



Our Costs in Detail
Ngā taipitopito utu



OUR COSTS IN DETAIL

Ngā taipitopito utu

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

Financial Prudence Benchmarks

These statements provide the Council's planned financial performance against various benchmarks in relation to revenue, expenses, assets, liabilities and general financial dealings.

Prospective Financial Statements

These statements provide an overview of the Council's forecasted financial position for the next 10 years. This information should be read alongside the financial information contained in the 'Our Work in Detail' Chapter. The Statements include:

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

Statement of Accounting Policies

This statement outlines the principles against which we have prepared our financial statements. These policies have been applied to all the 10 years of this plan, unless specifically stated.

Capital Projects List

This table outlines the key capital projects (or in some cases programmes of capital works) that we plan to undertake over the course of this LTP. It breaks down costs of capital works by year and indicates what the funding sources will be.

Rating Information

This section includes information about the distribution and payment of rates in our District. This includes:

- Information about the number of rateable properties in our District.
- Due dates for payment of rates and water invoices in 2018/19
- Funding Impact Statement (Rating) - showing how the rating system will look as dollar figures applied across the community
- Indicative Rating Examples for 2018/19 to model what rates will look like in 2018/19 for example properties

Auditor's Report

Our Long Term Plan has been audited by Audit New Zealand. The purpose of the Audit is to ensure that our LTP meets legislative requirements and provides a reasonable basis for long-term, integrated decision-making and coordination of the Council's resources and its accountability to the community.

FINANCIAL PRUDENCE BENCHMARKS

Ngā aratohu pūtea

LONG-TERM PLAN DISCLOSURE STATEMENT FOR PERIOD COMMENCING 1 JULY 2018

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

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

Rates Affordability Benchmark

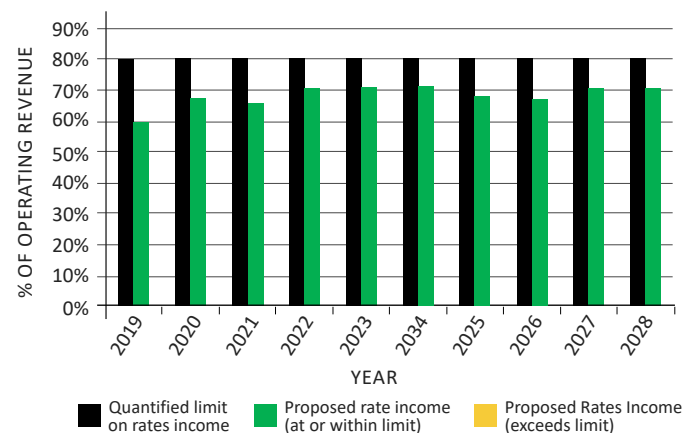
The Council meets the rates affordability benchmark if:

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

RATES INCOME AFFORDABILITY

The following graph compares the Council's planned rates with a quantified limit on rates contained in the financial strategy included in this Long-Term Plan.

Total rates revenue for each year of the ten-year plan will be limited to 80% of operating revenue.

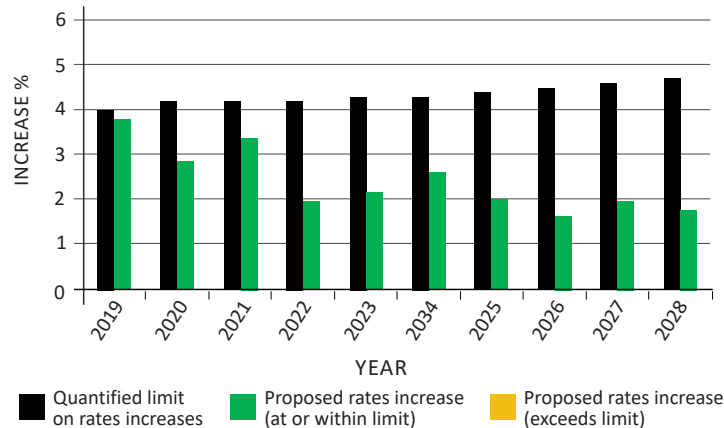


RATES INCREASES AFFORDABILITY

The following graph compares the Council's planned rates increases with a quantified limit on rates increases contained in the Financial Strategy included this Long-Term Plan.

