

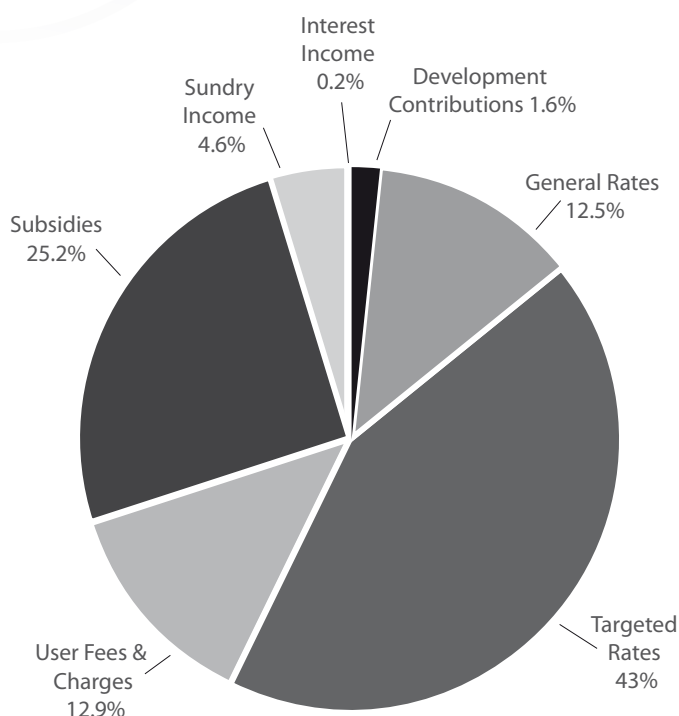
# WHAT IT COSTS AND WHAT YOU GET

## WHAT ARE RATES?

Rates are a contribution each property owner makes towards the cost of providing services and facilities in the community.

While rates are the primary source for funding of the Council's activities, they represent only 55.5% of the overall revenue for the Council. Other sources of revenue include subsidies, fees and charges, and development contributions.

## WHERE WILL OPERATING REVENUE COME FROM?



## WHAT WILL IT COST TO PROVIDE COUNCIL SERVICES?

The following table shows what it costs per average property for Council activities. The table demonstrates that most of the Council's expenditure covers essential infrastructure, community services and facilities.

GROUPS OF ACTIVITIES	Total Cost \$000	Cost Per Average Property \$	Cost Per Average Property Per Day \$
Leadership	2,777	186.80	0.51
Community Safety	2,790	187.64	0.51
Environmental Sustainability	2,271	152.71	0.42
Hazard Management	1,072	72.07	0.20
Arts & Culture	2,834	190.60	0.52
Recreation & Community Facilities	7,933	533.55	1.46
Community Property	1,455	97.85	0.27
Waste	5,051	339.69	0.93
Transport Networks & Safety	13,982	940.39	2.58
Water Related Activities	9,923	667.41	1.83
Reportable Council Controlled Organisations	845	56.81	0.16
Corporate & District Expenditure	496	33.36	0.09
<b>TOTAL EXPENDITURE</b>	<b>51,427</b>	<b>3,458.90</b>	<b>9.48</b>

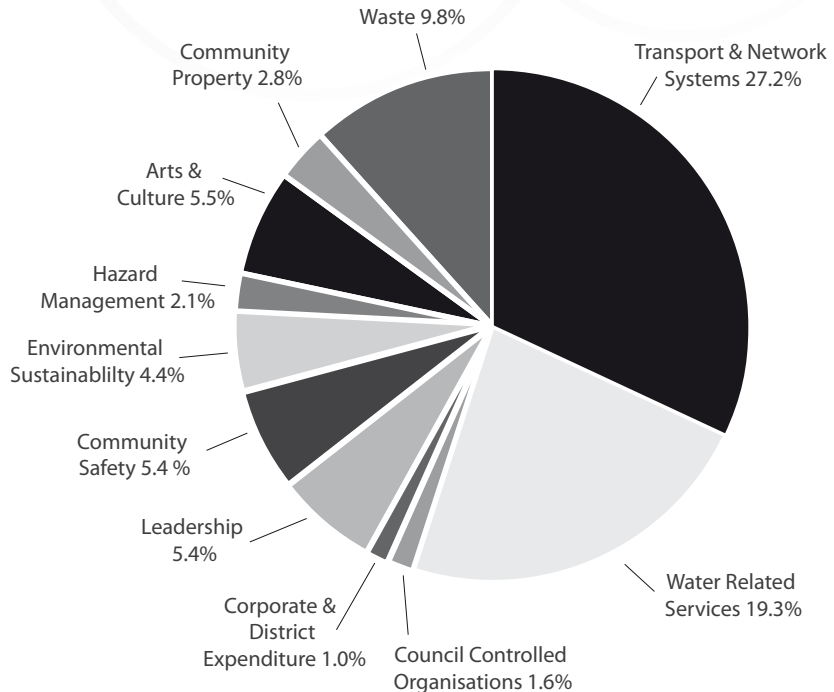
The total number of Rateable Assessments in the Whakatane District on the 11th February 2010 was estimated to be 14,868.

