



FINANCIAL INFORMATION

Part 4

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Ten Years in Ten Minutes

The Financial Forecast at a Glance

- Operations
 - \$396M is proposed to be spent on funding the operations of Council's seven groups of activities and other activities.
 - The financial forecasts include provision for cost increases due to inflation. Inflation has been included to ensure that the plan provides a realistic financial view of the future both in terms of expenditure and the implications of increased expenditure on rating levels and user charges.
 - Council has adopted a policy of ensuring that the underlying surplus (deficit) for both operating and capital expenditure achieves a balanced position by year four of the Plan.
 - It is Council's intention to maintain cash operating balances at a figure of approximately \$4M in each year of the plan. It is considered that this sum is necessary to provide a contingency to cover any unforeseen expenditure requirement and ongoing working capital needs.
 - The Council is forecasting a reduction in the interest payments on cash investments and Port of Napier dividends due to the deteriorating international and the national economic climate. The effect of this forecast decrease in revenue has been projected to affect the first two years of the 10 Year Plan and Council is proposing to fund this reduction in investment returns by the use of the Dividend Equalisation Reserve and cash operating balances which have been built up over a number of years by Council. From year three of the Plan, investment revenues are projected to strengthen and continue to increase steadily throughout the remaining years of the Plan.
 - The Council has also introduced new strategies in water, estimated to cost \$850,000 per annum. These strategies for 2009/10 are proposed to be funded from Sale of Land (Non-Investment) reserve.
 - Capital and Loans
 - \$24M is proposed to be spent on the development of flood and drainage infrastructure assets.
 - \$19M is proposed to be spent on Clean Heat advances.
 - \$9.8M to be spent on regional infrastructure (for example open spaces/regional parks)
 - \$16M is proposed to be spent on other capital assets.
 - \$26.3M of public debt will be repaid and there will be \$51.5M of new public debt loans raised.
 - \$5.8M is proposed to be spent on investment property, including forestry.
 - General Funding Rates
 - The total general funding rates requirement is to increase from \$3.7M (excl. of GST) in 2009/10 to \$3.9M (excl. of GST) in 20011/12 and remain at that level for the subsequent years of the plan.
- For 2010/11 Council is proposing that 50% of this strategy will be funded from the reserve funding and 50% from either section 36 charges through the Resource Management Act and/or targeted rates on those in the community who benefit from this additional service by Council. From 2011/12 and subsequent years the strategies will be fully funded from direct charges/targeted rates on those in the community who benefit from the service.



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The general funding rates requirement for 2009/10 will be collected by use of the following rates:

a. General Rate

- A General Rate of \$1.3M will be collected using a Land Value Rating Base.

b. Uniform Annual General Charge

- Approximately \$2.4M of the general funding rates requirement will be collected by a Uniform Annual General Charge (UAGC) which will be levied on each separately used or inhabited part of a rating unit. The UAGC for 2009/10 is proposed to be set at \$36.22 excl GST (\$40.45 incl. GST). Up to 66% of the general funding rates requirement will be collected by UAGC.

- Targeted Rates

Generally, targeted rates for the flood and drainage schemes have been increased by approximately 5.0% per annum to provide additional funding to offset the effects of increased costs due to the provision of inflation.

Targeted rates for passenger transport has been increased substantially through the plan to provide for proposed new services.

- Regional Income

Council receives a substantial income from investments. This income comprises dividends from the Port of Napier Ltd, rentals from Council's leasehold land, interest from Council's cash investments etc. It funds approximately 68% (2009/10) of Council's net funding requirement (i.e. Council's expenditure net of direct charges and targeted rates).

- Grants to Community Projects

- Contribution to Iwi \$150,000 (annually)
- Contribution to Other \$120,000 (annually)
- Contribution to Infrastructure projects of regional significance \$2.5M (years 1 - 3)
\$7.9M (years 4 – 10)
- Contribution to Rugby World Cup \$200,000 (2010/11 only)

- Investments

- a. Council's investment property, which presently includes leasehold land in Napier and Wellington and other property investments in Hawke's Bay are revalued to fair value on a yearly basis in line with the requirements of international financial reporting standards. The property adjustors used to re-value these investments to fair value every year, have been provided by Council's property valuers.

The prospective balance sheet on page 13 of this section shows investment property increasing from \$111.4M in year 1 of the plan to \$128.5M in year 10 of the plan.

- b. Council's Investment in the Port of Napier Ltd is revalued on a 3 yearly basis using 'asset price level indicators' set out in Council's significant forecasting assumptions on page 8 of Part 5 of the plan. Council's investment in the Port is shown in the prospective balance sheet at Non Current financial Assets.

- c. Council has a policy of freeholding leasehold land in Napier if this is requested by the lessee. The plan assumes that \$0.8M of freeholdings will occur in the first three years of the plan and \$1.6M in each subsequent year of the plan. These funds are shown under current assets as 'available for sale assets' which is shown on the prospective balance sheet as increasing over the period of the plan.

- Cash Balances

There have been increases in the cash balances held by the Council over the term of the plan. There are a number of reasons for this but the main reasons are:

- A number of reserve balances held in term deposits in trading banks show considerable increases over the period of the plan. For example, over the term of the plan the reserve account for replacement of Council's operating assets has increased by \$1.7M, the reserve for the renewal of infrastructural assets has increased by \$0.5M and the reserve funds for flood and drainage schemes have increased by \$1.24M. These reserves have increased due to



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interest accruing on the investment of these funds and also additional contributions to these funds.

- The Hawke’s Bay Endowment Land Empowering Act (the Act) Section 5 (3) states that the Council must hold and use all monies received in relation to the Napier leasehold land for the improvement, protection, management or use of Napier Harbour or the Coastal Marine Area. For the first 5 years of the plan, Council’s current expenditure which qualifies to be funded from this fund uses all the funds available in this reserve. In 2014/15 the balance in this fund that presently cannot be utilised by Council is \$289,000 and increases steadily for each of the remaining years of the Ten Year Plan up to a total reserve balance by 2018/19 of \$11.2M. Council will consider how this build up in reserve funds can be minimised either through increased sales of leasehold properties in Napier, increase qualifying expenditure or a change to the legislation.

Impact of Changes in Rates

Table 1 on the following page analyses the change in rates from the current financial year (2008/09) to the first year of the Ten Year Plan. Table 2 shows the increase in rates for the first three years of the Ten Year Plan against the previous year’s rates. Table 3 & 4 illustrates the impact of the proposed changes to rates for representative properties covering both rural and urban by comparing actual rates for the 2008/09 year and those rates proposed for the first year of the Ten Year Plan (2009/10).



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Analysis of Changes in Rates

Table 1: 2009/10

(GST Exclusive)

Percentage Movement on Particular Rates

	2008/09	2009/10	Percentage Change
CURRENT SERVICES			
General Funded Rates	\$3,676,000	\$3,676,000	0%
River & Drainage Rates	\$4,820,012	\$5,059,016	4.95%
Biosecurity Rates	\$1,695,476	\$1,754,818	3.50%
Subsidised Public Transport	\$938,759	\$1,176,648	25.34%
SUB-TOTAL	\$11,130,247	\$11,666,482	4.82%
NEW INITIATIVES			
New Commuter Transport Services		\$124,000	
Clean Heat Financial Assistance	\$0	\$583,164	
TOTAL	\$11,130,247	\$12,373,646	11.17%

Previously collected by Napier/Hastings Councils:

Hawkes Bay Incorporated \$0 \$800,000

Note: Hawke's Bay Incorporated will be renamed Venture Hawke's Bay with effect from 1 July 2009.

Table 2: First Three Years of the Plan

(GST Exclusive)

Rates over first three years of the Plan

	2008/09	2009/10	2010/11	2011/12
CURRENT SERVICES				
General Funded Rates	\$3,676,000	\$3,676,000	\$3,786,278	\$3,937,732
Targeted Rates	\$7,454,247	\$7,990,482	\$8,416,080	\$8,713,230
TOTAL	\$11,130,247	\$11,666,482	\$12,202,358	\$12,650,962
Percentage Change		4.82%	4.59%	3.68%
NEW INITIATIVES				
Clean Heat Financial Assistance	\$0	\$583,164	\$583,164	\$583,164
Public Transport New Services		\$124,000	\$521,164	\$742,478
Water Management Strategy			\$218,281	\$450,918
TOTAL	\$11,130,247	\$12,373,646	\$13,524,967	\$14,427,522
Percentage Change		11.17%	9.30%	6.67%
Previously collected by Napier/Hastings Councils:				
Hawke's Bay Incorporated	\$0	\$800,000	\$826,400	\$845,407



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Comparison of Rates on Specific Properties in Various Districts

		URBAN							
		2008/09		2009/10		2008/09		2009/10	
Property Statistics		Napier Hill		Napier South		Flaxmere Hastings		Havelock North	
Capital Value	CV	670,000	700,000	240,000	240,000	205,000	205,000	520,000	520,000
Land Value	LV	235,000	245,000	155,000	165,000	74,000	74,000	240,000	240,000
Area (Hectares)	Area	0.0745	0.0745	0.0668	0.0668	0.0607	0.0607	0.0940	0.0940
Rates		\$		\$		\$		\$	
Current Services									
General Rate	LV	19.08	20.14	12.59	13.56	5.49	6.03	17.81	19.56
UAGC Fixed Amount	Fixed	43.35	40.75	43.35	40.75	43.35	40.75	43.35	40.75
General Funded Rates		62.43	60.89	55.94	54.31	48.84	46.78	61.16	60.31
HPFCS F1Direct	CV			23.66	22.94	18.88	19.21		
HPFCS F2 Indirect	CV	16.21	16.31	5.81	5.59	4.63	4.69	11.75	11.91
HPFCS Drainage	LV			35.67	36.61	19.45	20.43		
Public Transport	LV	38.33	50.64	25.28	34.11	10.99	15.17	35.64	49.20
Central Stream/Drains	CV	4.36	6.30	1.56	2.16	1.23	1.80	3.12	4.58
Karamu Mtce	Fixed							8.14	8.42
Karamu Enhancement	Fixed							7.61	7.88
Targeted Rates		58.90	73.25	91.98	101.41	55.18	61.30	66.26	81.99
Sub-Total		121.33	134.14	147.92	155.72	104.02	108.08	127.42	142.30
Dollar Increase			12.81		7.80		4.06		14.88
Percentage Increase			10.56%		5.27%		3.90%		11.68%
NEW INITIATIVES									
Clean Heat Administration		0.00	21.00	0.00	14.14	0.00	6.29	0.00	20.40
TOTAL		121.33	155.14	147.92	169.86	104.02	114.37	127.42	162.70
Dollar Increase			33.81		21.94		10.35		35.28
Percentage Increase			27.87%		14.83%		9.95%		27.69%
Collected on behalf of Napier/Hastings Councils									
Hawkes Bay Inc		0.00	23.79	0.00	16.02	0.00	15.15	0.00	15.15

		RURAL							
		2008/09		2009/10		2008/09		2009/10	
Property Statistics		CENTRAL HB		HASTINGS		WAIROA			
		Argyll Rd Otane		Waipunga Hastings		Omana Rd Wairoa			
Capital Value	CV	2,300,000	2,300,000	2,550,000	2,550,000	773,500	773,500		
Land Value	LV	1,600,000	1,600,000	2,100,000	2,100,000	694,500	694,500		
Area (Hectares)	Area	157.2963	157.2963	442.6023	442.6023	188.5651	188.5651		
Rates		\$		\$		\$		\$	
Current Services									
General Rate	LV	125.60	143.52	155.82	171.15	51.32	57.99		
UAGC Fixed Amount	Fixed	43.35	40.75	43.35	40.75	43.35	40.75		
General Funded Rates		168.95	184.27	199.17	211.90	94.67	98.74		
HPFCS F1Direct	CV			57.63	58.40				
HPFCS F2 Indirect	CV			15.56	18.48				
Central Stream/Drains	CV	14.49	15.36						
Plant Pest	Area	55.91	57.86	157.31	162.83	67.02	69.37		
Animal Pest Rate	Area	184.19	193.59	518.29	537.89	220.81	229.16		
Bovine TB	Area	72.30	74.83	203.42	210.54	86.66	89.70		
Wairoa River	CV					33.49	42.16		
Upper Tukituki River	LV	73.40	70.08						
Targeted Rates		400.29	411.72	952.21	988.14	407.98	430.39		
TOTAL		569.24	595.99	1151.38	1200.04	502.65	529.13		
Dollar Increase			26.75		48.66		26.48		
Percentage Increase			4.70%		4.23%		5.27%		
Previously collected by Napier/Hastings Councils									
Hawkes Bay Inc		0.00	0.00	0.00	15.15	0.00	0.00		

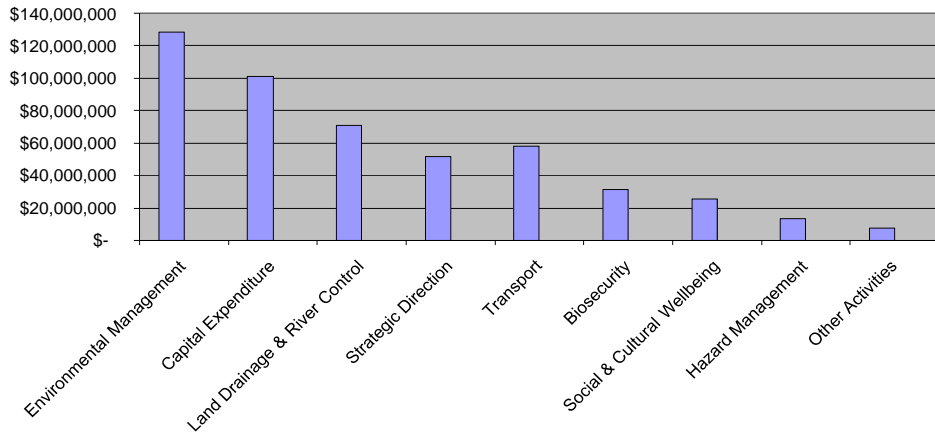
Note: Hawke's Bay Incorporated was renamed Venture Hawke's Bay with effect from 1 July 2009.



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10 Years - Expenditure

Council will spend \$496 Million on operating, capital and loan repayments over the 10 year period of the Plan. 62% of this will be spent on environmental-related programmes. The \$496 Million of expenditure includes inflation assumptions of 2.4% on salaries and salary related costs and 3.4% on external expenditure from Year 2 (2010/11). Subsequent years in the Plan are also adjusted for inflation. Details can be found in Part 5 – Policies of this Plan under the heading ‘Significant Forecasting Assumptions’.



