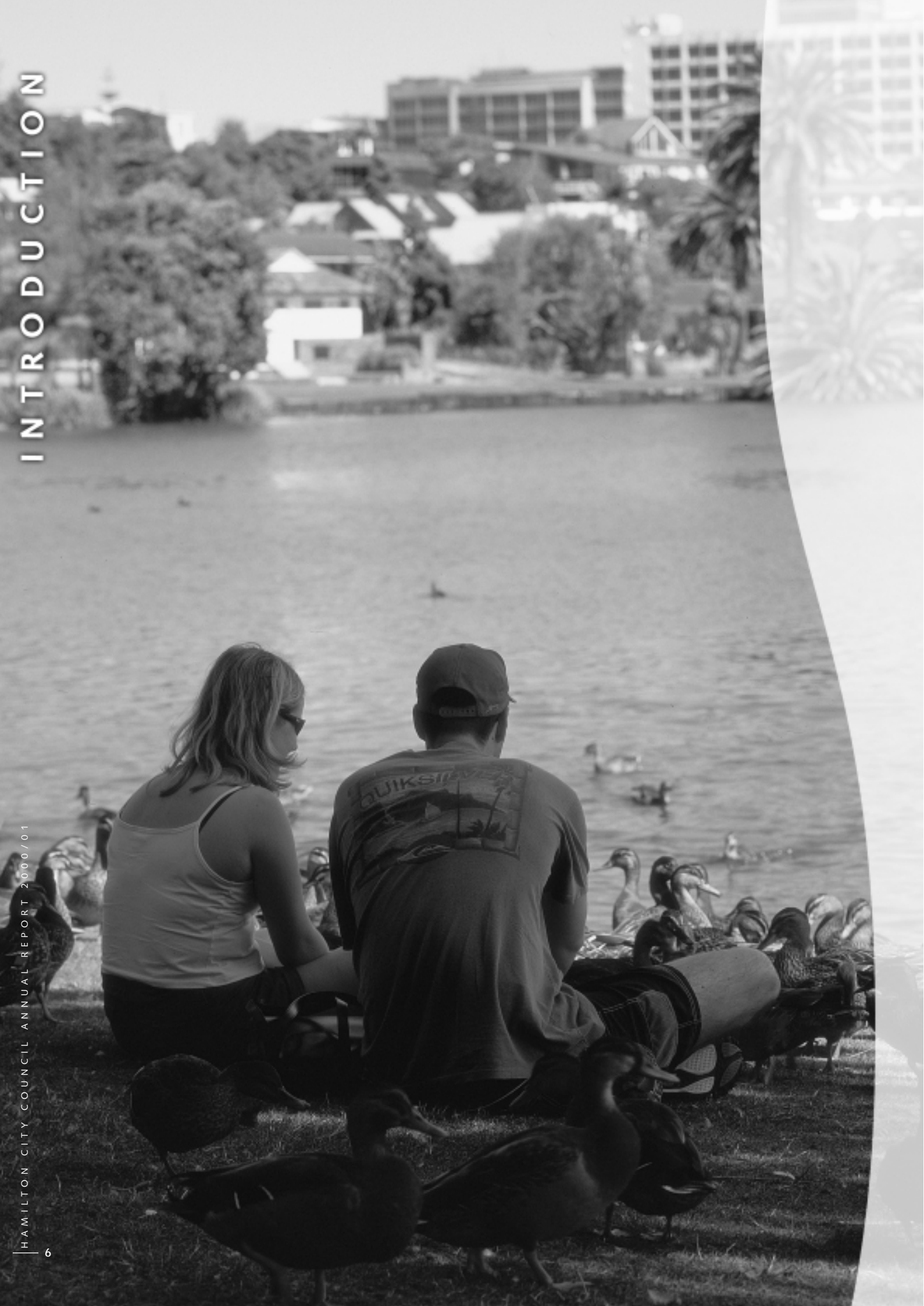
Audit New Zealand, Hamilton

Solicitors

Swarbrick Dixon, Barristers and Solicitors,
Alexandra Street, Hamilton

Bankers

Bank of New Zealand, Victoria Street, Hamilton



HAMILTON CITY

Hamilton is New Zealand's fourth largest urban area. It is strategically located on the banks of the majestic Waikato River, in the heart of the fertile Waikato plains. Almost half of all New Zealand's residents live within a 135km radius of the city; yet Hamilton offers a lifestyle with all the advantages of a thriving city, without the stress and congestion experienced by its Auckland neighbour.

The earliest settlers were Maori people from the Tainui canoe. They called the area Kirikiriroa- "long strip of cultivated land". Formal European settlement was established on 24 August 1864, when Captain William Steele disembarked from the gunboat "Rangiriri" and established the first redoubt near today's Memorial Park.

Settlements grew, and road linkage with Auckland was established in 1867, with the rail link completed a decade later. However, the river remained the most important means of transport for some time.

The name Kirikiriroa was dropped in favour of Hamilton, in honour of Captain John Hamilton, a Crimean and Waikato war veteran and commander of the "Esk", who was killed at Gate Pa in 1864. The Borough of Hamilton was established on 27 October 1877, with a population of 1,245. Sixty-eight years later, on 13 December 1945, Hamilton became a city with 20,000 citizens.

Over the years, the city boundary has continued to expand to accommodate the growing demand for residential and commercial/industrial development. There have been 10 extensions to the boundary since the borough was established in 1877, the most recent being in November 1989. The city has increased in size from its original 752 hectares to its current 9,427 hectares.

Today, Hamilton is a vibrant, progressive, growing city, with a population exceeding 117,000. It is the centre of New Zealand's dairy industry, and has a strong technology-based, research and development capability. With its wide range of cafes and bars, educational facilities, and recreational opportunities, the city offers an attractive lifestyle and environment that, few if any, other cities in New Zealand can match.

HAMILTON CITY COUNCIL'S MISSION AND GOALS

A mission statement expresses the purpose of an organisation—in other words it expresses "why we exist". During the preparation of Hamilton's first Strategic Plan, the Council took the opportunity to review its mission statement. Hamilton City Council's mission statement (adopted in October 1996) is: **"To work in partnership with the people of Hamilton to meet the needs of the community, by providing quality services and sustainably managing the city's natural and physical environment according to the principles of Agenda 21"**.

GOALS

1. To promote an environment which encourages the development of a quality of life aimed at meeting community needs and expectations.
2. To ensure the provision and maintenance of essential services in an efficient and effective manner in response to existing and future requirements.
3. To obtain and administer the financial resources necessary for the cost effective management of the city.
4. To develop an effective and efficient corporation that is responsive, responsible and accountable to the community.
5. To develop a positive climate which encourages development opportunities to achieve a sound economic base for the city.

GUIDE TO THE ANNUAL REPORT

The Annual Report is required by statute under the Local Government Act 1974. It is one of the three reports relating to a given financial year, and the final one to be produced. The other two reports are the Draft and Approved Annual Plans.

The Draft and Approved Annual Plans contain policies, objectives, financial forecasts (including sources of funds) and work programmes proposed to be undertaken during the financial year, together with the performance measures against which the Council's performance will be judged.

The Annual Report is published after the completion of the financial year. It contains the audited accounts for the year and reconciles the performance measures set out in the Annual Plan with the results actually achieved, as at 30 June.

HIGHLIGHTS



SIGNIFICANT HIGHLIGHTS

RESIDENTS GIVE THUMBS-UP TO COUNCIL FACILITIES AND SERVICES

Results from the 2001 Annual Residents Survey show residents are more satisfied with Council's facilities and services. Residents have rated the majority of Council's services and facilities with an increase in their satisfaction rating, with 27 considered excellent compared with 17 last year.

The results reflect Council's continual drive toward making a difference in the community and staff's dedication to that vision is a major factor in the organisation being so highly regarded.

Council is aiming to be a world-class organisation and provide Hamilton with facilities and services of the same high standard.

The majority of ratings have changed by only a few points compared with last year: 35 facilities and services' ratings have increased, 11 stayed the same and six went down. The Museum and the events website (hamiltonevents.co.nz) both lifted their satisfaction ratings by eight points.

A random survey of 700 residents was undertaken by a research company during May and June 2001. The survey gives a satisfaction index out of 100, with anything rating 75 or above reflecting excellent customer satisfaction.

Services that received satisfaction ratings of 80 or above, (out of 100) are: Hamilton Gardens [92], Central Library [88], Hamilton Zoo [86], City Walkways [83], Hamilton Organic Recycling Centre [83], Exscite Centre [83], parks and gardens [82], continuity of water supply [81], Gallagher Aquatic Centre [81], Waikato Museum of Art and History [81], ArtsPost [81], Waterworld [80] and branch libraries [80].

Council measures its performance against community satisfaction then uses the survey results to plan future services tailored to the community's needs.

An example of this is building the new Transport Centre. The satisfaction rating has increased significantly to 75, up from last year's 33. This is a great result and for this reason, Council will continue to seek residents' opinions in an objective manner.

NEW HAMILTON TRANSPORT CENTRE OPENED BY PRIME MINISTER

The prime minister, Helen Clark with mayor Russ Rimmington officially opened Hamilton's prestigious new transport centre in February 2001. The futuristic wedge shaped building has large windows for visibility and security and a high spacious ceiling.

The design incorporates all of the issues raised by the users group and provides the most efficient, safe and flexible site layout to meet the needs of travellers and bus operators.

The integrated transport centre provides modern facilities for people waiting and a single level, raised platform where passengers get on and off buses without having to cross the path of other buses moving through the centre.

Already the new building with its state of the art facilities and security features has encouraged greater bus usage.

The project is one of the most important in the city, placed close to the CBD it will generate revitalisation in the area.

WAIRERE DRIVE EXTENSION OPENED

The new \$7.5m Wairere Drive extension northern arterial road was opened on November 10, by the minister of local government Sandra Lee and mayor Russ Rimmington with a traditional Maori welcome-a ceremonial tree planting by local iwi to whom the area is of significance and the unveiling of a plaque.

In time the road is expected to carry around 10,000 vehicles a day. Wairere Drive is nearly two kilometres in length with a 55-metre bridge over the Kirikiriroa stream.

The bridge is surrounded with native plantings and there has been significant landscaping around the development. In all there are 85,000 new plants around the 1.9km Wairere Drive extension and noise reduction has been heavily factored in to the design of the new road.

Construction of the \$2.8m Resolution Drive project, which connects with Wairere Drive, was completed in June this year. The roads make up part of the overall roading provisions for northern city growth.

SUMATRAN TIGER EXHIBIT MAINTAINS CONSERVATION FOCUS

The Sumatran tiger exhibit opened to a huge public response in April. Visitor numbers more than doubled compared to the same time last year, moving from 9,000 to over 23,000.

The stunning exhibit confirmed Hamilton Zoo's continuing position at the forefront of endangered species conservation with this contribution to a major international programme.

The three tigers, Jaka (Lovely Boy) and two females, Molek (Elegant) and Mencari (Prowl), came from Wellington Zoo and have acclimatised exceptionally well to their new surroundings.

The new \$430,000 enclosure was two years in design and construction and is one of the largest and most modern equipped facilities available. In trying to recreate the natural tropical forest environment of the tigers, the generous two-hectare enclosure has been planted with bamboo, large specimen shade trees, ground cover and includes ponds for water play, a sunning platform and purpose built dens. A unique glassed-in octagonal shaped thatched roofed observation hut offers the public plenty of uninterrupted viewing opportunities.

COUNCIL PRESENTED ENERGY-WISE AWARDS

Hamilton City Council and its energy manager were presented awards by minister of energy, Pete Hodgson, at the Energy-Wise Awards 2001.

The Council won a Highly Commended award in the Public Sector section for its diverse energy management programme, which the judges say is well integrated in the Council's planning and policy structure. Council's energy manager received the Outstanding Energy Manager of the Year Award.

A key part of Council's success was raising the general awareness of energy issues with staff. Structures have been systematically built up within Council to ensure energy management is a part of many people's jobs and recognised in their performance reviews.

A 12-member cross-organisation energy team meets regularly. Energy management plans have been developed, which are being integrated into unit activities. So far savings of over \$300,000 a year have been achieved.

Hands-on projects completed to date include renegotiating all Council's energy supplies, a comprehensive lighting upgrade in the main council building, a boiler upgrade at the plant nursery, optimising hot water distribution and installation of an innovative cogeneration plant at the wastewater treatment plant.

ANNUAL SURVEY OF RESIDENTS

Council's Annual Survey of Residents is one of the main methods of ascertaining residents views on how effectively Council is operating, and whether or not it is meeting the community's needs. Specifically the annual residents survey provides a number of performance measures for Council's Annual Plan, as well as providing background information for a number of Council studies/decisions.

Statistics from this survey (performance indices) are included among the performance measures for most of Council's 14 significant activities.

The survey has been carried out each year since 1984 and provides a useful measure of community opinion over time. Up until 1997 the survey used "face-to-face" interview methodology.

From 1997 the survey has been conducted by telephone interview. As with "face-to-face" interviews, telephone interviewing has a high degree of accuracy, i.e., for a sample of 700 people, the statistical margin of error is 3.7% at the 95% confidence-level that means one can be 95% confident that a given survey result reflects a precision of 3.7% around any statistics.

In 2001, 704 randomly selected Hamilton residents aged 18 years or older were interviewed for the survey, with each telephone interview taking around 25 minutes. The survey was performed by Research Solutions Ltd.

The following tables show residents satisfaction ratings as a customer satisfaction index. The index is based on a weighted mean of the distribution of respondents across the five-point satisfaction scale: Extremely Good = 100, Good = 75, Neither = 50, Poor = 25 and Extremely Poor = 0. Don't Knows are excluded from the calculation.

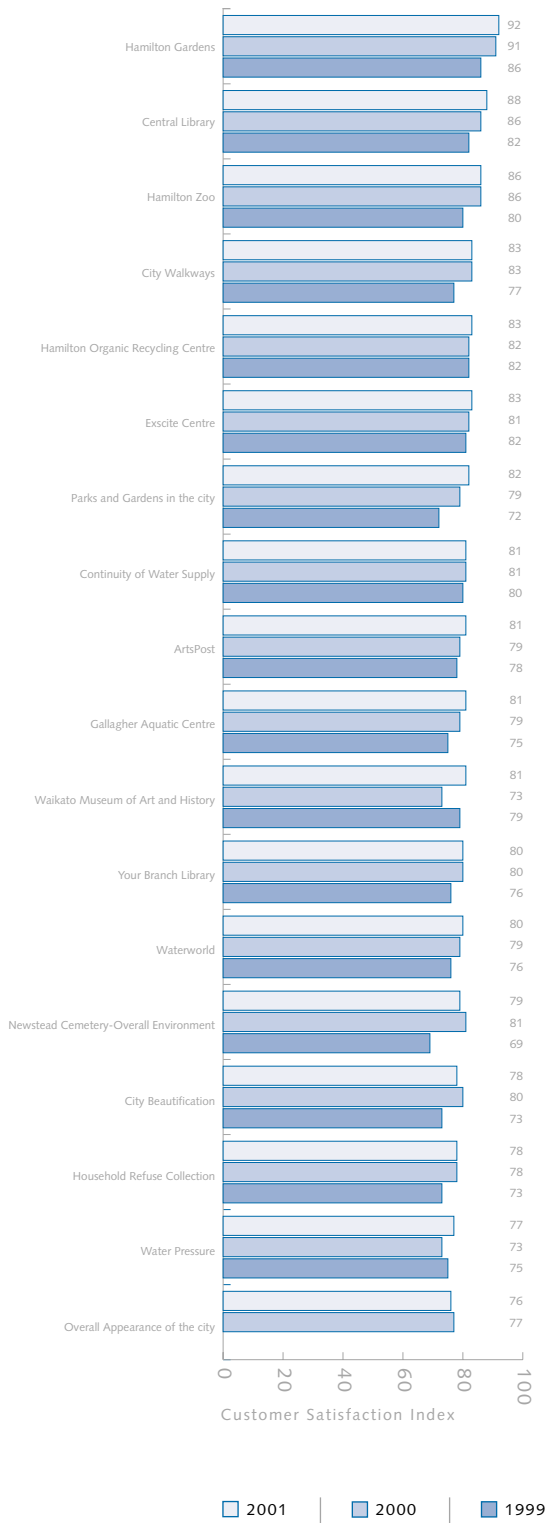
For example, if we asked 100 respondents to rate Council's performance in 2001, and 20 people rated Council's performance 'extremely good', 50 people rated it 'good', 10 people rated it 'neither good nor poor', 10 people rated it 'poor', 5 people rated it 'extremely poor' and 5 people did not know the customer satisfaction index would be...

$$\begin{aligned} & ((20 \times 100) + (50 \times 75) + (10 \times 50) + (10 \times 25) + (5 \times 0)) / (100-5) \\ & = 6500 / 95 = 68. \end{aligned}$$

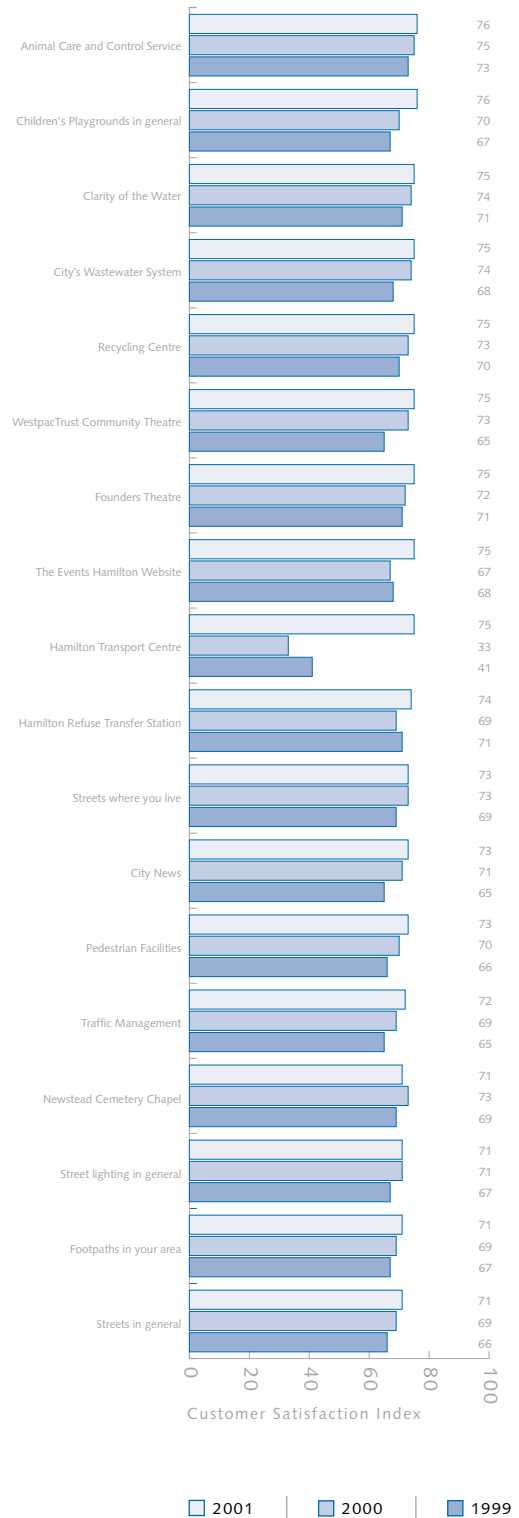
The customer satisfaction index would be = 68.

Overall, of the 53 services and facilities measured in the 2001 Residents Survey, 35 showed an improvement over the 2000 ratings, six showed a decrease, 11 stayed the same, and one could not be compared as it was not asked in the 2000 survey.

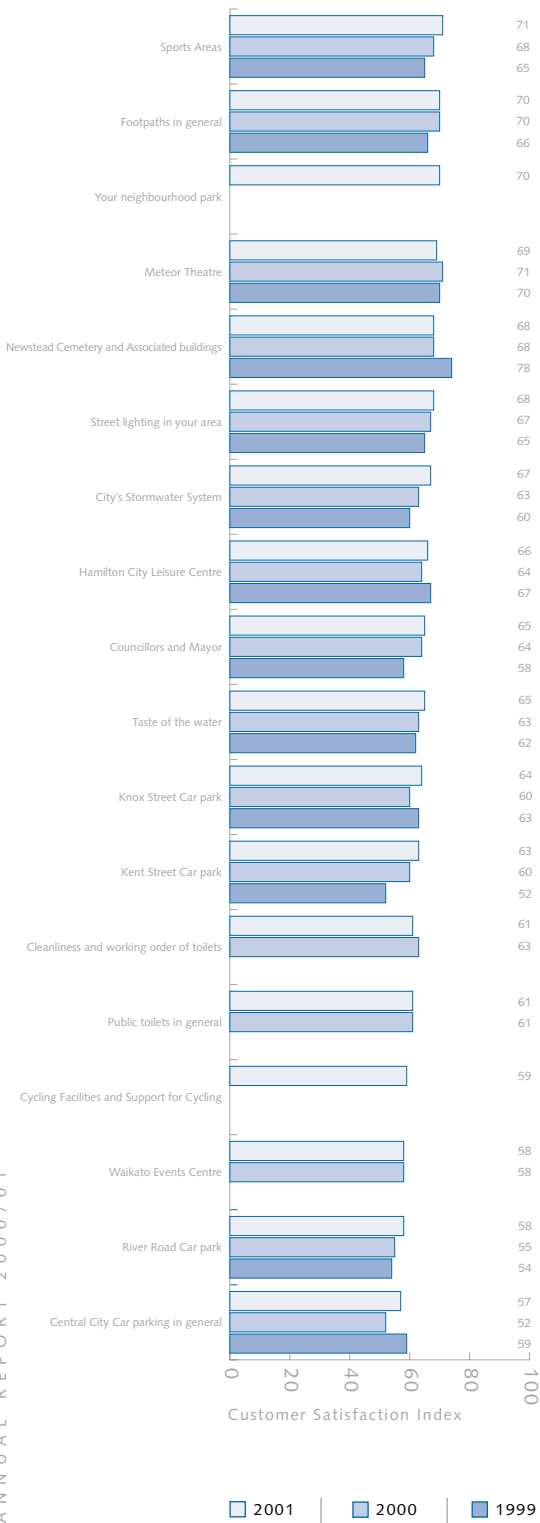
SATISFACTION WITH SERVICES & FACILITIES



SATISFACTION WITH SERVICES & FACILITIES



SATISFACTION WITH SERVICES & FACILITIES



ENVIRONMENT

FAIRFIELD BRIDGE LIGHTING DESIGN WINS AWARD

The design of the lighting of Fairfield Bridge won an award at the Illuminating Engineering Society of Australia and New Zealand Inc annual awards. The judges' commented saying the graceful design gives a night-time presence and the city icon adds a whole new experience to the use of the bridge.

The contract for design, supply and installation of the feature lighting for the Fairfield and Victoria Bridges was awarded by Council to United Gooder Ltd. The project was commissioned when mayor Russ Rimmington flicked the big switch on the stroke of midnight at the Millennium New Year's Eve party.

KOKOPU FISH SYMBOLISE THE NEED TO FOR ENVIRONMENTAL CARE

A programme fixing aluminium replicas of the Kokopu, a native trout, by the city's catchpits began this year. The fish symbolise that stormwater flows through the catchpits into the river and is not treated at the wastewater treatment plant. Although the catchpits do trap some contaminants, the programme aims to educate people that oil, fat, grease, turps, paint, detergents and other chemicals tipped or drained into stormwater catchpits can poison fish and other creatures in the river.

As the aluminium fish are being placed by the catchpits, flyers are being distributed to local businesses and residents, detailing tips on the safe disposal and use of products, which help protect the river.

FESTIVAL OF THE ENVIRONMENT BIGGER AND GREENER

Hamilton's 'Festival of the Environment' built on the success of the previous year's event. Held Waikato wide, a key aim of the festival is to deliver an eco-friendly message in a fun package. This year's event, the third Festival of the Environment, included events from floating down the Waikato River on inner tubes, organic food and wine tasting, to a 'trash to fashion' show.

The Festival consists of a wide array of participating organisations staging fun, informative and practical environmental events which focus on increasing environmental awareness and making real environmental improvements.

RESOLUTION DRIVE RELIEVES CONGESTION IN THE NORTH EAST

The construction of Resolution Drive which runs north-bound from Wairere Drive is helping to relieve congestion on local roads and provide arterial access to the burgeoning north-eastern suburbs of Hamilton. Resolution Drive will increasingly be an important link in the Hamilton city arterial roading network.

In order for Resolution Drive to be built Rototuna Road was permanently closed to through traffic in February to make way for the new arterial route.

Significant consultation was undertaken to determine the best solution for the road network in the area. Many options were considered and debated widely before the scheme was adopted in July 2000. One-way access points have been constructed to allow traffic from Rototuna Road to access Resolution Drive. Eastbound traffic on Rototuna Road will be able to travel north on Resolution Drive to Thomas Road while westbound traffic can travel south on Resolution Drive to Wairere Drive.

With the pedestrian and cycle over bridge pedestrians and cyclists can safely get across Resolution Drive where Rototuna Road was.

RIVERBANK WALKWAY UPGRADE IMPROVES ACCESSIBILITY

The Hamilton Parade/London Street riverbank walkway upgrade now provides a city amenity that is accessible to the whole community.

Construction on the \$150,000 upgrade initially presented some engineering challenges for the design team because of the large elevation that had to be accommodated.

The views from this walkway are very scenic as sections of the pathway are elevated. People can walk amongst the large stand of native trees in the area, making it a very attractive section of the walkway system. The walkway is built on timber piles supported on a substantial galvanised steel substructure. The structure had to be carefully engineered to fit in with the mature vegetation in the area. The two and a half metre wide pathway provides plenty of room for walkers and cyclists and has a non-slip timber deck and handrails.

City residents and visitors can enjoy three kilometres of hard surfaced walkway extending from Grantham Street through to Awatere Avenue.

ECO DESIGN COMPETITION MEANS EVERYONE'S A WINNER

A design submitted by the Waikato Waldorf School Eco Design Group won the Enviroschools Room Competition, organised by Council's sustainable environment team in conjunction with GIB Wallboards.

Chosen from among 15 entries received from individuals and organisations from throughout New Zealand, the Waldorf design is intended to be built at Crawshaw Primary School.

The winning design has multiple benefits for the future of New Zealand's schools and school children, providing a working example and educational tool for encouraging environmentally sustainable practices for years to come.

The judging team, which included a representative from the Ministry of Education and experts in construction and design, were extremely impressed with the quality of the building designs and environmental concepts making it extremely difficult to choose only one.

The winning design promotes the health of both the natural environment and the occupants in a simple, comfortable way, providing a classroom that every school could build.

\$100,000 GRANT BOOSTS ENVIRO-INITIATIVES

Hamilton City Council Environmental Initiatives team was granted \$100,000 from the Ministry of the Environment due to the success of its innovative and highly successful environmental education programme 'Enviroschools'.

The grant, awarded by the Ministry's Sustainable Management Fund, was used to develop a range of teaching resources to support the Enviroschools programme delivery in Hamilton schools, as well as to promote the adoption of the programme in schools throughout New Zealand.

The Enviroschools programme aims to integrate environmental education into the whole of school life, with children participating not just in the teaching curriculum, but also in the design and management of their physical environment.

Enviroschools allows young people to develop the skills and knowledge required for sustainable living as a natural way of life.

CITY STORMWATER CONSENTS

Council lodged its application with detailed information to Environment Waikato and began consulting with key special interest groups as it prepared for renewing stormwater consents for the whole city.

The renewing of consents is required under the Resource Management Act 1991 (RMA). Currently the majority of Hamilton's stormwater discharges are permitted under the regional plan, however, the permits for these discharges expire in October 2001.

The expiry date is the tenth anniversary of the RMA. All councils are required to renew their stormwater consents under the Act by this date.

As a responsible body that has stormwater systems in place to reduce the risk of flooding and exposure to public health issues, Council sees the consent process as an opportunity to evaluate stormwater management with input from key stakeholders.

The holistic approach undertaken involved determining the impacts of the stormwater discharges. These vary as Council provides stormwater services to metropolitan and rural areas within the city boundaries.

Detailed investigation of land use in the various catchment areas, stormwater quality and urban runoff data have been collated into a full report that will help to verify what effects stormwater discharges are having on the receiving environment. The stormwater management plan will identify current and planned stormwater management initiatives and options that will ensure any impact of stormwater runoff into the river is sustainable.

OHAUPO ROAD UNDERPASS OPEN FOR SCHOOL

School children can safely cross State Highway 3/Ohaupo Road now construction of the Ohaupo Road underpass, near Melville Primary School, is completed.

The installation of the new underpass and removal of the existing pedestrian crossing addresses a long-standing concern for the safety of children and pedestrians in the Ohaupo area.

Physical work began in October 2000 on the \$800,000 project, which Transfund subsidised nearly half of. The underpass has been designed to have 'line of sight' access, 24-hour a day vandal-proof lighting to ensure the security of pedestrians.

Landscaping on the cut slopes will have plantings, discouraging people from attempting to climb the slopes while being of a low height to improve security.

PEOPLE AND WELL-BEING

MIGRANTS WELCOMED TO THE CITY

A group of 76 new migrants and refugees were welcomed to the city by the mayor at a special ceremony in December.

The idea of a welcome programme was developed by the Refugee and Migrant Service and the Waikato Ethnic Council when it was recognised that many communities lack local help in assisting with the resettlement of refugees and migrants. Many of these people have little local knowledge about their new communities, and the services they provide. Working together with Council, a welcome package was designed.

The mayor, tangata whenua and a local Maori cultural group officially welcomed Hamilton's most recent new settlers, together with six interpreters.

All participants received a welcome package that includes local information from Plunket, Tenancy Services, Community Law, ESOL classes available, Community Public Health, a local bus timetable, and the Hamilton Directory for new settlers. Hamilton has over 80 ethnic groups residing within the city boundaries, making up 10 per cent of its population.

Council plans to continue to hold four welcome programmes a year from 2001.

CIVIC AWARDS RECOGNISE LONG SERVICE TO THE CITY

Hamilton marked its birthday in December by honouring a number of its most deserving unsung heroes for their contributions to the community.

A special ceremony was held for the 20 recipients of the year's Civic Awards, which were presented by mayor Russ Rimmington.

The Civic Awards are granted in six categories - people and well-being, arts and culture, education, sport, environment, and enterprise.

Recipients of the 2000 Civic Awards were: Wendy Snowball, Ben Hooker, Neil Wilson, John and Billie Phillips, John Hockin, Graham Fullerton, Monica Leggat, Janet Franks, Raewyn Bayliss, Phat-Thanh Ta, Bev Savage, Myrtle Roberts, Bernard Fitz-Gerald, Tony Fraser, Nina Curran, Nan Sunckell, Mervyn Parker, Margaret Voyle, Raewyn McMaster and Rena Williams.

VOLUNTEERING RECOGNISED IN HAMILTON

International Year of Volunteers, launched around the world last month by the United Nations Secretary General, is being widely celebrated in Hamilton and the Waikato.

The year aimed to promote, recognise and facilitate voluntary help in the community. A series of major events were staged throughout the year.

Events included the release in February of an information kit for up to 2000 not-for-profit organisations around the greater Waikato, a challenge in March to all New Zealand MPs to volunteer at least four hours of their time to a not-for-profit group, and a one-day training event in April for co-ordinators and managers of volunteers to help them recruit, retain and reward volunteers. In May an exhibition depicting Waikato volunteers at work in their community was staged at the Waikato Museum of Art and History.

Council supports Volunteering Waikato which forms the link between people who want to help, and not-for-profit organisations which need volunteers to keep them going. Volunteers range in age from early teens to late 80s, and are from all walks of life. Volunteers don't have to be highly skilled and sometimes all that's needed is a helping hand or a chat.

EMPLOYMENT INITIATIVES ACHIEVES NZQA ACCREDITATION

Council's Employment Initiatives Team (EIT) achieved a major milestone in the year by being awarded New Zealand Qualifications Authority accreditation. It is a major step forward as it allows the team to deliver training to nationally recognised unit standards.

The accreditation means that people who participate in Department of Work and Income New Zealand (WINZ) subsidised projects through the team will have qualifications that are recognised by all employers throughout New Zealand and Australia.

An additional bonus is that EIT can now tender for training contracts as a registered and accredited Private Training Establishment.

A practical example of this training is the initiative by the Police, WINZ and Council to launch the community patrols with a training component that will result in preparing participants for entry into the Police force.

Another opportunity for the team was a contract with Skill New Zealand, which commenced in January for the Stop Graffiti programme.

The key focus of Employment Initiatives is the preparation of all project participants for work. This is achieved through a programme of work experience and training.

MIROPIKO RESERVE A TREASURE PRESERVED

After considerable public interest and consultation with neighbours, tangata whenua and the public the Miropiko Reserve management plan lays out how the reserve is to be preserved as a key cultural asset for Hamilton.

The remaining physical evidence of the pa structures within the reserve are a significant taonga to Ngati Wairere as well as a valuable educational resource for the wider Hamilton community.

The plan harmonises the needs of Maori as kaitiaki (guardians) with other groups and cultures within Hamilton. Its focus is on the protection and conservation of the archaeological, historical and cultural values of the reserve in a manner that promotes public awareness and accessibility to the site.

There are a number of proposed concepts in the plan including vegetation plantings and construction of physical features that will reflect the general layout and functions of a traditional pa.

LEISURE, RECREATION, ARTS, CULTURE AND SPORT

ITALIAN GARDEN CAPTURES HISTORIC STYLES

The Berceaux (trellis arbour) is a stunning feature and development at the Hamilton Gardens' Italian Renaissance Garden. The design has been based on illustrations from the Renaissance era, with pergolas and a curved dome topped trellis structures that were common in Italian Renaissance Gardens during the 15th and 16th centuries and in medieval times. They were shaded walks traditionally made of timber and although the original timber arbours have not often survived in the original gardens, some renaissance gardens in northern Europe have been rebuilt.

This era was the beginning of the age of plant collectors and the first botanic gardens were created in renaissance Italy.

The impressive Berceaux central dome reaches a height of eight metres, with a lower trellis structure extending a total length of 25 metres on two sides of the dome. Located in the Prato area of the Italian Renaissance Garden, a variety of climbers have been planted around the Berceaux structure.

The creation of the Giardino compartimenti (formal garden) is also dramatic. Each of the 12 garden compartments has a different pattern taken from traditional original gardens. They are planted with a mixed border of 30 - 40 different varieties of perennials and annuals. Every endeavour has been made to use plants found in renaissance gardens.

XTREME AIR TO HIT HAMILTON

Highflying extreme sports exploded into Hamilton in February during the Council sponsored Xtreme Air, an action packed competition, which attracted competitors from around the globe, including world-leading skateboarder Tony Hawk.

The event is growing to be the best extreme event in New Zealand and is attracting outstanding international competitors. Extreme sports are coined as the new generation of sports and are consistently attracting wider audiences from media coverage in New Zealand and around the world.

ACADEMY OF PERFORMING ARTS OPENS ITS DOORS

The arts venue Hamilton has been waiting for is now completed and opened to the public. The opening of the WEL Energy Academy of Performing Arts was celebrated in an eight-day national launch festival in early March. The launch featured an exciting programme of music, dance and theatre performed by some of New Zealand's best-known artists, including the Turnovsky Trio, Gareth Farr, the Warratahs and Dame Malvina Major.

As a major asset for Hamilton and the Waikato region, the Academy will play a significant role in the development of the performing arts within the community and will serve the needs of local, national and international arts organisations. Council contributed a \$2 million grant toward the project and is contributing \$120,000 a year towards operating costs.

The operational funding purchases time for community events to be held in the venue, outside of the University's bookings and this will also allow for community use to be discounted by 50 per cent off the commercial charge.

Accommodating four separate performance spaces, the Academy's two main venues are the Concert Chamber's 340-seat intimate music auditorium, and the Playhouse's 180-220-seat 'Black Box' theatre. The two main studio spaces, the Dance Studio and Te Whare Tapere Iti are for dance and Maori performing arts. The Academy's exhibition space will feature works from leading New Zealand artists.

HAMILTON ZOO NOW GIRAFFE'S NEW NECK OF THE WOODS

Hamilton Zoo's latest male giraffe, Chitumbi, settled into his new home so well his handlers released him for the public to see, two weeks ahead of schedule. Chitumbi, like Makulu, is a purebred Rothschild, which is highly sought after for breeding. N'doki is a hybrid. Having three bloodlines to offer for breeding, including two Rothschilds, will make the very difficult task of finding a female giraffe a lot easier.

The giraffes will be part of a new African Savannah exhibit to be designed and constructed over the next few years. The five-hectare exhibit including walkways and strategic viewing platforms, will also feature other hoofed mammals such as zebra, springbok, nilgai and blackbuck.

LIBRARY AFTER HOURS BOOK RETURN ALREADY POPULAR

In response to numerous requests from customers over several years, the first of six after-hours return bins has been installed at Chartwell library.

Customers have been quick to use the new service returning their books, videos and other library material before the library opens in the morning and after it closes in the evening.

The Chartwell bin is constructed of stainless steel, is vandal and fireproof and has a spring-loaded base that gradually descends with the weight of the returned items. This mechanism reduces the risk to materials being returned.

HAMILTON, WE HAVE LIFT OFF...

Council's special shaped balloon for this year's WEL Energy Trust Balloons Over Waikato was the BIG attraction. The Space Shuttle stands 51 metres tall and has a wingspan of 33 metres. By comparison, that is taller than and almost as wide as the council building. When it flew it dominated the sky much like the real space shuttle.

The balloon was designed in exact proportion to NASA's shuttle but is about 30 per cent larger in order for the balloon to have adequate lift capability. When the balloon flew in Hamilton it was only eight months ago and the city was the first in the world outside of the United States to see it.

An icon event for Hamilton, the Balloons over Waikato 2001 Festival was held in April. The Festival programme included a mixture of competitive events for the pilots and crews, and events where the community was closely involved.

Hamilton and the event have a worldwide reputation as a great place to fly. High quality propane gas, good landowner relations and excellent flying conditions coupled with the warmth and friendliness of the local people ensures the event is attractive to balloonists around the world.

HAMILTON GARDENS ARE COMING UP ROSES

The Rose Introdurers of New Zealand have chosen Hamilton as the permanent home for their rose trials because of its central location, excellent maintenance and growing reputation.

Their New Zealand rose of the year competition has huge potential including possible international links with rose gardens in Gifu in Japan, Adelaide in Australia, and Portland in the United States.

The event currently attracts international recognition and entries from most of the major rose breeding countries. It has the potential to become one of the world's top rose competitions.