Quantified Limit on Rates Increases

- The annual percentage increase in the Local Government Cost Index*
- Plus two percent.



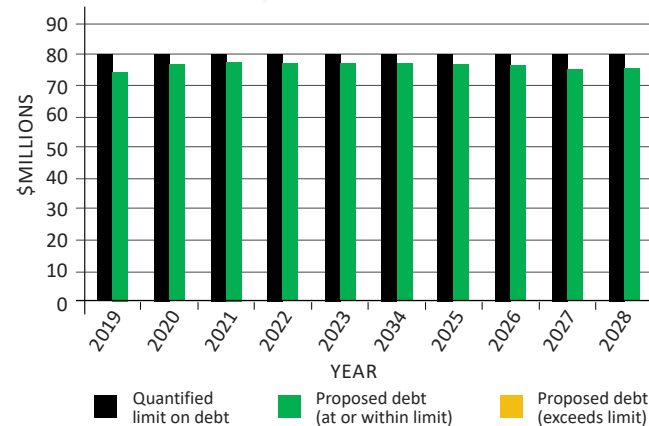
*Using the most recent Local Government Cost Index, published by BERL, available at the time the this ten-year plan was prepared.

Debt Affordability Benchmark

The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

Our Limits for Debt

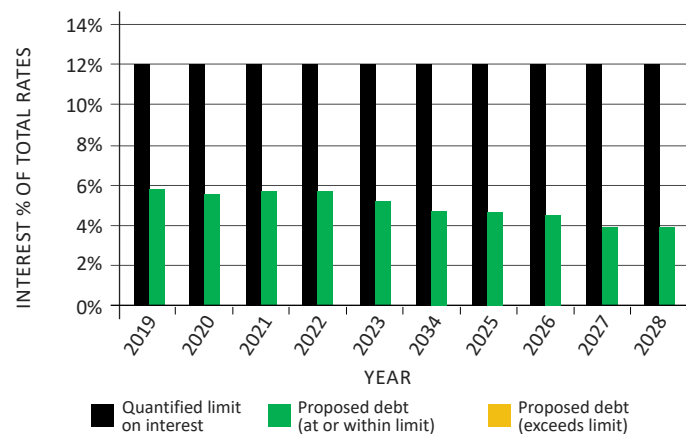
The following graph compares the council's planned total borrowing with the first quantified limit on borrowing stated in the financial strategy included in this long-term plan. The quantified limit is for total debt to be capped at \$80 million.



Debt Affordability Benchmark continued.

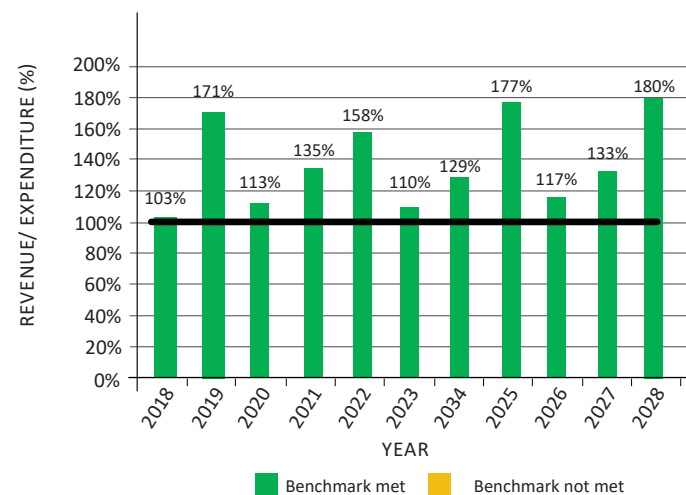
Our Limit on Interest as a Percentage of Total Rates Income

The following graph compares the council's planned interest as a percentage of total rates income with the second quantified limit on borrowing stated in the financial strategy included in this long-term plan. The quantified limit is 12% of total rates.



