



Introduction to Forecast Financial Statements

Introduction

The following pages contain the forecast financial statements, notes and other financial information that is required by clauses 8 and 10 of schedule 10 to the Local Government Act 2002. These financial statements, notes and other financial information comply with FRS-42, "Prospective Financial Statements".

The summary of significant accounting policies and significant forecasting assumptions required by clause 11 and statement concerning the balancing of the budget required by clause 9 are found in Part 4 Policies.

Nature of Prospective Financial Information Presented

The prospective financial information has been presented to comply with the requirements of the Local Government Act 2002 sections 93 and 95 in relation to the Hawke's Bay Regional Council's Long Term Council Community Plan covering the ten consecutive financial periods beginning 1st July 2006 and Annual Plan for the financial year beginning on that date. The statements and information may not be appropriate for purposes other than those disclosed above.

The prospective financial 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, 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 30th June 2006.

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

The opening balance sheet at 1st July 2006 includes information from Council's actual Statement of Financial Position at 30 June 2005, which has been adjusted to comply with New Zealand equivalents to International Financial Reporting Standards and the forecast results of the 2005/06 Annual Plan.

There is no intention to update the prospective financial information presented after the approval of the Long Term Council Community Plan on 30th June 2006.


Prospective Income Statement

	Note	Annual Report 2004/05 (\$'000)	Annual Plan 2005/06 (\$'000)	Year 1 Forecast 2006/07 (\$'000)	Year 2 Forecast 2007/08 (\$'000)	Year 3 Forecast 2008/09 (\$'000)	Year 4 Forecast 2009/10 (\$'000)	Year 5 Forecast 2010/11 (\$'000)	Year 6 Forecast 2011/12 (\$'000)	Year 7 Forecast 2012/13 (\$'000)	Year 8 Forecast 2013/14 (\$'000)	Year 9 Forecast 2014/15 (\$'000)	Year 10 Forecast 2015/16 (\$'000)
PROSPECTIVE INCOME STATEMENT													
REVENUE													
Revenue from activities	1	8,063	9,062	9,682	8,711	8,159	8,296	8,491	7,654	7,791	7,942	7,013	7,131
Revenue from rates	2	8,399	8,871	9,747	10,572	11,268	11,522	11,937	12,206	12,577	12,880	13,198	13,533
Other revenue	3	9,400	9,288	9,279	10,010	10,414	11,092	11,370	11,938	12,237	12,892	13,326	14,217
Fair value gains on investments	7			6,826	2,716	2,750	3,944	4,044	4,148	4,256	4,369	4,487	4,610
Total Operating Revenue		25,862	27,221	35,534	32,009	32,591	34,854	35,842	35,946	36,861	38,083	38,024	39,491
EXPENDITURE													
Expenditure on activities	1	25,031	26,367	28,732	27,742	27,875	28,154	28,724	29,123	29,737	30,310	29,481	29,662
Other expenditure		35											
Total Operating Expenditure		25,066	26,367	28,732	27,742	27,875	28,154	28,724	29,123	29,737	30,310	29,481	29,662
OPERATING SURPLUS/(DEFICIT)		796	854	6,802	4,267	4,716	6,700	7,118	6,823	7,124	7,773	8,543	9,829
STATEMENT FOR GENERAL FUNDING POSITION													
CAPITAL EXPENDITURE													
Property, plant & equipment	5	6,501	5,213	842	1,089	455	522	1,136	856	952	1,683	1,225	1,358
Infrastructure assets		1,461	6,704	4,116	2,932	1,546	1,904	1,446	1,225	1,455	1,503	2,058	2,802
Investment property													
Biological assets		97	84	156	167	177	47	39	93	68	69	87	88
Community net lending from reserves		15	500	(44)	156	116	76	36	40				
Public debt repayments	4	3,122	272	771	1,074	1,415	1,147	1,158	798	784	784	756	756
Total Capital Expenditure		11,196	12,773	5,841	5,418	3,709	3,696	3,815	3,012	3,259	4,039	4,126	5,004
RESERVE AND PUBLIC DEBT FUNDING													
Reserves funding	6	10,808	4,825	1,353	1,967	1,693	907	894	428	376	668	(128)	(195)
Public debt funding	4		4,890	3,034	1,700	25	115						
Fair value gains on investments	7			(6,826)	(2,716)	(2,750)	(3,944)	(4,044)	(4,148)	(4,256)	(4,369)	(4,487)	(4,610)
Total Reserve & Loan Funding		10,808	9,715	(2,439)	951	(1,032)	(2,922)	(3,150)	(3,720)	(3,880)	(3,701)	(4,615)	(4,805)
UNDERLYING SURPLUS / (DEFICIT)		408	(2,204)	(1,478)	(200)	(25)	82	153	91	(15)	33	(198)	20



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Prospective Statement of Changes in Equity

	Annual Report 2004/05 Note (\$'000)	Annual Plan 2005/06 (\$'000)	Year 1 Forecast 2006/07 (\$'000)	Year 2 Forecast 2007/08 (\$'000)	Year 3 Forecast 2008/09 (\$'000)	Year 4 Forecast 2009/10 (\$'000)	Year 5 Forecast 2010/11 (\$'000)	Year 6 Forecast 2011/12 (\$'000)	Year 7 Forecast 2012/13 (\$'000)	Year 8 Forecast 2013/14 (\$'000)	Year 9 Forecast 2014/15 (\$'000)	Year 10 Forecast 2015/16 (\$'000)
Equity as at Start of the Year	272,365	272,553	307,804	314,606	322,006	326,722	339,620	355,499	362,322	374,637	389,651	398,194
Operating surplus / (deficit) for the year	796	854	6,802	4,267	4,716	6,700	7,118	6,823	7,124	7,773	8,543	9,829
Increase in revaluation & other reserves	33,789			3,133		6,198	8,761		5,191	7,241		4,100
Special distribution	34,585	854	6,802	7,400	4,716	12,898	15,879	6,823	12,315	15,014	8,543	13,929
Equity at the End of the Year	306,950	273,407	314,606	322,006	326,722	339,620	355,499	362,322	374,637	389,651	398,194	412,123


Prospective Balance Sheet

	Annual Report 2004/05 (\$'000)	Annual Plan 2005/06 (\$'000)	Year 1 Forecast 2006/07 (\$'000)	Year 2 Forecast 2007/08 (\$'000)	Year 3 Forecast 2008/09 (\$'000)	Year 4 Forecast 2009/10 (\$'000)	Year 5 Forecast 2010/11 (\$'000)	Year 6 Forecast 2011/12 (\$'000)	Year 7 Forecast 2012/13 (\$'000)	Year 8 Forecast 2013/14 (\$'000)	Year 9 Forecast 2014/15 (\$'000)	Year 10 Forecast 2015/16 (\$'000)
ASSETS												
<i>Non Current Assets</i>												
Property, plant & equipment	12,410	15,746	15,890	15,531	14,706	13,945	13,968	13,476	13,015	13,125	12,944	12,669
Infrastructural assets	90,521	87,573	100,737	106,346	107,563	109,138	118,732	119,603	120,704	128,931	130,614	133,041
Investment property	88,269	71,270	92,145	93,261	94,411	96,755	99,199	101,747	104,403	107,172	110,059	113,069
Intangible assets	448	396	355	617	579	541	503	465	486	799	761	970
Available for sale financial assets	79,205	79,198	79,205	79,205	79,205	85,403	85,403	85,403	90,594	90,594	90,594	94,694
Held to maturity financial assets	388	389	388	388	388	388	388	388	388	388	388	388
Biological assets	2,729	2,678	2,549	2,296	2,473	2,520	2,559	2,652	2,720	2,789	2,876	2,964
Total Non Current Assets	273,970	257,250	291,269	297,644	299,325	308,690	320,752	323,734	332,310	343,798	348,236	357,795
<i>Current Assets</i>												
Inventories	148	5	5	5	5	5	5	5	5	5	5	5
Trade & other receivables	3,533	3,845	3,845	3,845	3,845	3,845	3,845	3,845	3,845	3,845	3,845	3,845
Other accrued income & prepaid expenses	47	112	112	112	112	112	112	112	112	112	112	112
Available for sale financial assets	7,524	4,315	10,070	11,670	13,271	14,871	16,471	18,071	19,672	21,272	22,872	24,472
Held to maturity financial assets	50											
Cash and cash equivalents	27,758	19,259	22,046	22,097	22,142	23,043	24,102	25,545	26,900	28,042	29,791	31,805
Total Current Assets	39,060	27,536	36,078	37,729	39,375	41,876	44,535	47,578	50,534	53,276	56,625	60,239
Total Assets	313,030	284,786	327,347	335,373	338,700	350,566	365,287	371,312	382,844	397,074	404,861	418,034
EQUITY												
Retained earnings	161,904	188,700	169,560	173,827	178,543	185,243	192,361	199,184	206,308	214,081	222,624	232,453
Fair value & other reserves	145,046	84,707	145,046	148,179	148,179	154,377	163,138	163,138	168,329	175,570	175,570	179,670
Total Equity	306,950	273,407	314,606	322,006	326,722	339,620	355,499	362,322	374,637	389,651	398,194	412,123
LIABILITIES												
<i>Non-Current Liabilities</i>												
Borrowings	777	4,710	6,456	6,740	5,618	4,576	3,778	2,993	2,210	1,454	698	697
Provisions for other liabilities & charges	460	433	460	460	460	460	460	460	460	460	460	460
Total Non-Current Liabilities	1,396	5,262	7,075	7,359	6,237	5,195	4,397	3,612	2,829	2,073	1,317	1,316
<i>Current Liabilities</i>												
Trade & other payables	4,132	4,907	4,132	4,133	4,134	4,133	4,133	4,134	4,134	4,134	4,134	4,135
Borrowings	92	777	1,074	1,415	1,147	1,158	798	784	784	756	756	
Provisions for other liabilities & charges	460	433	460	460	460	460	460	460	460	460	460	460
Total Current Liabilities	4,684	6,117	5,666	6,008	5,741	5,751	5,391	5,378	5,378	5,350	5,350	4,595
Total Liabilities	6,080	11,379	12,741	13,367	11,978	10,946	9,788	8,990	8,207	7,423	6,667	5,911
TOTAL EQUITY AND LIABILITIES	313,030	284,786	327,347	335,373	338,700	350,566	365,287	371,312	382,844	397,074	404,861	418,034