The New Zealand Rose of the Year project will be based at the Rogers Rose Garden with around half the area being planted in competition roses. Judging will be held annually around mid November.

ECONOMIC DEVELOPMENT

BRIDGE WITH A VIEW TO THE WORLD

A Council initiative brought a new view of Hamilton going out to the rest of New Zealand and the world, which started February this year.

Council has provided the new live image via a camera mounted on the Claudelands Bridge, looking south at the Victoria Bridge. The image is shown on TVNZ's breakfast show as part of the main centre weather round up. A second camera linked into the same network as an alternative view is mounted on the Council building in Garden Place and looks west over Hamilton Lake towards Mount Pirongia in the distance. It is planned to make the live image available on Council's website www.hcc.govt.nz.

PROGRESS ON CITY'S ECONOMIC DEVELOPMENT STRATEGY

The economic development strategy for Hamilton endorsed by Council took another step towards implementation with the establishment of the Economic Development Forum.

The Forum, made up of Hamilton business people as well as representatives from the academic and science community, had its first meeting at the end of September. The economic development strategy has a focus of Hamilton becoming a world centre for life sciences, building on the cluster of research work in the agriculture sector which has been carried out in and around Ruakura.

As well as funding from the Council, a number of other organisations have contributed to the establishment of the Forum.

CEO of WEL Energy Group, Mike Underhill, has been elected as the chairperson of the Forum.

COUNCIL WEBSITE PRAISED BY TELECOM CEO

Theresa Gating CEO of Telecom praised Council's website in her presentation on internet sites at the local government conference in Christchurch.

In a 'live' search of local government websites she hailed the www.hcc.govt.nz site as the best. She went on to say that Hamilton City Council was using the internet well and that Council information was readily available and up front. She complimented the clean and clear layout with simple curves saying it provides a good background for a defined identity with effortless navigation.

HAMILTON: MORE THAN YOU EXPECT

Hamilton's 'More Than You Expect' tagline is based on visitors' feedback who have said they have been genuinely surprised by Hamilton's level of development in the city, the abundance of cafés and restaurants and the beauty of the city's surrounding environment. It was more than they expected, they say.

Council adopted the tagline in April for Hamilton's promotional activities.

Comment from this campaign within the tourism industry has been extremely positive. The aim is to position Hamilton city so that it can sustain and build on three key approaches.

The tagline has been designed so that Hamilton based businesses, organisations, events and functions can use it as a part of their promotional activities to raise awareness of Hamilton as a great destination to live, work and play.

CITY GROWTH

MAINTAINING ENHANCED WATER QUALITY TOP PRIORITY

The new clearwater storage tank at the city's Water Treatment Station will provide for more efficient operation, ensure enhanced water quality and will increase the water supply capacity during peak summer months for city residents.

The water treatment station has an 'A' grade rating from the Ministry of Health. Drinking water standards are becoming increasingly more stringent and Council is determined to maintain this high quality rating and provide capacity for Hamilton's continued growth.

The project includes a new 5-million litre (ml) tank and the refurbishment of the existing 7ml tank. Both tanks will have separation walls installed enabling higher reservoir levels to be maintained, optimising the storage capacity of the tanks and allowing water to be kept in the clearwater tank for the necessary length of time to ensure optimum water quality.

COGENERATION AT WASTEWATER TREATMENT PLANT

The Wastewater Treatment Plant has lowered its energy costs and improved security of supply through the installation of two refurbished 920kW engines.

Council and Natural Gas Corporation worked together to develop an environmentally responsible, efficient, least-cost solution. The facility has been designed so that the engines are capable of running on a mixture of site-produced biogas and natural gas. Council buys the electricity, receives revenue for the biogas and recovers heat for use in the wastewater treatment process. Ownership and maintenance of the facility is the energy company's responsibility.

Cogeneration is the simultaneous generation of electricity and heat from a single fuel source. The systems can be very efficient and economic where both heat and electricity are required. For the last ten years, one 240kW engine was operated at the plant. However the wastewater treatment upgrade means higher heat and power demands are now required.

Security of electricity and heat supply has been enhanced at the plant as electricity can be taken from the gas engines or through WEL Networks supply system. Heat can be recovered from either engine and backup heat supply is available via a standby gas fired boiler.

With the wastewater plant upgrade completed, the digestors on site will produce enough methane to make 3.4GWh of electricity a year, the equivalent of 320 household's electricity supply. The blending of biogas with natural gas is believed to be a first for New Zealand.

NEW ANIMAL CENTRE OPENS

Council opened its \$1.1 million Duke Street Animal Care and Control Centre in July 2000. The state of the art building is the first in New Zealand where a council animal centre and the SPCA have been housed in the one facility.

The modern 11,700 square metre centre was built in a four-month construction period. The purpose built facility has a high standard of materials and durability throughout, incorporating an administration block, quarantine facilities, security fencing, ample car parking and 10 fenced and screened exercise yards each housing 10 kennels.

The generous sized kennels allow dogs to be exercised inside when weather conditions make outdoor exercise impractical. Prospective animal owners also have the added convenience of being able to walk into the kennels to view animals. An additional yard is dedicated specifically to puppies, with each of the 15 puppy kennels having built in heat pads providing added comfort and life saving protection against the cold.

Combining the two organisations under one roof has been a positive move and has allowed for improved control and welfare of animals. The new facility means overall welfare and care for animals will be significantly better than previously. A new screening process has also been introduced to avoid mismatches when placing animals into suitable new homes.

A free publication 'A Dogs Life' was produced and distributed to registered dog owners in the city. The publication is a handy reference to assist dog owners with key information on a variety of topics including animal welfare and behaviour, designated dog exercising areas in city parks, dog control legislation and bylaws.

NEW COMMITTAL FACILITIES OFFER MOURNERS MORE CHOICE

From August, mourners at Newstead cemetery and crematorium had another option available to farewell their loved ones, when the new committal lounge facility at the crematorium opened.

The committal lounge will cater for small groups of up to 30 people who may choose to have a full funeral service elsewhere before gathering at Newstead for the final farewell.

Cultural requests can also be accommodated within these new facilities.

The attractive brick building, illuminated with outside feature lighting is situated in an attractive landscaped setting alongside existing facilities and decorated in colours complementary to those facilities and the environment. The \$1 million project also includes a new cremator.

The new facilities are anticipated to serve the community's needs for the next 50 years.

CENTRAL AREA

MAGICAL CHRISTMAS PARADE

Hamilton's Magical Christmas Parade drew a huge crowd of thousands of all ages, who lined the parade route along Anglesea Street to celebrate the magic of Christmas.

The parade was a highlight in a big day, which was followed by the Hamilton Lakeside Christmas Party in the evening.

Santa was paraded in spectacular style this year thanks to the three major sponsors Hamilton City Council, Waikato Times and Classic Hits 98.6 ZHFM who refitted his float.

COMMUNITY BANNERS TO BRIGHTEN GARDEN PLACE

Garden Place was decked out from September in spectacular style with 68 banners representing special places and icons of Hamilton. Most banners have an image on one side and a motif or symbol on the other to compliment the image. The banners were produced by a group of young people from Artmakers, a community arts group.

The students produced the banners as part of a youth programme that runs for five months to up skill and provide a positive environment for those involved.

Council commissioned the process in July 2000 with concepts being developed by visits to and photographs of various Hamilton features. Sketches were developed from which the final concept designs were produced.

Community Banners have been produced each year since 1997. Themes have included people helping people in community agencies, ethnic diversity and celebration of summertime festivities and cultural representations.

INTERNAL

EQUAL EMPLOYMENT OPPORTUNITIES

Hamilton City Council is committed to the principle of equal opportunity in the recruitment, employment, training and promotion of its employees.

The organisation provides a welcoming, positive environment and implements a purposeful programme of action to ensure that its activities and services are carried out with an awareness of, and an intent to eliminate, any discrimination in the areas of race, colour, ethnic or national origin, gender, religion, marital status, family responsibilities, sexual orientation, people with disabilities or age.

This commitment is not only because of legal and moral obligations, but also because EEO makes good business sense. It is good management to employ the best person for the position. EEO is about good management practices, it is about valuing and encouraging diversity, about developing our human resource and about attracting the best people to our available positions.

OUTCOMES FOR 2000/01

OBJECTIVE

TO SELECT THE BEST PERSON FOR THE POSITION. Ensure all recruitment and selection procedures are based on EEO principles and everyone involved in recruitment is aware of the procedures to be followed. All recruitment and selection procedures are reviewed and audited annually against the EEO policy.

All recruitment and selection procedures are based on EEO principles. Documentation such as position descriptions, advertisements, application forms, corporate policy and procedures are reviewed regularly to ensure they are in line with EEO principles and legislation. A Human Resources Advisor is present at selection interviews.

OBJECTIVE

To develop an EEO database.

EEO statistical data to be collected from information supplied by people applying for vacancies to show the number of people from EEO groups applying for positions, being interviewed and being appointed to positions.

EEO data continues to be collected from Applications for Vacancies and entered into a database. Applicants are asked to complete a confidential EEO form at the time of making application. Data collected from the EEO form includes ethnicity, gender, and disability.

EEO Statistics as at 30 June 2001

FEMALE		MALE	
Permanent Full-time	210	Permanent Full-time	321
Permanent Part-time	166	Permanent Part-time	44
Temporary	27	Temporary	10
Casual/On-call	55	Casual/On-call	61
Total Female staff	458	Total Male staff	436

OBJECTIVE

EEO principles are demonstrated in the Corporate Training programme.

Bi-cultural and EEO awareness programmes for all staff to be developed and implemented.

A bi-cultural training programme was developed and the first module (Treaty of Waitangi) was launched in June 2001. The module workshops were attended by 45 employees.

The programme consists of four modules:

- 1. The Treaty of Waitangi incorporating the relevance the Treaty has for the organisation as a service provider and the implications for staff positions*
- 2. Te Reo: the enunciation of the Maori language*
- 3. Waiata*
- 4. Marae Protocol.*

The Annual Te Waka Awhina Hui hosted by Manukau City Council was attended by four Hamilton City Council employees.

OBJECTIVE

Council's Organisational Development Plan reflects EEO principles.

Develop strategies to ensure the Organisational Development Plan reflects EEO principles and that the Quality Systems Manual states the intent of the EEO policy.

Organisational Development policy and procedures are in line with EEO principles. Quality Systems Manual contains the principles and intent of the EEO policy.

OBJECTIVE

Hamilton City Council continues to be a member of the EEO Trust.

Membership renewed and ongoing liaison maintained with the EEO Trust.

All recruitment procedures are based on EEO principles.

Documentation such as job descriptions, advertisements, application forms, corporate policy and procedures reviewed regularly to ensure they are in line with EEO principles and latest legislation. Human Resources adviser present at all selection interviews.

ORGANISATIONAL DEVELOPMENT

The organisational development programme has built on the earlier work undertaken within the organisation to identify key areas for development and focus.

The Corporate Plan, a five-year strategic business plan, sets out the organisational vision, values and five key goals which focus the organisation on what it wants to achieve to become world class.

The goals are:

- Our processes are world class
- We are a strong motivated workforce
- We contribute to Hamilton's success
- We are a customer focused organisation
- We build a leadership culture.

The "First XI" Corporate Action Plans have been scoped and funding secured for the 2001/02 year. The "First XI" target customer focus, information management/technology, organisational values and Human Resources best practice.

The organisation continues to utilise opportunities for benchmarking against best practice including its active participation in the NZ Benchmarking Club run by Massey University.

In October 2000 the organisation completed a self-assessment against the Baldrige criteria for performance excellence, an internationally recognised performance improvement tool, and used the information gained from this process to refine the "First XI" Corporate Action Plans. The assessment formed the basis of applications for the Business Excellence Award (New Zealand Business Excellence Foundation) and the Performance Excellence Study Awards (Ministry of the Environment).

INFORMATION MANAGEMENT

Council has continued to upgrade its information technology platform in line with its modernisation strategy. Significant achievements in 2000/01 include the upgrade of Council's financial system, the launch of a 'thin-client' strategy to reduce desktop computer costs, and the development of plans to implement a corporate asset management system to manage Council's infrastructural assets.

QUALITY MANAGEMENT

In 2000 Council was successfully re-assessed for ISO certification. Hamilton City Council is the only Local Government organisation in New Zealand to hold ISO 9001 certification across the whole organisation.

Preliminary work and benchmarking of best practice has been undertaken and will feed in to the development and improvement of the quality system.

ENERGY MANAGEMENT

Hamilton City Council appointed its first full-time Energy Manager in August 1999. The role of the Energy Manager is to develop a long-term energy strategy, to review and reduce energy use and to negotiate best value energy supply contracts.

Council approved the creation of an Energy Efficiency Fund of \$30,000 p.a. for three years commencing July 2000. In the last year this fund has been used to support a number of initiatives including energy efficient lighting retrofits of the Municipal Offices, Chartwell Library and the Chartwell Room at Hamilton Gardens.

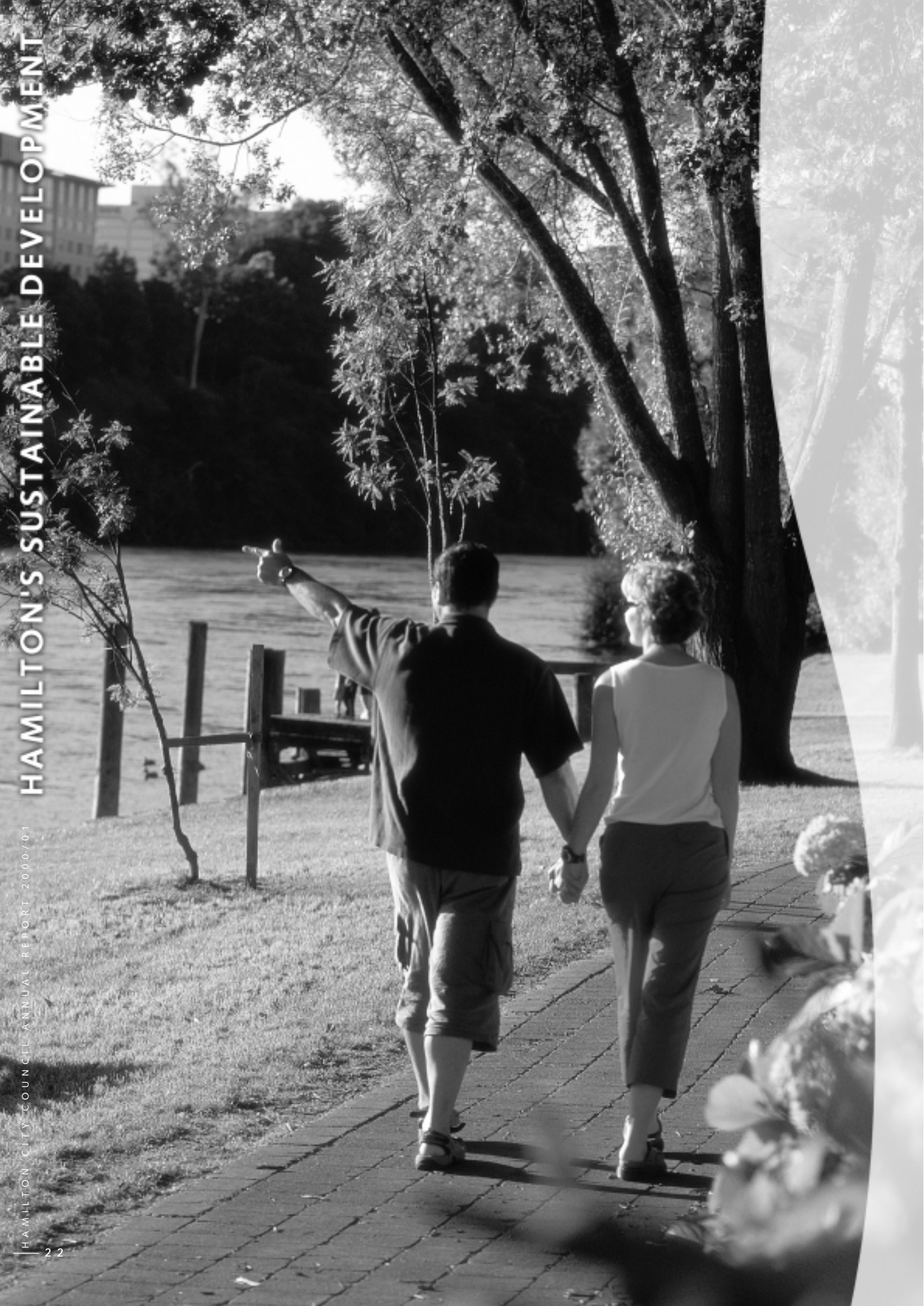
Inefficient diesel boilers were replaced with high efficiency condensing boilers at Hamilton Gardens Nursery and spa pool covers were installed at Waterworld. These projects alone saved Council in excess of \$70,000 p.a. and 550,000kWh of energy.

In partnership with Natural Gas Corporation, Council completed a 1.8MW (Mega Watt) cogeneration facility at the Wastewater Treatment Plant. This facility is fuelled by a blend of bio-gas (produced by the wastewater treatment process) and natural gas. It provides heat and power to the plant and has significantly improved security of supply. The project has also resulted in significant cost savings to Council.

Energy teams have been formed for the major Council departments. Each team has developed a department energy action plan with the aim of identifying further energy efficiency initiatives, raising staff awareness, and monitoring energy costs.

The success of the energy management programme was recognised in March this year when Council received a Highly Commended Public Sector award and the Outstanding Energy Manager award at the National Energy-Wise Awards in Wellington.

Identifying and implementing further energy savings will continue to be a key priority for the next financial year.



HAMILTON'S SUSTAINABLE DEVELOPMENT

AGENDA 21

Agenda 21 is the global plan for sustainable development in the twenty-first century. Sustainable development has been defined as *'development which meets the needs of the present without compromising the ability of future generations to meet their needs'*¹. Sustainable development is the cornerstone of Agenda 21 and recognises that global issues need to be addressed at the local level-hence the expression 'think globally, act locally'. It also emphasises the need for people to be actively involved in decision-making in their own communities. Hamilton City Council endorsed the principles and objectives of Agenda 21 in March 1993, and became a member of the International Council for Local Environmental Initiatives (ICLEI) in August 1993. Hamilton was selected as the only New Zealand city to take part in an international Local Agenda 21 Model Communities Programme. As noted in the Model Communities Programme report²:

The Local Agenda 21 Model Communities Programme was a project designed to aid local governments in implementing Chapter 28 of Agenda 21, the global action plan for sustainable development. The goal of this programme was to jointly design, document and evaluate local strategic planning processes for sustainable development. The results of the programme, which was undertaken from October 1993 through April 1997, will support local governments to follow through on Chapter 28 of Agenda 21, and thereby, increase local institutional commitment to sustainable development planning.

Municipalities that took part in the Model Communities Programme were:

- Buga, Columbia
- Cape Town, South Africa
- Durban, South Africa
- Hamilton, New Zealand
- Hamilton-Wentworth, Canada
- Jinja, Uganda
- Johannesburg, South Africa
- Johnstone Shire, Australia
- Lancashire County, United Kingdom
- Manus Province, Papua New Guinea
- Mwanza, Tanzania
- Pimpri Chinchwad, India
- Quito, Ecuador
- Santos, Brazil.

1. Bruntland Report. 1982. Our Common Future. London, Earth Scan.
2. ICLEI, 1998. Local Agenda 21 Model Communities Programme, Programme Summary. Toronto, ICLEI World Secretariat.

Hamilton City Council's commitment to Agenda 21 and sustainable development is reflected in its mission statement 'To work in partnership with the people of Hamilton to meet the needs of the community, by providing quality services and sustainably managing the city's natural and physical environment according to the principles of Agenda 21'.

ENVIRONMENTAL POLICY

Hamilton City Council's Environmental Policy is a key mechanism to ensure sustainable development for Council's operations and service delivery, as well as for creating a more sustainable city. This policy, adopted by Council in May 1998, contains the organisation's vision statement for the environment, an outline of its environmental commitments, and an Environmental Action Plan, which details the main projects and methods by which these commitments will be met.

As an example, Council, in partnership with the Energy Efficiency and Conservation Authority, has in place a Charter of Key Principles for energy management and efficiency.

Council is committed to commercially and environmentally responsible energy management, and to the promotion of energy efficiency throughout its operations.

Council also has an Environmental Education Strategy, and is currently involved in the national Enviroschools Programme. Council also conducts a wide range of community-based environmental improvement projects. Council's Environmental Policy is:

PART 1: Environmental Mission Statement

Hamilton City Council is guided by the principles of Agenda 21 and recognises its direct responsibilities under the Resource Management Act (1991) to sustainably manage Hamilton's environment for this and future generations. In delivering services, the Council is committed to giving effect to the provisions of Hamilton's Strategic Plan and to meeting all regulatory requirements. It is also committed to continually updating practices to make measurable progress in environmental performance and to reducing the environmental impacts of its activities to the lowest practicable levels, consistent with sustainable development.

The Council recognises that it has a major role to play in encouraging and empowering others in the community to protect and enhance the environment, by adopting the principles of this policy. This will be achieved through education, consultation and the promotion of community participation in environmental decision-making.

PART 2: Outline of Environmental Commitments

Environmental Protection and Enhancement

Hamilton City Council will minimise and wherever possible eliminate the release of any pollutant that may cause environmental damage to the air, land or water.

Biodiversity

Hamilton City Council will encourage the protection of significant ecosystems within the city boundary and promote "no net loss" of biodiversity.

Wise Use of Energy

Hamilton City Council is committed to responsible energy management in order to minimise pollution, particularly CO₂ emissions, and will, wherever possible, reduce its dependence on fossil fuels through the use of renewable energy sources.

Sustainable Use of Natural Resources

Hamilton City Council will make sustainable use of natural resources and will conserve non-renewable resources through efficient use and careful planning.

Waste Reduction

Hamilton City Council will endeavour to minimise the creation of all forms of waste and will, at all times, view waste as a resource with the potential for reuse and recycling.

Staff Training

Hamilton City Council will ensure that all staff and elected members are aware of and understand their environmental responsibilities in terms of this policy.

Environmental Management

Hamilton City Council will commit the management and financial resources necessary to implement these principles and will monitor, and report annually on, its environmental performance. It will maintain a process by which elected representatives and management are kept informed of, and are fully responsible for, the environmental management of Council's activities. Hamilton City Council will ensure that an annual State of the Environment report is produced for the city.

PART 3: Environmental Action Plan

In order to meet its environmental commitments, Hamilton City Council will produce an Environmental Action Plan. This will be reviewed every three years in conjunction with Hamilton's Strategic Plan.

ENVIRONMENTAL MANAGEMENT SYSTEM

Council's Environmental Policy also provides a framework for the development of Environmental Management Systems (EMS) throughout the organisation. EMS development commenced with a trial in Hamilton Zoo. The elements of ISO 14001 have now been integrated with the zoo's 9002 quality system.

HAMILTON'S STRATEGIC PLAN

Hamilton's Strategic Plan 1999-2019 was adopted by Council in July 1999 and is the city's Local Agenda 21 Plan for achieving sustainable development over the next 20 years and beyond. The Strategic Plan's vision for a more sustainable Hamilton is:

Spread along the banks of the mighty Waikato River, Hamilton enjoys a unique and beautiful setting amidst intricate gullies, lakes and rolling farmland, with fertile soils and a temperate climate. It has a distinctive character, based on its natural history as well as the human history forged by those who have been here before us-both tangata whenua and European settlers. What we see and feel around us today is the legacy of the way our forebears interacted with this environment and used its resources. And we in our turn are creating a future legacy that our descendants will inherit. It's an awesome responsibility.

That's why thousands of Hamiltonians have taken time to pause and look around them, to carefully consider the way we live and the long-term effects of our lifestyles, and to think about the state of the environment and the culture we want to pass on to our children. This is the vision we share for our city... We see Hamilton making the best of all its natural advantages by looking after the river and lakes, preventing pollution and protecting the city's native bush, gullies and treescape. We foresee a city with calm, open spaces for people to enjoy, and room for native wildlife to move back in-blending the city's development sympathetically with nature. Our vision is for a city where economic development sits comfortably alongside social and cultural activity, where the environment, education, arts, culture and business blend together to create a high quality of life for all Hamilton people. It's also a place where our dreams for the future are grounded in respect for our past heritage. We see a place of harmony and peace where people are free from fear, and can move about freely and safely. We see a developing city supported by investment in services and facilities for healthy urban living, a range of clean and efficient transport options, and strengthened links between the Waikato River and the land.

Our vision is one of connections, where all spheres of life contribute in balance and equity to our community's well-being.

This future Hamilton is a vital, energetic place offering an abundance of arts and cultural experiences, recreational and leisure activities. People of all ages find new opportunities from the many choices available in education. Our vibrant city centre is a place where people love to gather, surrounded by the sounds of street performers, birds and laughter. It's a stimulating, happy and healthy environment that celebrates and nourishes all facets of life. We see a city that reflects the aspirations of its people. Partnership with tangata whenua plays a fundamental role in the city's evolution, while the diverse cultural traditions are valued for the richness they bring to our communities. In our neighbourhoods there's a feeling of pride, and enthusiasm for participating in shaping life in the city.

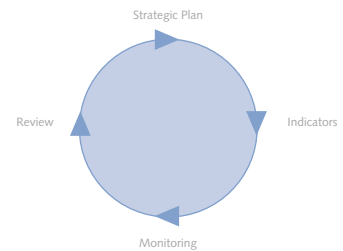
Hamilton is a place that people love and are proud of, a great place to raise children and grandchildren. Our vision is one of connections, where all spheres of life contribute in balance and equity to our community's well-being-a vision to make Hamilton even more special, and to provide the environment and resources to keep it that way.

HAMILTON'S SUSTAINABILITY INDICATORS

Background

Sustainability Indicators provide ways where we can monitor, directly or indirectly, changes to Hamilton's environment, society and economy over a period of time. They provide a picture of what's going on around us that can be used to guide our future planning and help us succeed in becoming more sustainable.

MONITORING CYCLE



The city of Seattle in the United States has been a pioneer in developing sustainability indicators. They have noted that:

Indicators are bits of information that reflect the status of large systems. They are a way of seeing the 'big picture' by looking at a smaller piece of it. They tell us which direction a system is going: up or down, forward or backward, getting better or worse or staying the same. Indicators are like the gauges and dials of an aircraft's instrument panel. By designing them carefully, watching them closely, and interpreting them wisely, we know the status of our flight and can make good decisions about where to go. Without indicators, we're just 'flying by the seat of our pants'³.

Hamilton has 29 proposed sustainability indicators. These indicators, designed to be read together as a set, will tell us something about sustainability in Hamilton, and help us plan to achieve a sustainable future. Each indicator includes a general heading, followed by a description of what the indicator is likely to measure. Some indicators will measure single variables and produce simple sets of data, while others will measure several variables and combine the data into an index score.

3. Sustainable Seattle Indicators 1993. Seattle.

The 29 Proposed Sustainability Indicators are as follows:

1. Air

- a. Regular measurement of small-suspended particles at street level monitoring points.
- b. Subjective measure of the distance 'clearly visible' through air, from a fixed vantage point in the city to landscape markers at known distances (linked to weather records for fog, rain, etc).
- c. Annual scientific survey of lichen growth or recession on tree trunks at locations on all four compass points (to measure biotoxins in air). An indicator of cumulative acidity/toxicity in air.

2. Soil

- a. Annual amount of soil erosion measured or estimated from several indicator sites.
- b. Annual increase or decrease in area of contaminated soil.

3. Hamilton's Lakes

Sampling of a range of objective and subjective aspects, including some water quality tests.

4. Waikato River

Sampling of a range of objective and subjective aspects, including some water quality tests.

5. Noise

- a. Range and average noise level at key sampling locations, for various times of the day and evening.
- b. Number of loud noise complaints made to Council.

6. Solid waste

- a. Quantity and composition of residential waste sent to the Horotiu Landfill.
- b. Quantity and composition of industrial/commercial waste sent to the Horotiu Landfill.
- c. Recycling measure (amount and type of material recycled).

7. Water consumption

- a. Average quantity of piped water used per person per week.
- b. Industrial/commercial water use.

8. Transport

- a. Annual calculation of area of impervious surfaces created (or removed) during the year for roads and motor vehicle parking space (including garaging/driveways) on public and private land.
- b. Length of roads, footpaths, public walkways, cycleways, and dedicated bus lanes.
- c. Ratio of private car use to other modes of travel for journeys within the city boundary.
- d. Distance travelled by all transport modes.
- e. Pedestrian counts at key locations in the central area and the suburbs.

9. Energy

- a. Total energy used by a sample of households and businesses.
- b. Fuel consumption.
- c. Renewable energy equipment installations in houses and businesses.

10. Urban growth

Spread of the city into the 'greenfield' area within the current city boundary.

11. Greenspace

Total area of 'green space' within the city.

12. Trees

- a. Total number of street trees.
- b. Number of trees on the District Plan Register (natives and exotics).
- c. Identified significant stands of native trees within the District Plan's Environmental Protection Overlay.

13. Community and recreational facilities

Sample survey of residents to indicate use of, satisfaction with, and access to community and recreational facilities/areas, activities, and events.

14. Historic sites and structures

- a. Loss of, or damage to, historic sites and structures.
- b. Restoration of historic sites and structures.

15. Neighbourhood services

Percentage of total city population that live within a set distance of each of a list of 'basic' facilities.

16. Public involvement in decision-making

Total of the individuals and groups involved in participatory decision-making. Includes events, workshops and making submissions.

17. Health

Shows the incidence of illness and injury, including mother and infant health, child health, young adult health and accident vulnerability, mental health, degenerative diseases and medical conditions which are known to be affected by environmental and social influences.

18. Crime

Show the incidence of crime.

19. Cultural activity

Indicators which reflect ethnic numbers, diversity, and organised cultural and spiritual activity (including learning in the city).

20. Education

Participation rates in a range of educational activities throughout people's lives.

21. Youth well-being

Indicators covering a variety of aspects including youth suicide, employment opportunities, youth in leadership roles, and youth achievements.

22. Neighbourhood community care

The number of locally organised group activities (defined as those that care and advocate for, enhance, or celebrate the local historical, physical or cultural characteristics of that neighbourhood), e.g., use of community houses.

23. House/household size

- a. Size of average house.
- b. Average household size.

24. Multicultural recognition

Indicators covering Treaty of Waitangi based and other cultural approaches used by a sample of key organisations.

25. Housing affordability

Percentage of households that do not own the house where they live and have a household income either (or both):

- a. Below the level at which a 90 per cent mortgage could be obtained to purchase a property of average value; or
- b. Insufficient to rent a property of average value.

26. Work

- a. Numbers of unemployed and people job seeking compared to the full-time equivalent total of local jobs.

- b. Eligible workforce (15-65 years of age) as a proportion of the non-eligible workforce (0-14 and 65+ years of age).
- c. Numbers in the unpaid workforce, e.g., volunteers, caregivers.

27. Income

Trends in average annual income. Includes the range between the averages for the top 20 per cent and the lowest 20 per cent of the working age population.

28. Business

- a. Numbers of businesses (by size of business, i.e., identification of smaller/larger businesses).
- b. Business start-ups/closures.

29. Visitor accommodation

Accommodation data, ranging from private 'bed and breakfast' to large hotels. Includes conference guests.

Sustainability Indicators Information To Date

A considerable amount of information for the sustainability indicators has been collected from within Council and from other organisations. This information has been tabulated and will be used to formulate the Sustainability Indicators report that is to be published in the latter half of 2001. Although the full Sustainability Indicators report is still being developed, some of the base information obtained to date for the sustainability indicators is presented below, along with a selection of other socio-economic data. No interpretation is made in regard to whether the information is showing that the city is becoming more or less sustainable. This will be addressed in the 2001 full Sustainability Indicators report.

Further development and refinement of the indicators is currently being undertaken with input from organisations with specialist expertise and technical knowledge, some of which already collect much of the information that is required. The Sustainability Indicators will assist Hamilton City Council and other organisations in planning their operations and service delivery for a more sustainable Hamilton. They will also provide a guide for individuals to take action for sustainable living.

A. WATER QUALITY: WAIKATO RIVER AND LOCAL TRIBUTARIES/STREAMS

The table below shows the rating of water quality samples for ecological health collected during 1996-2000 for two sites on the Waikato River and local tributaries/streams of the river that also pass through Hamilton.

It is important to note that water quality in the Waikato River and the local streams is affected by activities both outside and within the city boundary. Hamilton City Council will continue to work in partnership with Environment Waikato and the surrounding district councils to bring about improvements to river and local stream water quality.

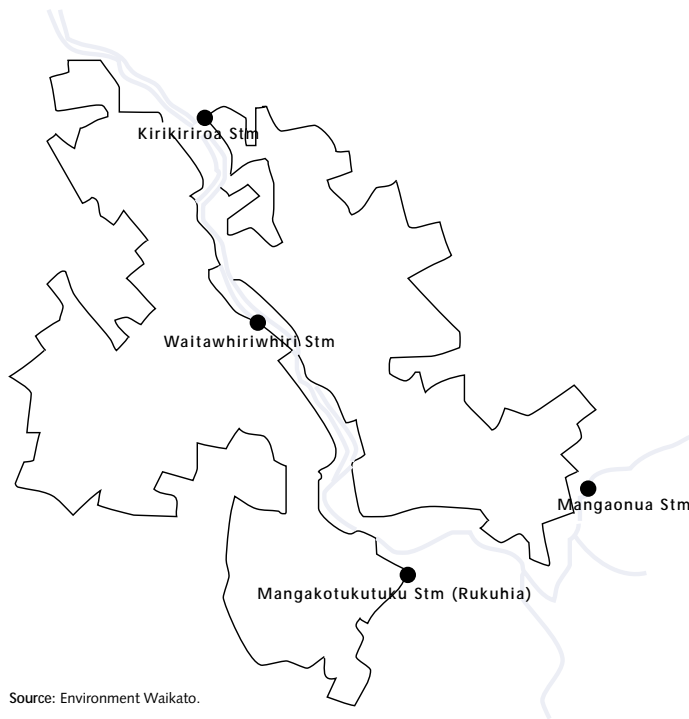
PER CENT OF WATER QUALITY SAMPLES COLLECTED IN THE WAIKATO DURING 1996-2000 WHICH MEET ECOLOGICAL WATER QUALITY STANDARDS

Indicator	Site	Excellent	Satisfactory	Unsatisfactory
Waikato River sites				
Ecological Health	Narrows	50	39	11
	Horotiu	46	34	20
Local tributaries/streams				
Ecological Health	Kirikirihoa	6	24	70
	Mangakotukutuku	21	30	49
	Mangaonua (at Hoeka)*	19	32	50
	Waitawhiriwhiri	9	34	57
	Local streams (average)	14	30	57
	Regional average	45	25	30

Source: Environment Waikato.

* The Mangaonua site is located some kilometres upstream from the site shown below. The water quality is likely to be similar to that entering the urban area. All other sampling sites are near the confluence with the Waikato River.

WATER QUALITY SITES OF LOCAL TRIBUTARIES/STREAMS IN HAMILTON CITY



Source: Environment Waikato.

WATER QUALITY FOR ECOLOGICAL HEALTH

The three categories of water quality for ecological health ('excellent', 'satisfactory', and 'unsatisfactory') are based on the 'critical values' for seven water quality variables identified as relevant to the suitability of river water for ecological health, i.e., dissolved oxygen, pH, turbidity, ammonia, temperature, total phosphorus, and total nitrogen.

a. Waikato River

Monitoring undertaken by Environment Waikato indicates that the Narrows site on the Waikato River scored higher in the combined "excellent/satisfactory" categories between 1996-2000 than the Horotiu Site for ecological health, i.e., the Narrows received an 89 per cent excellent/satisfactory rating, while Horotiu rated 80 per cent.

b. Local Streams

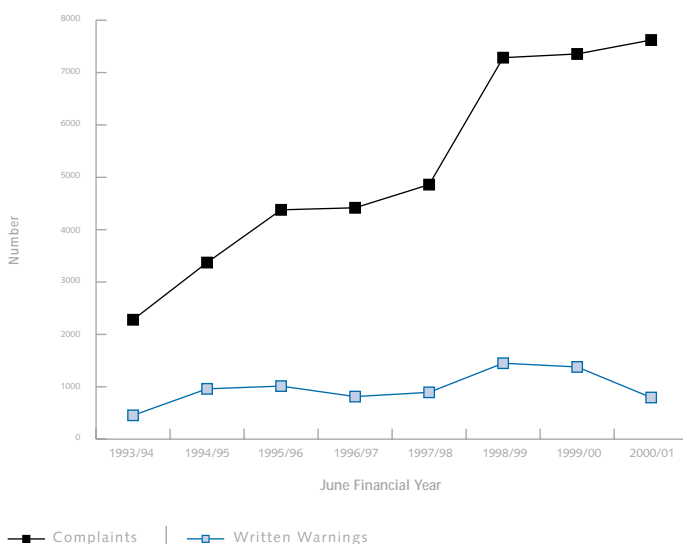
All of the local streams passing through Hamilton city received high 'unsatisfactory' ecological health ratings when compared to the regional average of 30 per cent, ranging from 49 per cent 'unsatisfactory' for the Mangakotukutuku Stream to 70 per cent 'unsatisfactory' for the Kirikirihoa Stream.

B. NOISE

The number of noise complaints made to Hamilton City Council relating to excessive noise increased by 234.3 per cent between 1993/94 and 2000/01 (from 2280 complaints to 7621). The majority of these complaints were of a residential nature. On average, Council receives approximately 25 complaints each year regarding noise from industrial and commercial activities.

Written warnings in response to noise complaints increased by 74.7 per cent in the same period (from 455 in 1993/94 to 795 in 2000/01) peaking at 1450 written warnings in 1998/99. Seizures of noise-generating equipment (primarily stereos) increased by 67.7 per cent (from 31 to 52) in the same period (peaking at 89 seizures in 1999/00).

NUMBER OF EXCESSIVE NOISE COMPLAINTS MADE TO HAMILTON CITY COUNCIL 1993/94-2000/01



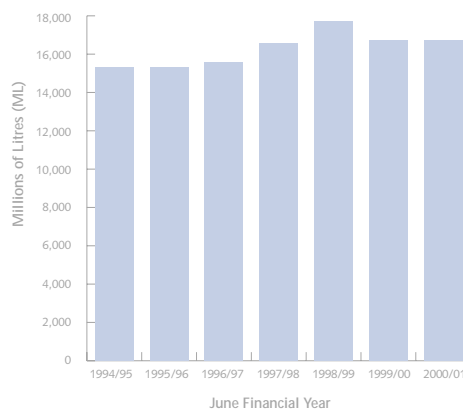
Source: Hamilton City Council (Environmental Health Unit).