Balanced Budget Benchmark

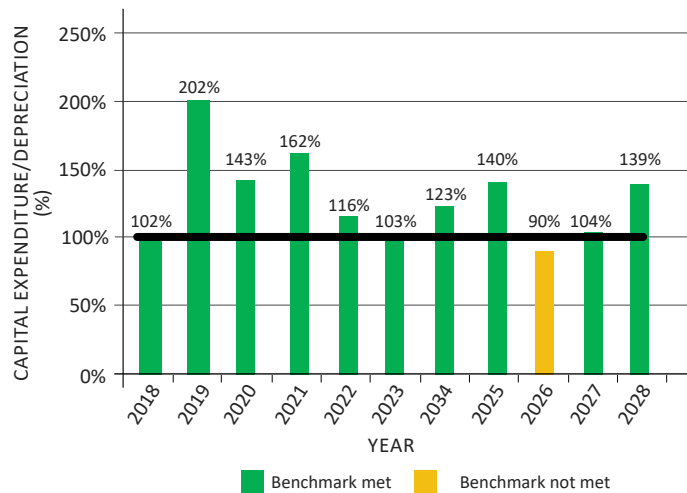
The following graph displays the Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property plant and equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant and equipment). The Council meets the balanced benchmark if its planned revenue equals or is greater than its planned operating expenses.





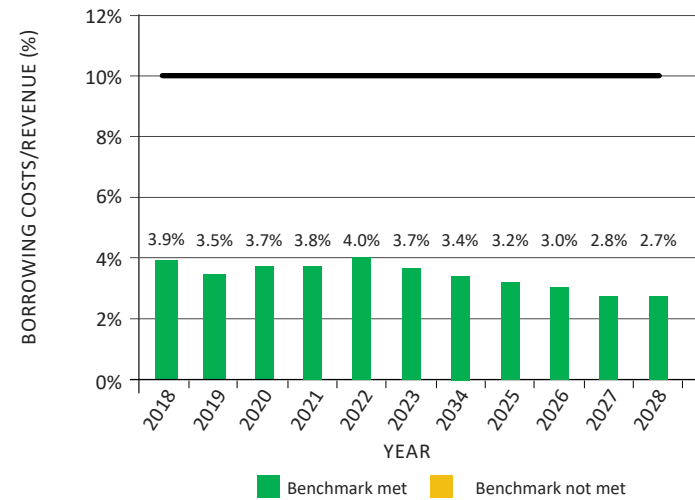
Essential Services Benchmark

The following graph displays the Council’s planned capital expenditure on network services as a proportion of expected depreciation on network services. The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than depreciation on network services.



Debt Servicing Benchmark

The following graph displays the Council’s planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property plant and equipment). Because Statistics New Zealand projects the Councils’ population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its planned revenue.





PROSPECTIVE FINANCIAL STATEMENTS

Ngā matapae tauāki pūtea

The following Prospective Financial Statements are provided to give you an indication of our predicted financial position during the period of this LTP. We develop an Annual Plan on an annual basis to update our proposals with the latest information.

CAUTIONARY NOTE

The information in the Prospective Financial Statements is uncertain and its preparation requires the exercise of judgement. Actual financial results are likely to vary from the information presented and the variations may be material. Events and circumstances may not occur as expected and may or may not have been predicted or the Council may subsequently take actions that differ from the proposed course of action on which the prospective financial statements are based.

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

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

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

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 revenue. 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 the Council invests in 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 OF RESERVE BALANCES

This identifies the reserve funds that we operate and the expected value of these funds including how much is in each fund at the start of the LTP period, how much we expected to come in or out of each fund during the term of the LTP, and then what the balance of each fund is expected to be at the end of the LTP term.

Statement concerning balancing the budget

The Council has produced a balanced budget in each of the ten years of the LTP. 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
- Other Central Government grants and subsidies are shown as income, whereas the capital items they fund are not included in the profit and loss statements.

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 one off 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 ten years and to meet the social, cultural, environmental and economic well-being of the community.