An average property is calculated using 14,868. Rateable Assessments. Properties in different parts of the district receive different services and pay different costs.

### WHERE WILL OPERATING EXPENDITURE BE SPENT?

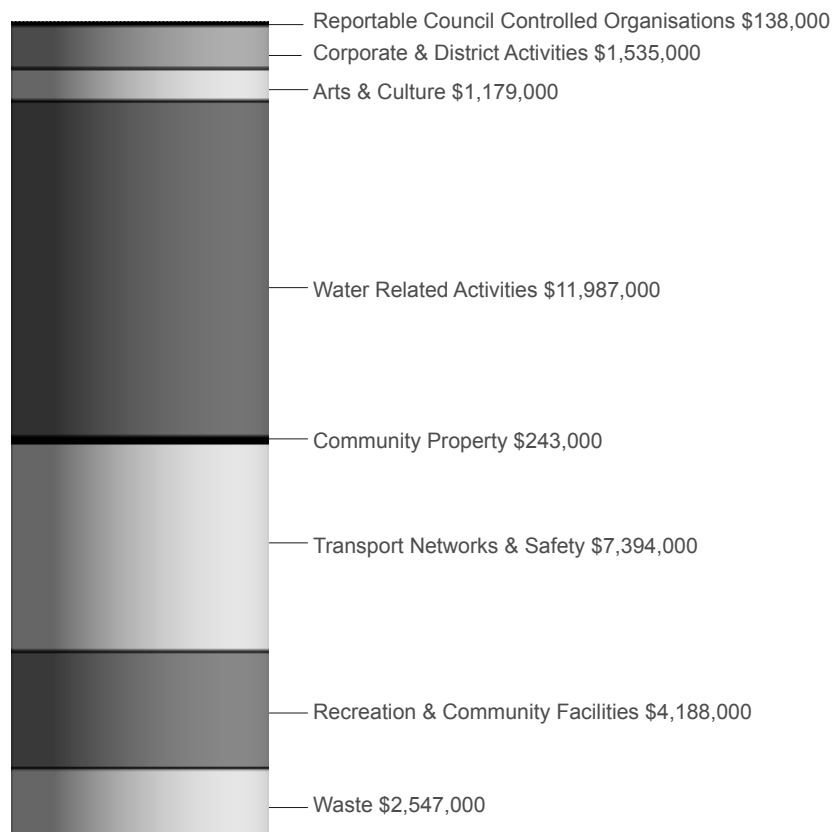
The total operating expenditure for the year is budgeted at \$51.4m. Core infrastructure such as waste, transport, water, wastewater and stormwater makes up 56% of the Council's total operating expenditure.

Transportation is the Council's biggest activity in terms of overall expenditure. However, the Council receives subsidies from the New Zealand Transport Agency to support this expenditure. In reviewing expenditure for 2010/11, the Council plans to reduce expenditure in the area of transportation. For further information, see the Key Issues section of this Annual Plan.



### WHERE WILL CAPITAL EXPENDITURE BE SPENT?

The total capital expenditure for the year is budgeted at \$29.5m. Expenditure on projects under Water Related Activities and Transport Networks and Safety, make up more than half of this cost.



## WHERE WILL MY RATES MONEY BE SPENT?

The table below provides an overview of how your rates will be spent. This does not indicate the total cost of the Council's activities because other sources of revenue also contribute to their cost. For an overview of the total cost of activities see the previous table "What will it cost to provide Council services?".

