



## Contents Page

Introduction	Page 3
Significant Forecasting Assumptions	Page 4
Prospective Statement of Comprehensive Revenue and Expenses	Page 7
Prospective Statement of Financial Position	Page 8
Prospective Statement of Changes in Equity	Page 9
Prospective Statement of Cashflows	Page 10
Prospective Statement Concerning Balanced Budget	Page 11
Schedule of Rates by Activity Group	Page 12
Notes to the Prospective Financial Statements (refer below)	Page 13
Disclosure Statement	Page 36
Funding Impact Statement	Page 38
Rates Information	Page 67
Glossary	Page 75

## Notes to the Prospective Financial Statements

Note 1 Statement of Accounting Policies	Page 13
Note 2 Prospective Summary of Cost of Services	Page 22
Note 3 Rates Revenue	Page 24
Note 4 Revenue from Grants and Subsidies	Page 24
Note 5 Revenue from Operating Activities	Page 25
Note 6 Revenue from Other Gains/(Losses)	Page 25
Note 7 Employee Benefit Expense	Page 26
Note 8 Depreciation and Amortisation Expense	Page 26
Note 9 Expenditure on Operating Activities	Page 27
Note 10 Finance Costs	Page 27
Note 11 Development Contributions Revenue	Page 28
Note 12 Movement in Reserves	Page 28
Note 13 Reconciliation of Funding Impact Statement	Page 29
Note 14 Capital Expenditure 2015-2025	Page 30

## Introduction

The Long Term Plan (LTP) sets out Council's priorities and identifies how Council intends to fund its operations and capital projects.

The forecasts prepared for Council have been prepared based on agreed levels of service for each activity. The levels of service are set out in detail in the Activities section (Our Activities).

The finances include:

- prospective statement of comprehensive revenue and expenses
- prospective statement of financial position
- prospective statement of changes in equity
- prospective statement of cashflows
- prospective statement concerning balanced budget.

Further detailed information is provided in the Notes to the Prospective Financial Statements which identifies revenue and expenditure for each group of activities (Note 2) and a full list of capital projects planned for 2018-2028 Long Term Plan (Note 14).

The operational and capital costs within the LTP include:

- **Existing Costs**  
Costs to continue to deliver the current level of service.
- **Growth Costs**  
Costs to deliver current level of service to a larger community due to growth.
- **Level of Service Changes**  
Costs to deliver an increase in level of service.
- **Project Costs**  
Costs such as depreciation and interest that occur from Council financing capital projects.
- **Inflation**  
Increases in revenue and costs due to price changes.

## The Nature of the Prospective Financial Information - cautionary note

The prospective financial information contained in the LTP is a forecast. It has been prepared on the basis of assumptions as to future events that the Council reasonably expects to occur, associated with the actions it reasonably expects to take at the date the forecast was prepared. The forecast relates to events and actions which have not yet occurred and may not occur. The actual results achieved for the period covered are likely to vary from the financial information presented and the variations may be material. The uncertainty increases as the number of years of prospective financial information increases. Uncontrollable external events will significantly affect the forecast.

The Prospective Statement of Financial Position has been reviewed to incorporate the audited Statement of Financial Position for the year ended 30 June 2017 and the movements per the 2018-2028 LTP. This has been adjusted for any material events during the current financial year.

A number of assumptions need to be made about the economic and financial conditions which will apply over the lifetime of the model. The major assumptions underpinning the LTP are set out in the Significant Assumptions section.

### Please Note

Revenue from the Grants, Subsidies and Contributions - Capital includes grants received where the associated expenditure will be capitalised. Expenditure relating to these projects will be recognised (primarily as depreciation) over the life of the capitalised assets.

Council has budgeted for a net surplus in every year of the LTP. This is mainly the result of the capital grants and subsidies. Further information is available in the Prospective Statement Concerning Balanced Budget later in this section.

Individual years stated in the tables refer to financial year ending 30 June. For example, 2018/19 refers to period 1 July 2018 to 30 June 2019.

The financial information contained within the 2018-2028 LTP may not be appropriate for purposes other than those described.

There may be rounding differences throughout the financial statements and notes included in this section. They do not impact the overall usefulness of the information presented.

## Significant Forecasting Assumptions

The following section details the assumptions Council has made in preparing the estimates for the 2018-2028 Long Term Plan. These assumptions are necessary as they ensure that the readers are aware of the basis for the estimates and forecast.

The Long Term Plan provides forecast financial information in accordance with the Chartered Accountants Australia and New Zealand International Financial Reporting Standard No. 42 (NZ FRS-42) Prospective Financial Statements. Actual results are likely to vary from the information presented and the variations may be material.

### Significant Forecasting Assumptions and Risks

Schedule 10 (Section 11) of the Local Government Act 2002 Amendment Act 2010 contains provisions relating to 'significant forecasting assumptions'. The Act requires that Council identifies the significant forecasting assumptions and risks underlying the financial estimates. Where there is a high level of uncertainty, Council is required to state the reason for that level of uncertainty and provide an estimate of the potential effects on the financial assumptions.

Council has made a number of assumptions in preparing the Long Term Plan. These assumptions are necessary as the planning term for the Long Term Plan is 10 years and the assumptions ensure that all estimates and forecasts are made on the same basis.

### Asset Management Plans

Forecast figures in the Long Term Plan relating to the management and enhancement of significant assets have been based on Council's Asset Management Plans.

### Activities and Service Delivery Options

It has been assumed that the existing activities, services and methods of delivery will continue, however reviews may occur throughout the Long Term Plan.

### Population Growth

Both Census and Council's own population projections indicate a reduction in the working age population for the region and a significant increase in a largely non-working proportion of the population under the current superannuation policy.

Population in Gisborne from 2017 and 2043 is projected to increase by 5,063 persons (10.77% growth) at an average annual change of 0.34%.

A significant population change will occur across the age profiles between 2013 and 2043 by age include:

- The number of persons aged 60 and over will comprise 23.6% of the total population

- The number of persons aged under 17 is forecast to decrease by 2.2%
- Decrease in working population aged 15 to 64.

### Development Contributions Funding

The income and expenditure forecast related to development contributions assume that growth occurs as projected and growth-related capital projects are implemented as planned.

### GST

The Long Term Plan assumes a GST rate of 15%. All forecast figures are GST exclusive.

### Interest Rates

Interest rates on Council external debt is estimated at 5% in this Long Term Plan. Council covers its interest rate exposure using interest rate swaps. The interest rates are based on estimates of the 90-day bank bill rate and include bank margins and the effect of the continuing use of interest rate swaps. Council has also utilised the NZ Local Government Funding Agency Ltd (LGFA) lower borrowing facility.

### Internal Interest Charges - Activity Balances

Council has reviewed its practices around the charging of interest on Council activity balances in order to remove implicit cross-subsidisation.

At the end of a financial year each Council activity will have made either a deficit or a surplus. These deficits or surpluses are added to the preceding year's balance.

### Internal Interest Charges - Reserves

Reserves are a component of public equity and represent a specific purpose to which parts of equity have been set aside for.

Council has a range of reserves including restricted reserves, special funds and depreciation reserves.

Special funds are restricted in nature and can only be used for the special purpose for which they were originally set up.

Restricted reserves are subject to specific conditions which may not be revised by Council without reference to a third party or the Courts. These reserves are charged or credited with interest, based on their balance.

Council has depreciation reserve funds set up for major asset groups. These reserves are charged or credited with interest based on their balance. Council's depreciation reserves are used to fund the capital renewals programme.

### Inflation

The forecast financial information includes provision for inflation. Council has used forecasts of price level

changes prepared by Business and Economic Research Limited (BERL) to calculate the inflation rate for each year of the Long Term Plan. Council has reviewed the latest BERL indicators and adjusted the factors used in the Long Term Plan. The BERL rates were set in September 2017.

In preparation for this Long Term Plan Council has applied zero based budgeting and has reviewed trend financial information on all revenue and expenditure items controlled by Council. This resulted in a reduction of revenue and/or expenditure in some areas, rather than an increase in line with inflation.

### Renewability of Funding

Bank facilities are arranged with multiple banks and structured to ensure there is a range of maturity dates. Bank facilities are reviewed every two years. Debentures on issue have a range of maturities out to 2025.

The Long Term Plan assumes that the necessary level of funding will continue to be available through a mixture of bank facilities and debentures.

### Income Tax

It is anticipated no tax will be payable by Council during the term of the Long Term Plan.

### Forecast Returns on Investments and Strategic Assets

Council maintains a range of commercial and strategic investments. Council has forecast the return for significant investments and business units. Council is currently reviewing all its investments and strategic assets to ensure it is receiving an adequate rates of return. Due to the level of uncertainty, the Plan does not currently include any significant strategic or investment asset disposals.

### External Funding

Included in the forecast financial statement are a number of operational and capital projects that are assumed to be either significantly or 100% funded by another agency or grant. There are also a number of major projects to be funded by a combination of Council and external funding.

Council has \$379m of capital projects planned for the Long Term Plan (after prioritisation). Of this, \$32m is budgeted to be funded from grants, subsidies or donations. NZ Transport Agency (NZTA) subsidies for Land Transport capital projects are included. NZTA contribute \$119m over the 10 years for the Long Term Plan for planned roading capital projects. There is a risk that sources of funds for some capital projects may not eventuate. It is assumed that if the external funds budgeted are not available then the projects will not proceed.

### Depreciation

All assets, excluding those listed below, are assumed to be replaced at the end of their useful life. The following

assets are assumed not to be replaced at the end of their useful life.

- Tolaga Bay Wharf
- Patutahi Hall.

Council does not fund depreciation on these assets.

Council will continue its policy of unfunding 39% of depreciation for the War Memorial Theatre. This is based on the assumption that any future upgrades will be with the support of external grants.

Council does not fund depreciation on that portion of the Waste Water Treatment Plant Asset that was funded by Capital rates. This equates to approximately \$450,000 per Years 1 to 3 of unfunded rates in the waste water activity. In year 4 it is \$250,000 and in year 5 \$125,000. From Year 6 to 10, all wastewater depreciation is fully funded. The phasing of unfunded depreciation aligns with total amount of unfunded depreciation against what was collected as a capital rate.

Council does not fully fund the depreciation on its roading assets in the Forecast Financial Statements. It is assumed that a set of proportion of the Land Transport and Parking capital expenditure will continue to be funded through NZTA financial assistance subsidies. It is therefore considered appropriate to only collect rates revenue on the portion of roading depreciation funded from Council reserves.

Council does not fund depreciation on the Airport assets as it is assumed that the Council lease of the Airport assets and operations to Eastland Infrastructure Ltd will result in the assets being returned to Council at the end of the lease in the same condition as when the lease began on 1 April 2005.

Useful lives of assets are recorded in Asset Management Plans or based upon professional advice. Refer to the Accounting Policies Depreciation note.

There is a risk that some assets may wear out and fail sooner, or later than calculated. There is no certainty that asset components will last exactly their design useful lives. However, replacement is budgeted at the expected end of useful life and earlier replacement will result in a loss on disposal of any residual value.

Earlier replacement may result in deferring other discretionary capital projects in order to remain within Council's borrowing limits set out in the Council Liability Management Policy.

### Depreciation on Planned Assets Acquisitions

The depreciation rates used for planned asset acquisition are in line with current policies.

### Asset Sales

The forecast financial information does not make any provision for income from the sale of Council assets.

### Resource Consents

All of Council's works projects require resource consents to be granted before works can commence. It has been assumed that resource consents can be obtained for all capital works, and that obtaining those resource consents will not significantly impact on the timing of capital works shown in the Long Term Plan.

It is also assumed that the currency and condition of existing resource consents held by Council will not be altered significantly during the term of the Long Term Plan. The most significant resource consents currently held by Council are for:

- Waiapu Landfill
- Transfer stations
- Existing wastewater treatment (Marine Outfall into Poverty Bay)
- Gisborne Wastewater Treatment Plant.

## **Revaluation of Assets**

The forecast financial information includes an annual estimate to reflect the change in asset valuations and depreciation. The effect of the revaluations is a best estimate based on historical asset values, forecast capital expenditure and the BERL inflation indices.

The most recent revaluation of Council's assets was at 30 June 2017. Roading and other infrastructure assets are revalued annually. It is assumed revaluations will result in an increase in the asset values, revaluation reserves and the depreciation expense.

## Prospective Statement of Comprehensive Revenue and Expenses as at 30 June

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s	Notes	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>REVENUE FROM NON-EXCHANGE TRANSACTIONS</b>											
9,227	Grants and Subsidies - Operational	12,857	13,370	13,720	13,341	13,595	13,697	14,112	14,498	14,764	15,262
17,954	Grants, Donations, Subsidies and Contributions - Capital	15,842	18,489	19,229	12,810	13,650	15,272	14,965	15,426	12,174	12,556
1,650	Other Non Exchange Revenue	1,774	1,790	1,807	1,825	1,844	1,863	1,884	1,906	1,929	1,953
16,465	General Rates And Uniform Annual General Charge	19,100	20,210	21,086	22,571	23,518	23,273	22,670	23,538	23,805	24,223
37,927	Targeted Rates	37,951	39,289	40,321	41,544	43,166	46,663	49,353	51,295	53,634	55,148
<b>REVENUE FROM EXCHANGE TRANSACTIONS</b>											
699	Development and Financial Contributions	699	699	699	699	699	699	699	699	699	699
6,945	Other Revenue	9,771	8,496	8,861	8,647	11,266	11,453	9,247	9,469	9,695	10,584
2,646	Targeted Water Rates	2,841	2,912	2,979	3,050	3,124	3,202	3,285	3,371	3,462	3,558
1,833	Dividends	1,457	1,457	1,500	1,550	1,885	3,750	2,350	3,600	2,400	1,600
14	Interest Received	0	0	0	0	0	0	0	0	0	0
12	Other Gains/(Losses) - Profit on Sale of Assets	12	12	12	12	12	12	12	12	12	12
<b>95,371</b>	<b>Total Revenue</b>	<b>102,303</b>	<b>106,724</b>	<b>110,214</b>	<b>106,049</b>	<b>112,759</b>	<b>119,884</b>	<b>118,577</b>	<b>123,813</b>	<b>122,573</b>	<b>125,595</b>
<b>EXPENSES</b>											
17,687	Employee Benefit Expenses	19,717	19,997	20,336	20,724	21,102	21,503	21,912	22,357	22,805	23,254
45,353	Expenditure on Operating Activities	47,926	49,724	51,031	51,045	52,229	54,794	56,077	57,296	58,499	60,045
21,098	Depreciation and Amortisation	21,212	22,107	22,757	23,657	24,353	25,884	25,932	28,931	29,963	30,396
2,199	Financing Costs	2,796	3,315	3,792	4,195	4,927	4,665	4,700	4,382	4,001	3,694
<b>86,337</b>	<b>Total Expenses</b>	<b>91,651</b>	<b>95,143</b>	<b>97,916</b>	<b>99,622</b>	<b>102,610</b>	<b>106,846</b>	<b>108,621</b>	<b>112,967</b>	<b>115,267</b>	<b>117,389</b>
<b>9,034</b>	<b>Net Surplus/(Deficit) before Taxation</b>	<b>10,651</b>	<b>11,581</b>	<b>12,298</b>	<b>6,427</b>	<b>10,149</b>	<b>13,038</b>	<b>9,957</b>	<b>10,846</b>	<b>7,305</b>	<b>8,207</b>
0	Subvention Payment from GHL	0	0	0	0	0	0	0	0	0	0
0	Income Tax Expense	0	0	0	0	0	0	0	0	0	0
<b>9,034</b>	<b>Net Surplus/(Deficit) after Taxation</b>	<b>10,651</b>	<b>11,581</b>	<b>12,298</b>	<b>6,427</b>	<b>10,149</b>	<b>13,038</b>	<b>9,957</b>	<b>10,846</b>	<b>7,305</b>	<b>8,207</b>
392	Gains/(Losses) on Property Revaluation	15,130	15,473	15,882	16,176	16,557	17,044	17,391	17,845	18,418	18,847
<b>9,425</b>	<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSES</b>	<b>25,782</b>	<b>27,053</b>	<b>28,180</b>	<b>22,603</b>	<b>26,706</b>	<b>30,082</b>	<b>27,348</b>	<b>28,691</b>	<b>25,724</b>	<b>27,054</b>

## Prospective Statement of Financial Position as at 30 June

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>CURRENT ASSETS</b>											
282	Cash & Bank	176	176	176	176	176	176	176	176	176	176
5,392	Non Exchange Trade and Other Receivables	4,343	4,237	4,127	4,016	3,902	3,785	3,665	3,543	3,417	3,288
5,834	Exchange Trade and Other Receivables	8,252	8,373	8,497	8,623	8,752	8,885	9,020	9,159	9,301	9,447
123	Inventories	62	62	62	62	62	62	62	62	62	62
61	Investments	0	0	0	0	0	0	0	0	0	0
0	Non Current Assets Held for Resale	50	50	50	50	50	50	50	50	50	50
<b>11,693</b>	<b>Total Current Assets</b>	<b>12,883</b>	<b>12,897</b>	<b>12,912</b>	<b>12,927</b>	<b>12,942</b>	<b>12,957</b>	<b>12,973</b>	<b>12,989</b>	<b>13,006</b>	<b>13,023</b>
<b>CURRENT LIABILITIES</b>											
377	Deposits Held	504	504	504	504	504	504	504	504	504	504
17,424	Trade and Other Payables	18,083	18,229	18,379	18,531	18,687	18,847	19,011	19,178	19,350	19,527
2,005	Employee Benefits and Suspense	2,067	2,038	2,009	1,978	1,947	1,915	1,883	1,850	1,816	1,780
14,615	Borrowings	12,679	12,679	12,679	12,679	12,679	12,679	12,679	12,679	12,679	12,679
2,603	Provisions for Other Liabilities	5,618	5,618	5,618	5,618	5,618	5,618	5,618	5,618	5,618	5,618
699	Derivative Financial Instruments	716	716	716	716	716	716	716	716	716	716
<b>37,725</b>	<b>Total Current Liabilities</b>	<b>39,668</b>	<b>39,785</b>	<b>39,905</b>	<b>40,027</b>	<b>40,152</b>	<b>40,280</b>	<b>40,411</b>	<b>40,546</b>	<b>40,683</b>	<b>40,825</b>
<b>(26,032)</b>	<b>Total Net Working Capital</b>	<b>(26,785)</b>	<b>(26,888)</b>	<b>(26,993)</b>	<b>(27,100)</b>	<b>(27,210)</b>	<b>(27,323)</b>	<b>(27,438)</b>	<b>(27,556)</b>	<b>(27,677)</b>	<b>(27,801)</b>
<b>NON CURRENT ASSETS</b>											
1,970,363	Property Plant and Equipment	2,017,001	2,054,211	2,092,023	2,122,800	2,164,272	2,189,169	2,216,772	2,238,802	2,257,533	2,277,673
3,636	Intangible Assets	3,904	3,904	3,904	3,904	3,904	3,904	3,904	3,904	3,904	3,904
3,277	Biological Assets	4,349	4,349	4,349	4,349	4,349	4,349	4,349	4,349	4,349	4,349
42,416	Investments	32,733	32,733	32,733	32,733	32,733	32,733	32,733	32,733	32,733	32,733
<b>2,019,693</b>	<b>Total Non Current Assets</b>	<b>2,057,987</b>	<b>2,095,197</b>	<b>2,133,010</b>	<b>2,163,786</b>	<b>2,205,258</b>	<b>2,230,155</b>	<b>2,257,758</b>	<b>2,279,788</b>	<b>2,298,519</b>	<b>2,318,659</b>
<b>NON CURRENT LIABILITIES</b>											
34,330	Borrowings	43,081	53,197	62,789	70,922	85,648	80,421	80,636	73,933	66,909	59,963
325	Employee Benefit Liabilities	227	227	227	227	227	227	227	227	227	227
1,695	Provisions for Other Liabilities	2,277	2,214	2,150	2,083	2,014	1,942	1,868	1,790	1,710	1,627
2,723	Derivative Financial Instruments	1,793	1,793	1,793	1,793	1,793	1,793	1,793	1,793	1,793	1,793
<b>39,074</b>	<b>Total Non Current Liabilities</b>	<b>47,378</b>	<b>57,432</b>	<b>66,959</b>	<b>75,025</b>	<b>89,682</b>	<b>84,383</b>	<b>84,524</b>	<b>77,744</b>	<b>70,639</b>	<b>63,610</b>
<b>1,954,588</b>	<b>Total Net Funds Employed</b>	<b>1,983,824</b>	<b>2,010,877</b>	<b>2,039,058</b>	<b>2,061,661</b>	<b>2,088,366</b>	<b>2,118,448</b>	<b>2,145,796</b>	<b>2,174,487</b>	<b>2,200,203</b>	<b>2,227,248</b>
<b>EQUITY</b>											
423,846	Accumulated Surplus	427,096	445,809	463,599	474,988	486,226	496,260	505,797	510,926	512,746	514,594
30,712	Special Funds	31,663	24,531	19,039	14,077	12,987	15,992	16,411	22,128	27,606	33,956
1,500,030	Revaluation Reserves	1,525,065	1,540,537	1,556,420	1,572,596	1,589,153	1,606,197	1,623,588	1,641,433	1,659,851	1,678,698
<b>1,954,588</b>	<b>Total Equity</b>	<b>1,983,824</b>	<b>2,010,877</b>	<b>2,039,058</b>	<b>2,061,661</b>	<b>2,088,366</b>	<b>2,118,448</b>	<b>2,145,796</b>	<b>2,174,487</b>	<b>2,200,203</b>	<b>2,227,248</b>



## Prospective Statement of Changes in Equity as at 30 June

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>EQUITY OPENING BALANCES</b>											
411,210	Accumulated Funds and Retained Earnings	414,143	427,096	445,809	463,599	474,988	486,226	496,260	505,797	510,926	512,746
34,315	Special Funds and Reserves	33,964	31,663	24,531	19,039	14,077	12,987	15,992	16,411	22,128	27,606
1,499,638	Revaluation Reserves	1,509,934	1,525,065	1,540,537	1,556,420	1,572,596	1,589,153	1,606,197	1,623,588	1,641,433	1,659,851
<b>1,945,162</b>	<b>Total Equity Opening Balance</b>	<b>1,958,042</b>	<b>1,983,824</b>	<b>2,010,877</b>	<b>2,039,058</b>	<b>2,061,661</b>	<b>2,088,366</b>	<b>2,118,448</b>	<b>2,145,796</b>	<b>2,174,487</b>	<b>2,200,203</b>
<b>CHANGES IN EQUITY</b>											
<b>Accumulated Surplus (Retained Earnings)/ Revaluation Reserves</b>											
9,425	Total Comprehensive Income for the Year	25,782	27,053	28,180	22,603	26,706	30,082	27,348	28,691	25,724	27,054
3,603	Transfer to/(from) Special Funds and Reserves	2,301	7,132	5,492	4,962	1,089	(3,004)	(419)	(5,717)	(5,477)	(6,351)
0	Transfer to/(from) Restricted Funds Liability Movement	0	0	0	0	0	0	0	0	0	0
<b>Special Funds and Reserves</b>											
(3,603)	Transfer to/(from) Retained Earnings	(2,301)	(7,132)	(5,492)	(4,962)	(1,089)	3,004	419	5,717	5,477	6,351
<b>9,425</b>	<b>Total Changes in Equity</b>	<b>25,782</b>	<b>27,053</b>	<b>28,180</b>	<b>22,603</b>	<b>26,706</b>	<b>30,082</b>	<b>27,348</b>	<b>28,691</b>	<b>25,724</b>	<b>27,054</b>
<b>EQUITY CLOSING BALANCES</b>											
423,846	Accumulated Funds and Retained Earnings	427,096	445,809	463,599	474,988	486,226	496,260	505,797	510,926	512,746	514,594
30,712	Special Funds and Reserves	31,663	24,531	19,039	14,077	12,987	15,992	16,411	22,128	27,606	33,956
1,500,030	Revaluation Reserves	1,525,065	1,540,537	1,556,420	1,572,596	1,589,153	1,606,197	1,623,588	1,641,433	1,659,851	1,678,698
<b>1,954,588</b>	<b>Total Equity Closing Balance</b>	<b>1,983,824</b>	<b>2,010,877</b>	<b>2,039,058</b>	<b>2,061,661</b>	<b>2,088,366</b>	<b>2,118,448</b>	<b>2,145,796</b>	<b>2,174,487</b>	<b>2,200,203</b>	<b>2,227,248</b>
<b>Attributable to :</b>											
<b>1,954,588</b>	<b>Gisborne District Council</b>	<b>1,983,824</b>	<b>2,010,877</b>	<b>2,039,058</b>	<b>2,061,661</b>	<b>2,088,366</b>	<b>2,118,448</b>	<b>2,145,796</b>	<b>2,174,487</b>	<b>2,200,203</b>	<b>2,227,248</b>

Council regularly has independent revaluations of its Assets. The estimated changes in asset values have been taken into account in the depreciation costs of Council. They have also been reflected in the property, plant and equipment and the revaluation reserve. Revaluations of Council's assets are estimated to increase between \$15m - \$20m per year.

### Explanation of Terms used in the Prospective Statement of Cash Flows

**Cash and Cash Equivalents** is considered to be cash on hand and current accounts in banks, net of bank overdrafts.

**Investing Activities** are those activities relating to the acquisition, holding and disposal of fixed assets and investments. Investments can include securities not falling within the definition of cash.

**Financing Activities** are those activities which result in changes in the size and composition of the capital structure of the Council. This includes both equity and debt not falling within the definition of cash.

**Operating Activities** include all transactions and other events that are not investing or financing activities.

**The GST (net)** component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes. The GST rate assumed in these estimates is 15%.