Prospective Statement of Comprehensive Revenue and Expense

AP 2018 \$000		LTP 2019 \$000	LTP 2020 \$000	LTP 2021 \$000	LTP 2022 \$000	LTP 2023 \$000	LTP 2024 \$000	LTP 2025 \$000	LTP 2026 \$000	LTP 2027 \$000	LTP 2028 \$000
	REVENUE										
11,144	Revenue from activities	9,063	9,224	9,390	9,614	9,908	10,095	10,332	10,603	10,808	11,035
10,092	Subsidies and Grants	20,273	12,089	14,395	10,063	9,585	9,510	13,123	14,838	10,559	10,867
42,653	Rates Revenue Note 1 and 2	44,505	45,745	47,298	48,232	49,284	50,570	51,578	52,420	53,450	54,401
236	Vested Assets	-	-	-	-	-	-	-	-	-	-
500	Gains on revaluation of Investment property	-	-	-	-	-	-	-	-	-	-
94	Development and Financial Contributions	1,064	131	134	137	140	144	147	386	155	159
46	Finance Revenue*	50	46	47	48	49	50	51	52	53	54
64,765	Total Revenue	74,955	67,234	71,264	68,094	68,966	70,368	75,231	78,299	75,025	76,516
	EXPENDITURE										
27,376	Other Expenses	26,951	27,377	28,246	28,854	29,763	30,661	31,249	32,232	33,258	34,066
14,961	Personnel Costs	16,960	17,007	17,234	17,537	17,839	18,158	18,477	18,813	19,150	19,503
15,979	Depreciation and Amortisation Note 3	15,464	16,605	17,449	17,536	17,524	17,632	17,916	18,387	18,855	19,344
2,520	Finance Costs*	2,572	2,508	2,670	2,729	2,544	2,387	2,402	2,368	2,074	2,092
60,836	Total Expenditure	61,947	63,497	65,600	66,654	67,670	68,838	70,045	71,800	73,337	75,005
3,929	Net Surplus (Deficit)	13,008	3,737	5,664	1,439	1,296	1,530	5,185	6,499	1,688	1,512
	OTHER COMPREHENSIVE REVENUE & EXPENSE										
(1,000)	Gains on asset revaluation	17,716	2,862	11,945	22,461	3,589	13,236	26,257	3,589	15,496	31,319
2,929	Total comprehensive revenue and expense for the year	30,724	6,599	17,609	23,900	4,884	14,766	31,443	10,088	17,184	32,831

*Excludes Internal Borrowing Interest.

Notes to the Prospective Statement of Comprehensive Revenue and Expense

AP 2018 \$000		LTP 2019 \$000	LTP 2020 \$000	LTP 2021 \$000	LTP 2022 \$000	LTP 2023 \$000	LTP 2024 \$000	LTP 2025 \$000	LTP 2026 \$000	LTP 2027 \$000	LTP 2028 \$000
	NOTE 1: GENERAL RATES BY ACTIVITY										
2,899	Leadership	2,964	2,956	3,006	3,112	3,130	3,174	3,287	3,317	3,493	3,603
(25)	Roads & Footpaths	(25)	(25)	(26)	(26)	(27)	(27)	(28)	(29)	(29)	(30)
187	Sewage Treatment & Disposal	126	438	441	443	445	445	446	447	448	448
363	Stormwater Drainage	352	354	356	358	361	361	359	360	361	362
1,800	Solid Waste	1,849	1,924	1,997	2,047	2,102	2,128	2,181	2,219	2,231	2,269
1,712	Environmental Sustainability	2,019	1,892	1,984	1,960	1,993	2,029	2,003	1,668	1,709	1,718
3,095	Community Safety	2,523	2,463	2,473	2,548	2,438	2,504	2,504	2,610	2,601	2,650
864	District Growth	1,066	1,128	1,180	1,175	1,165	1,208	1,317	1,256	1,337	1,292
9,941	Recreation & Community Services	10,551	10,717	10,955	11,023	11,402	11,613	11,826	12,183	12,466	12,571
203	Corporate & District Activities	803	692	691	419	222	200	131	47	68	112
-	Council Controlled Activities	85	86	88	90	92	94	96	98	100	102
21,038	Total General Rates	22,313	22,627	23,145	23,148	23,322	23,728	24,123	24,176	24,784	25,096
620	Less Rates Remissions	400	449	458	467	477	487	497	507	518	529
20,418	General Rates Levied	21,913	22,178	22,688	22,681	22,845	23,241	23,626	23,669	24,266	24,567
	NOTE 2: TARGETED RATES BY ACTIVITY										
334	Leadership	334	339	344	350	358	364	371	379	386	393
6,833	Roads & Footpaths	5,837	6,412	6,550	6,819	7,043	7,323	7,352	7,547	7,680	7,834
5,230	Water Supply	6,117	5,885	6,035	6,226	6,478	6,720	6,906	7,044	7,142	7,248
3,366	Sewage Treatment & Disposal	3,764	4,038	4,468	4,609	4,755	4,889	5,116	5,289	5,409	5,662
3,328	Stormwater Drainage	3,184	3,390	3,597	3,820	3,995	4,143	4,238	4,432	4,480	4,518
2,481	Solid Waste	2,595	2,732	2,830	2,925	2,992	3,056	3,119	3,193	3,202	3,278
664	District Growth	723	734	748	763	778	793	809	825	841	856
-	Council Controlled Activities	36	37	38	39	39	40	41	42	43	44
22,235	Total Targeted Rates	22,592	23,567	24,610	25,551	26,439	27,328	27,952	28,751	29,184	29,834