C. WATER CONSUMPTION

TOTAL WATER USAGE

The total amount of water used from Hamilton's water supply system increased by 9.3 per cent from 15,325 ML (millions of litres) in 1994/95 to 16,745 ML in 2000/01.

TOTAL WATER USAGE FROM HAMILTON CITY'S WATER SUPPLY SYSTEM: 1994/95-2000/01



Source: Hamilton City Council (Water, Drainage and Refuse Unit).

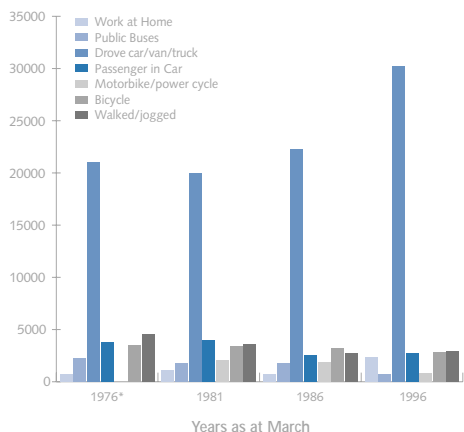
D. TRANSPORT

a. Means of Travel to Work

The number of people travelling to work in Hamilton by motor vehicle (either driving or travelling as a passenger) increased 32.8 per cent (from 24,734 to 32,859) between 1976 and 1996. Those traveling to work using the public bus service declined over the same period by 66.6 per cent (from 2287 to 765) and those walking/jogging to work declined by 36.0 per cent (from 4586 to 2934). The number cycling to work declined between 1981 and 1996 by 15.6 per cent (from 3366 to 2841).

Those working from home in Hamilton, however, increased by 208.3 per cent (from 761 to 2346) between 1976 and 1996.

**MEANS OF TRAVEL TO WORK IN HAMILTON CITY:
MARCH 1976-MARCH 1996**



Source: Statistics New Zealand

* 'motorbike/power cycle' and 'bicycle' categories combined.

b. Bicycle riding in Hamilton

Results from Hamilton City Council's Annual Residents Survey show that the percentage of people who ride a bicycle in Hamilton (aged 18 years and over) declined from 40 per cent usage in June 1992 to 23 per cent usage in June 2001.

BICYCLE USAGE IN HAMILTON CITY: JUNE 1992-JUNE 2001

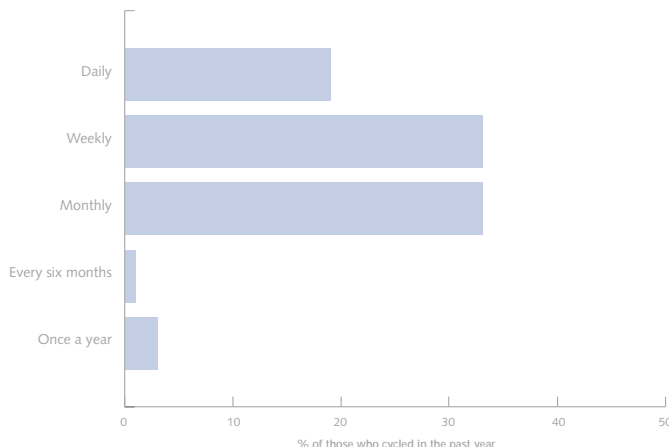
Bicycle Riding	Year as at June							
	1992	1993	1994	1995	1996	1999	2000	2001
% Who ride a bicycle	40	38	28	26	28	25	23	23
% Who do not ride a bicycle	60	62	72	74	72	75	77	77

Source: Hamilton City Council (Annual Residents Surveys). Surveys residents of Hamilton city aged 18 years and over.

Note: Data on bicycle riding for 1997 and 1998 was not collected.

The frequency of cycling in Hamilton (as at June 2001) by those who ride a bicycle is shown below.

FREQUENCY OF CYCLING IN HAMILTON CITY: JUNE 2001



Source: Hamilton City Council's 2001 Annual Residents Survey. Surveys residents of Hamilton City aged 18 years and over.

The main reasons for riding a bicycle in Hamilton city in 2000 and 2001 were:

Reason	2001	2000
	%	%
Exercise/fitness	46	45
Leisure/pleasure/fun	32	27
Transport	27	24
Cheap	7	16
Easier/convenient	6	13
No car	4	0
Ride with children	3	5

E. GREENSPACE

There was a 22.2 per cent increase in the area of parks and gardens in Hamilton between June 1996 and June 2001 (from 433 hectares to 529 hectares), and a 6.5 per cent increase in the area of sports areas for the same period (from 399 hectares to 425 hectares). The number of play areas increased from 72 to 75 between June 1996 and June 2001.

GREENSPACE IN HAMILTON CITY (HECTARES): JUNE 1996-JUNE 2001

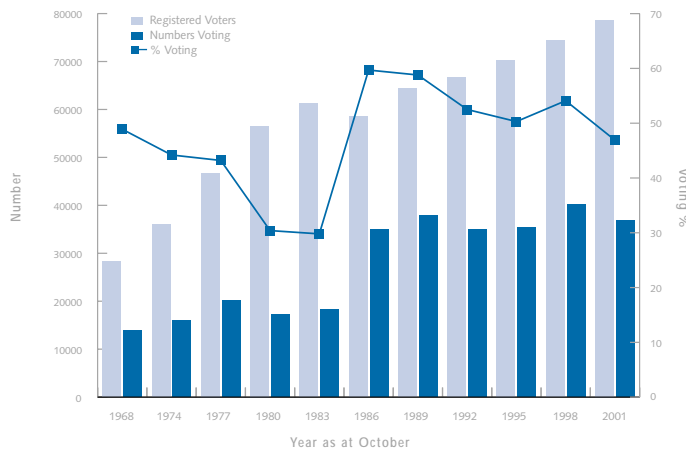
Type of greenspace	Year as at June					
	1996	1997	1998	1999	2000	2001
Parks and gardens	433	433	454	459	465	529
Sports areas	399	399	403	434	450.4	425
Total	832	832	857	893	915.4	954
No. of play areas	72	73	73	73	74	75

Source: Hamilton City Council (Annual Plans 1996/97-2001/02).

F. VOTER PARTICIPATION IN TRIENNIAL ELECTIONS

The percentage of Hamilton's registered voters who voted in the Hamilton City Council triennial elections has ranged from 29.8 per cent (1983) to 59.7 per cent (1986) in the period 1968 - 2001. A ward system was introduced in 1986 as was postal voting. In 1998 the number of wards was reduced from five to the present three.

VOTER PARTICIPATION IN HAMILTON CITY COUNCIL'S TRIENNIAL ELECTIONS: OCTOBER 1968-OCTOBER 2001



Source: Hamilton City Council (voting records/electoral roll).

1971 - records destroyed by fire.

1986 - first year under ward system and first year postal voting used.

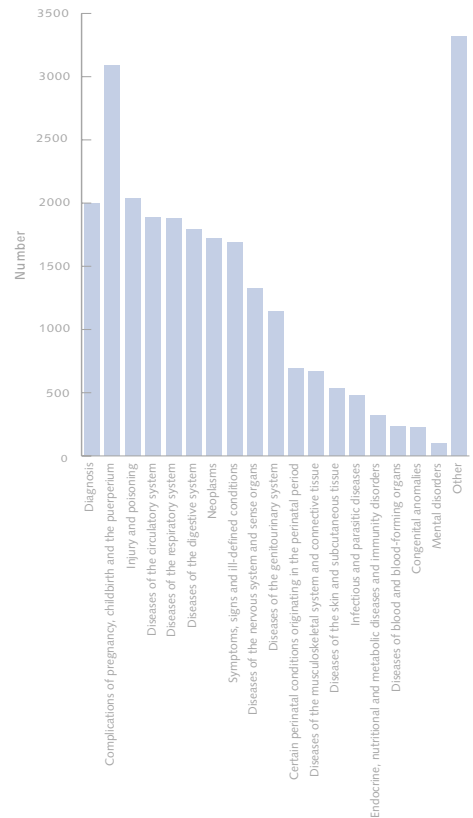
1989 - (Nov.) Local Govt. boundary reorganisation.

G. HEALTH

There were 23,137 publicly funded hospital discharges of Hamilton city residents in the year ended December 1999. The five main categories of discharges (by diagnosis) were:

- Complications of pregnancy, childbirth, and the puerperium, 3092 discharges (13.4%)
- Injury and poisoning, 2036 discharges (8.8%)
- Diseases of the circulatory system, 1889 discharges (8.2%)
- Diseases of the respiratory system, 1881 discharges (8.1%)
- Diseases of the digestive system, 1791 discharges (7.7%).

PUBLICLY FUNDED HOSPITAL DISCHARGES OF HAMILTON CITY RESIDENTS (BY DIAGNOSIS) YEAR ENDED DECEMBER 1999



Source: Statistics New Zealand.



H. POPULATION

The following table shows population growth and projections between 1996 and 2021 for Hamilton city, the Hamilton Urban Area, and the Waikato Region.

Hamilton city's population is projected to increase by 25.4 per cent between June 2001 and June 2021 (from 117,000 to 146,700, i.e., an additional 29,700 people).

POPULATION GROWTH/PROJECTIONS (HAMILTON CITY, HAMILTON URBAN AREA, WAIKATO REGION): 1996-2021

Area	As at June					
	1996 ¹	2001 ²	2006 ¹	2011 ¹	2016 ¹	2021 ¹
Hamilton City	111,100	114,975	126,700	133,400	140,000	146,700
Hamilton Urban Area	161,700	172,400	181,000	189,000	196,800	204,600
Waikato Region	358,000	360,495	383,500	394,500	405,000	414,500

Source: Statistics New Zealand.

1. Population 'usually resident' in the area. Projections (2006-2021) are based on the 1996 Census of Population and Dwellings and use the medium projection option.
2. Provisional results from the March 2001 Census of Population and Dwellings. Data shown is for 'total' population, i.e., all people who were in Hamilton city on Census night.

Note: Statistics New Zealand advise that the final 'usually resident' June 2001 population for Hamilton city (to be released in December 2001) is likely to be around 117,000 people.

I. ETHNICITY

The main ethnic groupings within Hamilton City's population in 1996 were New Zealand European (59.4%), Maori (17.6%) and British/Irish (8.2%).

ETHNICITY IN HAMILTON CITY: MARCH 1996

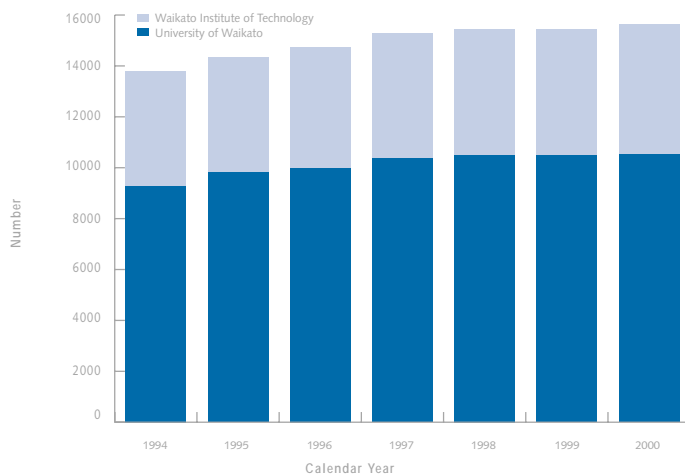
Ethnicity	Number	% of Total Population
NZ European	64,374	59.37
NZ Maori	19,029	17.55
British/Irish	8931	8.24
Not Specified	3306	3.05
Chinese	1929	1.78
Indian	1479	1.36
Dutch	1395	1.29
Other European	1347	1.24
Australian	1275	1.18
Samoaan	807	0.74
Khmer	480	0.44
Cook Island	465	0.43
Tongan	447	0.41
Korean	426	0.39
Other South East Asian	402	0.37
Middle Eastern	279	0.26
African	237	0.22
German	192	0.18
Fijian 192	0.18	
Niuean	180	0.17
Japanese	177	0.16
South Slavic	159	0.14
Sri Lankan	147	0.14
Filipino	144	0.13
Other Pacific Island	129	0.12
Italian	126	0.12
Other Asian	96	0.09
Polish ⁷⁸	0.07	
Latin American/Hispanic	69	0.06
Vietnamese	60	0.06
Greek ³⁰	0.03	
Tokelauan	18	0.02
Other	18	0.02
Total	108,426	100.00

Source: Statistics New Zealand (1996 March Census of Population and Dwellings).

J. TERTIARY ENROLMENTS

The total 'equivalent full-time' students for the University of Waikato and the Waikato Institute of Technology increased by 13.5 per cent between 1994 and 2000, i.e., from 13,766 to 15,623 equivalent full-time students.

UNIVERSITY OF WAIKATO/WAIKATO INSTITUTE OF TECHNOLOGY ENROLMENTS¹: 1994-2000



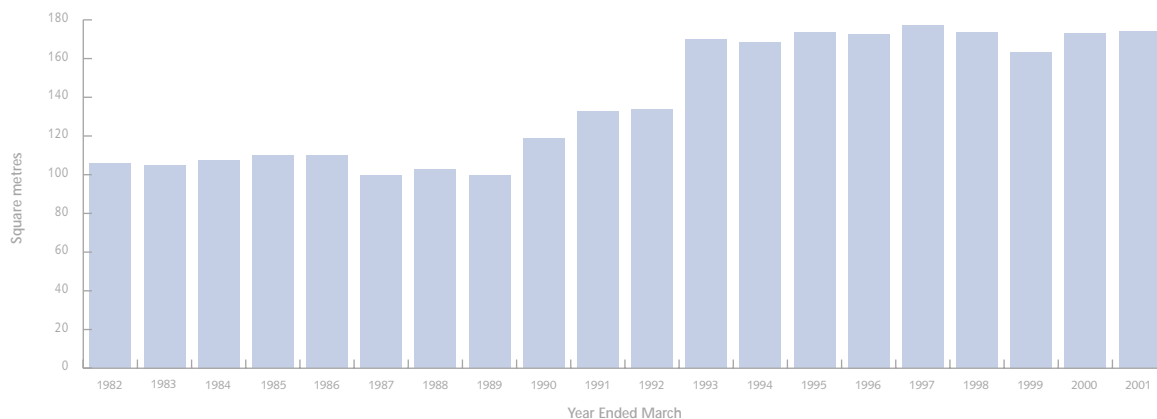
Source: The University of Waikato and The Waikato Institute of Technology

1. Data shown is for 'equivalent full-time students'.

K. HOUSE SIZE

The average size of new houses constructed in Hamilton between April 1981 and March 2001 was 140.9 square metres. In the eighties (i.e., April 1981-March 1989), the average size of a new house was 104.7 square metres, whereas in the nineties (i.e. April 1989-March 2001) this had increased to 162 square metres.

AVERAGE SIZE OF NEW HOUSES IN HAMILTON CITY: YEAR ENDED MARCH 1982 - 2001



Source: Statistics New Zealand.



L. WORK

a. Employment and Unemployment

Statistics New Zealand provides a quarterly series of labour market estimates that combines the Household Labour Force Survey estimates and model-based estimates. The estimates show that between the June 1998 quarter and the September 2000 quarter, employment in Hamilton rose by 38.4 per cent (from 45,310 to 62,717). The number unemployed between the June 1998 quarter-March 2001 quarter ranged from 4321 (September 2000 quarter) to 5525 (March 1999 quarter).

LABOUR MARKET ESTIMATES FOR HAMILTON CITY: JUNE QUARTER 1998-MARCH QUARTER 2001

Quarter	Labour Force No. Employed	Unemployed ¹	Total	Unemployment Rate %
June 1998	45,310	4851	50,161	9.7
September 1998	45,652	4503	50,155	9.0
December 1998	43,597	5494	49,091	11.2
March 1999	46,302	5525	51,827	10.7
June 1999	53,198	4894	58,092	8.4
September 1999	49,908	4728	54,636	8.7
December 1999	63,724	4624	68,348	6.8
March 2000	62,893	5459	68,352	8.0
June 2000	63,665	5002	68,667	7.3
September 2000	62,717	4321	67,038	6.4
December 2000	Not Available	4740	Not Available	Not Available
March 2001	Not Available	4857	Not Available	Not Available

Source: Statistics New Zealand

- The relative error of the unemployed estimate for Hamilton City (December 2000 quarter) was 10.2 per cent.

b. Eligible Workforce

Hamilton's eligible workforce (those aged between 15 and 65 years of age) has increased as a percentage of the city's population, from 63.2 per cent in March 1976 (55,610 people out of 87,968) to 67.9 per cent in March 1996 (73,620 people out of 108,429).

M. BUSINESS AND EMPLOYMENT

a. Business and Employment Numbers

The number of businesses in Hamilton increased by 14.3 per cent (from 8045 to 9198) between February 1997 and February 2000. The number of full-time equivalent persons employed in the same period remained relatively stable, i.e., 50,620 to 50,240).

BUSINESS AND EMPLOYMENT IN HAMILTON CITY: FEBRUARY 1997-FEBRUARY 2000

Year (as at February)	No. of Businesses	No. Employed (FTEs) ¹
1997	8045	50,620
1998	8587	52,620
1999	8444	49,709
2000	9198	50,240

Source: Statistics New Zealand (Annual Business Frame Update Survey).

1. Full-time equivalent persons engaged (FTE) equal the sum of the full-time employees and working proprietors plus half the part-time employees and working proprietors. Employees and working proprietors working 30 hours or more per week are defined to be full-time. Those working less than 30 hours per week are defined to be part-time.

b. Business Size

In February 2000, 44.6 per cent of Hamilton's 9198 businesses were one-person businesses, while 2-3 person businesses accounted for 26.5 per cent of the city's businesses.

Businesses employing 50 plus people accounted for 34.2 per cent of Hamilton's full-time equivalent workers in February 2000, i.e., 17,180 of 50,240 full-time equivalents.

N. EMPLOYMENT

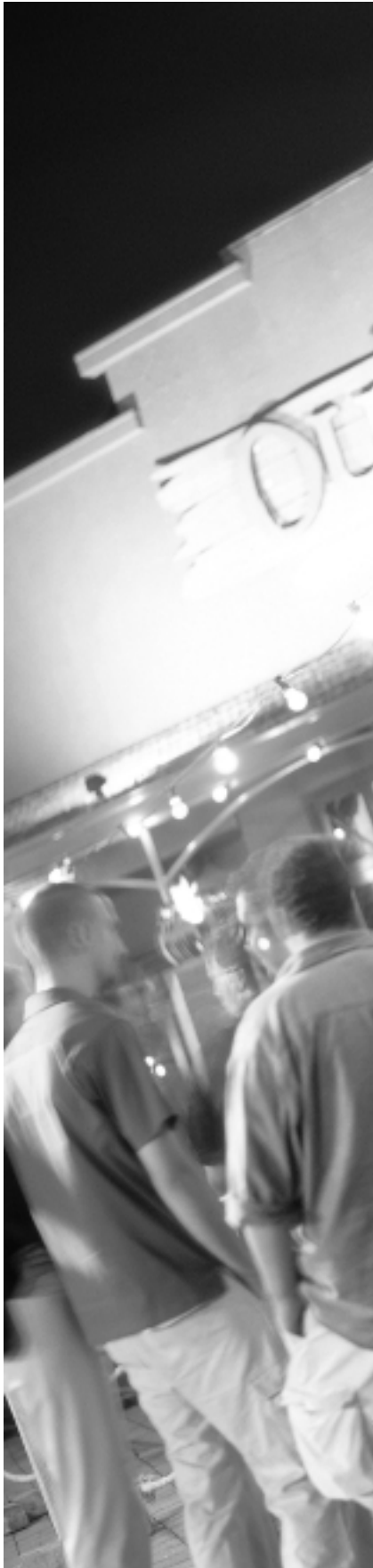
A total of 50,240 full-time equivalents (FTEs) were employed in Hamilton city as at February 2000. The largest industry in terms of FTEs was the manufacturing industry, which accounted for 14.5 per cent of all FTE persons engaged in the city. The retail trade industry accounted for a further 13.5 per cent of total FTE employment in the city.

EMPLOYMENT IN HAMILTON CITY BY SECTOR: FEBRUARY 1999 AND 2000

Sector (ANZSIC ¹ 1-digit)	1999 No.	%	2000 No.	%
A Agricultural Services, Hunting, Forestry and Fishing	190	0.4	220	0.4
B Mining	9		20	
C Manufacturing	7080	14.2	7280	14.5
D Electricity, Gas and Water Supply	370	0.7	290	0.6
E Construction	4000	8.0	4570	9.1
F Wholesale Trade	3420	6.9	3560	7.1
G Retail Trade	6590	13.3	6790	13.5
H Accommodation, Cafes and Restaurants	1760	3.5	1990	4.0
I Transport and Storage	1110	2.2	1100	2.2
J Communication Services	1500	3.0	1250	2.5
K Finance and Insurance	1600	3.2	1310	2.6
L Property and Business Services	6520	13.1	6720	13.4
M Government Administration and Defence	2160	4.3	2040	4.1
N Education	5010	10.1	4680	9.3
O Health and Community Services	5960	12.0	5840	11.6
P Cultural and Recreational Services	830	1.7	820	1.6
Q Personal and Other Services	1600	3.2	1760	3.5
TOTAL	49,709	100.0	50,240	100.0

Source: Statistics New Zealand (Annual Business Frame Update Survey).

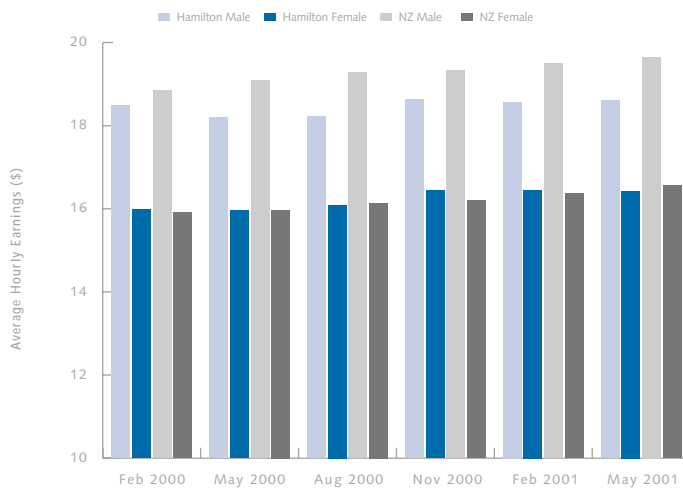
1. Australia-New Zealand Standard Industrial Classification (ANZSIC) at the one digit level.



O. AVERAGE HOURLY EARNINGS

Hamilton city employees earned an average of \$17.69 per hour in May 2001, 0.1 per cent lower than in February 2001. This decrease compares with a 0.9 per cent increase for the whole of New Zealand. In May 2001 males and females in Hamilton city earned an average hourly rate of \$18.60 and \$16.43 respectively, representing an increase of 0.2 per cent for males and a decrease of 0.1 per cent for females since February 2001.

AVERAGE HOURLY EARNINGS IN HAMILTON CITY AND NEW ZEALAND: FEBRUARY 2000-MAY 2001



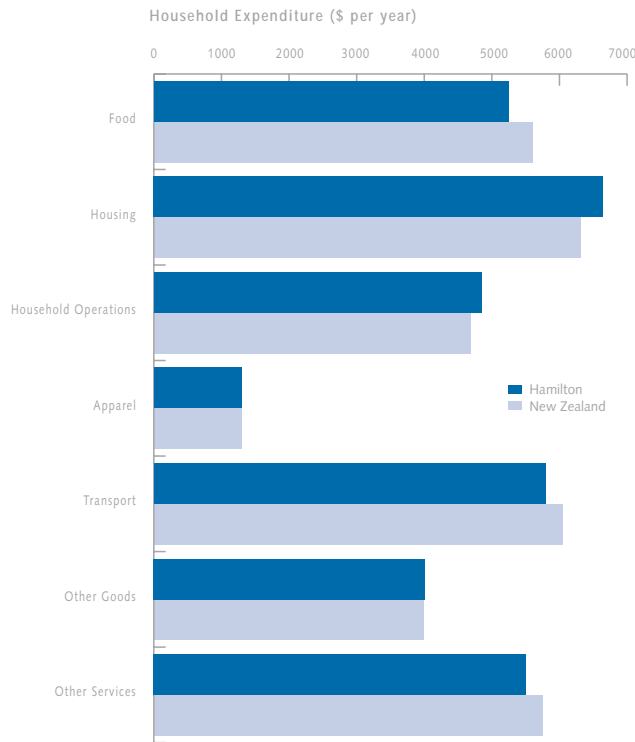
Source: Statistics New Zealand (Quarterly Employment Survey).

Note: Average hourly earnings equals the gross total payout to all employees divided by the number of paid hours.

P. HOUSEHOLD EXPENDITURE

During the year ended March 1998 households in Hamilton city spent, on average, an estimated \$639.38 per week (\$33,339 per year), 1.1 per cent lower than the national average of \$646.24 per week. Expenditure on housing contributed most to average household expenditure in Hamilton. On average, households in Hamilton city spent an estimated \$127.46 per week (\$6646 per year) on housing compared to the national average of \$121.21 per week.

AVERAGE ANNUAL HOUSEHOLD EXPENDITURE IN HAMILTON CITY AND NEW ZEALAND BY EXPENDITURE GROUP (YEAR ENDED MARCH 1998)

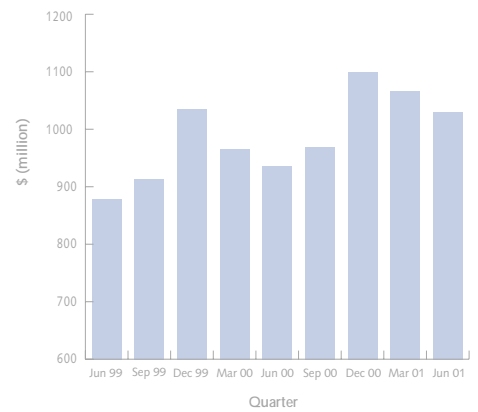


Source: Statistics New Zealand (Regional Household Expenditure Estimates).

Q. RETAIL TRADE

Retail sales in the Waikato Region during the June 2001 quarter amounted to \$1,030.2 million, up \$93.8 million, or 10 per cent from the June 2000 quarter. Nationally, actual retail sales amounted to \$11,120.1 million, up 7.1 per cent from the June 2000 quarter.

VALUE OF RETAIL SALES IN THE WAIKATO REGION: JUNE QUARTER 1999-JUNE QUARTER 2001



Source: Statistics New Zealand (Retail Trade Survey).

Note: Data is based on a sample of approximately 700 retail outlets. At the 95 per cent confidence interval the sample error is plus/minus 12 per cent.

R. EXPORTS BY REGIONS

The Waikato has been New Zealand's top export region since the year ended June 1996. For the year ended June 2001 the Waikato accounted for 20.6 per cent of the country's total exports.

EXPORTS BY REGIONS: YEAR ENDED MARCH 1999-YEAR ENDED JUNE 2001

Year ended in Quarters	Exports by Regions (\$millions)			
	Waikato	Auckland	Bay of Plenty	New Zealand
March 1999	4259	3794	1114	21,604
June 1999	4157	3819	1139	21,575
September 1999	4145	3892	1201	21,899
December 1999	4154	3951	1231	22,118
March 2000	4260	4037	1301	22,727
June 2000	4498	4198	1431	23,866
September 2000	4707	4360	1496	24,786
December 2000	5152	4605	1607	26,610
March 2001	5504	4799	1636	27,796
June 2001	6025	4976	1633	29,217

Source: The National Bank of New Zealand (Economics Division)

S. VISITOR ACCOMMODATION

The number of guest nights in Hamilton increased from 84,181 in the June 1998 quarter to 102,351 in the June 2001 quarter, a 21.6 per cent increase. The March 2000 quarter recorded the highest number of guest nights (117,969) over this three-year period. The occupancy rate of the city's accommodation decreased slightly from 47 per cent to 45.8 per cent in the same three-year period.

GUEST NIGHTS AND OCCUPANCY RATES IN HAMILTON CITY: JUNE QUARTER 1998-JUNE QUARTER 2001

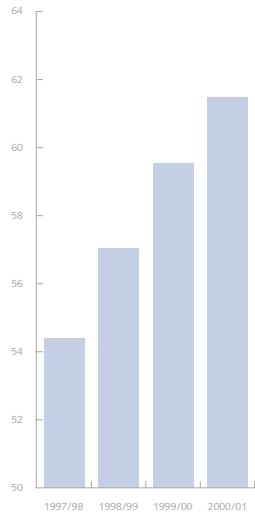
Quarter	Guest Nights	Occupancy Rate (%)
June 1998	84,181	47.0
September 1998	92,796	46.8
December 1998	81,420	43.5
March 1999	99,353	51.3
June 1999	88,624	47.8
September 1999	81,805	43.8
December 1999	88,032	44.3
March 2000	117,969	48.0
June 2000	101,518	44.4
September 2000	100,145	43.0
December 2000	109,706	45.2
March 2001	107,550	47.3
June 2001	102,351	45.8

Source: Statistics New Zealand (Visitor Accommodation Survey).

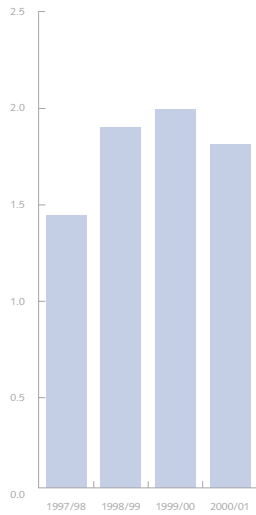


FINANCIAL OVERVIEW

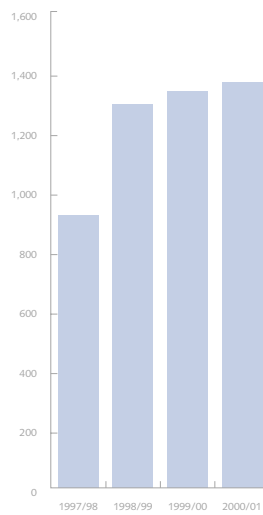
\$m RATES



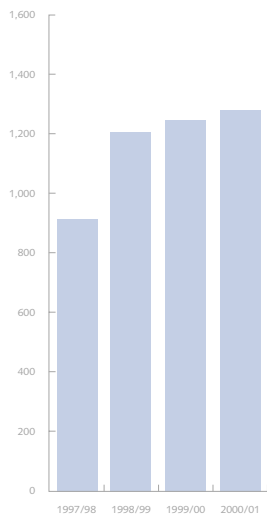
\$m RATES OUTSTANDING



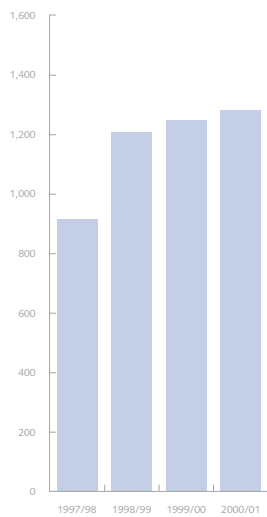
\$m TOTAL FIXED ASSETS



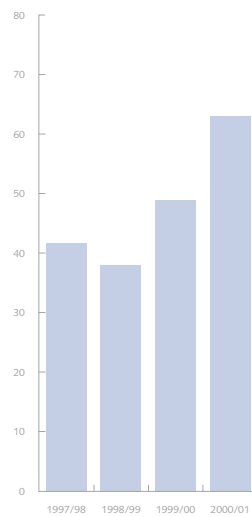
\$m TOTAL NET ASSETS



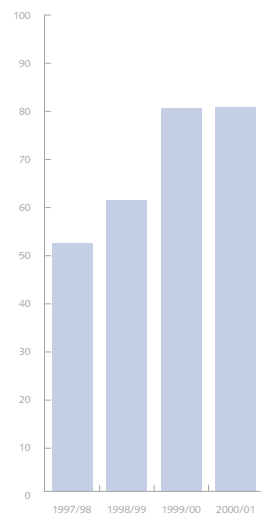
\$m RATEPAYER EQUITY



\$m CAPITAL EXPENDITURE



\$m NET DEBT



Council has reported an operating surplus after taxation of \$13m for the 2000/01 financial year (1999/00 \$15.2m). Council received \$61.5m (1999/00 \$59.6m) of rate revenue inclusive of rates penalties. Compared to 1999/00, Council's net operating cost of providing services excluding depreciation allowance, decreased by \$1.5m to \$41.9m.

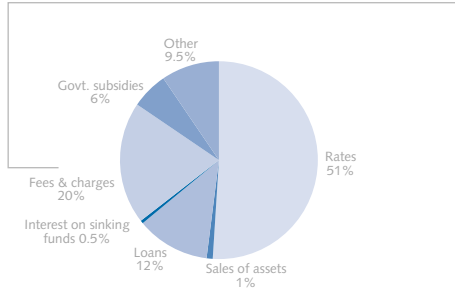
Interest cost incurred in servicing the city debt increased to \$6.8m (1999/00 \$5.8m) and the overall net city debt increased to \$81.5m (1999/00 \$80.8m).

Compared to 1999/00, capital expenditure increased by \$15.2m to \$63.4m.

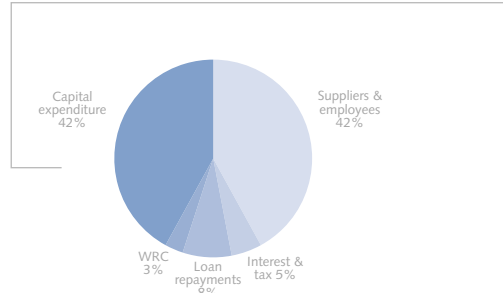
A major share, nearly 67 per cent or \$42.5m of the \$63.4m of capital expenditure was directed to city growth programmes relating to wastewater (\$19.7m), roads and traffic (\$15.8m), water supply (\$2.9m), refuse (\$2.2m) and stormwater (\$1.9m). Major capital works included the first year of construction on the Pukete wastewater secondary treatment plant (\$17.8m), construction of the transport centre (\$3.2m), carriageway construction on Resolution Drive (\$2.8m) and the clearwater storage tank development at the water treatment station (\$1m).

Other areas of significant capital spending included an upgrade to Council's performing arts facilities at Founders Theatre (\$0.8m), Hamilton Lake Domain redevelopment (\$0.8m) and a capital contribution to the Waikato Stadium project (\$6.3m).

SOURCES OF CASH (\$131m)



USES OF CASH (\$146m)



OVERVIEW

	1997/98	1998/99	1999/00	2000/01
Rates Revenue	\$54.4m	\$56.9m	\$59.6m	\$61.5m
Rates Outstanding	\$1.4m	\$1.9m	\$2.0m	\$1.8m
Total Fixed Assets	\$940.2m	\$1,285.3m	\$1,317.3m	\$1,361.0m
Total Net Assets	\$906.9m	\$1,248.3m	\$1,263.5m	\$1,277.6m
Ratepayers Equity	\$906.9m	\$1,248.3m	\$1,263.5m	\$1,277.6m
Capital Expenditure	\$41.5m	\$37.4m	\$48.2m	\$63.4m
City Debt Repaid During Year	\$ 12.2m	\$ 6.3m	\$ 4.3m	\$ 5.0m
Net City Debt	\$53.3m	\$62.8m	\$80.8m	\$81.5m

FINANCIAL INDICATORS

	1997/98	1998/99	1999/00	2000/01
Current Ratio	1.25 : 1	1.46 : 1	1.62 : 1	0.62 : 1
Quick Ratio	1.94 : 1	1.75 : 1	1.95 : 1	0.85 : 1
% Rates Outstanding to Rate Income	2.6%	3.3%	3.4%	2.9%
Net City Debt per Rateable Property	\$1,284	\$1,478	\$1,859	\$1,813
Net City Debt per Capita	\$458	\$530	\$682	\$697
Net City Debt as % of Rating Revenue	98%	110%	136%	133%
Interest Repayment as % of Rating Revenue	9.9%	8.7%	9.7%	11.1%
Loan Principal Repayment as % of Rating Revenue	7.3%	6.8%	7.4%	8.1%
Net City Debt as % Total Ratepayers Equity	5.9%	5.0%	6.4%	6.4%

CITY DEBT

The net city debt graph shows the level of city debt from 1988/89 to 2000/01.

Council has three key financial performance targets for the management of city debt. These are:

1. The total cost of servicing the city interest payments shall not exceed 15% of rating income for that year

Total interest costs met from rating revenue in 2000/01 was \$6.8m. Based on rating income of \$61.5m, the proportion absorbed in debt servicing was 11.1%.

2. The repayment of debt shall not be less than 4% of rating income for the year

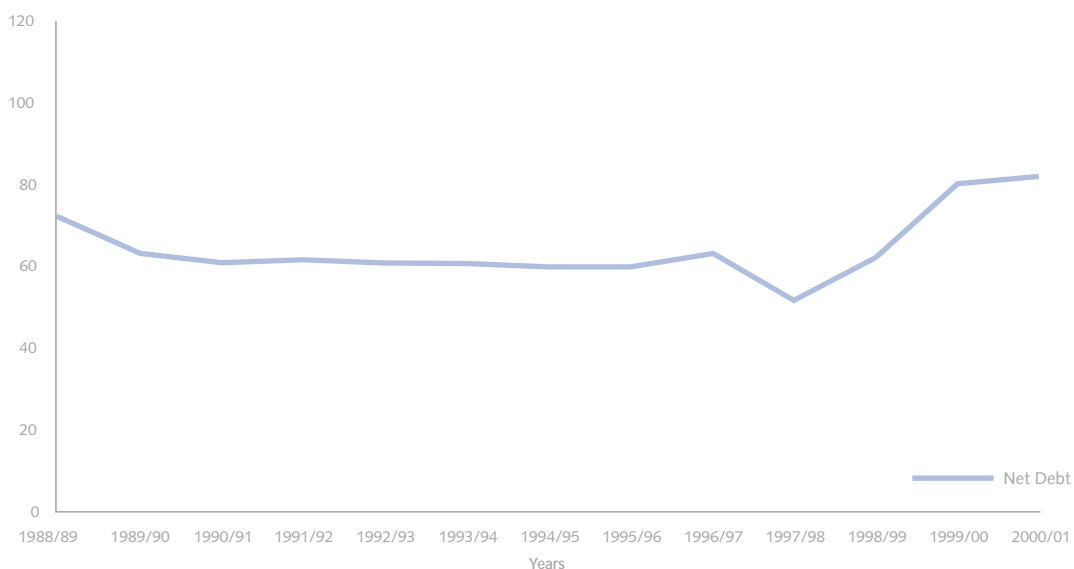
Contractual commitments to provide for loan repayments and actual loan repayments in 2000/01 were \$5m. The provision for repayment of debt in 2000/01 was 8.1%.