GROUPS OF ACTIVITIES	Rate Income \$000	Cost per Average Property \$	Cost Per Average Property Per Day \$
Leadership	2,714	182.51	0.50
Community Safety	1,036	69.67	0.19
Environmental Sustainability	747	50.27	0.14
Hazard Management	1,010	67.93	0.19
Arts & Culture	2,613	175.75	0.48
Recreation & Community Facilities	4,661	313.49	0.86
Community Property	380	25.56	0.07
Waste	4,468	300.51	0.82
Transport Networks & Safety	6,403	430.66	1.18
Water Related Activities	7,180	482.92	1.32
Reportable Council Controlled Organisations	468	31.48	0.09
Corporate & District Expenditure	464	31.21	0.09
<b>TOTAL RATE INCOME*</b>	<b>32,144</b>	<b>2,161.94</b>	<b>5.92</b>

The total number of Rateable Assessments in the Whakatane District on the 1st February 2010 was estimated to be 14,868.

An average property is calculated using 14,868. Rateable Assessments, properties in different parts of the district receive different services and pay different costs.

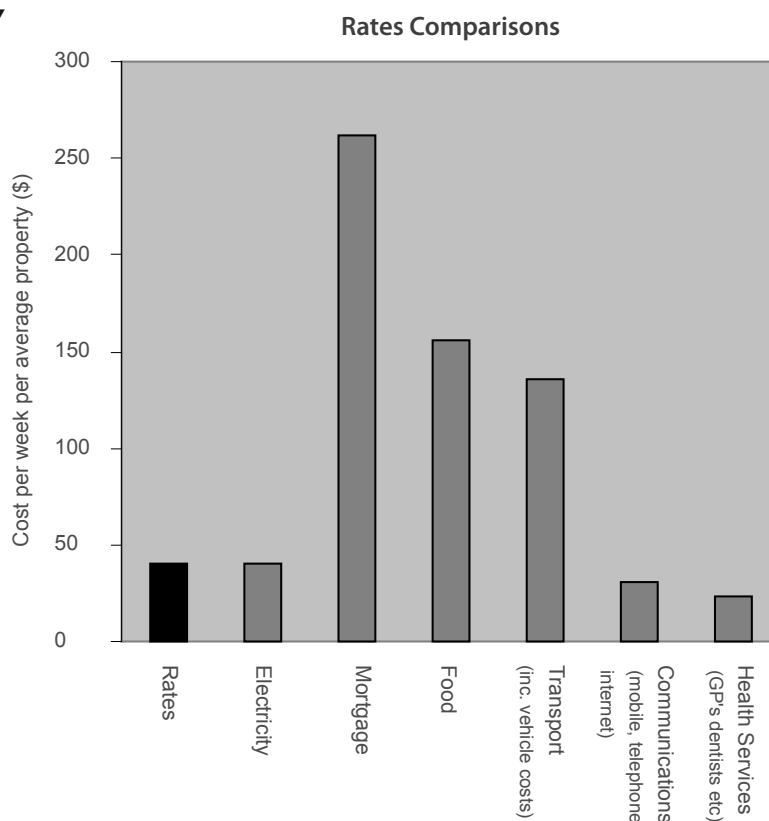
\* Rate income has been shown gross of penalties, write-offs and remissions