AP 2018 \$000		LTP 2019 \$000	LTP 2020 \$000	LTP 2021 \$000	LTP 2022 \$000	LTP 2023 \$000	LTP 2024 \$000	LTP 2025 \$000	LTP 2026 \$000	LTP 2027 \$000	LTP 2028 \$000
7,021	Roads & Footpaths	7,081	7,746	8,173	8,268	8,299	8,307	8,344	8,397	8,461	8,545
1,881	Water Supply	1,916	2,073	2,240	2,219	2,234	2,287	2,304	2,298	2,287	2,312
1,536	Sewage Treatment & Disposal	1,483	1,558	1,593	1,573	1,560	1,600	1,735	1,726	1,861	1,980
1,090	Stormwater Drainage	1,135	1,215	1,317	1,338	1,331	1,336	1,322	1,332	1,316	1,300
10	Solid Waste	41	43	44	44	43	43	43	43	43	43
6	Community Safety	10	10	10	10	10	9	9	9	9	8
244	District Growth	69	73	78	78	78	78	81	81	83	83
2,650	Recreation & Community Services	2,732	2,907	3,130	3,127	3,073	3,058	3,131	3,267	3,271	3,263
1,651	Corporate & District Activities	990	963	846	857	873	890	921	1,204	1,496	1,779
44	Council Controlled Activities	9	17	18	23	23	24	26	29	30	31
15,979	Total Depreciation and Amortisation	15,464	16,605	17,449	17,536	17,524	17,632	17,916	18,387	18,855	19,344
15,625	Projected number of rating units within the district at the end of the proceeding year	15,659	15,659	15,659	15,659	15,659	15,659	15,659	15,659	15,659	15,659

Prospective Statement of Changes in Net Assets and Equity

AP 2018 \$000		LTP 2019 \$000	LTP 2020 \$000	LTP 2021 \$000	LTP 2022 \$000	LTP 2023 \$000	LTP 2024 \$000	LTP 2025 \$000	LTP 2026 \$000	LTP 2027 \$000	LTP 2028 \$000
443,197	Accumulated Funds at the start of the year	436,635	449,643	453,380	459,044	460,484	461,779	463,310	468,495	474,994	476,682
3,929	Total Comprehensive Revenue for the Period	13,008	3,737	5,664	1,439	1,296	1,530	5,185	6,499	1,688	1,512
447,126	Accumulated Funds at the end of the year	449,643	453,380	459,044	460,484	461,779	463,310	468,495	474,994	476,682	478,194
153,300	Asset Revaluation Reserves at the start of the year	176,604	194,320	197,182	209,127	231,588	235,176	248,412	274,670	278,258	293,754
(1,000)	Revaluation of Assets	17,716	2,862	11,945	22,461	3,589	13,236	26,257	3,589	15,496	31,319
152,300	Asset Revaluation Reserves at the end of the year	194,320	197,182	209,127	231,588	235,176	248,412	274,670	278,258	293,754	325,073
599,426	Net Assets and Equity at the end of the year	643,963	650,562	668,171	692,072	696,956	711,722	743,165	753,252	770,436	803,267