3. The total (net) city debt shall not exceed 8.5% of total ratepayers equity

Council's net city debt as at 30 June 2001 was \$81.5m, compared with ratepayer equity of \$1,277.6m. The target has been met at 6.4%.

If internal borrowing of \$23m is included, the net debt position for the same period is \$104.5m and the net city debt to ratepayers' equity ratio is 8.2%.

\$m NET CITY DEBT LEVELS, 1988/89 - 2000/01



HAMILTON CITY - A PROFILE

A selection of comparisons (as at 30 June)	2000	2001
POPULATION ¹ (usually resident in Hamilton)	118,200 (June est)	117,000 (June est)
LAND AREA	9427ha	9427ha
HOUSING (number of permanent private dwellings)	40,608 (June est)	41,055 (Mar 01)
EMPLOYMENT ²	59,240 (Feb 00)	50,240 (Feb 00)
BUSINESSES	9,198 (Feb 00)	9,198 (Feb 00)
ENVIRONMENT		
Number of parks and gardens	120 (465 ha)	122 (529 ha)
Number of sports areas (NB. Duke St Park no longer included)	58 (450 ha)	57 (425 ha)
Number of play areas	74	75
Number of swimming pools	3	3
Walkways in parks and reserves	39km	44km
Number of street trees	24,000	25,000 (est)
INFRASTRUCTURE		
Traffic Bridges over Waikato River	6	6
Number of Bridges ³	42	52
Length of Streets (road centreline length)	524km	530km
Length of Footpaths	798km	827km
Length of Cycleways ⁴	9km	16.6km
Length of Wastewater Pipes	681km	698km
Length of Stormwater Pipes	540km	547km
Length of Open Stormwater Drains	87km	86km
Length of Water Pipes	878km	892km
REFUSE DISPOSAL (tonnes deposited at the Horotiu Landfill)		
City	91,273	77,104
Other areas	39,987 ⁵	18,242
RATING DATA		
Rating system	land value	land value
Rateable properties	44,126	44,944 (July 01)
Rateable land value (\$ millions)	\$3297m	\$3321m (July 01)
Rateable capital value (\$ millions)	\$8702m	\$8546m (July 01)
Date of city revaluation	1 Sept 1998	1 Sept 2000
NET CITY DEBT		
NET CITY DEBT (including internal borrowing)	\$80.8m	\$81.5m
	\$80.8m	\$104.5m
YEARS OF RATE REVENUE TO REPAY NET CITY DEBT		
	1.35 years	1.69 years
RATES REVENUE		
	\$59.6m	\$61.5m

1. The June 2000 estimate of 118,200 people from Statistics New Zealand was released in November 2000 and was based on results from the 1996 Census of Population and Dwellings.

The June 2001 figure of 117,000 is an estimate based on provisional results from the March 2001 Census of Population and Dwellings and advice from Statistics New Zealand. Prior to the 2001 Census, the June 2001 projection for Hamilton (medium option) was 119,800.

2. Full-time equivalents, i.e., (full-timers work 30 hours or more per week, part-timers work less than 30 hours per week).

3. 'Bridges' includes traffic bridges, large culverts and pedestrian bridges/underpasses.

4. Includes on-road and off-road cycling facilities.

5. Includes waste from Tauranga district. Waste from Tauranga district ceased to be deposited at the Horotiu Landfill on 30 June 2000.

SIGNIFICANT INTEREST IN OTHER ACTIVITIES

WAIKATO REGIONAL AIRPORT LTD

(Local Authority Trading Enterprise)

Waikato Regional Airport Ltd replaced the Airport Authority in 1989.

The airport is a public utility, providing transportation facilities essential to the region. The objective of the airport company is to operate a successful commercial business, providing safe, appropriate and efficient services for the transportation of people and freight in and out of the port of Hamilton.

Council holds 50 per cent of the airport company's shares. The remaining shares are owned by Otorohanga, Matamata-Piako, Waikato and Waipa District councils. The company reported an operating surplus after taxation of \$963,000 for the 2000/01 financial year (1999/00 \$559,000). No dividend was paid in 2000/01 (1999/00 Nil).

Performance targets set for the operation of the airport and results are:

- Operating surplus after tax to average shareholders' funds
Target 7.7%, 2000/01 result 13.0% (1999/00 8.5%)
- Operating surplus before taxation and interest to total assets
Target 9.4%, 2000/01 result 11.5% (1999/00 9%)
- Operating surplus after taxation to total assets
Target 3.9%, 2000/01 result 6.7% (1999/00 4.1%)
- Operating surplus before taxation and interest to average shareholders' funds
Target 18.5%, 2000/01 result 22.4% (1999/00 18.3%)
- Percentage of non-landing charges revenue to total revenue
Target 72.2%, 2000/01 result 76.0% (1999/00 74.6%)
- Total liabilities to shareholders' funds
Target 49:51, 2000/01 result 45:55 (1999/00 49:51)

For more information on the activities of the Waikato Regional Airport Ltd, contact: Barry O'Connor, Chief Executive, Airport Road, RD2, Hamilton.

HAMILTON RIVERVIEW HOTEL (Shareholding in a Joint Venture)

In May 1998, Council entered into a joint venture agreement for the purpose of developing a hotel and conference centre on a site bounded by Victoria Street, Alma Street and the Waikato River in Hamilton.

Council holds 42 per cent of the shares in the Hamilton Riverview Hotel venture. Tainui Development Ltd and AAPC NZ Pty Limited hold the remaining shares. For the 2000/01 financial year, no dividend was paid (1999/00 Nil).

For more information on the activities of Hamilton Riverview Hotel Ltd, contact Ken Cunningham, Property Management Manager, Hamilton City Council, Private Bag 3010, Hamilton.

PIRONGIA MOUNTAIN AFFORESTATION COMMITTEE

(Local Authority Trading Enterprise)

Council holds 25.6 per cent shareholding in a joint venture which manages a forest reserve on Pirongia Mountain.

Otorohanga District Council and Waipa District Council hold the remaining shares.

The purpose of the joint venture is to manage the reserve for the benefit of the joint venture partners, to ensure access to the reserve for recreational users, and to preserve the integrity of the area as a sound water catchment.

For the 2000/01 financial year, no contribution was required from the partners to assist cashflows (1999/00 Nil).

For more information on the activities of the Pirongia Mountain Afforestation Committee, contact John Mills, Corporate Services Manager, Private Bag 2402, Te Awamutu.

BUS HIRE JOINT VENTURE

(Interest in a Joint Venture)

Council consented to the sale and purchase of Newmans Coach Lines Ltd's share of the joint venture to Hamilton Buses Ltd.

The new 50 per cent joint venture commenced operations on 21 May 1993. Hamilton City Buses Ltd undertake the joint venture's marketing and hire functions, while Council carries out the accounting function.

Council's interest in the buses operated by the Joint Venture is protected by a performance bond entered into with Hamilton City Buses Ltd.

Council's share of the net profit before tax for the 2000/01 financial year, was \$3,000 (1999/00 \$15,000). Council has entered into an agreement for the sale of its interest in the Joint Venture with an effective date of 30 April 2001. The deed of termination of the Joint Venture Agreement was signed on 2 August 2001, with proceeds of the sale to be received in the 2001/02 financial year.

For more information on the activities of the Bus Hire Joint Venture, contact: Ken Cunningham, Property Management Manager, Hamilton City Council, Private Bag 3010, Hamilton.

HAMILTON PROPERTIES LTD

(Local Authority Trading Enterprise)

Hamilton Properties Ltd is 100 per cent owned by Council. Hamilton Properties Ltd is no longer trading.

Council has retained Hamilton Properties Ltd as a non-operating company, with the view to utilising its tax losses in the future.

For more information on the activities of Hamilton Properties Ltd, contact Ken Cunningham, Property Management Manager, Hamilton City Council, Private Bag 3010, Hamilton.

SIGNIFICANT ACTIVITIES



INTRODUCTION

Council's service delivery outputs to the community are represented by 14 significant activities.

For each of these activities, the Annual Report sets out:

- a description of the activity
- the main objectives for the year
- the performance measures and achievements
- net cost of service (including indirect costs)
- capital expenditure.

Each of the objectives contributes to one or more of Council's five goals (see page 7), and each of the performance measures is linked with one or more objectives.

ENVIRONMENT

HIGHLIGHTS

TIGERS AT HAMILTON ZOO

- Hamilton Zoo's Sumatran Tiger exhibit was opened to the public in April 2001. This exhibit confirms the Zoo's position at the forefront of endangered species conservation and is the Zoo's latest contribution to a major international programme.

LAKE DOMAIN REDEVELOPMENT

- All planned Lake Domain Redevelopment works were completed with the exception of the road and parking area reconstruction, which was not completed until July 2001.

RIVERSIDE WALKWAYS

- An extension of Hamilton's riverside walkway network began in May 2001 linking Arcus Street to Ann Street. Once completed, this extension will link existing walkways and complete the walk alongside the St Andrews Golf Course. Construction of the walkway is to be continuous over two years.

HAMILTON GARDENS

- The Hamilton Gardens Riverside Pavilion (Italian Renaissance Garden) was completed and featured in the Hamilton Gardens Summer Festival during February 2001.

COMMUNITY TREE PLANTINGS

- Council's community tree plantings programme involved more than 60 projects with more than 20,000 trees and shrubs planted.

ENVIRONMENTAL EDUCATION

- Ecological restoration was encouraged through the development of a Gully Restoration Guide and seminar series.
- An EnviroSchools Resource Kit was developed and introduced to participating schools.

COMMUNITY ENVIRONMENTAL PROGRAMME NEWSLETTER

- The Hamilton City Community Environmental Programme (CEP) was revitalised through the development of a website and quarterly environmental newsletter. These initiatives aim to increase the profile of environmental groups and their achievements, and develop powerful synergies between them. It is hoped this will lead to a significantly stronger force for positive environmental change in the city, backed by greater community awareness, participation and innovation.

HAMILTON ZOO

DESCRIPTION

Hamilton Zoo provides the city with a recreation and leisure facility, a conservation base, and an educational experience. It also assists economic development through tourism and visitor attraction.

Hamilton Zoo is committed to the ongoing development of a high quality, modern, zoological garden with relevant programmes that emphasise conservation, education, and recreation. It will continue to encourage an appreciation of wildlife and the living world, delivered in a context that encourages family participation and provides value for money.

OBJECTIVES

1. To provide a facility and programmes that meet the expectations of user groups and customers. (Goal 1)
2. To maintain a standard of animal husbandry and housing that meets or exceeds contemporary standards. (Goal 1)

PERFORMANCE MEASURES

User satisfaction measure for Hamilton Zoo maintained at 80 or greater, as measured by the Council's 2001 Residents Survey. (Obj. 1)

A rating of 86 was achieved.

The performance objectives of the contract with the Ministry of Education met resulting in acceptance of tendered milestone reports. (Obj. 1)

All reports tendered to the Ministry of Education were accepted with no non-compliance to contract specifications recorded.

Usage measure for Hamilton Zoo maintained at 42% or greater, as measured by the Council's 2001 Residents Survey. (Obj. 1)

A usage measure of 49% was achieved.

Received no non-compliance reports from audits carried out by the Ministry of Agriculture and Forestry and maintained a licence status as an 'A' grade zoo. (Obj. 2)

Compliance to Ministry of Agriculture and Forestry standards was maintained. 'A' grade zoo license status was also maintained.

PARKS AND GARDENS (INCLUDING PLAYGROUNDS)

DESCRIPTION

The Parks and Gardens activity provides for the contractual operation and administration of developed and undeveloped passive recreational land, managed for prescribed environmental objectives. Council uses a mix of internal and external contracts, the outputs of which are monitored and audited to ensure the provision of quality services for the community within the resources available. Hamilton's Strategic Plan, Council's District Plan, and various reserves management plans set out the rationale for, and methods by which, parks and gardens are acquired and maintained, and long-term development plans established.

OBJECTIVES

1. To provide and maintain a natural urban setting for the people of Hamilton. (Goal 1)
2. To contribute towards meeting the recreational needs of the community through the provision and maintenance of parks, reserves and other forms of open space, and facilities on them. (Goal 1)

PERFORMANCE MEASURES

Completed stage 1 of the riverside walkway from Arcus Street to Ann Street, within budget, by 30 June 2001. (Objs. 1 & 2)

Commencement of stage 1 of the riverside walkway from Arcus street to Ann Street was delayed until May 2001 in order to allow contracts to be better co-ordinated with stages 2 & 3 during 2001/02. Stage 1 is now due for completion by September 2001.

User satisfaction measure for parks and gardens in general maintained at 72 or greater and for children's playgrounds in general at 67 or greater, as measured by Council's 2001 Residents Survey. (Obj. 2)

Ratings of 82 and 76 respectively were achieved.

Worked with the Hamilton Playgrounds Trust and WEL Energy Trust and provided an upgraded family park playground at Hamilton Lake Domain. (Obj. 2)

Stages 1 and 2 of 3 were completed in conjunction with both the Hamilton Playgrounds and WEL Energy Trusts and additional assistance from Trust Waikato and service groups. Stage 3 is due for completion January 2002.

Commenced restoration of Hammond Park Bush with interested groups in accordance with the Hammond Park Bush Restoration Plan. (Obj. 2)

The Hamilton Environmental Improvements in the Riverlea Suburb (HEIRS) Group planted eco-sourced plant material and removed weeds from Hammond Park Bush.

HAMILTON GARDENS

DESCRIPTION

Hamilton Gardens, including the Pavilion, provides a high quality visitor and events venue that enhances the quality of life of residents and promotes the image of Hamilton. The Gardens are the most popular visitor destination in the city, and host more than 1,000 events each year. The Gardens' development programme is supported by sponsorship, employment initiative programmes, and widespread public involvement.

OBJECTIVES

1. To develop and maintain standards of presentation and service at Hamilton Gardens and the Pavilion which fulfill the community's expectations. (Goal 1)
2. To develop Hamilton Gardens within budget to provide a high quality visitor and events venue in accordance with the Hamilton Gardens Management Plan. (Goal 1)

PERFORMANCE MEASURES

User satisfaction measure for Hamilton Gardens maintained at 86 or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

A rating of 92 was achieved.

Continued implementation of the Hamilton Gardens development programme through completion of stage 4 of the Italian Renaissance Garden by 30 June 2001. (Obj. 2)

Stage 4 the Italian Renaissance Garden was completed by February 2001 allowing an operatic performance to be staged in the garden during the Hamilton Gardens Summer Festival.

CITY BEAUTIFICATION

DESCRIPTION

This activity enhances the city's image by providing, developing, and maintaining beautification areas around the city, including trees within open spaces, parks, streets, and traffic island plantings. Maintenance is carried out under an internal contract.

OBJECTIVES

1. To meet the community's wishes (expressed in Hamilton's Strategic Plan) for the maintenance and enhancement of beautification areas and amenity trees within the city. (Goal 1)
2. To ensure that all the city's fountains are refurbished and operating efficiently. (Goal 1)
3. To involve the community in the establishment of urban vegetation on public open space through the Community Planting Programme. (Goal 1)

PERFORMANCE MEASURES

User satisfaction measure for city beautification maintained at 73 or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

A rating of 78 was achieved.

Planted 32,000 new trees and shrubs during the 2000/01 financial year. (Obj. 1)

A total of 51,250 new trees and shrubs were planted.

Planted trees on public open space with the involvement of not less than 60 community organisations, adjacent property owners and interested stakeholders. (Objs. 1 & 3)

Council's community tree plantings programme involved well in excess of 60 community organisations, adjacent property owners and interested stakeholders.

Completed the Frankton Village fountain refurbishment within budget, so as to be operating efficiently by 30 June 2001. (Obj. 2)

The Frankton Village fountain refurbishment was completed, within budget, in September 2000.

SUSTAINABLE ENVIRONMENT

DESCRIPTION

This activity uses innovative and proactive approaches, in conjunction with collective community action, to encourage sound environmental improvements and promote urban sustainability. This includes environmental education, the Keep Hamilton Beautiful Programme and the annual Festival of the Environment.

OBJECTIVES

1. To increase knowledge and awareness of environmental issues amongst Hamilton's young people. (Goal 1)
2. To promote the construction of environmentally sound buildings in the city. (Goal 1)
3. To support sustainable community environments through community programmes and the distribution of grants. (Goal 1)

PERFORMANCE MEASURES

Development of the Enviroschools Programme, including the production of all teaching and facilitation resources, completed by 30 June 2001. (Obj. 1)

An Enviroschools Toolkit, containing teaching and facilitation resources was completed in June 2001. The toolkit, developed using funding secured from the Sustainable Management Fund (administered by the Ministry for the Environment), has been handed over to the New Zealand Association of Environmental Education who will co-ordinate the programme on a national level.

Eco-design guidelines published and adopted for use by the public and Council inspectors by 30 June 2001. (Obj. 2)

The 'Easy Guide to Eco-Building' was completed by November 2000. The guidelines were produced in conjunction with the Building Research Association of New Zealand (BRANZ) and the Auckland Regional Council. Council's building inspectors attended workshops on how to assist developers and homeowners with sustainable building projects.

Applications to the Envirofund increased by 10% by 31 March 2001. (Obj. 3)

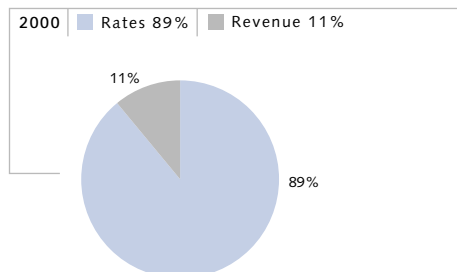
The number of applications to Council's Envirofund increased 10% to 40 applications, requesting a total of \$146,912. Twenty-nine applicants were successful in receiving a share of the \$50,000 fund. The majority of the successful applications were for local restoration projects, with a particular focus on gully environments.

ENVIRONMENT

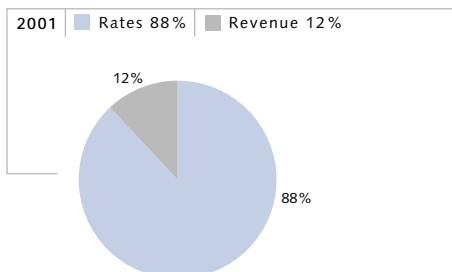
COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
	Direct Operating Costs		
	Parks and Gardens		
2,796	Grounds and Buildings	3,031	3,213
63	Hamilton Domain Board	63	63
1,592	City Beautification	1,539	1,551
1,233	Hamilton Zoo	1,399	1,312
1,455	Hamilton Gardens	1,484	1,461
422	Sustainable Environment	571	628
7,561	Total Expenditure	8,087	8,228
	Less Revenue		
330	Domain Board Rents	340	348
361	Zoo Admission Fees	495	464
87	Hamilton Gardens	90	85
26	Sundry Revenue	28	8
804	Total Revenue	953	905
6,757	Net Cost Of Service	7,134	7,323
2,599	Capital Expenditure	2,956	3,754

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:



WATER SUPPLY

HIGHLIGHTS

CLEARWATER STORAGE TANK

- The new 5 million-litre clearwater storage tank under construction at the Waiora Terrace Water Treatment Station will enhance the quality of Hamilton city's water supply by providing for additional disinfection protection. Construction is due for completion in September 2001.

ROTOTUNA URBAN GROWTH

- Development of the Rototuna water supply reticulation trunks continued during the 2000/01 year, with funding of \$600,000 allocated. This ongoing project ensures the development of essential water supply infrastructure to meet the demands of residential growth and expansion in the city's northern area.

WATER SUPPLY UPGRADES IN ELEVATED AREAS

- A programme to upgrade water supply pressure in elevated areas continued during the 2000/01 year. The first stage of this programme is the isolation of supply to the Hillcrest High School area (scheduled for completion by September 2001) and boosting of the Dinsdale supply during morning and evening peak periods (scheduled for completion by December 2001).

DESCRIPTION

This activity consists of water treatment, storage, and distribution through the operation and maintenance of the water treatment and pumping stations, reservoirs, boosters and over 879 kilometres of reticulation network. Quality, pressured water, which meets the 1995 NZ Drinking Water Standards, provides potable (drinkable) water and fire protection to the community and is delivered to over 41,000 premises, servicing more than 117,000 persons.

OBJECTIVE

- To maintain a continuous supply of potable (drinkable) water with adequate supplies for urban fire fighting. (Goal 2)

LONG-TERM OBJECTIVES

- To implement the city's Water Future Development Plan 1997, to ensure the quality, capacity and security of the city's water supply. (Goals 1 & 2)
- To complete upgrading the water pipe network to meet Council's Development Manual by 2010. (Goal 2)

PERFORMANCE MEASURES

Maintained a water supply that meets the New Zealand Drinking Water Standards 1995. (Obj. 1)

The water supply was maintained to all consumers and met the NZ Drinking Water Standards 1995 requirements.

Retained the Ministry of Health's grading of the city's water treatment station operation at 'A', and the city's water pipe network system at 'a', as assessed by the Ministry every three years. (Obj. 1)

The city's gradings of 'A' and 'a' were retained.

User satisfaction measures for continuity of supply maintained at 80 or greater, water pressure at 75 or greater, clarity of water at 75 or greater, and for taste of water at 62 or greater, as measured by Council's 2001 Residents Survey.

(Obj. 1)

Ratings of 81, 77, 75 and 65 respectively were achieved.

Provided customers with new water connections within 10 working days of application and payment, or by a later date as specified by the customer, in 90% of cases. (Obj. 1)

Customers received new water connections within 10 working days in 48% of cases. The reasons for not meeting the target are:

- customers not requiring immediate connection*
- delays due to main/riidermain upgrade being required*
- internal processing delays. These delays are being addressed in consultation with the Environmental Services Group.*

Maintained an uninterrupted water supply to all consumers, including emergencies and scheduled works, accounting for less than 900,000 customer minutes out of service. (Obj. 1)

Ten months of records to the end of June 2001 indicate 567,500 customer minutes out of service. This compares well with the equivalent 10-month target of 750,000 and indicates a 12-month total of approximately 680,000 customer minutes out of service.

The construction of a second clearwater tank at the Water Treatment Station completed by 30 June 2001. (Obj. 1)

Construction of the second clearwater tank commenced in December 2000. Due to delays in letting the contract, completion is now programmed for September 2001.

Flows and pressures complied with Council's Development Manual. (Obj. 1)

Feedback from testing programmes, independent hydrant testing, continuous pressure recording from pump stations and also customer feedback confirm that all flows and pressures criteria were met or exceeded.

The water reticulation network upgraded and extended by 10km within budget by 30 June 2001. (Long-term Objs. 1 & 2)

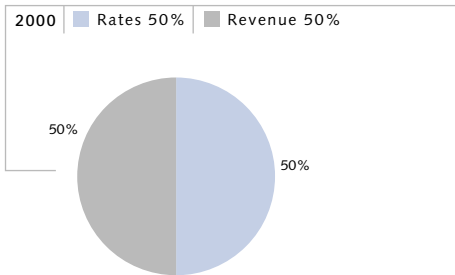
The network has been upgraded and extended by 2.5km for 150mm diameter pipe and 7.3km for 63mm pipe totaling 9.8km within budget by 30 June 2001.

WATER SUPPLY

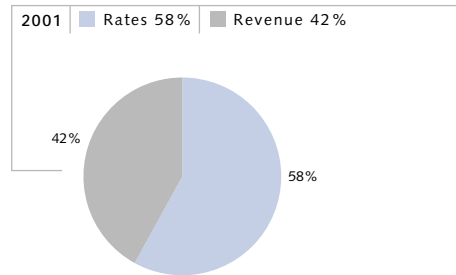
COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
Direct Operating Costs			
3,179	Network Maintenance	3,312	3,117
2,200	Treatment Station and Reservoirs	2,446	2,974
0	Water Conservation Management Strategy	14	20
5,379	Total Expenditure	5,772	6,111
Less Revenue			
2,603	Sale of Water	2,365	2,305
110	Contributions for Damage Repairs	50	103
2,713	Total Revenue	2,415	2,408
2,666	Net Cost Of Service	3,357	3,703
1,582	Capital Expenditure	2,904	4,564

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:



WASTEWATER

HIGHLIGHTS

WASTEWATER TREATMENT PLANT UPGRADE

- Work has continued on the construction of the secondary treatment facility at the wastewater treatment plant in Pukete. Work is on target for completion this calendar year. The upgraded facility will provide secondary treatment with ultraviolet disinfection and will significantly improve the quality of discharged wastewater.

WESTERN WASTEWATER INTERCEPTOR

- The western interceptor upgrade has been substantially completed. Delivery of new pumps for the Dinsdale wastewater pumping station is due August 2001 and once installed, wet weather overflows in the Dinsdale area will be significantly reduced.

ROTOTUNA TRUNK WASTEWATER URBAN GROWTH

- Further development of the wastewater trunk system to serve the Rototuna growth cell has been completed. Works included extension of the Thomas Road trunk main.

DESCRIPTION

The wastewater network provides for protection of public health by collecting wastewater and waterborne wastes. These wastes are transported through the network to the Wastewater Treatment Plant, where they are treated prior to discharge to the Waikato River. The network includes 675km of pipes from 150mm to 1,800mm in diameter, 12,484 manholes, 107 pumping stations, and five major wastewater bridges.

OBJECTIVES

- To continue to develop the wastewater network to provide for growth of the city. (Goal 1)
- To accept, convey, treat, and dispose of all wastewater from the city, in accordance with Council's resource consent, efficiently and without nuisance. (Goals 1 & 2)
- To maintain the integrity of the wastewater reticulation network and pumping stations. (Goal 2)

PERFORMANCE MEASURES

Completed the next stage of wastewater trunk mains to serve the Rototuna growth area by 30 June 2001. (Obj. 1)

The extension of the Rototuna Trunk to Thomas Road has been completed. Developers in the Flagstaff area have delayed their development and as a result, installation of the Flagstaff trunk has been deferred until 2001/02.

Customers provided with new wastewater connections within 10 working days of application and payment, or by a later date as specified by the customer, in 90% of cases. (Obj. 1)

Customers were provided with new wastewater connections within 10 working days in 48% of cases. The reasons for not meeting the target include:

- *customers not requiring immediate connection*
- *delays due to requiring consent from adjoining owners*
- *internal processing delays. These delays are being addressed in consultation with the Environmental Services Group.*

Year 2 of a 9-year programme to upgrade the Wastewater Treatment Plant completed within the budget of \$17.503 million by 30 June 2001. (Objs. 1, 2 & 3)

Year 2 of a 9-year programme to upgrade the Wastewater Treatment Plant was completed within budget by 30 June 2001.

No more than 60 wastewater blockages per 100km of reticulation network per year. (Obj. 2)

Approximately 45 wastewater blockages per 100km of reticulation network per year occurred.

User satisfaction measure for the city's wastewater system maintained at 68 or greater, as measured by Council's 2001 Residents Survey. (Obj. 2)

A rating of 75 was achieved.

The first stage of the upgrade of the Western Interceptor completed by 30 June 2001. (Obj. 3)

The physical construction work for this project was completed by 30 June 2001.

Provided an annual report to Environment Waikato by 30 September 2001 that raises no major concerns regarding compliance with the Wastewater Treatment Plant's resource consents for the year ended 30 June 2001. (Obj. 3)

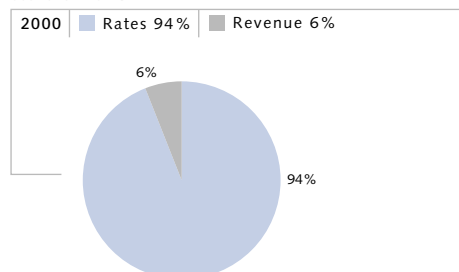
A report has yet to be provided, however no major concerns have been raised in the interim. A report will be provided by 30 September 2001.

WASTEWATER

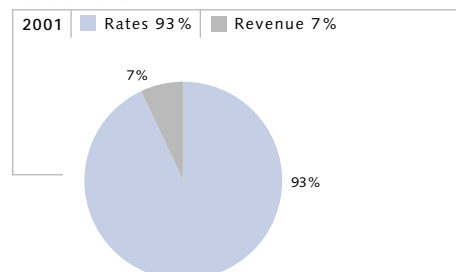
COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
	Direct Operating Costs		
4,469	Sewer Network Maintenance	4,011	4,129
1,965	Wastewater Treatment Plant	4,906	4,859
0	Condition Assessment Report	37	60
6,434	Total Expenditure	8,954	9,048
	Less Revenue		
366	Trade Waste Fees	640	532
0	Pipe Survey Fees	9	10
366	Total Revenue	649	542
6,068	Net Cost Of Service	8,305	8,506
9,572	Capital Expenditure	19,689	20,459

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:



STORMWATER

HIGHLIGHTS

STORMWATER UPGRADING

- The Fifth Ave stormwater project was completed in May. The completion of this project will lessen the effects of flooding on streets and private property particularly in the area of the shopping centre in Mardon Road.

ENVIRONMENT WAIKATO RESOURCE CONSENTS

- An application for a comprehensive consent for all of the city's stormwater discharges was submitted to Environment Waikato in early April 2001. The application included an assessment of effects on the environment and consultation with interested parties. Additional consultation is continuing and a stormwater management plan is also being prepared.

ROTOTUNA/FLAGSTAFF URBAN GROWTH

- Further work on extending the trunk stormwater system into the Rototuna growth cell was completed. These works included construction of the Magellan Rise culvert and the trunk stormwater system through the St James development.

NETWORK UPGRADES

- The programme of upgrading the stormwater pipe network in association with roading projects has continued during the 2000/01 year. Stormwater improvements were completed in Powells Road and Baverstock Road as part of the carriageway reconstruction.

DESCRIPTION

The stormwater network is provided for protection of public health and safety and property and includes all public piped drains and watercourses within the city. It includes 537km of piping ranging from 225mm to 2,300mm in diameter, 8,120 manholes, and 87km of open drains. The network collects stormwater runoff to minimise flooding, and transports it to the city's major watercourses, lakes or the Waikato River.

OBJECTIVES

1. To minimise flooding and facilitate development within the city by providing stormwater and land drainage to all urban areas to the standards set out in Council's Development Manual. (Goals 2 & 5)
2. To ensure that Hamilton city's stormwater resource consent conditions are complied with. (Goal 2)

PERFORMANCE MEASURES

Year 4 of the 20-year Rototuna stormwater programme completed by 30 June 2001. (Obj. 1)

Works including the Magellan Rise culvert and the installation of trunk stormwater mains as part of the St James development were completed by 30 June 2001.

Customers provided with new stormwater connections within 10 working days of application and payment, or by a later date as specified by the customer, in 90% of the cases. (Obj. 1)

63% of customers were provided with new stormwater connections within 10 working days. The reasons for not meeting the target include:

- *customers not requiring immediate connection*
- *delays due to requiring consent from adjoining owners*
- *internal processing delays. These delays are being addressed in consultation with the Environmental Services Group.*

Ensured that all new drainage vested in the city complies with the standards set out in Council's Development Manual. (Obj. 1)

Regular audits of all new stormwater works installed within the city have shown that they conform to Council's Development Manual.

The open drain cleaning programme completed by 30 June 2001. (Obj. 1)

The open drain cleaning programme was completed by 30 June 2001.

No major concerns were raised by Environment Waikato around stormwater consent compliance. (Obj. 2)

No major concerns were raised.

An application with Environment Waikato for renewal of all stormwater discharge consents lodged by 29 March 2001. (Obj. 2)

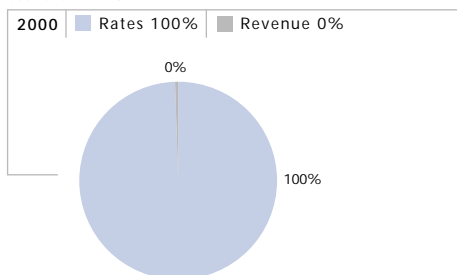
A comprehensive citywide stormwater consent application was lodged with Environment Waikato in April 2001, after Environment Waikato granted a brief time extension. Further consultation and additional information as required by Environment Waikato for this application is being provided.

STORMWATER

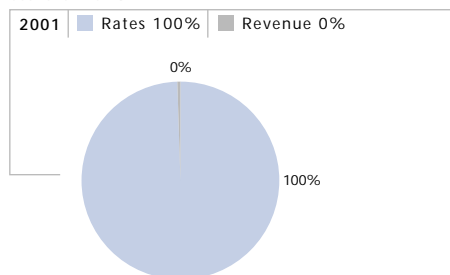
COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
	Direct Operating Costs		
3,628	Network Maintenance	3,631	3,779
0	Ohote Stream Contribution	58	50
3,628	Total Expenditure	3,689	3,829
	Less Revenue		
1	Pipe Survey Fees and Sundry	12	5
1	Total Revenue	12	5
3,627	Net Cost Of Service	3,677	3,824
1,615	Capital Expenditure	1,871	1,656

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:



REFUSE

HIGHLIGHTS

WASTE MANAGEMENT

- * Proposals for the long-term management of the city's waste were obtained during 2000/01 for consideration by Council next year.
- * The design of the final stage at Horotiu landfill was accepted by Environment Waikato.
- * The final stage of the gas migration barrier at the closed landfill in Rototuna Road was completed.
- * Community support for waste reduction continued, with increased participation at the composting and recycling facilities.

DESCRIPTION

This activity provides for the essential services of household refuse collection for 40,177 residential properties, and the operation of the Refuse Transfer Station (including the recycling centre), Hamilton's Organic Recycling Centre and the Horotiu Landfill. The landfill accepts waste from a number of sources in Hamilton city and the local districts.

OBJECTIVE

1. To plan, manage, and administer all refuse operations in an efficient, cost-effective, and environmentally sensitive way, including refuse collection and disposal, refuse transfer, bulk haulage, recycling, and hazardous waste disposal. (Goals 1, 2 & 4)

PERFORMANCE MEASURES

Satisfied 90% of requests relating to non-collection of household refuse within 24 hours. (Obj. 1)

94% of all requests (63) relating to non-collection of household refuse were satisfied within 24 hours.

Hamilton's Organic Recycling Centre, Refuse Transfer Station, and landfill facilities operated every day, except New Year's Day, Good Friday and Christmas Day. (Obj. 1)

These facilities operated on all days required by the performance measure.

User satisfaction measures for the Refuse Transfer Station maintained at 71 or greater, for the Hamilton Organic Recycling Centre at 82 or greater, and for household refuse collection at 73 or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

Ratings of 74, 83 and 78 respectively were achieved.

Annual reports provided to Environment Waikato and Waikato District Council by 30 September 2001 that raise no major concerns regarding compliance with the Horotiu Landfill's resource consent for the year ended 30 June 2001. (Obj. 1)

The reports have yet to be provided, however no major concerns have been raised in the interim. The reports will be provided by 30 September 2001.

Recovered 18,000 tonnes of waste for recycling through kerbside paper collection, recycling centre operations and greenwaste composting at Hamilton's Organic Recycling Centre. (Obj.1)

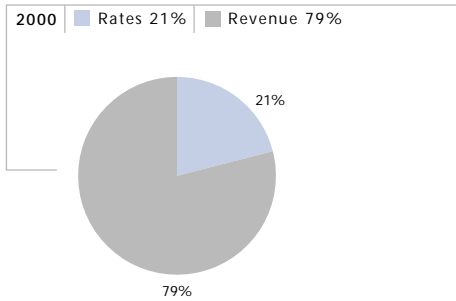
In excess of 20,000 tonnes of waste for recycling has been assessed as recovered.

REFUSE

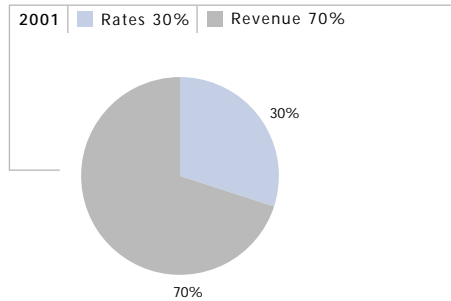
COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
Direct Operating Costs			
1,879	Household Collection	1,935	1,919
1,911	Transfer Station	2,126	1,962
5,463	Horotiu Landfill	5,042	5,371
62	Management Old Landfill Sites	117	240
404	Rototuna Landfill Remediation	0	0
55	Organic Recycling Centre	90	105
9,774	Total Expenditure	9,310	9,597
Less Revenue			
1,206	Transfer Station Fees	1,557	1,413
6,499	Landfill Fees	4,879	4,865
55	Recycling Centre Rent	42	41
7,760	Total Revenue	6,478	6,319
2,014	Net Cost Of Service	2,832	3,278
6,409	Capital Expenditure	2,158	5,175

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:



ROADS AND TRAFFIC

HIGHLIGHTS

TRANSPORT CENTRE

- The new Hamilton Transport Centre located on the corner of Bryce and Anglesea Streets was officially opened by the Prime Minister in February 2001.

WAIRERE DRIVE

- The extension of Wairere Drive linking River Road and Hukanui Road has been completed. The project included 1.9km of new carriageway, and a shared pedestrian/cycleway.

OHAUPO ROAD UNDERPASS

- An underpass has been constructed beneath Ohaupo Road to address a long-standing public concern for the safety of children in the Ohaupo area.

POWELLS ROAD

Powells Road has been upgraded from a metal road to urban road standards, with new kerb and channel and footpaths. This work keeps pace with development in the Fairview area.

NORTHERN ARTERIAL ROAD/RESOLUTION DRIVE

- Council has completed the construction of Resolution Drive, a new arterial road, linking Wairere Drive to Thomas Road and Discovery Drive. The project included 1.4km of new carriageway, and a shared pedestrian/cycleway.

PARKING ENFORCEMENT

- The Heavy Motor Vehicle Parking Bylaw was successfully upheld throughout the year, with very few complaints concerning illegal parking received.
- The Parking Enforcement Unit worked with Environment Waikato towards the drafting and introduction of the new regional Navigation and Safety Bylaw that came into effect on 1 July 2001. Negotiations are continuing with Environment Waikato regarding safety on the Waikato River within the city.
- There were 8,216 recorded occasions when Parking Officers gave assistance, guidance or geographical directions to members of the public during the year.
- The Heavy Motor Vehicle Bylaw was most successfully upheld throughout the year, with very few complaints concerning illegal parking received.