## Prospective Statement of Cashflows as at 30 June

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s	Notes	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Cash Flow from Operating Activities</b>											
Cash provided from:											
52,936	Rates Receipts	55,847	58,268	60,097	62,721	65,260	68,478	70,529	73,301	75,868	77,757
27,181	Government Grants and Subsidies	28,838	32,079	33,183	26,409	27,508	29,239	29,353	30,207	27,228	28,116
11,840	Receipts from Activities	16,134	14,894	15,407	15,342	18,079	18,390	16,317	16,676	17,048	18,093
14	Interest Received	0	0	0	0	0	0	0	0	0	0
1,833	Dividends Received	1,457	1,457	1,500	1,550	1,885	3,750	2,350	3,600	2,400	1,600
0	Subvention	0	0	0	0	0	0	0	0	0	0
<b>93,804</b>		<b>102,277</b>	<b>106,698</b>	<b>110,188</b>	<b>106,022</b>	<b>112,732</b>	<b>119,857</b>	<b>118,550</b>	<b>123,785</b>	<b>122,544</b>	<b>125,566</b>
Cash provided to:											
60,571	Payments to Suppliers and Employees	66,572	68,650	70,295	70,697	72,258	75,224	76,916	78,579	80,230	82,224
1,124	Grants	978	978	978	978	978	978	978	978	978	978
0	GST (Refund)	0	0	0	0	0	0	0	0	0	0
0	Income Tax	0	0	0	0	0	0	0	0	0	0
2,238	Interest Paid	2,835	3,354	3,831	4,234	4,966	4,704	4,739	4,421	4,040	3,732
<b>63,932</b>		<b>70,385</b>	<b>72,981</b>	<b>75,104</b>	<b>75,909</b>	<b>78,202</b>	<b>80,906</b>	<b>82,632</b>	<b>83,979</b>	<b>85,247</b>	<b>86,935</b>
<b>29,871</b>	<b>Net Cash Inflow/(Outflow) Operating Activities</b>	<b>31,892</b>	<b>33,716</b>	<b>35,084</b>	<b>30,113</b>	<b>34,530</b>	<b>38,951</b>	<b>35,917</b>	<b>39,806</b>	<b>37,297</b>	<b>38,631</b>
<b>Cash Flow from Investing Activities</b>											
Cash provided from:											
12	Sale of Property Plant and Equipment	12	12	12	12	12	12	12	12	12	12
<b>12</b>		<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>
Cash provided to:											
42,026	Purchase of Property Plant and Equipment	38,204	43,845	44,687	38,258	49,268	33,737	36,144	33,116	30,284	31,697
0	Purchase (w/down or sale) of Investments	0	0	0	0	0	0	0	0	0	0
<b>42,026</b>		<b>38,204</b>	<b>43,845</b>	<b>44,687</b>	<b>38,258</b>	<b>49,268</b>	<b>33,737</b>	<b>36,144</b>	<b>33,116</b>	<b>30,284</b>	<b>31,697</b>
<b>(42,014)</b>	<b>Net Cash Inflow/(Outflow) Investing Activities</b>	<b>(38,192)</b>	<b>(43,833)</b>	<b>(44,675)</b>	<b>(38,246)</b>	<b>(49,256)</b>	<b>(33,725)</b>	<b>(36,132)</b>	<b>(33,104)</b>	<b>(30,272)</b>	<b>(31,685)</b>
<b>Cash Flow from Financing Activities</b>											
Cash provided from:											
11,781	Increase/(Decrease) in Borrowings	6,300	10,117	9,591	8,133	14,726	(5,227)	215	(6,702)	(7,025)	(6,946)
<b>11,781</b>		<b>6,300</b>	<b>10,117</b>	<b>9,591</b>	<b>8,133</b>	<b>14,726</b>	<b>(5,227)</b>	<b>215</b>	<b>(6,702)</b>	<b>(7,025)</b>	<b>(6,946)</b>
<b>11,781</b>	<b>Net Cash Inflow/(Outflow) Financing Activities</b>	<b>6,300</b>	<b>10,117</b>	<b>9,591</b>	<b>8,133</b>	<b>14,726</b>	<b>(5,227)</b>	<b>215</b>	<b>(6,702)</b>	<b>(7,025)</b>	<b>(6,946)</b>
<b>(362)</b>	<b>Net Increase/(Decrease) in Cash</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>0</b>
282	Cash at beginning of the year	176	176	176	176	176	176	176	176	176	176
<b>(79)</b>	<b>Cash and Cash Equivalents at Year End</b>	<b>176</b>	<b>176</b>	<b>176</b>	<b>176</b>	<b>176</b>	<b>176</b>	<b>176</b>	<b>176</b>	<b>176</b>	<b>176</b>

## Prospective Statement Concerning Balanced Budget as at 30 June

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
95,371	Operating Revenue	102,303	106,724	110,214	106,049	112,759	119,884	118,577	123,813	122,573	125,595
86,337	Operating Expenditure	91,651	95,143	97,916	99,622	102,610	106,846	108,621	112,967	115,267	117,389
0	Subvention Payment	0	0	0	0	0	0	0	0	0	0
0	Income Tax Expense	0	0	0	0	0	0	0	0	0	0
<b>9,034</b>	<b>Net Operating Surplus/(Deficit) After Taxation</b>	<b>10,651</b>	<b>11,581</b>	<b>12,298</b>	<b>6,427</b>	<b>10,149</b>	<b>13,038</b>	<b>9,957</b>	<b>10,846</b>	<b>7,305</b>	<b>8,207</b>
	<b>LESS</b>										
579	Capital Rates Income	742	908	1,076	1,998	2,119	2,319	1,375	1,375	2,775	3,539
17,954	Capital Grants and Subsidies	15,740	18,461	19,211	12,810	13,650	15,272	14,965	15,426	12,174	12,556
699	Other Capital Grants, Donations and Contributions	800	726	717	699	699	699	699	699	699	699
584	Operations Funded by Reserve Funds	1,688	212	349	(78)	2,674	4,513	658	1,926	735	552
	<b>PLUS</b>										
7,865	Depreciation not Funded	8,062	8,492	8,809	8,771	8,797	9,575	7,565	8,384	8,860	8,934
2,917	Increase/(Decrease) in Deficit	257	235	246	231	197	190	175	196	217	205
<b>0</b>	<b>Balanced Budget - operating income agrees to operating expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Balancing the budget

Council sets operating income at a level to meet each year's operating expenditure. This is to ensure that there is access to enough funding to enable the services to continue to be provided long term. However, there are activities where this approach may not be practical or prudent due to the activity's long term nature i.e. wastewater, forestry or soil conservation nurseries.

Over the next ten years Council intends to:

1. Find additional sources of income, enabling us to keep rates affordable through grants and dividends, partnerships and some increases to user pays.
2. Not fund a portion of depreciation on specific assets or components of assets funded through capital rates or subsidies (i.e. wastewater treatment plant and some roading assets).
3. Increase borrowing to a sensible level in order to build, renew and maintain critical infrastructure

In making these decisions Council has considered the overall impact of its financial management policies, level of service and ensured the cash flow is neutral or positive each year (excluding major projects).

## Schedule of Rates by Activity Group for the 10 Years 2018-2028

	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Building Services	1.22%	1.25%	1.19%	1.18%	1.11%	1.10%	1.04%	1.19%	1.15%	1.15%
Commercial Operations	0.03%	0.04%	0.04%	0.02%	0.02%	0.02%	0.01%	0.01%	0.01%	-0.03%
Cultural Activities	6.36%	6.33%	6.20%	5.99%	5.84%	5.62%	5.51%	5.60%	5.46%	5.37%
Emergency Management	1.01%	1.03%	1.02%	0.99%	0.97%	0.94%	0.93%	0.94%	0.93%	0.92%
Enforcement	0.60%	0.57%	0.59%	0.53%	0.50%	0.49%	0.47%	0.55%	0.55%	0.51%
Environmental Health	3.01%	3.01%	3.00%	2.91%	2.83%	2.76%	2.71%	2.84%	2.80%	2.77%
Governance	4.57%	4.44%	4.22%	4.19%	4.21%	3.93%	3.99%	4.02%	3.84%	3.85%
Recreation and Amenity	13.72%	13.55%	13.56%	13.58%	13.26%	12.84%	12.64%	12.65%	12.39%	12.25%
Resource Consents	1.79%	1.80%	1.78%	1.72%	1.68%	1.63%	1.60%	1.67%	1.65%	1.62%
Rivers, Land and Coastal	4.97%	5.06%	5.13%	5.05%	4.99%	4.91%	4.92%	4.92%	5.06%	5.54%
Science	7.12%	7.13%	7.17%	6.96%	6.83%	6.65%	6.55%	6.66%	6.57%	6.53%
Solid Waste	7.96%	7.82%	7.83%	8.86%	8.54%	8.19%	5.97%	5.93%	5.83%	5.79%
Stormwater	5.07%	5.11%	5.17%	5.14%	5.10%	4.94%	4.90%	4.90%	4.84%	4.80%
Strategic Planning and Performance	7.34%	7.24%	7.16%	6.80%	6.67%	6.49%	6.41%	6.25%	6.17%	6.11%
Support Services	-3.78%	-2.80%	-2.02%	-1.39%	-0.65%	-1.38%	-1.24%	-1.48%	-1.77%	-2.03%
Tairāwhiti Roads	21.16%	20.76%	20.53%	19.97%	20.00%	19.56%	21.51%	21.68%	21.49%	20.85%
Wastewater	11.75%	11.54%	11.43%	11.62%	12.33%	15.64%	16.33%	15.70%	17.01%	17.96%
Water Supply	6.09%	6.13%	6.01%	5.88%	5.78%	5.67%	5.74%	5.98%	6.03%	6.03%
<b>Total rates required per year</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Notes to the Prospective Financial Statements

### NOTE 1 : Statement of Accounting Policies

#### Reporting Entity

Gisborne District Council (Council) is a Unitary Authority governed by the Local Government Act (LGA) 2002.

The Gisborne District Council Group (the "economic entity") consists of Council and its controlled entities: Gisborne Holdings Ltd (100% owned), Tauwhareparae Farms Ltd (100% owned) and Tauwhareparae Forests Ltd (100% owned). All Council controlled entities are incorporated in New Zealand.

Council has not presented economic entity prospective financial statements because the Council believes that the controlling entities' prospective statements are more relevant to users. The main purpose of prospective financial statements in the Long Term Plan (LTP) is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and, as a consequence, how much the Council requires by way of rates to fund the intended levels of services. The level of rates funding required is not affected by controlled entities, except to the extent that the Council obtains distributions from, or further invests in, those controlled entities. Such effects are included in the prospective financial statements presented.

Council is a Public Benefit Entity (PBE) for the purposes of Financial Reporting. The Financial Bill enacted in December 2013 defines a PBE as "entities whose primary objective is to provide goods or services for community or social benefit, and where equity has been provided with a view to supporting that primary objective, rather than for a financial return to equity". Gisborne District Council is defined as a Tier 1 entity with expenditure in excess of \$30m.

#### Basis of Preparation

Council's prospective financial statements have been prepared in accordance with the requirements of the LGA 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with PBE Standards and other applicable Financial Reporting Standards, as appropriate for public benefit entities. This includes compliance with PBE Financial Reporting Standard No. 42 (PBE FRS-42) 'Prospective Financial Statements'.

The prospective financial statements have been prepared on a historical cost basis, modified by the revaluation of certain fixed assets, forestry assets, livestock assets and certain financial instruments to reflect fair value.

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of Council is New Zealand dollars.

### The Nature of the Prospective Financial Information - Cautionary Note

The prospective financial information contained in the LTP is a forecast. It has been prepared on the basis of assumptions as to future events that the Council reasonably expects to take at the date the forecast was prepared. The forecast relates to events and actions which have not yet occurred and may not occur. The actual results achieved for the period covered are likely to vary from the financial information presented and the variations may be material.

A number of assumptions need to be made about the economic and financial conditions which will apply over the life-time of the model. The major assumptions underpinning the LTP are set out in the Significant Assumptions section.

The financial information contained within the LTP may not be appropriate for purposes other than those described.

#### Specific Accounting Policies

The following specific Accounting Policies which materially affect the measurement of financial performance and the financial position have been applied.

#### Revenue Recognition

Revenue has been split into Exchange and Non Exchange as per the requirements of the PBE accounting standards. Non Exchange revenue is categorised as receiving value without giving approximately equal value in exchange e.g. general rates, targeted rates, Government grants.

Revenue is measured at the fair value of consideration received. The following specific recognition criteria must be met before revenue is recognised.

#### Rates Revenue

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

#### Government Grants and Subsidies

Government grants are initially recognised as income at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Council receives Government subsidies from New Zealand Transport Agency, which subsidises part of Council's costs in maintaining the local roading infrastructure.

The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

## Other Revenue

Revenue from the rendering of services is recognised, based on the actual service provided on an accrual basis.

Sales of goods are recognised when a product is sold to the customer. Sales are usually in cash or by electronic payment. The recorded revenue is the gross amount of the sale, excluding GST. Interest income is recognised using the effective interest method.

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

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

## Borrowing Costs

Borrowing costs (except borrowing costs incurred as a result of capital work) are recognised as an expense in the period in which they are incurred.

## Grant Expenditure

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

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

## Income Tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantially enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses.

Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where Council can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantially enacted by balance date.

Current tax and deferred tax is charged or credited to the Prospective Statement of Comprehensive Revenue and Expenses, except when it relates to items charged or credited directly to equity, in which case the tax is dealt within equity.

## Leases

### Operating Leases

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

### Finance Leases

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

At the commencement of the lease term, Council recognises finance leases as assets and liabilities in the Statement of Financial Position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life.

### Trade and Other Receivables

Trade and other receivables are recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for uncollectible amounts.

A provision for impairment of receivables [doubtful debts] is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted using the effective interest method. Non-current receivables are

recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset.

## Inventories

Inventories are recognised at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of inventories is based on the first-in first-out (FIFO) principle and includes expenditure in acquiring the inventories and bringing them to their existing location and condition.

## Financial Assets

Council classifies its financial assets in the following two categories:

- Available-for-sale financial assets
- Loans and receivables.

The classification depends on the purpose for which the assets are held. Management determines the classification of its investments at initial recognition and re-evaluates the designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through the Prospective Statement of Comprehensive Revenue and Expenses. In this case the transaction costs are recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

Purchases and sales of investments are recognised on trade-date, the date on which Council commits to purchase or sell the asset.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price is the current bid price. The fair value of financial instruments not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows are used to determine fair value for the remaining financial instruments.

## Derecognition of Financial Assets

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

Council presently has the following categories of financial assets:

### a. Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Council's general and community loans are designated as loans and receivables. They are recognised initially at fair value, and subsequently carried at amortised cost less impairment losses.

Loans to community organisations made by Council at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method.

The difference between the face value and present value of the expected future cash flows of the loan is recognised in the Prospective Statement of Comprehensive Revenue and Expenses as a grant. Loans to other parties at market rates are measured at amortised cost using the effective interest method. Non-current loans are discounted at the current market rate of return for a similar asset.

### b. Available-for-Sale Financial Assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Council's investments in equity securities are classified as available for sale and are stated at fair value. Gains and losses are recognised directly in equity except for impairment losses; these are recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

In the event of impairment any cumulative losses previously recognised in equity will be removed and recognised in the Prospective Statement of Comprehensive Revenue and Expenses even though the asset has not been derecognised.

## Impairment of Financial Assets

At each balance sheet date Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

## Accounting for Derivative Financial Instruments and Hedging Activities

Council uses derivative financial instruments such as interest rate swaps (hedges) and forward rate agreements to manage its cash flow and interest rate risk. In accordance with its Treasury Policy, Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are



subsequently re-measured at their fair value at each balance date.

Council does not satisfy all the conditions for hedge accounting and therefore all gains or losses in fair value of instruments used to manage cashflow and interest rate risk are recognised through the Prospective Statement of Comprehensive Revenue and Expenses.

## Financial Liabilities - Borrowings

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

## Non Current Assets Held for Sale

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

Any impairment losses for write-downs of assets held for sale are recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

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

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

## Property, Plant and Equipment

Property, Plant and Equipment consists of:

### Operational Assets

These include land, buildings, improvements, library books, wharves, floating plant, plant equipment, and motor vehicles.

### Infrastructural Assets

Infrastructural assets are the fixed utility systems owned by Council and comprise the sewer, water, stormwater, roading, flood control, and the waste disposal infrastructures.

Each asset type includes all items that are required for the network to function, i.e. sewer reticulation piping and sewer pump stations.

## Biological Assets

### Forestry Assets

Forestry assets consist of the Council's forestry holdings. Forestry assets are valued on the basis of fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows

discounted at a current market determined pre-tax rate. Forestry assets are revalued annually. Valuation movements pass through the Prospective Statement of Comprehensive Revenue and Expenses. The costs to maintain the forestry assets are included in the Prospective Statement of Comprehensive Revenue and Expenses.

## Pamoa Forest Joint Venture

Council has transferred forestry rights to Juken New Zealand Limited in respect of a total of 1,608 hectares of land associated with the Pamoa Forest.

The transfer relates to one harvest cycle. Under the agreement Council has contributed the land and is entitled to 16.47% of stumpage. All costs of development are borne by Juken New Zealand Limited. The value of the land (excluding the trees) and Council's right to a share of the stumpage is reflected in the Statement of Financial Position.

## Intangible Assets

Intangible assets predominately comprise computer software and carbon credits.

### Software Acquisition and Development

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

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use or with the acquisition of software licences by Council, are recognised as an intangible asset.

### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation is charged to the Prospective Statement of Comprehensive Revenue and Expenses on a straight line basis over the useful life of the asset.

Typically, the estimated useful lives of these assets are as follows:

- Computer software three to six years.

## Emissions Trading Scheme

Council's forestry holdings incorporates forestry assets held by Council and its subsidiary, Tauwhareparae Farms Ltd.

Tauwhareparae Farms Ltd (TFL) has voluntarily entered the New Zealand Emissions Trading Scheme (ETS) in respect of 1,138.2 hectares of forest land located in the Tauwhareparae area. This entitles TFL to receive emission



units (units) for carbon stored in the specified area from a 1 January 2008 baseline.

Units received are recognised at fair value on the date they are received and subsequently measured at cost subject to impairment. While there are no specific conditions attached to units received, a portion of the units received must be returned should carbon stored in the specified area fall below the amount compensated for.

Units received are recorded on the Prospective Statement of Financial Position as an intangible asset until it is clear that they will not be required to meet future emissions obligations. The value of units is then recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

Where there is an obligation to return units the liability is recognised on the Prospective Statement of Financial Position, measured with reference to the carrying value of units on hand. This is measured by reference to the current market value for units held where there is insufficient units on hand to meet the emissions obligation.

Future cash flows associated with units receivable/payable are taken into consideration in determining the valuation of the specified area.

Council's forestry holdings separate from the subsidiaries' holdings, consist of approximately 97 hectares of small woodlots and 1124 hectares held by the Pamoā Forest Joint Venture. These forestry blocks were registered with ETS in November 2011.

At the time of writing there was no confirmation of the number of issued units to Council and, as such, no units have been recognised and recorded on the Prospective Statement of Financial Position for this LTP.

## Property, Plant and Equipment Valuation

Council has elected to use the Public Benefit Entities exemption to revalue property, plant and equipment on an asset class basis. The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset if the above results in a debit balance in the asset revaluation reserve. This balance is expensed in the Prospective Statement of Comprehensive Revenue and Expenses. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Prospective Statement of Comprehensive Revenue and Expenses will be recognised firstly in the Prospective Statement of Comprehensive Revenue and Expenses up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

### Additions

Additions between valuations are recorded at cost, except for vested assets. Certain infrastructural assets and land have been vested in Council as part of the subdivision consent process. Vested assets are recognised as revenue when control over the asset is obtained. Vested assets are valued at fair value when received.

### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Prospective Statement of Comprehensive Revenue and Expenses.

The amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings when revalued assets are sold.

### Subsequent Costs

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

## Operational Assets Valuations

All operational assets are carried at cost less accumulated depreciation and impairment losses except for:

### Operational Land

Operational land is valued at fair value and is not depreciated.

### Operational Buildings

Operational buildings are revalued to optimised depreciated replacement cost and depreciated between valuations. These assets are independently revalued every three years, or more frequently when there are indications that the values may have changed substantially from carrying value.

### Library Books - General Collection

All new and replacement books are capitalised in the year they are purchased and subsequently depreciated based on useful lives. The valuations are performed by the Head Librarian and are not subject to independent review because there are readily available market prices to determine fair value.

### Library Books Permanent Collection

The permanent collection is carried at deemed cost.

## Infrastructure Assets Valuations

### Infrastructural Assets

Infrastructural assets are initially recorded at depreciated replacement cost. Water Utility assets are revalued annually using industry specific product pricing rates. Unit prices are independently verified every 3 years.

### Roading Assets

Roading assets are independently revalued annually.

## Airport Assets

Airport assets include land, buildings, runway aprons, roading and below ground infrastructure. Airport assets are independently valued every three years or more frequently when there are indicators that the fair values may have changed substantially from carrying value.

## Depreciation

Depreciation is provided on a straight-line basis on all fixed assets other than land and land under roads.

The depreciation rates used will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

### Infrastructural Assets

#### Roads

Pavement surface (seal)	1 – 20 years
Pavement surface (unsealed)	
Wearing course	5 years
Pavement layers (basecourse)	75 – 100 years
Formation	(not depreciated)
Culverts	25 – 50 years
Footpaths	20 – 75 years
Surface water channels	50 years
Signs	12 years
Street lights	15 – 25 years
Bridges	25 – 80 years
Retaining structures	80 years
Traffic signals	15 years
Parking meters	25 years
Railings	10 – 15 years
Safety projects	10 – 13 years

#### Water Reticulation

Pipes	30 – 165 years
Valves, Hydrants	25 years
Pump stations	15 – 100 years
Dams	400 years
Structures	16 – 200 years

#### Sewerage Reticulation

Pipes	60 – 100 years
Manholes	100 years
Pump stations	15 – 100 years
Treatment plant	15 – 50 years
Laterals	100 years

#### Urban Stormwater Systems

Pipes	62 – 100 years
In-drain structures	25 – 100 years
Flood control systems	25 – 100 years
Solid waste	4 – 25 years

#### Assets

Land	(not depreciated)
Buildings/Land improvements	3 – 100 years
Plant/Machinery/Motor vehicles	2 – 20 years
Office equipment/Furniture	3 – 50 years
Other equipment	5 – 25 years
Library books	1 – 50 years
Wharves	50 years
Floating plant	25 years
Leased assets	3 – 8 years

Capital work in progress is not depreciated. The total cost of a project is transferred to freehold buildings, plant and

equipment or infrastructural assets on its completion and then depreciated.

## Assets Under Construction

Assets under construction are valued at cost but they are not depreciated. The total cost of a project is transferred to freehold buildings, plant and equipment or infrastructural assets on its completion and then depreciated.

## Impairment of Non-Financial Assets

Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The item is written down to its recoverable amount if the recoverable amount of a non-financial asset is less than its carrying amount. The write down of an item recorded at cost is recognised as an expense in the Prospective Statement of Comprehensive Revenue and Expenses. When a revalued item is written down to recoverable amount, the write down is recognised as a downward revaluation to the extent of the corresponding revaluation reserve, and any balance recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

The carrying amount of a non-financial asset that has previously been written down to a recoverable amount is increased to its current recoverable amount if there has been a change in the estimates used to determine the amount of the write down. The increased carrying amount of the item will not exceed the carrying amount that would have been determined if the write down to recoverable amount had not occurred.

## Trade and Other Payables

Trade and other payables are non-interest bearing and are normally settled on 30-day terms. The carrying value of trade and other payables used in the Prospective Statement of Financial Position therefore approximates their fair value.

## Financial Liabilities: Borrowings

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

## Employee Entitlements

The provision for annual leave employee entitlement and other employee benefits expected to be settled within 12 months of balance date has been calculated on an actual entitlement basis at current rates of pay. The other provisions have been calculated on future rates of pay, discounted using an appropriate discount rate.

Provision for accumulated sick leave is made only to the extent that it is expected to be used in future periods.

The expected usage is assessed using historical average rates of use.

## Long Service Leave and Retirement Leave

The liability for retiring leave and long-service leave not expected to be taken within 12 months of balance date, is equal to the present value of the estimated future cash outflows. This is calculated on an actuarial basis as a result of employee services provided at balance date.

## Superannuation Schemes

### Defined Benefit Scheme

Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme) which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting as it is not possible to determine the extent to which the surplus/deficit will affect future contributions by individual employers from the terms of the scheme as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

### Provisions

Provisions are recognised for future expenditure of uncertain amount or timing when Council has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reasonable estimate can be made of the amount of the obligation.

Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability if the time value of money is material.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Prospective Statement of Comprehensive Revenue and Expenses net of any reimbursement.

### Public Equity

This represents the ratepayer's net ownership of Council. It is made up of the following components:

- Accumulated Comprehensive Revenue and Expenses
- Special Funds and Reserves
- Asset Revaluation Reserves

### Accumulated Funds

These comprise accumulated surpluses over the years.

### Special Funds and Reserves

Reserves are a component of public equity and represent a particular use to which parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Special funds are recorded at cost plus accumulated interest. These funds are restricted in nature and can only be used for the special purpose for which they were set up.

Also included are reserves restricted by Council decision. These funds are subject to specific conditions accepted as binding by Council which may not be revised by Council without reference to a third party or the Courts.

### Asset Revaluation Reserve

Comprise accumulated revaluation increments or decrements.

Detail on the movement of reserves held by Council (with exception of revaluation reserve) can be found in Note 12.

## Prospective Statement of Cash Flows

Cash flows from operating activities are presented using the direct method.

Definitions of terms used in the Prospective Statement of Cash Flows:

### Operating Activities

These activities include all transactions and events that are not investing or financing activities.

### Investing Activities

These comprise those activities relating to the acquisition, holding and disposal of fixed assets and investments. Investments can include securities not falling within the definition of cash.

### Financing Activities

These are activities which result in changes in the size and composition of the capital structure of Council; inclusive of both equity and debt not falling within the definition of cash.

## Changes to Accounting Policies

There have been no planned changes in accounting policies during the LTP. All accounting policies have been applied on a consistent basis throughout the years presented.

## Critical Accounting Estimates and Assumptions

In preparing these prospective financial statements, Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and

judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

## Landfill Post-Closure Costs

### Paokahu

As former operator of the Paokahu landfill site, Council has an obligation to ensure the ongoing maintenance and monitoring services at this landfill site after closure.

A landfill aftercare provision has been recognised as a liability in the Prospective Statement of Financial Position. Provision is made for the present value of post-closure costs expected to be incurred in restoring the area to its former status. The calculated cost is based on estimates of future site maintenance, supervision and monitoring costs. The estimated length of time needed for post-closure care for the Paokahu site is 35 years from 31 December 2002.