## WHAT YOU GET FOR YOUR MONEY

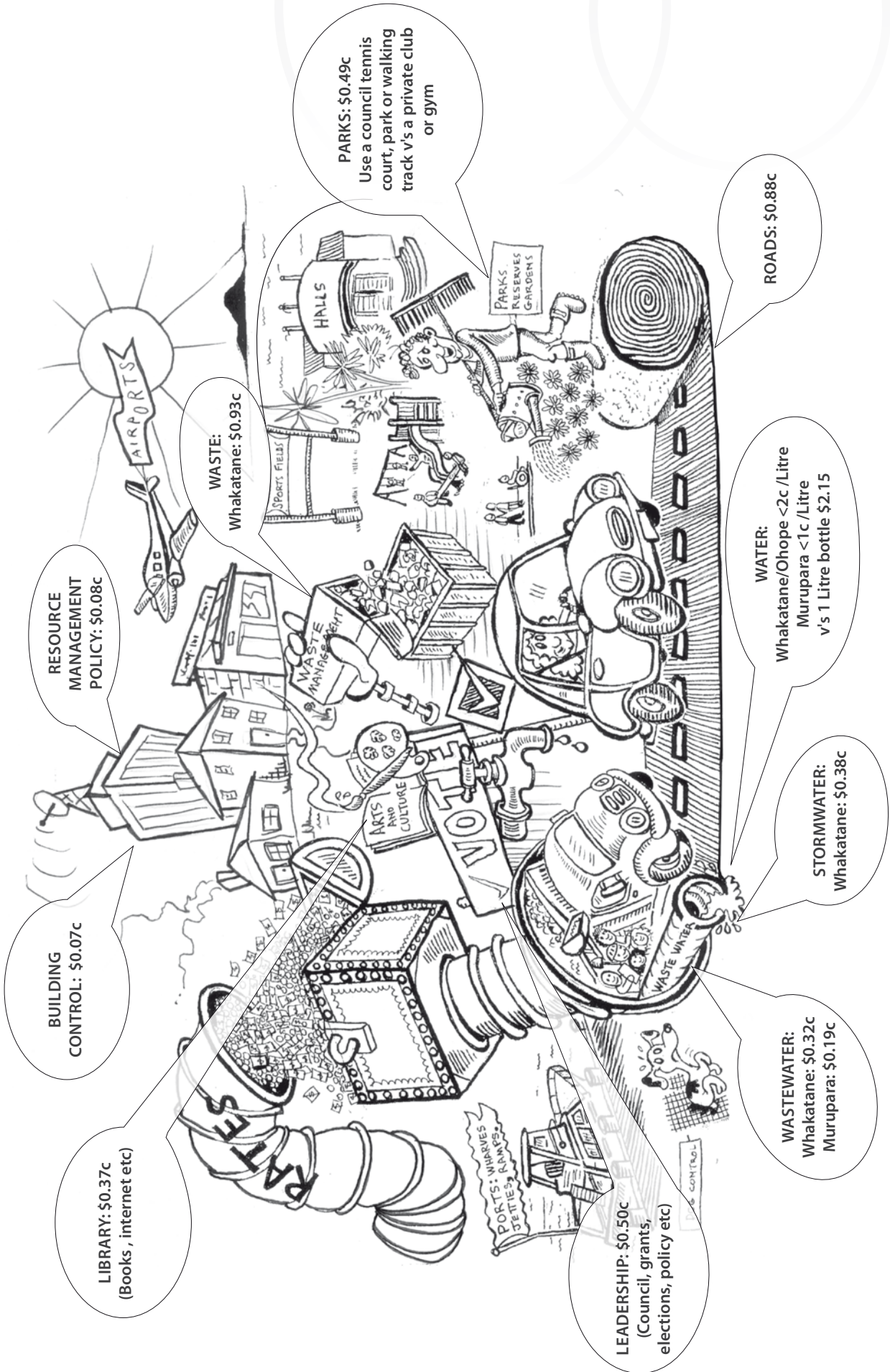
Rates provide good value for money when they are compared to the cost of other everyday goods and services. The average ratepayer will pay \$5.75 per day (around \$40 a week) towards the cost of Council services. This is about the same amount that many people pay for electricity.

Your rates contribute to the cost of many services delivered by the Council, as illustrated on the following page.

The cost comparisons to the right are sourced from Statistics New Zealand Household Economic Surveys June 2007 and 2009, except for electricity costs sourced from Consumer Powerswitch.



**COSTS ARE PER DAY FOR AN AVERAGE WHAKATANE RATEPAYER**



## RATING INFORMATION

This section of the Annual Plan provides information about the Council's estimated income from rates and shows indicative rates for various properties in the District.

Rating Information as at 27 June 2010		
	Number of Rateable Rating Units	Rateable Capital Value (\$)
Edgecumbe	645	151,180,000
Te Teko	277	36,966,000
Matata	334	97,103,000
Otarawairere	37	30,485,000
Ohope	1,825	1,131,528,000
Taneatua	278	29,138,000
Murupara	777	54,876,000
Rural	5,085	3,338,279,300
Commercial 10M +	14	458,827,000
Whakatane Urban	5,628	1,932,188,000
<b>Whakatane Commercial</b>	<b>500</b>	<b>385,919,500</b>
	<b>15400</b>	<b>7,646,489,800</b>

### Notes.

1. District wide \$10m plus, excludes farming, forestry, horticultural properties which are included in each above area.
2. There are some property owners who own and use two or more rating units as a single property. Legislation requires the Council to treat these as a single rating unit for rating purposes.
3. Properties are valued every three years. The properties in Whakatane were revalued in September 2007.