ROAD NETWORK MANAGEMENT

DESCRIPTION

This activity provides for the professional and technical work involved in providing ongoing management of the city's roading network. It includes policy development, forward planning, development control, road safety co-ordination, and various systems management.

OBJECTIVES

1. To carry out the road network management function in an efficient and effective manner, to meet the needs of the community. (Goals 1, 2 & 5)
2. To carry out all subsidised works in accordance with the National Roding Plan (NRP) agreement with Transfund. (Goal 4)

PERFORMANCE MEASURES

Achieved a 75% satisfaction rating for acknowledgement of, and response to, requests for service, as measured by the Roads and Traffic Unit's monthly feedback surveys. (Obj. 1)

A satisfaction rating of 80.4% was achieved.

Processed all engineering designs for subdivision applications within 20 working days. (Obj. 1)

All engineering designs for subdivision applications were processed within 20 working days with one exception, which took 22 days to process.

Satisfactorily achieved all the performance measures contained within the National Roding Plan (NRP) agreement with Transfund. (Obj. 2)

All of the performance measures contained within the National Roding Plan (NRP) agreement with Transfund were satisfactorily achieved.

CARRIAGEWAYS

DESCRIPTION

This activity provides for general maintenance, cleaning, resealing, bridge maintenance and construction, rehabilitation and construction of the carriageway component of roading projects. All of the work is carried out by external contractors, covering approximately 521km of sealed carriageways, 3.2km of unsealed carriageways, 921km of kerb and channel, and 42 traffic bridges, large culverts, pedestrian bridges and underpasses.

OBJECTIVES

1. To construct, improve and maintain a network of roads adequate for the movement of vehicles and people in a safe and efficient manner. (Goals 1, 2 & 5)
2. To improve riding quality (roughness) in conjunction with the carriageway maintenance and renewal reseal programmes. (Goal 1)

LONG-TERM OBJECTIVES

1. To maintain an 11-year (average) reseal cycle for all carriageways within the city. (Goals 1 & 2)

PERFORMANCE MEASURES

Maintenance work completed by 30 June 2001, in accordance with contract specifications which provide quality control and criteria for cleaning, kerb and channel repairs, and minor road maintenance. (Obj. 1)

Road cleaning, kerb and channel repairs and minor road maintenance work was completed by 30 June 2001, in accordance with contract specifications.

Capital works programme completed within budget by 30 June 2001, in accordance with contract specifications which provide quality control including:

- completion of Wairere Drive from River Road to Hukanui Road (year 3 of a 3-year construction programme)
- construction of the new northern arterial road (Resolution Drive) from Wairere Drive to Discovery Drive
- investigation and design of Baverstock Road through to Brymer Road
- upgrading Powells Road through to the city boundary to urban standards including kerb and channel and footpath
- closing and upgrading Rototuna Road at the Horsham Downs Road intersection to urban standards. (Obj. 1)

The Roads and Traffic capital works programme was completed within budget and in accordance with contract specifications by 30 June 2001, with the following exceptions:

- *the closing and upgrading of Rototuna Road at the Horsham Downs Road intersection which was not able to be completed due to objections to the legal road closure*
- *planned land purchases did not occur*
- *bridge resurfacing was delayed due to seasonal conditions and prolonged investigations of treatment options*
- *shape connection work was delayed due to weather and completion is anticipated in December 2001.*

User satisfaction measures for streets throughout the city maintained at 66 or greater and for streets around here at 69 or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

Ratings of 71 and 73 respectively were achieved.

Between 42 and 52km of reseals/resurfacing to maintain an average 11-year reseal cycle (Long-term Obj. 1) completed by 30 June 2001. (Obj. 2)

39.7km of reseals/resurfacing were completed by 30 June 2001. Due to a significant increase in the price of bitumen, the funding allocated for reseals/resurfacing during the 2000/01 financial year was insufficient to enable this performance measure to be met.

The average roughness on Hamilton roads maintained at 110 NAASRA* counts or better. (Obj. 2)

* NAASRA counts are a recognised standard for measuring road roughness. The higher the number the rougher the road. For example, a gravel road might have a NAASRA count of about 200 and a smooth tarmac road would have a NAASRA count of about 50.

The average roughness on Hamilton roads was not measured in 2000/01. Roughness is measured on a 2 yearly cycle due to cost considerations and the lack of any significant yearly variance in road roughness.

Between 2km and 6km of carriageway refurbishment completed by 30 June 2001. (Obj. 2)

1.6km of carriageway refurbishment was completed by 30 June 2001. 1.77km of carriageway refurbishment was delayed due to inclement weather and is forecast for completion during 2001.

TRAFFIC FACILITIES

DESCRIPTION

This activity provides for improvement and day-to-day operation and maintenance of roadmarking, safety fences, traffic islands, traffic signals, signs, street lighting, bus shelters, and various road safety activities. All of the work over the 524km of roads is carried out by external contractors, covering 42 signal-controlled intersections, approximately 11,435 traffic signs (including those on State Highways), 11,710 street lights, and 104 bus shelters.

OBJECTIVES

1. To provide, improve and maintain the city's traffic facilities and traffic management systems. (Goal 2)
2. To optimise the safety and efficiency of the road network. (Goal 2)

LONG-TERM OBJECTIVES

1. To ensure that all roadmarking, pedestrian crossings, street lighting and signalised intersections comply with national standards. (Goals 1 & 2)
2. To introduce, where appropriate, roadmarking that has a longer life and uses higher reflectivity materials for arterial routes and intersections. (Goals 1 & 2)

PERFORMANCE MEASURES

Year 3 of the 12-year programme to upgrade street lights within the budget of \$0.3m completed by 30 June 2001. (Obj. 1 & Long-term Obj. 1)

Year 3 of the 12-year programme to upgrade street lights was completed within budget by 30 June 2001.

Maintenance work completed by 30 June 2001, in accordance with contract specifications which provide quality control and criteria for roadmarking, street signage, traffic facilities and the street light network at current (or better) condition. (Objs. 1 & 2; Long-term Objs. 1 & 2)

Roadmarking, street signage, traffic facilities and street light network maintenance work was completed by 30 June 2001, in accordance with contract specifications which provide quality control and criteria at current state (or better) conditions.

User satisfaction measures for traffic management maintained at 65 or greater, for street lighting throughout the city at 67 or greater, and for street lighting around here at 65 or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

Ratings of 72, 71 and 68 respectively were achieved.

FOOTPATHS, CYCLEWAYS, AND VERGES

DESCRIPTION

This activity provides for improvement and maintenance of the city's footpaths, cycleways, and verges. It includes general maintenance, resurfacing, cleaning, litter collection and rehabilitation of footpaths, landscape maintenance, and vegetation control. All work is externally tendered and covers five pedestrian/cycle underpasses, 798km of footpaths, and 9km of cycleways.

OBJECTIVES

1. To ensure that berm areas are maintained to an acceptable standard. (Goal 1)
2. To construct, improve and maintain a network of footpaths and cycleways to provide for the safe movement of pedestrians and cyclists. (Goals 1 & 2)
3. To continue with development of the cycleway network throughout the city. (Goals 1 & 2)

PERFORMANCE MEASURES

Completed 3.9-6.5km of footpath refurbishment, 0.6-1.2km of new footpath construction and 29-35km of footpath resurfacing by 30 June 2001. (Obj. 1)

6.2km of footpath refurbishment, 0.7km of new footpath construction and 30.7km of footpath resurfacing was completed by 30 June 2001.

Maintenance work completed by 30 June 2001, in accordance with contract specifications which provide quality control and criteria for ensuring that footpaths, cycleways and verges remain in their current state (or better) condition. (Objs. 1 & 2)

Footpaths, cycleways and verges maintenance work was completed by 30 June 2001 in accordance with contract specifications which provide quality control and criteria at current state (or better) conditions.

User satisfaction measures for footpaths in general throughout the city maintained at 66 or greater, for footpaths around here at 67 or greater and for pedestrian facilities at 66 or greater, as measured by Council's 2001 Residents Survey. (Objs. 1 & 2)

Ratings of 70, 71 and 73 respectively were achieved.

Completed the construction of a pedestrian facility across Ohaupo Road within budget by 30 June 2001, to provide safe access for pedestrians. (Obj. 2)

The construction of a pedestrian facility across Ohaupo Road was completed within budget by 30 June 2001.

Completed the enhancements to the CBD to University of Waikato cycle routes plus additional priority sites, within budget of \$305,000 by 30 June 2001. (Obj. 3)

Work on the enhancements to the CBD to University of Waikato cycle routes plus additional priority sites has been delayed by the consultation process. Physical work is now expected to be completed during the 2001/02 financial year.

User satisfaction measure for cycle facilities and support for cycling throughout the city rated at 40 or greater, as measured by Council's 2001 Residents Survey. (Obj. 3)

A rating of 59 was achieved.

HAMILTON TRANSPORT CENTRE

DESCRIPTION

This activity provides day-to-day management of the Hamilton Transport Centre, together with planning for future development of the facility and liaison with the Regional Council (Environment Waikato) on public transport matters. Determination of the city bus routes and the location of bus stops is undertaken by the Regional Council.

OBJECTIVE

1. To provide an efficient, multi-modal transport centre for the people of Hamilton and for visitors. (Goals 1 & 2)

PERFORMANCE MEASURES

User satisfaction measure for the Hamilton Transport Centre maintained at 41 or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

A rating of 75 was achieved.

Completed the redevelopment of the Hamilton Transport Centre on the site of the old Placemakers building in Bryce Street within budget by 30 June 2001. (Obj. 1)

The new Hamilton Transport Centre was officially opened in February 2001.

PARKING FACILITIES

DESCRIPTION

This activity involves management of the city's off-street parking facilities. There are currently 1,072 off-street parking spaces provided within the city in the Knox Street, River Road and Kent Street car parks.

OBJECTIVE

1. To provide, maintain and manage the city's parking facilities to ensure the availability of public parking in a safe and efficient manner, in accordance with Council policies. (Goal 1)

PERFORMANCE MEASURE

User satisfaction measure for off-street parking maintained at 59 or greater as measured by Council's 2001 Residents Survey. (Obj. 1)

A rating of 62 was achieved.

PARKING ENFORCEMENT

DESCRIPTION

The purpose of this activity is to provide on-street parking control, removal of abandoned vehicles, enforcement of the Heavy Motor Vehicle Parking Regulations, and the control and promotion of safety on the Waikato River. Parking officers also, in the course of their duties, give aid and assistance to the public where appropriate or requested.

The Parking Enforcement Unit achieved a turnover of metered parking spaces that is better than the time limits set for these areas as measured by an annual parking turnover survey.

OBJECTIVES

1. To contain or prevent illegal parking of vehicles on roads, to achieve public safety and availability of parking spaces within the city. (Goals 1, 2 & 4)
2. To limit the number of motor vehicles that are unlicensed, without valid evidence of inspection, or have unsafe tyres. (Goal 1)

Maintained a paid before prosecution rate for parking regulation offences better than 84%. (Obj. 1)

The Parking Enforcement Unit maintained a paid before prosecution rate for parking regulations offences of 84%.

PERFORMANCE MEASURES

Achieved a turnover of parking space in the inner city area that is better than or equal to, the time limits set for these areas as measured by an independent annual parking turnover survey. (Obj. 1)

Limited the number of motor vehicles defective in display of a valid licence, evidence of inspection, or both to less than 4% two or more months overdue as measured by a standard survey conducted annually during normal working hours of the Parking Enforcement Unit. (Obj. 2)

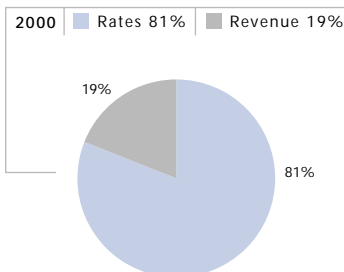
The number of motor vehicles defective in display of a valid licence, evidence of inspection, or both was limited to 2% two or more months overdue as measured by a standard survey conducted annually during normal working hours of the Parking Enforcement Unit.

ROADS AND TRAFFIC

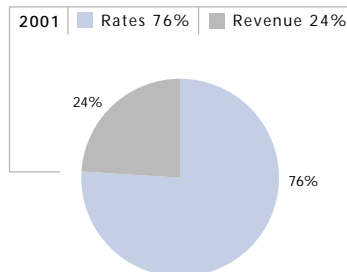
COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
	Direct Operating Costs		
	Carriageways		
11,001	Maintenance	9,199	8,975
	Traffic Services		
2,282	Maintenance	1,795	2,257
1,671	Street Lighting	1,605	1,640
	Footpaths, Cycleways and Verges		
4,452	Maintenance	3,210	3,307
1,474	Network Management	1,162	983
0	Roads Safety Programme	243	184
419	Hamilton Transport Centre	516	462
	Parking		
1,127	Parking Enforcement	1,182	1,194
223	Off-Street Parking	234	228
22,649	Total Expenditure	19,146	19,230
	Less Revenue		
1,930	Transfund Subsidy	2,013	1,837
240	Contributions	199	93
0	LTSA for Safety Programmes	108	87
172	Hamilton Transport Centre Rents	164	198
506	Parking Meter Receipts	536	506
498	Parking Infringements	535	545
787	Fines and Court Recoveries	799	714
208	Off-Street Parking Fees	235	181
4,341	Total Revenue	4,589	4,161
18,308	Net Cost Of Service	14,557	15,069
14,326	Capital Expenditure	15,763	18,820

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:



HEALTH, ORDER AND SAFETY

HIGHLIGHTS

BUILDING CONTROL

- Results from the Building Industry Authority audit undertaken by Opus International showed that the Building Control Unit is in good shape. The Unit is producing building consents and undertaking its other statutory duties well within the time frames prescribed by the legislation. The audit also revealed that the Unit is a top performer when compared to other councils with fees being amongst the lowest of the major cities and performance providing value for money to the customer.

PLANNING GUIDANCE

- Results of an Audit NZ survey in 1999/00 showed the Planning Guidance Unit's critical data items submitted in the questionnaire were robust with a clear audit trail between the Unit's data sources and records to the questionnaire.

ANIMAL CARE AND CONTROL

- After hour dog control officers have undertaken animal welfare training to enable them to become warranted Inspectors under the Animal Welfare Act 1999. These warrants are over and above the delegated authorities they have under the Dog Control Act 1996.

LIQUOR LEGISLATION CHANGES

- Council has successfully implemented and exercised its new authority to grant applications for new premises licences and managers certificates under the Sale of Liquor Amendment Act 1999.

ENVIRONMENTAL HEALTH

- The annual risk assessment survey of the city's food businesses has shown no decline in the standards of food hygiene.
- In November 2000, 30 Hamilton food businesses were presented with Council's food safety award for excellence in food safety. This is the thirteenth year these awards have been presented.

INTEGRATED ENVIRONMENTAL MONITORING

- An integrated environmental monitoring plan for the Riverlea suburb as part of the HEIRS (Hamilton Environmental Improvements in the Riverlea Suburb) project has been developed and initial implementation undertaken.

CONTAMINATED SITES

- The completion of stage three of Council's contaminated site strategy has identified high risk sites requiring a preliminary investigation by Council staff.

BUILDING CONTROL

DESCRIPTION

The purpose of this activity is to work with people to safeguard public health and maintain public safety by educating and fairly applying laws relating to the construction and maintenance of new and existing buildings.

OBJECTIVES

- To receive and process all building consents and project information memoranda within statutory timeframes and to achieve compliance with the Building Act 1991. (Goal 1)
- To receive and process all land information memoranda in compliance with the Local Government Official Information and Meetings Act 1987. (Goal 2)

PERFORMANCE MEASURES

Processed 100% of all building consents in accordance with the Building Regulations 1992 within the following timeframes after receiving an application:

- buildings up to \$500,000-10 working days
- buildings over \$500,000-20 working days. (Obj. 1)

All building consent measures were processed in accordance with the Building Regulations 1992 within the legislative timeframes. However, due to system and staff input issues the data used to verify this performance is not 100% reliable, thus the performance cannot be verified. The system has now been refined for the 2001/02 year with weekly reports produced and reviewed to ensure that the performance can be measured and verified for the next financial year.

Audited 100% of the fire safety records of all buildings identified as high risk on Council's compliance schedule matrix by 30 June 2001. (Obj. 1)

100% of the fire safety records of all buildings identified as high risk on Council's compliance schedule matrix were audited.

Inspected all buildings subject to a building consent after notice that the work was ready for inspection within the following timeframes:

- commencement of construction: 2 working days
- all other construction: 1 working day (Obj. 1)

All buildings subject to a building consent, after notice that the work was ready for inspection, were inspected within agreed timeframes. However there has been no system in place to link data collection and the building inspection management system, accordingly the achievement cannot be verified. An appropriate system has been implemented for the 2001/02 year to ensure that the performance can be measured and verified.

Processed 100% of all project and land information memoranda within 10 working days of receiving an application. (Objs. 1 & 2)

All project and land information memoranda were processed within 10 working days of receiving an application.

This measure was not reached because staff currently have to consider applications under two District Plans. This requires more time involved in giving advice to customers and assessing applications.

All liquor licence applications, car dealer certificates and home occupations certificates were processed within the statutory time limits of the Resource Management Act 1991.

Inspected and effectively monitored at least 50 resource consents per month during 2000/01. (Obj. 1)

Planning Guidance Unit monitored 606 notified and non-notified resource consent applications, reaching its monthly monitoring target of 50 resource consents 8 out of 12 months. An average of 50.5 resource consents monitored per month was achieved.

A minimum of 30% of costs for resource consents recovered through fees and charges. (Objs. 1 & 2)

41% cost recovery for resource consents was achieved (including overheads).

PLANNING GUIDANCE

DESCRIPTION

To provide planning advice and make recommendations, including receiving and processing applications for land use and subdivision consents, and to monitor compliance with the Hamilton City District Plan and the Resource Management Act 1991.

OBJECTIVES

1. To ensure that all new subdivisions and existing land uses in the city meet standards and comply with the Hamilton City District Plan. (Goal 1)
2. To provide planning and land subdivision interpretation and advice to ensure that resource consent applications are dealt with in an efficient, consistent, fair, and expeditious manner within the statutory framework. (Goals 1 & 5)

Maintained 90% acceptance of resource consent recommendations made by staff to Council's Statutory Management Committee and 90% of cases taken to the Environment Court and supported by staff are successful. (Obj. 2)

95% of resource consent recommendations were accepted by Council's Statutory Management Committee and commissioner; and 100% of cases taken to the Environment Court and supported by staff were successful.

PERFORMANCE MEASURES

All resource consent applications and certificates processed within the statutory time limits of the Resource Management Act 1991. (Obj. 1)

86.8% of all resource consent applications (notified, non-notified, controlled, discretionary, and subdivisions applications) were processed within the statutory time limits of the Resource Management Act 1991.

ANIMAL CARE AND CONTROL

DESCRIPTION

The purpose of this activity is to achieve good dog control, a reduction in litter, and compliance with general Council bylaws, by using education and enforcement techniques.

OBJECTIVES

1. To maximise dog registration, minimise dog attacks, and promote effective dog ownership. (Goal 1)
2. To respond to litter offences and take appropriate action to deter further incidents. (Goal 1)
3. To detect offences against Council's bylaws (e.g., skateboarding, advertising signs, merchandise displays, buskers, mobile shops in public places), and identify overgrown and overhanging vegetation. (Goal 1)

PERFORMANCE MEASURES

Recovered 60% of costs for dog control activity through fees and charges.
(Obj. 1)

47% of costs for dog control activity were recovered. The Animal Care and Control Unit incurred one-off (non-budgeted) incidental costs due to the relocation of the Animal Care and Control Centre.

User satisfaction measure for dog control services maintained at 73 or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

A rating of 76 was achieved.

Completed a minimum of 25 dog education presentations within the community by 30 June 2001 in accordance with the requirements of the Education Plan contained within Council's Dog Control Policy 1997. (Objs. 1 & 2)

44 dog education community seminars were presented in accordance with the requirements of the Education Plan contained within Council's Dog Control Policy.

Responded to urgent requests for services involving public safety within 1 hour of receipt and to all routine requests for service within 48 hours, as measured by the Council's complaints system. (Objs. 1, 2 & 3)

94% of urgent requests for services involving public safety were responded to within 1 hour. 98% of all routine responses were responded to within 48 hrs. The performance measure for urgent requests for service was not met due to stretched resources when more than one urgent request for service was made at the same time.

ENVIRONMENTAL HEALTH

DESCRIPTION

The purpose of this activity is to protect and promote public health by undertaking monitoring, inspection and enforcement of standards in regard to all food premises, licensed premises, hairdressers, offensive trades, and pool water quality; to investigate statutory nuisances, to investigate cases of communicable disease; to licence, inspect and monitor premises storing hazardous substances; to control noise pollution; to carry out environmental noise monitoring; and to investigate contaminated sites.

OBJECTIVES

1. To optimise the safety of all food manufactured, prepared, packed, stored, handled by, or sold from, food establishments in Hamilton city. (Goal 1)
2. To operate a reasonable system of control over the sale and supply of liquor to the public, with the aim of contributing to a reduction in liquor abuse, so far as that can be achieved by legislative means. (Goal 1)
3. To minimise noise emission and take enforcement action where required. (Goal 1)
4. To licence and inspect industrial and trade premises where dangerous goods are stored. (Goal 1)

PERFORMANCE MEASURES

Approximately 1700 inspections of food premises completed during 2000/01 in accordance with regulations under the Health Act 1956 and Council's monthly inspection schedules. (Obj. 1)

Approximately 1645 inspections of food businesses were completed during the year as per the monthly inspection schedules.

The actual number of inspections completed during the year could not be verified due to problems reproducing the monthly database reports. As the performance measure for inspections is estimated at the beginning of the 2000/01 year this is not a significant deviation.

The average risk factor for food businesses maintained at no more than +5% of the currently recorded average risk factor of 5.3, derived from Council's risk assessment programme. (Obj. 1)

The average risk factor for food businesses was 5.3. This is within the +5% of the currently recorded average risk factor for the previous year.

Approximately 400 inspections of licensed premises completed during 2000/01 in accordance with regulations under the Sale of Liquor Act 1989 and Council's monthly inspection schedules. (Obj. 2)

Approximately 280 inspections of licensed premises were completed during the year in accordance with Council's monthly inspection schedules and regulations under the Sale of Liquor Act 1989. The performance measure was not met due to a change in policy before the year commenced requiring a dual education and monitoring strategy to ensure compliance.

All complaints regarding excessive noise investigated within 30 minutes of the time of complaint. (Obj. 3)

7621 complaints regarding excessive noise were received during the 2000/01 year. 96% of these were investigated within 30 minutes and appropriate enforcement action taken.

Approximately 600 inspections of premises storing dangerous goods completed during 2000/01 in accordance with regulations under the Dangerous Goods Act 1974 and Council's monthly inspection schedules. (Obj. 4)

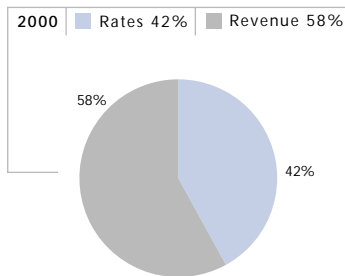
Approximately 635 inspections of premises storing dangerous goods were completed during the year in accordance with Council's monthly inspection schedules and regulations under the Dangerous Goods Act 1974.

HEALTH, ORDER AND SAFETY

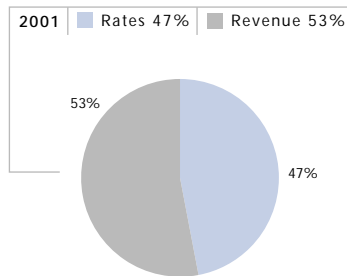
COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
Direct Operating Costs			
2,264	Building Control	2,142	2,140
832	Environmental Health	789	789
1,196	Planning Guidance	1,302	1,088
624	Animal Care and Control	750	698
4,916	Total Expenditure	4,983	4,715
Less Revenue			
1,667	Building Control Fees and Charges	1,399	1,724
409	Environmental Health Fees and Licences	373	344
462	Planning Guidance Fees	530	516
320	Dog Licences, Fees and Fines	361	361
2,858	Total Revenue	2,663	2,945
2,058	Net Cost Of Service	2,320	1,770
0	Capital Expenditure	0	0

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:



COMMUNITY SUPPORT

HIGHLIGHTS

COMMUNITY CENTRES

- Funding of \$200,000 for identified community centre projects was allocated to the Western Community Centre Trust, St. Andrews Park Community Sports Centre Inc. and the Hamilton Multi Cultural Centre Trust.

ETHNIC COORDINATOR SERVICES

- Increased funding of \$17,000 has allowed the position of Ethnic Communities Coordinator to become a full time position. This position becoming fulltime has allowed a number of significant activities to take place including the formation of a trust to manage 'Indigo: A gathering of cultures' as an ongoing Hamilton festival.
- Effective community consultation with ethnic communities on Council's Older Persons Policy and Youth Policy and related annual action plans in partnership with Hamilton's Refugee and Migrant Service.
- Held three civic welcome functions for new settlers and an information package provided.

NEIGHBOURHOOD SUPPORT GROUPS

- The number of Neighbourhood Support Groups in Council housing complexes have increased from a targeted 45% to 96%. Neighbourhood Support is seen as a vital community link within Council complexes, promoting security and well-being for Council's tenants.

CELEBRATING AGE CENTRE LIFT

- The programmed upgrade of the Celebrating Age Centre was completed and launched on 15 September 2000 with the installation of a new lift to allow people with limited ability to make full use of the underground car park. The upgrade also allowed the River Lounge to accommodate approximately 100 people.

YOUTH SERVICES

- Attendance at Youth Zone has increased from 10, 000 to 16,000 during the 2000/01 year.
- Council decided to create a Youth Council. With 15 young Hamiltonians now appointed, the role of the Youth Council will be to provide a voice for youth in Hamilton city.

COMMUNITY DEVELOPMENT SERVICES

DESCRIPTION

The Community Development Programme promotes the well-being and safety of people through research, policy setting, funded service contracts, facilities provision and government partnerships. It manages five community contracts for neighbourhood workers, and operates two large community facilities: one for older persons, the other in the Enderley community. It supports and provides funds to four community houses and provides a co-ordinator to support ethnic communities. In partnership with central government, it funds and supports the Safer Communities Council.

OBJECTIVES

1. To strengthen communities by supporting community groups, neighbourhood development and the establishment and development of community centres. (Goal 1)
2. To increase access to community services and activities for Hamilton's older people through the provision of facilities and resources. (Goal 1)
3. To work in partnership with the Safer Hamilton Community Council to promote, establish and support crime prevention initiatives in the community. (Goal 1)

PERFORMANCE MEASURES

Implemented year one Community Development Plan objectives from the six-year Community Development Plan by 30 June 2001. (Obj. 1)

93% of year one Community Development Plan objectives have been implemented and reported to Council by June 2001.

A further Community Centre Facility Feasibility Study is conducted by 30 June 2001 in preparation for capital expenditure in 2001/02. (Obj. 1)

The feasibility study was not conducted as all capital expenditure for 2001/02 was already committed to major capital projects in the 2000/01 funding round.

\$200,000 is allocated to identified community centre projects in accordance with the Community Centre Implementation Plan and Policy by 30 June 2001. (Obj. 1)

Funding of \$200,000 for identified community centre projects was allocated to the Western Community Centre Trust, St. Andrews Park Community Sports Centre Inc. and the Hamilton Multi Cultural Centre Trust.

Community profiles are updated under community contracts, published and available to the public by 30 June 2001. (Obj. 1)

Community profiles were updated, published and distributed by September 2000.

Annual attendance at Enderley Park Community Centre is maintained at 35,000 or greater in 2000/01. (Obj. 1)

Annual attendance at Enderley Park Community Centre as demonstrated through user statistics was 47,269 for the year to 30 June 2001.

Access lift is installed and operational at the Celebrating Age Centre by 30 June 2001. (Obj. 2)

The access lift for the Celebrating Age Centre was installed and operating by September 2000.

A Community Safety Profile that identifies all agencies working to reduce crime in the city is completed by 30 June 2001. (Obj. 3)

The Community Safety Profile was completed in December 2000. Promoting the availability of this document at network meetings began in January 2001, and has been favourably received by the community.

YOUTH SERVICES

DESCRIPTION

The Youth Services programme encourages youth participation in the city. It includes provision and management of the Youth Zone facility, monitoring of five youth worker contracts, and funding and monitoring of after-school activities programmes and holiday programmes.

Established eight service delivery contracts for after school activities programmes by 30 June 2001. (Obj. 1)

OBJECTIVE

1. To strengthen the provision of services, activities, resources and programmes to Hamilton's youth/rangatahi and children/tamariki. (Goal 1)

After school activities grants and contracts have been established with eight lower decile schools, namely Crawshaw, Frankton, Insoil Ave, Nawton, Rhode Street, Richmond, Te Ara Rima, Whitiara, by December 2000.

Established a Community Sport Programme for youth by 30 June 2001. (Obj. 1)

PERFORMANCE MEASURES

Established a Hamilton Youth Council by 30 June 2001. (Obj. 1)

The Community Sport Programme for youth is in progress as at 30 June 2001.

Hamilton's inaugural Youth Council was selected by June 2001.

Annual attendance of youth at Youth Zone/Te Rohe Tai Tama increased from 9,000 in 1999/00 to 10,000 in 2000/01 as demonstrated through user statistics. (Obj. 1)

The annual attendance of youth at Youth Zone/Te Rohe Tai Tama was 10,814 in 2000/01.

Held four Youth Network/Hui Whakapiri meetings by 30 June 2001. (Obj. 1)

Four Youth Network/Hui Whakapiri meetings were held between July 2000 and June 2001.

Managed the Youth Events Fund to provide at least four youth events in the city by 30 June 2001. (Obj. 1)

Four youth events were funded in the 2000/01 financial year. These were a Safe Skateboarding Competition, a 'Beatstreet' music event, a youth art exhibition and a Christmas celebration for youth at risk. More than 700 youth participated in these events.

COMMUNITY ASSISTANCE PROGRAMME

DESCRIPTION

The Community Assistance Programme disperses funds from Creative New Zealand, the Hillary Commission and Council to the community.

OBJECTIVE

1. To enhance the provision of services in the community through the allocation of funds to community organisations. (Goal 1)

PERFORMANCE MEASURES

Developed a partnership process with local funding organisations within Hamilton City to identify, analyse and prioritise funding needs. (Obj. 1)

Liased with local funding providers around funding needs for youth, and provided them with research data and needs analysis information about youth services/service gaps.

Ensured that approximately \$404,000 of small grants was distributed according to Council Policy and the programme's criteria by 30 June 2001. (Obj. 1)

The available funding of \$374,113 was distributed to 245 community groups according to Council policy and programme criteria by 30 June 2001.

HOUSING SERVICES

DESCRIPTION

Council provides and maintains affordable housing for older persons. It has 452 single or double units in 26 locations around the city. While the units are predominantly for older persons, approximately 5% are for persons with disabilities. All tenants must meet income and asset criteria.

OBJECTIVES

1. To provide well-maintained and safe living environments for tenants. (Goals 1 & 2)
2. To provide an affordable housing service that meets the needs of our customers, yet is 75% cost-recoverable. (Goals 2 & 4)

PERFORMANCE MEASURES

Responded to 100% of maintenance calls by prioritising and alerting the Property Management Unit within two days. (Obj. 1)

100% of maintenance calls were prioritised, reported to Property Management and actioned within two days.

The number of Neighbourhood Support Groups in Council housing complexes increased from 40% in 1999 to 45% in 2001. (Obj. 1)

The number of Neighbourhood Support Groups in Council housing complexes was significantly increased from 40% to 96% during 2001.

Recovered 75% of costs with rents below the market rate for matched accommodation. (Obj. 2)

Rent recovered in excess of 75% of costs and rent remains below the nationally benchmarked market rate.

Provided all tenants with up-to-date information on community services via the visiting programme of two personal visits and one other contact in addition to three newsletters posted by 30 June 2001. (Obj. 2)

82% of all tenants received two personal visits, 100% received one personal visit and three newsletters were sent to tenants by June 2001. Additional visits and contact with tenants occurs through telephone calls and informal contact at complexes.

Achieved 85% customer satisfaction with Council's housing services as measured by the 2001 Annual Tenants Survey. (Obj. 2)

A customer satisfaction rating of 87% was achieved.

EMPLOYMENT INITIATIVES

DESCRIPTION

The Employment Initiatives programme facilitates people into employment through training and project-based work experience. The programme is a co-operative one between the Department of Work and Income, Hamilton City Council and the community. It completes projects which are of benefit to communities and the environment in Hamilton.

The Stop Graffiti programme has a two-way approach to the problem of graffiti in the city. The Police, Youth Aid, courts and Child Youth and Family Service make referrals to the programme. The programme is designed to rehabilitate and motivate the participants.

OBJECTIVES

1. To enable Employment Initiatives participants to gain employment through participation in Council's training and work experience programme. (Goal 1)
2. To increase the number of employers who provide work experience and employment to programme participants. (Goal 2)

3. To structure and deliver employment and training programmes which attract central government funding. (Goals 3 & 4)

4. To operate the Stop Graffiti programme and to include a life skills training component for young people who are referred to the programme. (Goals 1 & 5)

PERFORMANCE MEASURES

Ensured that a minimum of 25% of programme participants moved into employment or further training, with 15% or more of these gaining permanent employment (i.e., longer than 3 months). (Objs. 1 & 2)

15% of programme participants from Taskforce Green and Community Work moved into employment and further training, with 22% gaining permanent employment by June 2001.

Provided 45 Council sponsored Community Work projects before 30 June 2001. (Objs. 1 & 3)

84 Council sponsored Community Work projects were provided throughout Hamilton city by June 2001.

Achieved 50% of the funding for the programmes from sources other than Hamilton City Council. (Obj. 3)

Achieved 50% of programme funding sourced from Central Government, Skills NZ and Department of Work and Income.

Graffiti removed from properties within 3 working days of the first report. (Obj. 4)

All graffiti reported was removed within 3 working days. An average of 285 properties per month had graffiti removed.

80% of participants who complete the Stop Graffiti programme do not return within two years. (Obj. 4)

No previous participants of the Stop Graffiti programme have returned to it.

EMERGENCY MANAGEMENT

DESCRIPTION

Hamilton City Council employs two full-time emergency management staff and has established an emergency operations centre in Council's municipal building. The purpose of the unit is to prepare strategies, programmes and plans that will underpin, reduce or eliminate the impact of the consequences of a disaster on Hamilton.

Quarterly meetings of the Emergency Management Sub-Committee were held to address high level emergency planning for the city. The sub-committee membership includes all key stakeholders (police, fire, ambulance, health utilities, etc.) Staff also attended a number of other meetings with 111 response agencies, other local authorities and welfare groups.

OBJECTIVES

1. To ensure disaster contingency plans are prepared by Emergency Management and continuously reviewed. (Goals 1 & 2)
2. To maintain public awareness of the need for emergency preparedness in the city. (Goals 1 & 2)

A review of disaster contingency plans completed by 30 June 2001, and obtained ISO 9002 registration. (Obj. 1)

The Unit achieved a clean bill of health from the ISO 9002 audit, which was completed in December 2000. A number of contingency plans and standard operating procedures were reviewed and updated.

LONG-TERM OBJECTIVES

1. To develop a fully integrated, comprehensive, emergency management system for Hamilton city. (Goals 1 & 2)
2. To develop partnerships with other emergency response agencies that will support Council's response to any disaster. (Goals 1 & 2)

Contact with at least 50 groups, organisations, or schools regarding emergency preparedness established by 30 June 2001. (Long-term Obj. 2)

Contact was made with 81 groups, schools and organisations regarding emergency preparedness across the city.

PERFORMANCE MEASURES

Attained 50% public awareness of the need to be self-reliant in the event of a disaster, as measured by Council's 2001 Residents Survey. (Obj. 2)

88% of participants were aware of the need to have a survival kit or ready access to items to make one. 47% of participants in Council's 2001 Residents Survey had an emergency plan, 25% had a survival kit and a further 57% had ready access to items to make a survival kit.

Unit staff participated in all of the city's emergency planning meetings with the key stakeholders. (Objs. 1 & 2 and Long-term Objs. 1 & 2)

CEMETERY AND CREMATORIUM

DESCRIPTION

Operating interment facilities are located at Hamilton Park and Hamilton East cemeteries. Hamilton West cemetery is closed. Operating facilities provide for burial or cremation of deceased persons and an appropriate environment for family and friends to visit.

OBJECTIVES

1. To provide a burial and cremation service to the people of Hamilton and the Waikato region. (Goal 2)
2. To maintain the cemetery facilities and environment to the satisfaction of customers. (Goal 1)
3. To implement the goals and objectives in the nine-year Cemetery Management Plan. (Goal 4)

PERFORMANCE MEASURES

All requests for cremation and burial were accommodated in accordance with legal requirements and Council's bylaw. (Obj. 1)

All cremations (938) and burials (243) were accommodated in accordance with legal requirements and Council's bylaws.

User satisfaction ratings for the chapel, associated buildings, and the overall environment at Newstead Cemetery maintained at 69 or greater, as measured by Council's 2001 Residents Survey. (Obj. 2)

Ratings of 71, 68, and 79 respectively were achieved, showing an average rating of 72.5

Stage one of the Chapel refurbishment completed by June 2001. (Obj. 3)

This project has been deferred to the 2001/02 year with additional funds allocated for the project.

Two new memorial options, of a desktop plaque for burials and upright memorial for ash interment available by June 2001. (Obj. 3)

A new burial lawn that provides for desktop memorials was completed and in use by February 2001.

A new ash interment area for upright memorials was completed by June 2001.

TOILETS

DESCRIPTION

This activity provides toilets which are physically accessible and appropriately located, and designed, built, cleaned and maintained to a high standard. There are currently 49 facilities located throughout the city, ranging from semi-automated toilets (e.g., Frankton Village and Hamilton Gardens), to sports park amenity blocks, to small toilet blocks on neighbourhood parks. They are operated and serviced through external contracts.

OBJECTIVES

1. To provide well-serviced facilities in accordance with NZS 4241: Public toilets which meet the community's needs and expectations. (Goals 1 & 2)

2. To develop new facilities in areas where the public identifies a need. (Goal 2)

PERFORMANCE MEASURES

User satisfaction measure for public toilet facilities maintained at 65 or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

A rating of 61 was achieved.

