

Whakatāne District Council  
**ANNUAL PLAN 2013/14**  
Te Mahere Rautaki



## MESSAGE FROM THE MAYOR

Welcome to our Annual Plan for the 2013/14 year. This document lays out what we have planned for the next year to help the Whakatāne District be recognised as a great place for people to live, work and play.

Affordability is central to our plan and as a Council, we have worked together to try and ensure a plan that is affordable for all ratepayers. As a result, we have managed to significantly reduce the average rates increase from what we had proposed through last year's Long Term Plan 2012-22. This year we will see an average rates increase for the District of 2.49 percent, our lowest increase in over 10 years.

While our focus has been on keeping rates down, 2013/14 will be a busy year for the Council as we progress a number of key projects. These include starting or progressing some multi-year projects such as the installation of a sewerage reticulation system for the Matatā community, upgrading the Whakatāne urban area's stormwater protection, completing the cycleway/walkway between Ōhope and Whakatāne, and installing solar panels at the Whakatāne Aquatic Centre. We will also be taking a lead role in District promotion and growth and holding a referendum on fluoridating our water supplies, alongside the Local Body elections in October.

The environment which local authorities work in is continually changing. The recent 'Better Local Government' reform programme is an example of this. We will continue to deliver services and provide facilities and infrastructure that are accessible, appropriate and affordable for the whole community. It is often overlooked how much we actually deliver - everything from roads to water, halls to swimming pools, providing regulatory services, responding in a Civil Defence emergency and more. And that's just a fraction of what your rates go towards.

We are aware that the affordability of rates is a concern for some people, while others would like us to provide better services, or build new facilities. We have to balance those demands and make the best decisions for the community as a whole. We have listened to your feedback and believe that this Annual Plan reflects the required balance.

“Ma Tāu kete mātauranga, mā tāku kete mātauranga, te waka ka tae ki uta.”

Together we can build a District that we are all proud to call home.



**Tony Bonne**  
**MAYOR**



# CONTENTS

About the Annual Plan .....	2	Community Development .....	61
We Listened.....	3	Animal Control .....	62
<b>WHERE WE ARE GOING .....</b>	<b>5</b>	<b>Arts &amp; Culture .....</b>	<b>63</b>
Overview of this Chapter .....	5	Library .....	65
Community Outcomes.....	6	Exhibition, Research, Storage & Archives.....	66
Financial Strategy .....	8	<b>Community Property .....</b>	<b>67</b>
Our Operating Costs & Rates.....	9	Pensioner Housing.....	69
Our Capital Costs & Borrowing.....	10	Commercial Property .....	69
All About Rates.....	11	Halls.....	70
How the Rating System Works .....	12	<b>Recreation &amp; Community Facilities .....</b>	<b>71</b>
When will Your Rates be due for 2013/14.....	13	Parks, Reserves, Recreation & Sportsfields .....	73
Rates Affordability .....	16	Cemeteries & Crematorium .....	74
Funding Impact Statement (Rating) .....	17	Public Conveniences .....	74
<b>OUR WORK IN DETAIL.....</b>	<b>21</b>	Aquatic Centres .....	75
Introduction.....	21	Ports & Harbour .....	76
Indicative Funding Impact Statement – Whole of Council .....	24	Visitor Information .....	77
<b>Leadership.....</b>	<b>27</b>	<b>Corporate &amp; District Activities .....</b>	<b>79</b>
Governance .....	29	Introduction.....	81
Community Support .....	30	Customer Services .....	81
Strategy & Policy .....	30	Communications .....	82
<b>Roads &amp; Footpaths .....</b>	<b>31</b>	Human Resources.....	82
Transport Networks.....	33	Finance .....	83
Road Safety.....	34	Corporate Information .....	83
Parking Enforcement .....	34	Corporate Property .....	84
<b>Water Supply.....</b>	<b>35</b>	District Income & Expenditure .....	84
Water.....	37	<b>Council Controlled Organisations.....</b>	<b>85</b>
<b>Sewage Treatment &amp; Disposal .....</b>	<b>39</b>	Introduction.....	86
Sewage Treatment & Disposal.....	41	Whakatāne Airport.....	87
Tradewaste .....	42	Bay of Plenty Local Authority Shared Services (BoPLASS) .....	88
<b>Stormwater Drainage .....</b>	<b>43</b>	Toi Economic Development Agency (Toi EDA) ..	89
Stormwater Drainage .....	45	Local Government Funding Agency (LGFA).....	90
<b>Waste .....</b>	<b>47</b>	<b>OUR COSTS IN DETAIL.....</b>	<b>91</b>
Waste Disposal .....	49	Forecast Financial Statements.....	92
Waste Recycling.....	50	Key Capital Expenditure Projects.....	100
Waste Reprocessing .....	50	Reserve Balance Forecast 2013/14 .....	108
<b>Environmental Sustainability .....</b>	<b>51</b>	Statement of Accounting Policies .....	113
Resource Management - Policy .....	53		
Resource Management - Consents.....	54		
<b>Community Safety .....</b>	<b>55</b>		
Licensing (Liquor & Gambling) .....	57		
Regulation Monitoring .....	58		
Building.....	58		
Environmental Health.....	59		
Emergency Management .....	60		

## ABOUT THE ANNUAL PLAN

The Long Term Plan 2012-22 sets out the strategic direction, work plan and budgets for the 10 years that follow. The LTP is developed every three years. In each of the two years after the adoption of the LTP we produce an Annual Plan. The Annual Plans reflect what we said we would do in year two and three of the LTP.

This Annual Plan is an opportunity to provide updates on the projects planned for the 2013/14 year. It reflects our key principles that were set out in the LTP. Those key principles are affordability, sustainability and responsibility.

**LTP  
2012-22**

**Annual  
Plan  
2013/14**

**Annual  
Plan  
2014/15**

**LTP  
2015-25**

The LTP is still our guiding document and first port of call. If you want to find more information about, for example, our Financial Strategy or why we do an activity, please refer to the LTP. Some variations from the LTP are allowed, but any significant changes require an 'amendment to the LTP'. The amendment process requires additional consultation and an audit.

This Annual Plan reflects year two of the LTP (1 July 2013 - 30 June 2014) and does not contain any substantial changes to what we said in the LTP.

## HOW DOES THE ANNUAL REPORT FIT IN?

The Annual Report is our key accountability document. It tells you how we performed against the LTP and Annual Plan. The Annual Report is produced at the end of each financial year.

## WHERE CAN I FIND THESE DOCUMENTS?

The LTP, Annual Plans and Annual Reports are made available on our website [www.whakatane.govt.nz](http://www.whakatane.govt.nz), at the Council's Service Centres in Whakatāne and Murupara and at the libraries around the District. Summaries of the draft documents were also sent to households around the District as an insert in a local free-delivery newspaper, or by post.

## WE LISTENED

### YOU HAD YOUR SAY, AND WE LISTENED

The draft Annual Plan 2013/14 was open for consultation from 11 March to 12 April 2013. This was your opportunity to 'have your say' on our proposals contained in the draft Annual Plan.

You told us what you liked and what you did not like. We listened to you at market days, information evenings, at the public hearings and we read through every submission that was received.

In total, 221 submissions were made on the draft Annual Plan with around 30 submitters speaking to their submission at the hearings.

We considered and incorporated what the community wants and tried our best to balance this with our key principles of affordability, responsibility and sustainability. We have made a few changes from the draft Annual Plan to the final, these key changes are detailed below.

*Look out for our feature boxes in the 'Our Work in Detail' chapter*

### CHANGES FROM THE DRAFT TO THE FINAL

During the deliberations, the Council made a number of decisions based on additional information received and also what we heard from you. Some of the key changes from the draft Annual Plan to the final Annual Plan include:

- Addition of \$57,000 for Councillor Remuneration as determined by the Remuneration Authority.
- Increase in revenue projected for the Waste and Water supply activities.
- Inclusion of \$170,000 for a landslide investigation project - See the Resource Management - Policy activity for more information.
- Landscaping outside Te Koputu a te Whanga a Toi including the relocation of the Lion in the Meadows - See the Library activity for more information.
- Increase funding to Sport New Zealand for the 'Take the Lead' programme - See the Parks, Reserves, Recreation and Sportsfields activity for more information.
- Inclusion of \$150,000 for a Geotechnical Report and zoning of the Whakatāne CBD to support the Earthquake-prone buildings strengthening programme - See the Ports and Harbour activity for more information.

### FEES AND CHARGES AND MATATĀ SEWERAGE SCHEME OPTIONS

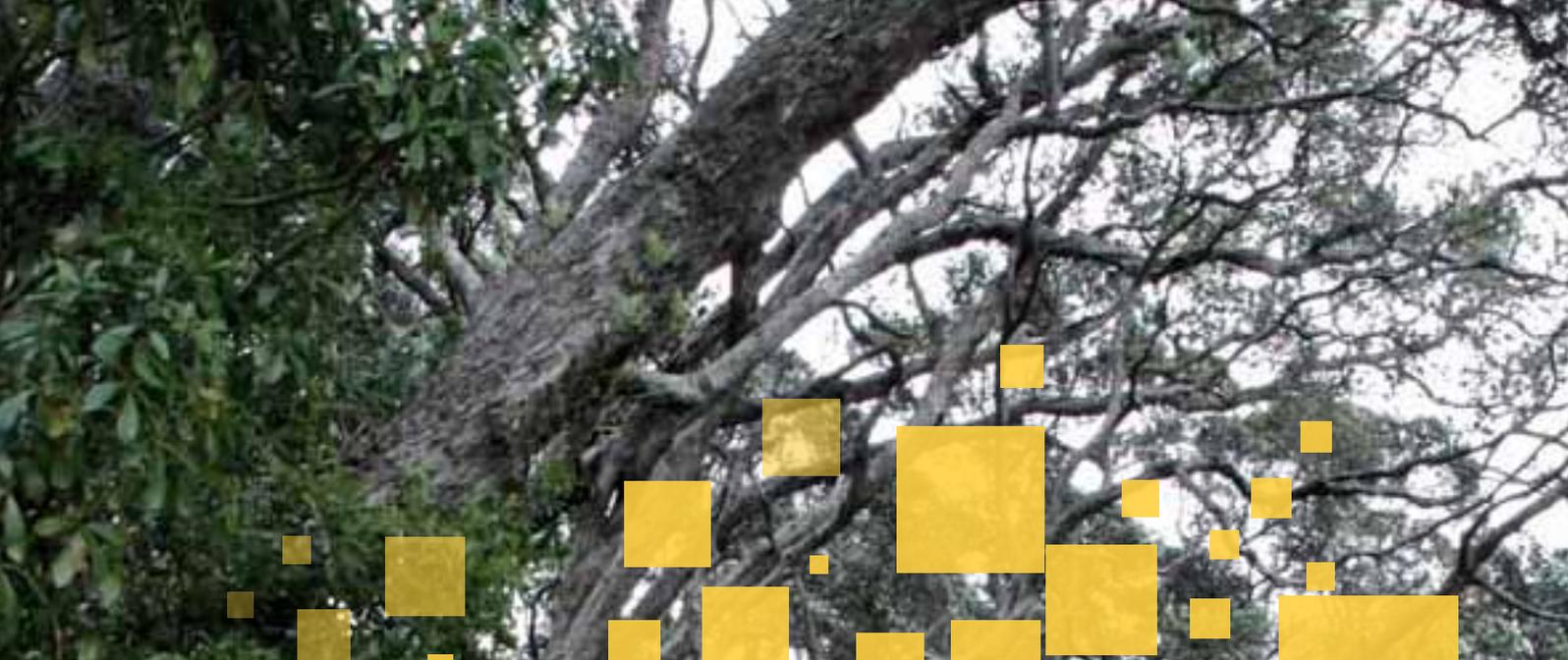
Alongside the draft Annual Plan, we consulted on the draft Fees and Charges 2013/14 and Matatā Sewerage Scheme Options. No changes to the Fees and Charges 2013/14 were made to what we had proposed in the draft.

The Council has decided to go for the full reticulation option for a Sewerage Scheme in Matatā. For more information on the Matatā Sewerage Scheme Options, please see the Sewage Treatment and Disposal section of this Annual Plan.

Visit our website [www.whakatane.govt.nz](http://www.whakatane.govt.nz) for more information

OVERVIEW





# WHERE WE ARE GOING

Te Tirohanga Whakamua



## OVERVIEW OF THIS CHAPTER

This chapter outlines our direction for the next year. It contains our vision, purpose, community outcomes, a summary of the Financial Strategy and lets you know 'All About Rates'.

### OUR VISION AND PURPOSE

The vision and purpose guides everything we do at the Council. It sets out, at a high level, where we want to be and how we will get there. We identified the vision and purpose after careful consideration of the District's key issues.

### OUR COMMUNITY OUTCOMES

Community outcomes are goals or desired outcomes, the Council aims to achieve in order to fulfil its vision and purpose. Through the LTP we developed six community outcomes, encompassing all areas of the Council's operations. These can be found on the following pages.

### FINANCIAL STRATEGY

The Financial Strategy outlines what the major drivers of our spending are, how much we will spend and how we intend to fund that spending. It also details the limits we set for rates, rates increases and borrowing. The Financial Strategy was a major driver for the LTP. This section provides a summary of the Financial Strategy which can be found in the LTP. It sets out the key points and shows how we are tracking against what we said we would do.

### ALL ABOUT RATES

The 'All About Rates' section lets you know about the rating system and how it works. It also provides examples of what your rates may look like for the 2013/14 year. Based on this Annual Plan, the average rates increase is 2.49%.

## OUR VISION

**To be known as the place of choice for people to live, work and play.**

In achieving our vision:

- Our community will be safe and surrounded by people who are friendly and caring.
- Businesses will be thriving.
- There will be respect for and pride in our history.
- We will be successful guardians of our natural environment.

## OUR PURPOSE

**To lead the Whakatāne District to meet the current and future needs of our community.**

As a District Council we will achieve this through:

- Good governance, leadership and advocacy.
- Integrated long term planning.
- Effective and reliable community infrastructure.
- Outstanding service delivery.

# COMMUNITY OUTCOMES

## WHAT ARE COMMUNITY OUTCOMES?

Community outcomes are important to the Council. They are used to guide and inform the planning process and set priorities. They also help us focus on a vision for the District.

Six community outcomes were identified through the LTP. The following pages set out these outcomes and the goals that accompany them. In the 'Our Work in Detail' chapter, we have also shown which community outcomes each activity will contribute towards achieving.

WHERE WE ARE GOING



### EFFECTIVE LEADERSHIP

#### STRIVING FOR OUR FUTURE WELL-BEING

Goals:

- To be visible, strong, have a clear vision and listen to all sectors of the community.
- To work in partnership with iwi and the community.
- To ensure accountability to the community through transparent, open and inclusive decision-making.
- To respond and advocate on community issues.



### QUALITY SERVICES

#### EXCELLENT VALUE FOR MONEY

Goals:

- To provide services that meet the aspirations of the community.
- To ensure all customers are dealt with in a timely, helpful and friendly way.



**SUSTAINABLE ECONOMIC DEVELOPMENT**

**WORKING IN PARTNERSHIP**

Goals:

- To facilitate an economy that is prosperous in both urban and rural areas.
- To encourage business growth that builds on the region’s assets.
- To support Māori economic development.
- To promote connected businesses through effective networks.



**COMMUNITY NEEDS**

**A CARING COMMUNITY**

Goals:

- To create vibrant, connected and safe communities.
- To support healthy, active communities.
- To build inclusive communities.
- To value, celebrate, promote and protect Māori culture.

WHERE WE ARE GOING



**VALUING OUR ENVIRONMENT**

**SUSTAINING FOR FUTURE GENERATIONS**

Goals:

- To sustainably manage the natural and physical resources.
- To recognise and protect places of natural and cultural heritage.
- To proactively plan for growth and ensure the effects and costs are managed.



**RELIABLE & AFFORDABLE INFRASTRUCTURE**

**MEETING CURRENT AND FUTURE NEEDS**

Goals:

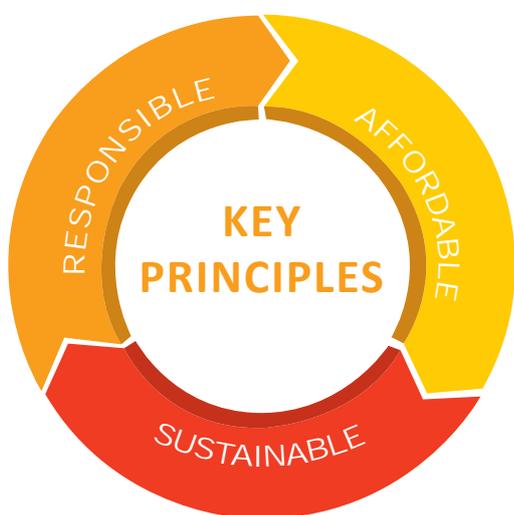
- To provide infrastructure that facilitates growth and development.
- To ensure people, infrastructure and the environment are protected from natural disasters.
- To sustainably manage community assets.

## FINANCIAL STRATEGY

The Financial Strategy is based on the three key principles which underpin our LTP - affordable, sustainable and responsible. These principles aim to balance peoples' ability to pay with the need to maintain our assets and deliver services which provide the best value for money for our community.

The Financial Strategy responds to the drivers and challenges we face to determine what our rates, borrowing and overall spending levels will be in the coming 10 years. It also provides limits for rates, rates increases and borrowing to help provide certainty and stability for ratepayers.

The following is a summary of the Financial Strategy. For more information, see the 'Where we are going' chapter of the LTP.



### OBJECTIVES: REDUCING EXTERNAL DEBT AND KEEPING RATES INCREASES DOWN

The Financial Strategy seeks to achieve two primary outcomes. These are the reduction of external debt (owed to banks) and keeping rates increases to an affordable, reasonable and responsible level. To achieve these outcomes, the Financial Strategy sets limits on rates, rates increases and debt.

Compared to our levels of rates and borrowing in the past, it is fair to say that the limits we have set in the LTP are restrictive. We thought hard about how restrictive these limits should be and how they will affect our budgets. The decisions we have made will not affect the integrity of our assets, because that would compromise the quality of the services we provide and the affordability of rates in the future. Our services and assets will be maintained so that they continue to be sustainable for future generations.

### PUTTING THE FINANCIAL STRATEGY INTO PRACTICE MEANS CHANGING HOW WE DO THINGS

The following list summarises the things we have been doing, and will do through this Annual Plan and the LTP to put the Financial Strategy into practice. These actions will help us stay within the limits we have set for rates and borrowing and also put our key principles into action.

- We will not take on any new, non-essential services and initiatives unless a strong case has been put forward to justify why they are needed and how they will be paid for.
- We have prepared budgets based on what can realistically be achieved and paid for.
- We will bring costs down by looking for smarter and more efficient ways of operating.
- We will increase our investment into the regular monitoring and maintenance of our infrastructure.
- We will ensure today's ratepayers pay their fair share for our services and assets.
- We will sell surplus land assets that are not needed for the delivery of services and are costing us money to keep.
- We will provide a District fund to support the costs of unforeseen events like floods, storms or other natural disasters.
- We will encourage the economic growth of the District.

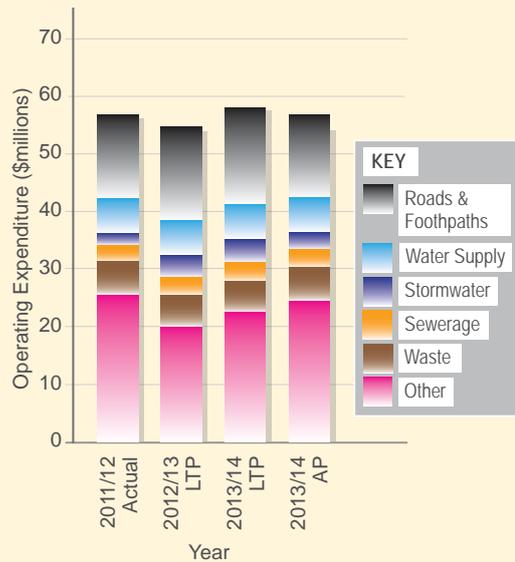
## OUR OPERATING COSTS & RATES

### WHAT OUR OPERATIONAL SPENDING WILL LOOK LIKE

Operating expenditure pays for the Council’s day-to-day costs of delivering services, maintaining existing assets, or other expenditure that does not buy, or build a new asset. It also covers the costs of financing any loans that we have taken. Figure 1 shows our operating expenditure for the past two years (2011/12 and 2012/13), what we projected in the LTP for this year and what is budgeted in this Annual Plan. Our operating expenditure for the 2013/14 year is forecast be \$56.88m which is less than the \$58.01m budgeted in the LTP.

As shown in the graph, much of our operating expenditure is related to core network infrastructure (roads and footpaths, waste, water supply, stormwater and sewerage). This year we are predicting a reduction in our operating expenditure due to a number of efficiencies and cost savings. We are looking to contain operating expenses within the same levels as the 2012/13 budgets to minimise the rating impact.

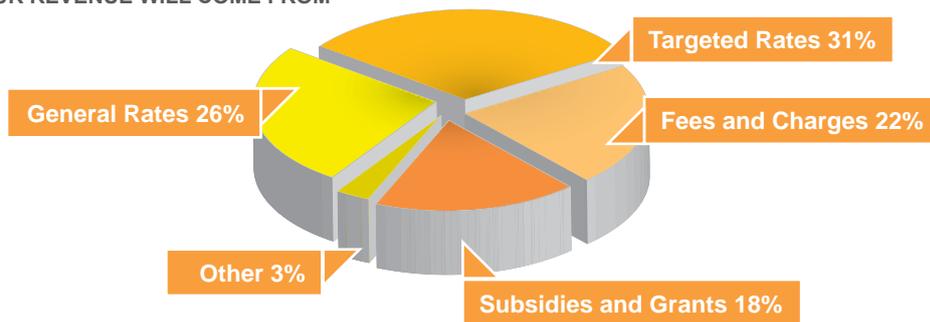
FIGURE 1: OPERATING EXPENDITURE



### WHERE OUR REVENUE WILL COME FROM

Rates are the main source of income for the Council, usually making up between 55% and 65% of our operating revenue. Other major sources of operational funding are fees and charges, external subsidies and grants. Figure 2 shows where our operating revenue is budgeted to come from for the 2013/14 year.

FIGURE 2: WHERE OUR REVENUE WILL COME FROM



### LIMITS ON THE AVERAGE RATES INCREASES

The Council plans to limit rates increases to the Local Government Cost Index (LGCI), plus 2%. This will limit average rates increases to no more than 5-6% each year over the period of the LTP. For the 2013/14 year, the average rates increase is forecast to be 2.49%. This is a smaller increase than both the predicted increase for 2013/14 proposed in the LTP of 4.52%, and the limit that we have set of 5.07% (updated LGCI + 2%). For more detail about your rates, please see the ‘All about rates’ section of this chapter.

### LIMITS ON RATES REVENUE

The Council will limit rates revenue to a maximum of 80% of operating revenue. This means we will need to continue to source at least 20% of operating revenue from sources other than rates. For the 2013/14 year, we plan to receive 43% of our revenue from sources other than rates and we will continue to maximise these levels as much as we can.

## OUR CAPITAL COSTS & BORROWING

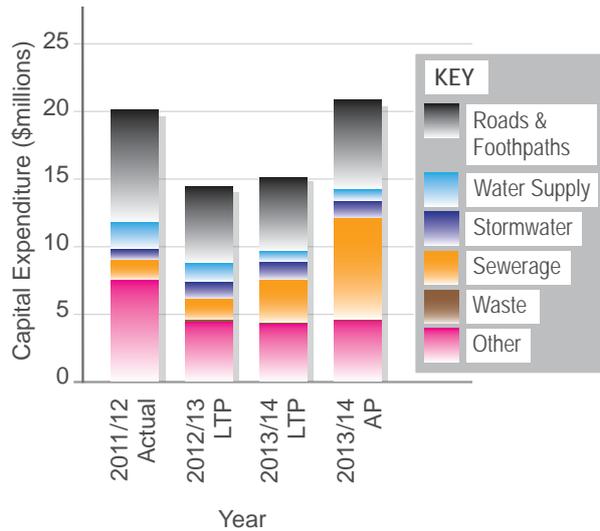
### WHAT OUR CAPITAL SPENDING WILL LOOK LIKE

Capital expenditure pays for buying or building new assets, renewing an existing asset or improving an existing one to deliver a better service. Our capital expenditure budgets in the LTP focus mostly on renewals. There is little focus on new projects that look to increase the service we deliver. Figure 3 shows our capital expenditure for the past two years (2011/12\* and 2012/13), what is budgeted in the LTP for this year and what this Annual Plan is projecting.

This year's capital expenditure is expected to increase to \$21m which is \$5.9m more than projected in the LTP. This is due to the construction of a full sewerage reticulation system in Matatā, inflation and continuing with projects which have been carried forward from 2011/12 and 2012/13.

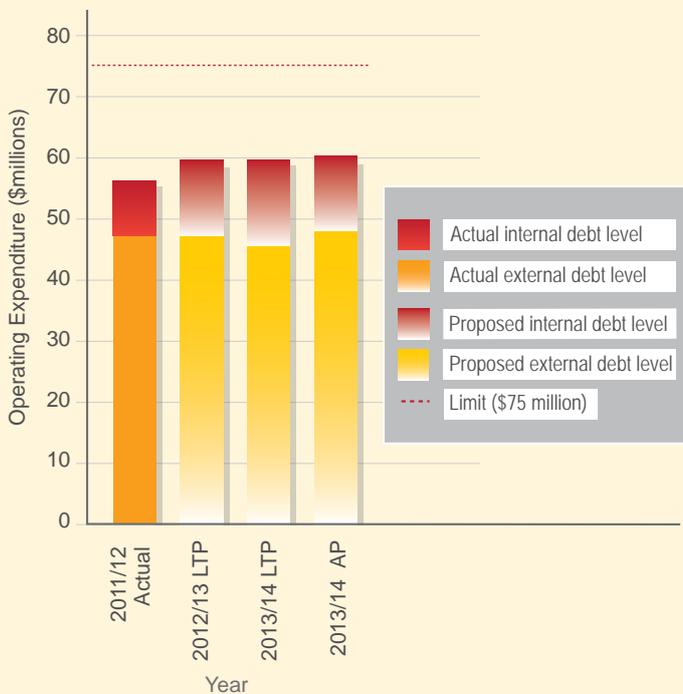
(\* The 2011/12 figure was higher due to carry forwards and additional works as a result of storm damage)

FIGURE 3: CAPITAL EXPENDITURE



WHERE WE ARE GOING

FIGURE 4: OUR LIMITS FOR DEBT



### LIMITS ON BORROWING

Over the past six years, the Council's level of debt has been increasing. This is because we borrowed for disaster mitigation projects and for work to renew our assets for core services. We have planned to limit our total debt (including internal and external borrowing) to no more than \$75 million. Internal borrowing will predominantly be from some of our reserves, including the Harbour Fund. While these reserves are held for specific purposes, internal borrowing allows us to maximise the use of these funds until such time as they are required for their intended purpose. Any borrowing from these reserves is repaid, with interest, in the same way that we borrow from banks. Figure 4 shows our actual debt profile for the 2011/12 year, what we projected in the LTP for the 2012/13 year and 2013/14 year and what is budgeted for this Annual Plan. This year we are expecting our total debt to be \$61.04m with around 80% coming from external sources.

### LIMITS ON THE AMOUNT OF RATES BEING USED TO PAY INTEREST

We plan to give further certainty to ratepayers by also providing limits on the amount of rates which can be used to pay interest on our debt. To do this, we will limit the total interest expense (internal and external) on our borrowing to 12% of total rates income. For the 2013/14 year, the total interest expense is forecast to be 10% with 6.8% being interest expense from external loans.

## ALL ABOUT RATES

This section of the Annual Plan provides a brief overview of how our rating system works and provides examples of what your rates might look like for the 2013/14 year.

The Funding Impact Statement (Rating) is included at the end of this section. This lets you see how we calculate your rates and the services you might be paying for next year. It sets out the total rating impacts of the proposals contained in this Annual Plan.

Your rates are determined by three key factors. How much the Council spends overall, how much funding we can get from sources other than rates and the rating system.

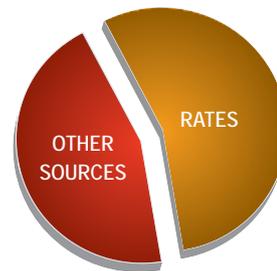
### 1. How much the Council spends overall:

As part of the budget-setting process for the LTP and this Annual Plan, we make choices about the projects and services that we will deliver. The amount that we spend has a direct impact on what rates will be.



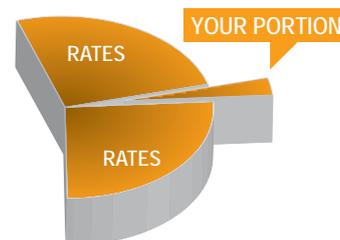
### 2. How much funding we are able to get from other sources:

This year 43% of our funding is projected to come from sources other than rates. We work hard to get as much funding as we can from other places. The amount that we need to source from rates is called our “rates requirement”.



### 3. The rating system:

In our district, we have approximately 15,600 rateable properties. Our rates requirement is divided amongst these properties and the amount differs for each property. These differences are based on a balance between the capital value of the property and on the services which property owners can access or are likely to benefit from.