10 Years - Funding

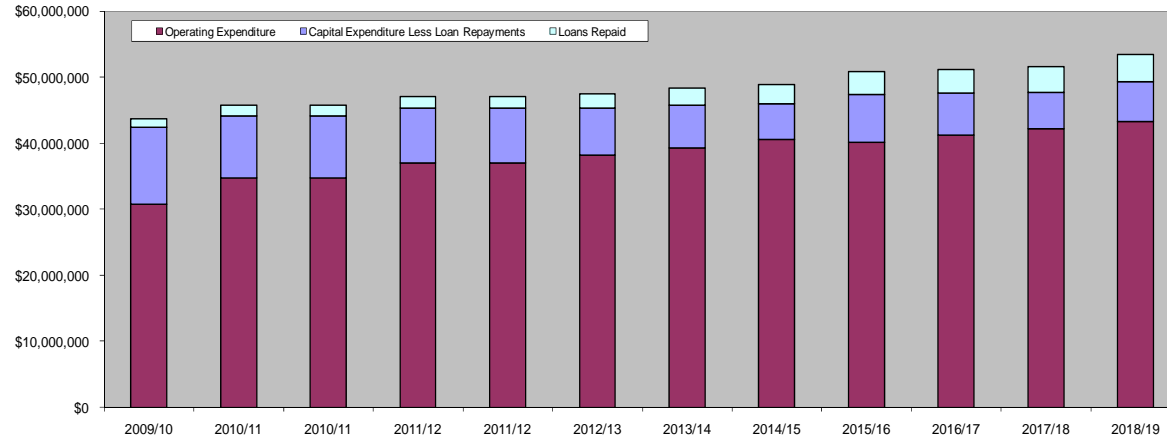
46% of the funding required over the 10 year period covered by the Plan will be met by those deemed to benefit directly from the work to be carried out. A further 46% of funding will be provided by the income earned on Council investments, and Council reserves and loans, leaving 8% to be provided by general funding rates.





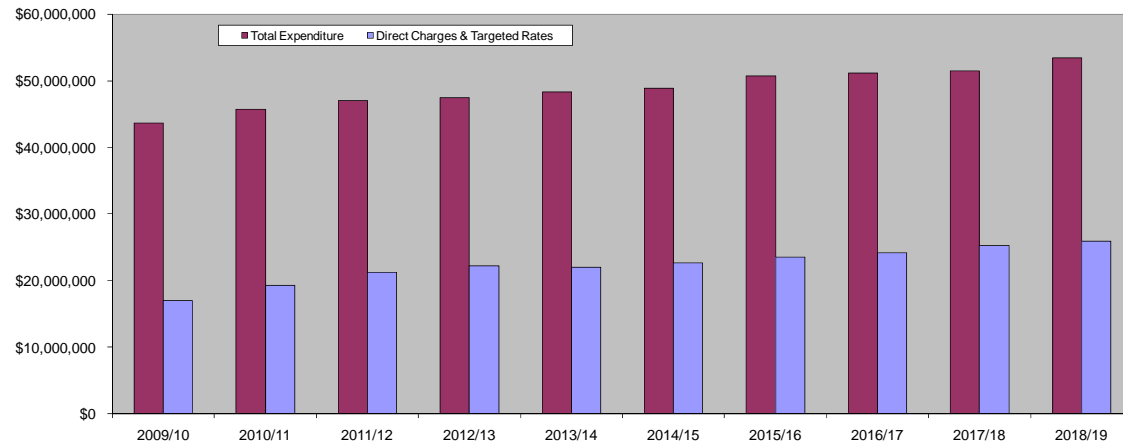
Expenditure – 10 Year Trend

Council’s expenditure can be allocated between operating costs (the amount spent on day to day activities, such as monitoring the environment, flood control, passenger services etc) and capital (the amount spent on repaying loans and on constructing flood protection assets, etc) which are then used over a number of years.



How is the Expenditure Funded?

As part of the development of this plan, Council reviewed the basis on which it funds the cost of its work programmes. The outcome is explained in the Revenue and Financing Policy, Part 5 of this Ten Year Plan. Part of the costs of Council’s work is met by targeted rates and user charges levied on those deemed to benefit directly from such work. The chart below shows how these charges compare with total expenditure for each year of the plan.

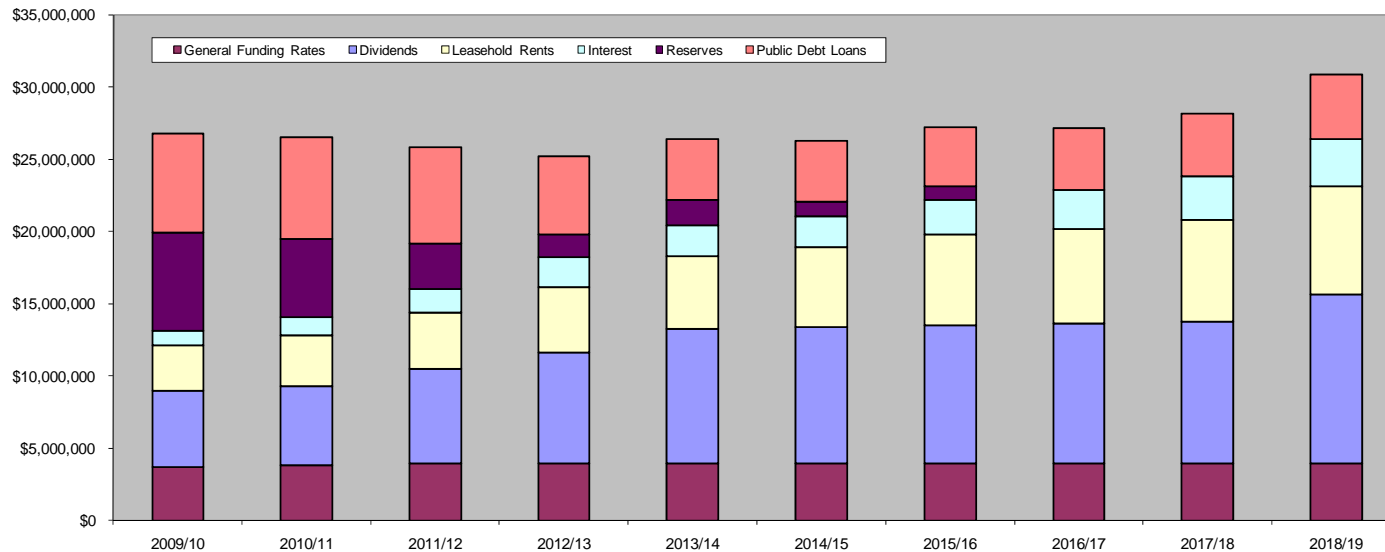




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The expenditure net of targeted rates and user charges is referred to as the 'Net Funding Requirement'. This has to be met by investment income, use of reserve funds, loans or general funding rates.

The chart below illustrates the extent to which the individual components of investment income and the general funded rate contribute to covering Council's 'Net Funding Requirement'. It should be noted that interest income, leasehold rents and dividends are all forecast to increase over the period of the Ten Year Plan while use of loans and reserve funds reduces.



The plan proposes the following increases in General Funding Rates (excl GST):

Years	Total	General Rate on Land Value \$	Uniform Annual General Charge \$
2008/09	3,676,000 (current level)	1,294,000	2,382,000
2009/10	3,676,000 (plan)	1,291,000	2,385,000
2010/11	3,785,000	1,328,000	2,457,000
2011/12	3,938,000	1,397,000	2,541,000

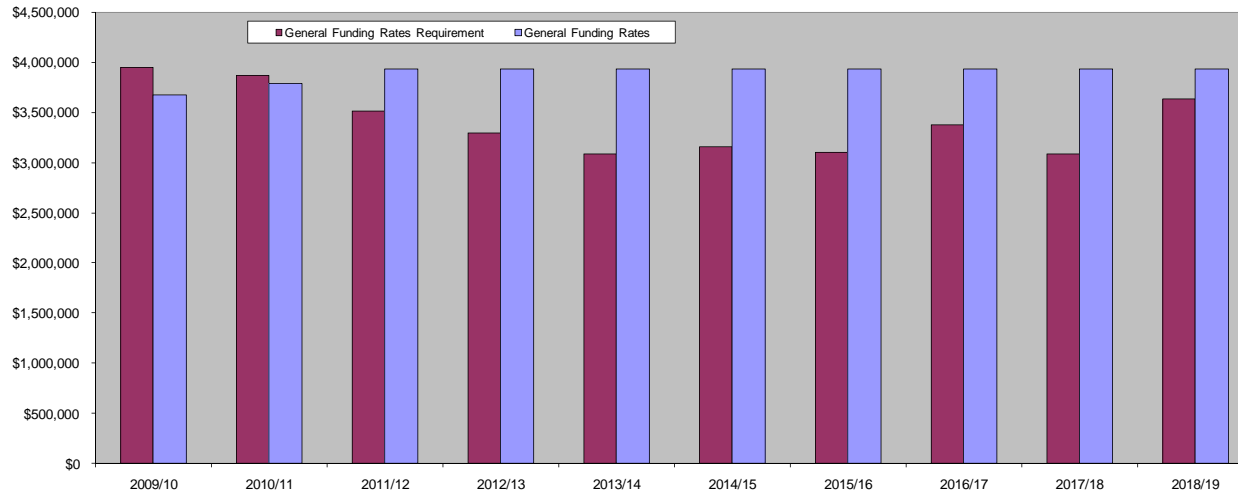
Council has a policy of using cash operating balances, where these are available, to ensure that the General Funding Rates are kept to a minimum. The first two years of the plan proposes to use these cash operating balances to part fund Council's activities. At the end of this drawdown these reserves will be reduced to approximately \$4M which is the minimum required level to ensure that cash is available to fund Council operations.

The graph below indicates the difference between the underlying requirement for the General Funding Rate (i.e. if the rate was set at a level whereby Council would not need to draw on reserves or increase reserves), as compared with the actual General Funding Rate proposed in the Plan.

In years 3-10 of the Plan, if expenditure continues at the levels projected, then the level of general funding and other rates would need to be reviewed.



Ten Year General Rate Requirement



Assets and Liabilities

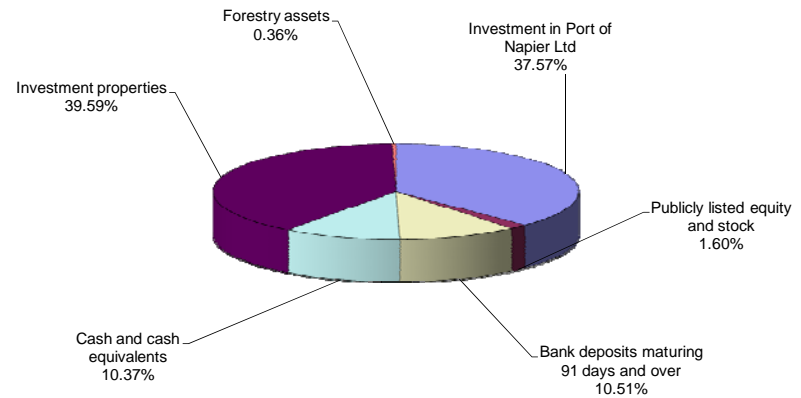
One of the main principles of the Local Government Act 2002 is to ensure that the elected members of each Council have the power to carry out what they consider to be best for their community, provided that adequate consultation is undertaken and that Council is fiscally responsible. An important part of this fiscal responsibility is maintaining the value of Council assets.

This Council has a very strong balance sheet, with assets greatly exceeding liabilities. Council's investment in infrastructure assets total \$121M. However, because of the nature of these assets (e.g. stopbanks), there are restrictions on the use of such assets.

Council has \$265 Million in investments including \$93M of leasehold endowment land which has legal restrictions imposed by the Hawke's Bay Endowment

Land Empowering Act 2002 on the use of rental income from this portfolio.

The following chart shows an analysis of Council's investments totalling \$265 Million at 30 June 2008.





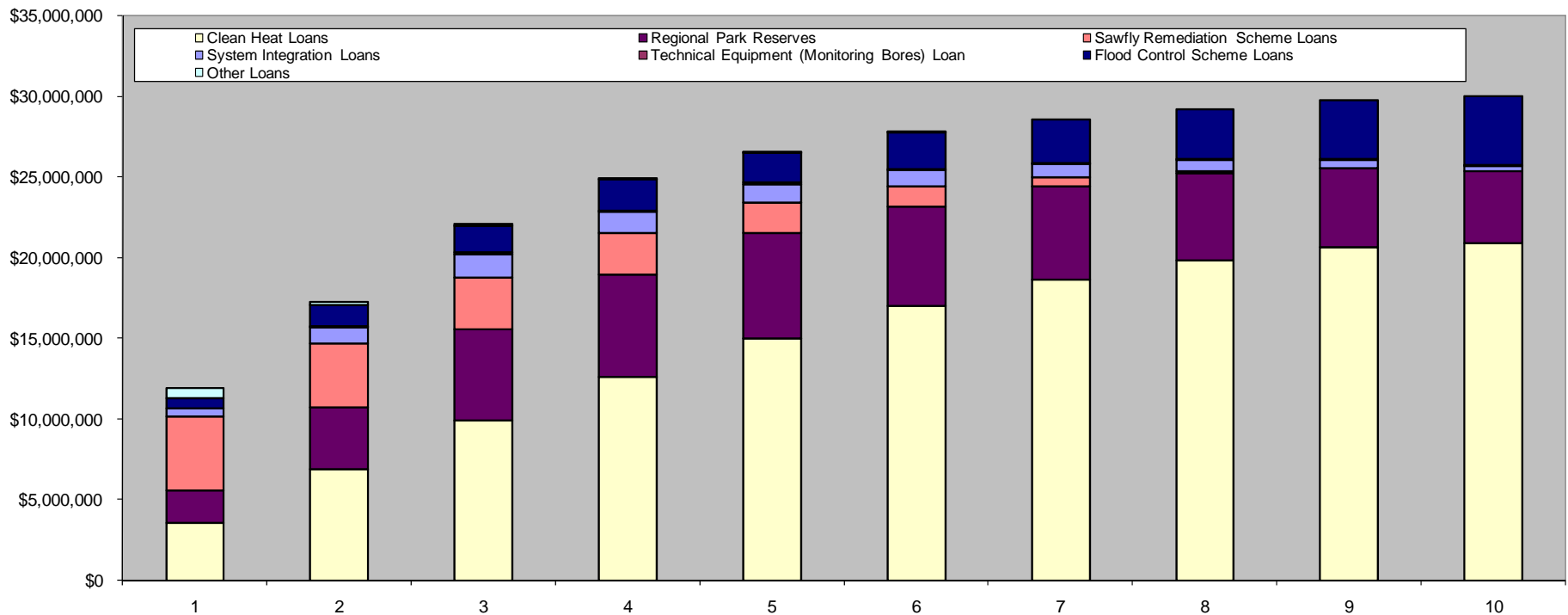
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Council has a policy of raising loans to fund certain types of capital expenditure. Loans are raised to fund the construction of flood and protection assets, such loans are taken out on behalf of certain flood protection scheme ratepayers. These loans will be fully repaid by the scheme ratepayers during the period covered by this Plan. During this Ten Year Plan Council proposes to borrow to fund the construction of flood protection assets in Ruapare-Twyford Drainage Scheme and to carry out works on the Heretaunga Plains Flood Control Scheme and Karamu Schemes.