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Part 3
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Prospective Cash Flow Statement

	Annual Report 2004/05 (\$'000)	Annual Plan 2005/06 (\$'000)	Year 1 Forecast 2006/07 (\$'000)	Year 2 Forecast 2007/08 (\$'000)	Year 3 Forecast 2008/09 (\$'000)	Year 4 Forecast 2009/10 (\$'000)	Year 5 Forecast 2010/11 (\$'000)	Year 6 Forecast 2011/12 (\$'000)	Year 7 Forecast 2012/13 (\$'000)	Year 8 Forecast 2013/14 (\$'000)	Year 9 Forecast 2014/15 (\$'000)	Year 10 Forecast 2015/16 (\$'000)
CASH FLOW FROM OPERATING ACTIVITIES												
<i>Cash to be provided from:</i>												
Receipts from customers	10,557	11,204	11,903	11,189	11,017	11,389	11,819	11,098	11,460	11,825	11,253	11,810
Rates	8,399	8,871	9,747	10,572	11,268	11,522	11,937	12,206	12,577	12,880	13,198	13,533
Dividends received	4,179	4,455	4,014	4,157	4,284	4,369	4,457	4,547	4,637	4,730	4,823	4,920
Interest received	2,428	2,020	2,566	2,644	2,747	2,871	3,007	3,170	3,318	3,455	3,612	3,760
Grants	349	401	478	497	525	563	578	591	613	638	651	672
Other income		170		234		196		186		186		186
	25,912	27,121	28,708	29,293	29,841	30,910	31,798	31,798	32,605	33,714	33,537	34,881
<i>Cash to be applied to:</i>												
Payments to suppliers	17,540	16,689	18,021	16,585	16,798	16,879	17,269	17,375	17,798	18,185	17,126	17,123
Payments to and behalf of employees	7,684	8,075	8,256	8,567	8,901	9,181	9,443	9,752	10,003	10,247	10,481	10,722
Interest expense	133	202	497	591	557	475	393	313	253	195	139	82
	25,357	24,966	26,774	25,743	26,256	26,535	27,105	27,440	28,054	28,627	27,746	27,927
Net Cash Flows from Operating Activities	555	2,155	1,934	3,550	3,585	4,375	4,693	4,358	4,551	5,087	5,791	6,954
CASH FLOW FROM INVESTING ACTIVITIES												
<i>Cash to be provided from:</i>												
Disposal of property, plant & equipment	1,065	362	71	63	28	31	145	57	63	94	84	64
Disposal of investments properties	12,954	1,350	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Disposal of financial assets	57											
	14,076	1,712	1,671	1,663	1,628	1,631	1,745	1,657	1,663	1,694	1,684	1,664
<i>Cash to be applied to:</i>												
Purchase of property, plant & equipment	5,953	5,213	842	789	455	522	1,136	856	893	1,332	1,225	1,111
Construction of infrastructure assets	1,461	6,704	4,116	2,932	1,546	1,904	1,446	1,225	1,455	1,503	2,058	2,802
Purchase of intangible assets	150		300	300				59	351		247	
Purchase of financial assets	99	1,350	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Biological asset silviculture		84	156	167	177	47	39	93	68	69	87	88
Purchase of investment property												
	7,663	13,351	6,714	5,788	3,778	4,073	4,221	3,774	4,075	4,855	4,970	5,848
Net Cash Flows from Investing Activities	6,413	(11,639)	(5,043)	(4,125)	(2,150)	(2,442)	(2,476)	(2,117)	(2,412)	(3,161)	(3,286)	(4,184)
CASH FLOW FROM FINANCING ACTIVITIES												
<i>Cash to be provided from:</i>												
Loans drawn		4,890	3,034	1,700	25	115						
		4,890	3,034	1,700	25	115						
<i>Cash to be applied to:</i>												
Loans repaid	3,122	272	771	1,074	1,415	1,147	1,158	798	784	784	756	756
	3,122	272	771	1,074	1,415	1,147	1,158	798	784	784	756	756
Net Cash flows from Financing Activities	(3,122)	4,618	2,263	626	(1,390)	(1,032)	(1,158)	(798)	(784)	(784)	(756)	(756)
Net Increase/(Decrease) in Cash Held & cash equivalents	3,846	(4,866)	(846)	51	45	901	1,059	1,443	1,355	1,142	1,749	2,014
Opening cash & cash equivalents	23,912	24,125	22,892	22,046	22,097	22,142	23,043	24,102	25,545	26,900	28,042	29,791
Closing Cash & cash equivalents	27,758	19,259	22,046	22,097	22,142	23,043	24,102	25,545	26,900	28,042	29,791	31,805



Notes to Accounts

Note 1: Summary Cost of Services

Note	Annual Report 2004/05 (\$'000)	Annual Plan 2005/06 (\$'000)	Year 1 Forecast 2006/07 (\$'000)	Year 2 Forecast 2007/08 (\$'000)	Year 3 Forecast 2008/09 (\$'000)	Year 4 Forecast 2009/10 (\$'000)	Year 5 Forecast 2010/11 (\$'000)	Year 6 Forecast 2011/12 (\$'000)	Year 7 Forecast 2012/13 (\$'000)	Year 8 Forecast 2013/14 (\$'000)	Year 9 Forecast 2014/15 (\$'000)	Year 10 Forecast 2015/16 (\$'000)
REVENUE												
Group of Activities												
Environmental Management	1,564	2,468	2,292	2,339	1,703	1,736	1,775	1,825	1,857	1,897	1,951	1,986
Land Drainage and River Control	1,513	854	920	931	944	937	952	972	976	990	1,005	1,023
Biosecurity	4,872	5,656	6,331	5,299	5,367	5,476	5,614	4,704	4,803	4,897	3,897	3,959
Hazard Management	114	72	113	115	117	119	121	123	125	127	129	131
Land Transport		12	26	27	28	28	29	30	30	31	31	32
Economic, Cultural & Social Well-being Community Representation												
TOTAL REVENUE FROM ACTIVITIES	8,063	9,062	9,682	8,711	8,159	8,296	8,491	7,654	7,791	7,942	7,013	7,131
EXPENDITURE												
Group of Activities												
Environmental Management	7,105	7,939	8,866	8,952	8,922	9,086	9,307	9,561	9,789	10,029	10,260	10,432
Land Drainage and River Control	4,995	4,932	5,605	5,731	5,886	5,916	6,027	6,151	6,205	6,324	6,427	6,543
Biosecurity	7,121	8,788	9,350	8,273	8,501	8,409	8,517	8,443	8,624	8,651	7,455	7,223
Hazard Management	1,010	1,182	1,209	1,307	1,342	1,380	1,425	1,453	1,471	1,496	1,552	1,560
Land Transport	739	914	1,158	1,080	1,126	1,201	1,230	1,252	1,299	1,357	1,375	1,420
Economic, Cultural & Social Well-being Community Representation	2,589	1,126	1,059	838	587	603	618	633	646	659	670	681
	859	976	989	1,050	1,033	1,078	1,084	1,116	1,153	1,216	1,185	1,232
	24,418	25,857	28,236	27,231	27,397	27,673	28,208	28,609	29,187	29,732	28,924	29,091
Less Internal Expenditure	(127)	(136)	(146)	(146)	(146)	(146)	(146)	(146)	(146)	(146)	(146)	(146)
Total Group Activities	24,291	25,721	28,090	27,085	27,251	27,527	28,062	28,463	29,041	29,586	28,778	28,945
Other Activities												
Regional Income Collection Expenditure	740	646	642	657	624	627	662	660	696	724	703	717
Total Other Activities	740	646	642	657	624	627	662	660	696	724	703	717
TOTAL EXPENDITURE ON ACTIVITIES	25,031	26,367	28,732	27,742	27,875	28,154	28,724	29,123	29,737	30,310	29,481	29,662