The calculations assume no change in the legislative requirements or technological changes for closure and post-closure treatment.

### Waiapu

As operator of the Waiapu landfill site, Council has an obligation to ensure the ongoing maintenance and monitoring services at this landfill site after closure.

A landfill aftercare provision has been recognised as a liability in the Prospective Statement of Financial Position.

Provision is made for the present value of post-closure costs expected to be incurred in restoring the area to its former status. The calculated cost is based on estimates of future site maintenance, supervision and monitoring costs. The estimated length of time needed for post-closure care for the Waiapu site is 35 years, from 30 June 2015.

## Infrastructural Assets

There are a number of assumptions and estimates used when performing the depreciated replacement cost valuations in respect of infrastructural assets. These include:

- The physical deterioration and condition of asset, for example, Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for assets which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition-modeling assessments of underground assets.

- Estimates of any obsolescence or surplus capacity of an asset.
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be affected by the local conditions, for example, weather patterns and traffic growth.

If useful lives do not reflect the actual consumption of the benefits of the asset, Council could then be over or under estimating the annual depreciation charge. This is recognised as an expense in the Prospective Statement of Comprehensive Revenue and Expenses. To minimise this risk, Council's infrastructural assets' useful lives have been determined with reference to the New Zealand Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group. These have been adjusted for local conditions based on past experience.

Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, this provides Council with further assurance over its useful life estimates.

Experienced independent valuers perform Council's infrastructural asset revaluations.

## GST

The financial statements have been prepared exclusive of GST with the exception of receivables and payables, which are stated with GST included.

## Budget Figures

The budget figures are those approved by Council and published in this LTP.

The LTP 2018-2028 figures have been produced in accordance with the requirements of the Public Benefit Entity (PBE) accounting standards.

There will be small differences between financial statements due to roundings. These differences are immaterial.

## Cost Allocation

Expenditure has been reported by the nature of the expense.

## Capital Management

Council's capital is its equity (or ratepayers' funds) which comprise accumulated funds and reserves. Equity is represented by net assets.

The LGA 2002 requires Council to prudently manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as

a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally, Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes to ensure that ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires Council to make adequate and effective provision in its LTP to meet the expenditure needs identified by those plans. The Act sets out the factors that Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in this LTP.

\*Please note individual years stated in Disclosure notes tables, refer to financial year ending 30 June. For example '2019' refers to a period 1 July 2018 to 30 June 2019.

## NOTE 2: Prospective Summary of Cost of Services for the Year Ended 30 June

	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Expenses</b>										
Building Services	1,626	1,692	1,702	1,745	1,752	1,807	1,810	1,982	2,005	2,055
Commercial Operations	1,689	1,717	1,750	1,766	1,798	1,818	1,839	1,878	1,918	1,961
Cultural Activities	4,292	4,540	4,592	4,634	4,701	4,750	4,799	5,034	5,083	5,133
Customer Engagement	92	94	96	99	101	103	106	109	112	115
Emergency Management	669	685	698	708	721	734	746	781	798	811
Enforcement	2,761	2,806	2,878	2,908	2,952	3,015	3,070	3,205	3,287	3,331
Environmental Health	2,144	2,227	2,283	2,320	2,353	2,405	2,434	2,623	2,678	2,724
Governance	2,620	2,720	2,607	2,704	2,890	2,767	2,894	3,098	2,991	3,075
Recreation and Amenity	8,808	9,068	9,365	9,764	9,924	10,724	10,875	11,271	11,701	11,859
Resource Consents	1,376	1,421	1,447	1,466	1,492	1,518	1,542	1,645	1,684	1,706
Rivers, Land and Coastal	3,010	3,185	3,331	3,431	3,527	3,636	3,756	3,819	3,942	4,074
Science	5,129	5,353	5,516	5,591	5,620	5,630	5,720	6,010	6,142	6,268
Solid Waste	4,133	4,204	4,317	4,384	4,404	4,439	4,503	4,641	4,720	4,807
Stormwater	2,894	3,038	3,172	3,296	3,399	3,456	3,530	3,664	3,748	3,808
Strategic Planning and Performance	4,190	4,309	4,397	4,360	4,448	4,542	4,619	4,674	4,781	4,853
Support Services	743	1,261	1,788	2,217	2,664	2,160	2,271	2,078	1,826	1,599
Tairāwhiti Roads	31,576	32,504	33,381	33,244	34,061	34,945	35,167	37,022	37,972	38,963
Wastewater	7,509	7,683	7,843	8,081	8,737	11,142	11,427	11,494	11,655	11,802
Water Supply	6,392	6,636	6,752	6,902	7,066	7,255	7,512	7,939	8,224	8,444
<b>Total Expenses</b>	<b>91,651</b>	<b>95,143</b>	<b>97,916</b>	<b>99,622</b>	<b>102,610</b>	<b>106,846</b>	<b>108,621</b>	<b>112,967</b>	<b>115,267</b>	<b>117,389</b>
<b>Revenue From Exchange Transactions</b>										
Building Services	930	950	971	992	1,014	1,038	1,063	1,089	1,116	1,146
Commercial Operations	2,956	1,534	1,746	1,375	3,839	3,849	1,470	1,502	1,537	2,222
Cultural Activities	382	423	432	441	451	462	473	485	497	510
Customer Engagement	92	94	96	99	101	103	106	109	112	115
Emergency Management	66	42	43	44	45	46	47	48	50	51
Enforcement	1,505	1,538	1,571	1,606	1,642	1,680	1,720	1,762	1,807	1,855
Environmental Health	424	433	443	453	463	473	485	497	509	523
Governance	15	15	16	16	16	17	17	18	18	19
Recreation and Amenity	947	968	1,001	1,023	1,048	1,073	1,100	1,127	1,157	1,189
Resource Consents	355	347	355	362	371	379	388	398	408	419
Rivers, Land and Coastal	184	188	192	196	200	205	210	215	220	226
Science	844	880	899	919	939	961	984	1,008	1,034	1,061
Solid Waste	196	197	199	200	201	203	204	206	208	210
Support Services	1,863	1,864	1,908	1,969	2,305	4,186	2,787	4,048	2,849	2,051
Tairāwhiti Roads	46	46	47	49	50	51	52	53	55	56

Wastewater	357	365	374	383	392	402	412	423	434	446
Water Supply	2,919	2,992	3,061	3,134	3,209	3,290	3,375	3,463	3,556	3,656
<b>Total Revenue From Exchange Transactions</b>	<b>14,081</b>	<b>12,877</b>	<b>13,352</b>	<b>13,260</b>	<b>16,287</b>	<b>18,417</b>	<b>14,894</b>	<b>16,451</b>	<b>15,568</b>	<b>15,755</b>
<b>Revenue From Non-Exchange Transactions</b>										
Enforcement	954	970	987	1,005	1,024	1,043	1,064	1,086	1,109	1,133
Governance	0	61	0	0	65	0	0	70	0	0
Science	230	255	240	234	152	45	46	47	48	49
Support Services	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Tairāwhiti Roads	12,447	12,874	13,301	12,926	13,197	13,473	13,887	14,201	14,536	15,033
<b>Total Revenue From Non-Exchange Transactions</b>	<b>14,630</b>	<b>15,161</b>	<b>15,528</b>	<b>15,166</b>	<b>15,438</b>	<b>15,560</b>	<b>15,996</b>	<b>16,404</b>	<b>16,692</b>	<b>17,215</b>
	<b>62,940</b>	<b>67,106</b>	<b>69,037</b>	<b>71,196</b>	<b>70,885</b>	<b>72,869</b>	<b>77,730</b>	<b>80,111</b>	<b>83,006</b>	<b>84,419</b>



## NOTE 3: Rates Revenue

Council grants rates remissions to certain ratepayers. Council has a number of rates remission policies which includes:

- Remission of Rates for Permanent Crops
- Whenua Rahui and Community
- Sporting and Other Organisations.

	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Rates Revenue</b>	<b>59,892</b>	<b>62,411</b>	<b>64,386</b>	<b>67,165</b>	<b>69,808</b>	<b>73,138</b>	<b>75,309</b>	<b>78,203</b>	<b>80,900</b>	<b>82,929</b>
<b>Rates revenue consists of:</b>										
General Rates	4,152	4,808	5,363	6,446	6,927	6,548	5,273	5,273	5,316	5,549
Uniform Annual General Charge	14,948	15,403	15,724	16,125	16,592	16,725	17,397	18,264	18,488	18,674
Targeted Rates	37,951	39,289	40,321	41,544	43,166	46,663	49,353	51,295	53,634	55,148
Metered Water Rates	2,841	2,912	2,979	3,050	3,124	3,202	3,285	3,371	3,462	3,558
<b>Rates Revenue</b>	<b>59,892</b>	<b>62,411</b>	<b>64,386</b>	<b>67,165</b>	<b>69,808</b>	<b>73,138</b>	<b>75,309</b>	<b>78,203</b>	<b>80,900</b>	<b>82,929</b>
<b>Less</b>										
Remissions	575	587	626	693	709	725	743	761	780	801
<b>Net Rates Revenue</b>	<b>59,317</b>	<b>61,824</b>	<b>63,760</b>	<b>66,472</b>	<b>69,099</b>	<b>72,413</b>	<b>74,566</b>	<b>77,442</b>	<b>80,120</b>	<b>82,128</b>

## NOTE 4: Grants and Subsidies

	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Revenue from Grants and Subsidies</b>										
Central Government Grants	0	61	0	0	65	0	0	70	0	0
NZ Transport Agency Roadway Subsidies	24,009	23,336	25,567	25,025	25,933	27,509	25,230	25,914	26,478	27,346
Other Grants and Subsidies	4,689	8,462	7,382	1,126	1,246	1,461	3,848	3,941	459	472
<b>Total Revenue from Grants and Subsidies</b>	<b>28,698</b>	<b>31,860</b>	<b>32,949</b>	<b>26,151</b>	<b>27,245</b>	<b>28,969</b>	<b>29,077</b>	<b>29,924</b>	<b>26,937</b>	<b>27,818</b>



**NOTE 5: Operating Activities Revenue**

	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Revenue from Operating Activities</b>										
Reserves Contribution	0	0	0	0	0	0	0	0	0	0
Development Contributions	699	699	699	699	699	699	699	699	699	699
Capital Contributions	0	0	0	0	0	0	0	0	0	0
Rates Penalties	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Activity Revenue	10,195	8,936	9,318	9,112	11,750	11,941	9,756	9,989	10,238	11,152
Interest	0	0	0	0	0	0	0	0	0	0
Dividends	1,457	1,457	1,500	1,550	1,885	3,750	2,350	3,600	2,400	1,600
Petroleum Tax	350	350	350	360	360	375	375	385	385	385
Gains on Derivatives (Interest Rate Swaps)	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue from Operating Activities</b>	<b>13,700</b>	<b>12,442</b>	<b>12,867</b>	<b>12,721</b>	<b>15,694</b>	<b>17,765</b>	<b>14,180</b>	<b>15,673</b>	<b>14,722</b>	<b>14,836</b>

**NOTE 6: Revenue from Other Gains/(Losses)**

	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Revenue from Other Gains</b>										
Gain / (Loss) on Changes in Fair Value of Forestry Assets and Stock	0	0	0	0	0	0	0	0	0	0
Gain / (Loss) on Changes in Fair Value of Livestock	0	0	0	0	0	0	0	0	0	0
Gain / (Loss) on Disposal of Property, Plant and Equipment	12	12	12	12	12	12	12	12	12	12
Gain / (Loss) on Changes in Fair Value of Non-Current Receivables / Investments	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue from Other Gains</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>

## NOTE 7: Employee Benefit Expense

	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Employee Benefit Expense</b>										
Salary and Wages	22,802	22,821	23,140	23,487	23,838	24,218	24,605	25,022	25,447	25,903
Defined Contribution Plans Expense	608	609	619	631	642	654	667	680	694	708
Increase / (Decrease) in Leave Liabilities	(2,294)	(2,265)	(2,236)	(2,205)	(2,174)	(2,143)	(2,110)	(2,077)	(2,043)	(2,008)
Less Recharged to Other Expense Categories**	(1,398)	(1,168)	(1,188)	(1,189)	(1,204)	(1,227)	(1,250)	(1,268)	(1,293)	(1,350)
<b>Total Employee Benefit Expense</b>	<b>19,717</b>	<b>19,997</b>	<b>20,336</b>	<b>20,724</b>	<b>21,102</b>	<b>21,503</b>	<b>21,912</b>	<b>22,357</b>	<b>22,805</b>	<b>23,254</b>

## NOTE 8: Depreciation and Amortisation Expense

	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Depreciation and Amortisation Expense</b>										
Commercial Operations	617	630	630	631	645	645	645	661	678	696
Cultural Activities	848	996	1,000	1,005	1,023	1,025	1,026	1,085	1,065	1,066
Customer Engagement	1	1	1	1	1	1	1	1	1	1
Emergency Management	61	61	61	61	61	61	61	61	61	61
Governance	2	2	2	2	2	2	2	2	2	2
Recreation and Amenity	892	941	977	1,168	1,193	1,841	1,847	1,942	2,220	2,223
Rivers, Land and Coastal	126	136	165	173	179	183	192	199	203	213
Science	69	70	71	71	71	87	75	82	83	98
Solid Waste	324	333	382	420	430	451	463	473	446	427
Stormwater	900	938	978	1,020	1,051	1,082	1,115	1,149	1,184	1,221
Support Services	1,744	1,862	1,887	1,906	2,022	2,013	1,931	3,453	3,603	3,393
Tairāwhiti Roads	11,252	11,625	11,958	12,438	12,794	13,206	12,939	14,090	14,462	14,866
Wastewater	2,092	2,152	2,231	2,283	2,337	2,653	2,873	2,790	2,869	2,947
Water Supply	2,284	2,360	2,414	2,477	2,543	2,634	2,760	2,944	3,085	3,181
<b>Total Depreciation and Amortisation Expense</b>	<b>21,212</b>	<b>22,107</b>	<b>22,757</b>	<b>23,657</b>	<b>24,353</b>	<b>25,884</b>	<b>25,932</b>	<b>28,931</b>	<b>29,963</b>	<b>30,396</b>
Total Depreciation as per Note 24	21,212	22,107	22,757	23,657	24,353	25,884	25,932	28,931	29,963	30,396
Total Amortisation as per Note 25	0	0	0	0	0	0	0	0	0	0
	<b>21,212</b>	<b>22,107</b>	<b>22,757</b>	<b>23,657</b>	<b>24,353</b>	<b>25,884</b>	<b>25,932</b>	<b>28,931</b>	<b>29,963</b>	<b>30,396</b>

**NOTE 9: Expenditure on Operating Activities**

	LTP 2019	LTP 2020	LTP 2020	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Expenditure on Operating Activities</b>										
Administration Expenses	2,098	2,180	2,196	2,239	2,292	2,339	2,389	2,441	2,497	2,556
Audit Fees - Financial Reporting	208	212	217	222	227	232	238	243	250	256
Consultants and Professional Services	1,419	1,634	1,786	1,777	1,861	1,859	1,904	1,998	2,000	2,053
Elected Members and Director's Fees	699	717	737	759	781	806	831	859	887	919
Indirect Employment Costs	114	171	126	129	184	135	138	197	145	149
Grants and Donations	978	978	978	978	978	978	978	978	978	978
Insurance Costs	725	740	756	773	791	809	828	848	870	893
Rental and Operating Leases	1,568	1,601	1,636	1,672	1,709	1,749	1,791	1,835	1,881	1,931
Repairs and Maintenance	11,755	12,095	12,432	12,719	13,022	13,336	13,671	14,026	14,402	14,804
Bad Debts Written Off - Rates	680	696	737	754	772	791	810	831	853	876
Bad Debts Written Off - Other	(372)	(382)	(392)	(403)	(414)	(426)	(439)	(452)	(466)	(481)
Change to Impairment of Receivables	471	481	492	503	514	526	539	552	566	581
IRD Compliance Costs	147	149	152	155	158	161	165	168	172	176
Litter Bins and City Cleaning	1,938	1,985	2,033	2,083	2,136	2,191	2,249	2,310	2,375	2,444
Emergency Works	3,011	3,077	3,145	2,149	2,200	2,253	2,309	2,370	2,434	2,502
Other Operating Expenditure*	22,487	23,389	24,000	24,537	25,018	27,057	27,676	28,093	28,656	29,409
<b>Total Expenditure on Operating Activities</b>	<b>47,926</b>	<b>49,724</b>	<b>51,031</b>	<b>51,045</b>	<b>52,229</b>	<b>54,794</b>	<b>56,077</b>	<b>57,296</b>	<b>58,499</b>	<b>60,045</b>

**NOTE 10: Finance Costs**

	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Finance Costs</b>										
Interest on Debentures and Interest Rate Swaps	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Interest on Bank Borrowings and Commercial Paper	1,486	2,005	2,482	2,885	3,617	3,355	3,390	3,072	2,691	2,384
Line Fee	60	60	60	60	60	60	60	60	60	60
Losses on Derivatives (Interest Rate Swaps)	0	0	0	0	0	0	0	0	0	0
<b>Total Finance Costs</b>	<b>2,796</b>	<b>3,315</b>	<b>3,792</b>	<b>4,195</b>	<b>4,927</b>	<b>4,665</b>	<b>4,700</b>	<b>4,382</b>	<b>4,001</b>	<b>3,694</b>

## NOTE 11: Development Contributions Revenue

	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Development Contributions Revenue</b>										
Reserves & Open Spaces	79	79	79	79	79	79	79	79	79	79
Roading	117	117	117	117	117	117	117	117	117	117
Water Supply	91	91	91	91	91	91	91	91	91	91
Wastewater	280	280	280	280	280	280	280	280	280	280
Stormwater	133	133	133	133	133	133	133	133	133	133
<b>Total Development Contributions Revenue</b>	<b>699</b>	<b>699</b>	<b>699</b>	<b>699</b>	<b>699</b>	<b>699</b>	<b>699</b>	<b>699</b>	<b>699</b>	<b>699</b>

## NOTE 12: Movements in Reserves

	Opening Balance	Transfers	Transfers	Closing Balance
	1 July 2018	to Reserves	from Reserves	30 June 2028
	\$000s	\$000s	\$000s	\$000s
<b>Special Funds and Other Reserves</b>				
Municipal Theatre Project	28	0	0	28
Library Building	1,059	0	1,059	0
Waipaoa River Flood Control Scheme	745	181	0	926
Civil Defence Disaster Relief	538	131	0	669
Capital Development Fund	2,508	609	0	3,117
Quarry Rehab	1,166	283	0	1,449
Olympic Pool Development	30	7	0	37
Rates Postponement Fidelity	1	0	0	1
Reserves Contributions	116	23	344	(204)
Land Transport - Urban Development Contributions	(131)	837	3,127	(2,422)
Water Supply - Urban Development Contributions	(660)	628	2,068	(2,099)
Wastewater - Urban Development Contributions	448	2,865	2,739	573
Stormwater - Urban Development Contributions	(787)	998	1,876	(1,665)
Reserves - District Development Contributions	294	861	778	377
HMNZ Blackpool Scholarship Fund	7	2	0	8
GHL Forestry Reserve	(4,338)	4,717	8,193	(7,814)
Pamoa Forestry Reserve	0	7,500	2,745	4,756
Land Subdivision	367	89	0	456
Parking	0	484	0	484
Roading Flood Damage Reserve	0	0	0	0
Depreciation	32,576	256,285	253,581	35,279
<b>Total Special Funds and Other Reserves</b>	<b>33,964</b>	<b>276,501</b>	<b>276,509</b>	<b>33,956</b>

**NOTE 13: Reconciliation of Funding Impact Statement with Prospective Statement of Comprehensive Revenue and Expenses**

AP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>RECONCILIATION OF REVENUE</b>										
<b>Sources of operating funding</b>										
76,706	85,750	87,524	90,275	92,527	98,398	103,901	102,901	107,676	109,688	112,328
Total operating funding (A) as per Funding Impact Statement										
<b>Add Sources of capital funding</b>										
17,954	15,842	18,489	19,229	12,810	13,650	15,272	14,965	15,426	12,174	12,556
Subsidies and grants for capital expenditure										
699	699	699	699	699	699	699	699	699	699	699
Development and financial contributions										
12	12	12	12	12	12	12	12	12	12	12
Profit / (Loss) on Sale of Assets										
0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions										
95,371	102,303	106,724	110,214	106,049	112,759	119,884	118,577	123,813	122,573	125,595
<b>95,371</b>	<b>102,303</b>	<b>106,724</b>	<b>110,214</b>	<b>106,049</b>	<b>112,759</b>	<b>119,884</b>	<b>118,577</b>	<b>123,813</b>	<b>122,573</b>	<b>125,595</b>
<b>As per Prospective Statement of Comprehensive Income - Total Operating Income</b>										
<b>RECONCILIATION OF EXPENDITURE</b>										
<b>Applications of operating funding</b>										
65,239	70,439	73,036	75,159	75,964	78,258	80,962	82,689	84,036	85,305	86,993
Total applications of operating funding (B) as per Funding Impact Statement										
21,098	21,212	22,107	22,757	23,657	24,353	25,884	25,932	28,931	29,963	30,396
Add depreciation and amortisation expense										
86,337	91,651	95,143	97,916	99,622	102,610	106,846	108,621	112,967	115,267	117,389
<b>86,337</b>	<b>91,651</b>	<b>95,143</b>	<b>97,916</b>	<b>99,622</b>	<b>102,610</b>	<b>106,846</b>	<b>108,621</b>	<b>112,967</b>	<b>115,267</b>	<b>117,389</b>
<b>As per Prospective Statement of Comprehensive Income - Total Operating Expenditure</b>										
<b>RECONCILIATION OF TOTAL COMPREHENSIVE INCOME</b>										
17,954	15,842	18,489	19,229	12,810	13,650	15,272	14,965	15,426	12,174	12,556
Add subsidies and grants for capital expenditure										
11,467	15,311	14,488	15,116	16,563	20,140	22,939	20,212	23,640	24,383	25,335
Surplus/(deficit) of operating funding (A-B)										
0	0	0	0	0	0	0	0	0	0	0
Add Subvention Payment										
12	12	12	12	12	12	12	12	12	12	12
Add Profit / (Loss) on Sale of Assets										
699	699	699	699	699	699	699	699	699	699	699
Add development and financial contributions										
(21,098)	(21,212)	(22,107)	(22,757)	(23,657)	(24,353)	(25,884)	(25,932)	(28,931)	(29,963)	(30,396)
Add depreciation and amortisation expense										
392	15,130	15,473	15,882	16,176	16,557	17,044	17,391	17,845	18,418	18,847
Add gains/(loss) of property revaluation										
9,425	25,782	27,053	28,180	22,603	26,706	30,082	27,348	28,691	25,724	27,054
<b>9,425</b>	<b>25,782</b>	<b>27,053</b>	<b>28,180</b>	<b>22,603</b>	<b>26,706</b>	<b>30,082</b>	<b>27,348</b>	<b>28,691</b>	<b>25,724</b>	<b>27,054</b>
<b>As per Prospective Statement of Comprehensive Income - Total Comprehensive Income</b>										

## NOTE 14: Capital Expenditure 2018-2028

The actual project cost, timing and funding may vary significantly

Description	Level Of Service	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Commercial Operations</b>											
Commercial Property - Staff Housing Upgrades	MAINTAIN	25	66	0	0	0	0	0	40	45	50
Community Housing - Upgrades	MAINTAIN	200	200	200	200	200	200	200	220	220	220
<b>Total</b>		<b>225</b>	<b>266</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>260</b>	<b>265</b>	<b>270</b>
<b>Cultural Activities</b>											
Public Art - Promote, Commission And Install Public Art To Reflect The District's History And Culture	MAINTAIN	30	31	31	32	33	33	34	35	36	37
Lawson Field Theatre - Reconstruction	INCREASE / MAINTAIN	2,068	0	0	0	0	0	0	0	0	0
Air Conditioning Units	INCREASE	20	0	0	0	0	0	0	0	0	0
Flooring Replacement Program	MAINTAIN	10	10	10	0	0	0	0	0	0	0
Tairawhiti Navigations Project	INCREASE	70	0	0	0	0	0	0	0	0	0
Hawaiki Turanga	INCREASE	70	0	0	0	0	0	0	0	0	0
Library Books	MAINTAIN	178	184	187	191	196	200	205	210	215	202
Library Books Ex Book Trust	MAINTAIN	10	10	10	11	11	11	11	12	12	12
Library-Dvd,Cd's,Talking Books	MAINTAIN	13	14	16	16	16	19	23	23	24	24
Library - E-Books	MAINTAIN	5	5	5	5	5	6	6	6	6	6
Renew Intergrated Library Management System	MAINTAIN	0	0	130	0	0	0	0	0	0	0
<b>Total</b>		<b>2,474</b>	<b>254</b>	<b>391</b>	<b>255</b>	<b>261</b>	<b>270</b>	<b>279</b>	<b>285</b>	<b>292</b>	<b>282</b>
<b>Enforcement</b>											
Parking Meter Renewals	MAINTAIN	10	10	10	11	11	11	11	321	328	0
Radio Replacement For Parking Wardens. Rooding	MAINTAIN	25	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>35</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>321</b>	<b>328</b>	<b>0</b>
<b>Recreation and Amenity</b>											
Conveniences - Rural	INCREASE / MAINTAIN	25	26	26	27	27	28	28	29	30	31
Refurbish Conveniences - City	INCREASE / MAINTAIN	55	56	57	58	60	61	63	64	66	67
District - Conveniences Pit Toilets	MAINTAIN	0	26	0	27	0	28	0	29	0	31
Hicks Bay Toilets Relocation	INCREASE / MAINTAIN	150	0	0	0	0	0	0	0	0	0
Parks And Reserves - Adventure Playground Recreation Reserve Soffall And Shading	INCREASE / MAINTAIN	50	0	0	53	0	0	57	0	60	0
Parks And Reserves - Buildings	MAINTAIN	31	32	32	33	34	34	34	35	36	37
Parks And Reserves - Hard Surfacing/paving/concrete/car Parks	MAINTAIN	100	92	104	96	109	100	102	105	107	110
Parks And Reserves - Playground Equipment Renewals	MAINTAIN	0	0	36	16	293	100	245	0	0	38
Parks And Reserves - Dune Care	MAINTAIN	20	20	20	21	21	22	22	23	23	24