**If you drive on roads, walk on a footpath, use a boat ramp, go to the library, enjoy our playgrounds and parks, or have your rubbish collected, you are using Council services, and that is only a fraction of what we deliver.**

Each year your rates will change. This is because the costs of providing services change each year due to inflation and other factors. Throughout the budget-setting process, the Council has been conscious of the need to keep costs down. The level that we have set for our spending and rates requirement allows us to continue to deliver our current services and facilities. It also allows us to maintain our assets at an acceptable level.

To reduce rates, we would either have to reduce our current service levels or increase the funding we get from other sources. We will continue to look into alternative sources of funding to ensure that we keep rates increases as low as possible.

## HOW THE RATING SYSTEM WORKS

This section explains how our rating system works. Rates help to pay for the services that the Council delivers to you. Where possible, we also obtain income from other sources. Other major funding sources are grants, subsidies and user fees and charges.

### General rates

General rates are charged across the whole District. They are used to raise revenue for activities that are for the public good, or where recovery from users is not efficient or possible. General rates are charged both on the capital value of each property and as a fixed charge. Fixed charges across the whole District are known as the Uniform Annual General Charge or UAGC.

### Targeted rates

These rates are targeted to a specific group of ratepayers, based on the services those ratepayers can access or are likely to benefit from. Targeted rates can be charged either on capital value or as a fixed charge regardless of capital value. Fixed charges targeted to a particular group of ratepayers are known as Uniform Annual Charges or UACs.

Rateable properties in our district:		Number of rateable rating units	Rateable capital value
<p>The Council's rating requirement is divided among the available "rateable properties" in the District. The table below shows the number of rateable properties in our district, as at 9 January 2013. Properties are valued every three years by an independent valuer and were last valued in September 2010.</p>	Whakatāne Commercial	522	\$999.86m
	Edgecumbe	647	\$146.38m
	Matatā	332	\$82.58m
	Murupara	778	\$55.48m
	Ōhope	1,836	\$1,005.50m
	Otarawairere	37	\$28.37m
	Rural	5,230	\$3,077.56m
	Tāneatua	282	\$34.88m
	Te Teko	278	\$37.39m
	Whakatāne Urban	5,677	\$1,851.02m
	<b>Total</b>	<b>15,619</b>	<b>\$7,319.02m</b>

### Rates relief in special circumstances

The Council provides the remission and postponement of rates in some special circumstances, as defined in our Rates Remissions and Postponement Policies (available from Council offices or online at [www.whakatane.govt.nz](http://www.whakatane.govt.nz)).

### Rates revaluations and PSA

The Council can assist any property owners affected by PSA and facing a substantial change in the valuation of their property. A new valuation can be arranged by the Council. The rates can then be assessed on the basis of the new valuation, provided that the valuation is made prior to the beginning of the financial year. This process can be applied to properties where the value has been affected by the kiwifruit disease PSA.

## WHEN WILL YOUR RATES BE DUE FOR 2013/14

### Rates due dates:

There will be four equal instalments for the 2013/14 rates. The due dates are as follows:

INSTALMENT	DUE DATE
Instalment 1	Friday, 23 August 2013
Instalment 2	Friday, 22 November 2013
Instalment 3	Friday, 21 February 2014
Instalment 4	Friday, 23 May 2014

A 10% instalment penalty will apply if any of these rates instalments remain unpaid after the due dates. A further 10% additional charge will be added on 1 October 2014 to any rates that were set prior to 1 July 2014 and which are unpaid at 1 July 2014 and remain unpaid at 30 September 2014.

### Water due dates:

The following are the due dates for the water invoices:

INSTALMENT	SCHEME	DUE DATE
1st reading	Plains and Awakeri Extension	Friday, 25 October 2013
2nd reading	All metered schemes	Friday, 24 January 2014
3rd reading	Plains and Awakeri Extension	Friday, 25 April 2014
4th reading	All metered schemes	Friday, 25 July 2014

A 10% penalty will apply if any water rates remain outstanding after each of the above water rates due dates.

Note: Under our rating system, ratepayers with metered water supplies will find both the fixed portion and the consumption charges appearing on the water invoice.

## PAYMENTS

All rates shall be payable at the Council Service Centres in Whakatāne and Murupara. The payment facilities available at the Council offices include cash, cheque or EFTPOS. There is no credit card facility available at present. Alternatively, the Council offers the option of paying rates by direct debit, on a monthly, quarterly, or annual basis. Rates can also be paid by phone/internet banking and automatic payments. Please contact Customer Services on 07 306 0500 or 0800 306 0500 for further information or refer to [www.whakatane.govt.nz](http://www.whakatane.govt.nz).

### Discount for prompt payments

The Council sets a discount on an annual basis for ratepayers who pay the total rates levied on the rates assessment by the due date for the first instalment. The discount rate for 2013/14 is 2.5%.

## WHAT YOUR RATES WILL LOOK LIKE IN 2013/14

The “Indicative Rating Table” below models a number of example properties from around the District. It shows what your rates might look like for the 2013/14 year based on this Annual Plan. The table also shows how this compares to the 2012/13 year.

WHERE WE ARE GOING

	WHAKATĀNE URBAN LOW	WHAKATĀNE URBAN AVERAGE	WHAKATĀNE URBAN HIGH	WHAKATĀNE COMMERCIAL (LESS THAN \$10M) LOW	WHAKATĀNE COMMERCIAL (LESS THAN \$10M) AVERAGE	EDGE CUMBE AVERAGE	MATATĀ AVERAGE	MATATĀ HIGH	MURUPARA URBAN	MURUPARA LIFESTYLE
<b>Capital Value</b>	<b>134,000</b>	<b>322,000</b>	<b>1,000,000</b>	<b>355,000</b>	<b>695,000</b>	<b>216,000</b>	<b>249,000</b>	<b>425,000</b>	<b>68,000</b>	<b>200,000</b>
General Rate	129.84	312.01	968.99	343.99	673.45	209.30	241.28	411.82	65.89	193.80
Uniform Annual General Charge	583.04	583.04	583.04	583.04	583.04	583.04	583.04	583.04	583.04	583.04
Roading CV	126.02	302.83	940.46	333.87	653.62	203.14	234.18	399.70	63.95	188.09
Roading UAC	52.24	52.24	52.24	52.24	52.24	52.24	52.24	52.24	52.24	52.24
Community Boards	13.20	13.20	13.20	13.20	13.20	11.48	11.48	11.48	32.51	32.51
Stormwater UAC	69.92	69.92	69.92	69.92	69.92	86.57	170.98	170.98	2.22	-
Stormwater CV	60.58	145.57	452.09	353.08	691.24	159.30	499.32	852.25	7.25	-
Promotion and Economic Development	-	-	-	621.13	734.84	-	-	-	-	-
Refuse Removal	302.31	302.31	302.31	239.21	239.21	302.31	302.31	302.31	302.31	239.21
Water	408.32	408.32	408.32	408.32	408.32	408.32	408.32	408.32	268.92	-
Sewerage	215.45	215.45	215.45	215.45	215.45	215.45	-	-	223.81	-
<b>Total</b>	<b>1,960.92</b>	<b>2,404.89</b>	<b>4,006.02</b>	<b>3,233.45</b>	<b>4,334.53</b>	<b>2,231.15</b>	<b>2,503.15</b>	<b>3,192.14</b>	<b>1,602.14</b>	<b>1,288.89</b>
<b>Plus GST at 15%</b>	<b>294.14</b>	<b>360.73</b>	<b>600.90</b>	<b>485.02</b>	<b>650.18</b>	<b>334.67</b>	<b>375.47</b>	<b>478.82</b>	<b>240.32</b>	<b>193.33</b>
<b>2013/14 Total including GST</b>	<b>2,255.06</b>	<b>2,765.62</b>	<b>4,606.92</b>	<b>3,718.47</b>	<b>4,984.71</b>	<b>2,565.82</b>	<b>2,878.62</b>	<b>3,670.96</b>	<b>1,842.46</b>	<b>1,482.22</b>
<b>2012/13 Total including GST</b>	<b>2,199.71</b>	<b>2,697.05</b>	<b>4,490.67</b>	<b>3,563.16</b>	<b>4,793.80</b>	<b>2,463.67</b>	<b>2,670.36</b>	<b>3,348.91</b>	<b>1,766.17</b>	<b>1,466.70</b>
<b>\$ increase (decrease) compared to the 2012/13 year</b>	<b>55.35</b>	<b>68.57</b>	<b>116.25</b>	<b>155.31</b>	<b>190.91</b>	<b>102.15</b>	<b>208.26</b>	<b>322.05</b>	<b>76.29</b>	<b>15.52</b>
<b>% increase (decrease) compared to the 2012/13 year</b>	<b>2.52%</b>	<b>2.54%</b>	<b>2.59%</b>	<b>4.36%</b>	<b>3.98%</b>	<b>4.15%</b>	<b>7.80%</b>	<b>9.62%</b>	<b>4.32%</b>	<b>1.06%</b>

	TE TEKŌ	OTARAWAIRERE	ŌHOPE LOW	ŌHOPE AVERAGE	ŌHOPE HIGH	TĀNEATUA	RURAL LOW	RURAL AVERAGE	RURAL HIGH	DISTRICT WIDE - COMMERCIAL/ INDUSTRIAL \$10M PLUS (SIX PANS)
<b>Capital Value</b>	<b>135,000</b>	<b>760,000</b>	<b>407,000</b>	<b>532,000</b>	<b>1,000,000</b>	<b>118,000</b>	<b>69,750</b>	<b>632,500</b>	<b>2,453,750</b>	<b>11,905,000</b>
General Rate	130.81	736.43	394.38	515.50	968.99	114.34	67.59	612.88	2,377.65	11,535.80
Uniform Annual General Charge	583.04	583.04	583.04	583.04	583.04	583.04	583.04	583.04	583.04	583.04
Roading CV	126.96	714.75	382.77	500.33	940.46	110.97	65.60	594.84	2,307.67	11,196.24
Roading UAC	52.24	52.24	52.24	52.24	52.24	52.24	52.24	52.24	52.24	52.24
Community Boards	11.48	30.54	30.54	30.54	30.54	29.69	11.48	11.48	11.48	13.20
Stormwater UAC	16.33	45.56	45.56	45.56	45.56	5.61	-	-	-	69.92
Stormwater CV	85.05	185.00	99.07	129.50	243.42	15.30	-	-	-	11,840.63
Promotion and Economic Development	-	-	-	-	-	-	-	-	-	4,483.75
Refuse Removal	302.31	305.03	305.03	305.03	305.03	302.31	239.21	239.21	239.21	239.21
Water	-	408.32	408.32	408.32	408.32	408.32	120.00	120.00	120.00	408.32
Sewerage	-	215.45	215.45	215.45	215.45	215.45	-	-	-	1,292.71
<b>Total</b>	<b>1,297.19</b>	<b>3,276.36</b>	<b>2,516.40</b>	<b>2,785.51</b>	<b>3,793.05</b>	<b>1,837.27</b>	<b>1,139.16</b>	<b>2,213.69</b>	<b>5,691.29</b>	<b>41,715.06</b>
<b>Plus GST at 15%</b>	<b>194.58</b>	<b>491.45</b>	<b>377.46</b>	<b>417.83</b>	<b>568.96</b>	<b>275.59</b>	<b>170.87</b>	<b>332.05</b>	<b>853.69</b>	<b>6,257.26</b>
<b>2013/14 Total including GST</b>	<b>1,491.77</b>	<b>3,767.81</b>	<b>2,893.86</b>	<b>3,203.34</b>	<b>4,362.01</b>	<b>2,112.86</b>	<b>1,310.03</b>	<b>2,545.74</b>	<b>6,544.98</b>	<b>47,972.32</b>
<b>2012/13 Total including GST</b>	<b>1,488.47</b>	<b>3,678.21</b>	<b>2,824.87</b>	<b>3,127.04</b>	<b>4,258.38</b>	<b>2,066.38</b>	<b>1,300.17</b>	<b>2,511.31</b>	<b>6,431.00</b>	<b>46,377.29</b>
\$ increase (decrease) compared to the 2012/13 year	15.98	89.60	68.99	76.30	103.63	46.48	9.86	34.43	113.98	1,595.03
% increase (decrease) compared to the 2012/13 year	1.07%	2.44%	2.44%	2.44%	2.43%	2.25%	0.76%	1.37%	1.77%	3.44%

## RATES AFFORDABILITY

Through the LTP we made a commitment to the community to keep rates at an affordable level. After consultation with you on our Financial Strategy we set stringent rates increase limits for the next 10 years. For the 2013/14 year we have signalled an average rates increase of 4.52%, with a cap of 5.07% (LGCI + 2%). However, in developing this Annual Plan and setting the work plan and budgets for 2013/14, we have managed to reduce the average rates increase to 2.49%. We have achieved this through careful prioritisation, improving efficiencies and taking on board what the community has told us.

The average rates increase for 2013/14 is not applied uniformly across the District. Therefore some households will have a smaller increase than this, while others will have a larger increase. Unfortunately there are specific situations in some areas where the increase is above what we would have wanted for our community. This is because of our funding philosophy and the use of targeted rates. The following explains the main reasons why your rates may be increasing.

### MURUPARA

Rates in Murupara will be relatively stable compared to last year, with the exception of the cost of water supply in Murupara. This particularly affects the urban area of Murupara, who will see an average rates increase of around 4.32%. This is due to an increase in the costs associated with water supply, including the cost of general maintenance.

### TĀNEATUA

The average property in Tāneatua will see a rates increase which is well below the proposed District average of 2.49%. This represents a concerted effort by the Council to keep rates increases down.

### MATATĀ

The cost of servicing debt from the stormwater works programme in Matatā and the on-going cost of operating the stormwater system are the reasons why Matatā will see an increase. The Council has a funding policy that spreads 75% of the costs of disaster mitigation over the District. This means that the remaining 25% is paid for by the Matatā Community. The increase for an average property in Matatā will be 7.8%.

### ŌHOPE

Rates in Ōhope will increase by an average of 2.44%. This is below the proposed District average of 2.49% and represents a concerted effort by the Council to keep rates down.

### EDGE CUMBE

During 2012/13, stormwater upgrades have been undertaken to address localised flooding issues in Edgecumbe. This has meant an increase in costs, including electricity and general maintenance. Therefore, the township is facing a slightly higher average increase than the District average. Rates for the average Edgecumbe property will increase by 4.15%.

### WHAKATĀNE

The average Whakatāne urban property will see a rates increase of 2.54%. This increase is due to a number of factors including an increase in stormwater and sewerage rates; however, this is offset by a reduction in other areas, such as refuse removal and water.

### COMMERCIAL

The main contributors to an increase in rates for the commercial sector are the general rate, promotion and economic development rate and sewerage rate. These increases have been partially offset with reductions in other areas such as refuse removal and water.

### RURAL

The rural sector will see a relatively low increase this year.

## FUNDING IMPACT STATEMENT (RATING)

The following pages show how the rating system is applied across the community. This information helps illustrate the financial impacts discussed in the 'All about rates' section. You will find that this information is very similar to what appears on the back of your rates invoice.

**Note:** All figures in this table are GST exclusive. GST will apply at the current rate of 15%.

		2013/14	2013/14
			\$
<b>GENERAL RATES</b>			
<b>TOTAL AMOUNT REQUIRED</b>			<b>15,468,243</b>
The Council sets a general rate on the capital value (CV) of each applicable rating unit in the District on a stepped differential basis (cents per CV\$).			
District rateable properties capital value less than \$15 million (step 1)		0.00096899 (cents per CV\$)	6,713,237
District rateable properties capital value greater than \$15 million (step 2)*		0.00048449 (cents per CV\$)	198,344
Uniform Annual General Charge on all rating units in the District		\$583.04	8,556,661
* Council uses a differential capital value for all properties over \$15 million to reduce the total rate those 18 properties are charged.			
<b>ROADING RATES</b>			
<b>TOTAL AMOUNT REQUIRED</b>			<b>7,667,380</b>
The Council sets the roading rate on the capital value of each applicable rating unit in the District (cents per CV\$).			
District rateable properties (cents per CV\$)		0.00094046	6,900,642
Uniform Annual General Charge on all rating units in the District		\$52.24	766,738
<b>COMMUNITY BOARDS</b>			
<b>TOTAL AMOUNT REQUIRED</b>			<b>264,360</b>
The Community Board rate is set to fund the costs of the five Community Boards. The Council sets the targeted rate on rating units within each of the following locations.			
		<b>Rate \$</b>	
Whakatāne		13.20	81,872
Rangitaiki		11.48	46,872
Ōhope		30.54	56,872
Tāneatua		29.69	36,872
Murupara		32.51	41,872
<b>STORMWATER</b>			
<b>TOTAL AMOUNT REQUIRED</b>			<b>2,532,276</b>
The Council sets a differential targeted rate for stormwater on rating units and a rate on the capital value differentially as follows.			
	<b>Differential</b>	<b>UAC \$ Per ratable unit</b>	<b>cents per CV\$</b>
Whakatāne Urban	1.0	69.92	0.00045209
Whakatāne Commercial and Industrial	2.2	69.92	0.00099459
Matatā	1.0	170.98	0.00200529
Ōhope	1.0	45.56	0.00024342
Edgecumbe	1.0	86.57	0.00073748

				2013/14	2013/14
					\$
<b>STORMWATER CONT.</b>					
	Differential	UAC \$ Per ratable unit	cents per CV\$		
Tāneatua	1.0	5.61	0.00012965	6,034	
Murupara	1.0	2.22	0.00010669	6,560	
Te Mahoe Land Drainage	1.0	48.20	0.00173253	4,627	
Te Teko Land Drainage	1.0	16.33	0.00062999	8,294	
<b>PROMOTION AND ECONOMIC DEVELOPMENT RATE</b>					
<b>TOTAL AMOUNT REQUIRED</b>				<b>453,958</b>	
The Council sets a targeted rate of a fixed amount per rating unit for all commercial and industrial properties within the District.			\$502.41	303,958	
The Council sets a targeted rate on the capital value for all commercial and industrial properties within the Whakatāne urban area (cents per CV\$).			0.00033443	150,000	
<b>REFUSE REMOVAL RATE</b>					
<b>TOTAL AMOUNT REQUIRED</b>				<b>3,785,986</b>	
The Council sets a targeted rate to fund the collection and disposal of the Council approved refuse and recycling bins. This targeted rate is set as a fixed amount per bin for which the Council is providing a weekly service.					
Residential			302.31	2,412,132	
Rural/commercial			239.21	845,624	
Ōhope residential			305.03	518,552	
Ōhope commercial			241.94	9,677	
The Council provides an additional three recycling collections during the summer holiday period for Ōhope.					
<b>WATER</b>					
<b>TOTAL AMOUNT REQUIRED</b>				<b>4,855,550</b>	
The Council sets water rates on a differential based on provision of service, land use and location.					
<b>Connected</b> - any rating unit that is connected directly or indirectly to a Council operated waterworks.					
<b>Availability</b> - any rating unit that is not connected to a Council operated waterworks but is within 100 metres of such waterworks.					
<b>Note:</b> All water by meter consumption that is invoiced during the current rating year will be calculated on the charges detailed below.					
		Per connection	Rate	Total	
		\$	\$	\$	
<b>Ruatahuna</b>					
Connected		11.54		92	
Connected - commercial		28.85		58	
<b>Plains and Awakeri Extension</b>					
Plains connected - metered		120.00		164,880	
Plains water by meter			0.27	194,707	
Plains excess water by meter*			0.90	217,315	
Awakeri connected - metered		175.00		67,550	
Awakeri water by meter			0.38	57,879	
Awakeri excess water by meter*			0.90	36,000	
<b>Murupara</b>					
Connected - metered		109.82		4,063	
Connected - non metered		268.92		183,405	
Available - not connected		109.82		11,201	
Water by meter			0.72	26,727	

		2013/14	2013/14
			\$
		Per connection \$	Rate \$ Total \$
<b>All Other Schemes</b>			
Connected - metered		144.11	1,311,108
Connected - non metered		408.32	502,237
Available - not connected		144.11	68,308
Water by meter			1.20 2,010,022
*The Council sets an additional targeted rate for any excess water consumed that is over and above the purchased entitlement for each property connection to these water supplies. An overuse targeted rate is set for the excess volume consumed over and above the purchased entitlement.			
<b>Note:</b> Where properties meet the definition of being contiguous either under legislation or Council Policy, the entitlements for such properties will be aggregated prior to an imposition of the overuse penalty.			
<b>SEWERAGE</b>			
<b>TOTAL AMOUNT REQUIRED</b>			<b>2,560,770</b>
The Council sets sewerage rates on land use and provision of service. Land use is residential, rural or commercial / industrial. For residential and rural properties, the Council sets targeted rates of a fixed amount per separately used or inhabited part of a rating unit* to fund sewage disposal. Commercial / industrial is classed as any property for which the principal undertaking is any commercial / industrial activity, or is zoned commercial / industrial. Commercial / industrial properties are charged per pan.			
<b>Connected</b> - any rating unit that is connected directly or indirectly to a public sewerage drain.			
<b>Available</b> - any rating unit that is not connected to a public sewerage drain but is within 30 metres of such a drain.			
			Rate \$
Available - all schemes excluding Murupara			107.73 39,643
Connected - all schemes excluding Murupara			215.45 2,365,870
Available - Murupara			96.02 8,353
Connected - Murupara			192.03 146,904

**Rating units are defined as:**

**Commercial and industrial** is defined as any property zoned or used for commercial / industrial purposes.

Council will not be inviting lump sum payments for any targeted rates.

\* Any part of a rating unit that is, or is able to be, separately used or inhabited by the ratepayer, or by any other person or body having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement.

## PERCENTAGE OF RATES THAT ARE FIXED CHARGES

Under the Local Government (Rating) Act (LGRA) the Council may only set a maximum of 30% of the total rates income to come from fixed rates such as targeted rates or uniform charges. The following table shows an analysis of these charges and shows the percentage of the Council's total rates.

All figures in this table are GST exclusive.

REPORT ON 30% CAP (SECTION 21 LGRA)		2013/14 \$ EXCL. GST
Targeted rates that are set on a uniform basis and calculated in accordance with section 18(2) or clause 7 of Schedule 3		
Uniform Annual General Charge		8,556,661
Roading		766,738
Community Boards		264,360
Stormwater		633,069
Promotion		303,958
<b>Total Uniform Rates and Charges</b>		<b>10,524,786</b>
<b>Total Rates Excluding GST</b>		<b>37,588,523</b>
<b>Uniform Rates as a Percentage of Total Rates</b>		<b>28%</b>
Targeted rates that are set on a differential uniform basis, not included in the 30% cap		
Refuse Collection		3,785,986



# OUR WORK IN DETAIL

Ngā mahinga whānui



## INTRODUCTION

This chapter provides an overview of the activities we will undertake during the 2013/14 year. We currently have 48 internal and external activities organised into 12 groups of activities.

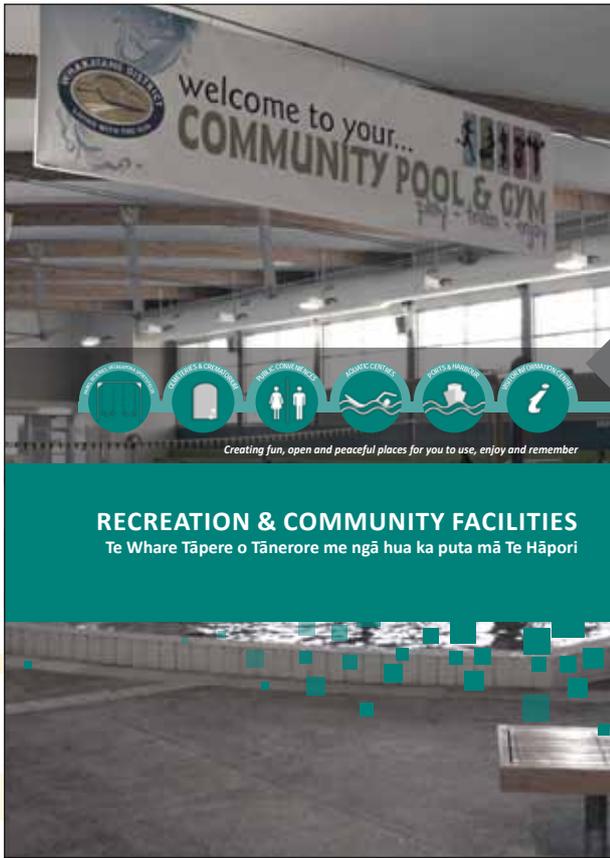
These groups incorporate the core services that we deliver, as defined by the Local Government Act 2002. How these core services contribute to the community is given particular consideration in our decision-making process.

Within each group you will find a brief description of what each activity is, what has changed, what we want to achieve and what we are going to do. Essentially, this document should be read alongside the LTP and for that reason, the Annual Plan does not expand on issues/projects which have already been discussed in detail in the LTP. For more specific details of the activities, please see the 'Our work in detail' chapter of the LTP.

### Groups of activities

- Leadership
- Roads and Footpaths
- Water Supply
- Sewage Treatment and Disposal
- Stormwater Drainage
- Waste
- Environmental Sustainability
- Community Safety
- Arts and Culture
- Community Property
- Recreation and Community Facilities
- Corporate and District Activities

## GUIDE TO THE LAYOUT AND CONTENT OF 'OUR WORK IN DETAIL'



**Group of activities**  
 The cover page for each group of activities indicates what the group is and the activities undertaken within that group.

OUR WORK IN DETAIL  
 INTRODUCTION

**What these activities will cost and how we are going to pay for them**  
 These Funding Impact Statements set out the budgeted costs for the group of activities during the 2013/14 year and describe how they are funded. Explanations of the categories used in the statements can be found later in this introduction.

72 | Whakatāne District Council | ANNUAL PLAN 2013/14

**WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM**

**FUNDING IMPACT STATEMENT - RECREATION & COMMUNITY FACILITIES**

LTP 2012/13 \$000	LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>			
<i>Sources of operating funding</i>			
5,729	5,884	5,642	(242)
333	347	369	22
6	6	92	86
2,811	2,927	3,434	507
1,711	1,718	934	(784)
90	45	44	(1)
<b>10,678</b>	<b>10,927</b>	<b>10,515</b>	<b>(412)</b>
<i>Applications of operating funding</i>			
4,396	4,529	5,254	725
466	491	483	(8)
3,507	3,520	2,731	(789)
-	-	-	-
<b>8,369</b>	<b>8,540</b>	<b>8,468</b>	<b>(72)</b>
<b>2,309</b>	<b>2,387</b>	<b>2,047</b>	<b>(340)</b>
<b>CAPITAL</b>			
<i>Sources of capital funding</i>			
60	62	160	98
23	24	23	(1)
(366)	38	120	82
25	-	-	-
-	-	-	-
<b>(258)</b>	<b>124</b>	<b>303</b>	<b>179</b>
<i>Applications of capital funding</i>			
<i>Capital expenditure</i>			
40	-	23	23
541	712	752	80
867	685	612	(73)
603	1,114	923	(191)
-	-	-	-
<b>2,051</b>	<b>2,511</b>	<b>2,350</b>	<b>(161)</b>
<b>(2,309)</b>	<b>(2,387)</b>	<b>(2,047)</b>	<b>340</b>
<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**In brief...**

This section helps to give you an idea of what each activity delivers, why we carry out that activity and briefly discusses what is planned for the year. More detailed information on the activity and projects planned for the year can be found in the LTP.

**Community Outcomes**

The Community Outcomes that each activity helps to promote are identified under each activity. More information about our Community Outcomes can be found in the 'Where we are going' chapter of this Annual Plan or the LTP.

Whakatāne District Council | ANNUAL PLAN 2013/14 | 73



**PARKS, RESERVES, RECREATION & SPORTSFIELDS**

**IN BRIEF...**

We will continue to provide reserves across the District, in the urban areas of Whakatāne, Edgumbe, Murupara, Ōhope and Tāneatua and throughout rural areas of the District. There are a number of different types of reserves across our District. These include playgrounds, sportsfields and along riverbanks, lake edges or the coast to provide for recreation, access to the water and conservation values. The level of maintenance for the various Council recreation reserves depends on what each reserve is used for. In 2013/14 we have included around \$310,000 for renewals across the District. In addition, through the LTP we budgeted \$75,000 for community partnership opportunities associated with walking and cycling projects. This year the money will be used to support the construction of a walking and cycling path between Ōhope and Whakatāne. We are hoping to secure additional funding from other organisations for this project. We will also be working on a project to upgrade the popular Nga Tapuwāe o Toi's walkway between Whakatāne and Ōhope.

The Council will continue to work with recreation partners such as Sport BOP, Mataatua Sports, local clubs and other local Councils in the area to deliver recreation services and opportunities to our community.

**WHAT HAS CHANGED**

Since the adoption of the LTP we have taken out the Port Ōhope recreation reserve project at a cost of \$100,000, as the project is no longer required. We had planned to use this money to create a larger carpark and improved landscaping; however, due to investigations around freedom camping, this project has been placed on hold. We will continue to review the need for this work as the year progresses.

Since the adoption of the draft Annual Plan, the Council has adopted a 'freedom camping friendly' approach and has made a decision to make some sites available for self contained motorhome overnight parking. The Council will also investigate the implementation of a bylaw made under the Freedom Camping Act 2011 for the District.

During the 2012/13 year, we reviewed the Community Funding Policy. This resulted in removing the requirement to budget \$10,000 for projects relating to rural playgrounds. The Council believed that it was better to include budget only when applications are received.