In setting the rates for the 2010/11 financial year, the Council has a requirement to rate fund the funding deficit from the 2008/09 financial year. The Council resolved to repay this deficit over a three year period. The impact of this additional rate requirement over and above the 2010/11 financial year requirement, and the particular rating charges involved are indicated in the following table.

Reserve	Method	Balance \$	Type	Repayment		
				2011 \$	2012 \$	2013 \$
General Rate	3 Years	410,538	Deficit	154,155	156,033	156,630
Roading Rate	3 Years	1,061,773	Deficit	398,690	403,547	405,092
Whakatane Wastewater	1 Year	65,649	Deficit	20,000	0	0
Ohope Wastewater	2 Years	53,181	Deficit	29,088	29,326	0
Edgecumbe Water	3 Years	67,834	Deficit	25,471	25,782	25,880
Matata Water	3 Years	27,756	Deficit	10,422	10,549	10,590
Taneatua Water	3 Years	45,485	Deficit	17,079	17,287	17,354
Ruatoki Water	2 Years	26,088	Deficit	14,269	14,386	0
Waimana Water	6 Years	27,128	Deficit	5,552	5,683	5,736
<b>Additional Rate Requirement</b>				<b>674,727</b>	<b>662,593</b>	<b>621,281</b>
<b>Increase % on 2010 Total Rate</b>				<b>2.28%</b>	<b>2.24%</b>	<b>2.10%</b>