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Note 2 & 3: Rates and Other Revenue

Note	Annual Report 2004/05 (\$'000)	Annual Plan 2005/06 (\$'000)	Year 1 Forecast 2006/07 (\$'000)	Year 2 Forecast 2007/08 (\$'000)	Year 3 Forecast 2008/09 (\$'000)	Year 4 Forecast 2009/10 (\$'000)	Year 5 Forecast 2010/11 (\$'000)	Year 6 Forecast 2011/12 (\$'000)	Year 7 Forecast 2012/13 (\$'000)	Year 8 Forecast 2013/14 (\$'000)	Year 9 Forecast 2014/15 (\$'000)	Year 10 Forecast 2015/16 (\$'000)
Note 2: Rates												
General Funding Rates												
Uniform Annual General Charge	1,770	1,941	2,174	2,570	2,873	2,883	2,995	2,943	3,009	3,019	3,031	3,050
General Rate on Land Value	908	983	1,101	1,289	1,436	1,426	1,464	1,516	1,550	1,540	1,528	1,509
Total General Funding Rates	2,678	2,924	3,275	3,859	4,309	4,309	4,459	4,459	4,559	4,559	4,559	4,559
Targeted Rates												
Upper Tukituki Catchment Control Scheme	458	469	483	498	513	528	544	560	577	594	612	630
Separate Flood Control & Drainage Schemes	165	169	177	180	184	192	209	215	207	215	223	232
Wairoa Rivers & Streams Scheme	69	70	72	74	77	79	81	84	86	89	89	89
Central & Southern Areas Rivers & Streams Scheme	108	110	144	149	153	158	162	167	172	177	183	188
Heretaunga Plains Flood Control & Drainage Schemes	3,021	3,202	3,582	3,734	3,888	4,044	4,211	4,391	4,585	4,790	5,010	5,246
Biosecurity Schemes	1,457	1,537	1,589	1,638	1,689	1,741	1,783	1,825	1,869	1,915	1,962	2,010
Environmental Initiatives												
Subsidised Public Transport	443	390	425	440	455	471	488	505	522	541	560	579
Total Targeted Rates	5,721	5,947	6,472	6,713	6,959	7,213	7,478	7,747	8,018	8,321	8,639	8,974
Total Rates	8,399	8,871	9,747	10,572	11,268	11,522	11,937	12,206	12,577	12,880	13,198	13,533
Note 3: Other Revenue												
Dividends	4,182	4,455	4,014	4,157	4,284	4,369	4,457	4,547	4,637	4,730	4,823	4,920
Leasehold Rents	2,182	2,142	2,221	2,478	2,858	3,093	3,328	3,444	3,669	3,883	4,240	4,679
Interest	2,425	2,020	2,566	2,644	2,747	2,871	3,007	3,170	3,318	3,455	3,612	3,760
Grants	349	401	478	497	525	563	578	591	613	638	651	672
Net gain on disposal of assets	262	100										
Subvention Payments		170		234		196		186		186		186
Miscellaneous Income												
Total Other Income	9,400	9,288	9,279	10,010	10,414	11,092	11,370	11,938	12,237	12,892	13,326	14,217


Note 4: Public Debt and Interest Expense

	Annual Report 2004/05 (\$'000)	Annual Plan 2005/06 (\$'000)	Year 1 Forecast 2006/07 (\$'000)	Year 2 Forecast 2007/08 (\$'000)	Year 3 Forecast 2008/09 (\$'000)	Year 4 Forecast 2009/10 (\$'000)	Year 5 Forecast 2010/11 (\$'000)	Year 6 Forecast 2011/12 (\$'000)	Year 7 Forecast 2012/13 (\$'000)	Year 8 Forecast 2013/14 (\$'000)	Year 9 Forecast 2014/15 (\$'000)	Year 10 Forecast 2015/16 (\$'000)
LOAN REQUIREMENTS												
New Borrowings												
Paeroa Drainage Loan					25	115						
Sawfly Remediation Loans		2,500	2,800	1,400								
Council Office Redevelopment Loan		2,150										
GIS Purchase Loan		190										
Telephony System Purchase Loan		50										
New Finance System				300								
Nursery Capital Purchases			51									
Pumpstation Generation Purchases			150									
Technical Equipment Purchases			33									
Total Net Borrowings		4,890	3,034	1,700	25	115						
Principal Repayments												
Te Awanga Flood Protection Loan	14	14	14	14	14	14	14	14	14	14	14	14
Paeroa Drainage Loan						3	14	14	14	14	14	14
Sawfly Remediation Loans			250	530	670	670	670	670	670	670	670	670
Port of Napier Redemption Loans		50	100	100	270							
Digital Terrain Monitoring Loan	28	28	28	28	28	28	28	28	28	28	28	28
Council Office Redevelopment Loan		180	360	360	360	360	360	360	360	360	360	360
GIS Purchase Loan			19	19	19	19	19	19	19	19	19	19
Telephony System Purchase Loan												
New Finance System					30	30	30	30	30	30	30	30
Nursery Capital Purchases					5	5	5	5	5	5	5	5
Pumpstation Generation Purchases				15	15	15	15	15	15	15	15	15
Technical Equipment Purchases				3	4	3	3	3	3	3	3	3
Repaid Loans	3,080											
Total Principal Repayments	3,122	272	771	1,074	1,415	1,147	1,158	798	784	784	756	756
TOTAL LOAN MOVEMENT	(3,122)	4,618	2,263	626	(1,390)	(1,032)	(1,158)	(798)	(784)	(784)	(756)	(756)
Loan Balances												
Te Awanga Flood Protection Loan	101	86	72	57	43	29	14					
Paeroa Drainage Loan					25	138	124	110	96	82	68	54
Sawfly Remediation Loans		2,500	5,050	5,920	5,250	4,580	3,910	3,240	2,570	1,900	1,230	560
Port of Napier Ltd Redemption Loans	520	470	370	270								
Digital Terrain Monitoring Loan	248	221	193	166	138	110	83	55	28			
Council Office Redevelopment Loan		1,970	1,440	1,080	720	360						
GIS Purchase Loan		190	171	152	133	114	95	76	57	38	19	
Telephony System Purchase Loan		50										
New Finance System				300	270	240	210	180	150	120	90	60
Nursery Capital Purchases			51	45	40	35	30	25	20	15	10	5
Pumpstation Generation Purchases			150	135	120	105	90	75	60	45	30	15
Technical Equipment Purchases			33	30	26	23	20	16	13	10	7	3
Total Outstanding Loan Balances	869	5,487	7,530	8,155	6,765	5,734	4,576	3,777	2,994	2,210	1,454	697
LOAN INTEREST EXPENSE												
Te Awanga Flood Protection Loan	10	9	7	6	5	4	2	1				
Paeroa Drainage Loan					1	7	10	9	8	7	6	5
Sawfly Remediation Loans			277	404	414	364	315	266	217	168	118	69
Port of Napier Redemption Loans	53	52	45	31	1							
Digital Terrain Monitoring Loan	22	19	17	15	12	10	8	6	3	1		
Council Office Redevelopment Loan		103	128	101	74	47	20					
GIS Purchase Loan		15	14	12	11	9	8	6	5	3	2	
Telephony System Purchase Loan		4										
New Finance System				4	24	20	17	15	12	10	8	5
Nursery Capital Purchases			2	4	3	3	3	2	2	1	1	1
Pumpstation Generation Purchases			6	11	10	9	8	7	5	4	3	2
Technical Equipment Purchases			1	3	2	2	2	1	1	1	1	
Repaid Loans	48											
TOTAL INTEREST EXPENSE	133	202	497	591	557	475	393	313	253	195	139	82