We have also included provision for an additional subsidy from Sport New Zealand. This subsidy will be used to fund the 'Take the Lead' project, which will encourage young women to participate in sport and recreation.

**WHAT WE ARE GOING TO DO**

We are planning to undertake the following major projects this year.

DESCRIPTION	TOTAL (\$)	FUNDING SOURCE
Whakatāne Toi's Track*	100,000	Renewal 39% Subsidy 50% Development Contributions 11%
Walking and cycling projects*	75,000	Restricted Reserves 100%

\*Multi-year project

**WHAT WE WANT TO ACHIEVE**

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Assets are well maintained throughout all parks and recreational facilities providing a high standard of appearance and functionality	Satisfaction with parks and reserves in the Whakatāne District (Customer Satisfaction Index score)	74-78
Adequate sports fields/grounds are provided to meet the needs of users and are kept to a high standard by regular mowing, herbicide applications and specialised turf grass treatments	Amount of active recreation space available in the District per 1,000 people	1.5ha

**What has changed**

This section sets out any differences between this Annual Plan to what we said we would do in the LTP. This includes updates or changes to projects, budgets or intended levels of service.

**What we are going to do**

This table sets out the key capital projects we are undertaking this year, including the total cost of the project for the year and where the funds will come from. A full breakdown of our capital projects can be found in the 'Our costs in detail' chapter later in this Annual Plan.

**What we want to achieve**

This table outlines the level of service we aim to provide to the community. Some measures are based on a perception survey, which is undertaken annually to gauge the community's views about our performance. The survey collates the answers received and ranks them on a scale of 0-100. This is referred to as the 'Customer Satisfaction Index score' or 'CSI score'. The higher the score, the better we are doing.

## FUNDING IMPACT STATEMENT

Included in this chapter are Funding Impact Statements (FIS) at a 'whole of Council' level and also group of activity level. The FIS breaks down costs and funds at an 'operational' and 'capital' level. Operational costs include the ongoing maintenance and delivery of our services, while capital costs relate to the cost of constructing a new asset or extending or renewing an existing asset. Capital expenditure is generally 'one-off' in nature, whereas operational costs are ongoing. Taking all this information into account, we can then see how much will be received, how much will be spent and whether or not we will have a surplus or deficit at the end of the year.

The 'Indicative Funding Impact Statement – Whole of Council' table below gives you an idea of what it costs to provide all of our activities and how we will fund them. You will notice that every group of activities has a FIS which gives you more detailed information on what that group costs. An explanation of categories in the FIS can be found on the next page.

## INDICATIVE FUNDING IMPACT STATEMENT – WHOLE OF COUNCIL

LTP 2012/13 \$000		LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>				
<b>Sources of operating funding</b>				
15,286	General rates, uniform annual general charges, rates penalties	15,908	16,049	141
18,934	Targeted rates (other than a targeted rate for water supply)	19,742	19,206	(536)
2,889	Subsidies and grants for operating purposes	3,077	2,666	(411)
10,344	Fees, charges, and targeted rates for water supply*	10,826	12,132	1,306
40	Internal charges and overheads recovered	40	8	(32)
2,137	Local authorities fuel tax, fines, infringement fees, and other receipts	2,217	1,908	(309)
<b>49,630</b>	<b>Total operating funding (A)</b>	<b>51,810</b>	<b>51,969</b>	<b>159</b>
<b>Applications of operating funding</b>				
34,978	Payments to staff and suppliers	36,551	36,607	56
2,517	Finance costs	2,749	2,340	(409)
430	Other operating funding applications	440	685	245
<b>37,925</b>	<b>Total applications of operating funding (B)</b>	<b>39,740</b>	<b>39,632</b>	<b>(108)</b>
<b>11,705</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>12,070</b>	<b>12,337</b>	<b>267</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
3,458	Subsidies and grants for capital expenditure	4,386	8,295	3,909
465	Development and financial contributions	483	465	(18)
(4,001)	Increase (decrease) in debt	(1,569)	(1,246)	323
609	Gross proceeds from sale of assets	264	226	(38)
-	- Lump sum contributions	-	-	-
<b>531</b>	<b>Total sources of capital funding (C)</b>	<b>3,564</b>	<b>7,740</b>	<b>4,176</b>
<b>Applications of capital funding</b>				
<b>Capital expenditure</b>				
165	- to meet additional demand	43	289	246
4,862	- to improve level of service	5,773	11,251	5,478
9,430	- to replace existing assets	9,772	9,457	(315)
(2,321)	Increase (decrease) in reserves	45	(920)	(965)
100	Increase (decrease) of investments	-	-	-
<b>12,236</b>	<b>Total applications of capital funding (D)</b>	<b>15,633</b>	<b>20,077</b>	<b>4,444</b>
<b>(11,705)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(12,069)</b>	<b>(12,337)</b>	<b>(268)</b>
<b>-</b>	<b>Funding Balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Targeted rates for water supply include volumetric charges only

## EXPLANATION OF CATEGORIES IN THE FUNDING IMPACT STATEMENTS

### WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

#### OPERATIONAL

**Sources of Operating Funding (Revenue) – note: more information on these funding sources can be found in the ‘Where we are going’ chapter**

General rates, uniform annual general charges, rates penalties	Income from general rates charged on the capital value of all properties within the District, fixed charges across the whole district (UAGC), and penalties for late payment of rates.
Targeted rates (other than a targeted rate for water supply)	Rates where the benefit or use of a service can be assigned to specific households or communities, such as stormwater or promotion and economic development.
Subsidies and grants for operating purposes	Money received from other organisations that contribute to the operational cost of the service.
Fees, charges, and targeted rates for water supply	Includes admission charges for Council facilities and regulatory fees e.g. permits, dog registration, and targeted rates for water supply.
Internal charges and overheads recovered	Money received from other departments of the Council such as overheads and direct costs.
Interest and dividends from investments	Money earned from our savings and investments through interest and dividend payments.
Local authorities fuel tax, fines, infringement fees, and other receipts	Miscellaneous income from other sources generally not of a significant nature e.g. local authority petrol tax.
<b>Total Operating Funding</b>	<b>Total income from the day to day operation of this activity.</b>

### APPLICATIONS OF OPERATING FUNDING (EXPENDITURE)

Payments to staff and suppliers	The day to day cost of running this activity e.g. salaries and wages, materials and services.
Finance costs	Interest payments we make on funds borrowed (loans).
Internal charges and overheads applied	Money paid to other departments of the Council such as overheads and direct costs.
Other operating funding applications	Miscellaneous expenses including bad debt expense, rates remissions and loss on disposal of assets.
<b>Total Applications of Operating Funding</b>	<b>Total operating expenditure for this activity.</b>
Surplus (Deficit) of Operating Funding	Total revenue less total expenditure.

**WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM****CAPITAL****Sources of Capital Funding**

Subsidies and grants for capital expenditure	Money received from other organisations that contribute to the capital cost of the service.
Development and financial contributions	Money paid by developers towards providing assets or extending existing assets to cater for increased demand due to growth, e.g. extending sewerage systems.
Increase (decrease) in debt	Borrowing money to pay for new assets, parts of assets or to fund temporary deficits, less loan repayments.
Gross proceeds from the sale of assets	Revenue to be raised from the sale of assets belonging to this activity.
Lump sum contributions	Payments made by an eligible ratepayer for the purposes of contributing to a capital project. However, we do not accept lump sum contributions for targeted rates.
<b>Total Sources of Capital Funding</b>	<b>Total capital funding for this activity.</b>

**APPLICATIONS OF CAPITAL FUNDING**

Capital expenditure	Capital expenditure creating a completely new asset or extending or renewing an existing asset to provide the same or greater service than it currently provides e.g. extending a sewer pipe to increase capacity. The expenditure is split to fund level of service improvements versus population growth and/or renewal works. While a lot of our capital projects contribute to more than one of these drivers, legislation requires us to allocate each project to just one driver in the Funding Impact Statements. See the 'Key Capital Expenditure Projects' table in the 'Our Costs in Detail' chapter for more specific information on how each project is funded.
Increase (decrease) in reserves	Transferring money into and from a reserve account held for a special purpose. Includes: transferring development contribution revenue to development contribution reserves; using funds from depreciation reserves, and using funds from operational reserves to provide or to assist with maintaining existing assets or services.
Increase (decrease) of investments	Net movement of investments.
<b>Total Applications of Capital Funding</b>	<b>Total capital expenditure for this activity.</b>
<b>Surplus (Deficit) of Capital Funding</b>	<b>Sources of capital funding less applications of capital funding.</b>
<b>Funding Balance</b>	<b>Net operating funding less net capital funding.</b>



*Making good decisions and engaging with our community*

# LEADERSHIP

Te Poumanukura



## WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

### FUNDING IMPACT STATEMENT - LEADERSHIP

LTP 2012/13 \$000		LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>				
<b>Sources of operating funding</b>				
2,271	General rates, uniform annual general charges, rates penalties	2,425	2,454	29
263	Targeted rates (other than a targeted rate for water supply)	280	264	(16)
	- Subsidies and grants for operating purposes	-	-	-
	- Fees, charges, and targeted rates for water supply	-	-	-
	- Internal charges and overheads recovered	-	-	-
3	Local authorities fuel tax, fines, infringement fees, and other receipts	65	62	(3)
<b>2,537</b>	<b>Total operating funding (A)</b>	<b>2,770</b>	<b>2,780</b>	<b>10</b>
<b>Applications of operating funding</b>				
1,580	Payments to staff and suppliers	1,772	1,814	42
6	Finance costs	6	6	-
913	Internal charges & overheads applied	947	894	(53)
	- Other operating funding applications	-	-	-
<b>2,499</b>	<b>Total applications of operating funding (B)</b>	<b>2,725</b>	<b>2,714</b>	<b>(11)</b>
<b>38</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>45</b>	<b>66</b>	<b>21</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
	- Subsidies and grants for capital expenditure	-	-	-
	- Development and financial contributions	-	-	-
(6)	Increase (decrease) in debt	(6)	(6)	-
	- Gross proceeds from sale of assets	-	-	-
	- Lump sum contributions	-	-	-
<b>(6)</b>	<b>Total sources of capital funding (C)</b>	<b>(6)</b>	<b>(6)</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure				
	- to meet additional demand	-	-	-
	- to improve level of service	-	-	-
	- to replace existing assets	-	-	-
32	Increase (decrease) in reserves	39	60	21
	- Increase (decrease) of investments	-	-	-
<b>32</b>	<b>Total applications of capital funding (D)</b>	<b>39</b>	<b>60</b>	<b>21</b>
<b>(38)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(45)</b>	<b>(66)</b>	<b>(21)</b>
<b>0</b>	<b>Funding Balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



## GOVERNANCE



Community Outcomes

### IN BRIEF...

Over the next year, the Governance activity will support the elected members of the Council to be effective, responsible and accountable decision-makers. This activity will facilitate Council, Committee and Community Board meetings, and ensure agendas are published and available to the public. In the 2012/13 year we also entered into a joint committee with the Bay of Plenty Regional Council, Kawerau District Council and Ōpōtiki District Council. This committee, called the Eastern Bay of Plenty Joint Committee, will seek to maximise opportunities for collaborative initiatives for the benefit of the Eastern Bay of Plenty communities and to speak with 'one voice' on matters of mutual interest and concern.

This activity also administers the community boards' and Iwi Liaison Committee (ILC) discretionary funds. Members of the community have the ability to make applications for funding to the Community Boards or ILC.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
The Council makes decisions in an open, inclusive and transparent manner	Proportion of meetings that are publicly notified and agendas of the Council, its committees and community boards are available at least two clear working days before meetings. Meetings are conducted in accordance with the Local Government Act and standing orders	100%
	Satisfaction that the Council is providing opportunities for community involvement in decision making (Customer Satisfaction Index score)	57-61

### WHO WILL REPRESENT YOU FOR THE NEXT THREE YEARS?

In October 2013, the community will be asked to vote for your Council representatives to lead the District for the next three years. This is a big decision and your chance to make sure that your views are being represented in the decisions being made for our district. You will be able to vote for your Mayor, local Councillors and your local Community Board representatives. You will also be asked to vote for your Bay of Plenty Regional Council and District Health Board representatives. Elections are an essential and highly important part of the democratic process and we urge everyone in the community to take this opportunity to vote.

Alongside these elections we will be holding a non-binding referendum on fluoridation. The results of this referendum will inform the Council's decision on whether to fluoridate the Council's public water supplies.



## COMMUNITY SUPPORT



Community Outcomes

### IN BRIEF...

This year we will hold events such as civic ceremonies (e.g. Anzac Day commemoration and citizenship ceremonies), the over 80s morning tea, the Young Achievers Awards and participate in the Mayor’s Taskforce for Jobs. We will also continue to support community and volunteer organisations by way of community grants administered through the Community Funding Policy. The local community, through its diverse range of activities, makes a major contribution to the District and provides a number of services to the general public. We want to ensure that we recognise this and also celebrate the successes of the people of our community.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Community groups, voluntary organisations and landowners are supported in contributing to the well-being of the Whakatāne District	Community funding is available and distributed in accordance with Council’s Community Funding Policy	Available funds distributed



## STRATEGY & POLICY



Community Outcomes

### IN BRIEF...

Through this activity, we will support the Council’s decision making and staff by delivering high quality strategy and policy advice, enabling them to make effective policy decisions and plans. This year, we will develop the Annual Report 2012/13, Annual Plan 2014/15 and a Pre-election Report in time for the 2013 local authority elections. These documents are required by the Local Government Act 2002.

In addition to the production of these plans and reports, we will review a number of policies and bylaws such as the Alcohol Policy and Strategy, Food Administration Bylaw and Water Supply Bylaw. The Bylaw reviews are in accordance with the rolling bylaw review.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Council will develop and maintain strategies, policies and plans that support the sustainable development and needs of the community	Council’s corporate planning requirements (including LTPs, Annual Plans and Annual Reports) are completed and receive a clear audit opinion	Annual Plan, Annual Report



*Connecting people, businesses and communities*

# ROADS & FOOTPATHS

Ngā Huarahi ara Rau



## WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

### FUNDING IMPACT STATEMENT - ROADS & FOOTPATHS

LTP 2012/13 \$000		LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>				
<b>Sources of operating funding</b>				
	- General rates, uniform annual general charges, rates penalties	-	-	-
7,897	Targeted rates (other than a targeted rate for water supply)	8,188	7,667	(521)
2,693	Subsidies and grants for operating purposes	2,875	2,401	(474)
45	Fees, charges, and targeted rates for water supply	46	1,460	1,414
	- Internal charges and overheads recovered	-	-	-
590	Local authorities fuel tax, fines, infringement fees, and other receipts	606	554	(52)
<b>11,225</b>	<b>Total operating funding (A)</b>	<b>11,715</b>	<b>12,082</b>	<b>367</b>
<b>Applications of operating funding</b>				
5,846	Payments to staff and suppliers	6,240	5,382	(858)
613	Finance costs	638	620	(18)
1,737	Internal charges & overheads applied	1,802	1,698	(104)
	- Other operating funding applications	-	-	-
<b>8,196</b>	<b>Total applications of operating funding (B)</b>	<b>8,680</b>	<b>7,700</b>	<b>(980)</b>
<b>3,029</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>3,035</b>	<b>4,382</b>	<b>1,347</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
3,264	Subsidies and grants for capital expenditure	3,192	2,945	(247)
68	Development and financial contributions	70	68	(2)
(354)	Increase (decrease) in debt	(341)	(313)	28
	- Gross proceeds from sale of assets	-	-	-
	- Lump sum contributions	-	-	-
<b>2,978</b>	<b>Total sources of capital funding (C)</b>	<b>2,921</b>	<b>2,700</b>	<b>(221)</b>
<b>Applications of capital funding</b>				
Capital expenditure				
	- to meet additional demand	-	-	-
1,193	- to improve level of service	1,060	2,383	1,323
4,553	- to replace existing assets	4,602	4,337	(265)
261	Increase (decrease) in reserves	294	362	68
	- Increase (decrease) of investments	-	-	-
<b>6,007</b>	<b>Total applications of capital funding (D)</b>	<b>5,956</b>	<b>7,082</b>	<b>1,126</b>
<b>(3,029)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(3,035)</b>	<b>(4,382)</b>	<b>(1,347)</b>
	- <b>Funding Balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



## IN BRIEF...

We provide this activity to ensure our community is connected and to ensure a safe, efficient and affordable roading network. This activity provides transport networks, airport infrastructure, public transport infrastructure and traffic control mechanisms. The Council's road network is approximately 903km in length with around 78% of the network being sealed.

This year we have included a number of projects (totalling \$6.72m) which will maintain and improve our network. These include pavement rehabilitation, road repairs, resurfacing and minor improvements such as kerbing, drainage and signage. There are fewer major capital projects than usual; for example we have not planned any seal extension works. This reflects our focus on affordability. We do recognise that residents of an unsealed road may be willing to pay the Council's cost to seal their road. In this instance, we are happy to discuss options with residents to find a mutually agreeable solution.

We have worked hard to ensure that we are delivering an appropriate level of service without over-burdening our community. This has meant that we have reduced some expenditure in non-critical areas such as verge mowing and street sweeping.

A project, which began in the 2012/13 year, is a cycle/walkway between Ōhope and Whakatāne. This project is being funded partly through the Transport Networks budget, the Parks, Reserves, Recreation and Sportsfields budget and also from contributions from other organisations. Construction of the track will include concrete on the steeper sections with unsealed aggregate on the gentle gradients. The cycle/walkway will benefit commuter traffic and ensures the safety of cyclists and walkers.

The Bay of Plenty Regional Council has provided \$1.5m from their Regional Infrastructure Fund for route security improvements on Wainui Road. Investigation and design work was undertaken last year, and the \$1.35m balance will be spent in 2013/14 on the proposed improvements. The physical works will include stream clearing and raising the road level at the two flood prone areas on Wainui Road, one in the vicinity of Te Kooti Road and the other at Cheddar Valley.

## WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Roads are reasonably smooth and comfortable to travel on	Smooth travel exposure; the percentage of vehicle kilometers travelled on smooth*, sealed roads	90-94%
Roads are maintained to an appropriate standard	Satisfaction that local roads are maintained to an appropriate standard (Customer Satisfaction Index score)	61-65
	Pavement Integrity Index for Sealed Roads. This measures pavement faults to produce an index out of 100. The higher the number, the greater the integrity of our pavements	95-99
Roads are maintained in a cost effective way	Maintenance and renewal costs for this activity per vehicle kilometers travelled (vkt) on our local roads	<\$0.05/vkt

\* Indicates the ride quality experienced by motorists.



## ROAD SAFETY



### IN BRIEF...

We provide this activity to ensure that people using our roads are safe and aware of good driving practices. During the next year the road safety activity will deliver a number of programmes to help promote road safety. This activity and the programmes we run are dependent on external funding. We will continue to look for and secure other sources of funding and will consider our areas of focus over the coming year. We will work with agencies, including the NZ Transportation Agency, neighbouring local authorities, Central Government and other organisations, to deliver an efficient and effective service.

There are four main cornerstones that we use to develop programmes which come from Central Government’s Safer Journeys 2020 Strategy. They are: safe roads and roadsides; safe speeds; safe road use; and safe vehicles. The NZ Transport Agency has also developed a crash analysis system to identify areas of risk. For our district these areas are: Youth, Drugs and Alcohol and Speed. Our programmes and promotions will reflect these cornerstones and key risk areas. A focus will be the coordination with other council activities (such as Community Development) and agencies to achieve positive community outcomes.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
To reduce network related injuries and fatalities through information and educational campaigns	Satisfaction with the safety of our roads	65-69



ROADS & FOOTPATHS

## PARKING ENFORCEMENT



### IN BRIEF...

This service is provided so that the community and businesses have access to parking spaces in our busiest areas and there is an appropriate level of turnover to support our retailers. We will continue to provide parking enforcement services, primarily in the Whakatāne town centre and the Kopeopeo shopping area over the next year. The parking wardens will also check parked vehicles for current registrations, warrants of fitness and general safety. This activity is self-funded and the revenue generated from infringements will be used to meet the cost of operating, maintaining and renewing areas of parking and roading. This includes projects such as street cleaning and carpark formation.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Parking enforcement maximises the availability of parking and ensures vehicles are safe	Satisfaction with the Council parking in Whakatāne (Customer Satisfaction Index score)	73-77
	Regular patrols are carried out at least three times a day in Whakatāne and at least three times a week in Kopeopeo	Three per day in Whakatāne, three per week in Kopeopeo



*Affordable, reliable and good quality water supplies for our community*

# WATER SUPPLY

Ngā Puna Wai Hei Oranga mō te Rohe Whānui



## WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

## FUNDING IMPACT STATEMENT - WATER SUPPLY

LTP 2012/13 \$000	LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>			
<b>Sources of operating funding</b>			
-	-	-	-
2,029	2,169	1,942	(227)
-	-	-	-
3,151	3,364	3,214	(150)
172	175	117	(58)
11	11	11	-
<b>5,363</b>	<b>5,719</b>	<b>5,284</b>	<b>(435)</b>
<b>Applications of operating funding</b>			
1,491	1,529	1,639	110
459	495	412	(83)
1,992	2,055	1,917	(138)
-	-	-	-
<b>3,942</b>	<b>4,079</b>	<b>3,968</b>	<b>(111)</b>
<b>1,421</b>	<b>1,640</b>	<b>1,316</b>	<b>(324)</b>
<b>CAPITAL</b>			
<b>Sources of capital funding</b>			
-	88	85	(3)
25	26	25	(1)
(182)	(415)	(372)	43
-	-	-	-
-	-	-	-
<b>(157)</b>	<b>(301)</b>	<b>(262)</b>	<b>39</b>
<b>Applications of capital funding</b>			
Capital expenditure			
41	43	41	(2)
240	114	110	(4)
1,079	635	651	16
(96)	547	252	(295)
-	-	-	-
<b>1,264</b>	<b>1,339</b>	<b>1,054</b>	<b>(285)</b>
<b>(1,421)</b>	<b>(1,640)</b>	<b>(1,316)</b>	<b>324</b>
<b>- Funding Balance ((A-B) + (C-D))</b>			

\* targeted rates for water supply include volumetric charges only



## WATER



### IN BRIEF...

In the 2013/14 year we will provide water to over 12,300 households and businesses around the District. This water will be treated and safe to drink. We will aim to provide water continuously and at a suitable pressure and quality throughout our 10 supply schemes. Metered connections will continue to be provided in Whakatāne, Ōhope, Plains, and Rūātoki and at some commercial properties in unmetered scheme areas. Properties which are not metered will pay a fixed price based on an average consumption rate.

We will also provide the infrastructure required for future development and advisory services to those who are not connected to one of the Council's water supply networks. During the year, we will continue to replace pipes, connections and meters where needed and provide effective treatment in the schemes around the District. We will also continue with works to implement the Paul Road bore as part of our 50-year water strategy to ensure a more sustainable water supply. This bore will provide water for the Edgecumbe and Te Teko townships, as well as the Awakeri and Onepu areas.

Alongside the 2013 elections, we will be holding a non-binding referendum on the fluoridation of our water. Currently, only the Whakatāne and Ōhope water supplies contain fluoride. This will be your opportunity to let us know whether or not you would like your water supply to be fluoridated. The results from the referendum, as well as other information and research, will help the Council decide whether or not we will fluoridate our water.

### WHAT WE ARE GOING TO DO

We are planning to undertake the following major projects this year.

DESCRIPTION	TOTAL (\$)	FUNDING SOURCE
Edgecumbe water supply – supply main from Paul Road bore*	100,000	Subsidy 85% Loan 15%
Whakatāne Chemical tank replacement	40,000	Renewal 100%
Whakatāne connection and meter replacement	100,000	Renewal 100%
Whakatāne water treatment plant automation and PLC replacement	450,000	Renewal 94% Development Contributions 6%

\*Multi-year project

## WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Provide a continuous and safe water system throughout the District's urban, residential and commercial areas that complies with drinking water standards	Percentage of water supply systems (excluding Plains) with adequate pressure to fill a 15 litre bucket in one minute	95%
	Percentage of the time our water schemes comply with specified New Zealand Drinking Water Standards	90%
	Satisfaction with the quality of drinking water supplied to resident's homes (Customer Satisfaction Index score)	63-67
	Percentage of pipe bursts and major breaks affecting urban systems responded to within one hour*	99%

\* Note: actual work required to remedy breakages and blockages will vary according to the extent of the fault.



*Protecting our people and environment by removing, treating and disposing of our sewage*

# SEWAGE TREATMENT & DISPOSAL

Te Tūhanga o ngā Parapara



## WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

### FUNDING IMPACT STATEMENT - SEWAGE TREATMENT & DISPOSAL

LTP 2012/13 \$000		LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>				
<b>Sources of operating funding</b>				
14	General rates, uniform annual general charges, rates penalties	14	18	4
2,133	Targeted rates (other than a targeted rate for water supply)	2,675	2,561	(114)
	- Subsidies and grants for operating purposes	-	-	-
182	Fees, charges, and targeted rates for water supply	189	125	(64)
146	Internal charges and overheads recovered	149	80	(69)
175	Local authorities fuel tax, fines, infringement fees, and other receipts	182	123	(59)
<b>2,650</b>	<b>Total operating funding (A)</b>	<b>3,209</b>	<b>2,907</b>	<b>(302)</b>
<b>Applications of operating funding</b>				
918	Payments to staff and suppliers	1,109	891	(218)
171	Finance costs	261	297	36
887	Internal charges & overheads applied	916	810	(106)
	- Other operating funding applications	-	-	-
<b>1,976</b>	<b>Total applications of operating funding (B)</b>	<b>2,286</b>	<b>1,998</b>	<b>(288)</b>
<b>674</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>923</b>	<b>909</b>	<b>(14)</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
134	Subsidies and grants for capital expenditure	1,044	5,000	3,956
168	Development and financial contributions	175	168	(7)
537	Increase (decrease) in debt	1,541	1,418	(123)
	- Gross proceeds from sale of assets	-	-	-
	- Lump sum contributions	-	-	-
<b>839</b>	<b>Total sources of capital funding (C)</b>	<b>2,760</b>	<b>6,586</b>	<b>3,826</b>
<b>Applications of capital funding</b>				
Capital expenditure				
	- to meet additional demand	-	-	-
738	- to improve level of service	1,979	6,220	4,241
828	- to replace existing assets	1,354	1,303	(51)
(53)	Increase (decrease) in reserves	350	(28)	(378)
	- Increase (decrease) of investments	-	-	-
<b>1,513</b>	<b>Total applications of capital funding (D)</b>	<b>3,683</b>	<b>7,495</b>	<b>3,812</b>
<b>(674)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(923)</b>	<b>(909)</b>	<b>14</b>
	<b>- Funding Balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



## SEWAGE TREATMENT & DISPOSAL



### IN BRIEF...

By providing this service we are protecting our natural environment from contaminants. We are also protecting the community's health by removing, treating and disposing of harmful waste. Over the next year, if you are within one of our six urban sewerage scheme areas, the Council will continue to collect the used water from your house and businesses and transport it, through a network of underground pipes and pump stations, to a treatment plant. Once treated to an acceptable level, the treated liquid is then discharged into a river, stream or out to sea, where it can return to the natural water cycle.

A major project for this year is the upgrade sewer pipes in Whakatāne. This project will address the issue of sewage overflow as a result of inflow and infiltration during heavy rain events. See the 'What we are going to do' table for more information on this project.

### WHAT HAS CHANGED

An addition this year is a wastewater soakage field at Te Mahoe, which will cost \$250,000. Part of this project will also involve the capital maintenance of the current temporary field while the permanent field is established.

### FULL RETICULATION SYSTEM FOR MATATĀ

Alongside consultation on the draft Annual Plan 2013/14 we also consulted on three options to deal with sewage in Matatā. The three options which were consulted on were no reticulation, partial reticulation or full reticulation.

The Council received 101 submissions on the Matatā sewerage scheme issue, with 88 of those submissions being survey responses from the Matatā community. An overwhelming 83% of submitters from the Matatā community supported the construction of a fully reticulated sewerage scheme. Of the 13 other submissions received from people outside the Matatā community, 69% supported full reticulation.

On 20 May 2013, the Council considered all the information as well as the survey results and made a decision to go ahead with a fully reticulated scheme for Matatā.

This project has an estimated total cost of \$10.8 million of which \$6.7 million will be subsidised by the Ministry of Health and we anticipate a further \$1.88 million from Bay of Plenty Regional Council. Construction of this sewerage scheme will begin in

the 2013/14 year with plans for the scheme to be functional by 2015/16.

This year we will spend \$5.57m on the construction of the full reticulation system. Because this project will be funded by loans, development contributions and subsidies, there will be no rating impact until the 2015/16 year.

Options for treatment and disposal are still being finalised; however, it is likely that a treatment facility will be established in Matatā, with land disposal of the high quality, treated sewage as the preferred option.

## WHAT WE ARE GOING TO DO

We are planning to undertake the following major projects this year.