A semi self-cleaning unisex toilet constructed within budget at Five Cross Roads shopping precinct operational by March 2001. (Obj. 2)

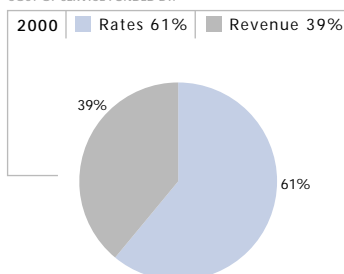
The toilets at the Five Cross Roads shopping precinct were not constructed as the negotiations to acquire a suitable site are continuing. Construction is now expected during 2001/02.

COMMUNITY SUPPORT

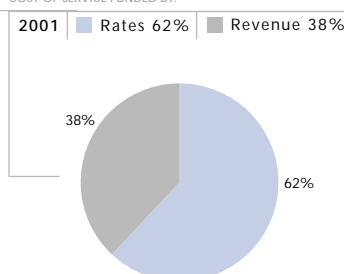
COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
	Direct Operating Costs		
917	Community Development	677	667
617	Community Centres	686	873
57	Safer Communities	56	56
	Community Assistance		
701	Community Assistance Grants	693	756
190	Hillary Commission Grants	146	140
79	Creative NZ Grants	70	70
65	Grant - Fairfield Intermediate	0	0
377	Youth Programme	371	402
1,945	Housing Services	1,817	1,818
1,786	Employment Initiatives	1,418	1,683
282	Emergency Management	273	236
783	Interment Facilities	895	750
351	Toilets	369	393
8,150	Total Expenditure	7,471	7,844
	Less Revenue		
0	Community Assistance	18	51
190	Hillary Commission	154	140
79	Creative NZ	70	70
1,400	Housing Services Rents	1,388	1,350
889	Employment Initiatives Subsidies	601	803
10	Emergency Management	0	0
561	Interment Fees	596	596
58	Sundry Income	47	38
3,187	Total Revenue	2,874	3,048
4,963	Net Cost Of Service	4,597	4,796
2,592	Capital Expenditure	463	986

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:



RECREATION AND LEISURE

HIGHLIGHTS

EVENTS STADIUM

- Construction work began on the Waikato Stadium during the 2000/01 year. Council will take over the management of the Waikato Stadium facility following its completion.

AQUATIC FACILITIES STRATEGIC PLAN

- A draft 20-year strategic plan for swimming facilities was prepared and made available for public submissions and discussion. A final strategic plan for swimming facilities is to be considered by Council for approval in October 2001.

ELLIOTT PARK SKATEBOARD FACILITY

- Council resolved on 18 July 2001 to build the next skateboard area at Fairfield Park instead of Elliott Park. The facility at Fairfield Park will be constructed in the next two years.

GOWER PARK UPGRADE

- The Gower Park sports field upgrade was completed including sub-surface drainage being installed to allow more regular mowing and increased use. The cobblestone path, which had sunk, has been renewed and extended to allow people to cross the park on firm ground.

HAMILTON CITY LEISURE CENTRE

DESCRIPTION

The Leisure Centre provides high quality, affordable health, fitness, sport and leisure programmes and activities. The centre is managed under contract to Council. The Hamilton City Leisure Centre Board advises Council on the operational efficiency and effectiveness of the centre.

OBJECTIVES

1. To provide, maintain, and promote the facility and equipment, to encourage a range of recreational activities. (Goal 1)
2. To ensure provision of a range of quality and affordable health, fitness, sport and leisure programmes and services in response to identified community needs. (Goal 1)

PERFORMANCE MEASURES

Achieved a patronage total that is equal to the average of the previous three years. (Objs. 1 & 2)

This performance was not achieved. The patronage for 2000/01 reached 90% of the average of the last three years.

Monitoring and evaluation of the management contract with Metro Y reveals contract compliance and satisfactory performance rating of the contractor. (Obj. 1)

Conditions and performance expectations within the Metro Y contract were evaluated as satisfactory.

User satisfaction measure for the Hamilton City Leisure Centre maintained at 67 or greater, as measured by Council's 2001 Residents Survey. (Obj. 2)

A rating of 66 was achieved.

Maintained certification of the independent ISO quality system developed by Metro Y. (Obj. 2)

Certification to the ISO 9002 quality standard was maintained.

THE WAIKATO EVENTS CENTRE (CLAUDELANDS)

DESCRIPTION

The Waikato Events Centre operates on a commercial basis providing facilities and equipment that are hireable in terms of time and space to provide commercial and community benefits towards economic development and recreational opportunity.

OBJECTIVES

1. To optimise the use of the centre's facilities and services. (Goal 1)
2. To improve the aesthetics and ambience of the complex. (Goal 1)

PERFORMANCE MEASURES

Increased income turnover by 5% (\$26,500) from the existing base of \$535,000.
(Obj. 1)

An increase in income turnover of 10.09% (\$54,000) was achieved.

Protected ratepayers' investment by complying with statutory requirements.
(Obj. 1)

No non-compliance with statutory requirements was reported.

Implemented a satisfaction survey by 30 June 2001 to provide a benchmark for future comparison. (Objs. 1 & 2)

An ongoing process for monitoring user satisfaction has been established and will be used as a benchmark for future comparison.

Progressed the Claudelands Park Management Plan (Events Centre component) with a view to aesthetic and ambient feature improvement. (Objs. 1 & 2)

In accordance with the Events Centre component of the Claudelands Park Management Plan, a number of derelict structures were removed, some roadways were sealed and grassing of the event oval was completed.

SWIMMING FACILITIES

DESCRIPTION

This activity provides, operates and funds swimming facilities throughout the city, to provide safe exposure to family orientated water based education for a community that is geographically remote from natural coastal water features.

The activity encourages an appreciation of water safety education through Learn To Swim and Swim Safe programmes, while also addressing intergenerational needs through related health and fitness programming. Council has a rigorous water testing regime in place for the pools it owns, ensuring a safe and healthy environment for swimming and adherence to national water quality standards. All national water quality standards continued to be met during the 2000/01 year. The needs of a range of aquatic sports clubs and associations are also met by ensuring training opportunities exist within the programme.

OBJECTIVE

1. To operate and maintain swimming facilities for the safety and health of users, to balance recreational, competitive, teaching/coaching, and therapeutic uses, and to promote ongoing efficiencies and programme development.
(Goal 1)

PERFORMANCE MEASURES

Achieved 580,000 visits at city funded pools in the year ending 30 June 2001. (Obj. 1)

For the year ended 30 June 2001, city funded pools received 695,582 visits. Waterworld and Gallagher Aquatic Centre received 593,725, and partner pools received 101,857 visits (partner pools include the Municipal, Campus, Hillcrest and Fairfield pools).

User satisfaction measures for Waterworld maintained at 76 or greater and for Gallagher Aquatic Centre at 75 or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

Ratings of 80 and 81 respectively were achieved.

Usage measure for Waterworld maintained at 57% or greater and for Gallagher Aquatic Centre maintained at 17% or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

Usage measures of 45% and 17% respectively were achieved.

Implemented an energy efficiency programme in conjunction with Council's energy manager to improve the efficiency of energy consumption at Waterworld and the Gallagher Aquatic Centre by 5% compared to the 1999/00 financial year. (Obj. 1)

An energy efficiency saving of 5.84% (\$15,600) was achieved.

COMMUNITY HALLS AND LEASED BUILDINGS

DESCRIPTION

This activity provides and maintains halls and Council-owned buildings leased for the cultural, social and recreational needs of the community. These halls provide venues for a diverse range of community-based activities, including clubs, house, indoor sports, band practice, arts and theatre. Community halls include: Old St. Peter's Hall, Fairfield Hall, Cobham Drive Hall, and Frankton Hall. Leased buildings include: Pukete Farm Park House, 50 Pembroke Street, Peachgrove Lounge, Riverlea Theatre, Ward Park Arts Centre, Yendell Park and 9 Pembroke Street.

OBJECTIVE

1. To provide and service minor halls and leased buildings, in order to enable a wide range of recreation, leisure and community activities in the city. (Goal 1)

PERFORMANCE MEASURE

Maintained a 30% occupancy rate for community halls and 95% for leased buildings during 2000/01.

(Obj. 1)

A 25% occupancy rate for community halls and 100% occupancy rate for leased buildings was achieved. Council resolved to remove Cobham Drive Hall from Hamilton Gardens in accordance with Hamilton Gardens Management Plan.

OBJECTIVES

1. To consult with users and the wider community to determine requirements for active recreation, through regular liaison meetings and contact with users. (Goal 1)
2. To meet the community's need for active recreational opportunities through the development and maintenance of sports areas. (Goal 1)
3. To implement recommendations in Council's Recreation and Leisure Plan. (Goal 1)

PERFORMANCE MEASURES

Assessed user needs by meeting with summer sports codes before September 2000, and with winter sports codes before April 2001. (Obj. 1)

Meetings were held with summer sports codes (September 2000) and winter sports (February 2001) where:

- *immediate needs were addressed including a requirement for extra cricket wickets*
- *plans to provide playing fields in the north east of the city were confirmed.*

User satisfaction measure for sports areas maintained at 65 or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

A rating of 71 was achieved.

Recreational facilities at Gower Park upgraded by 30 June 2001, as part of the continuing programme of sports area development. (Obj. 2)

The Gower Park sports field upgrade was completed but path reconstruction was carried over into 2001/02 due to the late completion of the fields.

Public transport needs for sports activities investigated and recommendations reported by 30 June 2001. (Obj. 3)

A survey investigating public transport needs for sports activities was completed during May 2001 and recommendations were not reported until July 2001. Research found little demand for public transport to sports activities as most people use cars, while some walk.

SPORTS AREAS

DESCRIPTION

This activity provides areas for formal and informal sport. Land is acquired primarily through the provisions of the District Plan, is developed through external contracts and maintained through a mix of internal and external contracts. These contracts are reviewed and audited annually. Regular liaison with users ensures that the best possible service is delivered to the community within the resources available.

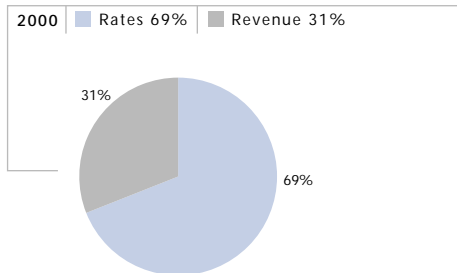
RECREATION AND LEISURE

COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

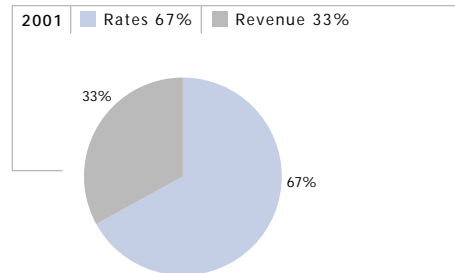
Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
	Direct Operating Costs		
178	Hamilton City Leisure Centre	188	214
	Swimming Facilities		
3,887	Swimming Pools	3,762	3,681
49	Grants - Other Pools	72	62
275	Community Halls	302	315
823	Waikato Events Centre	970	953
	Sports Areas		
1,735	Grounds and Buildings	1,530	1,531
0	Waikato Stadium and WestpacTrust Park	92	0
0	Grant - Stadium*	0	8,925
70	Grant - WestpacTrust Park	142	70
301	Grant - New Hockey Facility	0	0
0	Grant - Mystery Creek Seating	50	50
20	Grant - Luge	0	0
7,338	Total Expenditure	7,108	15,801
	Less Revenue		
1,553	Pools Admission Fees	1,643	1,472
617	Waikato Events Centre	589	603
43	Community Halls Rents	44	48
86	Sports Areas Rents	97	88
2,299	Total Revenue	2,373	2,211
5,039	Net Cost Of Service	4,735	13,590
808	Capital Expenditure*	6,853	864

* Stadium Grants during the year (\$6.246m) have been capitalised as a result of the decision to transfer ownership of the Stadium to Council at the completion of construction. The budget was prepared prior to this decision and the budgeted grant (\$8.925m) was treated as an operating expenditure item.

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:



ARTS AND CULTURE

HIGHLIGHTS

THEATRE UPGRADE

- Construction of the extensions to backstage areas of Founders Theatre was completed in October 2000. A key feature of the extension is the provision of a seminar room that can be used as extra dressing room space and for meetings, functions and rehearsals.

CHARTWELL LIBRARY EXPANSION

- The new wing of the Chartwell Library was completed on time and within budget and was officially opened at a public ceremony held 2 March 2001.

MUSEUM PROGRAMMES AND FACILITIES

- The Museum was one of only two venues to present The Unexpected: Artists' Ceramics of the 20th Century, a major international touring exhibition from the prestigious collections of Stedelijk Museum Voor Hedengasse Kunst Het Kruthuis, the Netherlands.
- A number of works of significant interest to the Waikato were acquired by Trust Waikato to be placed on long-term loan to the Museum. Most notable amongst these acquisitions was the oil painting portrait of Kewene Te Haho a chief of Ngati Naho, Ngati Whakawhaka and Ngati Haua, of Waikato and the West Coast, by the renowned Gottfried Lindauer, painted in the late 1880s.

EXSCITE

- Exscite exhibited the Sports 2000 exhibition where 14,144 people visited in 14 weeks. 33% of those visitors were first time visitors.

HAMILTON THEATRE SERVICES

DESCRIPTION

Theatre Services provide the city with the management and operation of three dissimilar live performance spaces, being Founders Theatre, WestpacTrust Community Theatre and The Meteor, in a quality, affordable and accessible manner, to enhance the recreation and cultural environment of the city. These venues cater for a diverse range of entertainment from community presentations to commercial and professional events. Theatre Services also provide specialised theatre equipment and professional services for the presentation of events within the community.

OBJECTIVES

1. To provide quality performance facilities and services to meet the needs of live performance and events in Hamilton, through the management of three performance spaces served by centralised management and ticketing systems. (Goal 1)
2. To protect ratepayers' investment by undertaking annual maintenance and compliance checks of theatre operational equipment, as specified by electrical regulations and mechanical safety codes of practice. (Goal 2)
3. To increase Ticketek business levels. (Goals 2 & 4)

PERFORMANCE MEASURES

'As expected or better' rating for overall quality of service delivery by clients was maintained for all venues at 92% or greater in 2001 as measured by performance reports. (Obj. 1)

A service delivery rating of 97% was achieved.

Combined percentage occupancy days for all Theatre Services venues of 50% was achieved for 2000/01. (Obj. 1)

The combined percentage occupancy days for all Theatre Services venues was 49.22%.

User satisfaction measure for theatres maintained at 70 or greater, as measured by Council's 2001 Residents Survey. (Objs. 1 & 3)

A rating of 73 was achieved.

Combined total patronage for Theatre Services venues of 135,000 was achieved for 2000/01. (Obj. 1 & 3)

The combined patronage for Theatre Services venues was 145,187.

Checked 100% of inventory of operational equipment at all Theatre Services venues by 30 June 2001. (Obj. 2)

All inspections schedules were adhered to and all necessary equipment was checked and assessed.

Booking office income maintained at \$101,000 or greater in 2000/01. (Obj. 3)

Booking office income for the year was \$112,157.

LIBRARIES

DESCRIPTION

The city offers public library services at the Central Library and five branch libraries located at Chartwell, Dinsdale, Glenview, Hillcrest, and St Andrews. The libraries offer a range of books and other materials, which enhance the recreational, educational and cultural environment of the city. The libraries also contribute towards the intellectual and commercial development of the city, by assisting people with lifelong, informal learning through the use of its lending and information services. In addition to the core reference and information services, extensive use is made of the libraries by the community for social and recreational reasons.

OBJECTIVES

1. To upgrade shelving and signage in the libraries to enable better public access to the collections. (Goal 1)
2. To expand the Chartwell Library in response to the growing customer base in the north-east of the city. (Goals 1 & 2)
3. To purchase library materials and to enhance the children's collection and environment in the Central Library. (Goals 1 & 2)
4. To ensure public access to library information. (Goal 1)
5. To deliver community learning programmes across the network of libraries and museum sites. (Goal 1)
6. To deliver excellent customer service. (Goals 1 & 4)

PERFORMANCE MEASURES

Shelving and signage in the libraries upgraded within budget by 30 June 2001. (Obj. 1)

Shelving and picture book bins to improve the management, layout and display of the collections has been purchased for the libraries in 2000/01. New signage to enhance access to the range of facilities, collections and services in the Central Library has been redesigned and is due for installation in 2002.

Chartwell Library expansion completed by June 2001. (Obj. 2)

The Chartwell Library expansion was opened in March 2001.

Library materials purchased within budget by 30 June 2001 with customer survey showing 80% satisfaction with the children's collection and environment. (Obj. 3)

During the past twelve months there have been significant improvements to children's services especially at the Central Library. The overall children's collection budget was adjusted to reflect recommended professional public library standards. New child-friendly furniture and picture book bins were purchased and the layout was altered to make the collections easier for children to access. A survey of the children's collections and environment conducted over a period of seven weeks (May-June 2001) provided a satisfaction rating of 85% for the overall layout; 84% for the overall collection and 73% for the overall service. Library materials were purchased within budget by 30 June 2001.

The number of library material issues maintained at 1.5 million items for the 2000/01 year. (Obj. 4)

Libraries issued 1,508,628 material items in 2000/01. Information is being increasingly acquired in electronic format and new methods of measuring access and usage are currently being investigated. Hosting of the libraries' website by Digital Stream will enable the libraries to report on website and catalogue hits in 2001/02.

The active registered borrowers maintained at 60,000 in 2000/01. (Obj. 4)

The ongoing stringent management of the libraries' registration files has resulted in an average post-archive figure of 73,717 active registered borrowers throughout 2000/01.

Visits to the Central Library maintained at 500,000 in 2000/01. (Obj. 4)

Foot traffic to the Central Library was 464,892 in 2000/01. Electronic access to information via the website coupled with the introduction of new services permitting transactions to be carried out via telephone rather than in person may be contributing factors to the reduction in foot traffic.

Participation in public programmes increased from 16,000 in 1999 to 17,000 by 30 June 2001. (Obj. 5)

The total number of participants in public programmes held at both the Museum (15,086) and at the Libraries (4560) was 19,646 by 30 June 2001. Of the total number of participants in the Libraries' public programmes during 2000/01, 1059 children attended school holiday programmes in July, September, December and April 2000/01; weekly playgroups held during term time at Hillcrest, Chartwell and St Andrews libraries attracted a total of 3171 children and caregivers. Other public programmes included a lunchtime event featuring touring author, Fay Weldon, 230 attendees and a function for the Dictionary of New Zealand Biography Volume 5 book launch, 100 attendees. In addition, a range of other functions were held for which attendance figures were not recorded. These include the Chartwell Library opening, Israeli Photographic exhibition and a significant number of educational tours by pre-school, primary and secondary school or tertiary students.

User satisfaction measure for the Central Library maintained at 80 or greater and for branch libraries at 76 or greater, as measured by Council's 2001 Residents Survey. (Obj. 6)

Ratings of 88 and 80 respectively were achieved.

WAIKATO MUSEUM OF ART AND HISTORY

DESCRIPTION

The Waikato Museum of Art and History, Te Whare Taonga o Waikato, enriches the recreational, intellectual and cultural life of the city by providing a broad-based programme of exhibitions with associated activities and professional services for the benefit and enjoyment of people of all ages.

The Museum's collections focus on the growth and development of the city and the Waikato region and constitute a major part of our national cultural heritage. They also include Beale Cottage, the Rangiriri, public art and sculptures.

OBJECTIVES

1. To improve customer seating in the galleries. (Goal 1)
2. To develop collections of art, social history and ethnology (Tainui Maori) collections of national and regional significance, with particular focus on the Waikato, and to ensure that the collections are well housed and documented. (Goal 1)
3. To deliver community learning programmes across the network of libraries and museum sites in order to bring people and ideas together. (Goal 1)
4. To develop a balanced, accessible exhibitions programme (with publications), that enriches and inspires special interest groups, diverse cultures, and the broader community. (Goals 1 & 5)
5. To deliver excellent customer service. (Goals 1 & 4)

PERFORMANCE MEASURES

Customer seating improved in the Museum galleries. (Obj. 1)

Leather bench seats have replaced the museum's black vinyl padded seats for visitors.

Commissioning of a work from a selected Waikato artist who has exhibited in the galleries by June 2001. (Obj. 2)

A Waikato artist who has exhibited in the galleries was not commissioned to create an artwork during the 2000/01 year.

Increased numbers of digitised collection records on the Vernon collection management system from 20,000 to 22,000. (Obj. 2)

Collection records continue to be digitised and added to the Vernon Collection Management System as resourcing levels allow. Recorded numbers are now approximately 21,600.

Participation in public programmes increased from 16,000 in 1999 to 17,000 by 30 June 2001. (Obj. 3)

The total number of participants in public programmes held at both the Museum (15,086) and at the Libraries (4,560) was 19,646 by 30 June 2001.

Attendance maintained at 100,000 people visiting the Museum facility during 2000/01. (Obj. 4)

Attendance for the 2000/01 year was 75,831.

User satisfaction measure for the Museum maintained at 79 or greater, as measured by Council's 2001 Residents Survey. (Obj. 5)

A rating of 81 was achieved.

ARTSPOST

DESCRIPTION

ArtsPost is a community arts facility adjacent to the Waikato Museum of Art and History. Its purpose is to encourage, support and promote the arts in Hamilton. The activities of the facility are coordinated by the Libraries and Museum Unit. The ArtsPost building contains: a community meeting room; an Artist in Residence Studio; art studios leased by the Waikato Society of Arts School of Art (WSA); the ArtsPost Galleries (operated by contract with the Waikato Society of Arts and volunteers); and the leased office of the Hamilton Community Arts Council (HCAC) which administers funding from Creative New Zealand.

ArtsPost is jointly administered by a management committee of representatives from the Waikato Museum of Art and History (Libraries and Museum), the Waikato Society of Arts and the Hamilton Community Arts Council.

OBJECTIVES

1. To provide a venue that is appropriate for use by arts groups in the community and to oversee the leases and gallery operating contracts. (Goal 1)
2. To operate the Artist in Residence programme in cooperation with other venture partners. (Goals 1, 2 & 4)
3. To deliver excellent customer service. (Goals 1 & 4)

PERFORMANCE MEASURES

The gallery contract with the WSA, leases for the WSA Art School and HCAC offices are operated as per prescribed hours and agreed use. (Obj. 1)

The gallery operating contract with WSA, leases for the WSA Art School and HCAC offices were operated as per prescribed hours and agreed uses. The gallery space was fully booked for 2000/01 and the visitor numbers to the gallery for the year were 29,841.

Operated at least one Artist in Residence programme by 30 June 2001. (Obj. 2)

The ArtsPost Coordinator administered four residencies between June 2000/01:

- *Frances Jill Studd and Derek Shulz artist and writer*
- *Hugh Oliver, local carver and sculptor*
- *Marilyn Miller, UK artist and art therapist*
- *Peter Caldwell, musician and composer.*

User satisfaction measure for ArtsPost maintained at 76 or greater, as measured by Council's 2001 Residents Survey. (Obj. 3)

A rating of 81 was achieved.

EXSCITE

DESCRIPTION

The Exscite Science Centre, adjacent to the Waikato Museum of Art and History, exists to promote and popularise science and technology.

OBJECTIVES

1. To promote and popularise science and technology through a medium of changing interactive displays. (Goals 1 & 5)
2. To provide science and technology-based education workshops to pre-school, primary and secondary students. (Goal 1)
3. To deliver excellent customer service. (Goal 4)

PERFORMANCE MEASURES

Participation in Exscite's approved public programmes increased from 10,000 in 1999/00 to 12,000 by 30 June 2001. (Obj. 1)

10,449 people participated in Exscite's public programmes. Possible reasons for not meeting the target are:

- *increased competition in the market*
- *increased travel expenses for school groups*
- *only moderate interest in 3 out of 4 exhibitions.*

Visitor attendance figures increased from 40,000 in 1999/00 to 43,000 people visiting Exscite during the 2000/01 financial year. (Obj. 1)

Attendance dropped from 31,247 in 1999/00 to 29,623 in 2000/01. The reasons for not meeting the target are:

- *increased competition in the market*
- *only moderate interest in 3 out of 4 exhibitions*
- *favourable weather in winter months.*

User satisfaction measure for Exscite maintained at 80 or greater, as measured by Council's 2001 Residents Survey. (Obj. 3)

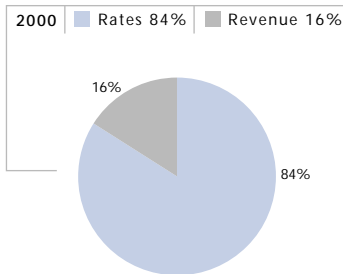
A rating of 83 was achieved.

ARTS AND CULTURE

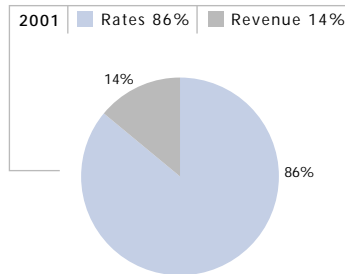
COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
Direct Operating Costs			
1,339	Theatre Services	2,421	2,381
1,000	Grant - Performing Arts Centre	0	0
3,457	Waikato Museum of Art and History	2,832	2,813
125	ArtsPost	205	207
535	Exscite	629	645
5,743	Libraries	5,480	5,510
12,199	Total Expenditure	11,567	11,556
Less Revenue			
405	Theatre Services	582	517
582	Waikato Museum of Art and History	241	138
0	ArtsPost	7	4
282	Exscite	129	179
339	Library Rental Collection Fees	339	335
330	Library Fees and Charges	354	318
1,938	Total Revenue	1,652	1,491
10,261	Net Cost Of Service	9,915	10,065
1,172	Capital Expenditure	2,092	2,906

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:



PARTNERSHIP WITH MAORI

HIGHLIGHTS

- The Maori Projects Fund received 32 applications, and approved 22 grants totaling \$55,300.

DESCRIPTION

The Council has a partnership agreement with Te Runanga o Kirikiriroa (TeRok), which embodies a commitment by both parties to work toward a strong community for all people. The agreement is supplemented with an annual support service relationship which provides funding for TeRok's capacity building, together with a range of services TeRok provides for Council. A Joint Committee (comprising representatives of the Council and the Runanga) oversees this relationship as well as administering a Council provided fund for Maori projects within the city. Council recognises TeRok as the representative for Hamilton Maori on Article III issues of the Treaty of Waitangi.

Council also recognises Nga Mana Toopu o Kirikiriroa (NAMTOK) as the representative of Waikato iwi with regard to natural and physical resource management issues under the Resource Management Act 1991.

OBJECTIVE

- To promote and strengthen the partnership between Council and tangata whenua. (Goals 1 & 4)

PERFORMANCE MEASURES

The distribution of the Maori projects fund by Te Runanga o Kirikiriroa monitored six monthly. (Obj. 1)

The administration of the Maori Project Fund has continued to be monitored. One funding round was undertaken in the past financial year by Te Runanga o Kirikiriroa. Te Runanga received 32 applications, and approved 22 grants with a total value of \$55,300. The fund has a current balance of \$65,309. The Allocation Committee is made up of members of the Te Runanga o Kirikiriroa/Hamilton City Council Joint Venture Committee and includes one Hamilton City Councillor.

A process for monitoring consultation requests and their outcomes developed and implemented by 30 June 2001. (Obj. 1)

A full service request monitoring system has been developed by Te Runanga o Kirikiriroa. This reports against each of the service delivery schedules contained in the Support Service Relationship document agreed between Te Runanga o Kirikiriroa and Hamilton City Council. Two requests were received by Te Runanga to conduct consultation with Council during the past financial year.

A parallel consultation policy for Maori is developed which embodies the principles adopted in the Hamilton City Council Consultation Policy by 30 June 2001. (Obj. 1)

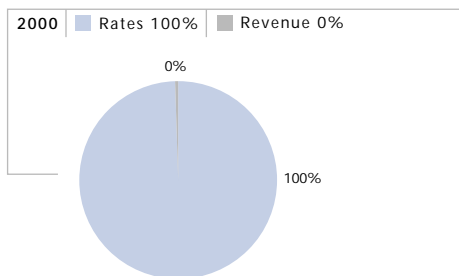
Preliminary work has commenced on the development of a parallel consultation process. Staffing changes in both Te Runanga and Hamilton City Council have affected the capacity of both organisations to meet the target date. Accordingly the development of the parallel consultation policy is continuing.

PARTNERSHIP WITH MAORI

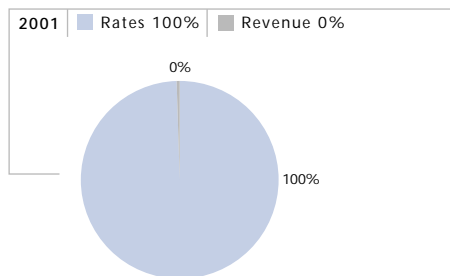
COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
	Direct Operating Costs		
	Grants		
136	Maori Development Grants	158	173
75	Maori Projects Grants	0	0
211	Total Expenditure	158	173
211	Net Cost Of Service	158	173
0	Capital Expenditure	0	0

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:



REPRESENTATION AND CIVIC AFFAIRS

HIGHLIGHTS

DISTRICT PLAN AND ANNUAL PLAN

- Hearing of all submissions and further submissions to the Proposed District Plan began in October 2000. All decisions are to be released in October 2001.
- 139 public submissions were received in response to the 2001/02 Draft Annual Plan.

MEDIA OPPORTUNITIES

- 'City News' has continued to be a highly rated publication with Hamilton residents. It has played a crucial role in profiling Council facilities and services. City News was used to insert a summary document, to assist in the Draft Annual Plan consultation process. The format of the summary document was the same as used for City News.
- Council has made improvements to its website www.hcc.govt.nz as a means of providing information and interacting with Hamilton residents and others. The site has continued to grow in popularity.

CONSULTATION POLICY

- A series of educational workshops were held with Council staff to encourage and assist in the implementation of Council's Consultation Policy and Guidelines. Examples of good consultation practice carried out during the year include:

- the Rotokauri Structure Plan community and stakeholder meetings and newsletters
- the Draft Annual Plan sector group presentations, and the introduction of an improved written summary of the plan and submission form
- the Aquatic Facilities Strategic Plan community advisory group meetings.

CIVIC FUNCTIONS AND CEREMONIES

- 844 people became new citizens of New Zealand at Hamilton's four citizenship ceremonies with an average of 28 nationalities represented at each ceremony.
- The Mayor hosted more than 20 official civic functions, including memorial services, presentation of honorary citizenship and freedom of the city, and functions which helped support community groups and activities.

DESCRIPTION

Effective communication is essential for responsible local government, enabling Council to represent the best interests of the community, and to inform residents about its activities. This activity provides for the costs of Council's democratic and decision-making processes, including elected members remuneration, meetings, public consultation, communication and civic functions. Provision is also made for conducting any elections, as well as maintenance of the electoral roll.

OBJECTIVES

1. To keep the public informed about Council and city activities. (Goal 4)
2. To maintain the democratic process of local government as required by legislation. (Goal 4)
3. To support the implementation of Council's Policy and Guidelines for Community Consultation. (Goals 1 & 4)

A rating of 73 was achieved.

PERFORMANCE MEASURES

Council's free publication City News distributed to all households 11 times per year. (Obj. 1)

User satisfaction measure for contact with the Mayor and Councillors maintained at 58 or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

11 monthly issues of City News were published and distributed free to all Hamilton households.

A rating of 65 was achieved.

User satisfaction measure for City News maintained at 65 or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

Annual Plan and District Plan produced in compliance with legislative requirements. (Obj. 2)

Annual Plan and District Plan preparation and processes were carried out in accordance with legislative requirements.

Staff training programme for effective community consultation designed and carried out by 30 June 2001. (Objs. 1, 2 & 3)

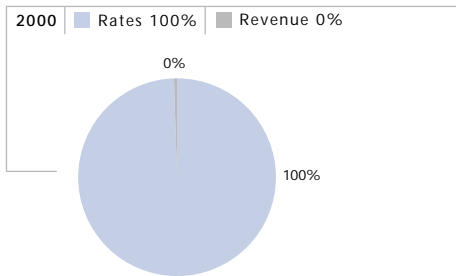
A staff training programme for effective consultation was developed and implemented with resources made available to staff by 30 June 2001.

REPRESENTATION AND CIVIC AFFAIRS

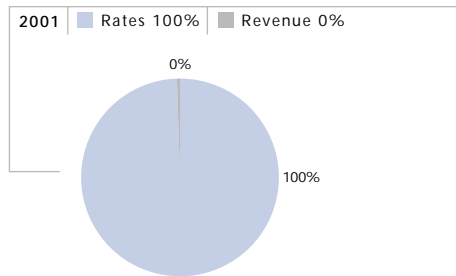
COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
Direct Operating Costs			
1,967	Councillor Services	2,175	2,122
1,367	Mayoral Services	1,557	1,591
123	Referendum for Stadium Funding	0	0
27	Sister Cities	9	20
3,484	Total Expenditure	3,741	3,733
Less Revenue			
1	Sundry Income	0	0
1	Total Revenue	0	0
3,483	Net Cost Of Service	3,741	3,733
118	Capital Expenditure	9	0

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:



ECONOMIC DEVELOPMENT AND MARKETING

HIGHLIGHTS

EVENTS SPONSORSHIP FUND

- A successful central city Christmas parade was held with the management of the parade carried out by Council.
- Council, through its Event Sponsorship Fund, continued to support key events including the hot air balloon fiesta Balloons Over Waikato.

ECONOMIC DEVELOPMENT

- Implementation of Hamilton's economic development strategy got underway in the last year. A key element of the strategy was the establishment of the Economic Development Forum with participation from business, research and academic leaders from within Hamilton.
- Production of a video/CD Rom in support of Hamilton as a world centre of life sciences was completed. In addition a booklet profiling Hamilton under the positioning statement 'More Than You Expect' was also produced.
- Council was instrumental in providing an alternative camera view of the city for national breakfast television. The new 'camera shots' have included a view of Waikato River and Victoria Bridge as seen from Claudelands Railway Bridge.
- Council negotiations with Radio New Zealand's National Radio resulted in Hamilton being included as a 'main centre' for all weather forecast information.

VISITOR INFORMATION CENTRE

- The relocation and opening of the Visitor Information Centre (VIC) in January 2001 within the new Hamilton Transport Centre has produced an increase in visitor numbers to the facility.

DESCRIPTION

Marketing and economic development are key components in creating a positive image for Hamilton, positioning the city as a great place to live, work and play, and producing economic and cultural benefits for the community. This area of activity supports Council's commitment to economic development and marketing programmes which assist the organisation to achieve its strategic goals.

OBJECTIVES

1. To support, assist and contribute towards the funding of approved organisations, to enable them to assist Council achieve its goal of developing a sound economic base for the city. (Goal 5)
2. To support, assist or contribute towards city events which have an economic benefit, create a strong and vibrant city, and grow as icons of the city over time. (Goal 5)
3. To provide regular information to existing and potential business stakeholders on economic indicators in Hamilton city. (Goal 5)

PERFORMANCE MEASURES

Service agreement negotiated and completed with Tourism Waikato, identifying agreed outcomes and programme outputs targeted at promotion of Hamilton city, by 31 September 2000. (Obj. 1)

A service agreement was negotiated with Tourism Waikato and completed December 2000.

User satisfaction measure for the Events Hamilton website maintained at 68 or greater, as measured by Council's 2001 Residents Survey. (Obj. 1)

A rating of 75 was achieved.

Allocated at least 20% of the Event Sponsorship Fund to the growth or development of significant 'icon' events for the city before 30 June 2001. (Obj. 2)

In excess of 20% of the 2000/01 Event Sponsorship Fund was allocated to further developing of existing 'icon' events for the city and on research into the development of potential new events for Hamilton city.

Produced two six-monthly calendars which promote Hamilton events to tourism, events business and overseas markets, and a monthly publication which lists events in the city and is available from all Council facilities. (Obj. 2)

The two six-monthly event calendars were produced in November and May. There were 15,000 copies produced at each printing. In addition the City Happenings was produced on a monthly basis.

Hamilton city economic indicators monitoring information distributed quarterly and made available on the internet by 31 December 2000. (Obj. 3)

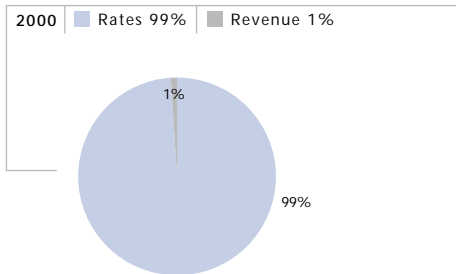
The economic monitoring information was distributed quarterly. There was a delay in having the information on the internet due to the work on the development of an internet strategy. The information was placed on the internet by June 2001.

ECONOMIC DEVELOPMENT AND MARKETING

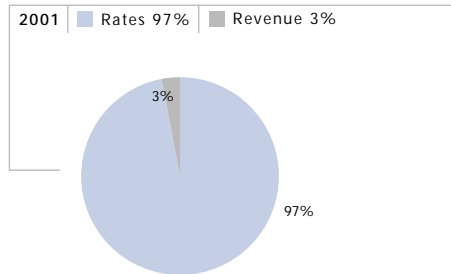
COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
	Direct Operating Costs		
	Grants		
218	Enterprise Hamilton Grant	218	218
347	Tourism Waikato Grant	351	351
383	Events Sponsorship Fund	537	565
0	Economic Development Forum	63	63
45	Hamilton City Banners	0	0
10	Promotional Video and Book	0	0
180	Year 2000 Celebrations	0	0
1,183	Total Expenditure	1,169	1,197
	Less Revenue		
10	Sponsorship	36	0
10	Total Revenue	36	0
1,173	Net Cost Of Service	1,133	1,197
0	Capital Expenditure	0	0

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:



PROPERTY MANAGEMENT

HIGHLIGHTS

- The purchase of a \$5.2m investment in the Carter Holt Harvey Tissue Distribution Factory as part of the Municipal Endowment Fund was completed in September 2000. This industrial building has a 10-metre stud height and a floor area of over 6000m² in open span warehouse. It serves as part of the national distribution system for Carter Holt Harvey Tissue who have a ten year lease, and sits alongside the factory in Foreman Road. It is a low-risk, long-term investment for the city while supporting the growth of new building technologies.
- A \$1.94 million industrial property with a national blue chip tenant has been secured for the Municipal Endowment Fund. Council will purchase the building upon commencement of the eight-year lease, which is expected to occur in March 2002
- The completion of stage one of the Founders Theatre upgrade was overseen by the Property Management Unit. This provides new and expanded service areas to the city icon.