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

	Annual Report 2004/05 (\$'000)	Annual Plan 2005/06 (\$'000)	Year 1 Forecast 2006/07 (\$'000)	Year 2 Forecast 2007/08 (\$'000)	Year 3 Forecast 2008/09 (\$'000)	Year 4 Forecast 2009/10 (\$'000)	Year 5 Forecast 2010/11 (\$'000)	Year 6 Forecast 2011/12 (\$'000)	Year 7 Forecast 2012/13 (\$'000)	Year 8 Forecast 2013/14 (\$'000)	Year 9 Forecast 2014/15 (\$'000)	Year 10 Forecast 2015/16 (\$'000)
Capital Expenditure on Property, Plant & Equipment												
Land and Buildings	5,613	3,703										
Office Furniture and Equipment	48	130	47	65	74	47	53	37	61	126	96	130
Technical Equipment	120	95	202	120	44	80	67	71	58	100	108	38
Hydrological Equipment	68	68	19	5	13	65	315	191	170	105	164	101
Motor Vehicles and Plant	374	725	475	531	234	202	670	449	508	649	698	481
Computer Equipment	278	492	99	68	90	128	31	108	96	352	159	361
Intangible Assets				300					59	351		247
Total Capital Expenditure on Property, Plant & Equipment	6,501	5,213	842	1,089	455	522	1,136	856	952	1,683	1,225	1,358
Proceeds of Property, Plant & Equipment Disposals												
Land and Buildings	923	250										
Office Furniture and Equipment												
Technical Equipment												
Hydrological Equipment												
Motor Vehicles and Plant	142	112	71	63	28	31	145	57	63	94	84	64
Computer Equipment												
Intangible Assets												
Total Proceeds from Disposal of Property, Plant & Equipment	1,065	362	71	63	28	31	145	57	63	94	84	64
Depreciation on Property, Plant & Equipment												
Buildings	31	208	395	395	406	406	406	437	437	437	462	462
Office Furniture and Equipment	46	35	39	42	45	45	45	45	45	45	45	45
Technical Equipment	88	67	91	102	101	101	101	101	101	101	101	101
Hydrological Equipment	95	97	98	99	100	100	100	108	108	108	114	114
Motor Vehicles and Plant	317	379	335	392	406	406	406	406	406	406	406	406
Computer Equipment	189	276	222	191	194	194	194	194	194	194	194	194
Intangible Assets		55	38	38	38	38	38	38	38	38	38	38
Property, Plant & Equipment Asset Depreciation	766	1,117	1,218	1,259	1,290	1,290	1,290	1,329	1,329	1,329	1,360	1,360
Depreciation on Infrastructure Assets												
Infrastructure Assets	283	284	320	320	329	329	329	354	354	354	375	375
Infrastructure Asset Depreciation	283	284	320	320	329	329	329	354	354	354	375	375
TOTAL DEPRECIATION	1,049	1,401	1,538	1,579	1,619	1,619	1,619	1,683	1,683	1,683	1,735	1,735


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

	Annual Report 2004/05 (\$'000)	Annual Plan 2005/06 (\$'000)	Year 1 Forecast 2006/07 (\$'000)	Year 2 Forecast 2007/08 (\$'000)	Year 3 Forecast 2008/09 (\$'000)	Year 4 Forecast 2009/10 (\$'000)	Year 5 Forecast 2010/11 (\$'000)	Year 6 Forecast 2011/12 (\$'000)	Year 7 Forecast 2012/13 (\$'000)	Year 8 Forecast 2013/14 (\$'000)	Year 9 Forecast 2014/15 (\$'000)	Year 10 Forecast 2015/16 (\$'000)
Note 6: Funding from Reserves												
Project Scheme Reserves	(411)	1,332	231	2	349	167	(220)	24	(134)	(358)	(243)	(608)
Dividend Equalisation Reserve		(70)		(27)	(24)	(22)	(23)	(23)	(11)	(12)	(12)	(12)
Coastal Marine Area Reserve	359	43				(195)	(309)	(367)	(479)	(603)	(871)	(1,244)
Specific Regional Projects Reserve	2,147	99	208	242	97	(2)	(2)	(3)	(3)	(3)	(3)	(3)
Tangoio Soil Conservation Forestry Reserve	93	(914)	(589)	(628)	60	(49)	(72)	(26)	(51)	(48)	(36)	(39)
Asset Replacement Reserve	934	1,670	974	1,167	849	892	1,511	858	944	1,686	1,195	1,329
New Accommodation Reserve	4,113	1,304										
Infrastructure Asset Depreciation Reserve	59	126	39	656	105	175	115	70	264	165	7	553
Sinking Fund Reserve		50	100	100	270							
Sale of Land Investment Reserve	3,000											
Sale of Land Non-Investment Reserve		875	81	156	116	76	36	40				
Disaster Damage Reserve		500										
Other Reserves	514	(190)	309	299	(129)	(135)	(142)	(145)	(154)	(159)	(165)	(171)
TOTAL NET FUNDING FROM RESERVES	10,808	4,825	1,353	1,967	1,693	907	894	428	376	668	(128)	(195)
Note 7: Fair Value Gains from Investments												
Investment Property at beginning of year	75,590	72,620	86,919	92,145	93,261	94,411	96,755	99,199	101,747	104,403	107,172	110,059
Additions	22,379											
Disposals	(10,350)	(1,350)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)
NZ IFRS transition adjustments	650											
Movement during the year	12,679	(1,350)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)
Fair value gains (included in income statement)			6,826	2,716	2,750	3,944	4,044	4,148	4,256	4,369	4,487	4,610
Investment Property at end of year	88,269	71,270	92,145	93,261	94,411	96,755	99,199	101,747	104,403	107,172	110,059	113,069



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Note 8: Underlying Surplus / (Deficit) Reconciliation

	Annual Report 2004/05 (\$'000)	Annual Plan 2005/06 (\$'000)	Year 1 Forecast 2006/07 (\$'000)	Year 2 Forecast 2007/08 (\$'000)	Year 3 Forecast 2008/09 (\$'000)	Year 4 Forecast 2009/10 (\$'000)	Year 5 Forecast 2010/11 (\$'000)	Year 6 Forecast 2011/12 (\$'000)	Year 7 Forecast 2012/13 (\$'000)	Year 8 Forecast 2013/14 (\$'000)	Year 9 Forecast 2014/15 (\$'000)	Year 10 Forecast 2015/16 (\$'000)
Note 8: Underlying Surplus / (Deficit) Reconciliation												
Groups of Activities Underlying Surplus / (Deficits)												
<i>[From Cost of Service Statements]</i>												
Environmental Management	(5,522)	(6,373)	(6,799)	(6,851)	(7,184)	(7,350)	(7,487)	(7,695)	(7,889)	(8,084)	(8,264)	(8,405)
Land Drainage and River Control	(1,277)	(2,934)	(1,520)	(1,490)	(1,684)	(1,746)	(1,694)	(1,681)	(1,712)	(1,769)	(1,988)	(2,092)
Biosecurity	(911)	(1,345)	(1,319)	(1,307)	(1,395)	(1,360)	(1,390)	(1,651)	(1,674)	(1,714)	(1,644)	(1,573)
Hazard Management	(896)	(1,110)	(1,096)	(1,192)	(1,225)	(1,261)	(1,304)	(1,330)	(1,346)	(1,369)	(1,423)	(1,430)
Land Transport	(87)	(197)	(209)	(96)	(99)	(122)	(114)	(101)	(107)	(120)	(109)	(113)
Economic, Cultural & Social Well-being	(443)	(613)	(695)	(580)	(587)	(603)	(619)	(633)	(647)	(659)	(670)	(680)
Community Representation	(859)	(976)	(989)	(1,050)	(1,033)	(1,078)	(1,084)	(1,116)	(1,153)	(1,216)	(1,185)	(1,232)
Less Internal Expenditure	1 127	136	146	146	146	146	146	146	146	146	146	146
Regional Income Collection	1 (740)	(646)	(642)	(657)	(624)	(627)	(662)	(660)	(696)	(724)	(703)	(717)
Total Groups of Activities Surplus / (Deficit)	(10,608)	(14,058)	(13,123)	(13,077)	(13,685)	(14,001)	(14,208)	(14,721)	(15,078)	(15,509)	(15,840)	(16,096)
Less Capital Expenditure												
<i>[From Income Statement]</i>												
Capital Expenditure	(11,196)	(12,773)	(5,841)	(5,418)	(3,709)	(3,696)	(3,815)	(3,012)	(3,259)	(4,039)	(4,126)	(5,004)
<i>Add Back:</i>												
Capital Expenditure in Groups of Activities	1,791	7,305	4,535	3,800	2,532	2,813	2,220	2,056	2,208	2,255	2,829	3,580
Total Non-Groups of Activities Capital Expenditure	(9,405)	(5,468)	(1,306)	(1,618)	(1,177)	(883)	(1,595)	(956)	(1,051)	(1,784)	(1,297)	(1,424)
Plus General Funding												
Revenue from Rates	2 8,399	8,871	9,747	10,572	11,268	11,522	11,937	12,206	12,577	12,880	13,198	13,533
Other Revenue	3 9,400	9,288	9,279	10,010	10,414	11,092	11,370	11,938	12,237	12,892	13,326	14,217
Loan Funding	4 4,890	3,034	1,700	25	115							
<i>Less:</i>												
Other Revenue in Groups of Activities	(6,233)	(8,971)	(10,044)	(8,889)	(7,832)	(8,301)	(8,388)	(8,693)	(8,999)	(9,357)	(9,730)	(10,108)
Total Non-Groups of Activities General Funding	11,566	14,078	12,016	13,393	13,875	14,428	14,919	15,451	15,815	16,415	16,794	17,642
Plus / (Less) Reserves Funding												
<i>[From Income Statement]</i>												
Reserves Funding	6 10,808	4,825	1,353	1,967	1,693	907	894	428	376	668	(128)	(195)
<i>Less:</i>												
Reserves Funding in Groups of Activities	(1,953)	(1,581)	(418)	(865)	(731)	(369)	143	(111)	(77)	243	273	93
Total Non-Groups of Activities Reserves & Loan Funding	8,855	3,244	935	1,102	962	538	1,037	317	299	911	145	(102)
Underlying Surplus / (Deficit)	408	(2,204)	(1,478)	(200)	(25)	82	153	91	(15)	33	(198)	20