DESCRIPTION	TOTAL (\$)	FUNDING SOURCE
Sewer pipe upgrades to address overflows in Whakatāne*	820,000	Loan 95% Development Contributions 5%
Whakatāne/ Ōhope sea outfall/diffuser condition assessment and upgrade*	200,000	Loan 25% Development Contribution 2% Renewal 73%
Ōhope Treatment Plant upgrade*	100,000	Loan 92% Development Contribution 8%
Edgecumbe reticulation upgrades*	10,000	Loan 100%
Whakatāne sewer reticulation renewal	100,000	Renewal 95% Development Contributions 5%
Murupara sewer reticulation renewal	150,000	Renewal 100%
Matatā Sewage Treatment Plant and Reticulation Construction*	5,570,000	Loans 8% Development Contribution 2% Subsidies 90%

\*Multi-year project

## WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
To provide high quality, efficient and reliable sewerage systems that meet the reasonable needs of the urban and commercial communities	Percentage of blockages and breakages affecting the system in Whakatāne are responded to within one hour**	90%
	Reducing environmental impacts of sewage by providing reticulated schemes in urban areas	Whakatāne Ōhope Edgecumbe Murupara Tāneatua Te Mahoe
	Satisfaction with the overall disposal and treatment of sewage (Customer Satisfaction Index score)	69-73
	Number of sewerage related resource consent infringement and abatement notices received by the Bay of Plenty Regional Council	0

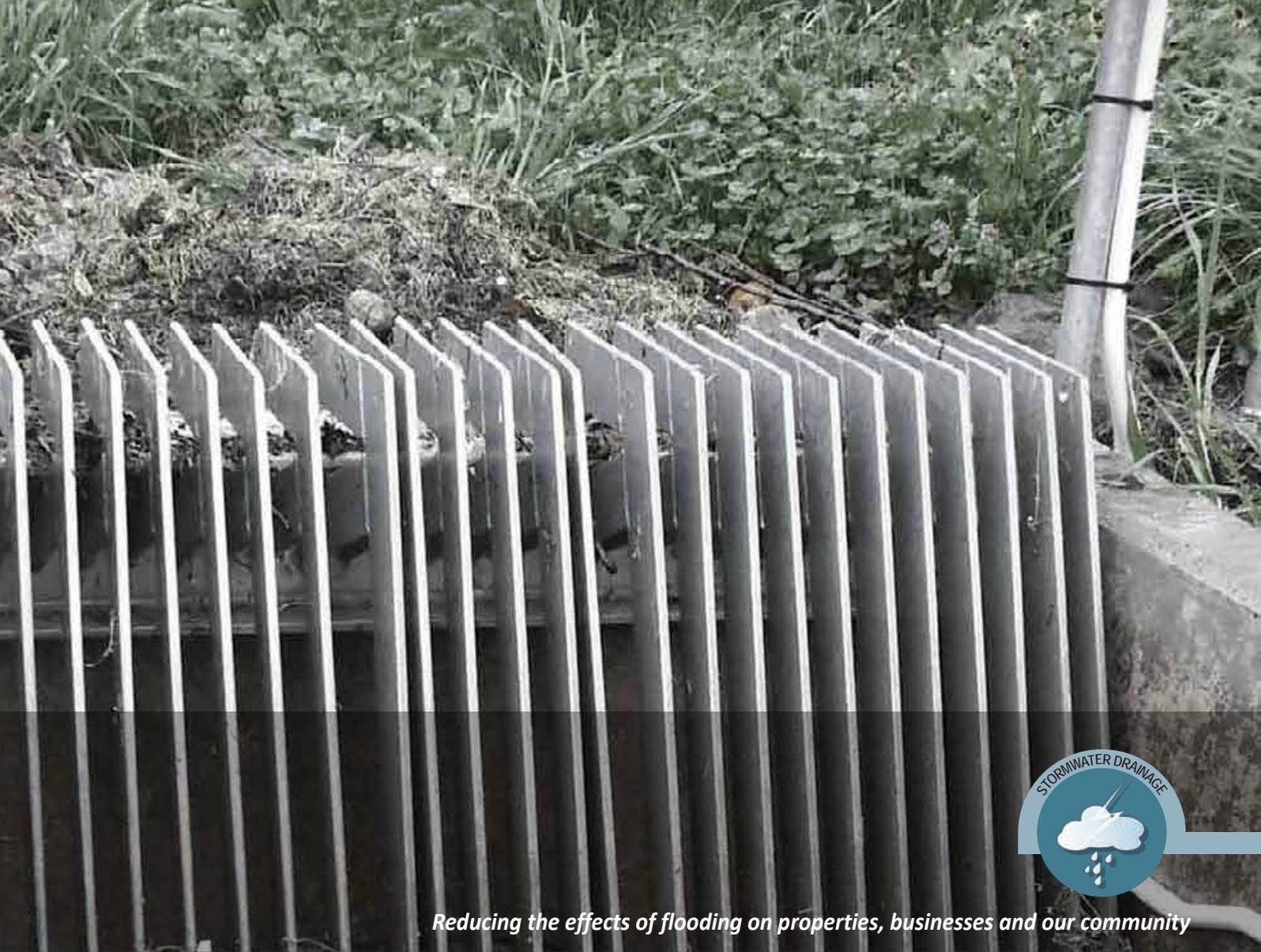
\*\*Note: Actual works required to remedy breakages and blockages will vary according to the extent of fault.



## TRADEWASTE

### IN BRIEF...

The Council’s sewerage system is also used by commercial and industrial properties to dispose of sewage. We call this tradewaste, as it is often quite different from the sewage produced by households in terms of quality and quantity. This year we will provide the same tradewaste removal service for businesses as we do for household sewage. Because tradewaste produced by businesses is often more contaminated than household sewage, we administer and charge for this service in a different way, to recover the true cost of treating tradewaste. We will also be undertaking regular monitoring and inspections of tradewaste premises to ensure that the toxin levels do not exceed the limits allowed under our Tradewaste Bylaw.



*Reducing the effects of flooding on properties, businesses and our community*

# STORMWATER DRAINAGE

Te Wai Āwhiowhio me ōna Rītenga



## WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

### FUNDING IMPACT STATEMENT - STORMWATER DRAINAGE

LTP 2012/13 \$000		LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>				
<b>Sources of operating funding</b>				
253	General rates, uniform annual general charges, rates penalties	367	342	(25)
2,313	Targeted rates (other than a targeted rate for water supply)	2,340	2,532	192
	- Subsidies and grants for operating purposes	-	-	-
	- Fees, charges, and targeted rates for water supply	-	-	-
2,021	Internal charges and overheads recovered	2,052	1,031	(1,021)
200	Local authorities fuel tax, fines, infringement fees, and other receipts	208	200	(8)
<b>4,787</b>	<b>Total operating funding (A)</b>	<b>4,967</b>	<b>4,105</b>	<b>(862)</b>
<b>Applications of operating funding</b>				
1,585	Payments to staff and suppliers	1,647	1,723	76
778	Finance costs	889	835	(54)
1,544	Internal charges & overheads applied	1,536	516	(1,020)
	- Other operating funding applications	-	-	-
<b>3,907</b>	<b>Total applications of operating funding (B)</b>	<b>4,072</b>	<b>3,074</b>	<b>(998)</b>
<b>880</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>895</b>	<b>1,031</b>	<b>136</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
	- Subsidies and grants for capital expenditure	-	-	-
114	Development and financial contributions	119	114	(5)
323	Increase (decrease) in debt	437	362	(75)
	- Gross proceeds from sale of assets	-	-	-
	- Lump sum contributions	-	-	-
<b>437</b>	<b>Total sources of capital funding (C)</b>	<b>556</b>	<b>476</b>	<b>(80)</b>
<b>Applications of capital funding</b>				
Capital expenditure				
	- - to meet additional demand	-	-	-
1,300	- to improve level of service	1,433	1,379	(54)
	- - to replace existing assets	-	-	-
17	Increase (decrease) in reserves	18	128	110
	- Increase (decrease) of investments	-	-	-
<b>1,317</b>	<b>Total applications of capital funding (D)</b>	<b>1,451</b>	<b>1,507</b>	<b>56</b>
<b>(880)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(895)</b>	<b>(1,031)</b>	<b>(136)</b>
	- <b>Funding Balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



## STORMWATER DRAINAGE



Community Outcomes

### IN BRIEF...

We provide this activity to help protect people, properties and the community from flooding where possible, in the most affordable way. The Council provides a range of infrastructure to deal with stormwater within our urban areas. We will continue to manage the seven stormwater schemes around the District. These schemes include underground pipes, open drains, overland flow paths, pump stations and stormwater ponds. All of our stormwater systems are designed to take stormwater away from built-up urban areas and discharge it into our waterways. The emotional and financial cost of flooding on our community can be very high. We will continue to make improvements to our stormwater systems to try and reduce the chance of flooding occurring. This includes a number of projects planned in the Whakatāne and Ōhope catchment areas this year to increase the level of protection provided.

### INCREASING YOUR PROTECTION FROM STORMWATER

We have now completed the Whakatāne Urban Stormwater Study, which has reprioritised works that we had planned. Some projects which were planned for the 2013/14 year were completed in 2012/13 and others have been re-scoped. One project which may change as a result is the Wainui Te Whara Stream urban catchment flood mitigation works. Two options are currently under investigation, one being a general canal upgrade and the other an upstream ponding area. Of these two options, the construction of the ponding area upstream is preferred.

The option to increase the channel capacity of the stream involves the widening of the stream and raising of stopbanks in certain areas between Valley Rd and Awatapu Lagoon outlet. Initial modelling and studies have been done and some issues have arisen. Specifically, it is predicted that this option may cause damage and inconvenience to some property owners around the stream in the construction phase. It would also allow large quantities of water to flow through the town causing severe strain on the existing stop banks.

The second option (an upstream ponding area) involves the construction of a ponding area in the upper catchment to temporarily store excess stormwater and release it in a controlled way; in a similar way as the ponding system along Waiewe Stream operates today. This project has not yet been finalised and Geotech studies and investigations are continuing. The ponding area would be designed to best practice standards to ensure the protection and security of downstream properties.

These options are both similar in cost, at a projected total of \$1.45m. This year, we are proposing to spend \$250,000 on further investigations and to begin the resource consent process.

There will be further consultation with the community once the preferred option has been finalised later in the 2013 year.

## WHAT WE ARE GOING TO DO

We are planning to undertake the following major projects this year.

DESCRIPTION	TOTAL (\$)	FUNDING SOURCE
Wainui Te Whara Stream urban catchment flood mitigation works*	250,000	Loan 65% Renewal 30% Development Contributions 5%
McAlister Pump Station upgrades*	600,000	
Hinemoa Street pump station catchment flood mitigation works	139,470	
Ōhope upgrades and works	320,000	Loan 100%

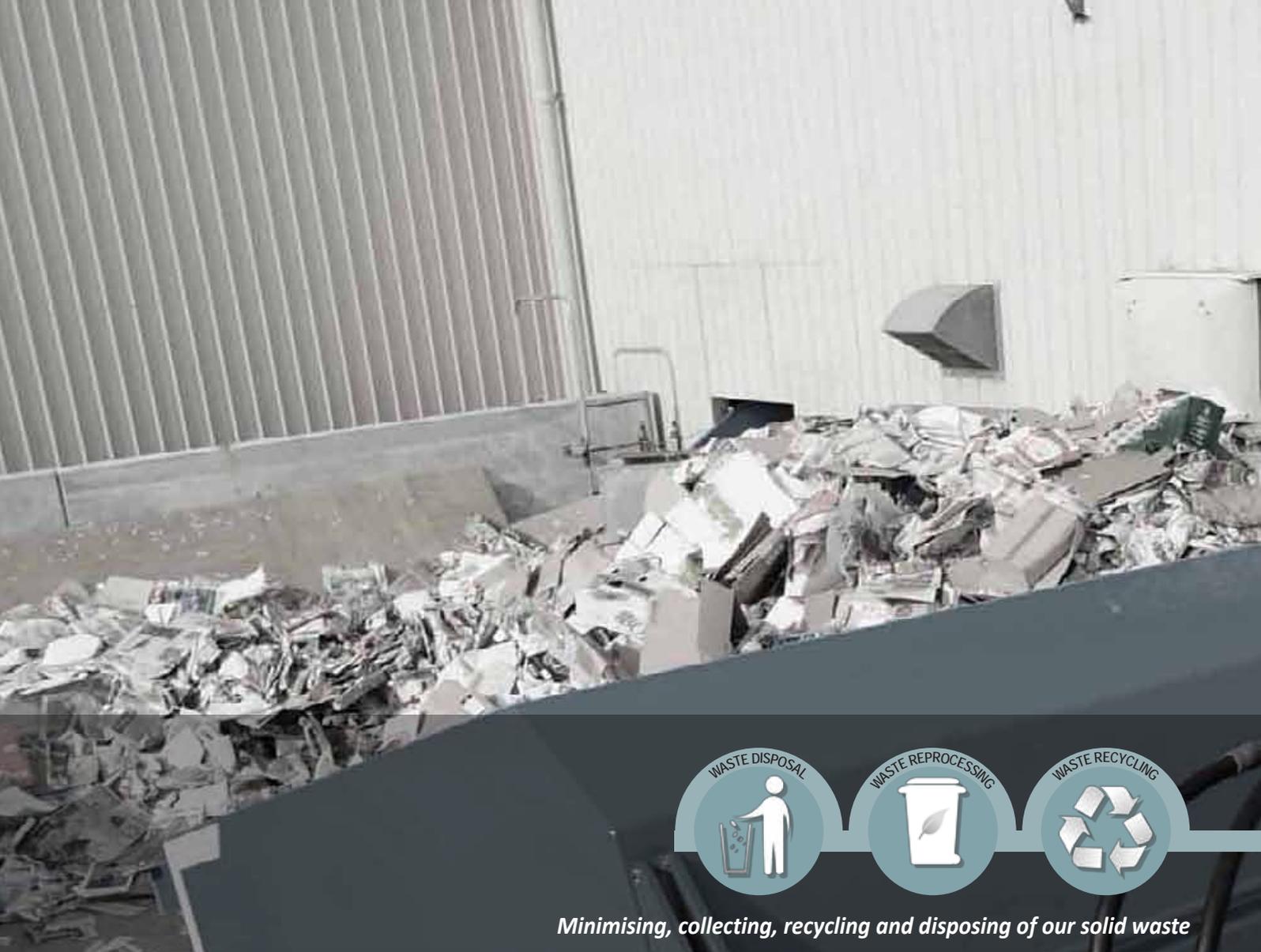
\*Multi-year project

## WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Provide a quality and safe urban stormwater system accessible throughout Whakatāne (including Otarawairere), Ōhope, Edgecumbe, Matatā, Murupara, Tāneatua, Te Mahoe and Te Teko	Initial response time to blockages affecting the system within three hours**	86%
	Percentage of stormwater systems built to meet one in 10 year rainfall event	80%

\*\*Note: actual work required to remedy breakages and blockages will vary according to the extent of the fault.



*Minimising, collecting, recycling and disposing of our solid waste*

# WASTE

Ngā Parapara



## WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

## FUNDING IMPACT STATEMENT - WASTE

LTP 2012/13 \$000		LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>				
<b>Sources of operating funding</b>				
501	General rates, uniform annual general charges, rates penalties	500	1,024	524
3,883	Targeted rates (other than a targeted rate for water supply)	3,656	3,786	130
100	Subsidies and grants for operating purposes	103	100	(3)
1,350	Fees, charges, and targeted rates for water supply	1,393	1,220	(173)
	- Internal charges and overheads recovered	-	-	-
	- Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>5,834</b>	<b>Total operating funding (A)</b>	<b>5,652</b>	<b>6,130</b>	<b>478</b>
<b>Applications of operating funding</b>				
4,371	Payments to staff and suppliers	4,358	4,776	418
248	Finance costs	262	237	(25)
734	Internal charges & overheads applied	746	726	(20)
	- Other operating funding applications	-	-	-
<b>5,353</b>	<b>Total applications of operating funding (B)</b>	<b>5,366</b>	<b>5,739</b>	<b>373</b>
<b>481</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>286</b>	<b>391</b>	<b>105</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
	- Subsidies and grants for capital expenditure	-	-	-
8	Development and financial contributions	9	8	(1)
(240)	Increase (decrease) in debt	(202)	(198)	4
	- Gross proceeds from sale of assets	-	-	-
	- Lump sum contributions	-	-	-
<b>(232)</b>	<b>Total sources of capital funding (C)</b>	<b>(193)</b>	<b>(190)</b>	<b>3</b>
<b>Applications of capital funding</b>				
Capital expenditure				
10	- to meet additional demand	-	-	-
75	- to improve level of service	26	25	(1)
10	- to replace existing assets	-	-	-
154	Increase (decrease) in reserves	67	176	109
	- Increase (decrease) of investments	-	-	-
<b>249</b>	<b>Total applications of capital funding (D)</b>	<b>93</b>	<b>201</b>	<b>108</b>
<b>(481)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(286)</b>	<b>(391)</b>	<b>(105)</b>
	<b>- Funding Balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



## WASTE DISPOSAL



Community Outcomes

### IN BRIEF...

The focus for this year will be the continued effort to reduce the environmental and financial impact of our waste by reducing the amount we send to landfill. We will provide kerbside waste collection service to approximately 13,200 households around the District. This service is offered in Whakatāne, Ōhope, Tāneatua, Edgecumbe, Te Teko, Matatā, Murupara and in some rural areas. There are a number of transfer stations around the District, including those in Whakatāne, Murupara, Ruatahuna and Minginui. As we do not own a landfill, waste is transported to Tirohia in the Waikato for disposal. Our waste collection, disposal, recycling and reprocessing services are managed through private contractors.

Over the next year, expenditure for this activity is expected to rise due to increases in transportation, emission trading scheme and other related costs. We will work hard to raise awareness of waste issues and encourage all households to reduce the waste they produce. For further detail on how we are reducing the amount of waste transported out of the District, see the Waste Recycling and Waste Reprocessing activities that follow. Information can also be found in our Waste Management and Minimisation Plan. Waste fees and charges have been increased this year to reflect the actual costs of undertaking this activity.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Waste Minimisation is actively promoted to all residents/ratepayers and strategies are put in place to manage waste for the long term	Decrease in the portion of waste sent to landfill	48%



## WASTE RECYCLING

### IN BRIEF...

Recycling stops materials which could be re-used, going to landfill. By reducing waste to landfill, we reduce transportation and disposal costs and reduce the negative impacts on the environment. Recyclables will continue to be collected in tandem with general refuse and can also be dropped off, free of charge, to any of the Council's transfer stations. This activity also involves educational campaigns and work with the community to get the message through about how you can recycle, what can be recycled and why it should be recycled.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Waste Minimisation is actively promoted to all residents/ratepayers and strategies are put in place to manage waste for the long term	Increase in the proportion of waste being recycled	22%



## WASTE REPROCESSING

### IN BRIEF...

By reprocessing waste we can reduce the cost of waste disposal, reduce the harm caused to the environment by disposing of waste and turn the waste into a product that is valuable to the Council and the community. Over the next year we will provide greenwaste collection, greenwaste disposal and concrete reprocessing services. Around 10,000 properties in urban Whakatāne, Ōhope, Tāneatua, Te Teko, Edgumbe, Matatā and Murupara will receive the greenwaste collection service. Greenwaste bins can include garden waste such as leaves, grass clippings, plants and small branches. This is then collected and processed at the Kawerau EcoCast site where it is turned into a valuable compost material. This is currently the most cost effective solution compared to sending greenwaste to landfill.

Investigations are being undertaken into a possible new processing facility which would increase capacity and reduce transportation costs. As with Waste Recycling, there is more to this activity than the collection and disposal of waste. It also includes letting the community know how, when and what they should be putting in their greenwaste bins.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Waste Minimisation is actively promoted to all residents/ratepayers and strategies are put in place to manage waste for the long term	Increase in the proportion of waste being reprocessed	30%



*Protecting our environment for us and our children*

# ENVIRONMENTAL SUSTAINABILITY

Te Pūtaiao



## WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

### FUNDING IMPACT STATEMENT - ENVIRONMENTAL SUSTAINABILITY

LTP 2012/13 \$000		LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>				
<b>Sources of operating funding</b>				
873	General rates, uniform annual general charges, rates penalties	1,055	1,057	2
	- Targeted rates (other than a targeted rate for water supply)	-	-	-
	- Subsidies and grants for operating purposes	-	-	-
421	Fees, charges, and targeted rates for water supply	434	275	(159)
	- Internal charges and overheads recovered	-	-	-
147	Local authorities fuel tax, fines, infringement fees, and other receipts	152	101	(51)
<b>1,441</b>	<b>Total operating funding (A)</b>	<b>1,641</b>	<b>1,433</b>	<b>(208)</b>
<b>Applications of operating funding</b>				
1,102	Payments to staff and suppliers	1,129	1,191	62
97	Finance costs	141	140	(1)
593	Internal charges & overheads applied	598	534	(64)
	- Other operating funding applications	-	-	-
<b>1,792</b>	<b>Total applications of operating funding (B)</b>	<b>1,868</b>	<b>1,865</b>	<b>(3)</b>
<b>(351)</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(227)</b>	<b>(432)</b>	<b>(205)</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
	- Subsidies and grants for capital expenditure	-	-	-
	- Development and financial contributions	-	-	-
381	Increase (decrease) in debt	268	511	243
	- Gross proceeds from sale of assets	-	-	-
	- Lump sum contributions	-	-	-
<b>381</b>	<b>Total sources of capital funding (C)</b>	<b>268</b>	<b>511</b>	<b>243</b>
<b>Applications of capital funding</b>				
Capital expenditure				
	- to meet additional demand	-	-	-
	- to improve level of service	-	-	-
	- to replace existing assets	-	-	-
30	Increase (decrease) in reserves	41	79	38
	- Increase (decrease) of investments	-	-	-
<b>30</b>	<b>Total applications of capital funding (D)</b>	<b>41</b>	<b>79</b>	<b>38</b>
<b>351</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>227</b>	<b>432</b>	<b>205</b>
	- Funding Balance ((A-B) + (C-D))	-	-	-



## RESOURCE MANAGEMENT - POLICY



### IN BRIEF...

A major focus for the coming year for this activity will be the continuation of the District Plan review. The District Plan controls the way we use, subdivide and develop land in the District. It identifies where activities can take place, what land can be developed and what special features of our District should be protected. This is done through the sustainable management of natural and physical resources. It involves a robust process of weighing up the costs and benefits of the decisions we make. The Proposed District Plan was notified on 28 June 2013. This year we will be considering the submissions received and working on the next steps to make the Plan operative. We also will prepare policies and plans as required under the Resource Management Act 1991.

### WHAT HAS CHANGED

Alongside the development of the District Plan, we will also be developing a planning framework to identify and manage the natural hazard risks from landslides in the Whakatāne, Ōhope and Matatā areas. We have included \$170,000 in this year's budget for this investigation project and it is likely that recommendations from this project will involve changes to the District Plan rules.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Growth and development is planned while our natural and physical resources are managed in a sustainable manner	Status of the second generation District Plan	Under review



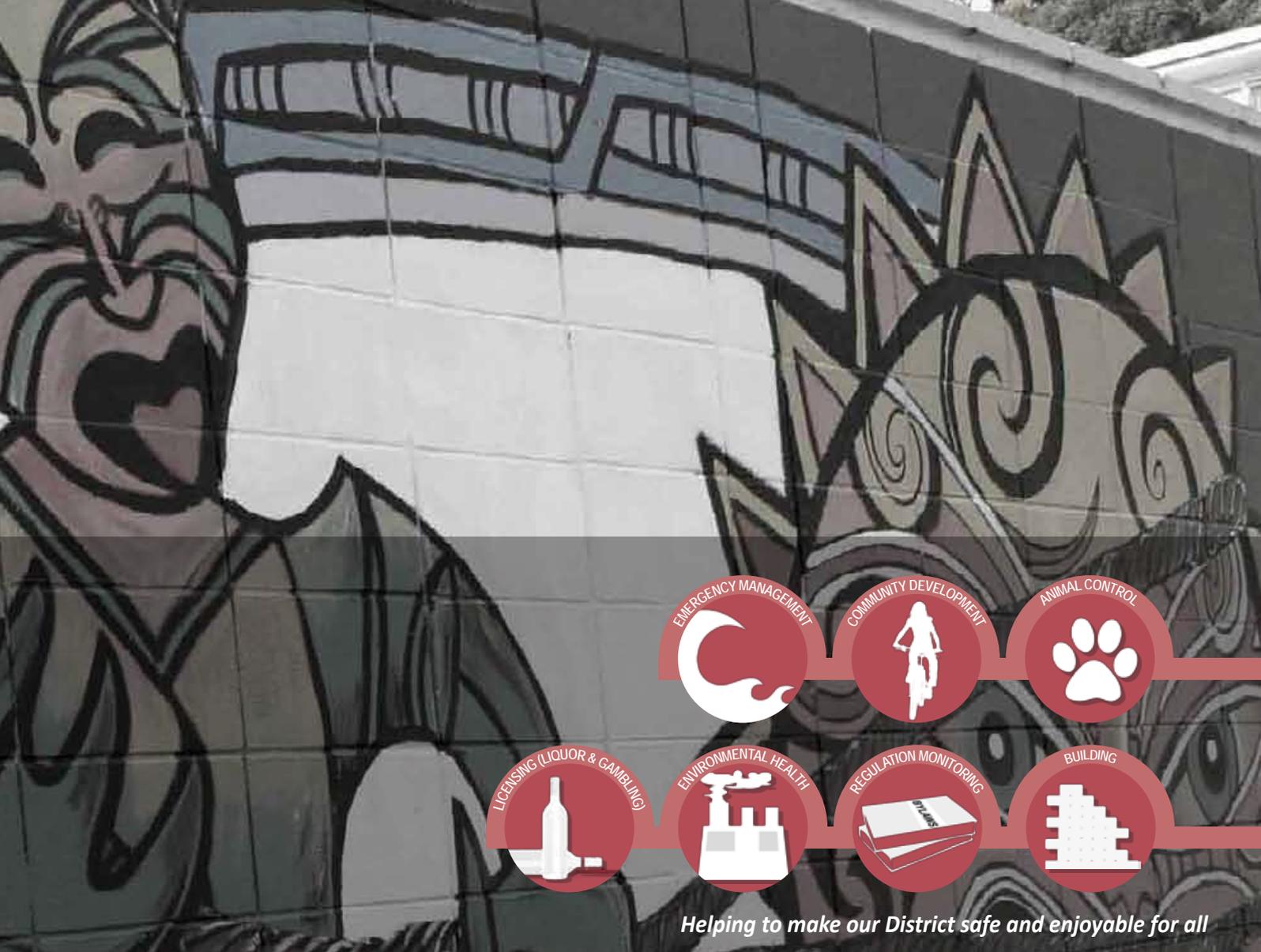
## IN BRIEF...

The aim of this activity is to manage how land can be used sustainably. We will continue to administer the District Plan by receiving, processing and determining applications to use, develop and subdivide land. This includes monitoring compliance with the conditions of consents to ensure any negative effects on the environment are avoided, remedied or mitigated. The aim of this activity is to ensure everybody in the District enjoys where we live and decisions are made in line with our District Plan. We recommend you come and talk to us before or during works so that risks such as delays and unforeseen costs can be reduced.

## WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Resource Management Act (RMA) administrative services are provided to facilitate environmentally sustainable development within the Whakatāne District	Satisfaction with Council's resource consent process (Customer Satisfaction Index score)	54-58
	Average (median) working days for processing land use resource consents	15 days
	Average (median) working days for processing non-notified subdivision resource consents	20 days
	Number of resource consent decisions overturned by the Environment Court	0
	Percentage of land use consents granted in the previous financial year are monitoring for compliance with conditions of consent by 30 June each year	100%



*Helping to make our District safe and enjoyable for all*

# COMMUNITY SAFETY

Te Whakamaru o Tū



## WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

### FUNDING IMPACT STATEMENT - COMMUNITY SAFETY

LTP 2012/13 \$000		LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>				
<b>Sources of operating funding</b>				
1,339	General rates, uniform annual general charges, rates penalties	1,437	1,641	204
	- Targeted rates (other than a targeted rate for water supply)	-	-	-
87	Subsidies and grants for operating purposes	90	70	(20)
1,184	Fees, charges, and targeted rates for water supply	1,239	1,108	(131)
	- Internal charges and overheads recovered	-	-	-
509	Local authorities fuel tax, fines, infringement fees, and other receipts	525	438	(87)
<b>3,119</b>	<b>Total operating funding (A)</b>	<b>3,291</b>	<b>3,257</b>	<b>(34)</b>
<b>Applications of operating funding</b>				
1,862	Payments to staff and suppliers	2,013	2,013	-
1	Finance costs	2	1	(1)
1,027	Internal charges & overheads applied	1,034	925	(109)
	- Other operating funding applications	-	-	-
<b>2,890</b>	<b>Total applications of operating funding (B)</b>	<b>3,049</b>	<b>2,939</b>	<b>(110)</b>
<b>229</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>242</b>	<b>318</b>	<b>76</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
	- Subsidies and grants for capital expenditure	-	63	63
	- Development and financial contributions	-	-	-
39	Increase (decrease) in debt	(5)	(3)	2
	- Gross proceeds from sale of assets	-	-	-
	- Lump sum contributions	-	-	-
<b>39</b>	<b>Total sources of capital funding (C)</b>	<b>(5)</b>	<b>60</b>	<b>65</b>
<b>Applications of capital funding</b>				
Capital expenditure				
	- to meet additional demand	-	-	-
39	- to improve level of service	-	-	-
	- to replace existing assets	-	77	77
229	Increase (decrease) in reserves	237	301	64
	- Increase (decrease) of investments	-	-	-
<b>268</b>	<b>Total applications of capital funding (D)</b>	<b>237</b>	<b>378</b>	<b>141</b>
<b>(229)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(242)</b>	<b>(318)</b>	<b>(76)</b>
	<b>- Funding Balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



## LICENSING (LIQUOR & GAMBLING)



Community Outcomes

### IN BRIEF...

We undertake this activity to protect the community from excessive and unsafe exposure to alcohol and gambling facilities. This activity promotes responsible drinking habits in safe environments and helps to reduce the risk of harm caused by the excessive or inappropriate consumption of alcohol. This year we will monitor and control alcohol and gaming venues in our District, through our role as the District Licensing Committee. This involves processing and issuing licences relating to the sale of liquor, working with other organisations to perform controlled purchase operations and administering the Gambling Policy for Class Four Venues (Gaming machine venues) and Board Venues (TABs).