Prospective Statement of Financial Position

AP 2018 \$000		LTP 2019 \$000	LTP 2020 \$000	LTP 2021 \$000	LTP 2022 \$000	LTP 2023 \$000	LTP 2024 \$000	LTP 2025 \$000	LTP 2026 \$000	LTP 2027 \$000	LTP 2028 \$000
	PUBLIC EQUITY										
428,347	Retained Earnings	428,158	430,479	439,260	440,488	441,119	441,413	445,182	449,794	449,384	448,673
17,779	Restricted Equity	21,485	22,901	19,785	19,995	20,660	21,897	23,313	25,200	27,298	29,520
153,300	Asset Revaluation Reserves	194,320	197,182	209,127	231,588	235,176	248,412	274,670	278,258	293,754	325,073
599,426	Total Public Equity	643,963	650,562	668,171	692,072	696,956	711,722	743,165	753,252	770,436	803,267
	CURRENT ASSETS										
846	Cash and Cash Equivalents	2,508	4,682	2,447	3,429	1,701	1,210	(101)	1,191	(214)	(614)
837	Other Current Assets	231	243	255	267	281	295	310	325	341	358
3,574	Trade and other Receivables	10,505	9,439	10,003	9,560	9,683	9,880	10,561	10,992	10,534	10,744
2,653	Assets Held for Sale	8,696	6,696	6,696	4,496	1,996	1,996	1,996	1,996	1,996	1,996
7,910	Total Current Assets	21,940	21,059	19,401	17,752	13,660	13,381	12,766	14,504	12,658	12,484
	NON CURRENT ASSETS										
33,467	Investment Property	34,820	34,987	35,144	35,229	35,323	35,395	35,595	35,658	35,789	35,847
620,362	Property, Plant and Equipment	640,546	649,545	670,983	694,670	696,904	711,171	744,122	750,681	765,943	800,139
5,317	Work in Progress	15,391	15,544	15,781	15,812	15,778	15,804	15,971	16,046	16,040	16,112
784	Other Non-Current Assets	703	703	703	703	703	703	703	703	703	703
659,930	Total Non Current Assets	691,460	700,779	722,612	746,415	748,708	763,073	796,392	803,088	818,475	852,801
667,840	Total Assets	713,400	721,838	742,013	764,168	762,368	776,455	809,158	817,592	831,133	865,285
	CURRENT LIABILITIES										
13,896	Trade and Other Payables	8,807	9,615	9,121	9,303	9,545	9,789	9,970	10,234	10,506	10,739
1,800	Employee Benefit Liabilities	2,544	2,551	2,585	2,630	2,676	2,724	2,772	2,822	2,872	2,925
6,000	Borrowings	9,000	5,000	13,000	5,000	17,000	12,000	9,000	16,000	9,000	17,000
21,696	Total Current Liabilities	20,351	17,166	24,706	16,934	29,221	24,512	21,742	29,056	22,379	30,664
	NON CURRENT LIABILITIES										
406	Provisions	486	510	536	563	591	620	651	684	718	754
45,300	Borrowings	45,000	50,000	45,000	51,000	32,000	36,000	40,000	31,000	34,000	27,000
1,013	Other Non-Current Liabilities	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600
46,719	Total Non-Current Liabilities	49,086	54,110	49,136	55,163	36,191	40,220	44,251	35,284	38,318	31,354
68,415	Total Liabilities	69,437	71,276	73,842	72,096	65,412	64,733	65,993	64,340	60,697	62,018
599,425	Net Assets	643,963	650,562	668,171	692,072	696,956	711,722	743,165	753,252	770,436	803,267

Notes to the Prospective Statement of Financial Position

AP 2018 \$000		LTP 2019 \$000	LTP 2020 \$000	LTP 2021 \$000	LTP 2022 \$000	LTP 2023 \$000	LTP 2024 \$000	LTP 2025 \$000	LTP 2026 \$000	LTP 2027 \$000	LTP 2028 \$000
NET INVESTMENT IN COUNCIL CONTROLLED ORGANISATIONS											
1,629	Whakatāne Airport	3,856	4,018	4,028	4,194	4,173	4,178	4,234	4,285	4,303	4,322
624	Local Government Funding Agency	644	644	644	644	644	644	644	644	644	644
2,253	Net Investment	4,500	4,662	4,672	4,838	4,817	4,822	4,878	4,929	4,947	4,966