Council also proposes to raise loans for the funding of operational assets that cannot be funded from Council's asset replacement reserve because of insufficient depreciation in that reserve. Loans in this category include a finance system and monitoring equipment. These loans will be repaid from the depreciation charged on these assets.

Council will also be borrowing significant funds to finance the Clean Heat Initiative advances to homeowners so that they can replace non-compliant wood burners and further loans are proposed to be raised to fund investment in capital assets of regional significance.

Ten Year Loan Balances





Forecast Financial Statements

Introduction

The following pages contain the forecast financial statements, notes and other financial information required by clauses 8, 10, 12 and 13 of Schedule 10 to the Local Government Act 2002 (Act). The significant forecasting assumptions required by clause 11 of Schedule 10 to the Act are also included.

These financial statements, notes and other financial information comply with Financial Reporting Standard No. 42, "Prospective Financial Statements".

As required by section 100(1) of the Act, Council has ensured that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses.

Nature of Prospective Information Presented

The prospective financial information has been presented to comply with the requirements of the sections 93 and 95 of the Act in relation to the Long Term Council Community Plan covering the ten consecutive periods beginning on 1 July 2009 and Annual Plan for the financial year beginning on 1 July 2009. The statements and information may not be appropriate for purposes other than those disclosed above.

The prospective information presented is based on the best information that could reasonably be expected to be available at the time of preparation. Whilst every care has been taken in the preparation of the prospective financial information presented, the actual results are likely to vary from the information presented and the variations may be material.

Authorisation and Responsibility

The prospective financial information presented was authorised for issue by the Hawke's Bay Regional Council on 30 June 2009.

Council and management of the Hawke's Bay Regional Council accept responsibility for the prospective financial information presented including the appropriateness of the assumptions underlying the information and all other disclosures.

Other Disclosures

There is no intention to update the prospective financial information presented after the approval of the Long Term Council Community Plan and Annual Plan on 30 June 2009.

Comparative Information Linkages

The Prospective Statement of Changes in Equity and Prospective Cash Flow Statement closing positions for 2007/08 do not link to opening positions for 2008/09. This is because the 2008/09 Annual Plan prospective financial statements were finalised before the 2007/08 Annual Report. The 2009/10 forecast opening positions are based on the 2007/08 Annual Report closing positions after adjusting for the 2008/09 Annual Plan forecast results and cash flows.



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Prospective Comprehensive Income Statement

	Note	Annual Report 2007/08 (\$'000)	Annual Plan 2008/09 (\$'000)	Year 1 LTCCP 2009/10 (\$'000)	Year 2 LTCCP 2010/11 (\$'000)	Year 3 LTCCP 2011/12 (\$'000)	Year 4 Forecast 2012/13 (\$'000)	Year 5 Forecast 2013/14 (\$'000)	Year 6 Forecast 2014/15 (\$'000)	Year 7 Forecast 2015/16 (\$'000)	Year 8 Forecast 2016/17 (\$'000)	Year 9 Forecast 2017/18 (\$'000)	Year 10 Forecast 2018/19 (\$'000)
REVENUE													
Revenue from activities	1	9,003	5,494	5,653	6,229	6,588	6,730	6,205	6,384	6,492	6,630	6,761	6,826
Revenue from rates	2	10,359	11,130	13,174	14,592	15,527	16,139	16,131	16,628	17,177	17,681	18,292	18,899
Other revenue	3	13,561	13,119	11,782	13,259	15,913	18,368	20,737	21,291	22,672	23,360	24,581	27,163
Fair value gains on investments	7	3,310	2,768	2,929	3,102	3,739	3,003	2,925	3,553	3,734	3,066	2,980	2,890
Total Operating Revenue		36,233	32,511	33,538	37,182	41,767	44,240	45,998	47,856	50,075	50,737	52,614	55,778
EXPENDITURE													
Expenditure on activities	1	27,263	26,379	29,963	32,496	34,261	35,113	36,104	37,225	36,783	37,862	38,739	39,847
Finance costs	1	642	825	645	995	1,341	1,653	1,829	1,934	2,008	2,036	2,091	2,117
Depreciation & amortisation expense	5	1,574	1,663	1,815	1,922	2,017	2,021	2,021	2,094	2,094	2,094	2,164	2,164
Fair value losses		382	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenditure		29,861	28,867	32,423	35,413	37,619	38,787	39,954	41,253	40,885	41,992	42,994	44,128
OPERATING SURPLUS BEFORE INCOME TAX		6,372	3,644	1,115	1,769	4,148	5,453	6,044	6,603	9,190	8,745	9,620	11,650
Income tax expense		0	0	0	0	0	0	0	0	0	0	0	0
OPERATING SURPLUS AFTER INCOME TAX		6,372	3,644	1,115	1,769	4,148	5,453	6,044	6,603	9,190	8,745	9,620	11,650
OTHER COMPREHENSIVE INCOME													
Changes in revaluation surplus		18,949	0	577	20,293	0	928	15,859	0	885	19,545	0	717
Gain / (loss) in available-for-sale financial assets		(55)	0	2,293	0	6,317	0	0	6,039	0	0	5,672	0
Total Other Comprehensive Income		18,894	0	2,870	20,293	6,317	928	15,859	6,039	885	19,545	5,672	717
TOTAL COMPREHENSIVE INCOME		25,266	3,644	3,985	22,062	10,465	6,381	21,903	12,642	10,075	28,290	15,292	12,367
STATEMENT FOR GENERAL FUNDING POSITION													
CAPITAL EXPENDITURE													
Property, plant & equipment	5	840	1,007	1,229	1,940	1,271	1,327	1,816	1,413	2,036	1,836	1,166	1,932
Infrastructure assets - flood & drainage		1,270	2,323	1,921	1,784	1,519	1,783	1,516	1,782	3,483	3,157	3,537	3,499
Infrastructure assets - open spaces		0	7,687	2,045	2,250	2,250	1,250	750	250	250	250	250	250
Forestry assets		199	244	110	98	153	211	223	216	176	139	87	107
Investments		0	0	3,034	160	235	61	90	84	64	65	67	102
Community net lending from reserves		(43)	116	(43)	(43)	160	120	80	40	0	0	0	0
Clean heat net lending from reserves		0	0	3,464	3,120	2,767	2,427	2,078	1,730	1,385	1,042	688	349
Public debt repayments	4	1,051	1,492	1,261	1,664	1,729	2,135	2,506	2,856	3,249	3,408	3,589	3,942
Total Capital Expenditure		3,317	12,869	13,021	10,973	10,084	9,314	9,059	8,371	10,643	9,897	9,384	10,181
RESERVE AND PUBLIC DEBT FUNDING													
Reserves funding	6	(349)	3,310	7,433	5,422	3,747	2,379	2,828	2,184	2,113	752	(591)	(2,612)
Public debt funding	4	1,400	7,500	6,613	6,783	6,383	5,163	3,963	3,963	3,863	3,963	4,063	4,213
Fair value gains on investments	7	(2,928)	(2,768)	(2,929)	(3,102)	(3,739)	(3,003)	(2,925)	(3,553)	(3,734)	(3,066)	(2,980)	(2,890)
Fair value gains on other comprehensive income		(18,894)	0	(2,870)	(20,293)	(6,317)	(928)	(15,859)	(6,039)	(885)	(19,545)	(5,672)	(717)
Total Reserve & Loan Funding		(20,771)	8,042	8,247	(11,190)	74	3,611	(11,993)	(3,445)	1,357	(17,896)	(5,180)	(2,006)
UNDERLYING SURPLUS / (DEFICIT)		1,178	(1,183)	(789)	(101)	455	678	851	826	789	497	728	180



FINANCIAL INFORMATION

Prospective Statement of Changes in Equity

	Annual Report 2007/08 (\$'000)	Annual Plan 2008/09 (\$'000)	Year 1 LTCCP 2009/10 (\$'000)	Year 2 LTCCP 2010/11 (\$'000)	Year 3 LTCCP 2011/12 (\$'000)	Year 4 Forecast 2012/13 (\$'000)	Year 5 Forecast 2013/14 (\$'000)	Year 6 Forecast 2014/15 (\$'000)	Year 7 Forecast 2015/16 (\$'000)	Year 8 Forecast 2016/17 (\$'000)	Year 9 Forecast 2017/18 (\$'000)	Year 10 Forecast 2018/19 (\$'000)
Equity at the Start of the Year	364,795	369,346	393,705	397,690	419,752	430,217	436,598	458,501	471,143	481,218	509,508	524,800
Comprehensive income surplus / (deficit)	25,266	3,644	3,985	22,062	10,465	6,381	21,903	12,642	10,075	28,290	15,292	12,367
	25,266	3,644	3,985	22,062	10,465	6,381	21,903	12,642	10,075	28,290	15,292	12,367
Special distribution	0	0	0	0	0	0	0	0	0	0	0	0
Equity at the End of the Year	390,061	372,990	397,690	419,752	430,217	436,598	458,501	471,143	481,218	509,508	524,800	537,167



FINANCIAL INFORMATION

Prospective Balance Sheet

	Annual Report 2007/08 (\$'000)	Annual Plan 2008/09 (\$'000)	Year 1 LTTCP 2009/10 (\$'000)	Year 2 LTCCP 2010/11 (\$'000)	Year 3 LTCCP 2011/12 (\$'000)	Year 4 Forecast 2012/13 (\$'000)	Year 5 Forecast 2013/14 (\$'000)	Year 6 Forecast 2014/15 (\$'000)	Year 7 Forecast 2015/16 (\$'000)	Year 8 Forecast 2016/17 (\$'000)	Year 9 Forecast 2017/18 (\$'000)	Year 10 Forecast 2018/19 (\$'000)
ASSETS												
Non Current Assets												
Property, plant & equipment	15,098	15,550	14,730	14,710	14,102	14,498	14,425	14,439	15,832	16,051	15,788	16,872
Infrastructure assets	120,853	114,431	126,723	150,655	154,028	156,663	174,389	175,988	179,288	201,806	205,121	208,397
Investment property	105,090	110,758	111,421	113,883	117,057	118,521	119,936	121,973	124,171	125,702	127,149	128,541
Intangible assets	563	543	924	1,200	1,387	1,554	1,751	1,419	1,216	1,102	769	572
Finance assets	104,041	111,712	117,234	117,234	123,551	123,551	123,551	129,590	129,590	129,590	135,262	135,262
Forestry assets	964	3,167	1,318	1,416	1,569	1,780	2,003	2,219	2,395	2,534	2,621	2,728
Total Non Current Assets	346,609	356,161	372,350	399,098	411,694	416,567	436,055	445,628	452,492	476,785	486,710	492,372
Current Assets												
Inventories	54	96	54	54	54	54	54	54	54	54	54	54
Trade & other receivables	5,379	4,811	5,379	5,379	5,379	5,379	5,379	5,379	5,379	5,379	5,379	5,379
Finance assets	27,935	13,050	30,335	31,135	31,935	33,535	35,135	36,735	38,335	39,935	41,535	43,135
Cash & cash equivalents	23,978	18,760	7,456	7,089	8,811	11,748	14,020	16,596	18,821	21,772	26,013	31,388
Total Current Assets	57,346	36,717	43,224	43,657	46,179	50,716	54,588	58,764	62,589	67,140	72,981	79,956
Total Assets	403,955	392,878	415,574	442,755	457,873	467,283	490,643	504,392	515,081	543,925	559,691	572,328
EQUITY												
Retained earnings	178,906	192,170	183,665	185,434	189,582	195,035	201,079	207,682	216,872	225,617	235,237	246,887
Fair value & other reserves	211,155	180,820	214,025	234,318	240,635	241,563	257,422	263,461	264,346	283,891	289,563	290,280
Total Equity	390,061	372,990	397,690	419,752	430,217	436,598	458,501	471,143	481,218	509,508	524,800	537,167
LIABILITIES												
Non Current Liabilities												
Borrowings	6,287	12,506	9,972	15,026	19,273	21,931	23,038	23,752	24,207	24,580	24,701	24,677
Provisions for other liabilities & charges	663	641	663	663	663	663	663	663	663	663	663	663
Total Non Current Liabilities	6,950	13,147	10,635	15,689	19,936	22,594	23,701	24,415	24,870	25,243	25,364	25,340
Current Liabilities												
Trade & other payables	5,012	5,140	5,022	5,022	5,022	5,022	5,022	5,022	5,022	5,022	5,022	5,022
Borrowings	1,369	1,147	1,664	1,729	2,135	2,506	2,856	3,249	3,408	3,589	3,942	4,236
Provisions for other liabilities & charges	563	454	563	563	563	563	563	563	563	563	563	563
Total Current Liabilities	6,944	6,741	7,249	7,314	7,720	8,091	8,441	8,834	8,993	9,174	9,527	9,821
Total Liabilities	13,894	19,888	17,884	23,003	27,656	30,685	32,142	33,249	33,863	34,417	34,891	35,161
TOTAL EQUITY AND LIABILITIES	403,955	392,878	415,574	442,755	457,873	467,283	490,643	504,392	515,081	543,925	559,691	572,328