A project was started in the 2012/13 year to respond to the changes required by the new Sale and Supply of Alcohol Act 2012. This Act creates changes for licence holders, holders of manager's certificates, territorial authorities, enforcement agencies and the public. The Act comes into force in stages, most of which will be in the 2013/14 year. For this project we will be working collaboratively with Ōpōtiki District Council and Kawerau District Council to create a Joint District Licensing Committee and a Local Alcohol Policy.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Licensed premises comply with the Sale of Liquor Act and Gambling Act	Percentage of licensed premises inspected each year	100%
	Controlled purchase operations are conducted annually	Two per year



## REGULATION MONITORING

### IN BRIEF...

We undertake this activity in response to public demand to deal with the issues of nuisance, public health and safety and offensive behaviour. There is a public expectation that we will respond to and enforce bylaws and statutes where required. Because the costs of enforcement can be high, we aim to operate in a holistic way and consider a range of solutions to issues. Over the next year, we will continue to enforce a number of the Council’s bylaws. Key duties include licensing of street stalls, removing obstructions in public places such as overgrown trees, responding to complaints about long grass in urban areas, fire prohibitions, removing abandoned vehicles or vehicles parked in the wrong place and responding to illegal dumping.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
The Council administers and enforces bylaws to deal with issues that create nuisance to the community	Percentage of urgent* complaints relating to bylaw breaches responded to within one hour and non-urgent within 24 hours	100%

\* Urgent, in this context, means anything with an immediate and significant impact on people’s health and safety, or on the environment.



## BUILDING

COMMUNITY SAFETY

### IN BRIEF...

This activity focuses on protecting the community from unsafe buildings and ensures that buildings are designed and constructed in a manner that is sustainable development. The Building activity is responsible for receiving, processing and issuing building consents, through our role as a Building Consent Authority. We will conduct inspections and enforce building consents in terms of what is built and how it is built. This means we will respond to building complaints and offer advice to people who are buying or building a home. This activity is heavily dependent on legislation, specifically the Building Act 2004. This year we will be looking at standardising our processes regionally by working closely with the Lakes Coast Cluster Group. We will also be working with business owners in the Whakatāne CBD in order to support the earthquake strengthening programme. We work hard to try and ensure people, including developers, are clear about requirements, including costs and timeframes. We encourage you to come in and talk to us before or during works to ensure things are done correctly the first time.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
High quality outcomes for building consent and code compliance applications are provided in a timely and professional manner	Satisfaction with the process Council used for your building consent	56-60
	Average working days for processing building consents	15 days



## ENVIRONMENTAL HEALTH



Community Outcomes

### IN BRIEF...

We provide this activity to ensure public health is maintained so you are confident that your food is safe when you go out to eat, or your water supply is safe and free from contamination. For this activity, there are three key functions. Firstly, we will provide licensing of registered premises such as food premises, camping grounds, funeral directors and hairdressers. Secondly, we will monitor the state of the environment including public and private water supplies, environmental noise and contaminated land. Thirdly, we will respond to nuisance complaints such as excessive and unreasonable noise, offensive refuse and odour from neighbouring properties. This activity is regulated by the Food Act 1981, Health Act 1956, Resource Management Act 1991, Building Act 2004 and associated regulations and bylaws. A key issue for this activity is that the legislative landscape is continually changing. We will keep on top of any changes by ensuring that staff have the appropriate resources available to them to ensure compliance.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
100% of residents and ratepayers have access to healthy buildings and a healthy environment	Satisfaction that the Environmental Control Services such as public health, food, noise, litter and liquor licensing make the environment a healthier place to live (Customer Satisfaction Index score)	66-70
	Percentage of after-hours excessive noise complaints responded to within contracted timeframes	100%



# EMERGENCY MANAGEMENT

## IN BRIEF...

The purpose of this activity is to ensure the community is prepared for natural hazards and the adverse environmental effects that may follow. This includes making sure we are able to respond quickly and appropriately to any situation threatening our community. We will achieve this through our Civil Defence, Rural Fire and Hazardous Substances functions.

This year we will give effect to the Bay of Plenty Group Civil Defence Emergency Management Plan through our planning to achieve the objectives and goals it contains. This includes response planning and public education to ensure public preparedness. We will also be reviewing local planning arrangements and specifically working on district earthquake and volcanic procedures.

It is likely that the Whakatāne District Rural Fire Authority will become part of an Enlarged Central North Island Rural Fire Authority in the next financial year. This may change the geographic area that the Council administers for rural fire by rationalising areas of responsibility with the Department of Conservation and Pumicelands Rural Fire Authorities. These changes will see efficiencies across the sector in time.

## WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
The Council will respond and lead the community in an emergency	Percentage of major events where an Emergency Operation Centre is setup and functional within two hours of the controller establishing the event as a major emergency	100%
	Frequency of regular and ongoing training undertaken by the Whakatāne Emergency Response Team and the Whakatāne Rural Fire Force	Fortnightly



## COMMUNITY DEVELOPMENT



### IN BRIEF...

We will deliver projects that promote a District response to local and national social issues which threaten the safety and health of our communities. The Council provides this activity in response to public demand, although many of the policies developed in this area are required by legislation. Over the coming year, we will coordinate the development of projects, strategies, policies and programmes that improve social well-being and/or reduce crime, in line with our Community Strategy. Because of the nature of this activity, most projects are funded through grants and subsidies from Central Government and charitable trusts. Part of this activity also involves coordinating the Whakatāne District Youth Council. This year we will be defining priority areas and accessing funding to ensure the effective delivery of this activity. A focus will be the co-ordination with other council activities (such as Road Safety) and agencies to achieve positive community outcomes.

### WHAT HAS CHANGED

This year we have included an additional \$77,000 for the upgrade and extension of our CCTV network. The majority of this project will be funded by subsidy and the remainder will be funded through the Harbour Fund and Parking reserves. This project is part of a continual renewal of the CCTV network over the course of the LTP.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Social well-being is improved in the District through a range of strategies, policies and projects	Number of programmes or projects completed on an annual basis in response to social issues facing the District	4



## ANIMAL CONTROL



### IN BRIEF...

This service aims to ensure public safety and safeguards the community from wandering, threatening and attacking animals. We do this by providing dog and stock control services, as well as the pound service. This includes services for dog registration, advising the public on responsible animal ownership, receiving complaints and taking enforcement action where necessary. The pound service gives roaming or abandoned animals’ shelter and food. We try to rehouse these animals where possible and appropriate.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Public safety and comfort is protected	Percentage of aggressive/threatening dogs and roaming stock complaints responded to within half an hour. All other complaints responded to within 24 hours	100%
	Satisfaction with Councils Dog Control Service (Customer Satisfaction Index score)	67-71

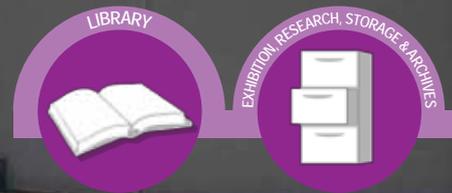
COMMUNITY SAFETY

# TE KÓPUTU A TE WHANGA A TOI

## Whakatāne Library & Exhibition Centre



*Safeguarding the treasures of the past and providing access to art, literature and learning*



## ARTS & CULTURE

Ngā Mahi Toi Whakairo



## WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

### FUNDING IMPACT STATEMENT - ARTS & CULTURE

LTP 2012/13 \$000		LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>				
<b>Sources of operating funding</b>				
3,038	General rates, uniform annual general charges, rates penalties	3,125	3,102	(23)
	- Targeted rates (other than a targeted rate for water supply)	-	-	-
3	Subsidies and grants for operating purposes	3	3	-
25	Fees, charges, and targeted rates for water supply	26	26	0
	- Internal charges and overheads recovered	-	-	-
72	Local authorities fuel tax, fines, infringement fees, and other receipts	72	62	(10)
<b>3,138</b>	<b>Total operating funding (A)</b>	<b>3,226</b>	<b>3,193</b>	<b>(33)</b>
<b>Applications of operating funding</b>				
1,021	Payments to staff and suppliers	1,052	1,088	36
204	Finance costs	231	248	17
1,649	Internal charges & overheads applied	1,637	1,418	(219)
	- Other operating funding applications	-	-	-
<b>2,874</b>	<b>Total applications of operating funding (B)</b>	<b>2,920</b>	<b>2,754</b>	<b>(166)</b>
<b>264</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>306</b>	<b>439</b>	<b>133</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
	- Subsidies and grants for capital expenditure	-	42	42
	- Development and financial contributions	-	-	-
(74)	Increase (decrease) in debt	(83)	(91)	(8)
	- Gross proceeds from sale of assets	-	-	-
	- Lump sum contributions	-	-	-
<b>(74)</b>	<b>Total sources of capital funding (C)</b>	<b>(83)</b>	<b>(49)</b>	<b>34</b>
<b>Applications of capital funding</b>				
Capital expenditure				
	- to meet additional demand	-	155.00	155.00
	- to improve level of service	-	12	12
125	- to replace existing assets	129	130	1
65	Increase (decrease) in reserves	94	93	(1)
	- Increase (decrease) of investments	-	-	-
<b>190</b>	<b>Total applications of capital funding (D)</b>	<b>223</b>	<b>390</b>	<b>167</b>
<b>(264)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(306)</b>	<b>(439)</b>	<b>(133)</b>
	- Funding Balance ((A-B) + (C-D))	-	-	-



## LIBRARY



Community Outcomes

### IN BRIEF...

We provide a community space in all four libraries in the District, located in Whakatāne, Murupara, Edgecumbe and Ōhope. Our libraries offer access to collections of contemporary and relevant books and activities. Through our libraries, we will continue to provide valuable borrowing resources for over 12,000 card holders. The Libraries are part of a learning facility and we provide information in all its forms – Visual/Virtual, Auditory, Read/Write and Kinaesthetic. This is to acknowledge the fact that everyone learns in their own way.

This year we have budgeted to spend \$100,000 on collection renewals. We will continue to share resources with other libraries through the Infoshare programme, specifically those operated by the Rotorua District Council and the Western Bay of Plenty District Council.

Part of this activity also involves supporting education through literacy. We will do this by exploring partnership opportunities and programmes such as SPELD, Duffy Books and Reading Programmes. With a new role dedicated to developing public programmes, you will see a number of community events, programmes and initiatives offered at the District's public libraries.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
The Council ensures all members of the community have ready access to a wide range of resources for information, education, leisure and cultural enrichment	Satisfaction with the Library & Exhibition Centre (Customer Satisfaction Index score)	79-83
	Increase in the number of card holders across the District	12,200 card holders

### WHAT HAS CHANGED

We have included an additional \$30,000 capital expenditure for a Smart Bin at the Whakatāne Library. The Smart Bin helps with the sorting and processing of returned books and ensures that double handling is reduced. This means we can use our time more effectively to ensure you get the best experience at your main library.



## EXHIBITION, RESEARCH, STORAGE & ARCHIVES



Community Outcomes

### IN BRIEF...

We do this activity to support the cultural, educational, leisure and community values of the District. This activity helps preserve our heritage intergenerationally and also provides a significant sense of pride in the place we have chosen to live. Over the next year we will continue to provide a number of local, national and international exhibitions through our award-winning Te Kōputu a te Whanga a Toi Whakatāne Library and Exhibition Centre. Exhibitions planned for the year include the nationally recognised Molly Morpeth Canada Art Award, Whakatāne Society of Arts and Crafts, Conversations in Te Urewera and WWI Commemorations.

We will continue to operate the Whakatāne District Museum Research Centre to provide safe storage for over 800,000 objects, archives and photographs, many deemed to be of national importance.

### WHAT HAS CHANGED

We have included an additional \$12,000 capital expenditure this year for specialised lighting for the museum display, foyer displays and gallery. These lights will offer greater flexibility and higher level of presentation for exhibitions. Support funding for this item will be sourced from external grants.

In the 2011/12 and 2012/13 years we had budgeted a total of \$1.00m into our plans for the development of the Museum Research Centre (under the Corporate Property activity); However, work was not undertaken and as a result, the loans were not drawn down. We will now be undertaking a needs assessment to determine how the development of this facility will take place. This includes identifying the most appropriate option for our community and ensuring the long-term preservation of the collections for future generations. Once the needs assessment has taken place and we have identified the best way forward, the previously budgeted funds will be carried forward for the project.

Another addition to this year's Annual Plan is landscaping outside Te Kōputu a te Whanga a Toi Whakatāne Library and Exhibition Centre and the relocation of the Lion in the Meadows from the Civic Centre. We have budgeted \$100,000 for this project, which will be funded from the Harbour Fund and partially recovered from other tenants in the immediate area. This means that there will be no rating impact.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
The Council provides dynamic facilities and services that help create a strong sense of community pride and identity, reflecting the heritage and culture of our region	Number of exhibitions per year	Minimum of 10



*Providing places for communities to gather and affordable housing for our elderly residents*

# COMMUNITY PROPERTY

Ngā Rawa o Te Hāpori



## WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

### FUNDING IMPACT STATEMENT - COMMUNITY PROPERTY

LTP 2012/13 \$000		LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>				
<b>Sources of operating funding</b>				
631	General rates, uniform annual general charges, rates penalties	623	632	9
	- Targeted rates (other than a targeted rate for water supply)	-	-	-
	- Subsidies and grants for operating purposes	-	-	-
730	Fees, charges, and targeted rates for water supply	751	752	1
	- Internal charges and overheads recovered	-	203	203
6	Local authorities fuel tax, fines, infringement fees, and other receipts	6	6	-
<b>1,367</b>	<b>Total operating funding (A)</b>	<b>1,380</b>	<b>1,593</b>	<b>213</b>
<b>Applications of operating funding</b>				
670	Payments to staff and suppliers	692	818	126
29	Finance costs	24	20	(4)
361	Internal charges & overheads applied	367	408	41
	- Other operating funding applications	-	-	-
<b>1,060</b>	<b>Total applications of operating funding (B)</b>	<b>1,083</b>	<b>1,246</b>	<b>163</b>
<b>307</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>297</b>	<b>347</b>	<b>50</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
	- Subsidies and grants for capital expenditure	-	-	-
59	Development and financial contributions	60	59	(1)
(123)	Increase (decrease) in debt	(26)	(25)	1
319	Gross proceeds from sale of assets	233	226	(7)
	- Lump sum contributions	-	-	-
<b>255</b>	<b>Total sources of capital funding (C)</b>	<b>267</b>	<b>260</b>	<b>(7)</b>
<b>Applications of capital funding</b>				
Capital expenditure				
24	- to meet additional demand	-	-	-
85	- to improve level of service	77	65	(12)
172	- to replace existing assets	142	138	(4)
281	Increase (decrease) in reserves	345	404	59
	- Increase (decrease) of investments	-	-	-
<b>562</b>	<b>Total applications of capital funding (D)</b>	<b>564</b>	<b>607</b>	<b>43</b>
<b>(307)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(297)</b>	<b>(347)</b>	<b>(50)</b>
	<b>- Funding Balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



## PENSIONER HOUSING



Community Outcomes

### IN BRIEF...

We do this activity to ensure the safety and protection of our elderly tenants and in response to public demand. Over the next year we will continue to own and provide six housing developments for the benefit of the elderly in our District. There are four housing developments that provide 72 rentable units in Whakatāne and two in Murupara that provide a further seven rentable units. The housing developments are very popular, with an occupancy rate of around 98.4% in 2011/12. Units are rented at 20% below market rate, meaning tenants are paying slightly less rent than they would pay to a private owner. These units are self-funding and do not cost ratepayers money to maintain. This year, we will be continuing our maintenance programme, which includes disabled access improvements, refurbishments and general renewals at a proposed cost of around \$97,000.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Affordable, safe and secure pensioner housing is provided to people who meet the Whakatāne District Council eligibility criteria	Number of Council pensioner units provided	79



## COMMERCIAL PROPERTY



Community Outcomes

COMMUNITY PROPERTY

### IN BRIEF...

Our commercial properties are a series of eight properties we own and run as commercial ventures, which provide an income for the District. We keep these commercial properties because they are in a strategic location or may have a potential value to the Council and the community in the future. We will manage these properties to ensure they achieve a commercial return in the medium-term, helping to offset rates. Generally our agreements are short-term leases and are regularly reviewed. Through this year, we will adopt a divestment programme for our commercial properties at Piripai and Port Ōhope.



# HALLS



Community Outcomes

## IN BRIEF...

This activity provides the community with facilities to build community spirit and encourage recreational, social and learning activities. While we will continue to provide 14 urban and rural community-based halls throughout the District, we will look at how we operate and manage our halls in line with our Community Halls Strategy and Community Halls Policy. These documents aim to encourage the community to become more involved in the ownership and operation of our halls and will encourage better utilisation of the facilities. We have included a performance measure which states that we are planning to move two of our rural halls to be community-managed. This will only happen if there is sufficient interest from a community to transfer the management to a dedicated community group.

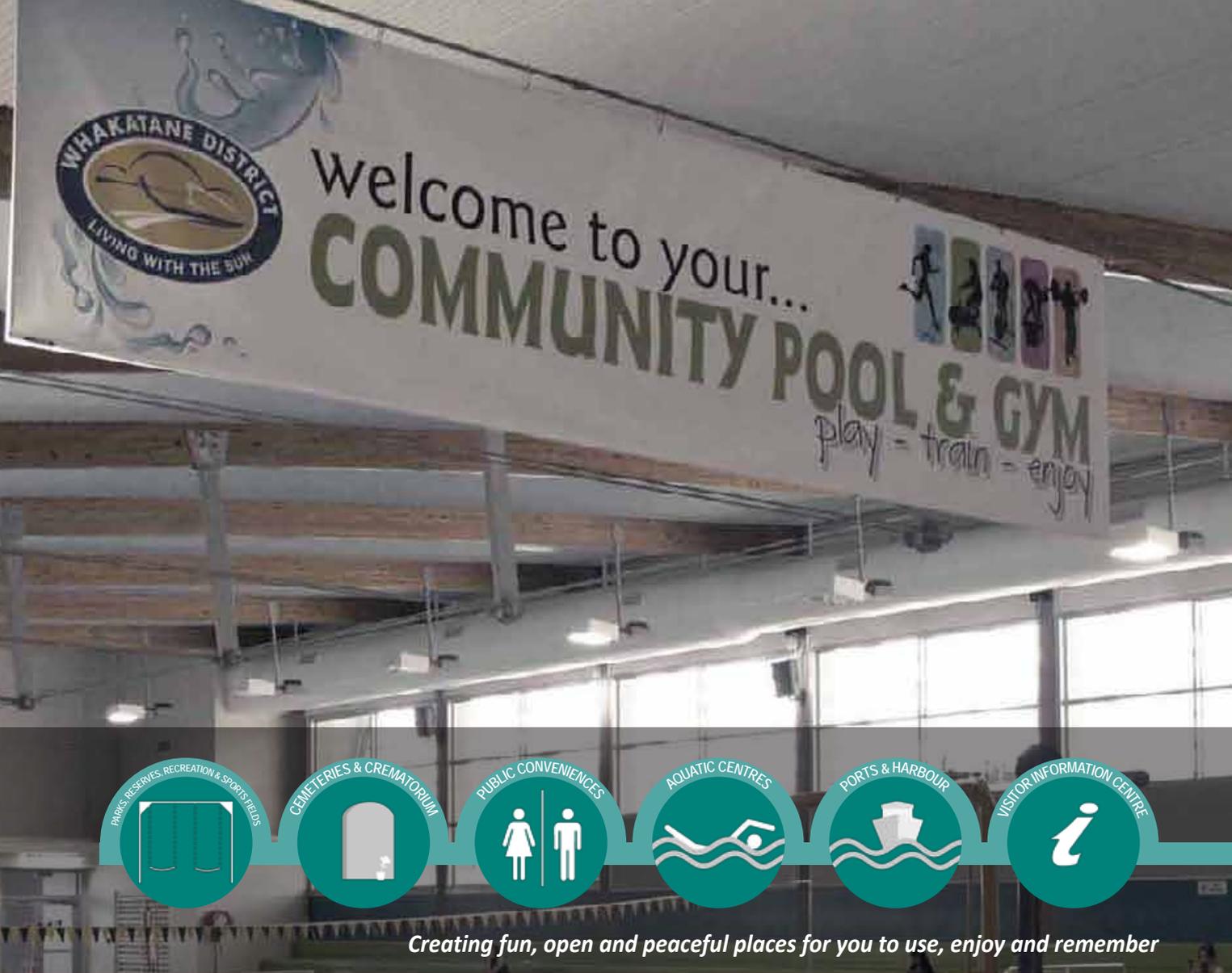
We encourage you to get involved with how your halls are managed by contacting your Community Board or your local hall management committee. These are facilities for the whole community to utilise and we aim to keep them affordable and available for all. This year we have budgeted to spend around \$86,000 on the ongoing renewal of our halls in both rural and urban areas.

## WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
The community is provided with sufficient community halls and pavilions that are functional, affordable and available	Satisfaction with public halls (Customer Satisfaction Index score)	71-75
	Sufficient community halls and pavilions provided in each ward by the Council or the community	Four urban Council managed, four rural Council and two rural community managed

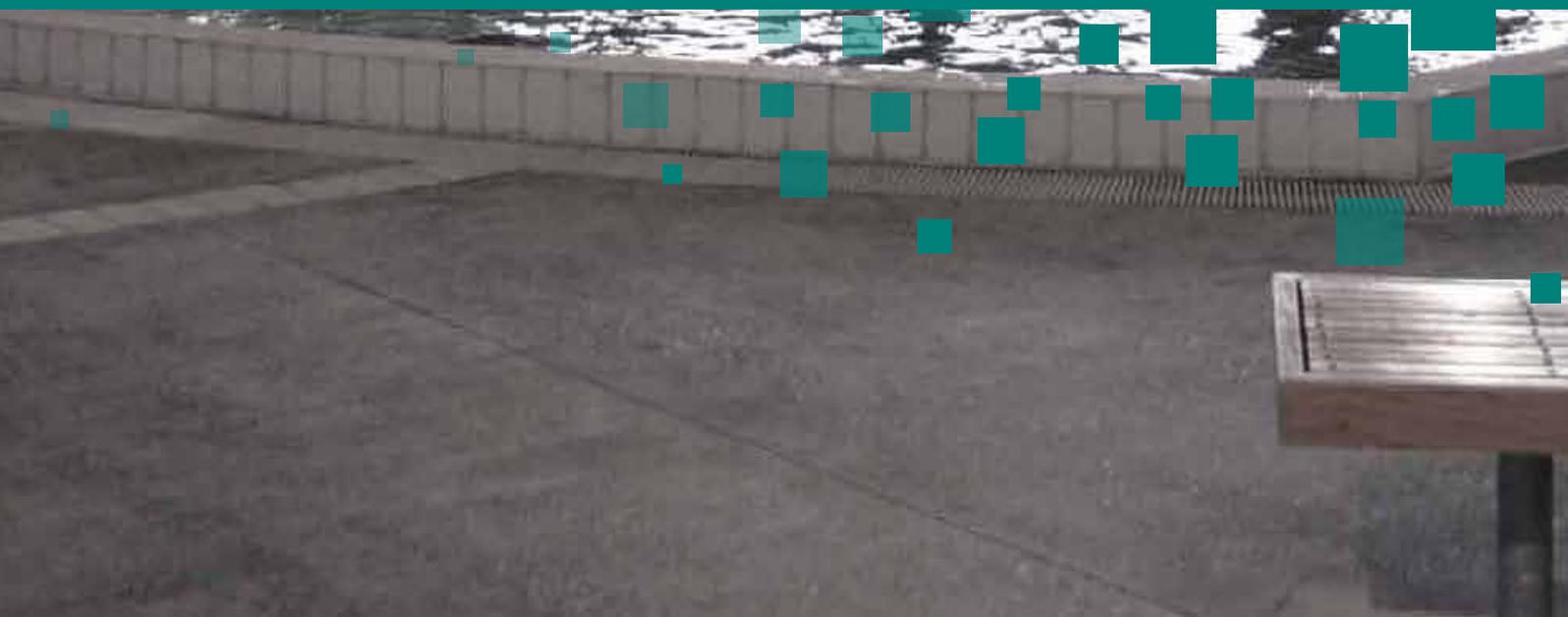
COMMUNITY PROPERTY



*Creating fun, open and peaceful places for you to use, enjoy and remember*

# RECREATION & COMMUNITY FACILITIES

Te Whare Tāpere o Tānerore me ngā hua ka puta mā Te Hāpori



## WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

### FUNDING IMPACT STATEMENT - RECREATION & COMMUNITY FACILITIES

LTP 2012/13 \$000		LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>				
<b>Sources of operating funding</b>				
5,729	General rates, uniform annual general charges, rates penalties	5,884	5,642	(242)
331	Targeted rates (other than a targeted rate for water supply)	347	369	22
6	Subsidies and grants for operating purposes	6	92	86
2,811	Fees, charges, and targeted rates for water supply	2,927	3,434	507
1,711	Internal charges and overheads recovered	1,718	934	(784)
90	Local authorities fuel tax, fines, infringement fees, and other receipts	45	44	(1)
<b>10,678</b>	<b>Total operating funding (A)</b>	<b>10,927</b>	<b>10,515</b>	<b>(412)</b>
<b>Applications of operating funding</b>				
4,396	Payments to staff and suppliers	4,529	5,254	725
466	Finance costs	491	483	(8)
3,507	Internal charges & overheads applied	3,520	2,731	(789)
	- Other operating funding applications	-	-	-
<b>8,369</b>	<b>Total applications of operating funding (B)</b>	<b>8,540</b>	<b>8,468</b>	<b>(72)</b>
<b>2,309</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>2,387</b>	<b>2,047</b>	<b>(340)</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
60	Subsidies and grants for capital expenditure	62	160	98
23	Development and financial contributions	24	23	(1)
(366)	Increase (decrease) in debt	38	120	82
25	Gross proceeds from sale of assets	-	-	-
	- Lump sum contributions	-	-	-
<b>(258)</b>	<b>Total sources of capital funding (C)</b>	<b>124</b>	<b>303</b>	<b>179</b>
<b>Applications of capital funding</b>				
Capital expenditure				
40	- to meet additional demand	-	23	23
541	- to improve level of service	712	792	80
867	- to replace existing assets	685	612	(73)
603	Increase (decrease) in reserves	1,114	923	(191)
	- Increase (decrease) of investments	-	-	-
<b>2,051</b>	<b>Total applications of capital funding (D)</b>	<b>2,511</b>	<b>2,350</b>	<b>(161)</b>
<b>(2,309)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(2,387)</b>	<b>(2,047)</b>	<b>340</b>
	<b>- Funding Balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

## PARKS, RESERVES, RECREATION & SPORTSFIELDS



### IN BRIEF...

We will continue to provide reserves across the District, in the urban areas of Whakatāne, Edgecumbe, Murupara, Ōhope and Tāneatua and throughout rural areas of the District. There are a number of different types of reserves across our District. These include playgrounds, sportsfields and along riverbanks, lake edges or the coast to provide for recreation, access to the water and conservation values. The level of maintenance for the various Council recreation reserves depends on what each reserve is used for. In 2013/14 we have included around \$310,000 for renewals across the District. In addition, through the LTP we budgeted \$75,000 for community partnership opportunities associated with walking and cycling projects. This year the money will be used to support the construction of a walking and cycling path between Ōhope and Whakatāne. We are hoping to secure additional funding from other organisations for this project. We will also be working on a project to upgrade the popular Nga Tapuwae o Toi's walkway between Whakatāne and Ōhope.

The Council will continue to work with recreation partners such as Sport BOP, Mataatua Sports, local clubs and other local Councils in the area to deliver recreation services and opportunities to our community.

### WHAT WE ARE GOING TO DO

We are planning to undertake the following major projects this year.

DESCRIPTION	TOTAL (\$)	FUNDING SOURCE
Whakatāne Toi's Track*	100,000	Renewal 39% Subsidy 50% Development Contributions 11%
Walking and cycling projects*	75,000	Restricted Reserves 100%

\*Multi-year project

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Assets are well maintained throughout all parks and recreational facilities providing a high standard of appearance and functionality	Satisfaction with parks and reserves in the Whakatāne District (Customer Satisfaction Index score)	74-78
Adequate sports fields/grounds are provided to meet the needs of users and are kept to a high standard by regular mowing, herbicide applications and specialised turf grass treatments	Amount of active recreation space available in the District per 1,000 people	1.5ha

### WHAT HAS CHANGED

Since the adoption of the LTP we have taken out the Port Ōhope recreation reserve project at a cost of \$100,000, as the project is no longer required. We had planned to use this money to create a larger carpark and improved landscaping; however, due to investigations around freedom camping, this project has been placed on hold. We will continue to review the need for this work as the year progresses.

Since the adoption of the draft Annual Plan, the Council has adopted a 'freedom camping friendly' approach and has made a decision to make some sites available for self contained motorhome overnight parking. The Council will also investigate the implementation of a bylaw made under the Freedom Camping Act 2011 for the District.