Description	Level Of Service	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Parks And Reserves - Neighbourhood Parks And Local Purpose Reserves - Fencing, Signage, Revegetation, And Furniture And Fittings</b>	MAINTAIN	33	25	64	28	81	55	239	17	228	56
<b>Parks &amp; Reserves - Land Improvements (dc's)</b>	GROWTH	0	0	0	0	0	172	171	0	0	0
<b>Parks And Reserves - Land Purchases (dc's) - Taruheru Block</b>	GROWTH	0	0	0	0	435	0	0	0	0	0
<b>Parks - Koputuea Private Reserve - Co-Governance</b>	MAINTAIN	14	14	14	14	15	15	15	16	16	17
<b>Ash Gardens</b>	GROWTH	10	10	10	11	11	11	11	12	12	12
<b>Anaura Bay Arrival Area</b>	INCREASE	300	0	0	0	0	0	0	0	0	0
<b>Botanical Gardens Pond - Filtration</b>	INCREASE	0	51	0	0	0	0	0	0	0	0
<b>Waihire Trees - Removal And Vegetation</b>	INCREASE	75	31	0	0	0	0	0	0	0	0
<b>Township Plan Upgrades</b>	INCREASE	0	51	0	64	0	73	0	82	0	93
<b>Sportsground Facilities Upgrades And Renewals</b>	INCREASE / MAINTAIN	260	927	0	0	0	0	3,412	0	0	0
<b>Street Trees Planting</b>	INCREASE	325	348	182	120	27	0	0	0	0	0
<b>Paths Boardwalks</b>	MAINTAIN	0	418	0	0	0	106	45	0	91	0
<b>Jumping Platform</b>	INCREASE	100	0	0	0	0	0	0	0	0	0
<b>Cemeteries Capital Renewals</b>	MAINTAIN	45	5	16	5	16	6	17	6	18	6
<b>Roadside Bollarding - Taruheru Cemetery</b>	INCREASE / MAINTAIN	0	0	0	0	54	0	0	0	0	0
<b>Parks And Reserves - Jetties And Boat Ramps</b>	MAINTAIN	100	0	47	0	49	0	51	0	54	0
<b>Community Property - District - Monuments, Public Art, Town Clock Renewals</b>	MAINTAIN	19	19	20	0	21	0	22	0	0	0
<b>Redevelopment Of Olympic Pool Complex Phase 1 Ltp18-28</b>	INCREASE / MAINTAIN	1,250	1,275	3,124	0	0	0	0	0	0	0
<b>Grant Contribution To Redevelopment Of Olympic Pool Complex Phase 1 And 2</b>	INCREASE	1,250	7,950	6,769	0	0	0	3,412	3,494	0	0
<b>Aquatic Facilities Renewals (external)</b>	MAINTAIN	67	88	229	9	0	9	0	92	5	0
<b>Total</b>		<b>4,278</b>	<b>11,462</b>	<b>10,752</b>	<b>582</b>	<b>1,252</b>	<b>819</b>	<b>7,946</b>	<b>4,003</b>	<b>745</b>	<b>521</b>
<b>Rivers, Land and Coastal</b>											
<b>Ruatoria Flood Protection - Provide A Means Of Halting/slowing Down Erosion</b>	MAINTAIN	0	0	0	0	0	0	0	0	0	0
<b>Pump Station Renewals - Replace Components Of Land Drainage Pump Stations</b>	MAINTAIN	150	154	0	0	0	0	0	0	0	0
<b>Tansley Road Drain - Replace Failing Retaining Walls</b>	MAINTAIN	400	0	0	0	0	0	0	0	0	0
<b>Coastal Hazard Management</b>	INCREASE	0	0	0	54	0	0	58	0	0	63
<b>Bushmere Road Nursery</b>	INCREASE	30	10	10	11	11	11	12	12	12	13
<b>Waipaoa River Flood Control Scheme Resilience Improvements</b>	MAINTAIN	1,150	1,179	1,206	1,235	1,814	1,860	1,908	1,958	2,010	2,067
<b>Wainui Beach Management Strategy - Wall Replacement Groyne To Tuahine Access</b>	MAINTAIN	0	0	262	0	0	0	0	0	0	0
<b>Onepoto Bay Wooden Stormwater Flumes Renewal - Hicks Bay</b>	MAINTAIN	50	205	0	0	0	0	0	0	0	0
<b>Taruheru And Turanganui Rivers City Revetment Renewals</b>	INCREASE / MAINTAIN	0	0	524	0	0	563	0	0	609	0
<b>Tauwhatinui Detention Dam</b>	INCREASE / MAINTAIN	250	1,281	0	0	0	0	0	0	0	0

# Finances

Description	Level Of Service	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Total</b>		<b>2,030</b>	<b>2,829</b>	<b>2,003</b>	<b>1,299</b>	<b>1,825</b>	<b>2,434</b>	<b>1,977</b>	<b>1,969</b>	<b>2,632</b>	<b>2,142</b>
<b>Science</b>											
Landfill And Contained Land Remediation	INCREASE	200	204	208	213	218	223	228	233	239	245
Bore Renewal And Maintenance	MAINTAIN	200	204	208	213	218	223	228	233	239	245
Mar: Further Aquifer Recharge Trials	INCREASE	80	82	0	0	0	0	0	0	0	0
Telemetry And Hydrological Equipment	MAINTAIN	94	77	84	91	99	107	116	119	122	125
Air Quality And Noise Monitoring Equipment	MAINTAIN	80	21	0	0	88	23	0	0	97	25
<b>Total</b>		<b>654</b>	<b>587</b>	<b>501</b>	<b>517</b>	<b>622</b>	<b>575</b>	<b>571</b>	<b>585</b>	<b>697</b>	<b>640</b>
<b>Solid Waste</b>											
Waiapu Landfill - Stage 3	MAINTAIN	11	0	35	0	0	41	15	356	0	0
Paokahu Closed Landfill	INCREASE / MAINTAIN	13	308	224	12	16	0	17	15	0	0
Transfer Stations	MAINTAIN	42	0	0	49	52	0	0	62	0	0
Litter Bins	MAINTAIN	20	13	0	32	27	17	23	59	2	56
Retrofitting Container Offices 8 X 20ft Containers	MAINTAIN	0	31	31	32	0	0	0	0	0	0
<b>Total</b>		<b>85</b>	<b>351</b>	<b>290</b>	<b>126</b>	<b>95</b>	<b>58</b>	<b>55</b>	<b>493</b>	<b>2</b>	<b>56</b>
<b>Stormwater</b>											
Stormwater Pipeline Renewals	MAINTAIN	350	338	315	322	352	361	370	380	390	401
Stormwater Renewals For Rural Townships	MAINTAIN	50	0	52	0	55	0	58	0	61	0
Stormwater In Drain Structures	MAINTAIN	45	46	47	48	49	51	52	53	55	56
Stormwater Localised Urban Upgrades	GROWTH / MAINTAIN	75	77	79	81	82	85	87	89	91	94
Taruheru / Waru / Haisman (stormwater Catchment)	GROWTH	0	513	524	0	0	0	0	0	0	0
Stanford Crescent Stormwater Catchment Upgrade	MAINTAIN	0	0	367	0	0	0	0	0	0	0
Tolaga Bay - Piping Of Existing Open Water Drains Along Parkinson Street	MAINTAIN	250	0	0	268	0	0	0	0	0	0
002 Graham/delatour Road	INCREASE / MAINTAIN	0	0	105	966	0	0	0	0	0	0
003 Rutene Road S1-3/kaiti	INCREASE	1,000	923	734	0	0	0	0	0	0	0
004 Whataupoko	INCREASE / MAINTAIN	0	0	0	0	110	225	231	0	0	0
005 Public Drains On Private Property	INCREASE	540	554	566	580	594	609	624	641	658	676
006 Elgin/cbd/te Hapara Upgrades	INCREASE / MAINTAIN	0	0	0	0	0	0	0	0	0	188
<b>Total</b>		<b>2,310</b>	<b>2,450</b>	<b>2,789</b>	<b>2,266</b>	<b>1,242</b>	<b>1,330</b>	<b>1,422</b>	<b>1,163</b>	<b>1,255</b>	<b>1,415</b>
<b>Support Services</b>											
Business Analytics	INCREASE / MAINTAIN	151	144	154	157	161	164	162	165	170	174
Orthophoto Regeneration - Aerial Photography	MAINTAIN	45	46	47	48	49	50	51	52	54	55
Existing Core Hardware Renewal	MAINTAIN	383	425	357	551	373	476	345	377	661	451
Issp Capex	INCREASE	500	0	0	0	0	0	0	0	0	0
Software Renewals & Upgrades	MAINTAIN	950	1,020	1,301	1,859	814	500	682	524	1,192	1,528



Description	Level Of Service	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Vehicle Replacements</b>	MAINTAIN	475	485	495	425	326	89	341	93	48	98
<b>Minor Plant Renewals</b>	MAINTAIN	30	15	31	16	33	17	34	17	36	18
<b>Total</b>		<b>2,534</b>	<b>2,135</b>	<b>2,385</b>	<b>3,056</b>	<b>1,755</b>	<b>1,296</b>	<b>1,614</b>	<b>1,229</b>	<b>2,160</b>	<b>2,324</b>
<b>Tairāwhiti Roads</b>											
<b>Pavement Maintenance - Renewal</b>	MAINTAIN	3,800	4,088	4,178	4,167	4,158	4,370	4,364	4,595	4,598	4,852
<b>Roadside Drainage Renewals</b>	MAINTAIN	642	526	428	438	449	459	471	483	496	510
<b>Bridge Renewals (renewals Of Local Roads)</b>	MAINTAIN	1,000	1,022	1,044	962	985	1,008	976	1,002	1,029	995
<b>Bridge Replacements - Heavy Vehicle Bridge Strengthening</b>	MAINTAIN	650	664	679	1,069	1,094	1,120	1,148	1,178	1,210	1,244
<b>Resurfacing Of Roads (renewals Of Local Roads)</b>	MAINTAIN	4,000	4,088	4,178	3,847	4,048	4,033	4,134	4,242	4,356	4,478
<b>Rehabilitation Of Roads (renewals Of Local Roads)</b>	MAINTAIN	2,000	2,248	2,716	3,099	3,173	3,249	3,330	3,417	3,509	3,608
<b>Minor Improvements Projects</b>	MAINTAIN	1,425	1,252	1,149	1,069	1,094	1,120	1,148	1,178	1,210	1,244
<b>Resilience Improvement</b>	INCREASE	700	715	731	748	766	784	804	825	847	871
<b>Tarūheru Subdivision Road Links (potae Ave To Nelson Road)</b>	GROWTH	50	715	0	0	0	0	0	0	0	0
<b>Tarūheru Subdivision Road Links (ruth Street To Gwyneth Place)</b>	GROWTH	0	0	522	0	0	0	0	0	0	0
<b>Suburban &amp; Township Upgrades</b>	INCREASE	100	571	104	574	109	595	114	617	119	642
<b>Footpath Replacement</b>	MAINTAIN	300	307	188	235	241	84	86	59	61	62
<b>Bus Shelter Replacements</b>	MAINTAIN	18	18	19	19	20	20	21	21	22	22
<b>Gisborne City Carpark Facility</b>	MAINTAIN	20	20	21	21	22	22	23	24	24	25
<b>Tarūheru River Walkway And Cycling</b>	INCREASE	0	0	366	1,603	2,188	3,137	0	0	0	0
<b>Traffic Service Renewals (renewal Of Local Roads)</b>	MAINTAIN	280	210	198	166	148	129	132	136	139	143
<b>Environmental Renewals</b>	MAINTAIN	15	15	16	16	16	17	17	18	18	19
<b>Streetlight Upgrades To Led</b>	INCREASE	400	409	418	427	0	0	0	0	0	0
<b>Walking And Cycling (intersection And Route Safety Improvements)</b>	INCREASE	750	0	0	0	0	0	0	0	0	0
<b>Urban Cycleways Project</b>	INCREASE	100	102	104	107	109	112	115	118	121	124
<b>East Cape Slope Stabilisation</b>	INCREASE	50	460	2,089	0	0	0	0	0	0	0
<b>Inner Harbour Development</b>	INCREASE	1,684	0	0	0	0	0	0	0	0	0
<b>Waihou Bluffs Road Widening</b>	INCREASE	0	0	0	53	492	1,120	0	0	0	0
<b>Tarūheru Subdivision Road Links (cameron Road And Others)</b>	GROWTH	0	0	0	0	0	0	0	59	605	62
<b>Aerodrome Road Upgrade</b>	GROWTH / INCREASE / MAINTAIN	0	0	0	53	1,094	0	0	0	0	0
<b>Arakihi Road Widening</b>	INCREASE	350	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>18,334</b>	<b>17,432</b>	<b>19,148</b>	<b>18,673</b>	<b>20,206</b>	<b>21,382</b>	<b>16,884</b>	<b>17,971</b>	<b>18,365</b>	<b>18,901</b>
<b>Wastewater</b>											
<b>Localised Urban Upgrades</b>	GROWTH	30	31	31	32	33	34	35	36	37	38
<b>Wastewater Pump Station Renewals</b>	MAINTAIN	100	282	105	295	110	310	116	326	122	344
<b>Permanent Flow Loggers</b>	MAINTAIN	0	123	0	129	0	0	0	0	0	0
<b>Wastewater Pipeline Renewals</b>	MAINTAIN	1,400	1,435	1,468	1,503	1,539	1,578	1,619	1,661	1,706	1,754

# Finances

Description	Level Of Service	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Wastewater Wainui Road New Pipeline	GROWTH / MAINTAIN	0	0	0	0	0	0	0	0	61	626
Upgrade Campion Road Pump Station And Rising Main	GROWTH / MAINTAIN	75	1,025	0	0	0	0	0	0	0	0
Taruheru Block New Pump Station 1	GROWTH	45	415	0	0	0	0	0	0	0	0
Taruheru Block New Pump Station 2	GROWTH	0	0	0	0	55	563	0	0	0	0
Wastewater Remaining Areas Upgrades	GROWTH / MAINTAIN	540	0	0	0	0	0	0	0	0	0
Wastewater Treatment Plant Further Treatment	GROWTH / INCREASE	300	513	1,049	5,530	16,987	0	0	0	0	0
Te Karaka Oxidation Pond Improvements	MAINTAIN	0	0	0	0	0	0	289	0	0	0
Tolaga Bay Septage Site	MAINTAIN	300	0	0	0	0	0	0	0	0	0
Septage Solids Removal	MAINTAIN	100	0	0	0	0	0	0	0	0	0
Wastewater Treatment Plant Upgrades & Renewals	MAINTAIN	200	154	157	161	55	56	58	59	61	63
Pump Station Emergency Storage	MAINTAIN	100	103	105	0	0	0	0	0	0	0
Wastewater Equipment Renewals	MAINTAIN	100	0	0	0	0	0	116	0	0	0
Pump Station Health & Safety Upgrades	MAINTAIN	75	77	79	81	0	0	0	0	0	0
Te Karaka Wastewater Land Disposal	INCREASE	0	0	0	0	110	0	0	593	0	0
Scada Repeater Relocation	INCREASE	0	0	0	0	88	0	0	0	0	0
Aerodrome Road Additional Pump Station And Reticulation	GROWTH / INCREASE	0	0	0	0	0	0	0	0	0	313
<b>Total</b>		<b>3,365</b>	<b>4,156</b>	<b>2,994</b>	<b>7,731</b>	<b>18,978</b>	<b>2,541</b>	<b>2,232</b>	<b>2,675</b>	<b>1,986</b>	<b>3,138</b>
<b>Water Supply</b>											
Waipaoa Water Treatment Plant : Seismic Restraints For Chemical Bulk Storage Tanks	MAINTAIN	0	0	0	0	0	0	0	0	0	0
Distribution : Pipe Renewals [asbestos Main Replacement]	MAINTAIN	650	738	1,049	1,020	550	563	578	593	609	626
Distribution : Water Meter Renewals	MAINTAIN	50	51	52	54	55	56	58	59	61	63
Taruheru Block Water Extension	GROWTH	0	0	629	0	0	338	0	415	0	313
Booster Station And Reservoir Supply Main	GROWTH	0	0	0	0	0	0	0	0	822	939
Local Urban Upgrades	GROWTH / MAINTAIN	35	36	37	38	38	39	40	42	43	44
Bulk Distribution - Waingake Trunk Main Refurbishment	MAINTAIN	150	513	524	0	0	0	0	0	0	0
Bulk Distribution:waingake Raw Water Pipeline Renewal	MAINTAIN	0	0	0	54	440	0	0	0	0	0
Bulk Distribution Telemetry Site Upgrades	MAINTAIN	25	26	26	32	33	20	21	21	22	23
Bulk Distribution: Cathodic Protection, Replacement Of Sacrificial Anode Beds Along Waingake Trunk Pipeline	MAINTAIN	0	36	37	38	0	0	0	0	0	0
Bulk Distribution: Waingake Trunk Main Air Valve Renewals	MAINTAIN	0	0	189	161	0	0	0	0	0	0
Leak Detection (was In Year 8) But May Need To Align Earlier	INCREASE	0	0	0	0	0	0	0	142	0	0
Waipaoa Treatment Plant Water Softening Renewal	INCREASE	120	0	0	0	0	0	0	0	0	0
Waingake T/plant Uv Installations	INCREASE	0	0	0	0	715	0	0	0	0	0

Description	Level Of Service	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Waipaoa T/plant Uv Installations</b>	INCREASE	500	0	0	0	0	0	0	0	0	0
<b>Te Karaka Reticulation Renewal</b>	MAINTAIN	0	0	0	0	440	451	0	0	0	0
<b>Whatatutu Reticulation Renewal</b>	MAINTAIN	0	0	0	0	0	0	289	297	0	0
<b>Demand Management Initiatives</b>	INCREASE	0	0	0	0	0	563	1,156	593	0	0
<b>Residential Backflow Prevention</b>	MAINTAIN	350	513	682	537	550	789	809	0	0	0
<b>Sang Dam Slump Remedial Works</b>	INCREASE / MAINTAIN	0	0	0	1,611	0	0	0	0	0	0
<b>Total</b>		<b>1,880</b>	<b>1,912</b>	<b>3,224</b>	<b>3,543</b>	<b>2,820</b>	<b>2,821</b>	<b>2,952</b>	<b>2,163</b>	<b>1,557</b>	<b>2,008</b>
<b>Grand Total</b>		<b>38,204</b>	<b>43,845</b>	<b>44,687</b>	<b>38,258</b>	<b>49,268</b>	<b>33,737</b>	<b>36,144</b>	<b>33,116</b>	<b>30,284</b>	<b>31,697</b>

## Disclosure Statement

### Long Term Plan Disclosure Statement for Period Commencing 1 July 2018

The purpose of this statement is to disclose Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

Council is required to include this statement in its Long Term Plan (LTP) in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

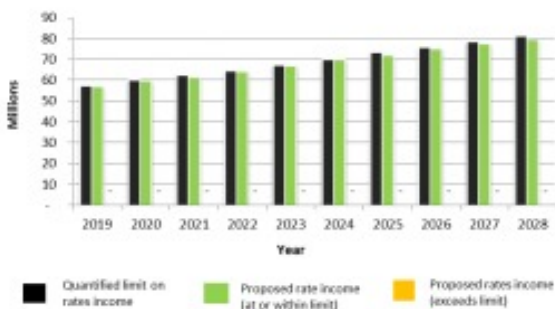
### Rates Affordability Benchmark

Council meets the rates affordability benchmark if:

- its planned rates income equals or is less than each quantified limit on rates
- its planned rates increases equal or are less than each quantified limit on rates increases.

### Rates Income Affordability

The following graph compares Council's planned rates with a quantified limit on rates contained in the financial strategy included in this LTP. Total rates requirement for each year of the long-term plan period will be no more than 5% more than what was adopted for the preceding year of the long term plan.

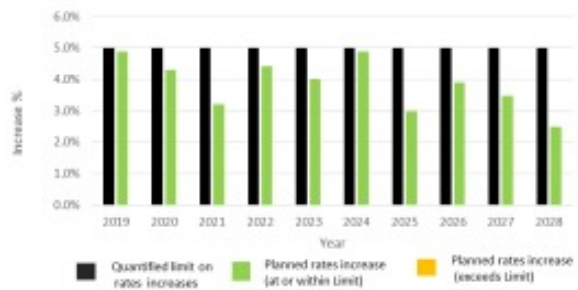


## Rates Increases Affordability

The following graph compares Council's planned rates increases with a quantified limit on rates increases included in the financial strategy included in this long-term plan

For the current long term plan, the annual increase in total rates requirement has been limited to 5% plus growth in the rating base.

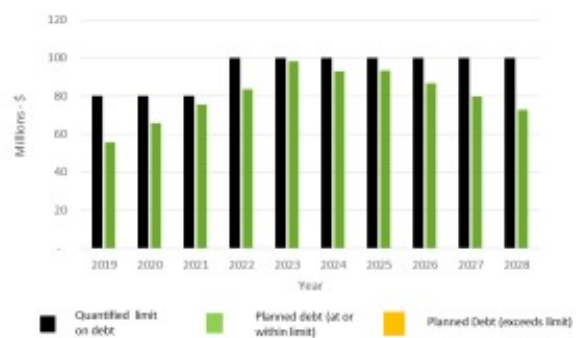
"Total rates" is defined as total rates excluding rates collected from water metering.



## Debt Affordability Benchmark

Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. The following graph compares Council's planned debt with a quantified limit on borrowing stated in the financial strategy included in this long-term plan. The quantified limit is \$80m for Years 1 to 3. From Year 4 the quantified limit is \$100 million.

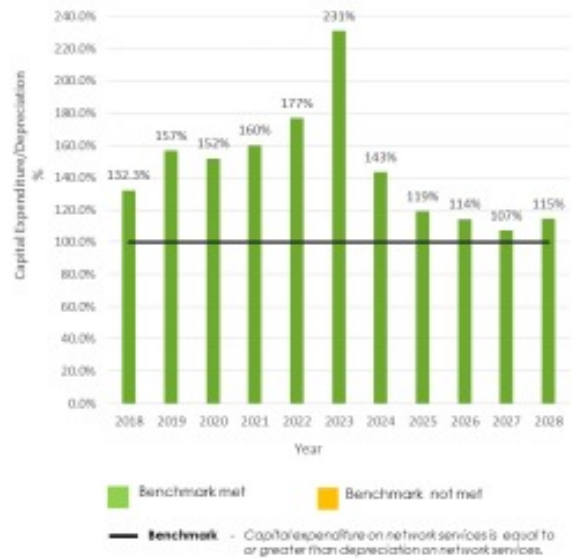
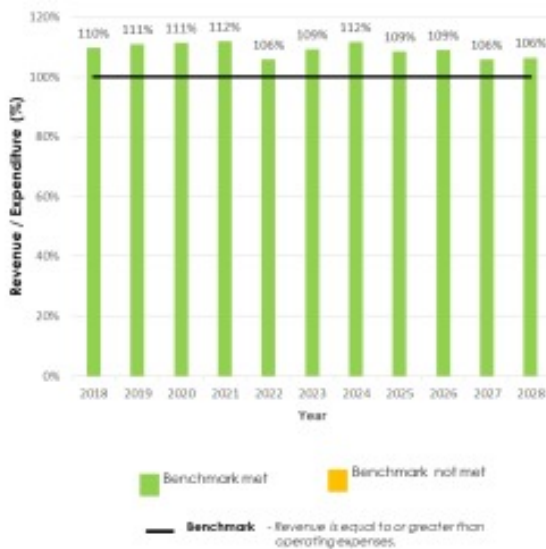
Debt is defined as financial liabilities less financial assets.



### Balanced Budget Benchmark

The following graph displays Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



### Debt Servicing Benchmark

The following graph displays Council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property plant or equipment).

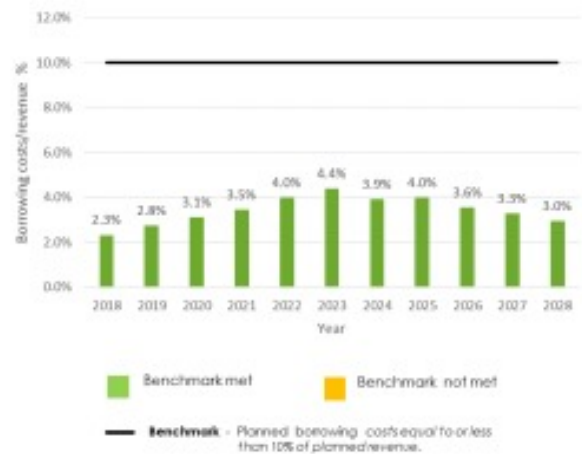
Because Statistics New Zealand projects the Council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

### Essential Services Benchmark

The following graph displays Council's planned capital expenditure on network services as a proportion of expected depreciation on network services.

Council meets this benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

The peak of capital expenditure to depreciation occurring in year 5, relates to Wastewater Further Treatment project.



## Funding Impact Statement

This statement sets out the information required by Schedule 10 of the Local Government Act 2002, together with additional information provided to assist ratepayers in understanding the indicative impact of the Long Term Plan.

### As the Council sets them:

#### General Rates

Rates directly related to the value of the property, charged on capital value.

#### Targeted Rates

Rates which apply in certain areas or to certain ratepayers.

#### Uniform Annual General Charges (UAGC)

A fixed amount charged to each separately used or inhabited part of a rating unit.

The uniform Annual General Charge for year 1 of 2018-2028: 2018/19 is \$773.47 including GST.