**Note 9: Comparative Information Linkages**

The Prospective Statement of Changes in Equity and Prospective Cash Flow Statement closing and opening positions do not link from the comparative years of 2004/05 to 2005/06 and to 2006/07.

This is because the 2005/06 Annual Plan financial statements were finalised before the 2004/05 Annual Report, which included the results of significant revaluation changes that were not forecast in the 2005/06 Annual Plan. While not obvious, the 2006/07 forecast opening positions are linked to the 2004/05 Annual Plan closing positions by including the budgeted results for the 2005/06 Annual Plan.

Funding Impact Statement

	Year 1 Forecast 2006/07 (\$'000)	Year 2 Forecast 2007/08 (\$'000)	Year 3 Forecast 2008/09 (\$'000)	Year 4 Forecast 2009/10 (\$'000)	Year 5 Forecast 2010/11 (\$'000)	Year 6 Forecast 2011/12 (\$'000)	Year 7 Forecast 2012/13 (\$'000)	Year 8 Forecast 2013/14 (\$'000)	Year 9 Forecast 2014/15 (\$'000)	Year 10 Forecast 2015/16 (\$'000)
Estimated operating and capital expenditure is as follows:										
Operating Expenditure	28,733	27,740	27,877	28,154	28,726	29,122	29,738	30,312	29,482	29,662
Capital Expenditure										
Property, Plant & Equipment	842	1,089	455	522	1,136	856	952	1,683	1,225	1,358
Infrastructure Assets	4,116	2,932	1,546	1,904	1,446	1,225	1,455	1,503	2,058	2,802
Investment Property										
Biological Assets	156	167	177	47	39	93	68	69	87	88
Community Net Lending from Reserves	(44)	156	116	76	36	40				
Public Debt Repayments	771	1,074	1,415	1,147	1,158	798	784	784	756	756
	5,841	5,418	3,709	3,696	3,815	3,012	3,259	4,039	4,126	5,004
Total Operating and Capital Expenditure	34,574	33,158	31,586	31,850	32,541	32,134	32,997	34,351	33,608	34,666
This expenditure will be funded from the following sources:										
UAGC Rates	2,174	2,570	2,873	2,883	2,995	2,943	3,009	3,019	3,031	3,050
General Rates	1,101	1,289	1,436	1,426	1,464	1,516	1,550	1,540	1,528	1,509
Targeted Rates	6,472	6,713	6,959	7,213	7,478	7,747	8,018	8,321	8,639	8,974
Direct Charges	9,682	8,711	8,159	8,296	8,491	7,654	7,791	7,942	7,013	7,131
Dividends	4,014	4,157	4,284	4,369	4,457	4,547	4,637	4,730	4,823	4,920
Leasehold Land Rent	2,221	2,478	2,858	3,093	3,328	3,444	3,669	3,883	4,240	4,679
Interest	2,566	2,644	2,747	2,871	3,007	3,170	3,318	3,455	3,612	3,760
Grants	478	497	525	563	578	591	613	638	651	672
Other Income		234		196		186		186		186
Loans	3,034	1,700	25	115						
Council Reserves	2,832	2,165	1,720	825	743	336	392	637	71	(215)
Total Funding	34,574	33,158	31,586	31,850	32,541	32,134	32,997	34,351	33,608	34,666



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 targeted 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 are 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.

The rating policies and mechanisms set out in part 4 pages 21 to 29 will apply for the term of this plan.

General Funding Rates

(includes General Rate and Uniform Annual General Charge)

The General Funding Rates required for 2006/07 are **\$3,684,373**. 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 councils 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 detailed in the Revenue and Financing Policy contained in the LTCCP. In summary, the UAGC will fund:

- 100% of the residual cost of community representation;
- 100% of the residual cost of hazard management;
- 100% of the residual cost of transport administration;
- 93% of the residual cost of economic, cultural and social wellbeing;
- 70% of the residual cost of environmental management;
- 50% of the residual cost of rate collection costs;
- 30% of the residual cost of land drainage and river control;
- 13% of the residual cost of biosecurity.

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

The UAGC over each rateable property is \$38.07 (including GST). The UAGC is calculated by dividing the amount to be funded by the number of rating units in the region (64,234 at the time of preparation of this plan).

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 suffered by those ratepayers in the community whose land values have increased by more than the average.

Set out below is a table which illustrates the proposed general funding rates for each part of the region, the UAGC being \$38.07 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 \$7.86 incl.GST per \$100,000 of **Land Value**. No differential is applied to the general rate.

	General Funding Rates			
	2005/06 Total General Funding Rates	2006/07		Total General Funding Rates \$
		General Rates Land Value Based \$	UAGC \$	
Napier	1,165,625	329,379	927,195	1,256,574
Hastings	1,470,649	586,659	1,101,595	1,688,254
Central Hawke's Bay	411,766	214,342	226,821	441,163
Wairoa	234,444	100,744	188,827	289,571
Pt.Taupo	4,851	4,230	723	4,953
Pt.Rangitikei	2,167	3,630	228	2,858
Total:	3,289,502	1,238,984	2,445,389	3,684,373

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.

Details are shown on next page:



District	Land Value Information		
	Adjusted Land Value 1/09/2005	Actual Land Value 28/2/2006	Valuation Revision Date
Napier City	\$4,192,494,000	\$4,178,978,300	1/09/2005
Hastings District	\$7,467,277,700	\$5,714,749,950	1/09/2004
Central HB District	\$2,728,242,000	\$1,770,965,700	1/09/2003
Wairoa District	\$1,282,321,000	\$706,173,850	1/09/2003
Pt. Taupo District	\$53,839,000	\$40,529,072	1/09/2004
Pt. Rangitikei District	\$46,203,000	\$38,153,000	1/09/2003
Total	\$13,065,557,000	\$9,775,759,172	

District	General Funding Rates 2006/07			
	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	\$7.88	\$329,379	24,355	\$927,195
HASTINGS	\$10.27	\$586,659	28,936	\$1,101,595
CENTRAL HB	\$12.10	\$214,342	5,958	\$226,821
WAIROA	\$14.27	\$100,744	4,960	\$188,827
PT. TAUPO	\$10.44	\$4,230	19	\$723
PT. RANGITIKEI	\$9.51	\$3,630	6	\$228
		\$1,238,984	64,234	\$2,445,389

Utilisation of General Funding Rates in each Group of Activity:	2006/2007
Environmental Management	
Policy Development	3.5%
Policy Implementation	12.8%
Resource Consent Processing	3.5%
Environmental Research	4.1%
Environmental Monitoring	13.7%
Compliance Monitoring	4.5%
Land Management	9.2%
Maritime Navigation & Safety	1.8%
Building Act Implementation	0.4%
	53.4%
Land Drainage & River Control	9.9%
Biosecurity	10.4%
Hazard Management	8.6%
Land Transport	1.7%
Economic, Cultural & Social Well-being	5.5%
Community Representation	7.8%
Other Activities	2.8%
	<u>100.0%</u>

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 2006/2007 are \$478,125, (2005/2006 \$438,750). The estimated rate is \$7.83 per \$100,000 of **Land Value** of the relevant rating units subject to the estimate of projected valuations.

2. Heretaunga Plains Flood Control Scheme

The rates are assessed on a graduated scale as set in the schedules shown below and levied on those properties that benefit directly or indirectly from the Scheme.

a. **Differential Rate for Flood Protection** levied on the estimate of projected valuations on the **Capital Value** comprising all rateable rating units within Hastings District and Napier City.