During the 2012/13 year, we reviewed the Community Funding Policy. This resulted in removing the requirement to budget \$10,000 for projects relating to rural playgrounds. The Council believed that it was better to include budget only when applications are received.

We have also included provision for an additional subsidy from Sport New Zealand. This subsidy will be used to fund the 'Take the Lead' project, which will encourage young women to participate in sport and recreation.



## CEMETERIES & CREMATORIUM

### IN BRIEF...

This service focuses on providing a attractive and restful cemetery and crematorium facilities for the community. We will manage our six cemeteries, located in Whakatāne (Hillcrest and Domain Road), Tāneatua, Waimana, Murupara/Galatea and Matatā (which is managed by a trust on our behalf) and our Crematorium, located at the Hillcrest Cemetery in Whakatāne. This year we will begin expanding the Hillcrest cemetery as part of a two-stage project over the next 10 years. This part of the project is proposed to cost \$150,000 this year. The expansion will provide an opportunity to accommodate further changes in community demand, access and provide sufficient drainage for stormwater. It will also provide an opportunity to investigate demand for interdenominational sections. We will continue with our programme to renew other cemeteries assets around the District at a cost of around \$38,000.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Appropriate and sufficient cemetery and crematorium services are available to residents	Satisfaction with cemeteries and crematorium in the Whakatāne District (Customer Satisfaction Index score)	83-87

RECREATION & COMMUNITY FACILITIES



## PUBLIC CONVENIENCES

### IN BRIEF...

There is a strong community demand for us to provide public conveniences around the District, especially at our more popular recreational spots. While we do not plan to build any new public conveniences, this year we will continue to operate and maintain our 37 public conveniences for the use of the general community. You can find these facilities at parks, reserves and popular recreational locations. Often these conveniences include other facilities such as showers, changing rooms or drinking fountains. This year we have budgeted to spend \$15,000 on renewal works for our public conveniences.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Adequate public conveniences will be provided where required in the community	Satisfaction with public toilets in the Whakatāne District (Customer Satisfaction Index score)	67-71



## AQUATIC CENTRES



Community Outcomes

### IN BRIEF...

Having facilities available in our District for people to swim in a safe environment has a huge benefit for the community, especially as we live in an area with many natural waterways. The Council will continue to operate two aquatic centres in the District - the Whakatāne Aquatic and Fitness Centre and the A H Lynd Memorial Baths in Murupara. The aquatic centres provide an opportunity for people to learn to swim and many people use these facilities for swimming lessons, carnivals, aquacise and school holiday programmes.

Since the Council took over the management of the Whakatāne Aquatic and Fitness Centre in July 2012, we have made changes that we hope you like. Our focus for the next year will be to look at the services we offer at both our aquatic centres and how we operate to ensure the community can get the most out of these valuable community facilities. As well as swimming facilities, the Whakatāne Aquatic and Fitness Centre also provides a gym with flexible membership options. You are welcome to visit us and have a chat to one of our staff to find the best option for you.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
High quality, affordable and safe aquatic facilities will be provided in Whakatāne and Murupara	Satisfaction with swimming pools in the Whakatāne District (Customer Satisfaction Index score)	75-79

### CAPITALISING ON BEING THE SUNSHINE CAPITAL

We are working hard to improve the sustainability of all our operations. Because of its high energy costs, currently around \$250,000 a year in gas and electricity use, the Whakatāne Aquatic Centre provides an excellent opportunity to try and make some cost savings. As Whakatāne is the sunshine capital of New Zealand, it makes sense to take advantage of this wonderful, free, natural resource through the use of solar heating to naturally heat our pool water, while significantly reducing on-going energy costs. We will install solar heating at the Aquatic Centre and have budgeted \$200,000 for this project. We are currently looking to secure subsidies to cover some of this cost. With an estimated 40% reduction in our water heating costs, the systems would take approximately three years to pay for itself. From that point, the on-going cost of operating our pool would be significantly reduced.



# PORTS & HARBOUR

Community Outcomes

## IN BRIEF...

This activity provides the infrastructure and facilities around our District’s ports and harbours, covering 45 sites. By providing these facilities we are able to enhance the economy of our District, through enhanced recreational and business opportunities. During 2013/14, we will be maintaining these facilities. Maintenance work will involve the Main Commercial Wharf, Otauwhaki (Green) wharf, Game Wharf in Whakatāne, Ōhope Wharf, as well as Thornton and Ōhiwa ramps and various groynes and navigational equipment. The operation of this activity also includes services such as berths available to rent and the ongoing disking of the river mouth to maintain maximum access over the bar. We will continue to work closely with the Bay of Plenty Regional Council on different aspects of the management of the District’s coastal area. Part of this activity also involves managing harbour endowment land. Leases on these lands earn an income which is used to pay for the ongoing operation, maintenance and improvement of port and harbour facilities. This year we have budgeted to spend around \$93,000 on the capital renewal of harbour facilities.

Throughout the year we will be continuing our investigations into improving the harbour entrance. A number of options have been developed and it is anticipated that modelling of the favoured options will occur during 2014/15 to inform further development and decisions. Options to construct additional berthage facilities at the Whakatāne Wharf are also being investigated. Initial designs have been developed and we are currently in the process of applying for funding, specifically for the development of the Wharf. Works will only begin on this project once funding has been secured. The development of the Wharf is important as it will help to stimulate the local economy, by providing facilities suitable for supporting commercial ventures such as the Ōpōtiki aquaculture project.

## WHAT HAS CHANGED

Since the adoption of the draft Annual Plan, we have included an additional \$150,000 in order to carry out Geotechnical Reports on the Whakatāne CBD and Zoning. The purpose of this project is to support the strengthening of Earthquake-prone buildings within the CBD. This project will be funded from the Harbour Fund as the majority of the buildings are located on Harbour lease land; however, a portion of this cost will be recovered through fees and charges.

## WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
Provide safe access to rivers and coastal water within the general vicinity of the Whakatāne CBD, Ōhiwa Harbour and Thornton Domain	Satisfaction with harbour facilities in Whakatāne CBD including the port and surrounding environment (Customer Satisfaction Index score)	75-79

## BRINGING THE TOWN VISION TO LIFE

To coincide with The Warehouse expansion, the Council will start to implement its Town Vision Plan for the carpark area in Kakahoroa Drive. This will see improved pedestrian access to the river from The Strand as well as to other retail businesses behind The Strand. A revised carpark layout will also result in improved amenity in this area through better landscaping, paving and lighting. The Warehouse expansion is likely to start in the latter half of the 2013/14 year (subject to consents) meaning the physical works for the carpark will most likely commence midway through 2014.



## VISITOR INFORMATION



Community Outcomes

### IN BRIEF...

Tourism makes a substantial contribution to our economy and during the 2013/14 year, the Visitor Information Centre aims to assist more than 50,000 of the estimated 180,000 holiday-makers who are expected to visit the Whakatāne District. The Visitor Information Centre is part of the nationwide i-SITE network and specialises in providing information about local and regional attractions and recreational activities.

Staff also provide booking services for transport, tours and accommodation in and around the District and manage bookings for the Whakatāne War Memorial Hall complex and Ōhope Hall.

### TAKING A LEADING ROLE IN DISTRICT PROMOTION AND GROWTH

The reorganisation of our marketing, event and communications activities will see the Council take a more active role in the branding and promotion of the Whakatāne District over the coming year. We will look to support the delivery of a range of events and activities, some of which will focus on promoting our superb local attractions and lifestyle, while others will contribute to enriching the quality of life we all enjoy by providing a wider range of recreational opportunities.

Alongside this, we will also take a leadership role in promoting growth with initiatives such as the Grow Whakatāne forum, Whakatāne Airport Business Plan and supporting the Ōpōtiki aquaculture project.





CORPORATE INFORMATION



CORPORATE PROPERTY



FINANCE



CUSTOMER SERVICES



COMMUNICATIONS

WWW

HUMAN RESOURCES



*Friendly, helpful people providing the information that both you and we need*

# CORPORATE & DISTRICT ACTIVITIES

Ngā Mahinga Matakite ā Rohe



## WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

### FUNDING IMPACT STATEMENT - CORPORATE AND DISTRICT ACTIVITIES

LTP 2012/13 \$000	LTP 2013/14 \$000	AP 2013/14 \$000	VARIANCE 2013/14 \$000
<b>OPERATIONAL</b>			
<b>Sources of operating funding</b>			
582	420	80	(340)
-	-	-	-
-	-	-	-
243	250	303	53
11,375	11,469	10,735	(734)
372	383	313	(70)
<b>12,572</b>	<b>12,522</b>	<b>11,431</b>	<b>(1,091)</b>
<b>Applications of operating funding</b>			
9,728	9,995	9,588	(407)
269	268	192	(76)
395	412	416	4
430	440	685	245
<b>10,822</b>	<b>11,115</b>	<b>10,881</b>	<b>(234)</b>
<b>1,750</b>	<b>1,407</b>	<b>550</b>	<b>(857)</b>
<b>CAPITAL</b>			
<b>Sources of capital funding</b>			
-	-	-	-
-	-	-	-
(464)	(769)	(641)	128
265	31	-	(31)
-	-	-	-
<b>(199)</b>	<b>(738)</b>	<b>(641)</b>	<b>97</b>
<b>Applications of capital funding</b>			
Capital expenditure			
-	-	-	-
600	255	215	(40)
1,796	2,225	2,146	(79)
(945)	(1,811)	(2,452)	(641)
100	-	-	-
<b>1,551</b>	<b>669</b>	<b>(91)</b>	<b>(760)</b>
<b>(1,750)</b>	<b>(1,407)</b>	<b>(550)</b>	<b>857</b>
-	-	-	-

## INTRODUCTION

The Corporate and District Activities group contains all of the additional activities that are involved in supporting the delivery of our projects, plans and external activities. These additional activities are often referred to as our 'internal activities'. The following section contains detail on the significant internal activities that have more of a focus on what we deliver to you. There are a number of smaller activities which have a purely internal focus and assist us in the running of the Council.

Renewal works and replacements over the next year total \$2.36m for all of our internal activities. Some of the bigger capital improvements, maintenance and renewal works are discussed in the following pages.



## CUSTOMER SERVICES

### IN BRIEF...

This activity provides the friendly staff that greet you when you visit our service centres, or when you call us. Customer Services staff have a number of responsibilities, including processing and managing incoming requests for service, processing Land Information Memorandum (LIM) requests, managing bookings (for parks, reserves etc.) and processing payments. They are usually the first, and sometimes only, point of contact. We realise our customers' needs are varied and are continually changing. To meet these needs, we will provide an efficient and consistent level of customer service through the coming year.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
The community has access to Council's activities through fully competent and efficient Service Centres	Proportion of customers' telephone calls answered within 30 seconds	80%
	Satisfaction with the overall service from the Customer Service/Front Desk Staff (Customer Satisfaction Index score)	77-81



## COMMUNICATIONS

### IN BRIEF...

Communications is the activity that supports and provides effective communication between the Council and the community. This year we will continue to produce Ko Konei (the Council’s newsletter), media releases, public awareness resources, advertising, maintain the [www.whakatane.govt.nz](http://www.whakatane.govt.nz) website, and produce a range of promotional/educational material. We will also develop systems and processes that help us to improve community engagement across the Council’s many activities and services. This is to ensure the community has access to relevant, timely, accurate and meaningful information, and to create opportunities for the public to influence decision-making. We do this to ensure we operate in a transparent and straightforward manner. During the year we will review a number of our internal strategies and policies. The purpose of this is to ensure that the Communications activity is run as efficiently as possible.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.



GOAL	MEASURE	TARGET
The community has access to information and feels well informed	Satisfaction with Council’s provision of information (Customer Satisfaction Index score)	63-67
	Association of Local Government Information Management Website ranking compared to other councils	20th

CORPORATE & DISTRICT ACTIVITIES



## HUMAN RESOURCES



### IN BRIEF...

This activity is an internal service that provides proactive advisory services and tools to support the Executive and Managers. Our Human Resources team undertakes the responsibilities of recruitment, induction, employment relations, organisational development, health and safety, training and remuneration. This activity is largely driven by legislative requirements, specifically the Employment Relations Act 2000. Our focus for 2013/14 will be to attract, retain, motivate and reward high calibre employees to assist in the delivery of our goals and values.



## FINANCE

### IN BRIEF...

The Finance activity is an internal service that provides financial, rating and treasury support to all Council activities. This activity is largely driven by the legislation that requires us to deliver Annual Reports, Annual Plans and LTPs. Over the coming year, we will be providing and developing effective monitoring and reporting on our financial performance. In September 2013, we will receive independent property valuations inline with a three yearly update. Our other responsibilities will include budgeting, managing the payroll, charging and collecting rates and answering rates queries.

### WHAT WE WANT TO ACHIEVE

The following table shows our targets for the next year as set through the LTP.

GOAL	MEASURE	TARGET
The community and the Council have access to accurate and timely financial information	Rates invoices are issued to ratepayers at least three weeks prior to due date for payment	100%



## CORPORATE INFORMATION

### IN BRIEF...

This activity delivers information services both internally and externally. We will continue to provide the right tools and information at the right time and place to enable efficient, effective and prudent management. The Corporate Information activity is the guardian of the Council's data, information and knowledge assets. Information must be securely managed for current and future generations, as required by legislation. This activity also oversees the Location Services function, which maintains and develops geospatial information and systems. This year, we will be continuing our investigations into Disaster Recovery and Business Continuity planning to ensure that our information is safe and accessible in the event of a business interruption or emergency.

Through the LTP, we included a project and budget of \$2.41m over 2012-22 to replace or develop our Enterprise Resource Planning system. This system facilitates the efficient flow of information in the Council. Through this Annual Plan we have included \$1.00m for investigations and possible replacement or development of the Enterprise Resource Planning system for the Council.

### WHAT WE ARE GOING TO DO

We are planning to undertake the following major project this year.

DESCRIPTION	TOTAL (\$)	FUNDING SOURCE
New Telephony System	300,000	Renewal 100%



## CORPORATE PROPERTY

### IN BRIEF...

Corporate Property includes assets which provide essential services to the community and those which are supported by the local community. There are 20 properties in total, which include the Civic Centre, the Library and Exhibition Centre, the Whakatāne Airport terminal building, workshops, depots, libraries, the dog pound and our vehicle fleet. There are a number of renewal works and replacements planned over the next year including a continued upgrade of the Civic Centre, vehicle replacements and renewals at other key operational sites around the District. The total cost of renewal works for the 2013/14 year is \$312,000.

### WHAT WE ARE GOING TO DO

We are planning to undertake the following major projects this year.

DESCRIPTION	TOTAL (\$)	FUNDING SOURCE
Corporate property renewals and replacement*	312,000	Renewal 100%

\* Multi-year project



## DISTRICT INCOME & EXPENDITURE

### IN BRIEF...

District Income is applied to reduce the general rate requirement in other Council activities. This revenue is sourced from commissions, petrol tax, interest and other revenue.



*Promoting economic development and helping provide cost-effective services*

# COUNCIL CONTROLLED ORGANISATIONS

Ngā Roopu Mahi Tahi-a-Te Kaunihera ō Whakatāne



## INTRODUCTION

A Council Controlled Organisation (CCO) is a company or organisation in which the Council, or a number of councils, holds 50% or more of the voting rights, or can appoint 50% or more of the trustees, directors or managers.

The Council enters into this form of partnership where it provides more effective, efficient and financially viable means of delivering services.

The Whakatāne District Council is a shareholder in four CCOs, including:

- Whakatāne Airport
- Toi Economic Development Agency (Toi-EDA)
- Bay of Plenty Local Authority Shared Services Limited (BoPLASS)
- Local Government Funding Agency (LGFA)

This section summarises the services these organisations will aim to deliver over the next year and how their performance will be monitored. More detailed information on these CCOs can be found in the following documents and websites:

### TO FIND OUT MORE:

#### WHAKATĀNE AIRPORT

Whakatāne Airport Statement of Intent  
Whakatāne Airport 10 Year Business Plan  
LTP 2012-22  
[www.whakatane.govt.nz](http://www.whakatane.govt.nz)

#### TOI-EDA

Toi-EDA Economic Development Plan  
LTP 2012-22  
[www.toi-eda.co.nz](http://www.toi-eda.co.nz)

#### BOPLASS

BoPLASS Statement of Intent  
[www.bopllass.co.nz](http://www.bopllass.co.nz)  
LTP 2012-22  
[www.whakatane.govt.nz](http://www.whakatane.govt.nz)

#### LGFA

LGFA Statement of Intent  
LTP 2012-22  
[www.lgfa.co.nz](http://www.lgfa.co.nz)



## WHAKATĀNE AIRPORT

The Whakatāne Airport was formed as a Council Controlled Organisation (CCO) in 2006. The Airport is a valuable community asset, which contributes to residents' quality of life and makes an important contribution to the economic well-being of the District. Today, daily air services are provided to and from Auckland. The Airport is a joint venture operation between the New Zealand Government (Ministry of Transport) and the Whakatāne District Council, with each partner owning a 50% share. The Whakatāne Airport Board provides governance oversight of the Whakatāne Airport CCO and implements the Whakatāne Airport 10-year Business Plan. The Board provides advice to the Council, which is ultimately responsible for decision making in relation to the airport. The day-to-day operation and maintenance of the airport, including the delivery of projects, services and initiatives, is managed by the Council.

### OBJECTIVES OF THE WHAKATĀNE AIRPORT:

- Provide high quality facilities and services commensurate with existing levels of aviation activity and in accordance with all the appropriate Acts, Regulations and Rules pertaining to airport and aviation operations in line with the size of the Whakatāne Airport.
- Operate the Airport in a sound and business like manner.
- Ensure that the Airport is administered efficiently, effectively and safely to the benefit of scheduled flight operations, commercial operators and recreational users.
- Improve the long term value and financial performance of the Airport while improving the economic value of the Airport to Whakatāne.
- To promote a safe, accessible, affordable and reliable air transport system for the benefit of the economic and social development of the Eastern Bay of Plenty.

### HOW PERFORMANCE WILL BE MEASURED

#### Financial performance measures and targets

- Operate and maintain the airport's assets within the operational expenditure and capital expenditure budgets (excluding corporate overheads and depreciation). These budgets will be outlined in the Whakatāne Airport Statement of Intent each year.

#### Non-financial performance measures and targets

- Maintain the Airport as a non-certified aerodrome in accordance with Civil Aviation Authority aerodrome design for aircraft at or below 5,700kg Maximum Combined Take-off Weight (MCTOW).

Further performance targets are likely to be introduced as part of the Whakatāne Airport 10-year Business Plan. Any new performance measures will be disclosed in the Statement of Intent for the year they relate to.

### WHAT WE ARE GOING TO DO

We are planning to undertake the following major projects this year.

DESCRIPTION	TOTAL (\$)	FUNDING SOURCE
Airport pavement resurfacing*	100,000	Renewal 50% Restricted Reserves 50%
Airport renewals*	13,000	Renewal 83% Restricted Reserves 9% Loan 8%

\* Multi-year project



## BAY OF PLENTY LOCAL AUTHORITY SHARED SERVICES (BOPLASS)

BoPLASS is a CCO formed in 2007 to investigate, develop and deliver shared services, joint procurement and communications for the participating councils.

Joint procurement includes the purchase of services or products by two or more councils from an external provider, regardless of whether the service is paid for through BoPLASS, or individually by the participating councils. Shared services include the participation of two or more councils in the provision of a common service, which may be jointly or severally hosted.

The Whakatāne District Council holds a one-ninth share in BoPLASS alongside eight other councils in the Bay of Plenty and Gisborne regions. The Board of Directors of BoPLASS consists of nine directors appointed by the shareholding councils. To ensure total synergy between the companies' activities and its council shareholders' activities, the Directors are also Chief Executives of their respective shareholding councils.

The services, projects and initiatives of BoPLASS are delivered through a small team of staff based in Tauranga and through advisory groups made up of representatives of the different councils interested in a particular service.

Advisory group membership is essentially a user-pays system based on involvement in the shared services developed under the BoPLASS umbrella.

The Whakatāne District Council pays a membership levy to BoPLASS of \$1,000 per year per advisory group.

### HOW WILL PERFORMANCE BE MEASURED?

The specific performance targets for BoPLASS will be set annually through the BoPLASS Statement of Intent and will be based on the framework outlined below.

#### Performance measures and targets:

- Initiate at least one shared service each year and no less than two shared services successfully implemented within three years.
- Implement shared services demonstrating best practice and added value to participating councils and stakeholders.
- Investigate a minimum of four joint procurement initiatives per year for goods and services from sources offering best value, service, continuity of supply and/or opportunities for integration.
- Communicate with each shareholding council at appropriate levels with at least one meeting with each Executive Leadership Team per year.
- Ensure sufficient income is available from activities to sustain a viable company.



## TOI ECONOMIC DEVELOPMENT AGENCY (TOI EDA)

Toi EDA is the Economic Development Agency for the Eastern Bay of Plenty and is based in Whakatāne. The activities undertaken by Toi EDA contribute to the sustainable growth and development of the local economy. Its vision is to grow the Eastern Bay of Plenty to enhance the wealth and quality of life of its people: Tini o Toi – Kia tipu, kia puawai (To create, grow and blossom the myriads of Toi). Toi EDA is an exempted Council Controlled Organisation (CCO) under the Local Government Act 2002. This means Toi EDA does not have to meet the specific reporting requirements related to CCOs.

Toi EDA is a partnership between the three territorial authorities (Kawerau, Ōpōtiki and Whakatāne) and the Bay of Plenty Regional Council, working together with local iwi. A trust board provides governance oversight and advice to Toi EDA. The board operates under the trust deed and is made up of experienced local business people from the Eastern Bay of Plenty, who play a vital role in leading and guiding the organisation. At a higher level, Toi EDA operates within a wider framework under the 'Bay of Connections' strategy. The objective of this strategy is to deliver regional economic development through new and existing initiatives and industries by building on the region's collective strengths. The Council will invest around \$191,000 in Toi EDA this year which will be funded from targeted rates (44%), general rates (30%) and the harbour fund (26%).

Toi EDA's focus is on projects relating to energy, forestry, aquaculture, transport and logistics, and marine industry. This includes projects, services and initiatives to increase employment, income and investment in the Eastern Bay of Plenty Region. The specific objectives of Toi EDA are covered within its economic development strategy

### HOW WILL PERFORMANCE BE MEASURED?

Toi EDA considers performance in two ways. Firstly, how the local economy is performing (which is not a direct reflection on the performance of Toi EDA) and secondly, is Toi EDA delivering the services that it promised to deliver?

To consider the performance of the local economy, Toi EDA undertakes monitoring on a six-monthly basis. The Eastern Bay of Plenty monitoring report contains an overview of the region and analyses economic trends.

#### The specific performance targets for Toi EDA are outlined below:

##### Financial performance measures and targets

- Manage Toi EDA's operations within the budgets agreed by stakeholders and within the terms of the Trust Deed.

##### Non-financial performance measures and targets

- Implement key actions annually from the Toi EDA Strategic Plan, these are:
  - » Promote forestry processing opportunities locally and internationally.
  - » Support and promote the Kawerau Industrial Symbiosis project.
  - » Support the Opotiki Aquaculture and Harbour Development projects.
  - » Assist with the implementation of the 'Bay of Connections' strategies ensuring that Eastern Bay of Plenty projects are supported.
  - » Promote Chinese and Korean investment into the region.
  - » Promote, support and facilitate projects that have economic benefits.



## LOCAL GOVERNMENT FUNDING AGENCY (LGFA)

The Whakatāne District Council joined the LGFA in 2012 as a principal shareholder. The basic function of the LGFA is to enable councils to borrow funds at lower interest margins than would otherwise be available. The LGFA is a partnership between the participating local authorities and the New Zealand Government. Operationally, the LGFA is run by a small team based in Wellington and is governed by a Board of Directors. The Board is responsible for the strategic direction and control of the LGFA's activities. The Board guides and monitors the business and affairs of LGFA, in accordance with the Companies Act 1993, the Local Government Act 2002, the Local Government Borrowing Act 2011, the Company's constitution, the Shareholders' Agreement for LGFA and its Statement of Intent.

The LGFA only lends to local authorities that enter into all of the relevant arrangements with it (participating local authorities) and that comply with the LGFA's lending policies.

### OBJECTIVES OF THE LGFA:

The LGFA operates with the primary objective of optimising the debt funding terms and conditions for participating local authorities. This includes:

- Providing estimated savings in annual interest costs for all Participating Local Authorities of at least 30 basis points, based on the methodology set out in LGFA's Annual Report 2011-12.
- Making longer-term borrowings available to Participating Local Authorities.
- Enhancing the certainty of access to debt markets for Participating Local Authorities, subject always to operating in accordance with sound business practice.

Joining the LGFA has allowed the Council to more effectively and efficiently manage its funding maturity profile, smoothing term of debt and reducing both term and bank concentration risk. The Council has also reduced its funding cost in benefitting from the LGFA's highly rated "AA+" credit rating and access to wider and deeper debt capital markets. The Council has been able to fund via the LGFA at reduced margins of up to 40 basis points relative to commensurate term bank funding.

### HOW WILL PERFORMANCE BE MEASURED?

The specific performance targets for the LGFA are set annually through its Statement of Intent. For the 2013/14 year, the LGFA's Statement of Intent contains the following performance targets for the 2013/14 year:

- LGFA's average cost of funds, relative to the average cost of funds for New Zealand Government Securities for the period to:
  - » 30 June 2014 will be less than 0.50% higher
  - » 30 June 2015 will be less than 0.40% higher
  - » 30 June 2016 will be less than 0.40% higher
- The average margin above LGFA's cost of funds charged to the highest-rated Participating Local Authorities for the period to:
  - » 30 June 2014 will be no more than 0.25%
  - » 30 June 2015 will be no more than 0.20%
  - » 30 June 2016 will be no more than 0.15%
- LGFA's annualised operating overheads will be less than \$3.3 million
- Total lending to Participating Local Authorities at:
  - » 30 June 2014 will be at least \$2,500 million
  - » 30 June 2015 will be at least \$2,800 million
  - » 30 June 2016 will be at least \$3,300 million

The full Statement of Intent 2013/14 is available on the LGFA's website [www.lgfa.co.nz](http://www.lgfa.co.nz)



## **OUR COSTS IN DETAIL**

Ngā mahinga whānui

## OUR COSTS IN DETAIL

This chapter of the Annual Plan provides a break down of some of our costs in more detail and provides further information about how these costs are calculated and distributed. This chapter is a culmination of all the information contained within this Annual Plan.

### FORECAST FINANCIAL STATEMENTS

Our Forecast Financial Statements are included to give you an overview of the Council's forecasted financial position for this year. This information should be read alongside the financial information contained in the 'Our Work in Detail' Chapter. The Statements include:

- Prospective Statement of Comprehensive Income.
- Prospective Statement of Changes in Equity.
- Prospective Statement of Financial Position.
- Prospective Statement of Cash Flows.
- Statement of Reserve Balances.

### KEY CAPITAL PROJECTS

This table outlines the key capital projects we have planned to complete over the course of this Annual Plan. More information about the projects is contained in the 'Our Work in Detail' chapter of this Annual Plan.

### STATEMENT OF ACCOUNTING POLICIES

This statement outlines the principles against which we have prepared our financial statements.

## FORECAST FINANCIAL STATEMENTS

The following forecast financial statements are provided to give you an indication of our predicted financial position during the 2013/14 year. Please note that actual results are likely to differ from those presented as situations change.

Variances to what we said in the LTP are shown in the right hand columns of the financial statements. A number of the variances in the Prospective Statement of Changes in Equity, Prospective Statement of Finance Position and Prospective Statement of Cash Flows have arisen due to the use of actual figures for the close of the 2011/12 financial year when preparing forecasts for the 2013/14 financial year. More information on variances in the Prospective Statement of Comprehensive Income can be found in the financial strategy section and the Our Work in Detail chapter of this Annual Plan.

### Prospective Statement of Comprehensive Income

This provides information on the surplus or deficit arising throughout the Plan impacting on the past and future comprehensive income. This aids the reader to differentiate between components of financial performance according to frequency, potential for gain and loss predictability.

### Prospective Statement of Changes in Equity

Also known as net worth, equity is measured as the difference between the total value of assets and total liabilities. This statement presents a comprehensive measure of income. Accumulated equity represents the communities' investment in publicly owned assets resulting from past surpluses.

### Prospective Statement of Financial Position

This presents information about the economic resources controlled by the Council. This information is useful in assessing the Council's ability to generate cash, provide services and for assessing future borrowing needs.

### Prospective Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Council invests as part of its day to day cash management. It provides information about cash generation through Council activities to repay debt or to reinvest to maintain operating capacity.

## STATEMENT CONCERNING BALANCING THE BUDGET

The Council will not produce a balanced budget in the 2013/14 year or in each of the 10 years of the LTP. Having considered the overall impact of our financial management policies and decisions we believe it remains financially prudent.

In setting the budget we have had regard for the following matters:

- Maintaining levels of service.
- Maintaining service capacity and integrity of assets.
- Intergenerational equity.
- Compliance with the Council's revenue and financing policies.

The main reasons for the surplus are:

- NZTA grants for roading are largely used to fund capital expenditure in the Roads and Footpaths activity
- Other Central Government grants and subsidies are shown as income, whereas the capital items they fund are not included in the Prospective Statement of Comprehensive Income.