UAGC Activity	2019 Incl GST
Managing solid waste and transfer stations	92.33
Environmental and Public health Protection	85.87
Public Toilets	73.89
Roading	112.57
Mayor and Councillor representation costs	124.94
District Civil & Corporate expenses	16.82
Civil defence	29.69
Cemeteries	14.96
Economic Development & Tourism	3.21
Tairāwhiti Museum	39.82
Libraries	99.29
Litter bins and cleaning public areas	18.55
Strategic Planning and engagement	61.51
	<u>773.47</u>

Definition of a Separately Used or Inhabited part of a Rating Unit -

*A separately used or inhabited part of a rating unit includes any portion inhabited or used by the owner / a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement.*

*This definition includes separately used parts, whether or not actually occupied at any particular time, which are*

*provided by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner.*

- A. Each separate shop or business activity on a rating unit is a separate use, for which a separate UAGC is payable. (See Guidance Note 1.)
- B. Each dwelling, flat, or additional rentable unit (attached or not attached) on a residential property which is let for a substantial part of the year to persons other than immediate family members is a separately inhabited part of a property, and separate UAGCs are payable. (See Guidance Note 2.)
- C. Each residential rating unit which has, in addition to a family dwelling unit, one or more non-residential uses (i.e. home occupation units) will be charged an extra UAGC for each additional use. (See Guidance Note 3.)
- D. Each non-residential activity which has, in addition to its business or commercial function, co-sited residential units which are not a prerequisite part of the business or commercial function, will be liable for additional UAGCs for each residential unit. (See Guidance Note 4.)
- E. Individually tenanted flats, including retirement units, apartments and town houses (attached or not attached) or multiple dwellings on Māori freehold land are separately inhabited parts, and will each be liable for a separate UAGC. (See Guidance Note 5.)
- F. Each title on a multiple-managed forestry holding (that is, where the forest is broken into several individual small titles) is a separately used part except when one or more titles are adjacent and under the same ownership, in which case the rules of contiguity apply.
- G. Each block of land for which a separate title has been issued is liable to pay a UAGC, even if that land is vacant. NOTE: For the purpose of this definition vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as "used".
- H. Two or more adjacent blocks of vacant land are not eligible for Remission under "Continuity" (S.20 of LG(R) A 02) because they are not "used for the same purpose" (i.e. they are not used at all).
- I. Each dwelling, flat, or additional rentable unit (attached or not attached) on a pastoral, horticultural or forestry property which is let for a substantial part of the year to persons other than immediate family members is a separately inhabited part of a property, and separate UAGCs are payable.

- J. For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one separately used or inhabited part.
- K. A substantial part of the year is considered to be three months or more (this total period may be fragmented, and may occur at any part of the rating year).

## Guidance Notes

The following notes are not rules, but are intended to aid officers in the interpretation of the rules.

### 1) Commercial Properties

- A single building on one title with 24 separate shops would pay 24 UAGCs.
- A motel with an attached dwelling would pay only one UAGC. This is because the attached dwelling is essential to the running of the motel. (See rule D above)
- A motel with an attached restaurant which is available to the wider public has two separately used parts and would pay two UAGCs. Likewise, a motel with an attached conference facility would pay an additional UAGC.
- A business which makes part of its income through leasing part of its space to semi-passive uses such as billboards, or money machines, is not regarded as having a separately used or inhabited part and would not be charged a separate UAGC.
- For the avoidance of doubt, an apartment block in which each apartment is on a separately owned title is merely a series of co-sited rating units, and each will pay a UAGC.
- If, however, in the above example a management company leases the individual titles for 10 years or more, and those leases are registered on the titles, and the leases stipulate that the management company is responsible for paying the rates, and if the management company then operates the apartments as a single business operation, that business operation may be considered for a remission under Council's remission policies and have all but one UAGC remitted.
- An apartment block with a separate laundry, or restaurant, which are available to the general population as a separate business enterprise, would pay an additional UAGC for each of these functions as separately used parts.

### 2) Residential Properties

- The rule will apply to properties identified as "flats" on the valuation record, administered by Council's Valuer. Sleep-outs and granny flats will generally be identified as "sleep-out" on the valuation record and will not normally qualify for additional UAGCs.
- If a property is identified on the valuation record as having flats, but these in fact are used only for family members or for others for very short periods, the additional UAGCs may be remitted on Council receiving proof of their use, including a signed declaration from the property owner (see remission policies). A property owner who actively advertises the flats for accommodation will not qualify for the remission.
- A property such as a large house which is identified as being split into, say, three internal flats at the time the valuation records were established, but which is not actually used as such, will need to apply for remission under Council's remission policy. (Note: This property should be referred to Council's Valuer for correction on the next valuation cycle.)

### 3) Residential with Non-Residential Part

- A residence with a separately accessible "office" such as may be used for surveyor, architect, or medical services, will pay an additional UAGC for the office. This is because it is a separately used part which generates additional use of roads, services, planning resources and democratic processes.
- A residence with a "Home Occupation" (commonly called a "hobby business") will not generally be charged a separate UAGC unless the intensity of operation is high. For example, a resident who occasionally manufactures boat trailers in his garage on the weekends would not incur an additional UAGC, but someone who works for most of the week panel beating or painting, particularly if the activity is accompanied by advertising, clearly has a separately used or inhabited part of the rating unit, and would incur an additional UAGC.
- A residential property, part of which is used continually for storage of large industrial machinery, has a separately used part, would incur an additional UAGC.

### 4) Non-Residential Activity with Co-sited Dwelling

- A fish and chip shop, with a flat above which can be accessed without passing through the shop, does have a separately used part, and would normally incur an additional UAGC charge.
- A dairy which has an integral dwelling attached, would not incur an additional UAGC because the



home is an integral part of the operation of the dairy.

- A boarding house containing a caretaker's apartment and several separately let rooms (with or without facilities) all within the structure of the one building, is a single (commercial) use and would not incur an additional UAGC. (The same applies to home-stays and bed and breakfast homes).
- Certain Government agencies, churches, marae, and the like are automatically rate exempt (except for service charges such as water and wastewater). But if these organisations undertake accommodation or business activities which are not related to their core function, they may be charged rates and additional UAGCs for each separately used or inhabited part of the rating unit.

## 5) Individually Tenanted Flats

- Each flat, apartment, or retirement or disability home, and each property under a "licence to occupy", is a separately used or inhabited part of a rating unit, This is regardless of the number of people who may be living in the unit. Each will be required to pay an additional UAGC charge.
- If, because of construction work, poor condition, public health, or specific conditions pertaining to the property owner, one or more flats cannot be let on the open market, the unit may be granted a remission under Council's remission policy.
- (A specific condition pertaining to the property owner might include the use of one of the units for a live-in caregiver). (Note: This property should be referred to Council's Valuer for correction on the next valuation cycle.)

Rates used to repay loans and capital expenditure e.g. solid waste loan.

## Development Contributions

Money received to fund capital expenditure for new development.

## Asset Sales

Money received from the sale of assets.

## Reserves

Money set aside for specific purpose, to fund capital expenditure. Please refer to the Revenue and Financing Policy for further details of Council's revenue funding mechanisms.

## Funding Impact Statement

The following information is presented for the purpose of clauses 5 and 15 of Schedule 10 of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

These statements are not NZ GAAP compliant. The information presented is incomplete (in particular it does not include depreciation and internal overheads).

This statement should not be relied upon for any other purpose than compliance with the Local Government (Financial Reporting and Prudence) Regulations 2014.

Mentioned under ( Page 29) we have provided a reconciliation between Council's Prospective Statement of Comprehensive Revenue and Expenses and Council's Funding Impact Statement.

## Council's Other Funding Sources

### Subsidies and Grants

From Government and non-Government organisations to fund maintenance or capital projects.

### Fees and Charges

Council charges for services provided, e.g. building consents, dog licences.

### Interest Received and Dividends Income

From funds invested or Council investments.

### Loans

Council borrows money to fund Capital Expenditure.

### Capital Rates



## Council

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>											
17,359	General rates, uniform annual general charges, rates penalties	19,100	20,210	21,086	22,571	23,518	23,273	22,670	23,538	23,805	24,223
40,573	Targeted rates	40,792	42,201	43,300	44,594	46,290	49,865	52,638	54,665	57,095	58,706
9,227	Subsidies and grants for operating purposes	12,857	13,370	13,720	13,341	13,595	13,697	14,112	14,498	14,764	15,262
6,221	Fees and charges	8,644	7,393	7,732	7,491	10,092	10,245	8,019	8,210	8,414	9,279
1,847	Interest and Dividends from Investments	1,457	1,457	1,500	1,550	1,885	3,750	2,350	3,600	2,400	1,600
1,481	Local authorities fuel Tax, fines, infringement fees and other receipts	1,900	1,892	1,936	1,981	2,018	2,071	2,112	2,164	2,210	2,258
<b>76,706</b>	<b>Total Operating Funding (A)</b>	<b>85,750</b>	<b>87,524</b>	<b>90,275</b>	<b>92,527</b>	<b>98,398</b>	<b>103,901</b>	<b>102,901</b>	<b>107,676</b>	<b>109,688</b>	<b>112,328</b>
<b>Applications of operating funding</b>											
63,040	Payments to staff and suppliers	67,643	69,721	71,367	71,769	73,331	76,297	77,989	79,653	81,304	83,299
2,199	Finance costs	2,796	3,315	3,792	4,195	4,927	4,665	4,700	4,382	4,001	3,694
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>65,239</b>	<b>Total applications of operating funding (B)</b>	<b>70,439</b>	<b>73,036</b>	<b>75,159</b>	<b>75,964</b>	<b>78,258</b>	<b>80,962</b>	<b>82,689</b>	<b>84,036</b>	<b>85,305</b>	<b>86,993</b>
<b>11,467</b>	<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>15,311</b>	<b>14,488</b>	<b>15,116</b>	<b>16,563</b>	<b>20,140</b>	<b>22,939</b>	<b>20,212</b>	<b>23,640</b>	<b>24,383</b>	<b>25,335</b>
<b>Sources of capital funding</b>											
17,954	Subsidies and grants for capital expenditure	15,842	18,489	19,229	12,810	13,650	15,272	14,965	15,426	12,174	12,556
699	Development and financial contributions	699	699	699	699	699	699	699	699	699	699
5,374	Increase/(decrease) in debt	3,781	2,789	3,893	2,980	13,479	(2,373)	486	(1,150)	(1,725)	(761)
12	Gross proceeds from sale of assets	12	12	12	12	12	12	12	12	12	12
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>24,039</b>	<b>Total sources of capital funding (C)</b>	<b>20,334</b>	<b>21,989</b>	<b>23,833</b>	<b>16,501</b>	<b>27,840</b>	<b>13,610</b>	<b>16,162</b>	<b>14,988</b>	<b>11,160</b>	<b>12,506</b>
<b>Applications of capital funding</b>											
Capital expenditure											
1,299	- to meet additional demand	300	2,542	1,850	587	3,005	1,172	271	577	1,563	1,893
16,357	- to improve level of service	11,318	15,518	16,625	11,272	21,247	7,677	8,439	7,464	2,434	3,046
24,370	- to replace existing assets	26,586	25,786	26,211	26,399	25,015	24,888	27,435	25,075	26,286	26,758
(6,520)	Increase/(decrease) in reserves	(2,559)	(7,368)	(5,738)	(5,194)	(1,287)	2,813	230	5,512	5,259	6,144
0	Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>35,506</b>	<b>Total applications of capital funding (D)</b>	<b>35,645</b>	<b>36,477</b>	<b>38,949</b>	<b>33,064</b>	<b>47,980</b>	<b>36,550</b>	<b>36,374</b>	<b>38,628</b>	<b>35,543</b>	<b>37,841</b>
<b>(11,467)</b>	<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(15,311)</b>	<b>(14,488)</b>	<b>(15,116)</b>	<b>(16,563)</b>	<b>(20,140)</b>	<b>(22,939)</b>	<b>(20,212)</b>	<b>(23,640)</b>	<b>(24,383)</b>	<b>(25,335)</b>
<b>0</b>	<b>Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>

## Commercial Operations

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>											
16	General rates, uniform annual general charges, rates penalties	20	21	22	12	13	14	8	9	10	(25)
0	Targeted rates	0	0	0	0	0	0	0	0	0	0
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
1,124	Fees and charges	2,843	1,418	1,628	1,254	3,715	3,723	1,341	1,370	1,401	2,083
96	Internal charges and overheads recovered	15	15	15	15	15	15	15	15	15	15
0	Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
13	Local authorities fuel Tax, fines, infringement fees and other receipts	113	116	118	121	124	126	129	133	136	140
<b>1,249</b>	<b>Total Operating Funding (A)</b>	<b>2,991</b>	<b>1,570</b>	<b>1,783</b>	<b>1,402</b>	<b>3,867</b>	<b>3,878</b>	<b>1,493</b>	<b>1,526</b>	<b>1,562</b>	<b>2,212</b>
<b>Applications of operating funding</b>											
557	Payments to staff and suppliers	784	799	831	849	868	887	907	928	950	974
43	Finance costs	26	25	24	23	22	21	20	19	18	17
337	Internal charges and overheads applied	277	278	280	278	278	280	282	285	287	289
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>937</b>	<b>Total applications of operating funding (B)</b>	<b>1,087</b>	<b>1,102</b>	<b>1,135</b>	<b>1,150</b>	<b>1,168</b>	<b>1,188</b>	<b>1,209</b>	<b>1,232</b>	<b>1,255</b>	<b>1,280</b>
<b>312</b>	<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>1,904</b>	<b>468</b>	<b>648</b>	<b>252</b>	<b>2,699</b>	<b>2,691</b>	<b>284</b>	<b>294</b>	<b>307</b>	<b>932</b>
<b>Sources of capital funding</b>											
0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
(25)	Increase/(decrease) in debt	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(20)	(20)	(20)
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>(25)</b>	<b>Total sources of capital funding (C)</b>	<b>(22)</b>	<b>(22)</b>	<b>(22)</b>	<b>(22)</b>	<b>(22)</b>	<b>(22)</b>	<b>(22)</b>	<b>(20)</b>	<b>(20)</b>	<b>(20)</b>
<b>Applications of capital funding</b>											
Capital expenditure											
0	- to meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- to improve level of service	0	0	0	0	0	0	0	0	0	0
242	- to replace existing assets	225	266	200	200	200	200	200	260	265	270
45	Increase/(decrease) in reserves	1,657	180	426	30	2,477	2,469	62	14	22	642
0	Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>287</b>	<b>Total applications of capital funding (D)</b>	<b>1,882</b>	<b>446</b>	<b>626</b>	<b>230</b>	<b>2,677</b>	<b>2,669</b>	<b>262</b>	<b>274</b>	<b>287</b>	<b>912</b>
<b>(312)</b>	<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(1,904)</b>	<b>(468)</b>	<b>(648)</b>	<b>(252)</b>	<b>(2,699)</b>	<b>(2,691)</b>	<b>(284)</b>	<b>(294)</b>	<b>(307)</b>	<b>(932)</b>
<b>(0)</b>	<b>Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Environmental Services and Protection

### Resource Consents

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>											
1,328	General rates, uniform annual general charges, rates penalties	1,021	1,074	1,093	1,104	1,121	1,139	1,153	1,247	1,276	1,287
0	Targeted rates	0	0	0	0	0	0	0	0	0	0
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
202	Fees and charges	340	347	355	362	371	379	388	398	408	419
374	Internal charges and overheads recovered	5	5	5	5	6	6	6	6	6	6
0	Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
0	Local authorities fuel Tax, fines, infringement fees and other receipts	15	0	0	0	0	0	0	0	0	0
<b>1,904</b>	<b>Total Operating Funding (A)</b>	<b>1,381</b>	<b>1,426</b>	<b>1,453</b>	<b>1,472</b>	<b>1,497</b>	<b>1,524</b>	<b>1,548</b>	<b>1,651</b>	<b>1,690</b>	<b>1,712</b>
<b>Applications of operating funding</b>											
1,141	Payments to staff and suppliers	894	919	936	953	971	991	1,010	1,020	1,041	1,065
0	Finance costs	0	0	0	0	0	0	0	0	0	0
763	Internal charges and overheads applied	487	507	517	518	526	534	537	631	649	648
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>1,904</b>	<b>Total applications of operating funding (B)</b>	<b>1,381</b>	<b>1,426</b>	<b>1,453</b>	<b>1,472</b>	<b>1,497</b>	<b>1,524</b>	<b>1,548</b>	<b>1,651</b>	<b>1,690</b>	<b>1,712</b>
<b>(0)</b>	<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources of capital funding</b>											
0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>0</b>	<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>											
Capital expenditure											
0	- to meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- to improve level of service	0	0	0	0	0	0	0	0	0	0
0	- to replace existing assets	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in reserves	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>0</b>	<b>Total applications of capital funding (D)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(0)</b>	<b>Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Finances

## Building Services

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>											
840	General rates, uniform annual general charges, rates penalties	695	742	731	753	738	769	747	893	889	909
0	Targeted rates	0	0	0	0	0	0	0	0	0	0
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
930	Fees and charges	930	950	971	992	1,014	1,038	1,063	1,089	1,116	1,146
81	Internal charges and overheads recovered	6	6	6	6	6	6	7	7	7	7
0	Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
0	Local authorities fuel Tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
<b>1,852</b>	<b>Total Operating Funding (A)</b>	<b>1,631</b>	<b>1,698</b>	<b>1,708</b>	<b>1,751</b>	<b>1,759</b>	<b>1,813</b>	<b>1,817</b>	<b>1,988</b>	<b>2,012</b>	<b>2,062</b>
<b>Applications of operating funding</b>											
1,110	Payments to staff and suppliers	930	970	966	1,006	1,002	1,045	1,042	1,089	1,087	1,136
0	Finance costs	0	0	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)
688	Internal charges and overheads applied	701	728	742	745	756	768	774	900	925	926
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>1,798</b>	<b>Total applications of operating funding (B)</b>	<b>1,631</b>	<b>1,698</b>	<b>1,708</b>	<b>1,751</b>	<b>1,758</b>	<b>1,813</b>	<b>1,816</b>	<b>1,988</b>	<b>2,012</b>	<b>2,062</b>
<b>53</b>	<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources of capital funding</b>											
0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
(1)	Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>(1)</b>	<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>											
Capital expenditure											
0	- to meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- to improve level of service	0	0	0	0	0	0	0	0	0	0
0	- to replace existing assets	0	0	0	0	0	0	0	0	0	0
52	Increase/(decrease) in reserves	(0)	(0)	(0)	(0)	0	0	0	0	0	0
0	Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>52</b>	<b>Total applications of capital funding (D)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(53)</b>	<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>
<b>0</b>	<b>Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Enforcement

AP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>										
0 General rates, uniform annual general charges, rates penalties	13	9	12	(4)	(5)	(13)	(16)	3	6	(11)
0 Targeted rates	329	331	349	346	336	354	353	409	421	415
0 Subsidies and grants for operating purposes	180	180	180	180	180	180	180	180	180	180
0 Fees and charges	1,390	1,421	1,451	1,483	1,517	1,552	1,589	1,628	1,670	1,714
0 Internal charges and overheads recovered	54	55	56	57	58	60	61	63	64	66
0 Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
0 Local authorities fuel Tax, fines, infringement fees and other receipts	888	907	927	947	969	991	1,015	1,040	1,066	1,095
<b>0 Total Operating Funding (A)</b>	<b>2,854</b>	<b>2,903</b>	<b>2,976</b>	<b>3,010</b>	<b>3,055</b>	<b>3,124</b>	<b>3,182</b>	<b>3,323</b>	<b>3,407</b>	<b>3,458</b>
<b>Applications of operating funding</b>										
0 Payments to staff and suppliers	1,900	1,915	1,966	1,995	2,026	2,070	2,117	2,139	2,190	2,229
0 Finance costs	0	0	0	0	0	0	0	0	0	0
0 Internal charges and overheads applied	915	946	968	971	985	1,005	1,014	1,129	1,162	1,167
0 Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>0 Total applications of operating funding (B)</b>	<b>2,815</b>	<b>2,861</b>	<b>2,934</b>	<b>2,965</b>	<b>3,010</b>	<b>3,075</b>	<b>3,131</b>	<b>3,268</b>	<b>3,352</b>	<b>3,397</b>
<b>0 Surplus/(deficit) of operating funding (A-B)</b>	<b>39</b>	<b>42</b>	<b>42</b>	<b>45</b>	<b>45</b>	<b>49</b>	<b>51</b>	<b>55</b>	<b>55</b>	<b>61</b>
<b>Sources of capital funding</b>										
0 Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0 Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0 Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
0 Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0 Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>0 Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>										
Capital expenditure										
0 - to meet additional demand	0	0	0	0	0	0	0	0	0	0
0 - to improve level of service	0	0	0	0	0	0	0	0	0	0
0 - to replace existing assets	35	10	10	11	11	11	11	321	328	0
0 Increase/(decrease) in reserves	4	32	32	34	34	38	40	(266)	(273)	61
0 Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>0 Total applications of capital funding (D)</b>	<b>39</b>	<b>42</b>	<b>42</b>	<b>45</b>	<b>45</b>	<b>49</b>	<b>51</b>	<b>55</b>	<b>55</b>	<b>61</b>
<b>0 Surplus/(deficit) of capital funding (C-D)</b>	<b>(39)</b>	<b>(42)</b>	<b>(42)</b>	<b>(45)</b>	<b>(45)</b>	<b>(49)</b>	<b>(51)</b>	<b>(55)</b>	<b>(55)</b>	<b>(61)</b>
<b>0 Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Science

AP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>										
0 General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0
0 Targeted rates	4,060	4,241	4,400	4,462	4,553	4,650	4,716	4,982	5,087	5,186
0 Subsidies and grants for operating purposes	230	255	240	234	152	45	46	47	48	49
0 Fees and charges	584	615	628	642	656	671	687	704	722	741
0 Internal charges and overheads recovered	4,986	5,178	5,337	5,404	5,509	5,642	5,713	5,995	6,121	6,261
0 Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
0 Local authorities fuel Tax, fines, infringement fees and other receipts	260	265	271	277	283	290	297	304	312	320
<b>0 Total Operating Funding (A)</b>	<b>10,120</b>	<b>10,554</b>	<b>10,876</b>	<b>11,020</b>	<b>11,154</b>	<b>11,298</b>	<b>11,458</b>	<b>12,032</b>	<b>12,290</b>	<b>12,557</b>
<b>Applications of operating funding</b>										
0 Payments to staff and suppliers	4,159	4,329	4,459	4,533	4,543	4,510	4,601	4,709	4,796	4,903
0 Finance costs	9	26	38	47	57	68	76	82	92	102
0 Internal charges and overheads applied	5,878	6,106	6,284	6,345	6,458	6,607	6,681	7,132	7,292	7,427
0 Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>0 Total applications of operating funding (B)</b>	<b>10,046</b>	<b>10,461</b>	<b>10,781</b>	<b>10,924</b>	<b>11,058</b>	<b>11,185</b>	<b>11,357</b>	<b>11,923</b>	<b>12,180</b>	<b>12,431</b>
<b>0 Surplus/(deficit) of operating funding (A-B)</b>	<b>74</b>	<b>93</b>	<b>95</b>	<b>95</b>	<b>96</b>	<b>112</b>	<b>101</b>	<b>109</b>	<b>110</b>	<b>126</b>
<b>Sources of capital funding</b>										
0 Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0 Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0 Increase/(decrease) in debt	560	511	389	381	468	402	361	373	474	402
0 Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0 Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>0 Total sources of capital funding (C)</b>	<b>560</b>	<b>511</b>	<b>389</b>	<b>381</b>	<b>468</b>	<b>402</b>	<b>361</b>	<b>373</b>	<b>474</b>	<b>402</b>
<b>Applications of capital funding</b>										
Capital expenditure										
0 - to meet additional demand	0	0	0	0	0	0	0	0	0	0
0 - to improve level of service	280	286	208	213	218	223	228	233	239	245
0 - to replace existing assets	374	302	292	304	404	352	343	352	458	395
0 Increase/(decrease) in reserves	(20)	16	(17)	(40)	(58)	(60)	(108)	(103)	(113)	(112)
Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>0 Total applications of capital funding (D)</b>	<b>634</b>	<b>604</b>	<b>484</b>	<b>477</b>	<b>564</b>	<b>515</b>	<b>462</b>	<b>481</b>	<b>584</b>	<b>528</b>
<b>0 Surplus/(deficit) of capital funding (C-D)</b>	<b>(74)</b>	<b>(93)</b>	<b>(95)</b>	<b>(95)</b>	<b>(96)</b>	<b>(112)</b>	<b>(101)</b>	<b>(109)</b>	<b>(110)</b>	<b>(126)</b>
<b>0 Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Environmental Health

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>											
1,197	General rates, uniform annual general charges, rates penalties	1,720	1,794	1,840	1,868	1,890	1,932	1,949	2,127	2,169	2,201
0	Targeted rates	0	0	0	0	0	0	0	0	0	0
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
311	Fees and charges	415	424	433	443	453	463	475	486	499	512
1,553	Internal charges and overheads recovered	1,757	1,803	1,838	1,858	1,890	1,923	1,950	2,118	2,171	2,194
0	Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
9	Local authorities fuel Tax, fines, infringement fees and other receipts	9	9	9	10	10	10	10	11	11	11
<b>3,070</b>	<b>Total Operating Funding (A)</b>	<b>3,901</b>	<b>4,030</b>	<b>4,121</b>	<b>4,179</b>	<b>4,242</b>	<b>4,328</b>	<b>4,383</b>	<b>4,742</b>	<b>4,849</b>	<b>4,918</b>
<b>Applications of operating funding</b>											
1,319	Payments to staff and suppliers	1,359	1,412	1,450	1,487	1,507	1,547	1,570	1,613	1,639	1,686
0	Finance costs	0	0	0	0	0	0	0	0	0	0
2,155	Internal charges and overheads applied	2,541	2,618	2,671	2,692	2,735	2,781	2,814	3,129	3,210	3,232
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>3,474</b>	<b>Total applications of operating funding (B)</b>	<b>3,900</b>	<b>4,030</b>	<b>4,121</b>	<b>4,179</b>	<b>4,242</b>	<b>4,328</b>	<b>4,383</b>	<b>4,742</b>	<b>4,848</b>	<b>4,918</b>
<b>(404)</b>	<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources of capital funding</b>											
0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>0</b>	<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>											
Capital expenditure											
0	- to meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- to improve level of service	0	0	0	0	0	0	0	0	0	0
0	- to replace existing assets	0	0	0	0	0	0	0	0	0	0
(404)	Increase/(decrease) in reserves	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>(404)</b>	<b>Total applications of capital funding (D)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>404</b>	<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>
<b>0</b>	<b>Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Governance and Support