FINANCIAL INFORMATION

Prospective Cash Flow Statement

	Annual Report 2007/08 (\$'000)	Annual Plan 2008/09 (\$'000)	Year 1 LTTCP 2009/10 (\$'000)	Year 2 LTCCP 2010/11 (\$'000)	Year 3 LTCCP 2011/12 (\$'000)	Year 4 Forecast 2012/13 (\$'000)	Year 5 Forecast 2013/14 (\$'000)	Year 6 Forecast 2014/15 (\$'000)	Year 7 Forecast 2015/16 (\$'000)	Year 8 Forecast 2016/17 (\$'000)	Year 9 Forecast 2017/18 (\$'000)	Year 10 Forecast 2018/19 (\$'000)
CASH FLOW FROM OPERATING ACTIVITIES												
<i>Cash to be provided from:</i>												
Receipts from customers	11,185	8,237	8,776	9,749	10,456	11,229	11,271	11,916	12,738	13,135	13,816	14,304
Rates	10,359	11,130	13,174	14,592	15,527	16,139	16,131	16,628	17,177	17,681	18,292	18,899
Dividends received	6,009	5,443	5,301	5,563	6,640	7,825	9,368	9,444	9,583	9,697	9,818	11,714
Interest received	3,422	3,546	1,056	1,292	1,644	2,059	2,096	2,097	2,350	2,643	2,895	3,124
Grants	838	1,362	2,132	2,814	3,551	3,875	4,024	4,152	4,304	4,442	4,616	4,767
Other income	215	25	170	70	210	110	183	66	189	73	197	80
	32,028	29,743	30,609	34,080	38,028	41,237	43,073	44,303	46,341	47,671	49,634	52,888
<i>Cash to be applied to:</i>												
Payments to suppliers	18,802	16,608	19,141	21,199	22,693	23,283	24,315	25,171	24,457	25,203	25,725	26,479
Payments to and behalf of employees	8,570	9,771	10,822	11,297	11,568	11,830	11,789	12,054	12,326	12,659	13,014	13,368
Interest expense	634	825	645	995	1,341	1,653	1,829	1,934	2,008	2,036	2,091	2,117
	28,006	27,204	30,608	33,491	35,602	36,766	37,933	39,159	38,791	39,898	40,830	41,964
Net Cash Flows from Operating Activities	4,022	2,539	1	589	2,426	4,471	5,140	5,144	7,550	7,773	8,804	10,924
CASH FLOWS FROM INVESTING ACTIVITIES												
<i>Cash to be provided from:</i>												
Disposal of property, plant & equipment	79	36	42	157	70	70	70	70	70	70	70	70
Disposal of investment properties	3,522	1,600	800	800	800	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Disposal of financial assets	7,907	0	0	0	0	0	0	0	0	0	0	0
	11,508	1,636	842	957	870	1,670	1,670	1,670	1,670	1,670	1,670	1,670
<i>Cash to be applied to:</i>												
Purchase of property, plant & equipment	826	914	679	1,420	751	827	1,286	1,412	1,906	1,617	1,166	1,796
Purchase of intangible assets	14	93	550	520	520	500	530	1	130	219	0	136
Construction of infrastructure assets	1,270	10,010	3,966	4,034	3,769	3,033	2,266	2,032	3,733	3,407	3,787	3,749
Purchase of financial assets	16,958	1,600	6,800	800	800	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Forestry asset silviculture	199	244	110	98	153	211	223	216	176	139	87	107
Purchase of investment property	0	0	3,034	160	235	61	90	84	64	65	67	102
	19,267	12,861	15,139	7,032	6,228	6,232	5,995	5,345	7,609	7,047	6,707	7,490
Net Cash Flows from Investing Activities	(7,759)	(11,225)	(14,297)	(6,075)	(5,358)	(4,562)	(4,325)	(3,675)	(5,939)	(5,377)	(5,037)	(5,820)
CASH FLOWS FROM FINANCING ACTIVITIES												
<i>Cash to be provided from:</i>												
Loans drawn	1,400	7,500	6,613	6,783	6,383	5,163	3,963	3,963	3,863	3,963	4,063	4,213
	1,400	7,500	6,613	6,783	6,383	5,163	3,963	3,963	3,863	3,963	4,063	4,213
<i>Cash to be applied to:</i>												
Loans repaid	1,199	1,492	1,261	1,664	1,729	2,135	2,506	2,856	3,249	3,408	3,589	3,942
	1,199	1,492	1,261	1,664	1,729	2,135	2,506	2,856	3,249	3,408	3,589	3,942
Net Cash Flows from Financing Activities	201	6,008	5,352	5,119	4,654	3,028	1,457	1,107	614	555	474	271
Net Increase / (Decrease) in Cash & cash equivalents	(3,536)	(2,678)	(8,944)	(367)	1,722	2,937	2,272	2,576	2,225	2,951	4,241	5,375
Opening cash & cash equivalents	27,514	21,438	16,400	7,456	7,089	8,811	11,748	14,020	16,596	18,821	21,772	26,013
Closing Cash & cash equivalents	23,978	18,760	7,456	7,089	8,811	11,748	14,020	16,596	18,821	21,772	26,013	31,388



FINANCIAL INFORMATION

Notes to Accounts

Note 1: Activity Revenue and Expenditure

	Annual Report 2007/08 (\$'000)	Annual Plan 2008/09 (\$'000)	Year 1 LTTCP 2009/10 (\$'000)	Year 2 LTCCP 2010/11 (\$'000)	Year 3 LTCCP 2011/12 (\$'000)	Year 4 Forecast 2012/13 (\$'000)	Year 5 Forecast 2013/14 (\$'000)	Year 6 Forecast 2014/15 (\$'000)	Year 7 Forecast 2015/16 (\$'000)	Year 8 Forecast 2016/17 (\$'000)	Year 9 Forecast 2017/18 (\$'000)	Year 10 Forecast 2018/19 (\$'000)
REVENUE												
Groups of Activities												
Environmental Management	1,359	1,368	2,028	2,487	2,883	2,992	3,094	3,247	3,357	3,463	3,574	3,604
Land Drainage and River Control	1,711	1,054	999	1,015	960	969	983	988	987	1,000	1,017	1,030
Biosecurity	5,717	582	632	659	660	666	25	25	25	25	25	25
Hazard Management	117	114	218	225	231	233	236	241	243	245	250	253
Transport	44	66	127	136	145	149	154	159	164	169	175	181
Strategic Direction	37	2,438	2,458	2,478	2,468	2,478	2,468	2,478	2,468	2,478	2,468	2,478
Social and Cultural Wellbeing	318	372	436	474	486	488	490	491	493	495	497	500
	9,303	5,994	6,898	7,474	7,833	7,975	7,450	7,629	7,737	7,875	8,006	8,071
Less Internal Revenue	(300)	(500)	(1,245)	(1,245)	(1,245)	(1,245)	(1,245)	(1,245)	(1,245)	(1,245)	(1,245)	(1,245)
TOTAL REVENUE FROM ACTIVITIES	9,003	5,494	5,653	6,229	6,588	6,730	6,205	6,384	6,492	6,630	6,761	6,826
EXPENDITURE												
Groups of Activities												
Environmental Management	8,059	8,471	10,475	11,364	12,332	12,844	13,505	13,946	14,303	14,700	15,198	15,622
Land Drainage and River Control	6,363	6,001	6,520	6,679	6,910	6,913	7,011	7,137	7,265	7,354	7,598	7,810
Biosecurity	8,832	3,611	3,455	3,606	3,868	3,941	2,798	2,874	2,669	2,735	2,812	2,877
Hazard Management	1,076	1,244	1,185	1,221	1,266	1,290	1,338	1,373	1,387	1,426	1,489	1,520
Transport	1,531	2,512	3,555	4,387	4,950	5,474	5,826	6,155	6,548	6,926	7,390	7,830
Strategic Direction	1,348	4,884	5,896	5,576	5,465	5,427	5,457	5,564	5,611	5,711	5,769	5,860
Social and Cultural Wellbeing	1,602	2,160	2,170	3,257	3,493	3,560	4,649	4,813	3,730	3,733	3,326	3,200
	28,811	28,883	33,256	36,090	38,284	39,449	40,584	41,862	41,513	42,585	43,582	44,719
Less Internal Expenditure	(447)	(646)	(1,401)	(1,401)	(1,401)	(1,401)	(1,401)	(1,401)	(1,401)	(1,401)	(1,401)	(1,401)
Total Group Activities	28,364	28,237	31,855	34,689	36,883	38,048	39,183	40,461	40,112	41,184	42,181	43,318
Other Activities												
Regional Income Collection Expenditure	1,115	630	568	724	736	739	771	792	773	808	813	810
Total Other Activities	1,115	630	568	724	736	739	771	792	773	808	813	810
Less finance costs	(642)	(825)	(645)	(995)	(1,341)	(1,653)	(1,829)	(1,934)	(2,008)	(2,036)	(2,091)	(2,117)
Less depreciation and amortisation expense	(1,574)	(1,663)	(1,815)	(1,922)	(2,017)	(2,021)	(2,021)	(2,094)	(2,094)	(2,094)	(2,164)	(2,164)
TOTAL EXPENDITURE ON ACTIVITIES	27,263	26,379	29,963	32,496	34,261	35,113	36,104	37,225	36,783	37,862	38,739	39,847



FINANCIAL INFORMATION

Part 4
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Note 2 & 3: Rates and Other Revenue

Note: Hawke's Bay Incorporated was renamed Venture Hawke's Bay with effect from 1 July 2009.

Note	Annual Report 2007/08 (\$'000)	Annual Plan 2008/09 (\$'000)	Year 1 LTTCP 2009/10 (\$'000)	Year 2 LTCCP 2010/11 (\$'000)	Year 3 LTCCP 2011/12 (\$'000)	Year 4 Forecast 2012/13 (\$'000)	Year 5 Forecast 2013/14 (\$'000)	Year 6 Forecast 2014/15 (\$'000)	Year 7 Forecast 2015/16 (\$'000)	Year 8 Forecast 2016/17 (\$'000)	Year 9 Forecast 2017/18 (\$'000)	Year 10 Forecast 2018/19 (\$'000)
Note 2: Rates												
General Funding Rates												
Uniform Annual General Charge (UAGC)	2,330	2,431	2,446	2,500	2,581	2,571	2,590	2,591	2,611	2,612	2,622	2,621
General Rate on Land Value	1,213	1,245	1,230	1,286	1,357	1,368	1,348	1,347	1,327	1,326	1,316	1,317
Total General Funding Rates	3,543	3,676	3,676	3,786	3,938	3,939	3,938	3,938	3,938	3,938	3,938	3,938
Targeted Rates												
Upper Tukituki Catchment Control Scheme	498	513	537	558	579	601	619	638	657	676	697	718
Separate Flood Control & Drainage Schemes	181	190	196	202	209	206	218	229	241	253	266	280
Wairoa Rivers & Streams Scheme	74	77	88	101	116	120	123	127	131	135	139	143
Central & Southern Areas Rivers & Streams Scheme	153	153	161	193	231	278	292	306	321	338	354	372
Heretaunga Plains Flood Control & Drainage Schemes	3,781	3,887	4,077	4,237	4,403	4,458	4,616	4,748	4,896	5,001	5,154	5,317
Biosecurity Schemes	1,653	1,695	1,755	1,816	1,880	1,946	1,497	1,549	1,603	1,659	1,717	1,777
Subsidised Public Transport	476	939	1,301	1,821	2,042	2,430	2,649	2,868	3,127	3,384	3,692	4,000
Clean Heat Financial Assistance	0	0	583	583	583	583	583	583	583	583	583	583
HB Incorporated Targeted Rate	0	0	800	827	847	867	887	909	930	953	977	1,001
Water Management Rate	0	0	0	468	699	711	709	733	750	761	775	770
Total Targeted Rates	6,816	7,454	9,498	10,806	11,589	12,200	12,193	12,690	13,239	13,743	14,354	14,961
Total Rates	10,359	11,130	13,174	14,592	15,527	16,139	16,131	16,628	17,177	17,681	18,292	18,899
Note 3: Other Revenue												
Dividends	6,009	5,443	5,301	5,563	6,640	7,825	9,368	9,444	9,583	9,697	9,818	11,714
Leasehold rents	2,411	2,743	3,123	3,520	3,868	4,499	5,066	5,532	6,246	6,505	7,055	7,478
Interest	4,111	3,546	1,056	1,292	1,644	2,059	2,096	2,097	2,350	2,643	2,895	3,124
Grants	838	1,362	2,132	2,814	3,551	3,875	4,024	4,152	4,304	4,442	4,616	4,767
Net gain / (loss) on disposal of assets	(24)	0	0	0	0	0	0	0	0	0	0	0
Subvention payments	215	0	0	0	0	0	0	0	0	0	0	0
Other income	1	25	170	70	210	110	183	66	189	73	197	80
Total Other Income	13,561	13,119	11,782	13,259	15,913	18,368	20,737	21,291	22,672	23,360	24,581	27,163



FINANCIAL INFORMATION

Note 4: Debt

	Annual Report 2007/08 (\$'000)	Annual Plan 2008/09 (\$'000)	Year 1 LTCCP 2009/10 (\$'000)	Year 2 LTCCP 2010/11 (\$'000)	Year 3 LTCCP 2011/12 (\$'000)	Year 4 Forecast 2012/13 (\$'000)	Year 5 Forecast 2013/14 (\$'000)	Year 6 Forecast 2014/15 (\$'000)	Year 7 Forecast 2015/16 (\$'000)	Year 8 Forecast 2016/17 (\$'000)	Year 9 Forecast 2017/18 (\$'000)	Year 10 Forecast 2018/19 (\$'000)
LOAN REQUIREMENTS												
New Borrowings												
Sawfly Remediation Loans	1,400	0	0	0	0	0	0	0	0	0	0	0
Finance System Loans	0	0	550	520	520	0	0	0	0	0	0	0
Technical Equipment Loan (Monitoring Bores)	0	0	0	100	0	0	0	0	0	0	0	0
Public Good Capital Assets Loans	0	7,500	2,000	2,000	2,000	1,000	500	0	0	0	0	0
Upper Tukituki Scheme Loans	0	0	200	100	0	0	0	0	0	0	0	0
HPFCS Flood & River Scheme Loan	0	0	0	600	400	300	0	500	400	250	500	500
Napier Meeanee Scheme Loan	0	0	0	0	0	400	0	0	0	0	0	0
Karamu & Tributaries Scheme Loan	0	0	400	0	0	0	0	0	0	0	0	250
Raupere - Twyford Scheme Loan	0	0	0	0	0	0	0	0	0	250	100	0
Clean Heat Advances to Householders	0	0	3,463	3,463	3,463	3,463	3,463	3,463	3,463	3,463	3,463	3,463
Total New Borrowings	1,400	7,500	6,613	6,783	6,383	5,163	3,963	3,963	3,863	3,963	4,063	4,213
Principal Repayments												
Te Awanga Flood Protection Loan	14	14	14	14	14	0	0	0	0	0	0	0
Sawfly Remediation Loans	530	670	670	670	670	670	670	670	670	420	140	0
Port of Napier Ltd Redemption Loans	100	270	0	0	0	0	0	0	0	0	0	0
Digital Terrain Monitoring Loan	28	28	28	28	28	28	28	0	0	0	0	0
Council Office Redevelopment Loan	360	360	360	360	0	0	0	0	0	0	0	0
GIS Purchase Loan	19	19	19	19	19	19	19	19	19	0	0	0
Finance System Loans	0	0	0	50	100	150	150	150	150	150	150	150
Technical Equipment Loan (Monitoring Bores)	0	0	0	0	10	10	10	10	10	10	10	10
Public Good Capital Assets Purchases	0	131	40	123	208	279	327	361	387	415	446	478
Upper Tukituki Scheme Loans	0	0	2	4	5	6	6	6	7	7	8	8
HPFCS Flood & River Scheme Loan	0	0	0	5	12	18	27	35	41	49	58	66
Napier Meeanee Scheme Loan	0	0	0	0	0	3	6	7	7	8	9	9
Karamu & Tributaries Scheme Loan	0	0	3	7	7	8	9	9	10	11	11	14
Raupere - Twyford Scheme Loan	0	0	0	0	0	0	0	0	0	2	4	5
Clean Heat Advances to Householders	0	0	125	384	656	944	1,254	1,589	1,948	2,336	2,753	3,202
Total Principal Repayments	1,051	1,492	1,261	1,664	1,729	2,135	2,506	2,856	3,249	3,408	3,589	3,942
TOTAL LOAN MOVEMENT	349	6,008	5,352	5,119	4,654	3,028	1,457	1,107	614	555	474	271