Surpluses are reduced by:

- The policy to fund depreciation on infrastructural assets based on their 25 year renewal requirement.
- Reserves which may be used to fund expenditure.

The Council has set the expenditure and revenue at levels it considers appropriate to meet the funding needs of the District over the next year and to meet the needs of the community.

## PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME

LTP 2012/13 \$000		LTP 2013/14 \$000	ANNUAL PLAN 2013/14 \$000	VARIANCE 2013/14 \$000
<b>INCOME</b>				
12,481	Revenue from activities (including volumetric charges for water supply)	13,043	14,040	997
6,347	Subsidies and Grants	7,463	10,961	3,498
15,286	General Rates <sup>Note 1</sup>	15,908	16,049	141
18,934	Targeted Rates (excluding volumetric charges for water supply) <sup>Note 2</sup>	19,742	19,206	(536)
216	Vested Assets	224	224	-
-	- Gains on revaluation of Investment Property	1,277	1,277	-
465	Development Contributions	483	465	(18)
40	Finance Income*	40	8	(32)
<b>53,769</b>	<b>Total Income</b>	<b>58,180</b>	<b>62,230</b>	<b>4,050</b>
<b>EXPENDITURE</b>				
24,615	Other Expenses	25,889	25,265	(624)
10,793	Personnel Costs	11,102	12,027	925
16,764	Depreciation and Amortisation <sup>Note 3</sup>	18,274	16,707	(1,567)
2,517	Finance Costs*	2,749	2,340	(409)
<b>54,689</b>	<b>Total Expenditure</b>	<b>58,014</b>	<b>56,339</b>	<b>(1,675)</b>
<b>(920)</b>	<b>Net Surplus (Deficit)</b>	<b>166</b>	<b>5,891</b>	<b>5,725</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
11,362	Gains on asset revaluation	9,932	5,932	(4,000)
<b>10,442</b>	<b>Total comprehensive income for the year</b>	<b>10,098</b>	<b>11,823</b>	<b>1,725</b>

\*Excludes Internal borrowing costs

## NOTES TO THE PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME

LTP 2012/13 \$000		LTP 2013/14 \$000	ANNUAL PLAN 2013/14 \$000	VARIANCE 2013/14 \$000
<b>NOTE 1: GENERAL RATES BY ACTIVITY</b>				
2,271	Leadership	2,425	2,454	29
1,339	Community Safety	1,437	1,641	204
873	Environmental Sustainability	1,055	1,057	2
3,038	Arts and Culture	3,125	3,102	(23)
5,729	Recreation and Community Facilities	5,884	5,642	(242)
631	Community Property	623	632	9
501	Waste	500	1,024	524
	- Roads and Footpaths	-	-	-
	- Water Supply	-	-	-
253	Stormwater Drainage	367	342	(25)
14	Sewerage Treatment and Disposal	14	18	4
56	Reportable Council-controlled organisations	58	56	(2)
442	Corporate and District Activities Funds Applied	280	310	30
140	Add operating reserve balances repaid	140	(230)	(370)
<b>15,286</b>	<b>General Rates per Whole of Council FIS</b>	<b>15,908</b>	<b>16,049</b>	<b>141</b>
586	Less Penalties	567	580	13
<b>14,700</b>	<b>General Rates Levied per Rating Statement</b>	<b>15,341</b>	<b>15,469</b>	<b>128</b>

LTP 2012/13 \$000		LTP 2013/14 \$000	ANNUAL PLAN 2013/14 \$000	VARIANCE 2013/14 \$000
<b>NOTE 2: TARGETED RATES BY ACTIVITY</b>				
263	Leadership	280	264	(16)
	- Community Safety	-	-	-
	- Environmental Sustainability	-	-	-
	- Arts and Culture	-	-	-
331	Recreation and Community Facilities	347	369	22
	- Community Property	-	-	-
3,883	Waste	3,656	3,786	130
7,897	Roads and Footpaths	8,188	7,667	(521)
2,029	Water Supply	2,169	1,942	(227)
2,313	Stormwater Drainage	2,340	2,532	192
2,133	Sewerage Treatment and Disposal	2,675	2,561	(114)
85	Reportable Council-controlled organisations	87	85	(2)
<b>18,934</b>	<b>Total Targeted Rates per Whole of Council FIS</b>	<b>19,742</b>	<b>19,206</b>	<b>(536)</b>
3,041	Volumetric charges for water supply	3,251	2,914	(337)
<b>21,975</b>	<b>Targeted Rates Levied per Rating Statement</b>	<b>22,993</b>	<b>22,120</b>	<b>(873)</b>

LTP 2012/13 \$000		LTP 2013/14 \$000	ANNUAL PLAN 2013/14 \$000	VARIANCE 2013/14 \$000
<b>NOTE 3: DEPRECIATION AND AMORTISATION</b>				
	- Leadership	-	-	-
41	Community Safety	42	41	(1)
	- Environmental Sustainability	-	-	-
312	Arts and Culture	322	312	(10)
1,595	Recreation and Community Facilities	1,655	1,608	(47)
771	Community Property	795	772	(23)
80	Waste	97	64	(33)
8,006	Roads and Footpaths	8,608	6,728	(1,880)
1,893	Water Supply	2,006	1,941	(65)
931	Stormwater Drainage	976	950	(26)
1,349	Sewerage Treatment and Disposal	2,006	1,941	(65)
38	Reportable Council-controlled organisations	39	38	(1)
1,748	Corporate & District Activities Funds Applied	1,728	2,312	584
<b>16,764</b>	<b>Total Depreciation and Amortisation</b>	<b>18,274</b>	<b>16,707</b>	<b>(1,567)</b>

## RECONCILIATION OF FUNDING IMPACT STATEMENT TO THE PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME

LTP 2012/13 \$000		LTP 2013/14 \$000	ANNUAL PLAN 2013/14 \$000	VARIANCE 2013/14 \$000
<b>TOTAL OPERATING INCOME</b>				
<b>Per Activity Funding Impact Statement:</b>				
2,537	Leadership	2,770	2,780	10
3,119	Community Safety	3,291	3,257	(34)
1,441	Environmental Sustainability	1,641	1,433	(208)
3,138	Arts and Culture	3,226	3,193	(33)
8,967	Recreation and Community Facilities	9,209	9,581	372
1,367	Community Property	1,380	1,390	10
5,834	Waste	5,652	6,130	478
11,225	Roads and Footpaths	11,715	12,082	367
5,191	Water Supply	5,544	5,167	(377)
2,766	Stormwater Drainage	2,915	3,074	159
2,504	Sewerage Treatment and Disposal	3,060	2,827	(233)
344	Reportable Council-controlled Organisations	356	360	4
1,197	Corporate & District Activities	1,053	696	(357)
<b>49,629</b>	<b>Total Operating Income</b>	<b>51,811</b>	<b>51,971</b>	<b>160</b>
53,769	Total Income per proposed Statement of Prospective Income:	58,180	62,230	4,050
<b>(4,140)</b>	<b>Variance</b>	<b>(6,368)</b>	<b>(10,259)</b>	<b>(3,891)</b>
<b>Made up of:</b>				
-	Gains on revaluation of Investment property	1,277	1,277	-
216	Vested Assets	224	224	-
3,458	Subsidies and Grants for capital expenditure	4,386	8,295	3,909
465	Development and Financial Contributions	483	465	(18)
<b>TOTAL OPERATING EXPENDITURE</b>				
<b>Per Activity Funding Impact Statement:</b>				
1,586	Leadership	1,778	1,820	42
1,863	Community Safety	2,015	2,014	(1)
1,199	Environmental Sustainability	1,270	1,331	61
1,225	Arts and Culture	1,283	1,336	53
4,862	Recreation and Community Facilities	5,020	5,737	717
699	Community Property	716	838	122
4,619	Waste	4,620	5,013	393
6,459	Roads and Footpaths	6,878	6,002	(876)
1,950	Water Supply	2,024	2,051	27
2,363	Stormwater Drainage	2,536	2,558	22
1,089	Sewerage Treatment and Disposal	1,370	1,188	(182)
425	Reportable Council-controlled Organisations	415	449	34
10,427	Corporate & District Activities	10,703	10,465	(238)
<b>38,766</b>	<b>Total Operating Expenditure</b>	<b>40,628</b>	<b>40,802</b>	<b>174</b>

## RECONCILIATION OF FUNDING IMPACT STATEMENT TO THE PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME Cont.

LTP 2012/13 \$000		LTP 2013/14 \$000	ANNUAL PLAN 2013/14 \$000	VARIANCE 2013/14 \$000
54,689	Total Expenditure as per proposed Statement of Prospective Income:	58,014	56,339	(1,675)
<b>(15,923)</b>	<b>Variance</b>	<b>(17,386)</b>	<b>(15,537)</b>	<b>1,849</b>
	<b>Made up of:</b>			
(841)	Cost of Internal Borrowing	(978)	(1,170)	(192)
16,764	Depreciation	18,274	16,707	(1,567)
-	Inflation difference between overheads and recoveries	90	-	(90)
	<b>Other Comprehensive Income</b>			
11,362	Gains on asset revaluation	9,932	5,932	(4,000)
<b>10,442</b>	<b>PER TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>10,098</b>	<b>11,823</b>	<b>1,725</b>

## PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

LTP 2012/13 \$000		LTP 2013/14 \$000	ANNUAL PLAN 2013/14 \$000	VARIANCE 2013/14 \$000
439,804	Accumulated Funds at the start of the year	438,884	441,788	2,904
(920)	Net Surplus for the year	166	5,891	5,725
<b>438,884</b>	<b>Accumulated Funds at the end of the year</b>	<b>439,050</b>	<b>447,679</b>	<b>8,629</b>
180,214	Asset Revaluation Reserves at the start of the year	191,576	182,491	(9,085)
11,362	Revaluation of Assets	9,932	5,932	(4,000)
<b>191,576</b>	<b>Asset Revaluation Reserves at the end of the year</b>	<b>201,508</b>	<b>188,423</b>	<b>(13,085)</b>
<b>630,460</b>	<b>Equity at the end of the Year</b>	<b>640,558</b>	<b>636,102</b>	<b>(4,456)</b>

## PROSPECTIVE STATEMENT OF FINANCIAL POSITION

LTP 2012/13 \$000		LTP 2013/14 \$000	ANNUAL PLAN 2013/14 \$000	VARIANCE 2013/14 \$000
<b>Public Equity</b>				
426,361	Retained Earnings	425,487	433,140	7,653
12,523	Restricted Equity	13,563	14,539	976
191,576	Asset Revaluation Reserves	201,508	188,423	(13,085)
<b>630,460</b>	<b>Total Public Equity</b>	<b>640,558</b>	<b>636,102</b>	<b>(4,456)</b>
<b>Current Assets</b>				
53	Cash and Cash Equivalents	538	201	(337)
180	Other Current Assets	186	1,399	1,213
7,500	Trade and other Receivables	7,740	5,160	(2,580)
<b>7,733</b>	<b>Total Current Assets</b>	<b>8,464</b>	<b>6,761</b>	<b>(1,704)</b>
<b>Non Current Assets</b>				
44,024	Investment Property	45,301	46,364	1,063
633,151	Property, Plant and Equipment	644,033	638,513	(5,520)
4,000	Work in Progress	-	2,000	2,000
1,500	Other Non-Current Assets	1,500	816	(684)
<b>682,775</b>	<b>Total Non Current Assets</b>	<b>690,934</b>	<b>687,693</b>	<b>(3,241)</b>
<b>690,508</b>	<b>Total Assets</b>	<b>699,398</b>	<b>694,453</b>	<b>(4,945)</b>
<b>Current Liabilities</b>				
9,000	Trade and Other Payables	9,288	4,611	(4,677)
1,500	Employee Benefit Liabilities	1,548	1,393	(155)
4,775	Borrowings	4,618	20,000	15,382
<b>15,275</b>	<b>Total Current Liabilities</b>	<b>15,454</b>	<b>26,004</b>	<b>10,550</b>
<b>Non Current Liabilities</b>				
1,000	Provisions	1,000	593	(407)
42,974	Borrowings	41,561	28,754	(12,807)
800	Other Non-Current Liabilities	826	3,000	2,174
<b>44,774</b>	<b>Total Non-Current Liabilities</b>	<b>43,387</b>	<b>32,347</b>	<b>(11,040)</b>
<b>60,049</b>	<b>Total Liabilities</b>	<b>58,841</b>	<b>58,351</b>	<b>(490)</b>
<b>630,460</b>	<b>Net Assets</b>	<b>640,557</b>	<b>636,102</b>	<b>(4,455)</b>

## NOTES TO THE STATEMENT OF PROSPECTIVE FINANCIAL POSITION

LTP 2012/13 \$000		LTP 2013/14 \$000	ANNUAL PLAN 2013/14 \$000	VARIANCE 2013/14 \$000
<b>Net Investment in Council Controlled Organisations</b>				
661	Whakatāne Airport	795	798	3
100	Local Government Funding Agency*	100	276	176
<b>761</b>	<b>Net Investment</b>	<b>895</b>	<b>1,074</b>	<b>179</b>

\* Council became a Guarantee Shareholder of the Local Government Funding Agency (LGFA) in December 2012. The shareholding includes a number of component parts and requirements including: unpaid subscribed capital, further equity commitments, investment in convertible borrower notes, and to enter into guarantees. Paid up capital of \$100,000 and convertible borrower notes of \$176,000 have been included in these forecast financial statements. Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore have not recognised a liability. The Council considers the risk of LGFA defaulting on repayment of interest or capital to be very low. Furthermore, unpaid subscribed capital and commitment shares are not recognised as a financial liability in these forecast financial statements given the risk of LGFA calling the unpaid capital/commitment shares is considered remote.

## PROSPECTIVE STATEMENT OF CASH FLOWS

LTP 2012/13 \$000		LTP 2013/14 \$000	ANNUAL PLAN 2013/14 \$000	VARIANCE 2013/14 \$000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Cash will be provided from:</b>				
34,220	Rates and Service Charges	35,650	35,326	(324)
465	Development Contributions	483	465	(18)
2,137	Sundry Income	2,217	1,908	(309)
10,344	User Fees	10,826	12,061	1,235
6,347	Subsidies & Grants	7,463	10,961	3,498
40	Interest Income - External	40	8	(32)
5,475	Regional Council Rates	5,704	5,652	(52)
<b>59,028</b>	<b>Total Operating Cash Provided</b>	<b>62,382</b>	<b>66,381</b>	<b>3,999</b>
<b>Cash will be applied to:</b>				
34,978	Suppliers and Employees	36,551	36,207	(344)
2,517	Interest on Public Debt	2,749	2,340	(409)
5,475	Regional Council Rates	5,704	5,652	(52)
<b>42,970</b>	<b>Total Operating Cash Applied</b>	<b>45,004</b>	<b>44,199</b>	<b>(805)</b>
<b>16,058</b>	<b>Net Cashflows from Operating Activities</b>	<b>17,378</b>	<b>22,182</b>	<b>4,804</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
<b>Cash will be provided from:</b>				
609	Proceeds from sale of property, plant and equipment	264	226	(38)
<b>609</b>	<b>Total Investing Cash Provided</b>	<b>264</b>	<b>226</b>	<b>(38)</b>
<b>Cash will be spent on:</b>				
16,457	Purchase of property, plant and equipment	15,588	24,997	9,409
(2,000)	Change in work in Progress	-	(2,000)	(2,000)
100	Purchase of investments	-	-	-
<b>14,557</b>	<b>Total Investing Cash Applied</b>	<b>15,588</b>	<b>22,997</b>	<b>7,409</b>
<b>(13,948)</b>	<b>Net Cashflows from Investing Activities</b>	<b>(15,324)</b>	<b>(22,771)</b>	<b>(7,447)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
<b>Cash will be provided from:</b>				
3,920	Loans raised	4,446	54,488	50,042
<b>3,920</b>	<b>Total Financing Cash Provided</b>	<b>4,446</b>	<b>54,488</b>	<b>50,042</b>
<b>Cash will be spent on:</b>				
7,921	Repayment of public debt	6,015	53,734	47,719
<b>7,921</b>	<b>Total Financing Cash Applied</b>	<b>6,015</b>	<b>53,734</b>	<b>47,719</b>
<b>(4,001)</b>	<b>Net Cashflows from financing activities</b>	<b>(1,569)</b>	<b>754</b>	<b>2,323</b>
(1,891)	Net increase (decrease) in cash held	485	165	(320)
1,944	Plus opening cash balance	53	36	(17)
<b>53</b>	<b>Closing Cash Position</b>	<b>538</b>	<b>201</b>	<b>(337)</b>

## KEY CAPITAL EXPENDITURE PROJECTS

The table on the following pages set out the key capital expenditure projects which are planned for the period of this Annual Plan. Capital expenditure projects improve the level of service, provide for growth or replace an existing asset. These are different from operational projects which are for the day to day operation of the Council. This table provides a list of the capital projects including those from the 'what we are going to do' tables in the 'Our work in detail' chapter, however, a number of projects in these tables have been consolidated for readability.

Project Name	2013/14	2013/14	Depreciation	Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates
	LTP	Annual Plan								
<b>ARTS AND CULTURE</b>										
<b>Library</b>										
Library Mixed Collection Renewal	125,000	100,000	100,000	-	-	-	-	-	-	-
Smart Bin with sort assistance	-	30,000	30,000	-	-	-	-	-	-	-
<b>Library Total</b>	<b>125,000</b>	<b>130,000</b>	<b>130,000</b>	-	-	-	-	-	-	-
<b>Exhibition Research, Storage &amp; Activity</b>										
Specialised lighting for Museum display, foyer display and gallery	-	12,000	-	-	-	12,000	-	-	-	-
LEC Garden - Landscaping & Lion relocation	-	155,000	-	-	-	29,993	125,008	-	-	-
<b>Exhibition Research Storage &amp; Activity Total</b>	<b>-</b>	<b>167,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,993</b>	<b>125,008</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ARTS AND CULTURE TOTAL</b>	<b>125,000</b>	<b>297,000</b>	<b>130,000</b>	<b>-</b>	<b>-</b>	<b>41,993</b>	<b>125,008</b>	<b>-</b>	<b>-</b>	<b>-</b>

Project Name	2013/14	2013/14	Annual Plan	Depreciation	Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates
	LTP	\$									
<b>RECREATION AND COMMUNITY FACILITIES</b>											
<b>Parks and Reserves</b>											
ŌhopePlayground Development, Maraetotara	15,000	15,000	-	-	-	-	-	15,000	-	-	-
Port ŌhopeRecreation Reserve	100,000	-	-	-	-	-	-	-	-	-	-
Sullivan Lake, Footpath and Retaining Walls	32,000	32,000	-	-	-	-	-	32,000	-	-	-
Harbour Beautification	50,000	50,000	-	-	-	3,000	-	47,000	-	-	-
Rural Playgrounds	10,000	-	-	-	-	-	-	-	-	-	-
Coastal Land Acquisition	250,000	250,000	-	235,000	15,000	-	-	-	-	-	-
Playground Renewals	5,000	5,000	5,000	-	-	-	-	-	-	-	-
Art in the Park Initiative	10,000	10,000	-	-	-	-	10,000	-	-	-	-
Park and Reserves Renewals	322,217	304,754	243,754	-	11,000	50,000	-	-	-	-	-
Walking and Cycling Projects	75,000	75,000	-	-	-	-	-	75,000	-	-	-
<b>Parks and Reserves Total</b>	<b>869,217</b>	<b>741,754</b>	<b>248,754</b>	<b>235,000</b>	<b>29,000</b>	<b>60,000</b>	<b>169,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Sports Fields</b>											
Renewals	24,324	24,324	24,324	-	-	-	-	-	-	-	-
<b>Sports Fields Total</b>	<b>24,324</b>	<b>24,324</b>	<b>24,324</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cemeteries and Crematorium</b>											
Whakatāne Cemetery Expansion	150,000	150,000	-	141,000	9,000	-	-	-	-	-	-
Whakatāne Cemetery Berms Renewals	10,000	10,000	-	-	1,100	-	-	-	8,900	-	-
<b>Cemeteries and Crematorium Total</b>	<b>201,350</b>	<b>201,350</b>	<b>41,350</b>	<b>141,000</b>	<b>10,100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,900</b>	<b>-</b>	<b>-</b>



Project Name	2013/14		2013/14		Loans	Depreciation	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates
	LTP \$	Annual Plan \$	LTP \$	Annual Plan \$								
<b>Business Operations Business Unit</b>												
Replacement of small plant items	35,600	12,600	12,600	12,600	-	12,600	-	-	-	-	-	-
Handheld Device Replacements	6,000	6,000	6,000	6,000	-	6,000	-	-	-	-	-	-
<b>Business Operations Business Unit Total</b>	<b>41,600</b>	<b>18,600</b>	<b>18,600</b>	<b>18,600</b>	-	<b>18,600</b>	-	-	-	-	-	-
<b>Corporate Property</b>												
Vehicle Replacements Council-wide	160,000	160,000	160,000	160,000	-	160,000	-	-	-	-	-	-
Renewals	56,998	126,998	126,998	126,998	-	126,998	-	-	-	-	-	-
Furniture and Fittings Replacement - Corporate Offices	25,000	25,000	25,000	25,000	-	25,000	-	-	-	-	-	-
<b>Corporate Property Total</b>	<b>241,998</b>	<b>311,998</b>	<b>311,998</b>	<b>311,998</b>	-	<b>311,998</b>	-	-	-	-	-	-
<b>CORPORATE AND DISTRICT ACTIVITIES TOTAL</b>	<b>2,421,598</b>	<b>2,360,598</b>	<b>2,129,098</b>	<b>2,311,500</b>	-	<b>2,129,098</b>	-	-	-	-	-	-
<b>COMMUNITY PROPERTY</b>												
<b>Halls</b>												
Renewals	86,256	86,256	86,256	86,256	-	86,256	-	-	-	-	-	-
<b>Halls Total</b>	<b>86,256</b>	<b>86,256</b>	<b>86,256</b>	<b>86,256</b>	-	<b>86,256</b>	-	-	-	-	-	-
<b>Pensioner Housing</b>												
Disabled Access Improvement to Council Facilities	20,000	10,000	10,000	10,000	-	-	-	-	10,000	-	-	-
Annual Refurbishment to Pensioner Housing	55,000	55,000	55,000	55,000	-	55,000	-	-	-	-	-	-
Renewals to Pensioner Housing	31,530	31,530	31,530	31,530	-	31,530	-	-	-	-	-	-
<b>Pensioner Housing Total</b>	<b>106,530</b>	<b>96,530</b>	<b>96,530</b>	<b>96,530</b>	-	<b>86,530</b>	-	-	<b>10,000</b>	-	-	-
<b>Commercial Property Capital</b>												
Renewals	19,719	19,719	19,719	19,719	-	-	-	-	-	-	-	19,719
<b>Commercial Property Capital Total</b>	<b>19,719</b>	<b>19,719</b>	<b>19,719</b>	<b>19,719</b>	-	<b>-</b>	-	-	-	-	-	<b>19,719</b>
<b>COMMUNITY PROPERTY TOTAL</b>	<b>212,505</b>	<b>202,505</b>	<b>172,786</b>	<b>172,786</b>	-	<b>172,786</b>	-	-	<b>10,000</b>	-	-	<b>19,719</b>

## OUR COSTS IN DETAIL

Project Name	2013/14	2013/14	2013/14		Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates
	LTP	Annual Plan	\$	\$							
	\$	\$	Depreciation								
<b>REPORTABLE COUNCIL-CONTROLLED ORGANISATIONS</b>											
<b>Whakatāne Airport</b>											
Pavement Resurfacing	100,000	100,000	50,000	-	-	-	50,000	-	-	-	-
Renewal Runway Lighting and Navigational Aids	8,000	8,000	8,000	-	-	-	-	-	-	-	-
Whakatāne Airport Parking Feasibility Study - 2 ticket machines, barrier arm and fencing		55,000	-	-	-	-	55,000	-	-	-	-
Whakatāne Airport Landing Fees Collection Software		5,000	-	-	-	-	5,000	-	-	-	-
Whakatāne Airport Advertising Hoardings		10,000	-	-	-	-	6,000	4,000	-	-	-
Renewal Whakatāne Airport Terminal	4,580	4,580	4,580	-	-	-	-	-	-	-	-
<b>Whakatāne Airport Total</b>	<b>112,580</b>	<b>182,580</b>	<b>62,580</b>	-	-	-	<b>116,000</b>	<b>4,000</b>	-	-	-
<b>REPORTABLE COUNCIL-CONTROLLED ORGANISATIONS TOTAL</b>	<b>112,580</b>	<b>182,580</b>	<b>62,580</b>	-	-	-	<b>116,000</b>	<b>4,000</b>	-	-	-
<b>COMMUNITY SAFETY</b>											
<b>Safer Communities</b>											
CCTV Phase 2 - expansion of camera network	-	76,883	-	-	-	-	63,213	13,670	-	-	-
<b>Safer Communities Total</b>	-	<b>76,883</b>	-	-	-	-	<b>63,213</b>	<b>13,670</b>	-	-	-
<b>COMMUNITY SAFETY TOTAL</b>	-	<b>76,883</b>	-	-	-	-	<b>63,213</b>	<b>13,670</b>	-	-	-
<b>ROADS AND FOOTPATHS</b>											
<b>Local Roads Renewal and Improvements</b>											
Unsealed Road Metalling	300,000	300,000	156,000	-	-	-	144,000	-	-	-	-
Sealed Road Resurfacing - Chip seals and Thin AC	2,180,000	1,880,000	977,600	-	-	-	902,400	-	-	-	-
Renewals Drainage Culverts, Kerb and Channel	280,000	580,000	301,600	-	-	-	278,400	-	-	-	-
Structures Components Replacements	130,000	130,000	67,600	-	-	-	62,400	-	-	-	-
Renewals Traffic Carriage Light, Signs, Power Undergrounding	260,000	260,000	135,200	-	-	-	124,800	-	-	-	-
Associated Improvements Shoulder Reconstruction	30,000	30,000	-	15,288	312	14,400	-	-	-	-	-

Project Name	2013/14	2013/14	2013/14		Depreciation	Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates
	LTP	Annual Plan	\$	\$								
Pavement Rehabilitation	493,000	493,000	256,360	-	-	-	236,640	-	-	-	-	-
Improvements	841,000	841,000	-	370,320	-	-	470,680	-	-	-	-	-
<b>Local Roads Renewal and Improvements Total</b>	<b>4,514,000</b>	<b>4,514,000</b>	<b>1,894,360</b>	<b>385,608</b>	<b>312</b>	<b>2,233,720</b>	-	-	-	-	-	-
<b>Special Purpose Roads</b>												
Unsealed Road Metalling	270,000	270,000	-	-	-	-	270,000	-	-	-	-	-
Sealed Road Resurfacing	114,000	179,000	-	-	-	-	179,000	-	-	-	-	-
Drainage Renewals	98,000	98,000	-	-	-	-	98,000	-	-	-	-	-
Pavement Rehabilitation	160,000	-	-	-	-	-	-	-	-	-	-	-
Traffic Services - Street lights, Signs	27,000	27,000	-	-	-	-	27,000	-	-	-	-	-
Improvements	114,000	87,000	-	-	-	-	87,000	-	-	-	-	-
Structure Compound Replacement - General	50,000	50,000	-	-	-	-	50,000	-	-	-	-	-
<b>Special Purpose Roads Total</b>	<b>833,000</b>	<b>711,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>711,000</b>	-	-	-	-	-	-
<b>Non Financially Assisted Transport</b>												
Renewals	70,000	70,000	70,000	-	-	-	-	-	-	-	-	-
Kerbing and Drainage	70,000	70,000	-	70,000	-	-	-	-	-	-	-	-
Stock Crossing Signs	5,000	5,000	-	-	-	-	-	-	-	5,000	-	-
Route Security Wainui Road	-	1,350,000	-	-	-	-	-	-	-	1,350,000	-	-
<b>Non Financially Assisted Transport Total</b>	<b>145,000</b>	<b>1,495,000</b>	<b>70,000</b>	<b>70,000</b>	<b>-</b>	<b>70,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,355,000</b>	<b>-</b>	<b>-</b>
<b>ROADS AND FOOTPATHS TOTAL</b>	<b>5,492,000</b>	<b>6,720,000</b>	<b>1,964,360</b>	<b>455,608</b>	<b>312</b>	<b>2,944,720</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,355,000</b>	<b>-</b>	<b>-</b>
<b>WATER-RELATED SERVICES</b>												
<b>Water Supply</b>												
Whakatāne Pipe Sampling Programme	10,000	10,000	10,000	-	-	-	-	-	-	-	-	-