### Governance

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>											
2,313	General rates, uniform annual general charges, rates penalties	2,604	2,643	2,591	2,688	2,808	2,750	2,877	3,010	2,973	3,056
0	Targeted rates	0	0	0	0	0	0	0	0	0	0
1	Subsidies and grants for operating purposes	0	61	0	0	65	0	0	70	0	0
13	Fees and charges	13	13	14	14	14	15	15	15	16	16
0	Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0
0	Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
0	Local authorities fuel Tax, fines, infringement fees and other receipts	2	2	2	2	2	2	2	2	2	2
<b>2,327</b>	<b>Total Operating Funding (A)</b>	<b>2,620</b>	<b>2,720</b>	<b>2,607</b>	<b>2,704</b>	<b>2,890</b>	<b>2,767</b>	<b>2,894</b>	<b>3,098</b>	<b>2,991</b>	<b>3,075</b>
<b>Applications of operating funding</b>											
1,291	Payments to staff and suppliers	1,236	1,317	1,182	1,265	1,431	1,274	1,366	1,530	1,384	1,425
0	Finance costs	0	0	0	0	0	0	0	0	0	0
1,234	Internal charges and overheads applied	1,381	1,401	1,422	1,437	1,457	1,490	1,526	1,566	1,605	1,647
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>2,526</b>	<b>Total applications of operating funding (B)</b>	<b>2,618</b>	<b>2,718</b>	<b>2,605</b>	<b>2,702</b>	<b>2,888</b>	<b>2,765</b>	<b>2,892</b>	<b>3,096</b>	<b>2,989</b>	<b>3,073</b>
<b>(198)</b>	<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Sources of capital funding</b>											
0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>0</b>	<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>											
Capital expenditure											
0	- to meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- to improve level of service	0	0	0	0	0	0	0	0	0	0
0	- to replace existing assets	0	0	0	0	0	0	0	0	0	0
(198)	Increase/(decrease) in reserves	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>(198)</b>	<b>Total applications of capital funding (D)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>198</b>	<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Support Services

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>											
(156)	General rates, uniform annual general charges, rates penalties	(1,155)	(667)	(240)	109	568	32	105	(107)	(369)	(608)
0	Targeted rates	0	0	0	0	0	0	0	0	0	0
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
132	Fees and charges	42	43	44	44	45	47	48	49	50	51
18,398	Internal charges and overheads recovered	19,416	20,042	20,499	20,651	20,973	21,340	21,712	23,871	24,478	24,811
1,847	Interest and Dividends from Investments	1,457	1,457	1,500	1,550	1,885	3,750	2,350	3,600	2,400	1,600
416	Local authorities fuel Tax, fines, infringement fees and other receipts	352	352	352	362	362	377	377	387	387	387
<b>20,637</b>	<b>Total Operating Funding (A)</b>	<b>20,112</b>	<b>21,226</b>	<b>22,155</b>	<b>22,717</b>	<b>23,833</b>	<b>25,545</b>	<b>24,592</b>	<b>27,801</b>	<b>26,946</b>	<b>26,242</b>
<b>Applications of operating funding</b>											
14,021	Payments to staff and suppliers	12,206	12,788	13,307	13,595	13,854	14,096	14,417	14,759	15,043	15,417
(1,146)	Finance costs	(197)	117	391	594	899	358	442	149	(149)	(383)
6,425	Internal charges and overheads applied	6,407	6,536	6,702	6,774	6,862	7,033	7,192	7,588	7,807	7,983
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>19,300</b>	<b>Total applications of operating funding (B)</b>	<b>18,416</b>	<b>19,441</b>	<b>20,400</b>	<b>20,962</b>	<b>21,615</b>	<b>21,487</b>	<b>22,051</b>	<b>22,496</b>	<b>22,700</b>	<b>23,017</b>
<b>1,337</b>	<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>1,696</b>	<b>1,785</b>	<b>1,755</b>	<b>1,755</b>	<b>2,218</b>	<b>4,058</b>	<b>2,541</b>	<b>5,305</b>	<b>4,246</b>	<b>3,225</b>
<b>Sources of capital funding</b>											
0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
699	Development and financial contributions	699	699	699	699	699	699	699	699	699	699
389	Increase/(decrease) in debt	(951)	(1,064)	(778)	(791)	(241)	(259)	(113)	(12)	(11)	(10)
12	Gross proceeds from sale of assets	12	12	12	12	12	12	12	12	12	12
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>1,100</b>	<b>Total sources of capital funding (C)</b>	<b>(240)</b>	<b>(353)</b>	<b>(67)</b>	<b>(80)</b>	<b>470</b>	<b>452</b>	<b>598</b>	<b>699</b>	<b>700</b>	<b>701</b>
<b>Applications of capital funding</b>											
Capital expenditure											
0	- to meet additional demand	0	0	0	0	0	0	0	0	0	0
985	- to improve level of service	575	72	77	79	80	82	81	83	85	87
1,152	- to replace existing assets	1,959	2,063	2,308	2,977	1,675	1,213	1,534	1,146	2,075	2,237
300	Increase/(decrease) in reserves	(1,078)	(703)	(696)	(1,381)	932	3,214	1,525	4,774	2,785	1,601
0	Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>2,437</b>	<b>Total applications of capital funding (D)</b>	<b>1,456</b>	<b>1,432</b>	<b>1,688</b>	<b>1,675</b>	<b>2,688</b>	<b>4,510</b>	<b>3,139</b>	<b>6,003</b>	<b>4,945</b>	<b>3,925</b>
<b>(1,337)</b>	<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(1,696)</b>	<b>(1,785)</b>	<b>(1,755)</b>	<b>(1,755)</b>	<b>(2,218)</b>	<b>(4,058)</b>	<b>(2,541)</b>	<b>(5,305)</b>	<b>(4,246)</b>	<b>(3,225)</b>
<b>0</b>	<b>Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Infrastructure Services

### Rivers, Land and Coastal

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>											
1,522	General rates, uniform annual general charges, rates penalties	1,702	1,781	1,868	1,900	1,930	1,967	2,012	2,156	2,326	2,726
1,147	Targeted rates	1,135	1,226	1,282	1,338	1,397	1,464	1,534	1,523	1,595	1,671
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
172	Fees and charges	172	176	180	184	188	192	197	202	207	212
93	Internal charges and overheads recovered	378	274	226	176	211	253	297	341	386	433
0	Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
11	Local authorities fuel Tax, fines, infringement fees and other receipts	11	12	12	12	12	13	13	13	14	14
<b>2,946</b>	<b>Total Operating Funding (A)</b>	<b>3,398</b>	<b>3,469</b>	<b>3,568</b>	<b>3,610</b>	<b>3,738</b>	<b>3,889</b>	<b>4,053</b>	<b>4,235</b>	<b>4,528</b>	<b>5,056</b>
<b>Applications of operating funding</b>											
1,475	Payments to staff and suppliers	1,928	2,013	2,056	2,101	2,148	2,197	2,250	2,221	2,277	2,336
275	Finance costs	283	342	399	435	464	506	550	588	632	679
1,048	Internal charges and overheads applied	1,050	968	938	897	947	1,003	1,061	1,152	1,217	1,278
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>2,798</b>	<b>Total applications of operating funding (B)</b>	<b>3,262</b>	<b>3,323</b>	<b>3,393</b>	<b>3,433</b>	<b>3,559</b>	<b>3,707</b>	<b>3,861</b>	<b>3,961</b>	<b>4,125</b>	<b>4,293</b>
<b>148</b>	<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>137</b>	<b>146</b>	<b>175</b>	<b>177</b>	<b>179</b>	<b>183</b>	<b>192</b>	<b>274</b>	<b>403</b>	<b>763</b>
<b>Sources of capital funding</b>											
0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
582	Increase/(decrease) in debt	1,058	1,307	971	476	688	986	777	725	1,051	832
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>582</b>	<b>Total sources of capital funding (C)</b>	<b>1,058</b>	<b>1,307</b>	<b>971</b>	<b>476</b>	<b>688</b>	<b>986</b>	<b>777</b>	<b>725</b>	<b>1,051</b>	<b>832</b>
<b>Applications of capital funding</b>											
Capital expenditure											
0	- to meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- to improve level of service	155	651	273	64	11	293	69	12	317	75
1,669	- to replace existing assets	1,875	2,178	1,730	1,235	1,814	2,141	1,908	1,958	2,315	2,067
(939)	Increase/(decrease) in reserves	(835)	(1,376)	(857)	(646)	(958)	(1,266)	(1,008)	(971)	(1,178)	(546)
0	Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>730</b>	<b>Total applications of capital funding (D)</b>	<b>1,195</b>	<b>1,453</b>	<b>1,146</b>	<b>653</b>	<b>867</b>	<b>1,168</b>	<b>969</b>	<b>998</b>	<b>1,454</b>	<b>1,596</b>
<b>(148)</b>	<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(137)</b>	<b>(146)</b>	<b>(175)</b>	<b>(177)</b>	<b>(179)</b>	<b>(183)</b>	<b>(192)</b>	<b>(274)</b>	<b>(403)</b>	<b>(763)</b>
<b>0</b>	<b>Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Land Transport (Tairāwhiti Roads)

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>											
0	General rates, uniform annual general charges, rates penalties	125	250	375	500	625	625	625	625	625	89
10,609	Targeted rates	11,948	12,100	12,233	12,306	12,710	13,053	14,870	15,600	16,014	16,458
8,993	Subsidies and grants for operating purposes	12,447	12,874	13,301	12,926	13,197	13,473	13,887	14,201	14,536	15,033
2	Fees and charges	0	0	0	0	0	0	0	0	0	0
1,160	Internal charges and overheads recovered	2,461	2,462	2,462	2,517	2,517	2,518	2,696	2,697	2,697	2,907
0	Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
16	Local authorities fuel Tax, fines, infringement fees and other receipts	46	46	47	49	50	51	52	53	55	56
<b>20,780</b>	<b>Total Operating Funding (A)</b>	<b>27,026</b>	<b>27,732</b>	<b>28,418</b>	<b>28,298</b>	<b>29,099</b>	<b>29,719</b>	<b>32,130</b>	<b>33,176</b>	<b>33,927</b>	<b>34,543</b>
<b>Applications of operating funding</b>											
12,940	Payments to staff and suppliers	17,598	18,054	18,514	17,867	18,292	18,726	19,189	19,683	20,208	20,769
357	Finance costs	347	365	389	402	391	383	370	349	327	321
2,787	Internal charges and overheads applied	4,841	4,921	4,983	5,053	5,101	5,149	5,366	5,597	5,671	5,915
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>16,084</b>	<b>Total applications of operating funding (B)</b>	<b>22,785</b>	<b>23,340</b>	<b>23,885</b>	<b>23,322</b>	<b>23,784</b>	<b>24,257</b>	<b>24,925</b>	<b>25,629</b>	<b>26,207</b>	<b>27,005</b>
<b>4,696</b>	<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>4,241</b>	<b>4,391</b>	<b>4,533</b>	<b>4,975</b>	<b>5,315</b>	<b>5,462</b>	<b>7,205</b>	<b>7,547</b>	<b>7,720</b>	<b>7,538</b>
<b>Sources of capital funding</b>											
9,266	Subsidies and grants for capital expenditure	12,420	10,529	12,449	12,800	13,639	15,261	11,542	11,921	12,162	12,544
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
1,942	Increase/(decrease) in debt	267	486	439	87	(510)	174	(678)	(182)	(664)	401
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>11,208</b>	<b>Total sources of capital funding (C)</b>	<b>12,688</b>	<b>11,015</b>	<b>12,888</b>	<b>12,887</b>	<b>13,130</b>	<b>15,435</b>	<b>10,864</b>	<b>11,739</b>	<b>11,498</b>	<b>12,945</b>
<b>Applications of capital funding</b>											
Capital expenditure											
1,000	- to meet additional demand	50	715	522	52	1,061	0	0	59	605	62
4,280	- to improve level of service	4,134	2,258	3,812	3,514	3,687	5,749	1,032	1,560	1,087	1,638
9,732	- to replace existing assets	14,150	14,459	14,814	15,107	15,458	15,633	15,852	16,352	16,673	17,202
892	Increase/(decrease) in reserves	(1,405)	(2,026)	(1,727)	(810)	(1,762)	(485)	1,185	1,315	854	1,582
0	Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>15,904</b>	<b>Total applications of capital funding (D)</b>	<b>16,929</b>	<b>15,407</b>	<b>17,421</b>	<b>17,862</b>	<b>18,444</b>	<b>20,897</b>	<b>18,069</b>	<b>19,286</b>	<b>19,219</b>	<b>20,483</b>
<b>(4,696)</b>	<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(4,241)</b>	<b>(4,391)</b>	<b>(4,533)</b>	<b>(4,975)</b>	<b>(5,315)</b>	<b>(5,462)</b>	<b>(7,205)</b>	<b>(7,547)</b>	<b>(7,720)</b>	<b>(7,538)</b>
<b>0</b>	<b>Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Finances

## Solid Waste

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>											
2,319	General rates, uniform annual general charges, rates penalties	2,628	2,698	2,810	3,636	3,608	3,593	2,110	2,193	2,213	2,238
2,035	Targeted rates	1,916	1,956	1,999	2,043	2,089	2,137	2,188	2,242	2,299	2,360
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
156	Fees and charges	186	187	188	190	191	192	193	195	196	198
44	Internal charges and overheads recovered	31	31	31	31	31	31	31	31	31	31
0	Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
10	Local authorities fuel Tax, fines, infringement fees and other receipts	10	10	10	10	11	11	11	11	12	12
<b>4,564</b>	<b>Total Operating Funding (A)</b>	<b>4,770</b>	<b>4,882</b>	<b>5,038</b>	<b>5,909</b>	<b>5,929</b>	<b>5,964</b>	<b>4,533</b>	<b>4,671</b>	<b>4,751</b>	<b>4,838</b>
<b>Applications of operating funding</b>											
3,309	Payments to staff and suppliers	3,284	3,357	3,432	3,510	3,592	3,677	3,768	3,863	3,964	4,071
300	Finance costs	224	201	180	130	53	(26)	(68)	(72)	(76)	(80)
137	Internal charges and overheads applied	332	344	353	354	360	367	370	407	418	419
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>3,746</b>	<b>Total applications of operating funding (B)</b>	<b>3,840</b>	<b>3,901</b>	<b>3,966</b>	<b>3,995</b>	<b>4,005</b>	<b>4,018</b>	<b>4,070</b>	<b>4,198</b>	<b>4,305</b>	<b>4,411</b>
<b>818</b>	<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>930</b>	<b>981</b>	<b>1,073</b>	<b>1,914</b>	<b>1,924</b>	<b>1,946</b>	<b>463</b>	<b>473</b>	<b>446</b>	<b>427</b>
<b>Sources of capital funding</b>											
0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
(704)	Increase/(decrease) in debt	(594)	(340)	(469)	(1,535)	(1,569)	(1,587)	(78)	(80)	(96)	(47)
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>(704)</b>	<b>Total sources of capital funding (C)</b>	<b>(594)</b>	<b>(340)</b>	<b>(469)</b>	<b>(1,535)</b>	<b>(1,569)</b>	<b>(1,587)</b>	<b>(78)</b>	<b>(80)</b>	<b>(96)</b>	<b>(47)</b>
<b>Applications of capital funding</b>											
Capital expenditure											
0	- to meet additional demand	0	0	0	0	0	0	0	0	0	0
10	- to improve level of service	10	246	179	10	12	0	14	12	0	0
108	- to replace existing assets	75	105	111	116	82	58	41	480	2	56
(3)	Increase/(decrease) in reserves	251	290	314	253	260	301	330	(99)	348	324
0	Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>114</b>	<b>Total applications of capital funding (D)</b>	<b>336</b>	<b>641</b>	<b>604</b>	<b>379</b>	<b>355</b>	<b>359</b>	<b>385</b>	<b>393</b>	<b>349</b>	<b>380</b>
<b>(818)</b>	<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(930)</b>	<b>(981)</b>	<b>(1,073)</b>	<b>(1,914)</b>	<b>(1,924)</b>	<b>(1,946)</b>	<b>(463)</b>	<b>(473)</b>	<b>(446)</b>	<b>(427)</b>
<b>0</b>	<b>Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Urban Stormwater

AP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>										
0	0	0	0	0	0	0	0	0	0	0
2,934	2,894	3,038	3,172	3,296	3,399	3,456	3,530	3,664	3,748	3,808
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
420	182	186	190	194	198	203	208	213	218	224
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
<b>3,353</b>	<b>3,076</b>	<b>3,224</b>	<b>3,362</b>	<b>3,490</b>	<b>3,598</b>	<b>3,659</b>	<b>3,738</b>	<b>3,877</b>	<b>3,966</b>	<b>4,032</b>
<b>Applications of operating funding</b>										
1,546	1,255	1,284	1,310	1,347	1,393	1,410	1,442	1,476	1,512	1,530
371	332	390	445	490	507	510	514	517	518	521
516	589	612	628	633	646	656	666	734	752	760
0	0	0	0	0	0	0	0	0	0	0
<b>2,434</b>	<b>2,176</b>	<b>2,286</b>	<b>2,384</b>	<b>2,471</b>	<b>2,547</b>	<b>2,577</b>	<b>2,623</b>	<b>2,728</b>	<b>2,782</b>	<b>2,811</b>
<b>919</b>	<b>900</b>	<b>938</b>	<b>978</b>	<b>1,020</b>	<b>1,051</b>	<b>1,082</b>	<b>1,115</b>	<b>1,149</b>	<b>1,184</b>	<b>1,221</b>
<b>Sources of capital funding</b>										
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
564	1,323	1,006	1,192	602	56	83	88	21	25	87
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
<b>564</b>	<b>1,323</b>	<b>1,006</b>	<b>1,192</b>	<b>602</b>	<b>56</b>	<b>83</b>	<b>88</b>	<b>21</b>	<b>25</b>	<b>87</b>
<b>Applications of capital funding</b>										
Capital expenditure										
143	14	526	538	14	15	15	16	16	16	17
0	1,540	1,476	1,332	870	627	676	694	641	658	733
1,511	757	447	919	1,381	601	638	713	506	581	666
(171)	(88)	(507)	(619)	(644)	(135)	(165)	(219)	8	(46)	(107)
0	0	0	0	0	0	0	0	0	0	0
<b>1,483</b>	<b>2,222</b>	<b>1,943</b>	<b>2,170</b>	<b>1,621</b>	<b>1,108</b>	<b>1,165</b>	<b>1,203</b>	<b>1,170</b>	<b>1,209</b>	<b>1,308</b>
<b>(919)</b>	<b>(900)</b>	<b>(938)</b>	<b>(978)</b>	<b>(1,020)</b>	<b>(1,051)</b>	<b>(1,082)</b>	<b>(1,115)</b>	<b>(1,149)</b>	<b>(1,184)</b>	<b>(1,221)</b>
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Finances

## Wastewater

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>											
0	General rates, uniform annual general charges, rates penalties	0	0	0	0	0	200	750	675	1,950	2,900
6,828	Targeted rates	6,703	6,867	7,020	7,448	8,220	10,740	11,015	11,071	11,221	11,356
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
333	Fees and charges	349	358	366	375	384	393	404	414	425	437
1,041	Internal charges and overheads recovered	1,009	1,030	1,053	1,076	1,100	1,126	1,153	1,181	1,211	1,243
0	Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
6	Local authorities fuel Tax, fines, infringement fees and other receipts	8	8	8	8	8	8	9	9	9	9
<b>8,208</b>	<b>Total Operating Funding (A)</b>	<b>8,068</b>	<b>8,263</b>	<b>8,446</b>	<b>8,907</b>	<b>9,712</b>	<b>12,467</b>	<b>13,330</b>	<b>13,350</b>	<b>14,816</b>	<b>15,945</b>
<b>Applications of operating funding</b>											
3,363	Payments to staff and suppliers	3,318	3,406	3,480	3,562	3,647	5,364	5,494	5,628	5,770	5,922
1,209	Finance costs	1,032	1,017	994	1,088	1,581	1,932	1,849	1,767	1,678	1,577
2,294	Internal charges and overheads applied	2,076	2,138	2,191	2,224	2,273	2,318	2,364	2,489	2,549	2,600
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>6,866</b>	<b>Total applications of operating funding (B)</b>	<b>6,426</b>	<b>6,561</b>	<b>6,665</b>	<b>6,874</b>	<b>7,501</b>	<b>9,614</b>	<b>9,707</b>	<b>9,884</b>	<b>9,997</b>	<b>10,099</b>
<b>1,342</b>	<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>1,642</b>	<b>1,702</b>	<b>1,781</b>	<b>2,033</b>	<b>2,212</b>	<b>2,853</b>	<b>3,623</b>	<b>3,465</b>	<b>4,819</b>	<b>5,847</b>
<b>Sources of capital funding</b>											
0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
554	Increase/(decrease) in debt	(125)	(511)	(377)	4,105	15,630	(1,568)	(1,785)	(1,481)	(2,088)	(1,951)
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>554</b>	<b>Total sources of capital funding (C)</b>	<b>(125)</b>	<b>(511)</b>	<b>(377)</b>	<b>4,105</b>	<b>15,630</b>	<b>(1,568)</b>	<b>(1,785)</b>	<b>(1,481)</b>	<b>(2,088)</b>	<b>(1,951)</b>
<b>Applications of capital funding</b>											
Capital expenditure											
122	- to meet additional demand	193	1,256	115	475	1,447	597	35	36	67	507
246	- to improve level of service	276	472	965	5,087	15,826	0	0	593	0	157
3,831	- to replace existing assets	2,896	2,429	1,914	2,169	1,704	1,944	2,197	2,046	1,919	2,474
(2,302)	Increase/(decrease) in reserves	(1,848)	(2,965)	(1,590)	(1,593)	(1,136)	(1,257)	(393)	(690)	745	758
0	Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>1,896</b>	<b>Total applications of capital funding (D)</b>	<b>1,517</b>	<b>1,191</b>	<b>1,404</b>	<b>6,138</b>	<b>17,842</b>	<b>1,284</b>	<b>1,838</b>	<b>1,985</b>	<b>2,731</b>	<b>3,896</b>
<b>(1,342)</b>	<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(1,642)</b>	<b>(1,702)</b>	<b>(1,781)</b>	<b>(2,033)</b>	<b>(2,212)</b>	<b>(2,853)</b>	<b>(3,623)</b>	<b>(3,465)</b>	<b>(4,819)</b>	<b>(5,847)</b>
<b>0</b>	<b>Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Water Supply

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>											
0	General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0
4,946	Targeted rates	6,314	6,556	6,671	6,818	6,980	7,167	7,422	7,847	8,129	8,347
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
78	Fees and charges	78	80	82	84	86	88	90	92	95	98
1,395	Internal charges and overheads recovered	728	743	760	776	794	812	832	852	874	897
0	Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
0	Local authorities fuel Tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
<b>6,419</b>	<b>Total Operating Funding (A)</b>	<b>7,120</b>	<b>7,380</b>	<b>7,512</b>	<b>7,678</b>	<b>7,860</b>	<b>8,067</b>	<b>8,344</b>	<b>8,791</b>	<b>9,098</b>	<b>9,341</b>
<b>Applications of operating funding</b>											
2,882	Payments to staff and suppliers	3,042	3,161	3,201	3,277	3,349	3,424	3,504	3,594	3,682	3,766
60	Finance costs	78	88	82	85	88	95	131	170	197	225
1,675	Internal charges and overheads applied	1,715	1,771	1,815	1,839	1,879	1,913	1,949	2,083	2,133	2,169
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>4,617</b>	<b>Total applications of operating funding (B)</b>	<b>4,836</b>	<b>5,019</b>	<b>5,098</b>	<b>5,202</b>	<b>5,316</b>	<b>5,433</b>	<b>5,584</b>	<b>5,847</b>	<b>6,012</b>	<b>6,160</b>
<b>1,802</b>	<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>2,284</b>	<b>2,360</b>	<b>2,414</b>	<b>2,477</b>	<b>2,543</b>	<b>2,634</b>	<b>2,760</b>	<b>2,944</b>	<b>3,085</b>	<b>3,181</b>
<b>Sources of capital funding</b>											
0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
(58)	Increase/(decrease) in debt	513	(107)	(138)	265	(138)	417	1,010	559	530	580
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>(58)</b>	<b>Total sources of capital funding (C)</b>	<b>513</b>	<b>(107)</b>	<b>(138)</b>	<b>265</b>	<b>(138)</b>	<b>417</b>	<b>1,010</b>	<b>559</b>	<b>530</b>	<b>580</b>
<b>Applications of capital funding</b>											
Capital expenditure											
32	- to meet additional demand	33	34	664	36	37	376	38	455	863	1,294
0	- to improve level of service	620	0	0	1,208	715	563	1,156	736	0	0
1,102	- to replace existing assets	1,227	1,878	2,560	2,300	2,069	1,882	1,757	973	694	714
610	Increase/(decrease) in reserves	917	342	(949)	(802)	(415)	231	818	1,339	2,058	1,753
0	Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>1,744</b>	<b>Total applications of capital funding (D)</b>	<b>2,797</b>	<b>2,253</b>	<b>2,276</b>	<b>2,741</b>	<b>2,405</b>	<b>3,051</b>	<b>3,770</b>	<b>3,502</b>	<b>3,615</b>	<b>3,761</b>
<b>(1,802)</b>	<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(2,284)</b>	<b>(2,360)</b>	<b>(2,414)</b>	<b>(2,477)</b>	<b>(2,543)</b>	<b>(2,634)</b>	<b>(2,760)</b>	<b>(2,944)</b>	<b>(3,085)</b>	<b>(3,181)</b>
<b>0</b>	<b>Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Planning and Development