FINANCIAL INFORMATION

Note 4: Debt continued

	Annual Report 2007/08 (\$'000)	Annual Plan 2008/09 (\$'000)	Year 1 LTCCP 2009/10 (\$'000)	Year 2 LTCCP 2010/11 (\$'000)	Year 3 LTCCP 2011/12 (\$'000)	Year 4 Forecast 2012/13 (\$'000)	Year 5 Forecast 2013/14 (\$'000)	Year 6 Forecast 2014/15 (\$'000)	Year 7 Forecast 2015/16 (\$'000)	Year 8 Forecast 2016/17 (\$'000)	Year 9 Forecast 2017/18 (\$'000)	Year 10 Forecast 2018/19 (\$'000)
LOAN REQUIREMENTS												
Loan Balances												
Te Awanga Flood Protection Loan	58	43	29	14	0	0	0	0	0	0	0	0
Sawfly Remediation Loans	5,920	5,250	4,580	3,910	3,240	2,570	1,900	1,230	560	140	0	0
Port of Napier Ltd Redemption Loans	270	0	0	0	0	0	0	0	0	0	0	0
Digital Terrain Monitoring Loan	165	138	110	83	55	28	0	0	0	0	0	0
Council Office Redevelopment Loan	1,080	720	360	0	0	0	0	0	0	0	0	0
GIS Purchase Loan	152	133	114	95	76	57	38	19	0	0	0	0
Finance System Loans	0	0	550	1,020	1,440	1,290	1,140	990	840	690	540	390
Technical Equipment Loan (Monitoring Bores)	0	0	0	100	90	80	70	60	50	40	30	20
Public Good Capital Assets Purchases	0	7,369	1,960	3,837	5,629	6,350	6,523	6,162	5,775	5,360	4,914	4,436
Upper Tukituki Scheme Loans	0	0	198	294	289	283	277	271	264	257	249	241
HPFCS Flood & River Scheme Loan	0	0	0	595	983	1,265	1,238	1,703	2,062	2,263	2,705	3,139
Napier Meeanee Scheme Loan	0	0	0	0	0	397	391	384	377	369	360	351
Karamu & Tributaries Scheme Loan	0	0	397	390	383	375	366	357	347	336	325	561
Raupere - Twyford Scheme Loan	0	0	0	0	0	0	0	0	0	248	344	338
Clean Heat Advances to Householders	0	0	3,338	6,417	9,223	11,742	13,951	15,825	17,340	18,466	19,176	19,437
Total Outstanding Loan Balances	7,645	13,653	11,636	16,755	21,408	24,437	25,894	27,001	27,615	28,169	28,643	28,913
LOAN INTEREST EXPENSE												
Te Awanga Flood Protection Loan	6	5	4	2	1	0	0	0	0	0	0	0
Sawfly Remediation Loans	479	420	380	329	278	226	176	125	74	18	1	0
Port of Napier Ltd Redemption Loans	27	1	0	0	0	0	0	0	0	0	0	0
Digital Terrain Monitoring Loan	15	12	10	8	6	3	1	0	0	0	0	0
Council Office Redevelopment Loan	101	74	47	20	0	0	0	0	0	0	0	0
GIS Purchase Loan	13	11	9	8	6	5	3	2	0	0	0	0
Public Good Capital Assets Purchases	0	302	65	194	328	424	459	453	427	399	368	336
Upper Tukituki Scheme Loans	0	0	6	16	19	19	18	18	17	17	17	16
HPFCS Flood & River Scheme Loan	0	0	0	21	56	82	91	108	140	152	177	201
Napier Meeanee Scheme Loan	0	0	0	0	0	15	30	29	29	28	28	27
Karamu & Tributaries Scheme Loan	0	0	13	26	25	25	24	24	23	22	22	21
Raupere - Twyford Scheme Loan	0	0	0	0	0	0	0	0	0	9	22	26
Finance System Loans	0	0	0	38	70	98	88	77	67	56	46	35
Technical Equipment Loan (Monitoring Bores)	0	0	0	4	7	6	5	5	4	3	2	2
Clean Heat Advances to Householders	0	0	111	329	545	750	933	1,093	1,226	1,332	1,408	1,453
Finance Lease	1											
TOTAL INTEREST EXPENSE	642	825	645	995	1,341	1,653	1,829	1,934	2,008	2,036	2,091	2,117



FINANCIAL INFORMATION

Note 5: Capital Expenditure on Property, Plant & Equipment and Depreciation

	Annual Report 2007/08 (\$'000)	Annual Plan 2008/09 (\$'000)	Year 1 LTTCP 2009/10 (\$'000)	Year 2 LTCCP 2010/11 (\$'000)	Year 3 LTCCP 2011/12 (\$'000)	Year 4 Forecast 2012/13 (\$'000)	Year 5 Forecast 2013/14 (\$'000)	Year 6 Forecast 2014/15 (\$'000)	Year 7 Forecast 2015/16 (\$'000)	Year 8 Forecast 2016/17 (\$'000)	Year 9 Forecast 2017/18 (\$'000)	Year 10 Forecast 2018/19 (\$'000)
Capital Expenditure on Property, Plant & Equipment												
Land and Buildings	26	0	3	0	0	0	0	0	0	0	0	0
Motor Vehicles and Plant	488	436	304	920	487	244	668	778	1,208	882	550	738
Hydrological Equipment	54	159	47	169	51	130	117	114	114	59	96	276
Technical Equipment	134	109	170	175	55	72	89	123	102	75	78	173
Computer Equipment	64	145	88	117	138	260	365	343	375	479	342	397
Office Furniture and Equipment	60	65	67	39	20	121	47	54	107	122	100	212
Intangible Assets	14	93	550	520	520	500	530	1	130	219	0	136
Total Capital Expenditure on Property, Plant & Equipment	840	1,007	1,229	1,940	1,271	1,327	1,816	1,413	2,036	1,836	1,166	1,932
Proceeds of Property, Plant & Equipment Disposals												
Land and Buildings	0	0	0	0	0	0	0	0	0	0	0	0
Motor Vehicles and Plant	79	36	42	157	70	70	70	70	70	70	70	70
Hydrological Equipment	0	0	0	0	0	0	0	0	0	0	0	0
Technical Equipment	0	0	0	0	0	0	0	0	0	0	0	0
Computer Equipment	0	0	0	0	0	0	0	0	0	0	0	0
Office Furniture and Equipment	0	0	0	0	0	0	0	0	0	0	0	0
Intangible Assets	0	0	0	0	0	0	0	0	0	0	0	0
Total Proceeds from Disposal of Property, Plant & Equipment	79	36	42	157	70	70	70	70	70	70	70	70
Depreciation on Property, Plant & Equipment												
Buildings	376	376	376	377	376	376	376	407	407	407	432	432
Motor Vehicles and Plant	374	414	457	468	468	468	468	468	468	468	468	468
Hydrological Equipment	106	106	105	121	127	127	127	135	135	135	141	141
Technical Equipment	78	109	123	124	126	126	126	126	126	126	126	126
Computer Equipment	148	143	129	128	127	127	127	127	127	127	127	127
Office Furniture and Equipment	58	60	62	65	65	65	65	65	65	65	65	65
Intangible Assets (Amortisation)	111	114	168	244	333	333	333	333	333	333	333	333
Property, Plant & Equipment Asset Depreciation	1,251	1,322	1,420	1,527	1,622	1,622	1,622	1,661	1,661	1,661	1,692	1,692
Depreciation on Infrastructure Assets												
Infrastructure Assets	323	341	395	395	395	399	399	433	433	433	472	472
Infrastructure Asset Depreciation	323	341	395	395	395	399	399	433	433	433	472	472
Total Depreciation & Amortisation	1,574	1,663	1,815	1,922	2,017	2,021	2,021	2,094	2,094	2,094	2,164	2,164



FINANCIAL INFORMATION

Note 6 & 7: Net Funding from Reserves for Council Funding

Note	Annual Report 2007/08 (\$'000)	Annual Plan 2008/09 (\$'000)	Year 1 LTCCP 2009/10 (\$'000)	Year 2 LTCCP 2010/11 (\$'000)	Year 3 LTCCP 2011/12 (\$'000)	Year 4 Forecast 2012/13 (\$'000)	Year 5 Forecast 2013/14 (\$'000)	Year 6 Forecast 2014/15 (\$'000)	Year 7 Forecast 2015/16 (\$'000)	Year 8 Forecast 2016/17 (\$'000)	Year 9 Forecast 2017/18 (\$'000)	Year 10 Forecast 2018/19 (\$'000)
Note 6: Funding from Reserves												
Project Scheme Reserves	(532)	521	305	173	329	10	474	81	552	592	887	496
Dividend Equalisation Reserve	(1,302)	(604)	758	737	199	(243)	(155)	(31)	(24)	(18)	(33)	(23)
Coastal Marine Area Reserve	0	0	0	0	0	0	0	(289)	(2,110)	(2,400)	(2,952)	(3,489)
Specific Regional Projects Reserve	218	548	448	0	0	0	0	0	0	0	0	0
Tangoio Soil Conservation Forestry Reserve	20	110	78	48	81	78	123	180	100	26	5	2
Asset Replacement Reserve	1,247	1,324	1,048	1,720	834	1,426	1,896	1,448	2,059	1,843	1,148	1,892
Infrastructure Asset Depreciation Reserve	65	558	290	88	75	224	196	204	1,104	278	(24)	294
Sinking Fund Reserve	100	270	0	0	0	0	0	0	0	0	0	0
Sale of Land Investment Reserve	0	0	3,452	589	429	89	(517)	(170)	(238)	(254)	(246)	(2,227)
Sale of Land Non-Investment Reserve	(61)	549	1,116	2,150	1,921	952	978	934	847	794	735	670
Disaster Damage Reserve	0	0	0	0	0	0	0	0	0	0	0	0
Wairoa Flood Reserve	0	180	0	0	0	0	0	0	0	0	0	0
Other Reserves	(104)	(146)	(62)	(83)	(121)	(157)	(167)	(173)	(177)	(109)	(111)	(227)
Total Net Funding from Reserves	(349)	3,310	7,433	5,422	3,747	2,379	2,828	2,184	2,113	752	(591)	(2,612)
Note 7: Fair Value Gains from Investments												
Investment Property at beginning of year	105,318	109,590	106,258	111,421	113,883	117,057	118,521	119,936	121,973	124,171	125,702	127,149
Additions	0		3,034	160	235	61	90	84	64	65	67	102
Disposals	(3,538)	(1,600)	(800)	(800)	(800)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)
Movement during the year	(3,538)	(1,600)	2,234	(640)	(565)	(1,539)	(1,510)	(1,516)	(1,536)	(1,535)	(1,533)	(1,498)
Fair value gains (included in income statement)	3,310	2,768	2,929	3,102	3,739	3,003	2,925	3,553	3,734	3,066	2,980	2,890
Investment Property at end of year	105,090	110,758	111,421	113,883	117,057	118,521	119,936	121,973	124,171	125,702	127,149	128,541



FINANCIAL INFORMATION

Note 8: Underlying Surplus / (Deficit) Reconciliation

Note	Annual Report 2007/08 (\$'000)	Annual Plan 2008/09 (\$'000)	Year 1 LTTCP 2009/10 (\$'000)	Year 2 LTCCP 2010/11 (\$'000)	Year 3 LTCCP 2011/12 (\$'000)	Year 4 Forecast 2012/13 (\$'000)	Year 5 Forecast 2013/14 (\$'000)	Year 6 Forecast 2014/15 (\$'000)	Year 7 Forecast 2015/16 (\$'000)	Year 8 Forecast 2016/17 (\$'000)	Year 9 Forecast 2017/18 (\$'000)	Year 10 Forecast 2018/19 (\$'000)	
Note 8: Underlying Surplus / (Deficit) Reconciliation													
Groups of Activities Underlying Surplus / (Deficits) <i>[From Cost of Service Statements]</i>													
	Environmental Management	(6,663)	(7,101)	(7,015)	(7,261)	(7,494)	(7,533)	(7,963)	(8,193)	(8,322)	(8,508)	(8,797)	(9,132)
	Land Drainage and River Control	(1,011)	(1,536)	(1,565)	(1,604)	(1,699)	(1,717)	(1,737)	(1,801)	(2,059)	(2,144)	(2,288)	(2,247)
	Biosecurity	(1,332)	(1,315)	(1,119)	(1,167)	(1,249)	(1,275)	(1,145)	(1,175)	(1,120)	(1,146)	(1,176)	(1,203)
	Hazard Management	(959)	(1,129)	(967)	(996)	(1,036)	(1,058)	(1,102)	(1,131)	(1,144)	(1,181)	(1,238)	(1,267)
	Land Transport	(90)	(221)	(307)	(142)	(107)	(110)	(115)	(119)	(124)	(128)	(135)	(140)
	Strategic Direction	(1,071)	(2,023)	(2,074)	(1,956)	(2,035)	(2,081)	(2,102)	(2,177)	(2,212)	(2,279)	(2,325)	(2,381)
	Social and Cultural Wellbeing	(8,824)	(1,453)	(1,540)	(1,400)	(1,475)	(2,477)	(3,501)	(3,610)	(2,596)	(2,663)	(2,251)	(2,172)
1	Less Internal Expenditure & Income	147	146	156	156	156	156	156	156	156	156	156	156
1	Regional Income Collection	(1,115)	(630)	(568)	(724)	(736)	(739)	(771)	(792)	(773)	(808)	(813)	(810)
	Fair Value Losses												
	Total Groups of Activities Surplus / (Deficit)	(20,918)	(15,262)	(14,999)	(15,094)	(15,675)	(16,834)	(18,280)	(18,842)	(18,194)	(18,701)	(18,867)	(19,196)
Less Capital Expenditure <i>[From Income Statement]</i>													
	Capital Expenditure	(3,317)	(12,869)	(13,021)	(10,973)	(10,084)	(9,314)	(9,059)	(8,371)	(10,643)	(9,897)	(9,384)	(10,181)
	<i>Add Back:</i>												
	Capital Expenditure in Groups of Activities	9,873	11,540	8,762	8,858	9,202	8,885	8,520	8,649	10,743	10,571	11,004	11,345
	Total Non-Groups of Activities Capital Expenditure	6,556	(1,329)	(4,259)	(2,115)	(882)	(429)	(539)	278	100	674	1,620	1,164
Plus General Funding													
2	Revenue from Rates	10,359	11,130	13,174	14,592	15,527	16,139	16,131	16,628	17,177	17,681	18,292	18,899
3	Other Revenue	13,561	13,119	11,782	13,259	15,913	18,368	20,737	21,291	22,672	23,360	24,581	27,163
4	Loan Funding	1,400	7,500	6,613	6,783	6,383	5,163	3,963	3,963	3,863	3,963	4,063	4,213
	<i>Less:</i>												
	Other Revenue in Groups of Activities	(9,679)	(17,182)	(18,264)	(20,450)	(22,104)	(22,799)	(22,153)	(23,163)	(24,152)	(25,320)	(26,471)	(27,582)
	Total Non-Groups of Activities General Funding	15,641	14,567	13,305	14,184	15,719	16,871	18,678	18,719	19,560	19,684	20,465	22,693
Plus / (Less) Reserves Funding <i>[From Income Statement]</i>													
6	Reserves Funding	(349)	3,310	7,433	5,422	3,747	2,379	2,828	2,184	2,113	752	(591)	(2,612)
	<i>Less:</i>												
	Reserves Funding in Groups of Activities	248	(2,469)	(2,269)	(2,498)	(2,455)	(1,308)	(1,836)	(1,513)	(2,790)	(1,912)	(1,899)	(1,869)
	Total Non-Groups of Activities Reserves & Loan Funding	(101)	841	5,164	2,924	1,292	1,071	992	671	(677)	(1,160)	(2,490)	(4,481)
	Underlying Surplus / (Deficit)	1,178	(1,183)	(789)	(101)	454	679	851	826	789	497	728	180