**INDICATIVE RATING EXAMPLES FOR 2010/11**

	Whakatane Whakatane Commercial (less than \$10m)				Whakatane Commercial (less than \$10m) High Average				Murupara Lifestyle				Te Toko Otarawaitere average				Ohope Taneatua				Rural Low average				Rural high				District Wide - Commercial/Industrial \$10m Plus				
	Urban Low	Urban Average	Urban high	Average	Urban Low	Urban Average	Urban high	Average	Urban Low	Urban Average	Urban high	Average	Urban Low	Urban Average	Urban high	Average	Urban Low	Urban Average	Urban high	Average	Urban Low	Urban Average	Urban high	Average	Urban Low	Urban Average	Urban high	Average					
<b>Capital value</b>	<b>125,000</b>	<b>338,779</b>	<b>1,675,000</b>	<b>794,361</b>	<b>5,200,000</b>	<b>227,526</b>	<b>287,751</b>	<b>62,968</b>	<b>237,375</b>	<b>129,755</b>	<b>831,528</b>	<b>612,084</b>	<b>96,621</b>	<b>73,000</b>	<b>659,570</b>	<b>2,600,000</b>	<b>16,845,152</b>																
General Rate	59.47	161.18	796.89	377.92	2,473.93	108.25	136.90	29.96	112.93	61.73	395.60	291.20	45.97	34.73	313.79	1,236.96	8,014.16																
Uniform Annual General Charge	244.44	244.44	244.44	244.44	244.44	244.44	244.44	244.44	244.44	244.44	244.44	244.44	244.44	244.44	244.44	244.44	244.44																
Roading rate	102.70	278.35	1,376.20	652.66	4,272.39	186.94	236.42	51.74	195.03	106.61	683.19	502.90	79.39	59.98	541.91	2,136.20	13,840.21																
Roading UAC	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44	44.44																
Community Boards	29.08	29.08	29.08	29.08	29.08	24.70	24.70	28.89	28.89	24.70	31.82	31.82	25.05	24.70	24.70	24.70	29.08																
Stormwater UAC	45.32	45.32	45.32	45.32	45.32	21.78	15.89	1.61	-	15.97	13.50	13.50	6.43	-	-	-	45.32																
Stormwater rate CV	35.03	94.94	469.43	489.77	3,206.11	41.08	45.93	4.79	-	80.36	53.13	39.11	16.98	-	-	-	10,386.04																
Library	136.33	136.33	136.33	136.33	136.33	95.43	47.72	95.43	47.72	47.72	136.33	136.33	47.72	47.72	47.72	47.72	136.33																
Swimming Pool Rates	83.13	83.13	83.13	83.13	83.13	41.56	41.56	77.87	38.93	41.56	83.13	83.13	41.56	41.56	41.56	41.56	83.13																
District Wide Parks Rate	178.77	178.77	178.77	178.77	178.77	178.77	178.77	178.77	178.77	178.77	178.77	178.77	178.77	178.77	178.77	178.77	178.77																
Rapid numbers for Rural Properties	-	-	-	252.66	1,835.63	-	-	-	-	-	-	-	-	-	-	-	-	5,644.30															
Promotion and Economic Development Rates	50.05	50.05	50.05	50.05	50.05	50.05	50.05	50.05	50.05	50.05	50.05	50.05	50.05	50.05	50.05	50.05	50.05																
Waste UAC	288.66	288.66	288.66	249.65	249.65	288.66	288.66	288.66	249.65	288.66	288.66	288.66	288.66	249.65	249.65	249.65	249.65																
Refuse Removal Rate	26.71	26.71	26.71	26.71	26.71	26.71	26.71	26.71	26.71	26.71	26.71	26.71	26.71	26.71	26.71	26.71	26.71																
Rates Disaster Mitigation	5.85	5.85	5.85	5.85	5.85	121.95	208.14	-	-	-	534.10	38.59	-	-	-	-	5.85																
District Wide	315.89	315.89	315.89	315.89	315.89	210.70	417.35	154.74	0.00	0.00	315.89	315.89	420.51	115.56	115.56	115.56	315.89																
Community	118.35	118.35	118.35	118.35	118.35	282.69	0.00	70.77	0.00	0.00	244.74	244.74	220.93	0.00	0.00	0.00	1,420.22																
Water	1,764.24	2,101.50	4,209.55	2,469.69	3,443.09	1,968.16	2,007.70	1,348.87	1,217.57	1,211.72	3,324.51	2,530.28	1,737.62	1,142.63	1,903.63	4,421.08	40,714.60																
Waste Water	220.53	262.69	526.19	308.71	1,664.51	246.02	250.96	168.61	152.20	151.47	415.56	316.29	217.20	142.83	237.95	552.64	5,089.32																
Plus GST at 12.5%	1,984.77	2,364.19	4,735.75	2,778.41	3,873.48	2,214.18	2,258.66	1,517.48	1,369.77	1,363.19	3,740.08	2,846.57	1,954.82	1,285.46	2,141.58	4,973.72	45,803.92																
Total including GST at 12.5%	1,842.29	2,200.85	4,442.06	2,666.89	3,690.08	2,184.45	2,113.57	1,456.35	1,198.65	1,149.43	3,529.86	2,646.75	1,812.48	1,086.49	1,920.24	4,678.34	43,303.81																
<b>Changes</b>																																	
Total rates 2009/10	1,984.77	2,364.19	4,735.75	2,778.41	3,873.48	2,214.18	2,258.66	1,517.48	1,369.77	1,363.19	3,740.08	2,846.57	1,954.82	1,285.46	2,141.58	4,973.72	45,803.92																
Total rates 2010/11	142.48	163.33	293.69	111.52	183.40	912.45	29.74	145.09	61.13	171.11	213.76	199.82	142.33	198.97	221.35	295.37	2,500.12																
Increase \$	7.73%	7.42%	6.61%	4.18%	4.97%	6.49%	1.36%	6.86%	4.20%	14.28%	18.60%	7.55%	7.85%	18.31%	11.53%	6.31%	5.77%																
Increase %																																	

**INDICATIVE RATING EXAMPLES FOR 2009/10** (The following table sets out rates as adopted in 2009/10 through the LTCCP. These are included for comparison purposes only)