Prospective Statement of Cash Flows

AP 2018 \$000		LTP 2019 \$000	LTP 2020 \$000	LTP 2021 \$000	LTP 2022 \$000	LTP 2023 \$000	LTP 2024 \$000	LTP 2025 \$000	LTP 2026 \$000	LTP 2027 \$000	LTP 2028 \$000
CASH FLOW FROM OPERATING ACTIVITIES											
<i>Cash will be provided from:</i>											
42,653	Rates and Service Charges	44,905	46,193	47,756	48,699	49,760	51,056	52,075	52,927	53,968	54,930
94	Development Contributions	1,064	131	134	137	140	144	147	386	155	159
3,268	Sundry Revenue	3,703	3,775	3,852	3,944	4,024	4,112	4,213	4,314	4,410	4,508
7,875	User Fees	5,815	5,865	5,964	6,105	6,343	6,454	6,600	6,791	6,913	7,056
10,092	Subsidies & Grants	19,901	11,741	14,039	9,672	9,212	9,128	12,732	14,438	10,149	10,447
46	Interest Revenue - External	50	46	47	48	49	50	51	52	53	54
8,531	Regional Council Rates	9,879	10,163	10,506	10,714	10,947	11,232	11,456	11,644	11,873	12,085
72,559	Total Operating Cash Provided	85,318	77,913	82,297	79,319	80,476	82,176	87,275	90,552	87,521	89,238
<i>Cash will be applied to:</i>											
42,337	Suppliers and Employees	42,696	43,160	44,203	45,049	46,189	47,341	48,179	49,415	50,707	51,751
2,520	Interest on Public Debt	2,572	2,508	2,670	2,729	2,544	2,387	2,402	2,368	2,074	2,092
8,531	Regional Council Rates	9,879	10,163	10,506	10,714	10,947	11,232	11,456	11,644	11,873	12,085
53,388	Total Operating Cash Applied	55,148	55,831	57,380	58,491	59,681	60,961	62,038	63,427	64,654	65,927
19,171	Net Cashflows from Operating Activities	30,170	22,082	24,918	20,827	20,795	21,215	25,237	27,125	22,867	23,311

AP 2018 \$000		LTP 2019 \$000	LTP 2020 \$000	LTP 2021 \$000	LTP 2022 \$000	LTP 2023 \$000	LTP 2024 \$000	LTP 2025 \$000	LTP 2026 \$000	LTP 2027 \$000	LTP 2028 \$000
CASH FLOW FROM INVESTING ACTIVITIES											
<i>Cash will be provided from:</i>											
7,100	Proceeds from sale of property, plant and equipment	565	2,000	-	2,200	2,500	-	-	-	-	-
7,100	Total Investing Cash Provided	565	2,000	-	2,200	2,500	-	-	-	-	-
<i>Cash will be spent on:</i>											
27,071	Purchase of property, plant and equipment	29,671	22,742	29,996	19,960	17,930	20,632	27,348	23,770	20,141	24,653
-	Purchase of investments	129	167	157	86	93	73	200	63	131	58
27,071	Total Investing Cash Applied	29,800	22,908	30,153	20,046	18,023	20,705	27,548	23,833	20,272	24,711
(19,971)	Net Cashflows from Investing Activities	(29,235)	(20,908)	(30,153)	(17,846)	(15,523)	(20,705)	(27,548)	(23,833)	(20,272)	(24,711)
CASH FLOW FROM FINANCING ACTIVITIES											
<i>Cash will be provided from:</i>											
-	Loans raised	8,000	6,000	16,000	3,000	10,000	11,000	10,000	14,000	5,000	18,000
-	Total Financing Cash Provided	8,000	6,000	16,000	3,000	10,000	11,000	10,000	14,000	5,000	18,000
<i>Cash will be spent on:</i>											
-	Repayment of public debt	9,000	5,000	13,000	5,000	17,000	12,000	9,000	16,000	9,000	17,000
-	Total Financing Cash Applied	9,000	5,000	13,000	5,000	17,000	12,000	9,000	16,000	9,000	17,000
-	Net Cashflows from financing activities	(1,000)	1,000	3,000	(2,000)	(7,000)	(1,000)	1,000	(2,000)	(4,000)	1,000
(800)	Net increase (decrease) in cash held	(65)	2,174	(2,235)	982	(1,728)	(490)	(1,311)	1,292	(1,405)	(400)
1,646	Plus opening cash balance	2,573	2,508	4,682	2,447	3,429	1,701	1,210	(101)	1,191	(214)
846	Closing Cash Position	2,508	4,682	2,447	3,429	1,701	1,210	(101)	1,191	(214)	(614)