FINANCIAL INFORMATION

Funding Impact Statement

	Annual Plan 2008/09 (\$'000)	Year 1 LTCCP 2009/10 (\$'000)	Year 2 LTCCP 2010/11 (\$'000)	Year 3 LTCCP 2011/12 (\$'000)	Year 4 LTCCP 2012/13 (\$'000)	Year 5 LTCCP 2013/14 (\$'000)	Year 6 LTCCP 2014/15 (\$'000)	Year 7 LTCCP 2015/16 (\$'000)	Year 8 LTCCP 2016/17 (\$'000)	Year 9 LTCCP 2017/18 (\$'000)	Year 10 LTCCP 2018/19 (\$'000)
Estimated operating and capital expenditure is as follows:											
Operating Expenditure	29,392	32,423	35,413	37,619	38,787	39,954	41,253	40,885	41,992	42,994	44,128
Capital Expenditure											
Property, Plant & Equipment	1,007	1,229	1,940	1,271	1,327	1,816	1,413	2,036	1,836	1,166	1,932
Infrastructure Assets - Flood & Drainage	2,323	1,921	1,784	1,519	1,783	1,516	1,782	3,483	3,157	3,537	3,499
Infrastructure Assets - Open Spaces	7,687	2,045	2,250	2,250	1,250	750	250	250	250	250	250
Investment Property	0	3,034	160	235	61	90	84	64	65	67	102
Forestry Assets	244	110	98	153	211	223	216	176	139	87	107
Community Net Lending from Reserves	116	(43)	(43)	160	120	80	40	0	0	0	0
Clean Heat Net Lending from Reserves	0	3,464	3,120	2,767	2,427	2,078	1,730	1,385	1,042	688	349
Public Debt Repayments	1,492	1,261	1,664	1,729	2,135	2,506	2,856	3,249	3,408	3,589	3,942
	12,869	13,021	10,973	10,084	9,314	9,059	8,371	10,643	9,897	9,384	10,181
Total Operating and Capital Expenditure	42,261	45,444	46,386	47,703	48,101	49,013	49,624	51,528	51,889	52,378	54,309
This expenditure will be funded from the following sources:											
UAGC Rates	2,558	2,446	2,500	2,581	2,571	2,590	2,591	2,611	2,612	2,622	2,621
General Rates	1,118	1,230	1,286	1,357	1,368	1,348	1,347	1,327	1,326	1,316	1,317
Targeted Rates	7,454	9,498	10,806	11,589	12,200	12,193	12,690	13,239	13,743	14,354	14,961
Direct Charges	6,020	5,653	6,229	6,588	6,730	6,205	6,384	6,492	6,630	6,761	6,826
Dividends	5,450	5,301	5,563	6,640	7,825	9,368	9,444	9,583	9,697	9,818	11,714
Leasehold Land Rent	2,743	3,123	3,520	3,868	4,499	5,066	5,532	6,246	6,505	7,055	7,478
Interest	3,546	1,056	1,292	1,644	2,059	2,096	2,097	2,350	2,643	2,895	3,124
Grants	1,355	2,132	2,814	3,551	3,875	4,024	4,152	4,304	4,442	4,616	4,767
Other Income	25	170	70	210	110	183	66	189	73	197	80
Loans	7,500	6,613	6,783	6,383	5,163	3,963	3,963	3,863	3,963	4,063	4,213
Council Reserves	4,492	8,222	5,523	3,292	1,701	1,977	1,358	1,324	255	(1,319)	(2,792)
Total Funding	42,261	45,444	46,386	47,703	48,101	49,013	49,624	51,528	51,889	52,378	54,309



Introduction

This *Funding Impact Statement* sets out the impact that Council's *Revenue and Financing Policy* has on ratepayers.

The *Revenue and Financing Policy* of Council is based on clearly identifiable beneficiaries of Council activities, paying for the cost of those activities by target rates or direct charges whichever is most efficient administratively.

Where a degree of public benefit exists then a combination of funding through investment income and general rates for the public benefit portion and targeted rates and/or direct charges are used for the private benefit portion.

At various points of this policy a level of rates or charges is specified. These indicative figures are included to give ratepayers an estimate of what their level of rates is likely to be in the current year. These figures may not be the actual level of rates that will be assessed in the coming year; the actual figure will not be known until Council's rating information database is finalised.

All the estimated rates and levels of rates are GST inclusive.

Council directly collects rates for all the rateable properties contained within Council boundaries.

General Funding Rates

(includes General Rate and Uniform Annual General Charge)

The General Funding Rates required for 2009/10 are \$4,135,500. Prior to the passing of the Local Government (Rating) Act 2002, Regional Councils were not allowed to use Uniform Annual General Charge (UAGC) for the collecting of their rates. Having joined with other Council's to promote the use of UAGCs and other changes to the law, Council undertook to look at the application of UAGCs for the 2004/05 year. A review of the funding tool selection for each Group of Activity led to the rating levels details in the Revenue and Financing Policy contained in the Ten Year Plan. In summary, the UAGC will fund:

- 97% of the residual cost of Social and Cultural Wellbeing;
- 100% of the residual cost of Hazard Management;
- 100% of the residual cost of Regional Transport Administration;
- 57% of the residual cost of Strategic Direction;
- 71% of the residual cost of Environment Management;
- 50% of the residual cost of Rate Collection Costs;
- 33% of the residual cost of Land Drainage and River Control;
- 21% of the residual cost of Biosecurity.

(Residual cost means after targeted rates, fees, charges, investment income and any reserves transfers).

The UAGC is a fixed amount charged per separately used or inhabited part of a rating unit. Therefore, units in a rest home, retail shops in a shopping complex and additional farm houses are charged as separate UAGCs.

Where two or more rating units are contiguously joined, owned by the same ratepayer, and used for the same purpose, then only one UAGC will be payable.

The UAGC over each rateable property is \$40.75 (incl GST). The UAGC is calculated by dividing the amount to be funded by the number of rating units in the region (67,152 at the time of preparation of this Plan).

This Council's contention is that this mix of rating bases better reflects the benefits delivered to the general community while addressing some of the rate level volatility experienced by those ratepayers in the community whose land values have increased by more than the average.

Following is a table which illustrates the proposed general funding rates for each part of the region, the UAGC being \$40.75 (incl GST), charged on each separately used or inhabited part of a rating unit, and the remainder as a general rate based on **Land Value** equating to \$8.23 (incl GST) per \$100,000 of **Land Value** based on estimate of projected valuation. No differential is applied to the general rate.



FINANCIAL INFORMATION

District	2008/09	2009/10		
	Total General Funding Rates	General Rates Land Value Based	UAGC	Total General Funding Rates
Napier	1,451,212	381,092	1,058,400	1,439,492
Hastings	1,865,384	649,914	1,210,621	1,860,535
Central Hawke's Bay	474,233	242,688	247,597	490,285
Wairoa	334,430	115,371	218,420	333,791
Pt. Taupo	6,247	5,934	978	6,912
Pt.Rangitikei	4,022	4,240	244	4,484
Total	4,135,518	1,399,240	2,736,260	4,135,500

The dates of rateable valuations carried out by Quotable Values differ between districts included within Council's rating boundaries. This requires that the general rate based on land value be allocated to districts on the basis of an adjusted land value. This district general rate allocation when stated in \$ per \$100,000 of actual land value will therefore differ between districts.

It is important to realise that if all districts had the same valuation date then each district would have the same \$ per \$100,000 of actual land value.

District	Land Value Information		
	Adjusted Land Value \$ 01/09/2008	Actual Land Value \$ 01/02/2009	Valuation Revision Date
Napier City	4,630,264,000	4,634,477,400	01/09/2011
Hastings District	7,896,447,000	7,971,148,700	01/09/2010
Central H B District	2,948,652,000	2,705,901,050	01/09/2009
Wairoa District	1,401,756,000	1,381,048,650	01/09/2009
Pt. Taupo District	72,100,000	64,334,000	01/09/2010
Pt.Rangitikei District	51,520,000	34,493,000	01/09/2009
Total	17,000,739,000	16,791,402,800	

District	General Fund Rates 2009/10			
	General Rate on Land Value		Uniform Annual General Charges	
	Rates per \$100,000 Actual Land Value \$	Assessed Rates \$	Number of UAGCs	UAGC Rates Assessed \$
Napier	8.22	381,092	25,973	1,058,400
Hastings	8.15	649,914	29,713	1,210,621
Central Hawke's Bay	8.97	242,688	6,076	247,597
Wairoa	8.35	115,371	5,360	218,420
Pt. Taupo	9.22	5,934	24	978
Pt.Rangitikei	12.29	4,240	6	244
Total	8.23	1,399,240	67,152	2,736,260

Utilisation of General Funding Rate in each Group of Activity: 2009/10

Environmental Management	
Policy Development	4.79%
Policy Implementation	4.21%
Regulation	10.25%
State of the Environment Reporting	0.99%
Land Management	13.64%
Air Management	1.01%
Water Management	10.75%
Coastal Management	2.81%
	48.45%
Land Drainage & River Control	8.85%
Biosecurity	7.76%
Hazard Management	6.70%
Transport	2.13%
Strategic Direction	14.39%
Social & Cultural Wellbeing	9.66%
Other Activities	2.06%
Total	100.0%



Targeted Rates

1. Subsidised Public Transport Rates

The purpose of this rate is to fund the Passenger Transport System (bus services) and the Total Mobility (transport subsidy for disabled persons) which operate in both Napier and Hastings. The rates are to be assessed on those rating units contained within the Napier (excluding Bay View Township) and Hastings residential and commercial areas including Havelock North.

The estimated rates required for 2009/10 are \$1,463,229, (2008/09 - \$1,056,104).

The estimated rate is \$20.69 per \$100,000 of **Land Value** of the relevant rating units subject to the estimate of projected valuations.

2. Heretaunga Plains Flood Control Scheme

River Control

The rates are assessed on a graduated scale as set in the schedules shown below, on the **Capital Value** of those rating units that benefit directly or indirectly from the Scheme.

Rates per \$100,000 of **Capital Value** based on the estimate of projected valuations:

			2009/10	2008/09
Direct benefit	F1	\$9.55	\$1,324,164	\$1,279,385
Indirect benefit	F2	\$2.33	\$567,499	\$548,308

F1. Directly at risk of loss

Rateable land situated in the Heretaunga Plains Control Scheme area which Council considers receives protection from the risk of flooding up to one per cent Annual Exceedance Probability (AEP) flood and of river alignment.

The benefits of these protection measures, i.e. stopbanking, river control and stability of channel location, are a reduction in the risk of

loss of life, limb, land and capital investments such as orchards, vineyards, residential, commercial, industrial and supporting infrastructure situated on the Heretaunga Plains.

F2. Indirectly at risk of loss

Rateable land situated within the boundaries of the Hastings District and Napier City which Council

Rates for Drainage Maintenance in specific areas on the Heretaunga Plains

These rates are assessed on the estimate of projected valuations on the **Land Value** of those rating units that receive direct benefit from the specific drainage maintenance.

Rating units zoned industrial are charged a differential rate equal to 4 times the normal rate due to the expected rainfall run-off from these units and their comparative land values.

Rate per \$100,000 of **Land Value** based on the estimate of projected valuations:

		Other	Industrial	2009/10	2008/09
D1	Napier, Meeanee, Puketapu	\$22.22	\$88.83	\$738,368	\$669,457
D2	Karamu & Tributaries	\$27.83	\$111.32	\$896,479	\$853,511
D3	Raupare, Twyford	\$77.30		\$161,789	\$156,329
D4	Haumoana	\$87.80		\$116,775	\$112,826
D5	Tutaekuri, Waimate, Moteo	\$119.80		\$172,257	\$166,431
D6	Pakowhai	\$168.50		\$118,580	\$114,570
D7	Brookfields, Awatoto	\$157.94	\$631.77	\$130,177	\$125,775
D8	Muddy Creek	\$97.59	\$390.37	\$208,330	\$201,285
D9	Puninga	\$222.70		\$65,347	\$63,137
D2H	Havelock North Karamu Stream Maintenance	\$8.55		\$45,043	\$42,898
	Karamu Enhancement	\$7.99		\$42,109	\$40,105



Karamu Drainage Maintenance

The Havelock North community is considered to be an exacerbator to the Karamu Drainage Scheme since the rainfall run-off from Havelock North eventually discharges into the Karamu Stream.