	Rate	Cents in the Dollar	2006/07	2005/06
Direct benefit	F1	.00952	\$1,194,320	\$1,085,745
Indirect benefit	F2	.00231	\$511,851	\$465,319

F1. Directly at risk of loss

Rateable land situated in the Heretaunga Plains Control Scheme area which Council considers that it receives protection from the risk of flooding up to a 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 considers at risk from the indirect effects of river alignment and flood causing loss of infrastructure and general opportunities to the Community.

b. **Differential Rate for Drainage Maintenance** in specific areas on the Heretaunga Plains. These rates are levied 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.



District	Other	Industrial	2006/07	2005/06
Cents in the Dollar on Land Value				
D1 Napier, Meeanee, Puketapu	0.02168	0.08674	\$624,945	\$603,812
D2 Karamu & Tributaries	0.02911	0.11645	\$775,478	\$679,977
D3 Raupare, Twyford	0.0737		\$145,935	\$132,669
D4 Haumoana	0.0657		\$99,101	\$90,092
D5 Tutaekuri, Waimate, Moteo	0.0984		\$155,365	\$141,240
D6 Pakowhai	0.1278		\$100,632	\$91,484
D7 Brookfields, Awatoto	0.1307	0.52281	\$103,946	\$94,496
D8 Muddy Creek	0.08664	0.34656	\$187,902	\$170,820
D9 Puninga	0.1659		\$52,180	\$45,374

Fixed Amount - per Rating Unit

District

D2H Havelock North				
Karamu Stream Maintenance	\$7.65		\$40,016	
Karamu Enhancement	\$7.17		\$37,500	

D2H 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 \$7.65 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.

The total amount of the rates are \$40,016.

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 total cost for 2006/2007 is \$100,000 (excl GST) with one third of this cost to be paid by the Havelock North community.

The rates are to be set at \$7.17 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.

The total amount of the rates are \$37,500.

3. Upper Tukituki Catchment Control Scheme

The rates are to be 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.

Schedule	Rate - cents in the Dollar									
Differentials	F1	F2	F3	F4	F5	F6	UF1	UF2	UF3	UF4
	(A)	(B)	(C)	(D)	(E)	(F)	(U1)	(U2)	(U3)	(U4)
	0.42880	0.32160	0.21440	0.10720	0.04288	0.00429	0.10720	0.06432	0.04288	0.00429

The total rates to be set is \$543,513 (2005/06 \$527,684) 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 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.

Schedule	Rate - cents in the Dollar		
Differentials	PO1	PO2	PO3
	(A)	(B)	(C)
	0.5294	0.0882	0.0176

The rates of \$21,709 (2005/06 \$19,736) are required for the maintenance work in the Poukawa drainage scheme.

5. Porangahau Flood Control 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.

Schedule	Rate - cents in the Dollar
	.0107

The rates of \$26,537 (2005/06 \$24,125) are required for maintenance work in the Porangahau Flood Control Scheme.

6. Paeroa Drainage 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.

Schedule	Rate - Dollars for each Hectare				
Differentials	P1	P2	P3	P3	P5
	(A)	(B)	(C)	(D)	(E)
	44.24	28.76	19.91	15.48	2.21

The rates of \$18,629 (2005/06 \$18,087) are required for maintenance work in the Paeroa Drainage Scheme.

7. Ohuia Whakaki Drainage 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.

Schedule	Rate - Dollars for each Hectare					
Differentials	Class	A	B	C	D	E
		77.56	62.05	46.54	23.27	7.76

The rates of \$41,421 (2005/06 \$37,656) are required for maintenance work in the Ohuia Whakaki Drainage Scheme.



8. Upper Makara Stream Catchment Control Special Rating Scheme

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

Schedule	Rate – Dollars for each Hectare							
	UM1 (A)	UM2 (B)	UM3 (C)	UM4 (C)	UM5 (D)	UM6 (D)	UM7 (E)	UM8 (F)
	42.04	33.63	25.22	25.22	14.71	14.71	2.10	0.84

The rates of \$27,964 (2005/06 \$27,150) 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 rate to be set using the **Area Basis** of rating on a Differential Rating Scheme.

Schedule	Rate – Dollars for each Hectare											
	E1	E2	R11	R12	R13	W1	W2	W3	W4	W5	W6	W7
Esk River	32.43	13.42	33.33	130.81	422.91							
Whirinaki Stream	125.19	103.10	333.33	117.91	3.43	41.51	14.73					

The rates of \$19,514 (2005/06 \$19,038) 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 rate to be set using the Area Basis of rating on a differential rating scheme.

Schedule	Rate – Dollars for each Hectare	
	TN	TN1
	28.52	180.16

The rates of \$2,864 (2005/06 \$3,580) 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 rate to be set using the **Area Basis** of rating on a differential rating scheme.

Schedule	Rate – Dollars for each Hectare			
	A	B	C	D
	118.53	47.41	23.71	5.93

The rates of \$6,699 (2005/06 \$6,505) 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 rate to be set on the **Capital Value**.

Schedule	Rate – Cents in the Dollar
	.00712

The rates of \$81,159 (2005/06 \$78,795) 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 rate to be set on the **Capital Value**.

Schedule	Rate – Cents in the Dollar
	.00088

The Rates of \$9,159 (2005/06 \$8,892) 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 rate to be set on the **Capital Value**.

Schedule	Rate – Cents in the Dollar
	.0350

The Rates of \$24,414 (2005/06 \$25,781) 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 rate to be set on the **Capital Value**.

Schedule	Rate – Cents in the Dollar
	.00062

The Rates of \$162,305 (2005/06 \$123,828) 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 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

Note: The figures contained in this LTCCP are currently being reviewed as part of the Regional Plant Pest & Animal Pest Management Strategy. The figures included reflect Council's preferred options.

Rates are levied 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 \$0.225 per hectare; and
- b) production forestry rating units over 400 hectares where the rate will be \$0.2250 per hectare; and
- c) rating units greater than 200 hectares where more than 90% of the land area is covered in indigenous vegetation will be zero rated.

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.

Schedule Group	Rate - cents for each Hectare	
	Forestry	Pest Control
A	22.50	B
		116.41

The rates of \$1,010,511 (2005/06 \$976,339) 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.

Schedule Group	Rate - cents for each Hectare
	40.94

The rates of \$432,387 (2005/06 \$419,810) 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 \$0.33 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.

Schedule Group	Rate - cents for each Hectare
	34.68

The rates of \$344,917 (2005/06 \$333,257) will be applied to the Plant Pest Strategy within the region.

Due Dates for Payment of Rates

The rates are due and payable on or after 1 October 2006. 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 2007.

Inspection and Objection to Council's Rating Information Database

The Rating Information Database (RID) is available for inspection at Council offices at 159 Dalton Street, Napier, and on Council's website (www.hbrc.govt.nz). Ratepayers have the right to inspect the RID 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 establish charges for various administrative and monitoring activities.

The following charges outlined are for the period 1 July 2006 to 30 June 2007.

- 1 Processing resource consent applications;
- 2 Compliance and impact monitoring;
- 3 Contaminated Site Management;
- 4 Gravel Extraction;
- 5 Preparation or change of policy statements or plans;
- 6 Navigation and Safety;
- 7 Provision of information.

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 underground 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 three 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 \$60.00 per hour per Committee member other than the Chairman who is paid \$75.00 per hour (a six hour hearing with the full Committee

- of five members would, therefore, cost \$1,890);
- 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;
- 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 to give technical advice and any Commissioner appointed as the Minister of Conservation's representative;
- the actual cost of staff attendance at the hearing (typically the Reporting Officer, relevant technical officers and the Regulation Manager);
- when an independent Hearing Commissioner is appointed at the initiative of Council, the hearing costs will be calculated as if Council's Hearing Committee was hearing the application. 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 pg 22)	Charge payable in advance	Additional Charge payable subsequent to processing
Land use consent for bore permit	\$160	N/A
Other consents, including restricted coastal activities	\$600	Based on actual costs
Minor administrative changes or cancellations of consent conditions	\$60	N/A
Other changes or cancellations of consent conditions	\$300	Based on actual costs
Review of conditions as specified in resource consents	\$300	Based on actual costs
Transfer a consent to another site	\$300	Based on actual costs
Extensions to lapsed dates (resource available)	\$90	N/A
Extensions to lapsed dates (resource limitations)	\$300	Based on actual costs
Transfer of resource consent (1 only) to a new owner/occupier (payable by new consent holder)	\$60	N/A
Transfer of resource consent (2 or more) relating to the same property to a new owner/occupier (payable by new consent holder)	\$90	N/A
Certificate of compliance		
Bore sealing	no charge	N/A
Other	\$100	Based on actual costs



Actual costs

The actual costs include time spent by staff in receiving, processing and deciding on the applications, hearing costs and any external disbursements. 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 6); 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).

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 time for carrying out the inspection, assessment, reporting and administration associated with that monitoring.

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.