### Customer Engagement

AP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>										
0 General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0
0 Targeted rates	0	0	0	0	0	0	0	0	0	0
0 Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
0 Fees and charges	64	66	67	69	70	72	74	76	78	80
0 Internal charges and overheads recovered	1,708	1,726	1,782	1,768	1,790	1,865	1,863	1,902	1,985	1,986
0 Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
0 Local authorities fuel Tax, fines, infringement fees and other receipts	28	29	29	30	31	31	32	33	34	34
<b>0 Total Operating Funding (A)</b>	<b>1,800</b>	<b>1,820</b>	<b>1,879</b>	<b>1,866</b>	<b>1,891</b>	<b>1,968</b>	<b>1,969</b>	<b>2,011</b>	<b>2,096</b>	<b>2,101</b>
<b>Applications of operating funding</b>										
0 Payments to staff and suppliers	1,692	1,720	1,787	1,783	1,816	1,890	1,888	1,927	2,009	2,010
0 Finance costs	0	0	0	0	0	0	0	0	0	0
0 Internal charges and overheads applied	108	99	91	83	74	77	80	83	87	90
0 Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>0 Total applications of operating funding (B)</b>	<b>1,800</b>	<b>1,820</b>	<b>1,878</b>	<b>1,866</b>	<b>1,891</b>	<b>1,968</b>	<b>1,968</b>	<b>2,010</b>	<b>2,096</b>	<b>2,100</b>
<b>0 Surplus/(deficit) of operating funding (A-B)</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Sources of capital funding</b>										
0 Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0 Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0 Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
0 Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0 Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>0 Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>										
Capital expenditure										
0 - to meet additional demand	0	0	0	0	0	0	0	0	0	0
0 - to improve level of service	0	0	0	0	0	0	0	0	0	0
0 - to replace existing assets	0	0	0	0	0	0	0	0	0	0
0 Increase/(decrease) in reserves	1	1	1	1	1	1	1	1	1	1
0 Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>0 Total applications of capital funding (D)</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>0 Surplus/(deficit) of capital funding (C-D)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>
<b>0 Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Emergency Management

AP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>										
0 General rates, uniform annual general charges, rates penalties	574	614	626	635	647	659	670	705	720	732
0 Targeted rates	0	0	0	0	0	0	0	0	0	0
0 Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
0 Fees and charges	0	0	0	0	0	0	0	0	0	0
0 Internal charges and overheads recovered	11	11	11	12	12	12	13	13	13	13
0 Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
0 Local authorities fuel Tax, fines, infringement fees and other receipts	66	42	43	44	45	46	47	48	50	51
<b>0 Total Operating Funding (A)</b>	<b>651</b>	<b>667</b>	<b>681</b>	<b>691</b>	<b>704</b>	<b>717</b>	<b>730</b>	<b>766</b>	<b>783</b>	<b>796</b>
<b>Applications of operating funding</b>										
0 Payments to staff and suppliers	422	429	437	446	455	464	474	485	495	507
0 Finance costs	0	0	0	0	0	0	0	0	0	0
0 Internal charges and overheads applied	197	205	211	212	216	220	222	248	254	256
0 Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>0 Total applications of operating funding (B)</b>	<b>619</b>	<b>634</b>	<b>648</b>	<b>658</b>	<b>671</b>	<b>684</b>	<b>697</b>	<b>733</b>	<b>750</b>	<b>763</b>
<b>0 Surplus/(deficit) of operating funding (A-B)</b>	<b>32</b>	<b>32</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>33</b>
<b>Sources of capital funding</b>										
0 Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0 Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0 Increase/(decrease) in debt	(3)	(3)	0	0	0	0	0	0	0	0
0 Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0 Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>0 Total sources of capital funding (C)</b>	<b>(3)</b>	<b>(3)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>										
Capital expenditure										
0 - to meet additional demand	0	0	0	0	0	0	0	0	0	0
0 - to improve level of service	0	0	0	0	0	0	0	0	0	0
0 - to replace existing assets	0	0	0	0	0	0	0	0	0	0
0 Increase/(decrease) in reserves	29	29	33	33	33	33	33	33	33	33
0 Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>0 Total applications of capital funding (D)</b>	<b>29</b>	<b>29</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>33</b>
<b>0 Surplus/(deficit) of capital funding (C-D)</b>	<b>(32)</b>	<b>(32)</b>	<b>(33)</b>	<b>(33)</b>	<b>(33)</b>	<b>(33)</b>	<b>(33)</b>	<b>(33)</b>	<b>(33)</b>	<b>(33)</b>
<b>0 Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Strategic Planning and Performance

AP 2018		LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>											
1,934	General rates, uniform annual general charges, rates penalties	1,648	1,602	1,623	1,639	1,666	1,693	1,718	1,873	1,918	1,940
2,871	Targeted rates	2,542	2,707	2,774	2,721	2,782	2,849	2,901	2,801	2,863	2,914
125	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
0	Fees and charges	0	0	0	0	0	0	0	0	0	0
101	Internal charges and overheads recovered	345	351	358	365	372	379	387	395	404	413
0	Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
28	Local authorities fuel Tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
<b>5,059</b>	<b>Total Operating Funding (A)</b>	<b>4,535</b>	<b>4,660</b>	<b>4,755</b>	<b>4,725</b>	<b>4,820</b>	<b>4,921</b>	<b>5,006</b>	<b>5,070</b>	<b>5,185</b>	<b>5,267</b>
<b>Applications of operating funding</b>											
3,829	Payments to staff and suppliers	3,211	3,288	3,356	3,321	3,395	3,477	3,546	3,386	3,457	3,532
0	Finance costs	0	0	0	0	0	0	0	0	0	0
1,254	Internal charges and overheads applied	1,323	1,372	1,399	1,404	1,425	1,445	1,460	1,684	1,728	1,734
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>5,083</b>	<b>Total applications of operating funding (B)</b>	<b>4,535</b>	<b>4,660</b>	<b>4,755</b>	<b>4,725</b>	<b>4,820</b>	<b>4,921</b>	<b>5,006</b>	<b>5,070</b>	<b>5,185</b>	<b>5,267</b>
<b>(24)</b>	<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources of capital funding</b>											
0	Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>0</b>	<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>											
Capital expenditure											
0	- to meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- to improve level of service	0	0	0	0	0	0	0	0	0	0
0	- to replace existing assets	0	0	0	0	0	0	0	0	0	0
(24)	Increase/(decrease) in reserves	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>(24)</b>	<b>Total applications of capital funding (D)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>24</b>	<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Liveable Communities

### Recreation and Amenity

AP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>										
0 General rates, uniform annual general charges, rates penalties	2,938	3,060	3,209	3,513	3,566	3,608	3,648	3,764	3,817	3,863
0 Targeted rates	4,891	5,004	5,119	5,192	5,274	5,369	5,453	5,705	5,777	5,857
0 Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
0 Fees and charges	872	891	911	932	954	977	1,002	1,027	1,054	1,083
0 Internal charges and overheads recovered	1,349	1,431	1,506	1,752	1,736	1,717	1,698	1,712	1,696	1,677
0 Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
0 Local authorities fuel Tax, fines, infringement fees and other receipts	75	77	89	91	93	95	98	100	103	105
<b>0 Total Operating Funding (A)</b>	<b>10,125</b>	<b>10,463</b>	<b>10,835</b>	<b>11,480</b>	<b>11,624</b>	<b>11,767</b>	<b>11,899</b>	<b>12,308</b>	<b>12,447</b>	<b>12,586</b>
<b>Applications of operating funding</b>										
0 Payments to staff and suppliers	5,984	6,061	6,163	6,304	6,437	6,600	6,715	6,873	7,023	7,197
0 Finance costs	572	650	758	814	780	736	737	737	689	642
0 Internal charges and overheads applied	2,709	2,847	2,973	3,230	3,250	3,264	3,274	3,432	3,465	3,474
0 Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>0 Total applications of operating funding (B)</b>	<b>9,265</b>	<b>9,558</b>	<b>9,894</b>	<b>10,348</b>	<b>10,467</b>	<b>10,600</b>	<b>10,726</b>	<b>11,041</b>	<b>11,177</b>	<b>11,314</b>
<b>0 Surplus/(deficit) of operating funding (A-B)</b>	<b>861</b>	<b>905</b>	<b>941</b>	<b>1,133</b>	<b>1,157</b>	<b>1,167</b>	<b>1,173</b>	<b>1,267</b>	<b>1,270</b>	<b>1,272</b>
<b>Sources of capital funding</b>										
0 Subsidies and grants for capital expenditure	1,460	7,950	6,769	0	0	0	3,412	3,494	0	0
0 Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0 Increase/(decrease) in debt	1,817	1,865	3,034	(240)	(535)	(651)	1,264	(720)	(600)	(722)
0 Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0 Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>0 Total sources of capital funding (C)</b>	<b>3,277</b>	<b>9,815</b>	<b>9,803</b>	<b>(240)</b>	<b>(535)</b>	<b>(651)</b>	<b>4,676</b>	<b>2,774</b>	<b>(600)</b>	<b>(722)</b>
<b>Applications of capital funding</b>										
Capital expenditure										
0 - to meet additional demand	10	10	10	11	446	183	182	12	12	12
0 - to improve level of service	3,361	10,058	9,780	228	72	91	5,164	3,595	49	113
0 - to replace existing assets	907	1,394	962	343	735	545	2,600	396	685	396
0 Increase/(decrease) in reserves	(140)	(742)	(8)	311	(631)	(304)	(2,098)	38	(75)	29
0 Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>0 Total applications of capital funding (D)</b>	<b>4,137</b>	<b>10,720</b>	<b>10,744</b>	<b>892</b>	<b>622</b>	<b>515</b>	<b>5,848</b>	<b>4,041</b>	<b>670</b>	<b>550</b>
<b>0 Surplus/(deficit) of capital funding (C-D)</b>	<b>(861)</b>	<b>(905)</b>	<b>(941)</b>	<b>(1,133)</b>	<b>(1,157)</b>	<b>(1,167)</b>	<b>(1,173)</b>	<b>(1,267)</b>	<b>(1,270)</b>	<b>(1,272)</b>
<b>0 Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Cultural Activities

AP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022	LTP 2023	LTP 2024	LTP 2025	LTP 2026	LTP 2027	LTP 2028
\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>										
0 General rates, uniform annual general charges, rates penalties	3,489	3,613	3,652	3,684	3,735	3,771	3,806	4,010	4,042	4,077
0 Targeted rates	141	151	154	155	158	160	162	178	182	185
0 Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
0 Fees and charges	365	405	414	423	433	443	454	465	477	489
0 Internal charges and overheads recovered	516	526	525	526	533	536	539	552	556	560
0 Interest and Dividends from Investments	0	0	0	0	0	0	0	0	0	0
0 Local authorities fuel Tax, fines, infringement fees and other receipts	17	17	18	18	18	19	19	20	20	21
<b>0 Total Operating Funding (A)</b>	<b>4,528</b>	<b>4,713</b>	<b>4,763</b>	<b>4,807</b>	<b>4,877</b>	<b>4,929</b>	<b>4,980</b>	<b>5,225</b>	<b>5,277</b>	<b>5,331</b>
<b>Applications of operating funding</b>										
0 Payments to staff and suppliers	2,441	2,498	2,533	2,569	2,607	2,646	2,688	2,732	2,777	2,826
0 Finance costs	90	94	91	88	85	82	79	76	74	72
0 Internal charges and overheads applied	1,428	1,478	1,493	1,498	1,520	1,534	1,545	1,694	1,723	1,729
0 Other operating funding applications	0	0	0	0	0	0	0	0	0	0
<b>0 Total applications of operating funding (B)</b>	<b>3,959</b>	<b>4,070</b>	<b>4,116</b>	<b>4,155</b>	<b>4,212</b>	<b>4,262</b>	<b>4,312</b>	<b>4,501</b>	<b>4,574</b>	<b>4,627</b>
<b>0 Surplus/(deficit) of operating funding (A-B)</b>	<b>569</b>	<b>642</b>	<b>647</b>	<b>652</b>	<b>665</b>	<b>667</b>	<b>669</b>	<b>723</b>	<b>703</b>	<b>704</b>
<b>Sources of capital funding</b>										
0 Subsidies and grants for capital expenditure	1,961	10	10	11	11	11	11	12	12	12
0 Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0 Increase/(decrease) in debt	(60)	(338)	(348)	(348)	(348)	(348)	(340)	(333)	(326)	(313)
0 Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0 Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>0 Total sources of capital funding (C)</b>	<b>1,901</b>	<b>(328)</b>	<b>(337)</b>	<b>(337)</b>	<b>(337)</b>	<b>(337)</b>	<b>(329)</b>	<b>(321)</b>	<b>(314)</b>	<b>(301)</b>
<b>Applications of capital funding</b>										
Capital expenditure										
0 - to meet additional demand	0	0	0	0	0	0	0	0	0	0
0 - to improve level of service	367	0	0	0	0	0	0	0	0	0
0 - to replace existing assets	2,107	254	391	255	261	270	279	285	292	282
0 Increase/(decrease) in reserves	(5)	61	(81)	59	67	61	62	117	97	122
0 Increase/(decrease) of investments	0	0	0	0	0	0	0	0	0	0
<b>0 Total applications of capital funding (D)</b>	<b>2,470</b>	<b>315</b>	<b>309</b>	<b>314</b>	<b>328</b>	<b>330</b>	<b>340</b>	<b>402</b>	<b>389</b>	<b>404</b>
<b>0 Surplus/(deficit) of capital funding (C-D)</b>	<b>(569)</b>	<b>(642)</b>	<b>(647)</b>	<b>(652)</b>	<b>(665)</b>	<b>(667)</b>	<b>(669)</b>	<b>(723)</b>	<b>(703)</b>	<b>(704)</b>
<b>0 Funding balance ((A-B)+(C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Schedules

### Schedule 1

The following rates will be set by Council for the financial year commencing 1 July 2018 and ending 30 June 2019.

**All figures in the Funding Impact Statement exclude GST.**

#### General Rates

A general rate in accordance with the Local Government (Rating) Act 2002 13(2)(a) based on the capital value of each rating unit in the district, on a uniform basis. The general rate is used to fund Council activities that are deemed to generally benefit all ratepayers in the Gisborne district and are on activities which user pays are not applied.

The general rate funds rivers control, storm water, treasury, economic development, animal and plant pests and strategic planning and engagement.

#### Uniform Annual General Charge (UAGC)

Council will use a Uniform Annual General Charge in accordance with section 15(1)(b) of the Local Government (Rating) Act 2002.

#### Cap on Certain Rates

The total of uniform or fixed charges that Council can rate cannot exceed 30% of the total rates collected. If the 30% cap is in threat of being exceeded Council must move the uniform rates to the general rate based on capital value as specified. These are:

- Planning & Performance and Strategic Planning & Engagement (funding stream 12-019)
- Economic Development (funding stream 12-020)
- Civic and Corporate Expenses of the District (funding stream 12-049).

#### Targeted Rates

Lump sum contributions will not be invited in respect of the targeted rates.

The following matters and categories may be used to define categories of rateable land and calculate liability for targeted rates. These are set out in the Local Government (Rating) Act 2002 Schedule 2 and Schedule 3.

#### Write off small balances

Council has a rate remission policy "Remission of Rates, Water Rates and Penalties" that allows the write off of small balances. The small balance is \$10 or less

#### Allocation of payments

Any payments received will be applied to the oldest outstanding rates before being applied to the current

rates. As all payments are allocated to the oldest debt first if the instalment is not paid in full by the date shown a 10% penalty is added to any amount of the instalment still outstanding.

### Schedule 2

Matters that may be used to Define Categories of Rateable Land:

- The use to which the land is put
- The activities that are permitted, controlled, or discretionary for the area in which the land is situated, and the rules to which the land is subject under an operative District Plan or Regional Plan under the Resource Management Act 1991.
- The activities that are proposed to be permitted, controlled, or discretionary activities, and the proposed rules for the area in which the land is situated under a proposed District Plan or proposed Regional Plan under the Resource Management Act 1991, but only if:
  - No submissions in opposition have been made under Clause 6 of the First Schedule of the Act on those proposed activities or rules, and the time for making submissions has expired; or
  - All submissions in opposition, and any appeals, have been determined, withdrawn, or dismissed.
- The area of land within each rating unit.
- The provision or availability to the land of a service provided by, or on behalf of the local authority
- Where the land is situated
- The annual value of the land
- The capital value of the land
- The land value of the land

### Schedule 3

Factors that may be used to calculate Liability for Targeted Rates:

1. The annual value of the rating unit
2. The capital value of the rating unit
3. The land value of the rating unit
4. The value of improvements to the rating unit
5. The area of land within the rating unit
6. The area of land within the rating unit that is sealed, paved, or built on.
7. The number of separately used or inhabited parts of a rating unit
8. The extent of provision of any service to the rating unit by the local authority, including any limits or conditions that apply to the provision of the service
9. The number or nature of connections from the land within each rating unit to any local authority reticulation system
10. The area of land within the rating unit that is protected by any amenity or facility that is provided by the local authority

11. The area of floor space of buildings within the rating unit
12. The number of water closets and urinals within the rating unit (Note: A rating unit used primarily as a residence for one (1) household must not be treated as having more than one (1) water closet).

## Schedule 4

### Rates Due Date

- Instalment 1 – Due Date 20 August 2018\*
- Instalment 2 – Due Date 20 November 2018\*
- Instalment 3 – Due Date 20 February 2019\*
- Instalment 4 – Due Date 20 May 2019\*

### Rates Penalty Date

- Instalment 1 - 21 August 2018 Penalty 10%
- Instalment 2 - 21 November 2018 Penalty 10%
- Instalment 3 - 21 February 2019 Penalty 10%
- Instalment 4 - 21 May 2019 Penalty 10%

**\* A 10% penalty will be applied on the next working day after the due date. The penalty is 10% of any amount of any instalment that remains unpaid after the due date.**

### Additional Charges

#### P2 Penalty

A further penalty of 10% will be added to any rates remaining unpaid on 6 July 2018.

#### Due Dates For Water Charges

Water meters are read on a monthly, quarterly and six monthly or annual cycle and are payable on the 20th of the month following the issue of the invoice as set out below. There is a free 300 cubic metre domestic allowance on rural domestic supplies.

## Penalties On Water Charges

Under Sections 57 & 58 of the Local Government (Rating) Act 2002, any portion of the water rates invoices not paid by the due date will incur a 10% penalty on the following dates.

Invoiced Annually			
Month of Invoice	Due Date	Date Penalty Added	Penalty Amount
June-2018	20 July 2018	21 July 2018	10%
Invoiced 6-monthly			
Month of Invoice	Due Date	Date Penalty Added	Penalty Amount
June-2018	20 July 2018	21 July 2018	10%
December-2018	21 January 2019	22 January 2019	10%
Invoiced Quarterly			
Month of Invoice	Due Date	Date Penalty Added	Penalty Amount
June-2018	20 July 2018	21 July 2018	10%
September-2018	22 October 2018	23 October 2018	10%
December-2018	21 January 2019	22 January 2019	10%
March-2019	23 April 2019	24 April 2019	10%
Invoiced Monthly			
June-2018	20 July 2018	21 July 2018	10%
July-2018	20 August 2018	21 August 2018	10%
August-2018	20 September 2018	21 September 2018	10%
September-2018	22 October 2018	23 October 2018	10%
October-2018	20 November 2018	21 November 2018	10%
November-2018	20 December 2018	21 December 2018	10%
December-2018	21 January 2019	22 January 2019	10%
January-2019	20 February 2019	21 February 2019	10%
February-2019	20 March 2019	21 March 2019	10%
March-2019	23 April 2019	24 April 2019	10%
April-2019	20 May 2019	21 May 2019	10%
May-2019	20 June 2019	21 June 2019	10%

## Definition of differential categories for the targeted rates

Note: In the rating definitions below, Differential Rating Areas (DRA) such as; DRA1, DRA1A, DRA2, DRA3, DRA4, DRA5 and Inner and Outer ZOnes are defined. In accordance with the system of Differential Rating established by Special Order on 27 June 1991. The District was split into six differential areas. Except for DRA5 these areas were established on 27 June 1991 and maps detailing the boundaries are available on Council's website and also available at Council's Administrative Office, Fitzherbert street, Gisborne. DRA4 was split into two areas, a new DRA5 and residual DRA4 by way of a Special Order on 16 May 2001. They are as follows:

	Areas covered	Sub types
DRA1	Former Gisborne City Council boundaries, excluding Rural Farm Land.	Residential, Commercial and other
DRA1A	All Rural Farm Land within the previous Gisborne City Boundaries and the area surrounding the City. Includes Sponge Bay, Wainui and Makaraka.	Residential and other Commercial and industrial
DRA2	Poverty Bay Flats including fringe hill properties.	Residential, Rural, all other properties
DRA3	That area which is within reasonable and currently exercised commuting distance to Gisborne, including part Waerenga-o-kuri and Ngatapa, Whatatutu and Te Karaka.	Rural and all other properties and Rural Townships
DRA4	The inland rural areas beyond DRA3, up to the boundary of DRA5	Rural and all other properties and Rural Townships
	Tolaga Bay and Matawai.	Rural Townships
DRA5	The whole of the East Cape area from a line running inland from a point in the vicinity of Mangatuna north of Tolaga Bay Township, to the tip of the East Coast. Hicks Bay, Te Araroa, Tikitiki, Ruatoria, Waipiro Bay, Te Puia Springs and Tokomaru Bay.	All other properties Rural Townships

**Note:** Maps showing the area in each differential category can be found on the website [www.gdc.govt.nz](http://www.gdc.govt.nz).

# Finances

Rates Funding Source	Categories of Rateable Land	Category (Sch 2) s14, 17 Local Govt (Rating) Act 2002	Factors (Sch 3) Local Govt (Rating) Act 2002	Factor used	Includes GST Revenue sought \$ 2018/19
General Rate	Capital value on all Rateable land for Planning, Rivers Control, Stormwater, Treasury, Economic Development, Tourism and, Pest Plants.			Capital value	4,774,753
Uniform Annual General Charge	All Rateable land. A uniform Annual General Charge set under section 15 of the Local Government (Rating) Act 2002 per Separately Used or Inhabited Part of a Rating Unit (SUIP) see definition of SUIP at beginning of this section			Separately Used or Inhabited Part of a Rating Unit (SUIP) see definition of SUIP on page 38	17,189,969
Targeted Rates					
Stock Control	Differential targeted rate on Inner Zone and Rural Towns 30% of revenue sought	6	2	Capital Value	4,018
	Differential targeted rate on Outer Zone (excluding Rural Towns) 70% of revenue sought	6	5	Area:Hectare	9,377
Aquatic and Recreational Facilities	Differential targeted rate on Inner Zone 1.0 weighting	6	2	Capital value	1,238,386
	Differential targeted rate on Outer Zone 0.3 weighting	6	2	Capital value	198,096
Theatres	Differential targeted rate on Inner Zone 1.0 weighting	6	2	Capital value	793,553
	Differential targeted rate on Outer Zone 0.3 weighting	6	2	Capital value	126,955
Building Services	Differential targeted rate on Inner Zone 85% of Revenue Sought	6	2	Capital Value	679,714
	Differential targeted rate Outer Zone 15% of revenue sought	6	2	Capital Value	119,950
Non Subsidised Local Roads	Differential targeted rate on Inner Zone 85% of Revenue Sought	6	2	Capital Value	218,629
	Differential targeted rate Outer Zone 15% of revenue sought	6	2	Capital Value	38,581
Resource Consents/ Planning	a uniform targeted rate on all rateable land.	6	3	Land Value	1,594,603
Noise Control	A uniform targeted rate on Inner Zone	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	69,000
Dog Control	A uniform targeted rate on Residential properties : DRA1, DRA1A and Residential Rural Townships in DRA 3, DRA4 & DRA5	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	365,055
Passenger Transport	DRA1 Residential	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	310,500
Pests & Plants	A differential targeted rate on DRA1, DRA1A, DRA2 (Inner Zone)	6	3	Land Value	131,603
	A differential targeted rate on DRA3, DRA4, DRA5 (Outer Zone)	6	3	Land Value	526,408
	A differential targeted rate on DRA1, DRA1A & DRA2 (Inner Zone) (20%)	6	3	Land Value	255,164
Soil Conservation – Advocacy and Land Use	A differential targeted rate on DRA3 & DRA4 (30%)	6	3	Land Value	382,749
	A differential targeted rate on DRA5 (50%)	6	3	Land Value	637,913
Water Conservation	A differential targeted rate on the Inner Zone 70% of revenue sought	6	3	Land Value	1,223,537
	A differential targeted rate on the Outer Zone 30% of revenue sought	6	3	Land Value	524,374
Parks & Reserves	A differential targeted rate on the Inner Zone 85% of revenue sought	6		Per rating Unit	4,919,179
	A differential targeted rate on the Outer Zone 15% of revenue sought	6		Per rating Unit	868,090



Rural Transfer Stations	Within 15 km radius scheme area as defined on a map available from Customer Services and Council Website	5 & 6	7	Separately Used or Inhabited Part of a rating unit	368,466
Uniform Waste Management Charge – Gisborne District	Within scheme refuse collection areas - Residential properties in Gisborne City and environs and Ruatoria. Map available from Customer Services and Council Website.	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	1,693,361
Commercial Recycling Charge	Within scheme recycling collection area, being non residential area within the CBD who have elected to receive the service.	5 & 6	7	Separately Used or Inhabited Part of a rating unit	1,195
Business Area Patrols	Commercial Properties within the CBD Area: Non-residential properties on both sides of the roads bounded by Carnarvon Street, Childers Road, Reads Quay and Palmerston Road and all roads inside this area and also that part of Grey Street as far as the skateboard park and Customhouse Street as far as the Waikanae Cut.	1, 2 & 6	2	Capital Value	80,500
City Centre Management and Promotion	Commercial Properties within the CBD Area: Non-residential properties on both sides of the roads bounded by Cobden Street, Childers Road, Reads Quay and Palmerston Road and all roads inside this area and also that part of Grey Street as far as the Skateboard Park and Customhouse Street as far as the Waikanae Cut and also all non residential properties within the blocks bounded by Carnarvon Street, Childers Road, Palmerston Road and Cobden Street.	1, 2 & 6	2	Capital Value	207,000
Economic Development & Tourism	All Industrial and Commercial, Retail and Accommodation Properties.	1 & 2	2	Capital Value	357,023
Provision of Roads and Footpaths	Residential/Lifestyle Blocks. Weighting of 1	1 & 2	2	Capital Value	3,538,337
Subsidised Local Roads	Industrial and Commercial. Weighting of 2	1 & 2	2	Capital Value	1,025,776
	Horticulture & Pastoral Farming. Weighting of 1.5	1 & 2	2	Capital Value	3,187,108
	Forestry weighting of 7.5	1 & 2	2	Capital Value	1,713,554
	Residential/Lifestyle Blocks. Weighting of 1	1 & 2	2	Capital Value	322,439
Flood Damage and Emergency Reinstatement	Industrial and Commercial. Weighting of 2	1 & 2	2	Capital Value	93,477
	Horticulture & Pastoral Farming. Weighting of 1.5	1 & 2	2	Capital Value	290,433
	Forestry weighting of 7.5	1 & 2	2	Capital Value	156,152
Stormwater Drainage					
Stormwater	DRA1 & DRA1A Residential properties includes Sponge Bay, Wainui & Okitu	6		Per Rating Unit	2,078,061
	All Rural Townships including Manutuke and Patutahi	6		Per Rating Unit	184,688
	DRA1 & DRA1A All Commercial and industrial properties.	6	2	Capital Value	399,309
Wastewater Sewerage and the treatment and disposal of sewage					
Gisborne City Wastewater	Within scheme areas connected	5 & 6		Per rating unit	4,197,549
	Within scheme area, service available but not connected	5 & 6		Per rating unit	58,979
	Pan charges per water closet or urinal connected (in addition to the above charges for connections)	5 & 6	12	water closet or urinal connected	3,308,311
	Within scheme area connected	5 & 6		Per rating unit	99,535
Te Karaka Wastewater	Within scheme area, service available but not connected	5 & 6		Per rating unit	10,887
Water					
Uniform Water Charge	Within scheme areas connected	5 & 6	7	Per Separately Used or Inhabited Part of a rating unit	3,930,723
	Within scheme areas where service is available but not connected	5 & 6	7	Per Separately Used or Inhabited Part of a rating unit	62,952
Flood Protection And Control Works					

# Finances

	Rateable Properties within the defined area band A within the Hazard Area based on Capital value. Map available on council website.	5 & 6	2	Capital value	41,797
Coastal Property Protection Scheme	Rateable Properties within the defined area - band B within the Hazard Area based on Capital Value. Map available on council website.	5 & 6	2	Capital value	8,033
	Rateable Land within the defined area band C within the Hazard Area based on Land Value, Map available on council website.	5 & 6	3	Land Value	2,348
Wainui Foredune Capital Works	Rateable Land within the Hazard Area. Map available on Council website	5	10	Per hectare	11,930
Te Karaka Flood Control	A differential targeted rate on Non Residential properties based on Capital Value	5 & 6	2	Capital value	7,339
	A differential targeted rate on Residential properties based on Capital value	5 & 6	2	Capital Value	32,659
Waiapu River Erosion Protection Scheme	Direct Beneficiaries within the defined area on Capital value	5 & 6	2	Capital Value	21,163
	Indirect Beneficiaries within the defined area on capital value	5 & 6	2	Capital Value	5,288
	Contributors within the defined area on area	6	5	Per hectare	5,288
Waipaoa River Flood Control Scheme	Waipaoa River Flood Control Scheme classes A - F	5 & 6	2	Capital Value	202,846
Drainage Rate – Direct Beneficiaries	1 - Ormond, 2 - Eastern Taruheru, 3 - Western Taruheru, 4 - Willows, 5 - Waikanae Creek 6 - City/Wainui, 7 - Taruheru Class A , Taruheru Class B, Taruheru class C, Taruheru Class D A - Waipaoa, B - Patutahi, C - Ngatapa, D - Manutuke, E - Muriwai	5 & 6	5	Per hectare	687,561
Drainage Rate - Contributors	8 - Eastern Hill Catchment and F - Western Hill Catchment based on area	5 & 6	5	per hectare	16,330
Sub Total					65,608,550
*Metered Water Rates	Extraordinary and Rural Domestic users		8		3,267,150
Sub total					68,875,700
Rates Penalties					1,000,000
Net Rates Revenue					70,025,700
OTHER FUNDING SOURCES					
Grants & Subsidies					33,002,700
Development and Financial Contributions					803,850
Other Revenue					12,140,550
Dividends and Interest					1,675,550
TOTAL FUNDING					117,648,350

\* Water by meter has 300 cubic metre no charge domestic allowance on rural residential and lifestyle properties

### Rates Information

The majority of the income Council receives is through rates. Council collects a significant portion of its rates income through targeted rates (66% in 2018/19). Council's commitment to minimising rates increases is set out in our Financial Strategy.