The rates are to be set at \$8.55, being a fixed amount per separately used or inhabited part of a rating unit on those properties identified on a specific mapped area of Havelock North. Where two or more rating units are contiguously joined, owned by the same person and used for the same purpose, then only one fixed amount will be payable.

The total amount of the rates is \$45,043 (2008/09 - \$42,898).

Karamu Enhancement

The purpose of this rate is to part fund the cost of the environmental enhancement work on the Karamu Stream and its tributaries.

The rates are to be set at \$7.99 being a fixed amount per separately used or inhabited part of a rating unit on those properties identified on a specific mapped area of Havelock North. Where two or more rating units are contiguously joined, owned by the same person and used for the same purpose, then only one fixed amount will be payable.

The total amount of the rates is \$42,109 (2008/09 - \$40,105).

3. Upper Tukituki Catchment Control Scheme

The rates are assessed on a graduated scale as set out in the schedule on the estimate of projected valuations on the **Land Value** of the rating units within the Upper Tukituki Special Rating Area.

Rates per \$100,000 of **Land Value** based on the estimate of projected valuations

F1	F2	F3	F4	F5	F6	U1	U2	U3	U4
\$437.87	\$328.40	\$218.94	\$109.47	\$43.79	\$4.38	\$109.47	\$65.68	\$43.79	\$4.38

The total rates to be set at \$604,333 (2008/09 - \$576,614) which are to be applied to the flood protection works of the Upper Tukituki Catchment Control Scheme.

4. Poukawa Drainage Special Rating Scheme

These rates are assessed on a graduated scale as set out in the schedule on the **Land Value** of the rating units within the rating area.

Rates per \$100,000 of **Land Value** within Hastings District

PO1	PO2	PO3
\$446.74	\$74.46	\$14.89

The rates of \$24,301 (2008/09 - \$23,255) are required for the maintenance work in the Poukawa drainage scheme.

5. Porangahau Flood Control Scheme Special Rating Scheme

These rates are assessed on the **Land Value** of the rating units within the Porangahau area of the Central Hawke's Bay District being the Porangahau Flood Control Scheme Special Rating Area situated within the Hawke's Bay region.

Rates being \$8.10 of \$100,000 **Land Value** with Central Hawke's Bay.

The rates of \$30,417 (2008/09 - \$28,427) are required for maintenance work in the Porangahau Flood Control Scheme.

6. Paeroa Drainage Scheme Special Rating Scheme

These rates are assessed on the rating units within the Paeroa Drainage Scheme Special Rating Area. Such rates to be set using the **Area Basis** of rating on a graduated scale.



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Rate – Dollars for each Hectare				
P1 (A)	P2 (B)	P3 (C)	P3 (D)	P5 (E)
\$48.35	\$31.43	\$21.76	\$16.92	\$2.42

The rates of \$20,357 (2008/09 - \$19,764) are required for maintenance work in the Paeroa Drainage Scheme.

7. Ohuia Whakaki Drainage Scheme Rating Scheme

These rates are assessed on the rating units within the Ohuia Whakaki Drainage Scheme Rating Area. Such rates to be set on the **Area Basis** of rating on a graduated scale.

Rate – Dollars for each Hectare				
(A)	(B)	(C)	(D)	(E)
\$98.55	\$78.84	\$59.13	\$29.56	\$9.85

The rates of \$52,903 (2008/09 - \$50,625) are required for maintenance work in the Ohuia Whakaki Drainage Scheme.

8. Upper Makara Stream Catchment Control Scheme Special Rating Scheme

The rates are assessed on the rating units with the Upper Makara Stream Catchment Control Scheme Special Rating Area. Such rates to be set using the **Area Basis** on a graduated scale.

Rate – Dollars for each Hectare							
UM1	UM2	UM3	UM4	UM5	UM6	UM7	UM8
\$46.55	\$37.24	\$27.93	\$27.93	\$16.29	\$16.29	\$2.33	0.93

The rates of \$30,706 (2008/09 - \$29,667) are required for maintenance work in the Upper Makara Stream Catchment Control Scheme.

9. Esk River and Whirinaki Stream Maintenance Scheme

These rates are to be assessed on all rating units benefiting from the maintenance work in the Esk River and Whirinaki Stream area. Such rates to be set using the **Area Basis** of rating on a graduated scale.

Esk River

Rate – Dollars for each Hectare				
E1	E2	R11	R12	R13
\$38.59	\$15.97	\$38.92	\$130.81	\$422.92

Whirinaki Stream

Rate – Dollars for each Hectare						
W1	W2	W3	W4	W5	W6	W7
\$137.44	\$108.25	\$350.00	\$133.70	\$3.61	\$43.63	\$15.48

The rates of \$21,160 (2008/09 - \$20,501) will be applied to the maintenance work in the Esk River and Whirinaki Stream Maintenance Scheme.

10. Te Ngarue Stream Flood Protection Scheme

These rates are to be assessed on all rating units benefiting from the maintenance work in the Te Ngarue Stream area.

Such rates to be set using the **Area Basis** if rating on a graduated scale.

Rate – Dollars for each Hectare	
TN	TN
\$28.52	\$180.16

The rates of \$2,864 (2008/09 - \$2,864) will be applied to the maintenance work in the Te Ngarue Stream Scheme.

11. Kopuawhara Stream Flood Control Maintenance Scheme

These rates are to be assessed on all rating units benefiting from the maintenance work in the Kopuawhara Stream area.

Such rates to be set using the **Area Basis** of rating on a graduated scale.

Rate – Dollars for each Hectare			
A	B	C	D
\$129.55	\$51.82	\$25.91	\$6.48

The rates of \$7,322 (2008/09 - \$7,108) will be applied to the maintenance work in the Kopuawhara Stream Flood Control Scheme.



12. Wairoa Rivers and Streams Scheme

These rates are to be assessed on all rating units within the Wairoa District.

Such rates to be set on the **Capital Value**.

Rates being \$5.06 of \$100,000 **Capital Value** within Wairoa District.

The rates of \$99,016 (2008/09 - \$86,101) will be applied to the removal of vegetation from the rivers and streams to reduce the risk of flooding.

13. Maraetotara Flood Control Scheme (Maintenance)

These rates are to be assessed on the rating units within the Maraetotara Flood Control Scheme Special Rating Area. Such rates to be set on the **Capital Value**.

Rates being \$7.24 of \$100,000 of **Capital Value** within Hastings District.

The Rates of \$10,008 (2008/09 - \$9,730) will be applied to the maintenance of the scheme.

14. Maraetotara Flood Control Scheme (Loan Repayment)

These rates are to be assessed on the rating units for loan charges for the Maraetotara River Stopbank. Such rates to be set on the **Capital Value**.

Rates being \$22.00 of \$100,000 of **Capital Value** within Hastings District.

The Rates of \$20,294 (2008/09 - \$21,653) will be applied to the loan repayments of the scheme.

15. Central and Southern Area Rivers and Streams Scheme

These rates are to be assessed on the rating units within the Napier, Hastings and Central Hawke’s Bay districts. Such rates to be set on the **Capital Value**.

Rates being 63 cents of \$100,000 Capital Value based on the estimate of projected valuations.

The Rates of \$180,899 (2008/09 - \$172,189) will be applied to the removal of vegetation from the rivers and streams to reduce the risk of flooding and to fund land purchase in floodable areas.

16. Animal Pest Control

Animal Pest Control work carried out by the Council is split between work relating to the Regional Animal Pest Management Strategy which became effective on 1 July 2001 and work relating to Bovine TB Vector Control. Separate rates are charged for these two types of control.

Regional Animal Pest Management Strategy

Rates are \$1.21 per hectare on all rateable rural land containing 4.0469 hectares or more within the region other than:

- a. rating units between 40 and 400 hectares, where more than 75% of the land area is covered in production forestry where the rate will be 49.50 cents per hectare;
- b. production forestry rating units over 400 hectares where the rate will be 49.50 cents per hectare;
- c. rating units greater than 200 hectares where more than 90% of the land area is covered in indigenous vegetation will be zero rates.

These rates are to be assessed on the **Area Basis** in accordance with the Differential Rating System determined under the provisions of the Biosecurity Act 1993.

Rate – Cents for each Hectare	
Forestry	Pest Control
A	B
49.50	121.53

The rates of \$1,099,499 (2008/09 - \$1,062,286) will be applied to the Regional Animal Pest Management Strategy within the region.



Bovine TB Vector Control

These rates are assessed on an **Area Basis** of all rateable rural land containing 4.0469 hectares or more other than property titles subject to QEII Open Space Covenants where the rate will be zero.

Rate – Cents for each Hectare
47.57

The rates of \$506,977 (2008/09 - \$489,818) will be applied to Bovine TB Vector Control work within the region.

17. **Plant Pest Strategy**

These rates are to be assessed on an **Area Basis** of all rateable rural land containing 4.0479 hectares or more within the region and to be set on the Area Basis in accordance with the Differential Rating System determined under the provisions of the Biosecurity Act 1993. All of the plant pest control work relates to the Regional Plant Pest Management Strategy which became effective on 1 July 2001.

Rates are set per hectare for all rateable rural land greater than 4.047 hectares except for properties greater than 200 hectares where more than 90% of the land area is covered in indigenous vegetation which will be zero rated.

Rate – Cents for each Hectare
36.79

The rates of \$367,729 (2008/09 - \$355,265) will be applied to the Plant Pest Strategy within the region.

18. **Healthy Homes - Clean Heat Financial Assistance**

The purpose of this rate is to encourage the replacement of open fire or wood burners with more efficient forms of heating and where necessary, the installation of home insulation. The aim is to reduce particles of polluting smoke in the affected airsheds. The rates will meet 50% of the interest component on the loans and the payment of grants that may be applicable.

The rates will be assessed on those properties in Napier and Hastings identified as being within the affected airshed.

The estimated rates required for 2009/10 is \$656,060 being \$8.58 per \$100,000 of Land Value of the relevant rating units to the estimate of projected valuations.

During 2009/2010, it is envisaged that Council will receive loan applications from homeowners in the identified airshed wishing to install a more efficient form of heating or home installation.

The loans will be 50% interest free and repaid over 10 years as a fixed amount through a differential Targeted Rate. Details of these rates will be scheduled in the 2010/2011 Annual Plan.

19. **Healthy Homes – Insulation Assistance**

Council agrees to provide/facilitate loan funding to assist where there is a shortfall between the cost of insulation (to EECA standards) and the grants available from EECA and other funders. The repayment of the loan, interest and fees (where applicable) will be through a voluntary differential targeted rate on the household where the insulation was installed. The repayments would be over a period of up to 10 years. This assistance will be available to all householders in the region.

Details of these rates will be scheduled in the 2010/2011 Annual Plan.

20. **Venture Hawke's Bay – Regional Development Agency**

The above organisation promotes tourism and economic development and, in the past, has been funded by the Regional, Hastings and Napier Councils. Hawkes Bay Inc has now become a business unit of the Regional Council and it is more expedient for all the rates to be collected by one authority.



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The one third share previously rated by the Regional Council will still be collected from the whole region with the General Funded Rates and the other two third shares previously collected by Napier City and Hastings District Council will now be collected by this Council. The rates for the Napier and Hastings share have to be set on the same basis of previous rates. Napier City Council applied the land value basis and Hastings District Council used a fixed amount.

Rates – Dollars per \$100,000 of Land Value		
		2009/2010
Napier City Council	\$9.71	\$450,000
Rates – Fixed Amount		
Hastings District Council	\$15.15	\$450,000

The rates are to be set at \$15.15 being a fixed amount per separately used or inhabited part of a rating unit on those properties within Hastings District Council. Where two or more rating units are contiguously joined, owned by the same person and used for the same purpose, then only one fixed amount will be payable.

21. Water Meter Loan Repayments

During 2009/2010, it is envisaged that Council will receive loan applications from Consent holders being ratepayers in the region wishing to install water meters. The loans and interest are to be repaid over 10 years as a fixed amount through a Targeted Rate. Details of these rates will be scheduled in the 2010/2011 Annual Plan.

Due Dates for Payment of Rates

The rates are due and payable on or after 1 October 2009. Pursuant to Section 57 of the Local Government (Rating) Act 2002 a penalty charge of 10% will be imposed on the current rates remaining unpaid as at 1 February 2010.

Inspection and Objection to the Council's Rating Information Database

The Rating Information Database (RID) is available for inspection at Council offices at 159 Dalton Street, Napier and on the Council's website www.hbrc.govt.nz Ratepayers have the right to inspect the RIC records and can object on the grounds set out in the Local Government (Rating) Act 2002.



Resource Management Charges

Introduction

Section 36 of the Resource Management Act (the Act) enables local authorities to fix charges for various administrative and monitoring activities. These fixed charges can either be specific amounts or determined by scales of charges.

The following charges outlined are for the period 1 July 2009 to 30 June 2010.

They are primarily for:

- Determining resource consent applications;
- Compliance and environmental impact monitoring;
- Preparation or change of policy statements or plans.

Council will set the following charges through the special consultative procedure set out in Section 83 of the Local Government Act 2002.

All amounts are exclusive of GST.

1. Charges Relating to Resource Consent Applications

(other than non-notified gravel extraction applications)

Charges for receiving, processing and deciding on applications for:

- resource consents;
- certificates of compliance;
- changes to, cancellation of, or review of resource consent conditions;
- transfers of resource consents;

Shall comprise a charge payable in advance and an additional charge payable subsequent to processing being undertaken as set out in Table 1.

Refunds

Except for applications for bore permits, minor administrative changes or cancellations and certificates of compliance, a portion of the charge as set out in Table 1 will be remitted if the actual cost of receiving, processing and deciding on the application is less than that already paid.

Renewal fee refunds

The annualised charge of \$20 payable by consent holders of water permits towards a non-notified application to renew a water permit to take surface water or ground water is no longer collected. Council will remit any renewal fees that have been paid in advance in the following circumstances:

- The resource consent is surrendered before expiry; or
- The resource consent is not renewed when it expires; or
- The consent holder requests a refund.

Hearings

Council is conscious of the cost that can be incurred by applicants when a resource consent goes to a hearing. Therefore, the Hearings Committee of Council will carefully assess the number of members who will participate in each hearing. The numbers involved will range from at least one to a maximum of five. Where a hearing is required, the following charges shall be made:

- actual meeting fee allowances for each of the Committee members participating in the hearing which at present are \$68.00 per hour per Committee member other than the Chairman who is paid \$85.00 per hour (a six hour hearing with the full Committee of five members would, therefore, cost \$2,142);
- actual mileage for Committee members travelling to and from the hearing at the rate approved by the Remuneration Authority which is currently 70¢ per kilometre;
- actual accommodation costs where it is cheaper for a Committee member to stay overnight rather than return home;



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- actual meeting fee allowances for each of the Committee members attending and participating in a formal site inspection, or any meeting subsequent to the hearing for formal deliberations;
- mileage and accommodation costs associated with any formal site inspection or deliberation meetings;
- actual costs (including disbursements) of any Commissioner appointed the Minister of Conservation's representative;
- the actual cost of staff attendance at the hearing (typically the Reporting Officer, decision writer, relevant technical officers and Regulation Manager);
- when an independent Hearing Commissioner is appointed at the initiative of Council, the hearing costs associated with the Independent
- Hearing Commissioner will be calculated on an actual and reasonable basis. Where the Commissioner writes up the decision, an additional charge will apply based on the actual costs, including disbursements, of the Commissioner.