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 6). 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.

2.1 Listed Consent holders

The charge for the monitoring of resource consents held by the consent holders listed in Table 2 (overleaf) has been determined based on an estimate of time for carrying out the inspection, administration and reporting of the compliance monitoring activity.

Should the actual costs incurred by Council in undertaking the compliance or impact monitoring of the consent be less than the charge set out in Table 2, then the lesser amount only shall be recovered.

Should the actual costs incurred by Council in undertaking the compliance or impact

monitoring of the consent exceed the charge set out in Table 2, then these costs may be recovered by way of an additional charge.

2.2 Consent holders of On-site Domestic Wastewater Discharges

Initial Inspections

Holders of consents for the discharge of domestic (single household) wastewater to land will require an inspection following the installation and commissioning of the treatment plant. The charge for this inspection and sampling will be as per Table 3 (overleaf).

If there is compliance with the conditions of the consent, no further routine inspections will take place. If there is non-compliance with any of the conditions and another inspection is required, the consent holder will be charged for that inspection as per Table 3.

Audit Monitoring and Sampling

Council will be undertaking audit monitoring and sampling of treatment plants from which the discharges are authorised by a resource consent. There will be no charge to the consent holder for this monitoring and sampling programme. However, should that monitoring or sampling indicate that there is non-compliance with conditions or effluent quality is unusually poor, a follow-up inspection to assess how the system is being managed may be required. Any such inspection will be charged to the consent holder as per Table 3.

2.3 Consent holders of groundwater takes

Holders of resource consents to take groundwater (unmetered) will be monitored on a 5 yearly basis. The estimated charge for this inspection will be \$225.

2.4 Other consent holders

Consent holders who fall into this category require no more than a single annual inspection, and/or the checking of water use or other type of information returns, and/or a single sampling undertaken by Council staff at the same time as the inspection. Table 3 sets out the charges for these types of monitoring tasks. Consent holders should check the conditions of the consent to determine whether sampling, water use or other type of information return is required.

Some examples of compliance monitoring costs based on these charges are given below:

Land use consent for a culvert	\$280
Water permit to take surface water with monthly manual recording of use	\$440

These charges are generally payable subsequent to the compliance monitoring functions being undertaken.

Where extra compliance monitoring is necessary as a result of non-compliance with consent conditions or other special circumstances, an additional charge shall be made.



TABLE 2 Consent Holder	Estimated Annual Charge \$						
Abalone Farm (HB) Ltd	480	Firth Industries Ltd	1160	Lowry J H S	792	Smiley R W	1345
Affco NZ Ltd - Affco Wairoa	6442	Firth Industries & Winstone Aggregates	600	Lowry T R	741	Sorensen Trust Partnership	400
Affco NZ Ltd - Napier	2107	Force Five Ltd	532	Mahanga Beach Ltd	4928	Southmark Quality Foods Ltd	994
Ager Sectus Co Ltd	2350	Franklin P C	740	Mahia Boating & Fishing Club	977	Spray-Free Holdings Ltd	1120
Airini-Tu Partnership	777	Frasertown Meat Co Ltd	1521	Manaia J E	737	Stockade Pastoral Farms Ltd	4729
Alpha Domus Ltd	680	Fruit Packers (HB) Co-op Ltd	1020	Marineland of NZ	370	Stony Bay Wines Ltd	780
Amcor Kiwi Packaging	400	Fulton Partnership	700	Matapiro Services Ltd	946	Stoney Creek Ranch Trust	560
Anderson G & S & Martin R	583	Galvanising HB Ltd	320	Matariki Holdings Ltd	440	S M W Developments Ltd	400
Apatu Farms Ltd	4360	Genesis Power Ltd	5054	McCain Foods (NZ) Ltd	1780	Strathallan Trust	661
Apollo Fruit Ltd	1037	Gimblett Family Trust	509	Medallion Pet Foods (2005) Ltd	520	Taharua Ltd	767
Arapata Trust	620	Glazebrook P D Trust	680	Middle Hills Partnership	1003	Tasman Harvester Contractors Ltd	400
Ballance Agri-Nutrients Ltd	954	Golden Del Orchard Ltd	1662	Milburn N Z Ltd	560	Te Aute Trust Board Inc	2432
Barry, P & A	520	Gordon A J & D & J	1320	Millar Road Ltd	717	Te Awa Vineyard Ltd	1319
Beattie Bros (HB) Ltd	1087	Gourmet Blueberries Ltd	1793	Ministry of Economic Development	1547	Te Awanga Estate & Winery Ltd	774
Blackhead Beach Camping Ground Com	880	Greenforde Enterprises Ltd	200	MOE Flemmington School	520	Te Awa Estates Ltd	1080
Brownlie Bros Ltd	1734	Grenfell R F	1194	MOE Puketapu School	720	Te Awanga Downs/Vineyards Ltd	665
Brownrigg Agriculture		Guthrie Smith Trust Board	560	Montana Wines Ltd/Allied Domecq Wines (NZ) Ltd	6266	Te Awanga Motor Camp	1467
David & Jonathan Brownrigg Ltd	4665	Haworth W R & J M	1347	Morton Estate Wines Ltd	3222	Te Kura Family Trust	580
Burkett R & Hedley G M	648	Hastings District Council	43985	Mr Apple NZ Ltd	4370	Te Mata Mushrooms Ltd	2718
Caltex Oil (NZ) Ltd	800	HB & East Coast Aero Club	337	Napier City Council	15392	Te Pohue Ltd	600
Campbell Family Trust	762	Hawke's Bay Dairies (2002) Ltd	4737	Napier Mussels Ltd	3842	Te Puia Trust	520
Camp David Adventure Centre	928	Hawke's Bay Golf Club Inc	760	Napier Sandblasting Co Ltd	720	Terra Vitae Vineyards Ltd	1045
Cape Kidnapper Station Ltd	7284	Hawke's Bay District Health Board	820	National Aquarium of NZ	510	Te Tua & Washpool Stations	5977
Cavalier Spinners Ltd	520	Hawke's Bay Property Holdings Ltd	1828	Newman Family Trust	740	The River Lodges Tukituki	1587
Challenger Beston Ltd/Delegats Wine Estate	1530	Hawke's Bay Protein NZ Ltd	2158	Newton-Forrest Partnership	580	Timber Management Company	480
Central HB District Council	35036	Hawke's Bay Regional Council	8937	Ngatarawa Wines Ltd	680	Token Holdings Ltd	1100
Charter Boats Ltd	1020	Hawke's Bay Sandblasting Ltd	720	Nobilo Wine Group Ltd	3094	Tomoana Pelt Processors Ltd	3187
Clifton Reserve Society	980	Hawke's Bay Woolscourers Ltd	520	Ormlie Lodge Trust	648	Transpower NZ Ltd	888
Clifton Wool Scour Ltd	860	Heinz Wattie's Ltd - King Street site	960	Pacific Wide (NZ) Ltd	640	Trevettes Orchard Ltd	2209
Clover Park Ltd & Riordan J J & V P	720	- Tomoana site	2340	Pacific Wood Products Ltd	1078	Trinity Hill Ltd	1232
Connor, A M	480	Hickling P/Ship, Coach House Gardens Ltd, Alexander P/Ship	727	Packer A A	480	Tuki Tuki Awa Ltd	700
Corbans Wines Ltd/Montana Wines Ltd	1733	Higgins HB Ltd - Aggregates - Contractors	400	Pan Pac Forest Products Ltd	5822	Tukituki Ltd	620
Cornes, D & V	680	Holleron P T	1450	Paritua Vineyards, Sileni Estate, J V Lyons & C D & C M Howell Partnership	1025	Turners & Growers Ltd	1200
Coyle, J P & A G & B S	800	Horticulture & Food Research Institute of NZ	1553	Park Estate Ltd	1590	Tutira School Board of Trustees	440
Craggy Range Vineyards Ltd	4655	Hukarere College	600	Parker G W & G C	977	Unison Vineyards Ltd	620
Crasborn Group Ltd	1665	Humes Pipeline Systems	480	Pencarrow Hills Ltd	801	Vertex Pacific Ltd	2558
Crasborn Development Ltd	1340	Hursthouse Family Trust	563	Perrott M & M Ltd	600	Villa Maria Estate Ltd	3072
David Phillips Ltd	960	Infracon Ltd	1470	Perry W E	900	Waipawa Timbers Ltd	1137
Department of Conservation - Napier	640	Ingleton Farms Ltd	1520	Plantation Rd Dairies Ltd	3796	Wairoa District Council	11003
Department of Conservation - Wairoa	3634	Jara Family Trust	880	Port of Napier Ltd	5982	Walmsley Contracting Ltd	7039
Department of Corrections	660	Johnny Applesseed Holdings Ltd	3639	PPCS Ltd - Mersey St	2107	Wazz Mac's Ltd	945
Donovan, T P	1525	Kairakau Beach Ltd	760	- Plunket St, Hastings	280	Websters' Hydrated Lime Co Ltd	980
East Coast Regional Saleyards - Waipukurau	620	Kairakau Development Society Inc	780	- Rangitane Rd, Whakatu	1314	Whakatu Coldstores & Industrial Park	1654
East Coast Regional Saleyards - Hastings	360	Kemblefield Estate Winery Ltd	1848	- Takapau	12104	Whakatu Wool Scour Ltd	1200
Eastern Deer Corp Ltd	674	K L S Heritage Trust	712	Progressive Leathers Ltd	380	Whitchester Trust	687
Eastern Equities Properties Ltd	1459	Knauf I J & S M	3302	Pukeora Estate Ltd	2000	Whitfield D J & Sons Ltd	1600
Eastlands Network Ltd	1469	Kokako Farm Ltd	580	P V A Properties Ltd	880	Wilson I & M	555
Enzafoods NZ Ltd	560	Koko Property Trust	760	Ravensdown Fertiliser Co-op Ltd	3707	Winstone Aggregates Ltd - Awatoto	7326
Epic Agriculture Ltd	2533	Kruger P L, Pickett WDB & Flemington BD	1267	Richardson L E	667	- Fernhill	225
Eskdale Enterprises Ltd	740	Kupa M R & C M	1240	R Dickie (NZ) Ltd & V Paulus Kiri Kiri Bay Joint Venture	760	- SH50	1000
Esk Hydro-Power Ltd	5823	Lawson J S Trust	1147	Rossie Braes Farm Ltd	612	Woodthorpe Terraces Ltd	1328
Eskdale School	400	Leafield Farms Ltd	1040	Sacred Hill Wines Ltd	640	Works Infrastructure Ltd	1040
Eucalypts.Net Ltd	3094	Lightning Ridge Partnership	1854	Sandler K C & K A Family Trust	617	Wyndorah (NZ) Ltd	1880
Evans R J	560	Longrow Dairies Ltd	1000	Shoal Beach Ltd	600	Young C D & A J	921
		Lowe, Graeme Tannery Ltd - Hastings	2507	Sileni Estate Ltd	2399		