- Other projects overseen include the Chartwell Library expansion to almost double the area. The facilities available at the library have been considerably improved as a result. Air-conditioning has been installed at Exscite with the assistance of funding from WEL Energy Trust. The Celebrating Age Centre has been upgraded with a lift installed to the building, and the lounge area upgraded to take advantage of the view over the Waikato River.

DESCRIPTION

Council owns land and properties for use of Council and citizens of Hamilton and for investment and other strategic purposes and has Domain and Municipal funds, which are required to be invested in property in order to maximise the return to the city.

The Property Management Unit of Council manages all Council buildings, including the Municipal Endowment Fund. The management of this portfolio was brought in house at the expiry of the external manager's contract in November 2000.

The fund comprises two industrial buildings, one CBD car park used in conjunction with other buildings, one suburban commercial building and three CBD retail/office buildings.

Income from these buildings is added to general Council funds to reduce the required rates take. The other fund held for investment is the Domain Fund. This was previously known as the Hamilton Domain Board Land, and proceeds from these properties go towards development and upkeep of parks and reserves in the city.

Other property work undertaken in the Unit includes management of sites being held in contemplation of future roading, reserve or other works deemed necessary for the development of Hamilton city.

OBJECTIVES

1. To manage properties owned and occupied by Council in a manner which enables essential services to be delivered efficiently and effectively. (Goals 2 & 4)
2. To provide safe and healthy buildings by ensuring that they comply with the Building Act 1991. (Goal 2)
3. To manage the Endowment Fund properties to provide a return specified by the Endowment Fund Policy. (Goals 3 & 5)

PERFORMANCE MEASURES

Developed asset maintenance plans for significant properties and planned maintenance for Council's properties based on funds allocated in the Annual Plan. (Obj. 1)

Condition assessments and a full component inventory has been completed on major Council buildings. A comprehensive computerised asset management system is in the process of implementation and will be fully updated with detailed asset information. This will form the basis of the Asset Management Plans.

Ensure statutory compliance with the Building Act 1991 in respect of all Council owned buildings. (Obj. 2)

All buildings are under contracted agreements for the continued compliance with the Building Act and other relevant legislation. There were some minor non-compliance issues, and these were rectified immediately.

Achieved a gross return of 8.9% on Endowment Fund properties, a 5% gross return from ground leases, and an investment growth of 3% for the portfolio. (Obj. 3)

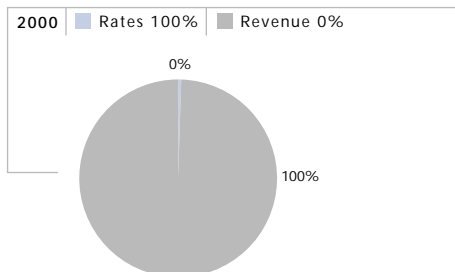
A net return of 9.7% was achieved with a growth rate of 3.7% for the Commercial Municipal portfolio. (We have used net returns to track the performance for the commercial portfolio as a more appropriate way of showing return and allowing for differing lease types.) A gross return of 3.6% has been achieved on the ground leases (both Municipal and Domain). The pattern of returns for ground leases trends according to the profile of leases (how many are nearing the 21-year renewal). Also it has been a trend for lessees to freehold their leases as they come closer to renewal, and thus the increases in rentals do not always eventuate.

PROPERTY MANAGEMENT

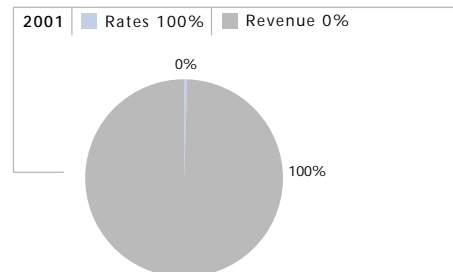
COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2001

Actual 2000 \$(000)		Actual 2001 \$(000)	Budget 2001 \$(000)
	Direct Operating Costs		
1,354	Administration, Repairs and Maintenance	1,404	1,360
1,354	Total Expenditure	1,404	1,360
	Less Revenue		
3,242	Property Revenue	3,720	3,802
3,242	Total Revenue	3,720	3,802
(1,888)	Net Revenue	(2,316)	(2,442)
4,588	Capital Expenditure	5,036	0

COST OF SERVICE FUNDED BY:



COST OF SERVICE FUNDED BY:





STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2001

REPORTING ENTITY

Hamilton City Council is a territorial local authority as defined in the First Schedule of the Local Government Act 1974 (the Act). The financial statements are presented in accordance with the requirements of Section 223E of the Act and the accounting standards and guidelines of the Institute of Chartered Accountants of New Zealand. The financial statements cover all the activities of Hamilton City Council and its 100 per cent owned LATE, Hamilton Properties Limited.

MEASUREMENT BASE

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

ACCOUNTING POLICIES

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

1. CONSOLIDATION

The results of Hamilton Properties Ltd have been consolidated using the purchase method. The company's balance date is 30 June 2001. The company is inactive at present.

2. EQUITY ACCOUNTING

The results of Waikato Regional Airport Limited, Pirongia Mountain Afforestation Committee, Bus Hire Joint Venture 1993 and Hamilton Riverview Hotel Limited (Novotel Hotel), a joint venture company, have been reflected in the Financial Statements on an equity accounting basis. This method shows the share of surpluses/deficits in the Statement of Financial Performance and the original investment updated for the share of post-acquisition increases/decreases in net assets in the Statement of Financial Position.

3. REVENUE RECOGNITION

Rates revenue is recognised when levied. Water billing revenue is recognised on an accrual basis with unread meters at year end accrued on an average usage basis. Transfund roading subsidies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Other grants and bequests, and assets vested in the Council-with or without conditions-are recognised as revenue when control over the assets is obtained.

4. GOODS AND SERVICES TAX

The financial statements have been prepared exclusive of GST with the exception of receivables and payables, which are stated with GST included. Where GST is irrecoverable as an input tax then it is recognised as part of the related asset or expense.

5. TAXATION EXPENSE

Income tax expense is charged in the Statement of Financial Performance in respect of the current year's surplus, after allowing for permanent differences.

Deferred taxation is determined on a comprehensive basis using the liability method.

Deferred tax assets attributable to timing differences or income tax losses are recognised only when there is virtual certainty of realisation.

6. FIXED ASSETS, INVESTMENT PROPERTIES AND PROPERTIES INTENDED FOR RESALE

These assets consist of:

OPERATIONAL ASSETS

These include land, buildings, improvements, passive recreation assets (such as library books), plant and equipment, and motor vehicles.

RESTRICTED ASSETS

These are parks and reserves owned by Council that cannot be disposed of because of legal or other restrictions and provide a benefit or service to the community.

INFRASTRUCTURAL ASSETS

These are the fixed utility systems owned by Council. Each asset type includes all items that are required for the network to function.

VALUATION

All assets are valued at historic cost, except the following:

Land and Buildings. Infrastructural land was revalued by Beca Valuations Limited at net current value effective 1 July 1998. The land under roads has been brought to account by determining the total land area and multiplying this by an average city land value determined from an analysis of recent land sales.

Infrastructural buildings were revalued by Beca Valuations Limited at depreciated replacement cost effective 1 July 1998. Approximately half of operational land and buildings were revalued by Quotable Value New Zealand at 1 September 2000. Quotable Value New Zealand has certified that this valuation is appropriate for financial reporting purposes. Most other land and buildings were revalued by Beca Valuations Limited effective 1 July 1998.

Infrastructural and Community Assets (other than land and buildings described above) were valued at depreciated replacement cost by Beca Valuations Limited as at 1 July 1998. The utility asset valuations reflect a 'green fields' methodology approach, although an allowance has been included for the reinstatement of pavements where pipelines are routed under footpaths or roads. Resource and discharge consents are included in Infrastructural Assets but recorded at cost.

Investment Properties and Properties Intended for Resale are revalued annually at net current value by an independent registered valuer. The result of the revaluation is credited or debited to the investment property reserve. Where this results in a debit balance in the reserve, this balance is expensed in the Statement of Financial Performance.

Work in Progress. All costs associated with the development of land and buildings and other assets are initially capitalised as work in progress. On completion, the total cost of the project is transferred to the appropriate asset class.

Library Books were valued at cost by Council's professionally qualified library staff at 30 June 1992 (deemed cost). Subsequent purchases were expensed in the Statement of Financial Performance until 30 June 1998. From 1 July 1998 purchases of library books have been capitalised at cost and depreciated in the Statement of Financial Performance.

Vested Assets. Certain infrastructural assets and land have been vested in Council as part of the subdivisional consent process. The vested reserve land has been valued at the latest appropriately certified government valuation or at a mutually agreed market value or at a value determined through arbitration. Vested infrastructural assets have been based on the actual quantities of infrastructural components vested and current 'in the ground' cost of providing identical services.

Zoo Animals are valued at estimated replacement cost by the zoo manager.

Museum Collections and the Library Collection (New Zealand Room) are heritage assets and have not been valued as they are not readily tradeable or replaceable.

Plant and Equipment (office furniture) is recorded at valuation. The valuation was performed by Curnow Tizard at 30 June 1996. All other plant and equipment is recorded at cost.

Additions between valuations are recorded at cost. Changes on revaluation of assets are included in the appropriate asset revaluation reserve.

7. DEPRECIATION

Depreciation is provided on a straight-line basis at rates, which will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

The useful lives of major classes of assets have been estimated as follows:

• Buildings	40-100 years
• Reservoirs and Other Water-retaining Structures	31-118 years
• Plant and Vehicles	3-15 years
• Furniture, Fittings and Equipment	5-10 years
• Office Equipment	5-10 years
• Library Books	14 years
• Computers (excluding software)	3-5 years
• Bridges and Culverts	32-112 years
• Roads:	
top surface (seal)	2-22 years
pavement (base course)	30-109 years
earthworks	not depreciated
drainage	80-109 years
shoulders/feathers	25-63 years
culverts	50-112 years
footpaths (concrete)	40-66 years
footpaths (bitumen)	25-63 years
footpaths (paving)	25-40 years
kerbs	80-109 years
signs	10-11 years
street lights	25-29 years
bridges	19-99 years
traffic signals	6-44 years
barriers	15-29 years
bus shelters, arterial signs and parking meters	11-27 years
verge, embankment and retaining walls	67-70 years
traffic islands	67-91 years
• Wastewater Reticulation:	
pipes	53-107 years
manholes	54-83 years
treatment plant	5-57 years
bridges	107 years
pump-stations	13-77 years
• Stormwater systems:	
pipes	75-112 years
manholes, cesspits	57-71 years
service connections and outlets	81 years

- **Water Reticulation:**
 - pipes 19-94 years
 - butterfly valves 50-57 years
 - treatment plant 4-109 years
 - meters 12-20 years
- **Resource and discharge consents** 7-10 years

Depreciation is not provided in these statements on the following assets:

- Land
- Investment properties
- Properties intended for resale
- Work in progress and assets under construction
- Zoo animals.

Any work undertaken on infrastructural assets to reinstate or add to the service potential is capitalised.

8. INVESTMENTS

All investments are stated at cost, except for shares in other organisations, which are at the lower of cost or net realisable value.

The Pirongia Mountain Afforestation Joint Venture investment was revalued at 30 June 2001, based on a valuation of the forest by forestry consultants P L Tempest and Associates Ltd.

9. EMPLOYEE ENTITLEMENTS

Provision is made in respect of the liability for annual leave, long service leave and retirement gratuities.

The provision for annual leave and long service leave has been calculated on an actual entitlement basis at current rates of pay. The provision for retirement gratuities has been calculated on an actuarial basis bringing to account what is likely to be payable in the future in respect of service that employees have accumulated up until 30 June 2001.

10. LEASES

Operating lease payments, where the lessor effectively retains all the risks and benefits of ownership of the leased item, have been expensed.

11. POST-CLOSURE COSTS

Council as owner of several landfill sites has a legal obligation to provide ongoing maintenance and monitoring services after closure. Expenditure is expensed at the time it is incurred. A reserve has been established with annual contributions, to ensure funds are available to meet the cost of Horotiu landfill aftercare.

12. EQUITY

Accumulated Funds comprise accumulated surpluses over the years.

Revaluation Reserves comprise accumulated revaluation increments/decrements.

Restricted Reserves are those funds subject to external restrictions accepted as binding by Council, which may not be revised by Council without reference to the courts or a third party.

Council Created Reserves are formally imposed designations of public equity that indicate Council's intention to use a certain level of resources for a special purpose.

13. ACCOUNTS RECEIVABLE

Accounts receivable are stated at expected realisable value after providing for doubtful and uncollectable debts.

14. MORTGAGE ASSETS

Mortgages are held over a number of properties. These mortgages are valued at cost.

15. INVENTORIES AND WORK IN PROGRESS

Inventories are valued at the lower of cost (determined on a first-in-first-out basis) and net realisable value. Work in progress is valued at the lower of cost and net realisable value.

16. FOREIGN CURRENCY

Foreign currency transactions have been converted into New Zealand dollars at the rate of exchange at the date of the transaction. Gains or losses on exchange have been recognised in the Statement of Financial Performance.

17. STATEMENT OF CASH FLOWS

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

Operating activities include cash received from all income sources of Council and cash payments made for goods and services. Agency transactions (for example, the collection of Regional Council rates) are recognised as receipts and payments in the Statement of Cash Flows as they flow through Council's bank account.

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

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

18. COST OF SERVICE STATEMENTS

The Cost of Service Statements report the costs and revenues relating to the significant activities of Council.

Expenditure includes an allocation of support services and an allocation of interest.

Support services are those activities, which are not considered to be direct services to the public and are allocated across the significant activities on a basis, which reflects usage of the support services. Included in the allocation for support services is an allocation of the business unit surpluses/deficits. These are allocated where possible on a usage basis.

Interest is allocated to the significant activity on the basis of buildings and infrastructural assets employed for each item in the Cost of Service Statements except for water, wastewater and refuse where specific loans raised for those activities are allocated entirely to the significant activity.

19. FINANCIAL INSTRUMENTS

Council is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, investments, debtors, creditors and loans.

All financial instruments are recognised in the Statement of Financial Position and all revenues and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.

All financial instruments are shown at their estimated fair value except for loans, which are recorded at cost, and those items covered by a separate accounting policy.

20. BUDGET FIGURES

The budget figures are those approved by Council at the beginning of the year after a period of consultation with the public as part of the Annual Plan process. The budget figures include financial carryovers for projects that were not completed in previous years and were subsequently approved by Council for inclusion in 2000/01.

The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by Council for the preparation of the financial statements.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies since the date of the last audited financial statements. All policies have been applied on a basis consistent with the prior years.

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2001 IN \$000S

Council Net Expenditure 2000	Consolidated Net Expenditure 2000	Services Provided	Note	Revenue 2001	Expenditure 2001	Council Net Expenditure 2001	Council Net Budget 2001	Consolidated Net Expenditure 2001
Significant Activities								
6,757	6,757	Environment		953	8,087	7,134	7,323	7,134
2,666	2,666	Water Supply		2,415	5,772	3,357	3,703	3,357
6,068	6,068	Wastewater		649	8,954	8,305	8,506	8,305
3,627	3,627	Stormwater		12	3,689	3,677	3,824	3,677
2,014	2,014	Refuse		6,478	9,310	2,832	3,278	2,832
18,308	18,308	Roads and Traffic		4,589	19,146	14,557	15,069	14,557
2,058	2,058	Health, Order and Safety		2,663	4,983	2,320	1,770	2,320
4,963	4,963	Community Support		2,874	7,471	4,597	4,796	4,597
5,039	5,039	Recreation and Leisure		2,373	7,108	4,735	13,590	4,735
10,261	10,261	Arts and Culture		1,652	11,567	9,915	10,065	9,915
211	211	Partnership with Maori		0	158	158	173	158
3,483	3,483	Representation and Civic Affairs		0	3,741	3,741	3,733	3,741
1,173	1,173	Economic Development and Marketing		36	1,169	1,133	1,197	1,133
(1,888)	(1,888)	Property Management		3,720	1,404	(2,316)	(2,442)	(2,316)
0	0	Net Off of Interest on Internal Borrowing	12	0	(522)	(522)	(565)	(522)
64,740	64,740	Sub Total	1, 2	28,414	92,037	63,623	74,020	63,623
1,401	1,401	Loss/(Gain) on Revaluation/Disposal of Investments	3			167	0	167
3,409	3,409	Prior Year Adjustments	3			172	0	172
295	295	Sundry Expenditure				179	170	179
69,845	69,845	Total				64,141	74,190	64,141
General Revenues								
59,562	59,562	Rates (including penalties, service charges and rates remissions)				61,477	61,304	61,477
895	895	Petrol Tax				886	850	886
1,638	1,638	Investment Income				1,421	572	1,421
35	35	Sundry Revenue				76	0	76
25	25	Dividends and Share of Profits				3	40	3
62,155	62,155	Total General Revenues	2			63,863	62,766	63,863
Revenue Assigned To Asset Development								
3,193	3,193	Transfund NZ Capital Subsidies				4,774	4,226	4,774
5,491	5,491	Contributions	2			3,139	3,999	3,139
14,153	14,153	Contributions - Fixed Assets Vested				5,339	4,125	5,339
22,837	22,837	Total Revenue Assigned To Asset Development	2			13,252	12,350	13,252
15,147	15,147	Surplus Before Tax				12,974	926	12,974
(8)	(8)	Tax Expense/(Tax Credit)	4			(3)	13	(3)
15,155	15,155	Net Surplus After Tax	3			12,977	913	12,977

The Accounting Policies and Notes to the Financial Statements form an integral part of this statement.

Explanation of Council Net Surplus and Major Variances From Budget

Council made a net surplus of \$12.977m which is an increase of \$12.064m over the budgeted net surplus of \$0.913m.

The major reasons for this favourable variance were: Stadium grants during the year \$6.246m were capitalised as a result of the decision to transfer ownership of the Stadium to Council at the completion of construction (budgeted Stadium grant \$8.925m was treated as an operating expenditure item), additional level of subdivision asset vested in Council \$1.214m, reduction in depreciation \$1.727m, savings in interest expense \$1.141m, additional investment income \$0.849m, and additional Transfund subsidies received \$0.548m.

Major items offsetting these favourable variances were: the unbudgeted renewal loss on assets being renewed (\$1.575m), and lower contributions received from subdividers (\$0.860m).

CONSOLIDATED STATEMENT OF MOVEMENTS IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2001 IN \$000S

Council 2000	Consolidated 2000	Note	Council 2001	Consolidated 2001	Budget 2001
1,248,322	1,248,322	Opening Equity	1,263,547	1,263,547	1,274,542
15,155	15,155	Net Surplus for the Year	12,977	12,977	913
70	70	Net Increase/(Decrease) in Revaluation Reserves	1,123	1,123	0
15,225	15,225	Total Recognised Revenues And Expenses For The Period	14,100	14,100	913
1,263,547	1,263,547	Closing Equity	1,277,647	1,277,647	1,275,455


The Accounting Policies and Notes to the Financial Statements form an integral part of this statement.


CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2001 IN \$000S

Council 2000	Consolidated 2000	Notes	Council 2001	Consolidated 2001	Budget 2001
1,263,547	1,263,547	Ratepayers' Equity	1,277,647	1,277,647	1,275,455
		Current Assets			
0	0	Cash and Bank	221	221	0
23,672	23,672	Short-Term Investments	8,030	8,030	9,089
6,497	6,497	Accounts Receivable and Prepaid Expenditure	6,179	6,179	10,000
375	375	Inventories	447	447	330
36	36	Mortgages and Short-Term Advances	24	24	40
1,714	1,714	Current Portion of Property Intended for Resale	2,222	2,222	7,000
32,294	32,294	Total Current Assets	17,123	17,123	26,459
		Current Liabilities			
241	241	Bank Overdraft	0	0	900
12,238	12,237	Accounts Payable and Income in Advance	14,045	14,044	11,489
3,010	3,010	Current Portion Employee Entitlements	2,976	2,976	3,000
4,395	4,395	Current Portion Term Liabilities	10,792	10,792	17,026
19,884	19,883	Total Current Liabilities	27,813	27,812	32,415
12,410	12,411	Total Working Capital	(10,690)	(10,689)	(5,956)
		Non-Current Assets			
21,945	21,944	Long-Term Investments	13,813	13,812	23,395
1,120	1,120	Property Intended for Resale	706	706	1,000
129	129	Mortgages and Long-Term Debtors	85	85	175
1,292,614	1,292,614	Fixed Assets	1,331,249	1,331,249	1,335,292
24,733	24,733	Investment Property	29,778	29,778	24,000
1,340,541	1,340,540	Total Non-Current Assets	1,375,631	1,375,630	1,383,862
		Non-Current Liabilities			
1,315	1,315	Employee Entitlements	1,394	1,394	0
88,089	88,089	Term Liabilities	85,900	85,900	102,451
89,404	89,404	Total Non-Current Liabilities	87,294	87,294	102,451
1,263,547	1,263,547	Net Assets	1,277,647	1,277,647	1,275,455

The Accounting Policies and Notes to the Financial Statements form an integral part of this statement.


 R M Rimmington
 Mayor
 13 September 2001


 A J Marryatt
 Chief Executive
 13 September 2001

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2001 IN \$000S

Council 2000	Consolidated 2000	Notes	Council 2001	Consolidated 2001	Budget 2001
Cash Flows From Operating Activities					
Cash was provided from:					
63,157	63,157	Rates - Including Environment Waikato	66,257	66,257	65,704
824	824	Petrol Tax	882	882	850
221	0	Hamilton Properties Contribution	0	0	0
2,871	2,871	Government Operating Subsidies and Grants	2,911	2,911	3,037
25,388	25,388	Fees Rents and Charges	25,550	25,550	24,800
1,138	1,138	Interest on Investments and Special Funds	884	884	640
467	467	Interest on Sinking Funds	674	674	497
10	10	Dividends	23	23	40
0	0	Income Tax Received	42	42	0
734	734	Net GST Received	0	0	0
94,810	94,589		97,223	97,223	95,568
Cash was applied to:					
4,172	4,172	Rates Paid to Environment Waikato	4,402	4,402	4,400
25,262	25,262	Salaries and Wages	26,328	26,328	25,483
37,882	37,899	Payments for Supplies and Services	34,386	34,386	42,664
5,654	5,654	Interest Paid	6,650	6,650	8,473
20	20	Income Tax Paid	0	0	13
0	0	Net GST Paid	627	627	0
72,990	73,007		72,393	72,393	81,033
21,820	21,582	Net Cash Inflow/(Outflow) from Operating Activities	24,830	24,830	14,535
Cash Flows from Investing Activities					
Cash was provided from:					
3,193	3,193	Government Capital Subsidies and Grants	4,774	4,774	3,682
104	104	Sale of Fixed Assets	52	52	0
1,172	1,172	Sale of Properties	976	976	2,175
5,491	5,491	Other Capital Contributions	3,139	3,139	921
2,366	2,366	Mortgage Principal and Investments Withdrawn	7,579	7,579	3,434
12,326	12,326		16,520	16,520	10,212
Cash was applied to:					
0	0	Investments Made	0	0	0
43,365	43,365	Purchase of Fixed Assets	61,040	61,040	62,067
43,365	43,365		61,040	61,040	62,067
(31,039)	(31,039)	Net Cash Inflow/(Outflow) from Investing Activities	(44,520)	(44,520)	(51,855)
Cash Flows From Financing Activities					
Cash was provided from:					
25,391	25,391	Loans Uplifted	16,439	16,439	42,139
25,391	25,391		16,439	16,439	42,139
Cash was applied to:					
10,482	10,482	Loan Repayments	12,231	12,231	5,628
10,482	10,482		12,231	12,231	5,628
14,909	14,909	Net Cash Inflow/(Outflow) from Financing Activities	4,208	4,208	36,511
5,690	5,452	Net Increase/(Decrease) in Cash Held	(15,482)	(15,482)	(809)
10,664	10,902	Plus Opening Cash Balance 1 July 2000	16,354	16,354	8,998
16,354	16,354	Closing Cash Balance 30 June 2001	872	872	8,189
Made up of:					
16,595	16,595	Short-Term Investments at Call	651	651	9,089
0	0	Cash and Bank	221	221	0
(241)	(241)	Bank Overdraft	0	0	(900)
16,354	16,354	Closing Cash Balance 30 June 2001	872	872	8,189

The Accounting Policies and Notes to the Financial Statements form an integral part of this statement.

STATEMENT OF COMMITMENTS

FOR THE YEAR ENDED 30 JUNE 2001 IN \$000S

This statement is a disclosure of (i) projects contractually committed (ii) projects authorised but not contractually committed and (iii) operating lease commitments.

2000	Contractual Commitments	2001
376	Community Services Group	2,948
4,767	Corporate Group	1,910
22,420	Works and Services Group	5,639
27,563	Total Contractual Commitments	10,497
Commitments Authorised But Not Contracted		
250	Chief Executive's Group	297
11,840	Community Services Group	3,191
129	Corporate Group	496
5	Environmental Services Group	14
8,286	Works and Services Group	3,921
20,510	Total Commitments Authorised But Not Contracted	7,919
48,073	Total Capital Commitments	18,416
Operating Lease Commitments		
1,374	Not later than one year	1,060
814	Later than one year and not later than two years	545
410	Later than two years and not later than five years	461
164	Later than five years	168
2,762	Total Operating Lease Commitments	2,234

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2001 (ALL NOTES IN \$000S)

NOTE 1: COST OF SUPPORT SERVICES

Net Cost 2000	Total Revenue Actual	Direct Operating Cost Actual	Interest on Public Debt Actual	Depreciation Actual	Total Expenditure Actual	Net Cost 2001	Budget 2001
Support Services							
498 Chief Executive	0	481	0	0	481	481	526
80 Internal Audit	0	93	0	0	93	93	91
2,581 Finance and Administration	678	3,452	0	11	3,463	2,785	2,614
1,513 Information Management	4,213	4,407	0	186	4,593	380	149
877 Human Resources	0	508	0	2	510	510	728
0 Risk Management	1	68	0	0	68	67	61
470 Property Management	8,253	3,854	1,877	2,693	8,424	171	18
970 Strategic	3	1,265	0	2	1,267	1,264	1,580
843 City Marketing	3	898	0	2	900	897	864
220 Works and Services Administration	48	442	0	0	442	394	409
280 Corporate Administration	0	623	0	0	623	623	654
157 Environmental Services Administration	0	184	0	0	184	184	201
272 Community Services Administration	0	290	0	0	290	290	323
8,761 Total	13,199	16,565	1,877	2,896	21,338	8,139	8,218
8,761 Total Cost of Support Services						8,139	8,218
(1,003) Less Support Services Allocated to Business Units						(499)	(507)
265 Business Unit (Surplus)/Deficit						(43)	95
8,023 Allocated as Support Services to Significant Activities						7,597	7,806
2,830 Capital Expenditure						1,985	2,458

Support Services Costs and Business Unit surpluses/deficits were allocated to significant activities as follows:

Net Cost 2000	Net Cost 2001	Budget 2001
Significant Activities		
598 Environment	581	516
172 Water Supply	291	368
199 Wastewater	320	379
19 Stormwater	232	287
215 Refuse	320	350
956 Roads and Traffic	658	637
791 Health, Order and Safety	529	532
877 Community Support	585	577
612 Recreation and Leisure	468	462
1,240 Arts and Culture	645	632
0 Partnership With Maori	0	0
2,344 Representation and Civic Affairs	2,705	2,794
0 Economic Development and Marketing	0	0
0 Property Management	263	272
8,023	7,597	7,806

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2001 (ALL NOTES IN \$000S)

NOTE 1: CONTINUED: BUSINESS UNITS INCLUDING TRANSFUND FUNDED ACTIVITIES

Council's current policy relating to Business Unit operations is to allocate surpluses and deficits across the Significant Activities. Section 20A of the Transit NZ Act requires Council to separately disclose those activities which receive funding from Transfund. Council understands that the purpose of this requirement is to clearly show Government support to Council's programme from the Land Transport Fund. This note discloses the Council activities or functions which receive funding, either directly or indirectly from this Fund.

Transfund Funded Activities Are:

Business Unit	Function	Objective
Roads and Traffic Business Unit	Professional services for the management of the roads and traffic assets.	To provide an efficient and cost effective service for the management of the roads and traffic assets.
Design Services Business Unit	Professional services contract for investigation, reporting and design work.	To provide a timely, cost effective and quality service which will contribute to the success of the client in its service to the community.
City Parks Business Unit	Physical works contract for landscape maintenance (traffic islands and verge maintenance).	To provide an efficient and effective standard of service in landscape maintenance, as required by the client.

2000 Surplus/ (Deficit)	Business Units	In House		Minor and Other Activities	Total Revenue	Direct Operating Costs	Support Services	Depreciation	Total Expenditure	2001	
		Professional Services For TNZ	Ancillary Works For TNZ							Surplus/ (Deficit)	Budget 2001
(328)	Roads and Traffic Business Unit	489		1,234	1,723	1,676	101		1,777	(54)	(42)
58	Design Services Business Unit	324		1,700	2,024	1,975	124	4	2,103	(79)	(36)
(246)	City Parks Business Unit		82	4,611	4,693	4,608	185		4,793	(100)	(41)
251	Utilities Works Unit			3,599	3,599	3,368	89		3,457	142	31
	Nursery			491	491	488		11	499	(8)	(5)
	Parks and Gardens			1,063	1,063	1,063			1,063	0	0
	Water, Drainage and Refuse Business Units			1,939	1,939	1,796		1	1,797	142	(2)
(265)	Total	813	82	14,637	15,532	14,974	499	16	15,489	43	(95)
(265)	Total Business Unit Surplus/(Deficit) Allocated To Significant Activities									43	(95)
0	Capital Expenditure									10	0

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2001 (ALL NOTES IN \$000S)

NOTE 2: TOTAL REVENUE

Council 2000	Consolidated 2000		Council 2001	Budget 2001	Consolidated 2001
29,520	29,520	Revenue from Significant Activities	28,414	27,837	28,414
62,155	62,155	General Revenues	63,863	62,766	63,863
22,837	22,837	Revenue Assigned to Asset Development	13,252	12,350	13,252
114,512	114,512		105,529	102,953	105,529

INCLUDED IN THE REVENUE ASSIGNED TO ASSET DEVELOPMENT ARE THE FOLLOWING CONTRIBUTIONS:

Council 2000	Consolidated 2000		Council 2001	Council Budget 2001	Consolidated 2001
1,991	1,991	Contributions to Subdivision Reserves	996	1,100	996
2,200	2,200	Infrastructural Subdivision Fund	721	1,650	721
41	41	Cemetery Maintenance Fees	47	49	47
1,259	1,259	Other Capital Contributions	1,375	1,200	1,375
5,491	5,491		3,139	3,999	3,139

Other capital contributions include a \$65,000 contribution from the NZ Lottery Grants Board towards the tiger enclosure and library equipment.

NOTE 3: OPERATING SURPLUS

THE FOLLOWING ITEMS ARE INCLUDED IN THE STATEMENT OF FINANCIAL PERFORMANCE:

Council 2000	Consolidated 2000		Council 2001	Consolidated 2001
		After Charging:		
96	96	Audit Fees	96	96
6	6	Other Fees Paid to Auditors	3	3
12	12	Bad Debts Written-Off	27	27
18	18	Debenture Premium Amortised	9	9
21,340	21,340	Depreciation	21,748	21,748
5,778	5,778	Interest Expense	6,767	6,767
4,780	4,780	Loss on Disposal of Assets	1,575	1,575
520	520	Mayor and Councillors' Remuneration	561	561
1,199	1,199	Operating Leases Rental Expense	1,491	1,491
		After Crediting:		
122	122	Decrease in Provision for Doubtful Debts	42	42
25	25	Dividend Income	3	3
168	168	Gain on Disposal of Assets	24	24
1,638	1,638	Interest Income	1,421	1,421

Loss/(Gain) on Revaluation/Disposal of Investments:

Hamilton Riverview Hotel Ltd (Novotel)	777
NZ Local Government Insurance Co Ltd	(4)
Pirongia Mountain Afforestation Committee	(1)
Waikato Regional Airport Ltd	(479)
Gain on Disposal of Bonds	(126)
	167

Prior Year Adjustment:

Costs capitalised as building renewals in prior year, now expensed as maintenance costs.	172
	172

RECONCILIATION OF APPROVED TO RESTATED OPERATING BUDGET:

Significant Activities	Approved Budget	Carryover from 99/00	Other	Restated Budget
Environment	7,103	124	96	7,323
Water Supply	3,674	28	1	3,703
Wastewater	8,443	59	4	8,506
Stormwater	3,861	105	(142)	3,824
Refuse	3,194	70	14	3,278
Roads and Traffic	15,079	39	(49)	15,069
Health, Order and Safety	1,755	5	10	1,770
Community Support	4,787	19	(10)	4,796
Recreation and Leisure	13,580	0	10	13,590
Arts and Culture	9,086	1,000	(21)	10,065
Partnership with Maori	173	0	0	173
Representation and Civic Affairs	3,678	0	55	3,733
Economic Development and Marketing	1,082	115	0	1,197
Property Management	(2,460)	0	18	(2,442)
Net Off of Interest on Internal Borrowing	0	0	(565)	(565)
	73,035	1,564	(579)	74,020
Annual Plan Surplus For The Year				1,640
Capital Expenditure Transferred From Cost of Service				199
Projects Carried Over From 1999/00				(1,564)
Revenue From Asset Development				823
Transfers From Support Services and Business Units				(185)
Budget Surplus For The Year As Per Statement Of Financial Performance				913

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2001 (ALL NOTES IN \$000S)

NOTE 4: TAXATION

Taxation is payable by Hamilton City Council on any income from its LATEs.

Council 2000	Consolidated 2000		Council 2001	Consolidated 2001
15,147	15,147	Surplus Before Tax	12,974	12,974
4,999	4,999	Tax at 33%	4,281	4,281
		Tax Effect of Permanent Differences		
(5,007)	(5,007)	Permanent Differences	(4,284)	(4,284)
(8)	(8)	Tax Expense/(Tax Credit)	(3)	(3)

The group has no deferred tax balance on timing differences.

Tax losses of the group of \$479,709 (2000 \$479,709), tax effect \$158,304 (2000 \$158,304) have not been recognised.

NOTE 5: RATEPAYERS' EQUITY

Council 2000	Consolidated 2000		Council 2001	Consolidated 2001		
		Accumulated Funds				
1,186,487	1,186,487	Opening Balance	1,203,173	1,203,173		
15,155	15,155	Net Surplus for the Year	12,977	12,977		
146	146	Transfer from Revaluation Reserve on Disposal of Assets	40	40		
0	0	Transfer to Revaluation Reserve on Revaluation of Shareholdings	(297)	(297)		
36,389	36,389	Transfers from Restricted and Council Created Reserves	51,634	51,634		
(35,004)	(35,004)	Transfers to Restricted and Council Created Reserves	(47,630)	(47,630)		
1,203,173	1,203,173	Total Accumulated Funds	1,219,897	1,219,897		
		Revaluation Reserves				
		General Asset Revaluation Reserves				
30,012	30,012	Opening Balance	29,818	29,818		
0	0	Increase/(Decrease) in Revaluation on Assets	359	359		
(146)	(146)	Transfer to Accumulated Funds on Disposal of Assets	(40)	(40)		
0	0	Transfer from Accumulated Funds on Revaluation of Shareholdings	297	297		
(48)	(48)	Increase/(Decrease) in Revaluation of Shareholdings	28	28		
29,818	29,818	Closing Balance	30,462	30,462		
		Property Revaluation Reserves				
0	0	Opening Balance	118	118		
118	118	Increase/(Decrease) in Revaluation of Investment Properties	736	736		
118	118	Closing Balance	854	854		
29,936	29,936	Total Revaluation Reserves	31,316	31,316		
		Restricted Reserves				
		Income				
		Expenditure				
1,099	1,099	Cemetery Plot Maintenance in Perpetuity	120	73	1,146	1,146
1,036	1,036	Domain Sales Endowment Reserve	310	211	1,135	1,135
7,294	7,294	Municipal Crown Endowment Reserve	791	5,036	3,049	3,049
0	0	Waikato Art Gallery Endowment Reserve	24	0	24	24
9,429	9,429	Total Restricted Reserves	1,245	5,320	5,354	5,354
		Council Created Reserves				
1	1	Dame Hilda Ross Library Memorial	0	0	1	1
68	68	Debt Repayment Reserve	1,207	1,270	5	5
1,572	1,572	Disaster Recovery Fund	157	0	1,729	1,729
558	558	General Interest Reserve	217	549	226	226
267	267	Horotiu Aftercare Reserve	214	0	481	481
2,690	2,690	Horotiu Landfill Reserve	469	1,465	1,694	1,694
1,289	1,289	Infrastructural Subdivision Fund	792	1,620	461	461
(613)	(613)	Loan Funds	38,939	38,326	0	0
11,676	11,676	Loan Repayment Reserves	2,921	2,026	12,571	12,571
655	655	Parking Reserve	81	0	736	736
0	0	Passenger Transport Reserve	62	0	62	62
137	137	Pensioner Housing Maintenance Reserve	5	142	0	0
3	3	Roman Catholic Schools Library Fund	1	0	4	4
320	320	Stadium Interest Reserve	20	110	230	230
0	0	Storm Damage Reserve	154	3	151	151
2,335	2,335	Subdivisional Reserve	1,143	752	2,726	2,726
51	51	Waterworks Reserve	3	51	3	3
21,009	21,009	Total Council Created Reserves	46,385	46,314	21,080	21,080
1,263,547	1,263,547	Total Ratepayers' Equity	1,277,647	1,277,647		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2001 (ALL NOTES IN \$000S)

NOTE 6: INVESTMENTS

Council 2000	Consolidated 2000		Council 2001	Consolidated 2001
16,595	16,595	Short-Term Investments at Call	651	651
5,122	5,122	Short-Term Investments Less Than a Year	542	542
1,955	1,955	Sinking Fund Commissioners Less Than a Year	6,837	6,837
23,672	23,672	Current	8,030	8,030
3,839	3,839	Term Longer Than a Year	0	0
9,721	9,721	Sinking Fund Commissioners	5,735	5,735
8,385	8,384	Shares and Investments in Other Organisations	8,078	8,077
21,945	21,944	Non-Current	13,813	13,812

SHARES AND INVESTMENTS IN OTHER ORGANISATIONS ARE COMPRISED AS FOLLOWS:

Council 2000	Consolidated 2000		Number of Shares	% Holding	Balance Date	Council 2001	Consolidated 2001
30	30	Bus Hire Joint Venture - Share of Equity		50.00	30 Jun	9	9
4,302	4,302	Hamilton Riverview Hotel Ltd (Novotel)	42	42.00	31 Dec	3,525	3,525
1	0	Hamilton Properties Ltd	1,000	100.00	30 Jun	1	0
312	312	NZ Local Government Insurance Co Ltd	202,729	3.17	31 Dec	316	316
282	282	Pirongia Mountain Afforestation Committee	11	25.58	30 Jun	289	289
3,458	3,458	Waikato Regional Airport Ltd	1,430,000	50.00	30 Jun	3,938	3,938
8,385	8,384	Total Shares and Investments in Other Organisations				8,078	8,077

THE WEIGHTED AVERAGE EFFECTIVE INTEREST RATES ON INVESTMENTS ARE:

Council 2000	Consolidated 2000		Council 2001	Consolidated 2001
6.63%	6.63%	Short-Term Deposits	5.80%	5.80%
4.25%	4.25%	Sinking Funds	5.59%	5.59%
8.47%	8.47%	Term Bonds		

THE REPRICING MATURITIES ON THE ABOVE INVESTMENTS ARE:

	Less Than 6 Months	6-12 Months	1-2 Years	2-5 Years	> 5 Years	Total
Short-Term Deposits	681	512	0	0	0	1,193
Sinking Funds	1,021	5,816	1,306	1,514	2,915	12,572
Term Bonds	0	0	0	0	0	0
	1,702	6,328	1,306	1,514	2,915	13,765

Council held no investments in Government and Local Authority Bonds as at 30 June 2001 (2000 \$3.199m). The majority of cash investments have been liquidated and applied to the internal borrowing programme.