The following Hearing costs will be recovered from the applicant on a case-by-case basis: photocopying; hall hire; catering; and secretarial services.

TABLE 1 (other than Non-notified Gravel Extraction Applications - see page 31)	Deposit payable in advance (excl GST)	Additional Charge payable subsequent to processing
Land use application for bore permit	\$250	N/A
Other consent applications including restricted coastal activities	\$800	Based on actual costs ¹
Minor administrative changes or cancellations of consent conditions	\$100	N/A
Other changes or cancellations of consent conditions	\$320	Based on actual costs ¹
Review of conditions as specified in resource consents	\$320	Based on actual costs ¹
Transfer a consent to another site	\$320	Based on actual costs ¹
Extensions to lapsed dates (resource available)	\$100	N/A
Extensions to lapsed dates (resource limitations)	\$320	Based on actual costs ¹
Transfer of resource consent (1 only) to a new owner/occupier (payable by new consent holder)	\$65	N/A
Transfer of resource consent (2 or more) relating to the same property to a new owner/occupier (payable by new consent holder)	\$95	N/A
Certificate of compliance		
Bore sealing	no charge	N/A
Other	\$190	Based on actual costs ¹
Notified Consent applications	\$5000	Based on actual costs ¹

Actual Costs¹

The actual costs include time spent by staff in receiving, processing and deciding on the applications, hearing costs and any external disbursements (which shall include any external expert advice from consultants at cost). Staff costs shall be calculated by: multiplying the actual hours involved in receiving, processing and granting a consent by the hourly rates for the staff involved and adding any actual disbursements (as per Table 4); adding any Hearing costs; and then subtracting the charge that was paid in advance and any renewal fees that have been paid in advance. The total calculated amount shall then, if necessary, be adjusted to reflect Council's actual and reasonable costs having regard to the factors referred to in section 36(4) of the Act. (This does not apply to applications which are not subject to additional charges or refunds.)



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2. Charges to Holders of Resource Consents for Compliance and Impact Monitoring

Charges for the monitoring, administration and supervision of resource consents have been determined based on an estimate of the time for carrying out the inspection/s, assessment, reporting and administration associated with that monitoring.

Basic Charge

Consent holders whose consents require no more than a single annual inspection, and/or information return, and/or a single sampling undertaken by Council staff at the same time as the inspection will be charged as per Table 2. Table 2 does not include water takes with a water measuring device. Consent holders should check the conditions of the consent to determine whether sampling, water use or other type of information return is required.

These charges are invoiced after inspection for one-off inspections, or at the end of the financial year for the consents that either have more than one inspection or ongoing monitoring throughout the year.

TABLE 2 Monitoring Task (excluding water takes with a water measuring device)	Estimated Annual Charge (excl GST)
Inspection and associated reporting and administration	\$305
Additional inspection, reporting and administration charges where a resource consent authorises groundwater takes from more than two wells	\$60/each additional well over 2
Sampling time (sampling analysis will be at cost – see Table 4)	\$87
Other information returns	\$87

An additional charge will only be made to consent holders whose consents fall under the description for the basic charge, where extra compliance monitoring is required as a result of non-compliance with consent conditions.

Water Measuring Device Charges

Charges to holders of Resource Consents to take water which require a water measuring device.

TABLE 2a Monitoring Water Measuring Devices	Estimated Annual Charge (excl GST)
Sampling time (sampling analysis will be at cost – see Table 4)	\$87
Water use returns & Audits – Telemetered, Each additional water measuring device	\$482 \$153
Water use returns & Audits – Web/Text entry Each additional water measuring device	\$280 \$63
Water use returns & Audits – Fax/Email/Standard Mail Each additional water measuring device	\$350 \$63
Where water measuring devices do not meet Council’s approved devices criteria or are not install by an approved installer, a full compliance audit will be undertaken.	\$305

An additional charge will only be made where extra compliance monitoring is required as a result of non-compliance with consent conditions.

Actual and Reasonable Charge

Consent holders whose consents are subject to more than a single inspection per year and/or are subject to specific conditions, will be subject to the basic charge for the first inspection plus an additional charge based on the actual and reasonable costs to undertake the total annual monitoring activity. These consent holders were listed in previous Annual Plans as Table 2 consent holders.

For new consents, the consent holder will be advised of the likely annual monitoring costs when the consent is issued; thereafter the previous year’s monitoring costs will act as an indication of monitoring costs.

Additional Charges for Compliance Monitoring

Where an additional charge is to be made, this shall be calculated by multiplying the actual hours involved in undertaking monitoring of the consent by the hourly rate for the staff involved and adding any actual disbursements (as per Table 4). The total calculated shall then, if necessary, be adjusted to reflect Council's actual and reasonable costs having regard to the factors referred to in section 36(4) of the Act.



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Incentives for Full Compliance

When a consent holder consistently achieves full compliance (a Grade 1 in two consecutive years) the frequency of monitoring will be reduced. An annual inspection may reduce to once every two years or more if the scale of the activity and continued compliance warrants it. Quarterly inspections may reduce to six monthly inspections. The reduction in frequency will be at the discretion of the Manager Regulation. Random inspections may be undertaken at no cost to the consent holder to ensure continued compliance during the intervening period.

Charges to Holders of Resource Consents to take Groundwater in Bay View/Whirinaki Area

An impact monitoring programme is required to determine whether saltwater intrusion into the aquifer and groundwater contamination are likely effects of the taking of groundwater authorised by resource consents in the Bay View/Whirinaki area. The programme was initially programmed for five years, and subject to a scientific review of data collected, it was recommended that this programme continue for a further five years. A portion of the impact monitoring programme will be met by Council's State of the Environment Monitoring budget, the remainder will be charged equally on an annual basis to the consent holders listed following:

Consent	Client Name	Charge
WP990492T	Bird R	All \$80 per consent
WP000036T	Brownlie Bros	
WP010553T	Brownlie Bros	
WP010016T	Brownlie C J	
WP010020T	Burt J & K Family Trust	
WP000012T	Dallas NK & LJ	
WP000004T	Drayton W J & A F	
WP000006T	Dyer W R	
WP990543T	Goldfinch P S & J N	
WP010040T	Harmony Trust	
WP990535T	Jardine J L & H M	
WP990481T	Jemel Trust	

WP990558T	Joe, S
WP010017T	Lilburn I R & S M
WP000013T	Mackay H R & D C A
WP980014T	McClelland, JA & F
WP951135T	Tio Entrprises Ltd
WP000034T	Osborne R A
WP990528T	Pan Pac Forest Products Limited
WP990482T	Payne, JE & JC
WP990493T	Pettigrew R H Sir
WP990523T	Powell Family Trust
WP990502T	Poy Young Farm Limited
WP990503T	Poy Young Farm Limited
WP990504T	Poy Young Farm Limited
WP990534T	Price H & G R
WP020016T	Roberts E E
WP990480T	Smith K A & Howe P G
WP000031T	The Orchard Hawke's Bay Ltd
WP990553T	The Orchard Hawke's Bay Ltd
WP990491T	Villa Maria Estate Limited
WP000038T	Young R & F

Charges to holders of Resource Consents for Low Flow Monitoring

For holders of consents to take water where the abstraction is subject to low flow limits (directly or via gallery intake or wells), the cost of monitoring the low flows will be recovered for each water take subject to low flow restrictions:

- A charge of \$125 per consent (excl GST)



3. Charges Relating to Contaminated Site Management

Where a party requests information about the 'contaminated site' status of a property	A charge of \$200 An additional charge based on actual and reasonable costs may apply if a site inspection is required
Where a party requests Council review and comment on contaminated site investigation and remediation reports	Actual and reasonable charges will apply
Where a party requests more extensive involvement of Council staff	A charge based on the actual and reasonable costs of staff time incurred

These charges are set in accordance with section 150 of the Local Government Act 2002.

4. Charges for Gravel Extraction Land Use Consents

Charges for Non-notified Applications

A charge payable in advance for receiving, processing and deciding on non-notified land use consent applications to extract gravel:

0-50 cubic metres	\$20
50 cubic metres and over	\$80

(For charges for notified gravel extraction land use consents, see Table 1 and associated text.)

Compliance Monitoring, Administration Charges and Financial Contributions

Compliance monitoring, administration charges and financial contributions are based on the volume of gravel extracted, the source of the gravel and the quality of the gravel. The categories include:

- inferior grade material (as determined by Council staff);
- material extracted from above the confluence of the Tukipo and Mangaonuku River tributaries of the Tukituki and Waipawa rivers (Upper Tukituki catchment);
- all other material.

The financial contribution is established in the Regional Resource Management Plan under Section 108 of the Resource Management Act.

Table 3
Gravel Extraction Charges based on \$ per cubic metre extracted per annum

	State of Environment Monitoring Charge (\$35 of RMA)	Compliance / Allocation Charge (\$36 of RMA)	Financial Contribution (\$108 of RMA)	Total
Upper Tukituki catchment	No charge	\$0.20	No charge	\$0.20
Inferior grade	\$0.12	No charge	\$0.08	\$0.20
All Other	\$0.12	\$0.45	\$0.08	\$0.65

Resource consent charges for gravel extraction are due and payable monthly on the same day as extraction declarations.

5. Building Act Charges

Introduction

The processing of building consents for dams, issuing of project information memoranda (PIMs) for dams and administering dam safety regulations are new statutory functions for Council under the Building Act (2004) and its amendments. At present dam safety regulations are not operative, hence no charging regime has been set for this function. The following charges are for the period 1 July 2009 to 30 June 2010. Amounts stated for PIMs and Building Consents below are exclusive of GST.

PIM costs

The costs associated with issuing a PIM will be the actual and reasonable costs of processing, with the same hourly rates as specified in Table 4 under Resource Management Charges applying.



FINANCIAL INFORMATION

Building Consent Costs

This function is being transferred to another regional council. The transfer agreement will specify that Building Consent costs will be recovered on an actual and reasonable basis, with hourly rates from the transferred Regional Council applying. Any Hawke’s Bay Regional Council processing costs will be as specified in Table 4 under Resource Management Charges.

6. Charges for the Preparation of, or Change to the Regional Policy Statement or a Regional Plan

Applicants for the preparation of or change to the Regional Policy Statement or any regional plan will be subject to the following fixed charge payable in advance: \$1,000 (excl GST).

Should the actual costs incurred by Council in preparing, varying or changing the Regional Policy Statement or any regional plan exceed the charge payable in advance, then these costs may be recovered by way of an additional charge. The additional charge shall be based on actual costs as calculated by multiplying the actual hours involved in preparing or changing the Regional Policy Statement or any regional plan by the hourly rates for the staff involved (as per Table 4), adding any actual disbursements (as per Table 4) and subtracting the charge referred to above. The total calculated amount shall then, if necessary, be adjusted to reflect Council's actual and reasonable costs having regard to the factors referred to in section 36(4) of the Act. An additional charge is levied under subsection 36(3) of the Act. Such charges are subject to objection and appeal under section 36(6) of the Act.

Table 4 Charge rates (excl. GST) for the purpose of calculating actual costs	Per hour
Executive	\$113.46
Asset Management	\$80.03
Environmental Science	\$74.76
Policy	\$66.90
Environmental Regulation	
Processing resource consent applications	\$95
Compliance and impact monitoring of consents	\$87
All other tasks	\$60.59
Environmental Information	\$56.88

Land Management	\$66.32
Disbursement costs shall be charged at the rates set out below:	
Accommodation	\$120 per night per person
Public notification	Actual advertising costs
Photocopying	20c per A4 page 30c per A3 page 70c per A2 page
External laboratory testing	actual cost
Consultant fees	actual cost

7. Charges for the Provision of Information

Council shall charge for the provision of information in respect of the Regional Policy Statement, regional plans and resource consents as follows:

- The first hour of time spent actioning a request for information on each or any occasion relating to the same general matter or issue arising from the Regional Policy Statement or regional plans only shall be provided free of charge.
- The first half-hour of time spent actioning a request on each or any occasion for information relating to the same general matter or issue arising from resource consents shall be provided free of charge.
- Staff time spent in actioning the request over and above the time provided free of charge shall be charged at the rates set out in Table 4.
- The first 20 pages of photocopying on standard A4 or A3 paper shall be provided free of charge.
- Where the total number of pages of photocopying is in excess of 20 then the rates set out in Table 4 will apply.

For Information Only

Charges by the Crown

Council is responsible for collecting the following Crown fees, rents and royalties in addition to Council charges:

In the Coastal Marine Area:

- Restricted coastal activity application fees as specified;
- Extraction of sand and gravel - \$1.70 per cubic metre royalty;
- Rent for the occupation of land of the Crown;
- Geothermal royalties.



FINANCIAL INFORMATION

Due Dates for Payment

- Charges payable in advance for consent applications are due on the filing of an application.
- Charges payable for photocopying of less than \$20.00 are due on collection of the copies.
- All other charges will be due and payable on the 20th of the month following date of the invoice.

8. Navigation and Safety By-laws Charges

The Local Government Act enables Council to charge for various functions it undertakes in accordance with the Navigation and Safety By-laws.

Licence Type Vessels not under Safe Ship Management	Annual Charge Payable in advance
Passenger Vessel Licence	
– Passenger Vessel Owner’s Licence	\$70
– Passenger Vessel Licence (per vessel)	\$40
Hireboat Licence	
– Hireboat Owner’s licence	\$70
Hireboat Licence (per craft)	
– Kayak	\$6
– Windsurfer	\$7
– Rowing boat	\$10
– Sail boat	\$20
– Jetski	\$20
– Powerboat (6 metres)	\$40
Pilot-exemption	
Recommendations/Revalidation	
– Overall Vessel Length less than 65 metres	\$200
– Overall Vessel Length between 65 and 125 metres	\$300
Applications for Suspension or Exemptions under Bylaw 5.1	
Public Notification	Actual Advertising Costs

Cost of Debt Recovery

All costs incurred by Council of and incidental to the collection of any debt relating to the activities covered in this section shall be borne by the party whose actions generated the initial charge, as a debt due to Council.