### Rates Affordability

Rates affordability continues to be a significant issue for our district.

This year Council will collect \$65.6m in rates (including GST), a total increase in rates income of 4.89%.

### Rating Base Information

A Long Term Plan must state, for each year covered by the plan, a projected number of rating units within the district or region of the local authority at the end of the preceding financial year.

Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
No of rating units	23,476	23,572	23,668	23,764	23,860	23,956	24,052	24,148	24,244	24,340	24,436

### Council's Rates

Council's Revenue and Financing Policy has been reviewed as part of the 2018-2028 LTP. The review aims at retaining a fair rating system for all ratepayers. Council

is obliged to equitably share the cost of delivering services across different users, as well as ensuring equity between current and future generations. There will be a wholesale review of the Revenue and Financing Policy commencing in Year one of the 2018-2028 LTP.

### Total Rates Movement for the 2018/19 Year



There will be pockets of ratepayers who may have large increases or decreases as a result of:

- Council's budget
- changes to rating policy
- changes to the property (i.e. subdivision, new build, new connections etc).
- 2017 District wide Rating Revaluation.

### Key Changes to the Revenue and Finance policy for year 1 (2018/19)

Activity	2015-2025	2018 -2028
Animal and Plant Pests	Differentiated targeted rate based on Land Value of which:  85% Outer Zone  15% from Inner Zone	60% General Rate  40% Targeted rate based on land value of which:  80% - Outer Zone  20% - Inner Zone

Legacy Loans (District Loans)	100% targeted rate  70% - Outer Zone (excluding rural towns), Land Area:  30% - Inner Zone and rural towns: Capital Value	Be funded from the Flood Protection rating schemes with the same percentage as per current activity grouping.
<b>Unbundle Consolidated Rate-no change to Funding Streams</b>		
Building Services-	Capital Value:  Inner 85%  Outer 15%	Capital Value:  Inner 85%  Outer 15%
Non Subsidised Local Roads	Capital Value:  Inner 85%  Outer 15%	Capital Value:  Inner 85%  Outer 15%
<b>Unbundle Consolidated Rate – no change to Funding Streams</b>		
Aquatic and Recreation Facilities	Capital Value – Differential:	Capital Value – Differential

	Inner 1.0 Outer 0.3	Inner 1.0 Outer 0.3
Theatres	Fees and Charges 25%  75% rates funded as Capital Value – Differential:  Inner 1.0 Outer 0.3	Fees and Charges 25%  75% rates funded as Capital Value – Differential  Inner 1.0 Outer 0.3
<b>Unbundle Consolidated Rate- no change to Funding Streams</b>		
Subsidised Local Roads – UAGC Portion combined with targeted rates	Over 63% NZTA funding Balance rates funding 10% UAGC  32% Capital Value targeted on use  Residential and Lifestyle 1.0  Horticultural and Pastoral 1.5  Industrial and Commercial 2.0  Forestry 5.0	NZTA funding with any balance  Rates Funding – 10% UAGC  32% Capital Value targeted on use  Residential, Lifestyle and Other 1.0  Horticultural and Pastoral 1.5  Industrial and Commercial 2.0  Forestry 5.0
Flood Damage and Emergency Reinstatement	Over 63% NZTA Balance Rates Funding 10% UAGC  32% Capital Value targeted on use  Residential, Lifestyle and Other 1.0  Horticultural and Pastoral 1.5  Industrial and Commercial 2.0  Forestry 5.0	NZTA funding with any balance Rates Funding  10% UAGC  32% Capital Value Targeted on use  Residential, Lifestyle and Other 1.0  Horticultural and Pastoral 1.5  Industrial and Commercial 2.0  Forestry 5.0

## Key observations of year 1 (2018/19)

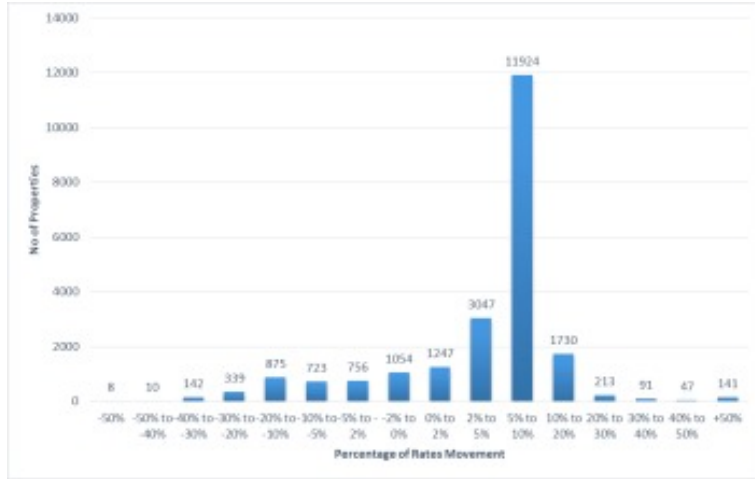
- 37% (8,201) of properties have an increase in rates at 5% or less.
- 53% (11,924) of properties will receive between a 5 to 10% increase
- Residential and Lifestyle properties: The average increase is 6.9% which is predominantly in the City. Residential and lifestyle properties in DRA1A (City, Sponge Bay, Nelson Road) Cameron Road area).
- Forestry properties increase on average of 16.9% due to the increased forestry weighting of 7.5 on rates for roads.
- As a result of the rating revaluation 239 properties changed highest and best category. These were predominantly changes from arable land to horticultural or pastoral land where the higher Rooding rate weighting of 1.5 would now apply Properties with category changes have an average rate increase of 16.87%
- Horticultural and Pastoral properties rates change mainly due to the property value increases from the rating revaluation and changes to rates for the UAGC, Pests and Plants and Parks and Reserves. The revaluation alone drives a decrease to nearly 1,000 properties across the district, they receive a lesser increase when also taking the Revenue and Finance Policy and budget changes into account.
- Commercial and Industrial properties receive an average increase of 8%. This is predominantly driven by the revaluation although changes to the UAGC, water connection, parks and reserve rate also impact on these properties.
- There have been some rate increases and decreases on properties that have had an increase in rating valuation. Note that some are self-generated from capital value changes, for example, partial sell-off, improvements or expansion.
- Increases are varied and spread throughout the district.
- Changes to Fixed amount rates as opposed to those that move based on land or Capital value impact on residential and lifestyle properties that mean the rates increase is an average of 6.9%.
- The total of uniform or fixed charges rates that is sought by Council cannot exceed 30% of the total rates collected which includes metered water rates. If the 30% cap is in threat of being exceeded, Council must move the uniform rates to another rate as specified in the Revenue and Financing Policy. The Revenue and Financing Policy states which activities will move to General Rates in these circumstances. These activities are Strategic Planning and Engagement, Civil Defence and

Emergency Management, Economic Development and Civic and Corporate Expenses of the District. The uniform cap for year 1 2018/19 is 29.03%.

12. The Uniform Annual General Charge is \$773 (including GST). Some of Council's services are more related to the existence of a property or a household than to land, capital value or land area. In these cases a UAGC is charged on each separately used or inhabited part of a property throughout the district unless it receives a reduction as per section 20 of the Local Government (Rating) Act 2002 or complies with a Council rate remission policy (See remission Policies). The Uniform Annual General Charge funds the following activities:

Activities with Increases in Fixed charge Rates from 2017/18 to 2018/19	Increase Amount
Sewerage UAC	15.28
Water UC	85.31
Parks Reserves Inner	23.14
Dog Control	1.54
Noise	0.42
Passenger transport	3.59
UAGC	75.84
<b>Affects City Residential and Lifestyle properties</b>	<b>205.12</b>
Sewerage Avail	7.65
Water Avail	42.65
Rural Transfer Station	13.56
Te Karaka Wastewater	122.06
Te Karaka Wastewater non con	61.03
Water Tekaraka	85.31
water TeKaraka non Connected	42.62
Water Whatatutu	85.3
Water Whatatutu non connected	42.65
Parks Reserves Outer	29.61
Rural Transfer Station	13.56

### Estimated 2018/19 (Year 1) Percentage of Rates Movement

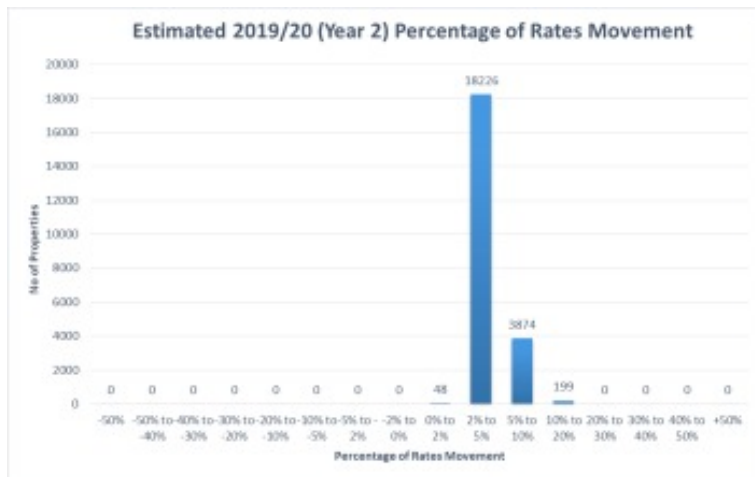


#### Rates modelling for Years 2 and 3 of 2018-2028 Long Term Plan

The following two rates analysis graphs highlight that for years 2 and 3 the percentage rates increases remains

mainly in the 2% - 5% increase range. There is a comprehensive review of the Revenue and Financing policy scheduled for year one of the Long Term Plan. This will provide more predictability for rating changes in years 2 and 3.

### Estimated 2019/2020 (Year 2) Percentage of Rates Movement



### Estimated 2020/2021 (Year 3) Percentage of Rates Movement



# Finances

## Estimated rates changes across the district

The following examples of total rates for different properties is indicative of the wide range of increases and decreases across the district.

	High	Medium	Low
<b>RURAL TOWNSHIP</b>	<b>Tolaga Bay</b>	<b>Tolaga Bay</b>	<b>Tokomaru Bay</b>
2017 Valuation	\$245,000	\$188,000	\$247,000
2014 Valuation	\$235,000	\$187,000	\$210,000
Proposed Rates 2018/19	\$1,627	\$1,537	\$1,758
Actual 2017/18	\$1,648	\$1,544	\$1,737
Change	-\$21	-\$7	\$21
%	-1%	-0%	1%
<b>Makauri</b>			
2017 Valuation	\$1,520,000	\$490,000	\$219,000
2014 Valuation	\$1,220,000	\$370,000	\$192,000
Proposed Rates 2018/19	\$5,329	\$2,350	\$1,660
Actual 2017/18	\$4,635	\$2,241	\$1,618
Change	\$694	\$109	\$42
%	15.0%	4.9%	2.6%
	Horticultural Farm	Lifestyle	Residential
<b>Muriwai</b>			
2017 Valuation	\$2,680,000	\$367,000	\$53,000
2014 Valuation	\$2,150,000	\$336,000	\$51,000
Proposed Rates 2018/19	\$8,544	\$1,575	\$1,338
Actual 2017/18	\$8,583	\$1,608	\$1,278
Change	-\$39	-\$33	\$60
%	-0.5%	-2.1%	4.7%
	Arable Farm	Lifestyle	Residential
<b>Patutahi</b>			
2017 Valuation	\$5,110,000	\$380,000	\$132,000
2014 Valuation	\$3,400,000	\$305,000	\$115,000
Proposed Rates 2018/19	\$14,054	\$2,122	\$1,602
Actual 2017/18	\$11,988	\$2,048	\$1,561
Change	\$2,066	\$74	\$41
%	17.2%	3.6%	2.6%
	Horticultural Farm	Lifestyle	Residential
<b>Te Karaka/ Whatatutu</b>			
2017 Valuation	\$4,990,000	\$505,000	\$56,000
2014 Valuation	\$3,770,000	\$450,000	\$47,000
Proposed Rates 2018/19	\$12,644	\$2,805	\$2,304
Actual 2017/18	\$13,239	\$2,714	\$1,950



Change	-\$595	\$91	\$354
%	-4.5%	3.4%	18.2%
	Pastoral Farm	Lifestyle	Residential

## Hicks Bay

2017 Valuation	\$1,399,000	\$179,000	\$93,000
2014 Valuation	\$1,088,000	\$158,000	\$82,000
Proposed Rates 2018/19	\$5,346	\$1,418	\$1,449
Actual 2017/18	\$5,596	\$1,329	\$1,377
Change	-\$250	\$89	\$72
%	-4.5%	6.7%	5.2%
	Pastoral Farm	Lifestyle	Residential

## Tolaga / Anaura Bay

2017 Valuation	\$18,920,000	\$129,000	\$31,000
2014 Valuation	\$14,000,000	\$100,000	\$24,000
Proposed Rates 2018/19	\$47,584	\$1,444	\$1,016
Actual 2017/18	\$49,641	\$1,359	\$903
Change	-\$2,057	\$85	\$113
%	-4.1%	6.3%	12.5%
	Pastoral Farm	Residential	Pastoral Farm

## Tiniroto

2017 Valuation	\$4,435,000	\$980,000	\$118,000
2014 Valuation	\$3,275,000	\$800,000	\$116,000
Proposed Rates 2018/19	\$11,159	\$3,080	\$1,146
Actual 2017/18	\$11,421	\$3,198	\$1,100
Change	-\$262	-\$118	\$46
%	-2.3%	-3.7%	4.2%
	Pastoral Farm	Pastoral Farm	Lifestyle

## RESIDENTIAL

### Lytton West

2017 Valuation	\$1,190,000	\$415,000	\$185,000
2014 Valuation	\$960,000	\$329,000	\$138,000
Proposed Rates 2018/19	\$4,401	\$3,103	\$2,693
Actual 2017/18	\$4,237	\$2,916	\$2,493
Change	\$164	\$187	\$200
%	3.9%	6.4%	8.0%

### Mangapapa

2017 Valuation	\$1,350,000	\$239,000	\$126,000
2014 Valuation	\$1,180,000	\$193,000	\$100,000
Proposed Rates 2018/19	\$4,806	\$2,818	\$2,585
Actual 2017/18	\$4,844	\$2,653	\$2,412

# Finances

Change	-\$38	\$165	\$173
%	-0.8%	6.2%	7.2%

## Kaiti & Elgin

2017 Valuation	\$860,000	\$311,000	\$110,000
2014 Valuation	\$690,000	\$249,000	\$76,000
Proposed Rates 2018/19	\$4,033	\$2,938	\$2,557
Actual 2017/18	\$3,895	\$2,769	\$2,356
Change	\$138	\$169	\$201
%	3.5%	6.1%	8.5%

## Whataupoko

2017 Valuation	\$975,000	\$416,000	\$222,000
2014 Valuation	\$820,000	\$330,000	\$171,000
Proposed Rates 2018/19	\$4,236	\$3,139	\$2,789
Actual 2017/18	\$4,216	\$2,966	\$2,598
Change	\$20	\$173	\$191
%	0.5%	5.8%	7.4%

## Wainui

2017 Valuation	\$1,855,000	\$1,375,000	\$377,000
2014 Valuation	\$1,475,000	\$1,165,000	\$320,000
Proposed Rates 2018/19	\$5,480	\$5,661	\$2,230
Actual 2017/18	\$5,414	\$5,867	\$2,206
Change	\$66	-\$206	\$24
%	1.2%	-3.5%	1.1%

In Coastal Protection Area

## COMMERCIAL

### Gisborne City

2017 Valuation	\$12,620,000	\$393,000	\$85,000
2014 Valuation	\$11,600,000	\$335,000	\$78,000
Proposed Rates 2018/19	\$62,560	\$3,542	\$2,301
Actual 2017/18	\$70,219	\$3,382	\$2,142
Change	-\$7,659	\$160	\$159
%	-11%	5%	7%

### Rural

2017 Valuation	\$900,000	\$196,000	\$65,000
2014 Valuation	\$905,000	\$183,000	\$60,000
Proposed Rates 2018/19	\$3,550	\$1,773	\$1,220

Actual 2017/18	\$4,014	\$1,798	\$1,148
Change	-\$464	-\$25	\$72
%	-12%	-1%	6%

## FORESTRY

2017 Valuation	\$11,300,000	\$80,000	\$31,000
2014 Valuation	\$10,145,000	\$75,000	\$27,000
Proposed Rates 2018/19	\$73,214	\$1,463	\$1,146
Actual 2017/18	\$64,257	\$1,292	\$994
Change	\$8,957	\$171	\$152
%	14%	13%	15%

	Muriwai	Waingake	Te Araroa
2017 Valuation	\$1,740,000	\$1,471,000	\$38,100,000
2014 Valuation	\$1,490,000	\$1,241,000	\$3,610,000
Proposed Rates 2018/19	\$12,197	\$10,483	\$27,863
Actual 2017/18	\$10,103	\$8,663	\$26,243
Change	\$2,094	\$1,820	\$1,620
	21%	21%	6%

## Rate Remission Policies

The Local Government Act 2002 (Section 102) and the Local Government (Rating) Act 2002 gives local authorities considerable powers to remit and postpone rates. Councils can remit and postpone rates for any reason, on any land and to any extent. This is provided that the remission or postponements are in accordance with the rules that Councils set.

1. Gisborne District Council 22 Rate Remission or Postponement Policies. These are set down for a full review in conjunction with the Revenue and Financing Policy in year 1 of the 2018-2028 Long Term Plan.
2. There are no new rate remission policies for the 2018-2028 LTP.
3. It is proposed that two remission policies be cancelled.

### Rates Postponement Policy

This Rate Remission Policy was a joint venture with a group of Local Authorities aimed at providing relief to ratepayers over 65 years of age who wanted to postpone their rates indefinitely. The consortium for this rates postponement scheme has been dissolved in 2016 and is no longer operating.

### Targeted Plant and Pests; Rural Fires and Soil Conservation Rates

The need for this remission has been alleviated with the review and changes to the Animal and Plant Pests Policy. Any remission applications could be considered under Councils rate remission - Rates Transition Policy - for transition due to specific changes to the Revenue and Financing Policy.

## Glossary

### Activity

Related or like services that are grouped together.

### Allocated Costs

Allocation of costs by support departments to other Council departments for services provided. Reflects the true cost of the provision of goods and services.

### Annual Plan

Each year Council is required to have an Annual Plan which sets out the budget for the year. This is based on what is proposed in the Long Term Plan but also highlights any change or variance that is projected to occur which is not currently accounted for in the Long Term Plan.

### Assets

Assets are items that the organisation own. Assets are defined as having a useful life of more than one year such as roads, parks, footpaths and buildings.

## Capital Expenditure

This is the spending on new Council assets or replacing existing assets.

## CBD

Central Business District.

## Capital Value

The probable sale price of the freehold interest of the property if offered for sale at the time of valuation.

## Community Outcomes

What the Council aims to achieve in order to promote the social, economic, environmental and cultural wellbeing of its district or region in the present and for the future.

## Council Controlled Organisations (CCO)

A company where one or more local authorities have 50% or more of the shareholder voting rights or similar. For a more detailed meaning see Section 6 of the Local Government Act 2002.

## Depreciation

This accounts for the annual cost of wearing out of, or the economic use of, our assets. It is generally based on the value of the asset divided by its remaining life.

## Development Contributions

Fees paid by developers who subdivide (Subdivision Impact Fees) or build (Building Impact Fees). These fees cover the cost of upgrading the services (e.g. Water Supply) provided to those new sections/buildings.

The setting of development contributions is governed by the Development Contributions Policy.

## Financial Year

Council's financial year runs from 1 July to 30 June the following year.

## General Rate

A rate based on the value of every property in the district.

## Hearing

A chance for your views to be expressed in person by Council, following receipt of your written submission.

## Infrastructural Assets

Fixed utility systems that provide a continuing service to the community and are not generally regarded as tradable. These include roads, waste, sewerage and stormwater systems.

## Internal Recoveries

Recovery of costs by support departments from other Council departments.

## Land Value

The probable price that would be paid for the land as at the date of valuation. The value includes development work such as drainage, excavation, filling, leveling, retaining walls, clearing, fertility build-up, flood protection.

## Levels of Service

A measure of the service that the Council delivers e.g. Library opening hours, water quality etc.

## Loan Funds

This is money used by Council that it has obtained by raising a loan.

## Local Government Act 2002

The key legislation that defines the regulations and responsibilities for local authorities including Gisborne District Council.

## Long Term Plan (LTP)

This plan sets out the strategic direction for Council over the next 10 years and outlines Council's contribution towards achieving the community outcomes. This plan is formally reviewed and updated every three years.

## Mission

This describes Council's basic purpose (its fundamental reason for being) and specifies the role Council is going to play in its environment.

## Outcomes

The impacts on, or consequences for, the community. Gisborne District Council's plan includes community outcomes which relate to the district as a whole and as a result of the operations of Gisborne District Council.

## Policy

Guidelines to support effective decision making.

## Public Benefit

This relates to spending which benefits the community in general and for which no individual beneficiaries can be clearly defined.

## Private Benefit

This occurs when individuals who benefit from a service can be clearly identified and therefore charged for that service. It applies to user charges, application fees, purchase price and water by meter, though there are exceptions to the rule.

## Rates

Funds collected from property owners in the district.

## Renewals Expenditure

This is spending that replaces deteriorating assets with new assets that have the same service potential as the originals.

## Resource Consent

This is permission to use resources such as land, water and air, granted under the Resource Management Act 1991.

## Revenue and Financing Policy

This is a statement about who should pay for the services provided by Council. The policy outlines who will benefit for each activity and who should pay for it, taking into account fairness and what is practical.

## Significance

This is the degree of importance of an issue, proposal, decision, or matter as assessed by the local authority in terms of its likely impacts, and or likely consequences.

## Special Funds/Reserve Funds

Money set aside for a specific purpose.

## Strategy

Outlines how the Council is going to undertake particular actions to deliver community outcomes.

## Submission

Your opportunity to tell the Gisborne District Council your views on the Long Term Plan. Submissions need to be made in writing.

## Targeted Rating Area

A defined geographical area which attracts a specific rating requirement.

## Uniform Annual General Charge (UAGC)

A specific levy of an equal amount on each rateable property. This amount does not vary with the value of the property.

## User Fees and Charges

Fees charged to the community for use of specific services and facilities provided by Council.

## Vested Assets

Infrastructural assets and land provided by the developer of a subdivision. Examples of this may be roads, street lights, water and wastewater reticulation, stormwater disposal systems and reserve land. At the completion of the subdivision, the ownership, and hence future maintenance of these assets, passes to Council.

## Vision

Council's view of the future state of its community. It is used to inspire people into action, define future direction

and implies that what we do now can influence and change the future for the better.