## OUR COSTS IN DETAIL

Project Name	2013/14	2013/14	2013/14		Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates
	LTP	Annual Plan	Depreciation	\$							
Whakatāne System Wide Additional Isolation Valves	10,000	10,000	-	10,000	-	-	-	-	-	-	-
Whakatāne Renewals	460,000	500,000	474,800	-	25,200	-	-	-	-	-	-
Edgcumbe Supply Main from Paul Road	100,000	100,000	-	15,000	-	85,000	-	-	-	-	-
Murupara Pipe Sampling Programme	7,000	7,000	7,000	-	-	-	-	-	-	-	-
<b>Water Supply</b>											
Tāneatua Pump Replacement (Routine)	5,000	5,000	5,000	-	-	-	-	-	-	-	-
Water Treatment Plant Minor Equipment Renewal - All Areas	18,000	18,000	18,000	-	-	-	-	-	-	-	-
New Connections - All Areas	41,000	41,000	-	-	-	-	-	-	41,000	-	-
Connection and Meter Replacements - All Areas	111,000	111,000	111,000	-	-	-	-	-	-	-	-
<b>Water Supply Total</b>	<b>762,000</b>	<b>802,000</b>	<b>625,800</b>	<b>25,000</b>	<b>25,200</b>	<b>85,000</b>	<b>-</b>	<b>41,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>WATER-RELATED SERVICES TOTAL</b>	<b>762,000</b>	<b>802,000</b>	<b>625,800</b>	<b>25,000</b>	<b>25,200</b>	<b>85,000</b>	<b>-</b>	<b>41,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>SEWAGE TREATMENT AND DISPOSAL</b>											
<b>Sewage Treatment and Disposal</b>											
Whakatāne Waste Water Renewals and Upgrades	1,060,000	1,060,000	218,500	788,500	53,000	-	-	-	-	-	-
Ōhope Waste Water Renewals and Upgrades	433,000	433,000	139,460	284,500	9,040	-	-	-	-	-	-
Edgcumbe Reticulation Upgrades	10,000	10,000	-	10,000	-	-	-	-	-	-	-
Matatā Waste Water Treatment Plant & Reticulation Construction	1,500,000	5,565,300	-	426,302	139,133	4,999,866	-	-	-	-	-
Murupara Waste Water Renewals and Upgrades	190,000	190,000	150,000	40,000	-	-	-	-	-	-	-
Te Mahoe Waste Water Treatment Plant Upgrade (Filter Replacements)	15,000	15,000	15,000	-	-	-	-	-	-	-	-
Te Mahoe Waste Water Disposal Field	-	250,000	28,000	22,000	-	-	200,000	-	-	-	-
<b>Sewage Treatment and Disposal Total</b>	<b>3,208,000</b>	<b>7,523,300</b>	<b>550,960</b>	<b>1,571,302</b>	<b>201,173</b>	<b>4,999,866</b>	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>SEWAGE TREATMENT AND DISPOSAL TOTAL</b>	<b>3,208,000</b>	<b>7,523,300</b>	<b>550,960</b>	<b>1,571,302</b>	<b>201,173</b>	<b>4,999,866</b>	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Project Name	2013/14	2013/14	Depreciation	Loans	Dev. Contrib.	Subsidies/ Grants	Other Reserves	Fees & Charges	Targeted Rates	General Rates
	LTP	Annual Plan								
<b>STORMWATER DRAINAGE</b>										
<b>Stormwater Drainage</b>										
Apanui - McAlister Pump Station Upgrades	600,000	600,000	180,000	390,000	30,000	-	-	-	-	-
Whakatāne South - Wainui Te Whara Urban Channel Upgrade	250,000	250,000	75,000	162,500	12,500	-	-	-	-	-
Whakatāne - Minor Capital Works	209,470	209,470	41,841	160,656	6,974	-	-	-	-	-
Ōhope - Upgrades	320,000	320,000	-	320,000	-	-	-	-	-	-
<b>Stormwater Drainage Total</b>	<b>1,379,470</b>	<b>1,379,470</b>	<b>296,841</b>	<b>1,033,156</b>	<b>49,474</b>	-	-	-	-	-
<b>STORMWATER DRAINAGE TOTAL</b>	<b>1,379,470</b>	<b>1,379,470</b>	<b>296,841</b>	<b>1,033,156</b>	<b>49,474</b>	-	-	-	-	-
<b>WASTE</b>										
<b>Waste Disposal</b>										
Burma Road Landfill Restoration on-going minor works	25,000	25,000	-	25,000	-	-	-	-	-	-
<b>Waste Disposal Total</b>	<b>25,000</b>	<b>25,000</b>	-	<b>25,000</b>	-	-	-	-	-	-
<b>WASTE TOTAL</b>	<b>25,000</b>	<b>25,000</b>	-	<b>25,000</b>	-	-	-	-	-	-
<b>COUNCIL TOTAL</b>	<b>15,096,646</b>	<b>20,996,306</b>	<b>6,444,175</b>	<b>3,817,565</b>	<b>377,478</b>	<b>8,294,791</b>	<b>633,677</b>	<b>1,408,900</b>	-	<b>19,719</b>

Note: Stated in 2013 dollars as per LTP

## RESERVE BALANCE FORECAST 2013/14

		REVISED 30 JUNE 2013 \$'000	2013/14 TRANSFERS IN \$'000	2013/14 TRANSFERS OUT \$'000	ANNUAL PLAN 30 JUNE 2014 \$'000
	ACTIVITY	PURPOSE			
<b>GENERAL OPERATING RESERVES</b>					
General Rates and Revenues	General Council	\$311	\$61	(\$230)	\$141
Roading Rate	Roads and Footpaths	(\$192)	\$40	(\$8)	(\$160)
Refuse Collection rate	Waste	(\$319)	\$100	(\$13)	(\$232)
Wastewater	Sewage Treatment and Disposal	\$351	\$44	\$0	\$395
Wastewater - Matatā <sup>1</sup>	Sewage Treatment and Disposal	(\$82)	\$0	(\$33)	(\$115)
Wastewater - Murupara	Sewage Treatment and Disposal	\$49	\$2	(\$30)	\$20
Water	Water	\$217	\$70	(\$332)	(\$44)
Water - Murupara	Water	(\$83)	\$20	(\$4)	(\$67)
Water - Plains	Water	\$1,013	\$49	\$0	\$1,062
Water - Ruatahuna	Water	\$2	\$0	\$0	\$2
Dog Control	Animal Control	\$137	\$7	\$0	\$144
Parking Enforcement	Parking	\$423	\$78	(\$92)	\$409
Pensioner Housing	Pensioner Housing	\$43	\$61	(\$3)	\$102
Airport Whakatāne	Whakatāne Airport	(\$527)	\$17	(\$222)	(\$731)
Whakatāne Stormwater	Stormwater	(\$233)	\$160	(\$7)	(\$81)
Ōhope Stormwater	Stormwater	(\$43)	\$0	(\$2)	(\$45)

<sup>1</sup> Matatā Wastewater is not yet established as a rating scheme and therefore costs have been attributed to an operating reserve until the scheme has been defined.

ACTIVITY		PURPOSE	REVISED 30 JUNE 2013 \$000	2013/14 TRANSFERS IN \$000	2013/14 TRANSFERS OUT \$000	ANNUAL PLAN 30 JUNE 2014 \$000
Edgecumbe Stormwater	Stormwater	For Edgecumbe Stormwater Rate funded Surpluses or Deficits	\$7	\$0	\$0	\$7
Matatā Stormwater	Stormwater	For Matatā Stormwater Rate funded Surpluses or Deficits	(\$86)	\$20	(\$4)	(\$70)
Murupara Stormwater	Stormwater	For Murupara Stormwater Rate funded Surpluses or Deficits	(\$0)	\$0	(\$0)	(\$0)
Tāneatua Stormwater	Stormwater	For Tāneatua Stormwater Rate funded Surpluses or Deficits	(\$4)	\$0	(\$0)	(\$4)
Te Teko Stormwater	Stormwater	For Te Teko Stormwater Rate funded Surpluses or Deficits	(\$1)	\$0	(\$0)	(\$1)
Te Mahoe Stormwater	Stormwater	For Te Mahoe Stormwater Rate funded Surpluses or Deficits	(\$0)	\$0	(\$0)	(\$0)
Disaster Mitigation	Stormwater	For Disaster Mitigation/Stormwater Rate funded Surpluses or Deficits	\$216	\$10	\$0	\$227
Community Boards & Iwi Liaison	Governance	Separately collected rates for community projects	\$104	\$5	\$0	\$109
Car parks Development	Parking	For the Development of Carparks in the District	\$34	\$2	\$0	\$35
Sand mining Royalties	General Council	Income received from Sandmining company for access over Council reserve	\$3	\$0	\$0	\$3
Museum Collections	Exhibitions, Research, Storage & Archives	For the purchase of Assets for the Museum Collection	\$23	\$1	\$0	\$24
Galatea Reserve Development	General Council	For amenities within the Galatea and Murupara areas	\$1	\$0	\$0	\$2
Disabled Facilities	Pensioner Housing	For the improvement of Disabled Facilities throughout the District	\$7	\$0	(\$10)	(\$2)
Te Mahoe Water - special	Water	For the purchase of Capital Expenditure for the Te Mahoe Water scheme	\$237	\$6	(\$215)	\$28
Asset Divestment	General Council	Surplus funds from the Divestment of Council Assets	\$9	\$232	(\$311)	(\$70)
Leaky Homes Reserve	Building	To fund weather tight claims	\$96	\$105	(\$87)	\$114
Roading Storm Damage Reserve	Roads and Footpaths	To fund costs associated with storm damage to the Councils Roading network	\$457	\$304	\$0	\$761
LAPP Insurance Reserve	Corporate and District	To fund contributions to the LAPP scheme over and above annual insurance	\$152	\$130	\$0	\$282
General Disaster Reserve	General Council	To fund costs associated with a disaster within the District	\$0	\$0	\$0	\$0
			<b>\$2,323</b>	<b>\$1,524</b>	<b>(\$1,603)</b>	<b>\$2,243</b>

ACTIVITY		PURPOSE	REVISED 30 JUNE 2013 \$'000	2013/14 TRANSFERS IN \$'000	2013/14 TRANSFERS OUT \$'000	ANNUAL PLAN 30 JUNE 2014 \$'000
<b>RESTRICTED RESERVES</b>						
Subdivision Contributions - Whakatāne	General Council	To fund capital expenditure in the Whakatāne Ward	\$259	\$12	\$0	\$272
Subdivision Contributions - Ōhope	General Council	To fund capital expenditure in the Ōhope Ward	\$69	\$3	(\$27)	\$45
Subdivision Contributions - Edgecumbe	General Council	To fund capital expenditure in the Edgecumbe Ward	\$21	\$1	\$0	\$22
Subdivision Contributions - Matatā	General Council	To fund capital expenditure in the Matatā Ward	\$17	\$1	\$0	\$18
Subdivision Contributions - Murupara	General Council	To fund capital expenditure in the Murupara Ward	\$5	\$0	\$0	\$6
Subdivision Contributions-Rural	General Council	To fund capital expenditure in the Rural Ward	\$27	\$1	\$0	\$28
Harbour Capital Fund	Ports & Harbour	For Ports & Harbour Operating Surpluses or Deficits	\$5,030	\$2,397	(\$1,729)	\$5,697
Harbour Land Sales	Ports & Harbour	Funds set aside from the sale of Harbour assets	\$3,438	\$165	\$0	\$3,604
Development Contributions - Stormwater	Stormwater	To fund growth related stormwater capital expenditure	\$248	\$128	(\$49)	\$326
Development Contributions - Water	Water	To fund growth related Water capital expenditure	\$282	\$39	(\$25)	\$295
Development Contributions - Wastewater	Sewage Treatment and Disposal	To fund growth related Wastewater capital expenditure	(\$639)	\$168	(\$167)	(\$637)
Development Contributions- Community Infrastructure	Arts & Culture, Recreation & Community Facilities	To fund growth related Community Infrastructure	\$415	\$78	(\$72)	\$421
Development Contributions - Parks, Gardens and Reserves	Parks, Reserves, Recreation & Sports Fields	To fund growth related Parks, Gardens and Reserves capital expenditure	\$1,416	\$91	(\$30)	\$1,477
Development Contributions - Solid Waste	Waste	To fund growth related Solid Waste capital expenditure	\$299	\$23	\$0	\$322
Development Contributions - Roading	Roads and Footpaths	To fund growth related Roading capital expenditure	\$1,725	\$153	\$0	\$1,878

ACTIVITY		PURPOSE	REVISED 30 JUNE 2013 \$000	2013/14 TRANSFERS IN \$000	2013/14 TRANSFERS OUT \$000	ANNUAL PLAN 30 JUNE 2014 \$000
Otarawairere Disaster Mitigation	Stormwater	To fund growth related capital expenditure at Otarawairere	(\$1,446)	\$0	(\$70)	(\$1,515)
Capital Contributions - Roading	Roads and Footpaths	Financial Contributions for Roading Capital Projects	\$46	\$2	\$0	\$49
			<b>\$11,214</b>	<b>\$3,263</b>	<b>(\$2,169)</b>	<b>\$12,308</b>
<b>DEPRECIATION RESERVES</b>						
Water	Water	To fund the renewal of Water assets	\$1,739	\$1,071	(\$626)	\$2,184
Wastewater	Sewage Treatment and Disposal	To fund the renewal of Wastewater assets	\$827	\$795	(\$551)	\$1,071
Stormwater	Stormwater	To fund the renewal of Stormwater assets	\$382	\$171	(\$297)	\$256
Refuse Disposal	Waste	To fund the renewal of Refuse Disposal assets	\$144	\$12	\$0	\$156
Libraries	Libraries	To fund the renewal of Library assets	(\$16)	\$125	(\$131)	(\$22)
Museum	Exhibitions, Research, Storage & Archives	To fund the renewal of Museum assets	\$70	\$24	\$0	\$94
Parks and Gardens & Sportsfields	Parks, Reserves, Recreation & Sports Fields	To fund the renewal of Parks and Gardens & Sportsfields assets	\$532	\$610	(\$273)	\$869
Cemeteries & Crematoria	Cemeteries & Crematorium	To fund the renewal of Cemeteries & Crematorium assets	\$62	\$46	(\$41)	\$66
Swimming Pools	Aquatic Centres	To fund the renewal of Aquatic Centre assets	\$177	\$183	(\$89)	\$270
Halls	Halls	To fund the renewal of Halls assets	\$429	\$180	(\$86)	\$523
Public Conveniences	Public Conveniences	To fund the renewal of Public Conveniences assets	\$239	\$102	(\$15)	\$326
Pensioner Housing	Pensioner Housing	To fund the renewal of Pensioner Housing assets	\$257	\$95	(\$87)	\$266
Strategic & Investment Property	Commercial Property	To fund the renewal of Commercial Property assets	(\$1)	\$0	(\$0)	(\$1)
Corporate Property	Corporate & District Activities	To fund the renewal of Corporate Property assets	\$707	\$504	(\$312)	\$900
Information Management	Corporate & District Activities	To fund the renewal of Information Management assets	\$1,556	\$877	(\$2,649)	(\$215)

## OUR COSTS IN DETAIL

ACTIVITY	PURPOSE	REVISED 30 JUNE 2013 \$000	2013/14 TRANSFERS IN \$000	2013/14 TRANSFERS OUT \$000	ANNUAL PLAN 30 JUNE 2014 \$000
Port	Ports & Harbour	\$1,056	\$422	(\$93)	\$1,385
Roading	Roads and Footpaths	\$263	\$1,880	(\$1,964)	\$179
Airport - Whakatāne	Whakatāne Airport	(\$246)	\$37	(\$75)	(\$283)
		<b>\$8,179</b>	<b>\$7,134</b>	<b>(\$7,289)</b>	<b>\$8,023</b>

Depreciation for infrastructural assets has been funded on a 25 year renewal forecast basis. This means that whilst some reserve accounts reflect a surplus or deficit at the end of the 2013/14 year these reserves are expected to return to a neutral balance over the 25 year period for which funding requirements have been determined.

Note: ( ) depicts an overdrawn reserve account balance

## STATEMENT OF ACCOUNTING POLICIES

These statements provide the principles that we have applied in preparing our prospective financial statements. They are designed to help you understand the detail behind our calculations and forecasts.

### REPORTING ENTITY

Whakatāne District Council is a territorial authority governed by the Local Government Act 2002 and is domiciled in New Zealand. The principal accounting policies adopted in the preparation of this financial report are set out below. The financial report consists of the prospective financial statements of Whakatāne District Council (the Council) and includes the Whakatāne Airport, which is a 50/50 joint equity venture between the Council and the Ministry of Transport and a 35/65 joint venture between the Council and P F Olsen Ltd, a forest management and harvesting company, regarding a forestry block at Onepu on land vested to the Council.

The primary objective of the Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Council has designated itself a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

### STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002 which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP). They comply with FRS 42 Prospective Financial Statements, as appropriate for public benefit entities.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements use closing balances from the period ending 30 June 2012; estimates have been restated accordingly if required. These financial statements have been prepared on a historical basis, modified by the revaluation of land and buildings, certain infrastructural assets, financial instruments (including derivative instruments) investment property, and forestry assets.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). Some rounding variances may occur in the financial statements due to the use of decimal places in the underlying financial data. The functional currency of the Council is New Zealand dollars.

Cost of service for each significant activity is determined as follows. Specifically attributable costs are charged directly. Indirect costs are apportioned using appropriate cost drivers such as actual usage and staff numbers.

The financial statements were authorised for issue on 20 February 2013 by Council resolution. The Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

### Joint Ventures and Associates

For jointly controlled assets Council recognises in its financial statements its share of jointly controlled assets, the liabilities and expenses it incurs, its share of liabilities and expenses incurred jointly, and income from the sale or use of its share of the output of the joint venture.

### REVENUE RECOGNITION

Revenue is measured at fair value of the consideration received.

### Rates

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

Rates collected on behalf of the Bay of Plenty Regional Council (BOPRC) are not recognised in the financial statements as the Council is acting as an agent for BOPRC. Rates collected on behalf of the BOPRC are not included in the Prospective Statement of Comprehensive Income as it does not belong to the Council. It is however, included as a receipt and payment in the Prospective Statement of Cash Flows.

Revenue from water rates by meter is recognised on an accrual basis.

**Licences and permits**

Revenue derived from licences and permits is recognised on application.

**Development contributions**

Development contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise financial contributions are transferred to reserves until such time the Council provides, or is able to provide, the service.

**Sales of goods**

Revenue from sales of goods is recognised when a product is sold to the customer.

**Provision of services**

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

**Rental revenue**

Rental revenue is recognised in the period that it relates to.

**Interest income**

Interest income is recognised using the effective interest method.

**Dividend income**

Dividend income is recognised when the right to receive payment is established.

**Vested assets**

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as income.

**Traffic and parking infringements**

Traffic and parking infringements are recognised when tickets are paid.

**Grants and subsidies**

Grants and subsidies are recognised when the conditions of the grant or subsidy have been met.

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

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

**FINANCE COSTS**

Borrowing costs are recognised as an expense in the period in which they are incurred. The Council has not capitalised borrowing costs associated with funding capital works in progress which represents a departure from NZ IAS 23: Borrowing Costs however it is in line with the decision of the Accounting Standards Review Board to indefinitely defer the adoption of NZ IAS 23 for public benefit entities.

**INCOME TAX**

Income tax expense comprises both current tax and deferred tax, and is calculated using tax rates that have been enacted or substantively enacted by balance date.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

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

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit or taxable profit.

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

Current tax and deferred tax is charged or credited to the statement of financial performance, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

## LEASES

### Finance Leases

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

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

The finance charge is charged to the statement of financial performance over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### Operating leases

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

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the prospective statement of financial position.

## TRADE AND OTHER RECEIVABLES

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost, less any provision for impairment.

## INVENTORIES

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at cost.

## FINANCIAL ASSETS

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council and group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council and group has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories for the purpose of measurement:

- fair value through surplus or deficit;
- loans and receivables;
- held-to-maturity investments; and
- fair value through other comprehensive income.

The classification of a financial asset depends on the purpose for which the instrument was acquired.

### Financial Assets at Fair Value Through Surplus or Deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated into hedge accounting relationship for which hedge accounting is applied.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset. The current/non-current classification of derivatives is explained in the derivatives accounting policy above.

After initial recognition, financial assets in this category are measured at their fair values with gains or losses on remeasurement recognised in the surplus or deficit.

### Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Loans to community organisations made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The loans are subsequently measured at amortised cost using the effective interest

method. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

### Held-to-Maturity Investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities and there is the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

### Fair Value Through Other Comprehensive Income

Financial assets at fair value through other comprehensive income are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of the share investment within 12 months of balance date or if the debt instrument is not expected to be realised within 12 months of balance date. The Council and group includes in this category:

- investments that it intends to hold long-term but which may be realised before maturity; and
- shareholdings that it holds for strategic purposes.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive income, except for impairment losses, which are recognised in the surplus or deficit. On derecognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the surplus or deficit.

## IMPAIRMENT OF FINANCIAL ASSETS

At each balance sheet date the Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the prospective statement of comprehensive income.

## DERIVATIVE FINANCIAL INSTRUMENTS

The Council uses derivative financial instruments (interest rate swaps) to hedge exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, the Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each balance date.

The associated gains or losses of these derivatives are recognised in the prospective statement of comprehensive income.

## NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the prospective statement of comprehensive income. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

## PROPERTY, PLANT AND EQUIPMENT

**Property, Plant and Equipment consists of:**

### Operational Assets

These include land, buildings, library books, plant and equipment, museum collection and motor vehicles.

### Restricted Assets

Restricted assets are parks, reserves and harbour assets owned by the Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

### Infrastructural Assets

Infrastructural assets are the fixed utility systems owned by Council. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

### Revaluation

Land, buildings (operational and restricted), library books, and infrastructural assets (except land under roads) are re-valued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost.

On transition to NZ IFRS, Whakatāne District Council elected to use the fair value of land under roads as at 1 July 2006 as deemed cost. Land under roads is no longer revalued.

The Council assesses the carrying values of its re-valued assets annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are re-valued.

The Council accounts for revaluations of property, plant and equipment on a class of asset basis.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the prospective statement of comprehensive income. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the statement of comprehensive income will be recognised first in the prospective statement of comprehensive income up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

### Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the prospective statement of comprehensive income. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

### Depreciation

Depreciation is provided on a straight-line basis on all buildings, bridges and other structures and diminishing value for motor vehicles, plant and equipment, office equipment and furnishings. Land is non depreciable. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

### The expected lives, in years, of major classes of fixed assets are as follows:

INFRASTRUCTURE ASSETS:	YEARS:
<b>Roading:</b>	
Road formation	N/A
Pavement Basecourse	22-90
Sealed Pavement surface	2-20
Unsealed roads	2-7
Traffic control device	50
Road signs and markers	7-15
Kerbs and channels and cesspits	40-60
Surface water Channel	15-50
Street Railings	10-20
Traffic Islands	50
Street lighting	10-50
Footpaths	20-50
Bridges – concrete	100
Bridges – wooden	30
Car-parks	50
<b>Water:</b>	
Treatment plant – structure	70-90
Treatment plant – contents	15-50
Pump stations – structure	80-100
Pump stations – contents	10-50
Reservoirs – concrete and wooden	70-90
Water lines and service lines	50-80
Valves and hydrants	30-65
Water meters	15-25
<b>Wharves:</b>	
Wharves (concrete)	50
<b>Stormwater:</b>	
Stormwater lines	80
Manholes	70-80
Open drains and channels	50-90
Pump stations – structure	80-100
Pump station – contents	12-40
Retention dams	80-90
Floodgates	50
<b>Sewerage:</b>	
Sewer lines and service lines	60-80
Manholes	70-80
Pump station – structure	60-70
Pump station – contents	12-25
Ponds – structure	60
Ponds – plant and equipment	15-25
<b>Refuse</b>	
Whakatāne landfill	8.5
Murupara landfill	2
Solid Waste	25

OPERATIONAL ASSETS:	YEARS:
Museum assets	N/A
Land	N/A
Buildings	40-100
Vehicles	5
Plant and machinery – heavy	8-12.5
Plant and machinery – light	2-5
Furniture and fittings	10
Library books	7
Office equipment	4-5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end.

## INTANGIBLE ASSETS

### Software Acquisition and Development

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

Cost associated with developing or maintaining computer software are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Council, and that will generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads.

### Easements

Easements are recognised at cost, being purchase price and any directly attributable costs in bringing the asset to its intended use. Easements have an indefinite useful life and consequently are not amortised, but are instead tested for impairment annually.

### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date the asset is derecognised. The amortisation charge for each period is recognised in the prospective statement of comprehensive income.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software	4 - 5 years	25% - 20%
-------------------	-------------	-----------

## IMPAIRMENT OF NON-FINANCIAL ASSETS

Intangible assets that have an indefinite useful life, or not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets and cash generating units is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For re-valued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the statement of comprehensive income.

For assets not carried at a re-valued amount, the total impairment loss is recognised in the prospective statement of comprehensive income.

The reversal of an impairment loss on a re-valued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in prospective statement of comprehensive income, a reversal of the impairment loss is also recognised in the prospective statement of comprehensive income.

For assets not carried at a re-valued amount the reversal of an impairment loss is recognised in the prospective statement of comprehensive income.

## INVESTMENT PROPERTY

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, the Council measures all investment property at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are recognised in the prospective statement of comprehensive income.

## FOREST ASSETS

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices felling costs and silvicultural costs and takes into consideration environmental, operational and market restrictions. Gains and losses arising on initial recognition of biological assets at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell are recognised in the Prospective Statement of Comprehensive Income.

The costs to maintain forestry assets are included in the Prospective Statement of Comprehensive Income.

## CREDITORS AND OTHER PAYABLES

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

## BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

## PROVISIONS

Provisions are recognised when: the Council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

## EMPLOYEE BENEFITS

### Short-term benefits

Employee benefits that Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

The Council recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that the Council anticipates it will be used by staff to cover those future absences.

### Long-term benefits

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave have been calculated on an actuarial basis. The calculations are based on:

Likely future entitlements accruing to staff, based on years of service, years to entitlement,

The likelihood that staff will reach the point of entitlement and contractual entitlement information; and,

The present value of the estimated future cash flows.

The discount rate is based on the weighted average of interest rates for government stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

### Superannuation scheme

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit incurred.

## THIRD PARTY TRANSFER POLICY

The council collects monies for other organisations including Bay of Plenty Regional Council and the Inland Revenue Department. Where collections are processed through the Council's books, any monies held are shown as accounts payable in the prospective statement of financial position. Amounts collected on behalf of third parties are not recognised as revenue, but commission earned from acting as agent is recognised as revenue.

## PUBLIC EQUITY

Public Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves. Reserves are a component of equity generally representing a particular use for which various parts of equity have been assigned.

The components of equity are:

- Retained earnings;
- Restricted reserves;
- Asset revaluation reserve.

### Restricted reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Restricted reserves are those subject to specific conditions accepted as binding by Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

### Asset revaluation reserve

This reserve relates to the revaluation of property, plant and equipment to fair value.

## CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with NZ IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

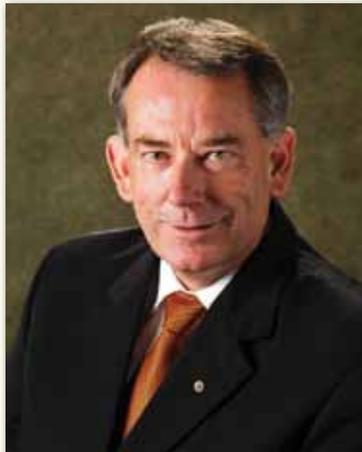
## GOODS AND SERVICES TAX

All items in the financial statements are stated exclusive of GST, except for receivables and creditors and other payables, which are presented inclusive of GST. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the prospective statement of financial position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the prospective statement of cash flows. Commitments and contingencies are disclosed exclusive of GST.

## YOUR COUNCIL



**MAYOR** Tony Bonne

Ph 07 312 4787  
Ph (Bus) 07 306 0515  
Mob 027 440 1126  
tony.bonne@whakatane.govt.nz

Whakatāne District Council  
Ph 07 306 0500  
Fax 07 307 0718  
info@whakatane.govt.nz  
www.whakatane.govt.nz

### Whakatāne - Ōhope Ward



**DEPUTY MAYOR**

Judy Turner

Ph 07 312 4965  
Mob 021 309 803  
judyturner.ohope@xtra.co.nz



**COUNCILLOR**

Christine Chambers

Ph 07 308 7898  
twoattoi@xtra.co.nz



**COUNCILLOR**

David Dowd

Ph 07 307 0299  
david@ddl.co.nz



**COUNCILLOR**

Scott Jarrett

Ph 07 308 7556  
Mob 027 493 8019  
scott\_jarrett@xtra.co.nz



**COUNCILLOR**

Dave Sheaff

Ph 07 312 5744  
Mob 027 495 3022  
dlsheaff@wave.co.nz

### Rangitāiki Ward



**COUNCILLOR**

George Johnston

Ph 07 304 8373  
Mob 027 667 3645  
thorntonjohnstons@hotmail.com



**COUNCILLOR**

Russell Orr

Ph 07 322 8473  
Mob 027 290 7565  
russell@orrcm.co.nz



**COUNCILLOR**

Gerard van Beek

Ph 308 6474  
Mob 027 444 4940  
nassau@xtra.co.nz



**COUNCILLOR**

Andrew Iles

Ph 07 312 3191  
Mob 027 294 1849  
waimanailles@xtra.co.nz



**COUNCILLOR**

Pouroto Ngaropo

Mob 021 242 5978  
pouroto@ngatiawa.iwi.nz

### Tāneatua-Waimana Ward

### Galatea - Murupara Ward

**WHAKATĀNE DISTRICT COUNCIL**

Civic Centre, Commerce Street, Whakatāne  
Email: [info@whakatane.govt.nz](mailto:info@whakatane.govt.nz)  
Phone: 07 306 0500

Private Bag 1002 Whakatāne 3158  
Website: [www.whakatane.govt.nz](http://www.whakatane.govt.nz)  
Fax: 307 0718

**SERVICE CENTRE, MURUPARA**

Pine Drive, Murupara  
Phone: 07 366 5896 Fax: 07 366 5897



LIKE US  
ON FACEBOOK