Council placed \$512,400 on term deposit with ANZ Banking Group (New Zealand) Ltd on 10 April 2000, which is held as security over the portion of outstanding loans by Hamilton Riverview Hotel Ltd (Novotel). The amount is included in the figures stated above.

Council investments include a \$1000 investment in Hamilton Properties Ltd which has been eliminated on consolidation.

The Pirongia Mountain Afforestation Committee forestry interest was revalued as at 30 June 2001 by forestry consultants PL Tempest and Associates. The forestry interest was valued at \$1,673,912 (2000 \$1,623,196).

NOTE 7: ACCOUNTS RECEIVABLE AND PREPAID EXPENDITURE

Council 2000	Consolidated 2000		Council 2001	Consolidated 2001
2,036	2,036	Rates	1,763	1,763
(94)	(94)	Less Provision for Doubtful Debts	(98)	(98)
1,942	1,942	Net Rates Receivable	1,665	1,665
		Other Accounts Receivable		
589	589	Transfund New Zealand	516	516
1,077	1,077	Water by Meter	677	677
2,534	2,534	Sundry Receivables	2,573	2,573
37	37	Provision for Taxation	0	0
0	0	GST Refund Due	314	314
4,237	4,237	Sub Total Other Accounts Receivable	4,080	4,080
(104)	(104)	Less Provision for Doubtful Debts	(58)	(58)
4,133	4,133	Net Other Accounts Receivable	4,022	4,022
422	422	Prepaid Expenditure	492	492
6,497	6,497	Total Accounts Receivable and Prepaid Expenditure	6,179	6,179

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2001 (ALL NOTES IN \$000S)

NOTE 8: FIXED ASSETS, INVESTMENT PROPERTIES AND PROPERTIES INTENDED FOR RESALE

A. SCHEDULE OF FIXED ASSETS, INVESTMENT PROPERTIES AND PROPERTIES INTENDED FOR RESALE AS AT 30 JUNE 2001:

	Consolidated Cost of Assets	Consolidated Current Valuation of Assets	Consolidated Accumulated Depreciation	Consolidated Book Value
Operational Assets				
Buildings	10,522	83,757	(3,434)	90,845
Plant and Equipment	17,863	0	(12,602)	5,261
Improvements - Parks and Gardens	1,556	7,990	(1,391)	8,155
Land	16,442	60,325	0	76,767
Vehicles	3,844	0	(2,139)	1,705
Passive Recreation	2,581	12,014	(2,762)	11,833
	52,808	164,086	(22,328)	194,566
Restricted Assets				
Land	171	2,986	0	3,157
Infrastructural Assets				
Buildings	593	17,993	(976)	17,610
Car parks	130	714	(115)	729
Horotiu Landfill	8,917	0	(4,648)	4,269
Sewage System	12,385	66,563	(5,294)	73,654
Stormwater System	10,002	104,173	(6,488)	107,687
Streets and Roading	33,462	361,185	(20,458)	374,189
Water System	4,768	94,421	(6,363)	92,826
Fixed Plant	2,922	9,683	(1,631)	10,974
Land	13,708	382,000	0	395,708
Work in Progress	0	50,585	0	50,585
Resource and Discharge Consents	7,770	0	(2,475)	5,295
	94,657	1,087,317	(48,448)	1,133,526
Investment Properties	0	29,778	0	29,778
Properties for Resale	0	2,928	0	2,928
Total Fixed Assets, Investment Properties and Properties Intended for Resale	147,636	1,287,095	(70,776)	1,363,955

B. SCHEDULE OF FIXED ASSETS, INVESTMENT PROPERTIES AND PROPERTIES INTENDED FOR RESALE AS AT 30 JUNE 2000:

	Consolidated Cost of Assets	Consolidated Current Valuation of Assets	Consolidated Accumulated Depreciation	Consolidated Book Value
Operational Assets				
Buildings	6,033	85,561	(3,998)	87,596
Plant and Equipment	16,098	0	(11,458)	4,640
Improvements - Parks and Gardens	761	7,990	(969)	7,782
Land	15,838	60,910	0	76,748
Vehicles	3,522	0	(2,079)	1,443
Passive Recreation	1,709	12,014	(1,740)	11,983
	43,961	166,475	(20,244)	190,192
Restricted Assets				
Land	171	2,986	0	3,157
Infrastructural Assets				
Buildings	166	17,993	(649)	17,510
Car parks	0	714	(78)	636
Horotiu Landfill	7,499	0	(3,375)	4,124
Sewage System	9,643	66,564	(3,479)	72,728
Stormwater System	7,524	104,173	(4,264)	107,433
Streets and Roading	20,571	359,027	(13,263)	366,335
Water System	3,045	94,421	(4,218)	93,248
Fixed Plant	516	10,283	(1,153)	9,646
Land	11,805	381,872	0	393,677
Work in Progress	27,558	0	0	27,558
Resource and Discharge Consents	7,770	0	(1,400)	6,370
	96,097	1,035,047	(31,879)	1,099,265
Investment Properties	0	24,733	0	24,733
Properties for Resale	0	2,834	0	2,834
Total Fixed Assets, Investment Properties and Properties Intended for Resale	140,229	1,232,075	(52,123)	1,320,181

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2001 (ALL NOTES IN \$000S)

C. STATEMENT OF CHANGES

	Property Held for Resale	Investment Properties	Other Fixed Assets	Total
Fixed Assets as at 30 June 2000	2,834	24,733	1,292,614	1,320,181
Add:				
Purchases	0	5,446	33,190	38,636
Assets Vested through Subdivision	0	0	5,339	5,339
Work In Progress and Transfers	111	(111)	23,027	23,027
Revaluations of Assets	283	523	383	1,189
Less:				
Book Value of Disposals	(300)	(813)	(1,556)	(2,669)
Depreciation 2001	0	0	(21,748)	(21,748)
Fixed Assets as at 30 June 2001	2,928	29,778	1,331,249	1,363,955
Current	2,222	0	0	2,222
Non-Current	706	29,778	1,331,249	1,361,733
	2,928	29,778	1,331,249	1,363,955

D. RESOURCE AND DISCHARGE CONSENTS

An amount of \$5.268m was paid on 1 July 1999 for resource consented airspace at the Horotiu landfill. This cost is amortised over the total period of 6.5 years to December 2006, i.e., the planned closure date for Horotiu landfill.

E. FAIR VALUES

The Council considers the recorded amounts for land and buildings are an indication of fair values.

F. INVESTMENT PROPERTIES

Investment Properties have been valued by two independent valuers as at 30 June 2001:

Quotable Value New Zealand	7,415
Ford Valuations Ltd	22,363
	29,778

G. PROPERTIES FOR RESALE

Properties for Resale have been valued by three independent valuers as at 30 June 2001:

Ford Valuations Ltd	1,440
Quotable Value New Zealand	706
Telfer Young Waikato Ltd	782
	2,928

H. RECONCILIATION OF APPROVED TO RESTATED CAPITAL EXPENDITURE BUDGET

Actual 2000	Actual 2001	Approved Budget	Prev.Yrs Carryover	Other	Restated Budget
2,599 Environment	2,956	3,026	754	(26)	3,754
1,582 Water Supply	2,904	3,514	951	99	4,564
9,572 Wastewater	19,689	19,768	790	(99)	20,459
1,615 Stormwater	1,871	1,395	261	0	1,656
6,409 Refuse	2,158	2,904	2,271	0	5,175
14,326 Roads and Traffic	15,763	13,799	5,687	(666)	18,820
0 Health, Order and Safety	0	0	0	0	0
2,592 Community Support	463	457	515	14	986
808 Recreation and Leisure	6,853	642	222	0	864
1,172 Arts and Culture	2,092	2,246	653	7	2,906
0 Partnership with Maori	0	0	0	0	0
118 Representation and Civic Affairs	9	0	0	0	0
0 Economic Development and Marketing	0	0	0	0	0
4,588 Property Management *	5,036	0	0	0	0
2,830 Support Services	1,985	2,345	113	0	2,458
0 Business Units	10	0	0	0	0
Advanced Funding	1,602	425	0	1,190	1,615
48,211	63,392	50,521	12,217	519	63,257

*Acquisition of property was funded from the Municipal Crown Endowment Reserve.

NOTE 9: BANK OVERDRAFT

The bank overdraft on the daily trading account is secured by way of debenture trust deed over general rates. The facility totals \$500,000. At 30 June 2001 the interest rate on the facility was 9.35% per annum.

The bank overdraft on the direct fees account is also secured by way of a debenture trust deed over general rates. The facility totals \$10,000. At 30 June 2001 the interest rate on the facility was 9.35% per annum.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2001 (ALL NOTES IN \$000S)

NOTE 10: ACCOUNTS PAYABLE AND INCOME IN ADVANCE

Council 2000	Consolidated 2000		Council 2001	Consolidated 2001
10,004	10,003	Trade Creditors and Accruals	12,736	12,735
353	353	Agency Funds	367	367
809	809	GST Payable	0	0
11,166	11,165		13,103	13,102
1,072	1,072	Income in Advance	942	942
12,238	12,237	Total Accounts Payable and Income in Advance	14,045	14,044

NOTE 11: EMPLOYEE ENTITLEMENTS

Council 2000	Consolidated 2000		Council 2001	Consolidated 2001
618	618	Accrued Pay	634	634
2,252	2,252	Annual Leave and Long Service Leave	2,178	2,178
1,455	1,455	Retirement Gratuities	1,558	1,558
4,325	4,325	Total Employee Entitlements	4,370	4,370
3,010	3,010	Current	2,976	2,976
1,315	1,315	Non-Current	1,394	1,394
4,325	4,325	Total Employee Entitlements	4,370	4,370

NOTE 12: TERM LIABILITIES

The city's debt has been issued in accordance with the Local Government Act 1974. The loans are secured through the debenture trust deed over all rates with one exception. The \$5.204m loan used to purchase Claudelands Park is secured by way of a mortgage over the Claudelands Park property.

Consolidated 2000		Consolidated 2001
73,912	Opening Balance	92,484
29,054	Loans Raised	39,372
(10,482)	Loans Repaid	(35,164)
92,484	Closing Balance	96,692

Consolidated 2000		Interest Rate %	Weighted Average %	Consolidated 2001
41,165	Payable within one year	6.00 to 8.45	6.69	41,022
13,350	One to two years	5.91 to 8.40	6.74	10,914
6,018	Two to three years	6.00 to 7.50	6.85	5,298
5,299	Three to four years	7.50 to 7.75	7.53	7,356
7,360	Four to five years	6.49 to 7.50	6.58	6,785
14,020	Six to ten years	6.64 to 7.90	7.16	20,113
5,257	Eleven to fifteen years	6.60	6.60	5,204
15	Sixteen to twenty years	0.00	0.00	0
92,484			6.85	96,692
41,165	Payable within one year			41,022
36,770	Less renewal loans to be raised			30,230
4,395	Current portion term liabilities			10,792
88,089	Term portion term liabilities			85,900
92,484				96,692

Term liabilities includes a loan from Transit NZ \$2.307m, and interest free loan from Energy Efficiency and Conservation Authority (EECA) \$0.289m.

Under authority of the Local Government Act 1974 (Local Authorities Loans Act 1956), Sinking Funds to the value of \$12.572m (2000 \$11.676m) are held to provide for the repayment of debt.

Under the Local Government Amendment Act (No.3) 1996, Section 223(e), there have been no significant variations or material departures from Council's Borrowing Management Policy.

There have been some departures from the fixed/floating mix during the financial year that were advised to the Economic and Audit Committee at its six weekly meetings, but these were monitored and corrected with consultation and advice from Council's external treasury advisors by 30 June.

An internal borrowing programme using special funds and working capital cash, as permitted by the investment and borrowing policies commenced during the 2000/01 financial year. Rather than sourcing all its borrowing externally, Council utilises funds from reserves to reduce external borrowing and charges an internal interest rate on these funds. Provision for the repayment of internal borrowing is covered via committed external banking funding facilities.

Internal borrowing from cash held for special funds and working capital as at 30 June 2001 is \$22.933m. If this is added to Council's net debt of \$81.524m (excluding Transit NZ and EECA) the overall net city debt at 30 June 2001 \$104.457m.

The statement of financial performance, reflects a net off of (\$0.522m) to eliminate the internal interest charged to significant activities.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2001 (ALL NOTES IN \$000S)

NOTE 13: RECONCILIATION OF NET SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Council 2000	Consolidated 2000		Council 2001	Consolidated 2001
15,155	15,155	Net Surplus for the Year	12,977	12,977
		Add/(Less) Non-Cash Items:		
18	18	Debenture Premium Amortised	9	9
1,401	1,401	Loss on Revaluation of Investments	167	167
3,409	3,409	Prior Year Adjustments	172	172
25,952	25,952	Depreciation plus Net Loss/(Gain) on Disposal of Assets	23,299	23,299
(14,153)	(14,153)	Contributions - Fixed Assets Vested	(5,339)	(5,339)
16,627	16,627		18,308	18,308
		Add/(Less) Movements in Working Capital:		
(1,588)	(1,576)	Change in Debtors	318	318
(11)	(11)	Change in Inventory	(72)	(72)
1,866	1,616	Change in Creditors	1,807	1,807
566	566	Change in Employee Entitlements (including Term Portion)	45	45
833	595		2,098	2,098
		Add/(Less) Items Classified as Investing Activities:		
(3,193)	(3,193)	Capital Subsidies	(4,774)	(4,774)
(5,491)	(5,491)	Capital Contributions	(3,139)	(3,139)
(2,111)	(2,111)	Change Capital Creditors	(640)	(640)
(10,795)	(10,795)		(8,553)	(8,553)
21,820	21,582	Net Cash Inflow from Operating Activities	24,830	24,830

NOTE 14: RELATED PARTIES

Council's wholly owned subsidiary, Hamilton Properties Ltd which previously managed Council's property portfolio and received most of its income from management fees, ceased trading as at 31 October 1998. As a result, there are no related party transactions included in these accounts.

Council placed \$512,400 on term deposit with ANZ Banking Group (New Zealand) Ltd on 10 April 2000, which is held as security over the portion of outstanding loans by Hamilton Riverview Hotel Ltd (Novotel), an equity accounted related party.

No councillors or senior management were involved in any transactions with Council apart from payments of rates and use of Council services as part of a normal customer relationship.

NOTE 15: FINANCIAL INSTRUMENTS

CREDIT RISK

In the normal course of business, Council incurs credit risk from trade debtors and financial institutions. Council has placed its cash, interest bearing deposits and funds to be managed with financial institutions of high credit worthiness and limits its amount of credit exposure to any one such institution.

INTEREST RATE RISK

In the normal course of business, all long-term debt is at fixed interest rates. Short-term borrowing and investments are subject to normal market fluctuations. Long-term debt is detailed in Note 12.

SYNTHETIC CONTRACTS HELD

Instrument	Term	Interest Rate %	Amount
Interest Rate Swaps	10 December 2002	6.03	8,000
	1 September 2003	6.71	7,500
	1 October 2004	6.74	7,500
	15 December 2004	6.45	5,000
	5 May 2005	7.57	5,500
	15 February 2006	6.49	6,000
	15 January 2008	6.64	7,000
	2 November 2009	6.92	7,500

FAIR VALUE

The fair value of financial instruments is shown as follows:

Carrying Amount 2000	Fair Value 2000		Carrying Amount 2001	Fair Value 2001
		Assets		
23,672	23,675	Short-Term Investments	8,030	8,030
21,944	22,005	Long-Term Investments*	13,812	13,812
		Liabilities		
92,484	92,192	Term Liabilities	96,692	96,814

* Shares and investments in other organisations are carried at values as stated in Note 6. It is not practical to estimate fair values of Council's shareholdings as there are no quoted market prices for the shares.

The revaluation of interest rate swaps held by Council shows an unrealised gain of \$484,000 as at 30 June 2001. This has not been recognised in the Statement of Financial Performance.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2001 (ALL NOTES IN \$000S)

NOTE 16: CURRENCY RISK

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency forward exchange rates are used to manage foreign currency exposure. Council's policy is that foreign currency exposure of amounts greater than \$10,000 are to be covered by way of forward exchange contracts. The following financial instruments were in place to provide foreign exchange risk protection as at 30 June 2001.

Carrying Amount 2000		Carrying Amount 2001	Fair Value 2001
191	Foreign Currency Forward Exchange Contracts	59	51

Foreign currency forward exchange contracts have been entered into for work relating to an upgrade at the Wastewater Treatment Plant.

NOTE 17: REMUNERATION OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer Mr A. J. Marryatt was appointed under section 119C(1)(a) of the Local Government Act 1974 and receives a salary of \$198,290 (2000 \$197,612).

In terms of his contract, the Chief Executive also received the following additional benefits:

2000		2001
14	Motor Vehicle including Fringe Benefit Tax	15

For the year ended 30 June 2001, the total annual cost (including fringe benefit tax) to the Hamilton City Council of the remuneration package being received by the Chief Executive is calculated at \$213,374 (2000 \$210,345).

Mr Marryatt is also a Director of Hamilton Riverview Hotel Limited (appointed by Hamilton City Council) and receives Directors fees of \$12,000 (2000 \$12,000) for his work in that capacity.

NOTE 18: MISCELLANEOUS EXPENDITURE

This information is presented in accordance with the requirements of the Local Government Act 1974.

Council 2000	Consolidated 2000		Council 2001	Consolidated 2001
		Miscellaneous Expenditure (Section 223J)		
464	464	Insurance Premiums	490	490
0	0	Ex Gratia Payments	0	0
508	508	Ceremonies for the Public	75	75
0	0	Insignia and Robes of Office	0	0
46	46	Entertainment	7	7
4,199	4,199	Subscriptions, Levies, Fees and Contributions	3,577	3,577
0	0	Unauthorised Expenditure (Section 223K)	0	0
		Staff Termination (Section 223E)		
0	0	Final Payments to Staff Exceeding \$50,000 Totalled	0	0

NOTE 19: CONTINGENCIES

Council is at times requested to act as Guarantor to loans raised by community organisations and sports clubs to construct facilities on reserve land. These structures form part of the reserve but are not included in the fixed asset figures. Council's potential liability under the guarantees is as follows:

2000		2001
	Lending Institution	
162	WestpacTrust	137
810	ASB	892
972	Total	1,029

Council was involved as defendant in various public liability and professional indemnity claims at 30 June 2001. Council's liability, if at all, would be its insurance excess.

2000		2001
252	Insurance Claim Excess	184
302	Other Liability Claims	455
554	Total	639

The insurance claim excess total represents all outstanding claims.

Council placed \$512,400 on term deposit with ANZ Banking Group (New Zealand) Ltd on 10 April 2000, which is held as security over the portion of outstanding loans by Hamilton Riverview Hotel Ltd (Novotel). This deposit could be drawn upon by ANZ Banking Group (New Zealand) to meet the outstanding loan of Hamilton Riverview Hotel Ltd.

Council is a 63 per cent capital beneficiary of the WEL Energy Trust. The life of the Trust ends in 2073 unless terminated earlier if its purpose is completed. Given the uncertainties surrounding the life of the Trust, Council is unable to accurately establish the appropriate value of its 63 per cent share.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2001 (ALL NOTES IN \$000S)

NOTE 20: URBAN PORTIONS OF THE STATE HIGHWAY NETWORK

In the past, the ownership of urban portions of the state highway network has been unclear and there had been legal opinion indicating that ownership rested with local authorities. In past years, note disclosure has been made in relation to this uncertainty.

The position has recently been clarified with the Crown now accounting for these assets.

NOTE 21: EXTERNAL CONSULTANTS

The following payments comprising legal and professional fees were made to external consultants:

Council 2000		Council 2001	Budget 2001
237	Chief Executive's Office	52	144
336	Community Services	186	176
221	Corporate	208	96
130	Environmental Services	105	80
287	Works and Services	87	271
1,211		638	767

NOTE 22: STATEMENTS OF SERVICE PERFORMANCE

Council has controls in place for monitoring and improving the quality of the services it provides. The controls consist of inspections by technical staff and reports to Council. Other controls are by response to public enquires and concerns.

All physical maintenance and capital works are carried out under contract. Planning, programming, management, supervision and auditing the standards of the roading and utilities networks are carried out by Council's in-house engineering business units or independent consultants. All design work is undertaken by registered engineers. These contracts remain in maintenance until the required performance is achieved and only then is the contract fully paid.

During the period 14 May to 14 June 2001 Research Solutions Ltd carried out a survey on public perceptions and interpretation of Council services and representation. The survey is prepared on a scientific basis with a margin of error of plus or minus 3.7 per cent at the 95 per cent confidence level, having a random sample of 704 residents in the city of Hamilton. The survey results have been reported in the Statements of Service Performance.

NOTE 23: MAJOR BUDGET VARIATIONS

Explanations for major variations from Council estimate figures in the 2000/01 Annual Plan are as follows:

STATEMENT OF FINANCIAL PERFORMANCE

Council made a net surplus of \$12.977m which is an increase of \$12.064m over the budgeted surplus of \$0.913m.

The major variances occurred in expenditure. Stadium grants during the year of \$6.246m were capitalised as a result of the decision to transfer the ownership of the Stadium to Council at the completion of construction (budgeted Stadium grant \$8.925m was treated as an operating expenditure item). Depreciation was \$1.727m lower than budgeted mainly due to the timing of capital projects. There were savings in interest expense of \$1.141m due to lower interest rates and delays in borrowing requirements.

There was an additional level of subdivision assets being vested in Council of \$1.214m and additional investment income of \$0.849m compared to budget.

Offsetting the favourable variances, was the renewal of assets in roading, water supply and wastewater, which resulted in an unbudgeted renewal loss of \$1.575m (being the book value of assets being renewed), and the contributions received from subdividers being lower than budgeted by \$0.860m.

STATEMENT OF MOVEMENT IN EQUITY

The major variation to movement in equity compared to budget was a result of the net favourable variance noted above in the statement of financial performance and also a favourable increase in revaluation reserves of \$1.123m.

STATEMENT OF FINANCIAL POSITION

Long-term investments were lower than budgeted as local authority stock and government bonds were sold due to the implementation of an internal borrowing programme during the year.

Term liabilities were lower than budgeted primarily due to the implementation of the internal borrowing programme.

STATEMENT OF CASH FLOWS

The overall decrease in cash held was \$14.673m higher than budget due to the implementation of the internal borrowing programme, which utilised available cash to offset the external borrowing requirements. The amount of cash utilised for internal borrowing at 30 June 2001 is \$22.933m.

Net cash inflows from operating activities were higher than budgeted mainly due to Stadium grants being capitalised as noted above.

Net cash outflows from investing activities were less than budgeted mainly due to sale of government and local authority bonds to implement the internal borrowing programme.

Net cash inflows from financing activities were lower than budgeted mainly due to implementation of the internal borrowing programme.

NOTE 24: EVENTS SUBSEQUENT TO BALANCE DATE

The Waikato Stadium which is under construction at balance date will be vested to Council in the 2001/02 financial year. The expected value at which the Waikato Stadium will vest in Council is \$20.761m, which excludes Council's contribution of \$8.925m. Ownership will pass to Council on completion of construction at a date agreed with the funders of the development. Council will be responsible for the maintenance of the entire asset from this point in time.

STATEMENT OF FINANCIAL INVOLVEMENT

IN LATES AND OTHER COMPANIES OR ORGANISATIONS

Hamilton City Council has control over the following entity:

- Hamilton Properties Ltd.

It has a significant interest in:

- Pirongia Mountain Afforestation Joint Venture (Local Authority Trading Enterprise)
- Waikato Regional Airport Ltd (Local Authority Trading Enterprise)
- Bus Hire Joint Venture (Interest in a Joint Venture) and
- Hamilton Riverview Hotel Ltd (Novotel) (Shareholding in a Joint Venture).

Details of financial interests in these entities are detailed in Note 6.

The cost to each of the above enterprises for the financial interests, finance or financial assistance of Council is as follows:

	Dividends 2001 \$000	Interest 2001 \$000	Total 2001 \$000
Subsidiary			
Hamilton Properties Ltd	0	0	0
Associates			
Pirongia Mountain Afforestation Joint Venture	0	0	0
Waikato Regional Airport Ltd	0	0	0
Bus Hire Joint Venture •	3	0	3
Hamilton Riverview Hotel Ltd (Novotel)	0	0	0

TOTAL COST

The provision of financial assistance by Hamilton City Council to most of these organisations is by share capital and in the case of Pirongia Mountain Afforestation Joint Venture also through an additional cash contribution. Council has made no shareholding investments or loan contributions to the Bus Hire Joint Venture.

Council has entered into an agreement for the sale of its interest in the Bus Hire Joint Venture with an effective date of 30 April 2001. The deed of termination of the Joint Venture Agreement was signed on 2 August 2001, with proceeds of the sale to be received in the 2001/02 financial year.

- Represents Council's 50% share of the net profit before tax.

REPORT ON LONG-TERM FINANCIAL STRATEGY AND POLICIES

INTRODUCTION

Each local authority is required to prepare and adopt a Long-Term Financial Strategy, Funding Policy, Investment Policy, and Borrowing Management Policy.

Section 122V of the Local Government Act 1996 specifies that every local authority must provide in its annual report sufficient information about each of the documents listed above to enable an informed assessment of the extent to which the objectives and provisions of the strategy and policies have been met during that year.

The information required should include an explanation of any significant variation between:

- the objectives and policies of the Long-Term Financial Strategy, Funding Policy, Investment Policy and Borrowing Management Policy set out in the Annual Plan for the financial year, and
- the actual achievement of those objectives and policies.

OVERVIEW

During 2000/01 Council made significant progress towards the achievement of objectives and policies for the year as set out in the Annual Plan relating to its Long-Term Financial Strategy, Funding Policy, Investment Policy and Borrowing Management Policy.

Details of achievement against the objectives and policy are set out below:

1. LONG-TERM FINANCIAL STRATEGY

BACKGROUND

The Long-Term Financial Strategy (LTFS) as outlined in the Annual Plan identifies significant activities of Council and provides for the associated estimated future expenses, revenues, cashflows and other movements in the statement of financial position. The general aim of the LTFS is to ensure that Council has adequately considered and accounted for its future operations in accordance with the following six principles:

- prudent management of Council activities in the interest of the city and its inhabitants
- adequate provision for expenditure needs of Council
- adequate consideration and assessment of benefits and costs of different options
- lawful funding mechanisms that on reasonable grounds can be considered as appropriate
- maintaining prudent levels of debt in accordance with Borrowing Management Policy, and
- operating revenue to cover all projected operating expenses.

OVERALL PERFORMANCE

There are some variations to the LTFS, particularly relating to the reclassification of expenditure between operating and capital. Also, there has been a reduction of \$3.2m in the level of depreciation which was recalculated to take account of the revised work programme and the revaluation of infrastructural assets. Revenue from significant activities was \$3.5m greater, due principally to landfill fees which were set to meet the cost of disposal of the household collection and Refuse Transfer Station. Fixed assets vested were \$1.2m greater, reflecting the high level of development within the city. Other major items were, the renewal loss on assets being renewed at \$1.6m and net loss on revaluation of investments of \$0.2m.

CONSEQUENCES

The consequences of these variations has resulted in a net surplus, which is \$4.7m greater than that outlined in the LTFS.

SPECIFIC OBJECTIVES AND TARGETS

Objective	2001 Targets	Performance	Significant Variations, Comments
To maintain the direction specified in the Long-Term Financial Strategy.	Achieve the budgeted figures specified in the Annual Plan.	Some significant variations particularly relating to the reclassification of expenditure between operating and capital. Refer to the attached financial statements for comparisons.	Refer to Note 23 for an explanation of major budget variations.
To manage the level of commitments and contingencies.	Total contractual commitments do not exceed \$2m.	This target was not met. Contractual commitments totalled \$10.497m with a significant portion of these relating to wastewater, water supply, sports areas, roading and property projects. Refer to the Statement of Commitments.	Council has a high level of projects that were committed but not completed in the 2000/01 financial year.
	Total contingencies do not exceed 2% of the general rate for the preceding financial year.	Achieved. Current contingencies are 1.4% of the general rate for the preceding financial year. This figure is based on the total annual contingent loan servicing charges on loans Council has guaranteed, plus any insurance claim excess and other liability claims, as disclosed in Note 19 and outlined in Section 2.7.2 of the FMP.	No significant variation.

2. FUNDING POLICY

BACKGROUND

The Funding Policy, as outlined in the Annual Plan, is designed to ensure that the allocation of costs by function is met by the people or groups benefiting from the function.

OVERALL PERFORMANCE

Council has generally achieved the planned mix of funding.

The actual allocation of the costs of Council's functions was not significantly changed from the Annual Plan.

SPECIFIC OBJECTIVES AND TARGETS

Objective	2001 Targets	Achievement	Significant Variations, Comments
To maintain a mix of funding mechanisms to meet the total funding requirements of the city.	General rates do not exceed 55% of total revenue.	Not achieved. General rates comprised 58% of total revenue. Refer to Note 2 for details.	No significant variation.
	Fees and charges comprise 20% of total revenue.	Achieved. Fees and charges comprised 27% of total revenue.	Landfill fees increased to meet the cost of disposal of refuse from household collection and RTS.
	Differentials on property sectors maintained to achieve the rate recovery specified in the Annual Plan.	Achieved.	Rate revenue higher than budgeted by \$173,000.

The above targets are based on the results coming out of the process associated with developing the funding policy.

3. INVESTMENT POLICY

BACKGROUND

Council delegates responsibility for management, monitoring and reporting of Council investment and activities to its Economic and Audit Committee, and its Finance and Administration Unit. A Council policy document sets out the parameters for the operation of the Finance and Administration Unit, and the volume of investments that Council will be involved with. The mix of investments between current and non-current is determined according to Council's working capital needs.

OVERALL PERFORMANCE

There are no significant variations or material departures from Council's Investment Policy as reported in the Annual Plan or as revised by Council during the year. There were some departures that resulted from unusual fluctuations in investments but these corrected themselves in a short space of time.

SPECIFIC OBJECTIVES AND TARGETS

Objective	2001 Targets	Performance	Significant Variations, Comments
Maintain prudent level and mix of investments, and manage risks associated with the investments.	NZ Government and Local Government 30%-100%. State Owned Enterprises 0%-50%. NZ Registered Banks 0%-70%. NZ Corporate Paper 0%-40%. Specific Investments Authorised by Council.	During the year Council adopted an internal borrowing regime, liquidating the majority of its investments. As a result, the specific ratios are no longer appropriate. Refer Note 6.	During the year Council adopted an internal borrowing regime, liquidating the majority of its investments. As a result, the specific ratios are no longer appropriate. Refer Note 6.
	At least 10% of investments to be current. 20%-90% to be term.	Achieved.	No significant variations.
	Spread of fixed investments. 2 & 3 years 15%-70%, 4 & 5 years 15%-70%, Over 5 years 5%-50%.	During the year Council adopted an internal borrowing regime, liquidating the majority of its investments. As a result, the specific ratios are no longer appropriate. Refer Note 6.	During the year Council adopted an internal borrowing regime, liquidating the majority of its investments. As a result, the specific ratios are no longer appropriate.
	Synthetic instruments may be used to manage interest rate and exchange rate risk.	Interest rate swaps and forward exchange contracts utilised.	
	Counterparty limits are approved to manage risk.	Limits set by counterparty list achieved.	
Use of proceeds of asset sales.	Proceeds to be used for reduction of debt except as specifically authorised by Council or subject to legislative restrictions.	Achieved.	

4. BORROWING MANAGEMENT POLICY

BACKGROUND

The main function of the Borrowing Management Policy is to ensure that Council's debt and its associated risks are maintained at prudent levels. Refer to the Annual Plan for a detailed outline of the policy.

Changes were made to Council's Investment Policy and Borrowing Management Policy to reflect the requirements of its debenture trust deed and its policy as a net borrower to manage funding and interest rate risk on a twelve month projected basis.

OVERALL PERFORMANCE

There are no significant variations or material departures from Council's Borrowing Management Policy as reported in the Annual Plan. There were some departures from the fixed/floating mix during the financial year that were advised to the Economic and Audit Committee at its six weekly meetings. These were monitored and corrected with consultation and advice from Council's external treasury advisors by the 30 June.

SPECIFIC OBJECTIVES AND TARGETS

Objective	2001 Year Targets	Performance	Significant Variations, Comments
To maintain adequate liquidity.	Committed borrowing facilities are maintained at 10% above maximum forecasted requirements.	Achieved.	
To manage interest rate and credit risk exposure.	Minimum (50%) and maximum (95%) levels of fixed borrowing are not exceeded.	Achieved.	Minor variations during the year that were advised regularly to the Economic and Audit Committee. No significant variations to policy at 30 June 2001.
To maintain debt within specified limits and ensure adequate provision for repayments.	City debt interest payments do not exceed 15% of the rating income for the year.	Achieved. 11.1%. Refer to Financial Overview.	
	Net city debt does not exceed 8.5% of total ratepayers' equity.*	Achieved. 6.4% [8.2%, if internal borrowing included] Refer to Financial Overview.	
	Repayment of debt is not less than 4% of the rating income for the year.	Achieved. 8.1%. This is based on the contractual commitment to provide for loan repayments. Refer to Financial Overview.	
To maintain security for public debt by way of a charge over rates.	Security documentation is reviewed to ensure compliance.	Achieved.	
To ensure that transactions involving foreign currency exceeding \$10,000 in value are hedged by way of forward cover contracts.	Compliance with this policy is monitored by reviewing payments in foreign currency.	Achieved. All known foreign currency payments hedged.	Working with Council staff to capture all foreign currency payments in advance to achieve compliance with policy.

* If internal borrowing of \$22.933m is included, the net debt position for the same period is \$104.5m.

STATEMENT OF COMPLIANCE AND RESPONSIBILITY

COMPLIANCE

Council and management of Hamilton City Council confirm that all the statutory requirements of Parts VIIA and VIIB of the Local Government Act 1974 regarding financial management and borrowing have been complied with.

RESPONSIBILITY

Council and management of Hamilton City Council accept responsibility for the preparation of the annual Financial Statements and the judgments used in them.

Council and management of Hamilton City Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

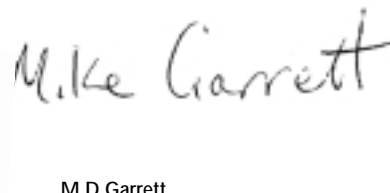
In the opinion of Council and management of Hamilton City Council, the annual Financial Statements for the year ended 30 June 2001 fairly reflect the financial position and operations of Hamilton City Council.



R M Rimmington
Mayor
13 September 2001



A J Marryatt
Chief Executive
13 September 2001



M D Garrett
General Manager Corporate
13 September 2001

REPORT OF THE AUDIT OFFICE

TO THE READERS OF THE FINANCIAL STATEMENTS OF HAMILTON CITY COUNCIL AND GROUP FOR THE YEAR ENDED 30 JUNE 2001

We have audited the financial statements on pages 45 to 101. The financial statements provide information about the past financial and service performance of Hamilton City Council and group and its financial position as at 30 June 2001. This information is stated in accordance with the accounting policies set out on pages 83 to 86.

RESPONSIBILITIES OF THE COUNCIL

The Local Government Act 1974 requires the Council to prepare financial statements which fairly reflect the financial position of Hamilton City Council and group as at 30 June 2001 and the results of its operations and cash flows and service performance achievements for the year ended 30 June 2001.

AUDITOR'S RESPONSIBILITIES

Section 25(1)(c) of the Public Finance Act 1977 requires the Audit Office to audit the financial statements presented by the Council. It is the responsibility of the Audit Office to express an independent opinion on the financial statements and to report its opinion to you. The Controller and Auditor-General has appointed C M Jones, of Audit New Zealand, to undertake the audit.

BASIS OF OPINION

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Council in the preparation of the financial statements and
- whether the accounting policies are appropriate to Hamilton City Council and group's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards, including the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have carried out another assignment for Hamilton City Council in the area of staff training. Other than this assignment and in our capacity as auditor acting on behalf of the Controller and Auditor-General, we have no relationship with or interests in Hamilton City Council or any of its subsidiaries.

UNQUALIFIED OPINION

We have obtained all the information and explanations we have required.

In our opinion the financial statements of Hamilton City Council and group on pages 45 to 101:

- comply with generally accepted accounting practice and
- fairly reflect:
 - the financial position as at 30 June 2001 and
 - the results of its operations and cash flows for the year ended on that date, and
 - the service performance achievements in relation to the performance targets and other measures adopted for the year ended on that date.

Our audit was completed on 13 September 2001 and our unqualified opinion is expressed as at that date.



C M Jones

Audit New Zealand

On behalf of the Controller and Auditor-General

Hamilton, New Zealand



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