⊕ FINANCIAL INFORMATION

2.4 Continued...

Monitoring Task	Estimated Annual Charge
Inspection and associated reporting and administration	\$280
Sampling time (sampling analysis will be at cost - see Table 5)	\$80
Water Use Returns – Datalogger Telemetered	\$50
Water Use Returns – Datalogger Manual	\$75
Water use returns – Manual - Quarterly	\$100
Water use returns – Manual – Monthly	\$160
Other information returns	\$80

2.5 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 will run for 5 years and then be reviewed. This will be its fourth year. 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 in Table 4.

Consent	Client Name	Charge
WP990492T	Bird R	All \$80 per consent
WP000036T	Brownlie Bros	
WP010553T	Brownlie Bros	
WP010016T	Brownlie C J	
WP010020T	Ceekay Limited	
WP000012T	Dallas NK & LJ	
WP000004T	Drayton W J & A F	
WP000006T	Dyer W R	
WP990543T	Goldfinch P S & J N	
WP990498T	Harrap's Nurseries Ltd	
WP010040T	Hinks R H	
WP990535T	Jardine J L & H M	
WP990481T	Jemel Trust	
WP010017T	Lilburn I R & S M	
WP000013T	Mackay H R & D C A	
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	
WP990558T	Shing J	
WP990480T	Smith K A & Howe P G	
WP000031T	The Orchard	
WP990553T	The Orchard Hawke's Bay Ltd	
WP990491T	Villa Maria Estate Limited	
WP000038T	Young R & F	



2.6 Charges to holders of resource consents for low flow monitoring

For holders of consents to take water from rivers with low flow limits, (directly or via a gallery intake or well) the cost of monitoring the low flows will be recovered for each water take subject to low flow restrictions:

- A charge of \$125

3. Charges relating to contaminated site management

Where a party requests information about the 'contaminated site' status of a property	<ul style="list-style-type: none"> • 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 to review and comment on contaminated site investigation and remediation reports	<ul style="list-style-type: none"> • A charge of \$500
Where a party requests more extensive involvement of Council staff	<ul style="list-style-type: none"> • 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 River Bed Gravel Extraction Plan under Section 108 of the Resource Management Act. Charges are shown in Table 5.

TABLE 5 Gravel Extraction Charges based on \$ per cubic metre extracted per annum				
	State of Environment Monitoring Charge (S35 of RMA)	Compliance/ Allocation Charge (S36 of RMA)	Financial Contribution (S108 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. After completion of the financial year ended 30 June 2007 the actual costs incurred in relation to the monitoring and compliance allocation for gravel extraction and actual quantities of gravel extracted will be compared to the budgeted costs and estimated levels of extraction. Any under or over recoveries will be recovered from or refunded to gravel extractors after 30 June 2007.



5. 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.

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 6), adding any actual disbursements (as per Table 6) 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 6 Charge rates (excl GST) for the purpose of calculating actual costs	Per hour
Executive	\$105
Engineer	\$76.97
Environmental scientist	\$73.52
Policy	\$62.01
Environmental Regulation	
• Processing resource consent applications	\$90
• Compliance and impact monitoring of consents	\$80
• All other tasks	\$59.90
Data collection and management	\$54.49
Land management	\$65.86
Disbursement costs shall be charged at the rates set out below:	
• Accommodation	\$100 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

6. 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	Annual Charge payable in advance
Vessels not under Safe Ship Management	
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	
	Charge Payable In Advance
– 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

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 relating to the Regional Policy Statement or regional plans only shall be provided free of charge;
- The first half-hour of time spent actioning a request for information relating to 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 6;
- 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 6 will apply.



For information only

Charges by the Crown

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

- In the Coastal Marine Area:
 - Restricted coastal activity application fees as specified;
 - Extraction of sand and gravel - \$1.51 per cubic metre royalty;
 - Rent for the occupation of land of the Crown.
- Geothermal royalties.

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.

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.

Financial highlights

FINANCIAL STATISTICS	Annual Report 2004/05 (\$'000)	Annual Plan 2005/06 (\$'000)	Year 1 Forecast 2006/07 (\$'000)	Year 2 Forecast 2007/08 (\$'000)	Year 3 Forecast 2008/09 (\$'000)	Year 4 Forecast 2009/10 (\$'000)	Year 5 Forecast 2010/11 (\$'000)	Year 6 Forecast 2011/12 (\$'000)	Year 7 Forecast 2012/13 (\$'000)	Year 8 Forecast 2013/14 (\$'000)	Year 9 Forecast 2014/15 (\$'000)	Year 10 Forecast 2015/16 (\$'000)
Rates Data												
General Funding Rates												
Uniform Annual General Charge	1,770	1,941	2,174	2,570	2,873	2,883	2,995	2,943	3,009	3,019	3,031	3,050
General Rates on Land Value	908	983	1,101	1,289	1,436	1,426	1,464	1,516	1,550	1,540	1,528	1,509
	2,678	2,924	3,275	3,859	4,309	4,309	4,459	4,459	4,559	4,559	4,559	4,559
	5,721	5,947	6,472	6,713	6,959	7,213	7,478	7,747	8,018	8,321	8,639	8,974
Targeted Rates												
Total Rates Income												
Rates as % of Total Expenditure	23.16%	22.66%	28.19%	31.88%	35.68%	36.18%	36.69%	37.98%	38.12%	37.50%	39.27%	39.04%
General Funding Rates Information												
UAGC per rating unit (inclusive of GST)	\$32.04	\$34.75	\$38.07	\$44.48	\$49.13	\$48.72	\$50.01	\$48.56	\$49.07	\$48.64	\$48.26	\$47.99
UAGC collection as % of Total Rates Income	20.66%	21.88%	22.30%	24.31%	25.50%	25.02%	25.09%	24.11%	23.92%	23.44%	22.97%	22.54%
Land collection per \$100,000 of land value (Incl of GST)	\$11.27	\$8.66	\$7.85	\$9.20	\$10.24	\$10.17	\$10.44	\$10.82	\$11.06	\$10.99	\$10.90	\$10.77
Council Policy Parameters												
Council's Liability Management Policy states that the annual interest expense on external borrowings must not exceed 20% of the total rates.												
Total General & Targeted Rates	8,399	8,871	9,747	10,572	11,268	11,522	11,937	12,206	12,577	12,880	13,198	13,533
Interest Expense on External Borrowings	133	202	497	591	557	475	393	313	253	195	139	82
% Interest Expense to Total Rates	1.58%	2.28%	5.10%	5.59%	4.94%	4.12%	3.29%	2.56%	2.01%	1.51%	1.05%	0.61%