	Whakatane Commercial (less than \$10m)		Whakatane Commercial (less than \$10m) High Average		Edgecumbe Average		Matata		Murupara Urban		Murupara Lifestyle		Te Teko		Otarawaitere average		Ohope		Taneatua		Rural Low		Rural average		Rural high		District Wide - Commercial/Industrial \$10m Plus	
	Low	Average	Low	Average	Average	Average	Average	Average	Urban	Urban	Lifestyle	Lifestyle	Te Teko	Te Teko	Te Teko	Te Teko	Ohope	Ohope	Taneatua	Taneatua	Rural Low	Rural average	Rural high	Rural Low	Rural average	Rural high	District Wide - Commercial/Industrial \$10m Plus	
<b>Capital value</b>	<b>125,000</b>	<b>338,779</b>	<b>1,675,000</b>	<b>360,000</b>	<b>794,361</b>	<b>5,200,000</b>	<b>227,526</b>	<b>287,751</b>	<b>62,968</b>	<b>237,375</b>	<b>129,755</b>	<b>831,528</b>	<b>612,084</b>	<b>96,621</b>	<b>73,000</b>	<b>659,570</b>	<b>2,600,000</b>	<b>16,845,152</b>										
General Rate	59.38	160.94	795.71	171.02	377.36	2,470.26	108.09	136.70	29.91	112.76	61.64	395.02	290.77	45.90	34.68	313.33	1,235.13	8,002.29										
Uniform Annual General Charge	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00										
Roading rate	118.29	320.60	1,585.12	340.68	751.74	4,920.97	215.32	272.31	59.59	224.64	122.79	786.91	579.24	91.44	69.08	624.18	2,460.48	15,941.24										
Roading UAC	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00										
Community Boards	32.33	32.33	32.33	32.33	32.33	32.33	23.07	23.07	31.96	31.96	23.07	35.31	35.31	27.70	23.07	23.07	23.07	23.07										
Stormwater UAC	41.98	41.98	41.98	41.98	41.98	41.98	37.49	15.92	27.01	-	11.32	13.12	7.55	-	-	-	-	41.98										
Stormwater rate CV	31.99	86.69	428.60	202.66	447.18	2,927.29	71.17	46.26	26.61	-	56.92	52.10	38.35	20.05	-	-	-	9,482.81										
Library	149.50	149.50	149.50	149.50	149.50	149.50	104.65	52.32	104.65	52.32	52.32	149.50	149.50	52.32	52.32	52.32	52.32	149.50										
Swimming Pool Rates	76.62	76.62	76.62	76.62	76.62	76.62	38.31	38.31	75.88	37.94	38.31	76.62	76.62	38.31	38.31	38.31	38.31	76.62										
District Wide Parks Rate	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84										
Promotion & Economic Development Rate	-	-	-	363.92	525.20	2,161.01	-	-	-	-	-	-	-	-	-	-	-	-	6,484.85									
Refuse Removal Rate	287.39	287.39	287.39	243.37	243.37	243.37	287.39	287.39	287.39	243.37	287.39	287.39	287.39	287.39	243.37	243.37	243.37	243.37										
Waste UAC	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00										
Rates Disaster Mitigation																												
District Wide	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82										
Community	6.77	6.77	6.77	6.77	6.77	6.77	109.75	274.59	-	-	-	600.86	43.41	-	-	-	-	6.77										
Water based on unmetered	378.38	378.38	378.38	378.38	378.38	378.38	283.55	471.04	167.69	0.00	0.00	378.38	378.38	419.17	130.00	130.00	130.00	378.38										
Waste water	164.00	164.00	164.00	164.00	492.00	984.00	410.00	0.00	150.00	0.00	0.00	259.00	259.00	327.00	0.00	0.00	0.00	1,968.00										
<b>Plus GST at 12.5%</b>	<b>1,637.59</b>	<b>1,956.31</b>	<b>3,948.50</b>	<b>2,370.57</b>	<b>3,280.07</b>	<b>12,505.01</b>	<b>1,941.73</b>	<b>1,878.73</b>	<b>1,294.54</b>	<b>1,065.47</b>	<b>1,021.71</b>	<b>3,137.66</b>	<b>2,352.67</b>	<b>1,611.10</b>	<b>965.77</b>	<b>1,706.88</b>	<b>4,158.53</b>	<b>38,492.27</b>										
<b>Total including GST at 12.5%</b>	<b>1,842.29</b>	<b>2,200.85</b>	<b>4,442.06</b>	<b>2,666.89</b>	<b>3,690.08</b>	<b>14,068.14</b>	<b>2,184.45</b>	<b>2,113.57</b>	<b>1,456.35</b>	<b>1,198.65</b>	<b>1,149.43</b>	<b>3,529.86</b>	<b>2,646.75</b>	<b>1,812.48</b>	<b>1,086.49</b>	<b>1,920.24</b>	<b>4,678.34</b>	<b>43,303.81</b>										