STATEMENT OF RESERVE BALANCES

GENERAL OPERATING RESERVES	ACTIVITY	PURPOSE
General Rates and Revenues	General Council	For General Rate funded Surpluses or Deficits
Roading Rate	Roads and Footpaths	For Roading Rate funded Surpluses or Deficits
Refuse Collection rate	Waste	For Refuse Collection Rate funded Surpluses or Deficits
Wastewater	Sewage Treatment and Disposal	For Wastewater Rate funded Surpluses or Deficits (excluding Matatā and Murupara schemes)
Wastewater - Matatā 1	Sewage Treatment and Disposal	For Matatā Wastewater operational Surpluses or Deficits
Wastewater - Murupara	Sewage Treatment and Disposal	For Murupara Wastewater Rate funded Surpluses or Deficits
Water	Water	For Water Rate funded Surpluses or Deficits (exc Murupara, Plains and Ruatahuna schemes)
Water - Murupara	Water	For Murupara Water Rate funded Surpluses or Deficits
Water - Plains	Water	For Plains Water Rate funded Surpluses or Deficits
Water - Ruatahuna	Water	For Ruatahuna Water Rate funded Surpluses or Deficits
Dog Control	Animal Control	For Animal Control Operating Surpluses or Deficits
Parking Enforcement	Parking	For Parking Enforcement Operating Surpluses or Deficits
Pensioner Housing	Pensioner Housing	For Pensioner Housing Operating Surpluses or Deficits
Airport Whakatāne	Whakatāne Airport	For Whakatāne Airport Operating Surpluses or Deficits
Whakatāne Stormwater	Stormwater	For Whakatāne Stormwater Rate funded Surpluses or Deficits
Ōhope Stormwater	Stormwater	For Ōhope Stormwater Rate funded Surpluses or Deficits
Edgcumbe Stormwater	Stormwater	For Edgcumbe Stormwater Rate funded Surpluses or Deficits
Matatā Stormwater	Stormwater	For Matatā Stormwater Rate funded Surpluses or Deficits
Murupara Stormwater	Stormwater	For Murupara Stormwater Rate funded Surpluses or Deficits
Tāneatua Stormwater	Stormwater	For Tāneatua Stormwater Rate funded Surpluses or Deficits
Te Teko Stormwater	Stormwater	For Te Teko Stormwater Rate funded Surpluses or Deficits
Te Mahoe Stormwater	Stormwater	For Te Mahoe Stormwater Rate funded Surpluses or Deficits
Disaster Mitigation	Stormwater	For Disaster Mitigation/Stormwater Rate funded Surpluses or Deficits
Car parks Development	Parking	For the Development of Carparks in the District
Sand mining Royalties	General Council	Income received from sandmining company for access over Council reserve
Museum Collections	Exhibitions, Research, Storage & Archives	For the purchase of Assets for the Museum Collection
Galatea Reserve Development	General Council	For amenities within the Galatea and Murupara areas
Disabled Facilities	Pensioner Housing	For the improvement of Disabled Facilities throughout the District
Te Mahoe Water - special	Water	For the purchase of Capital Expenditure for the Te Mahoe Water scheme
Asset Divestment	General Council	Surplus funds from the Divestment of Council Assets
Leaky Homes Reserve	Building	To fund weather tight claims
Roading Storm Damage Reserve	Roads and Footpaths	To fund costs associated with storm damage to the Councils Roading network
General Disaster Reserve	General Council	To fund costs associated with a disaster within the District

RESTRICTED RESERVES	ACTIVITY	PURPOSE
Subdivision Contributions - Whakatāne	General Council	To fund capital expenditure in the Whakatāne Ward
Subdivision Contributions - Ōhope	General Council	To fund capital expenditure in the Ōhope Ward
Subdivision Contributions - Edgcumbe	General Council	To fund capital expenditure in the Edgcumbe Ward
Subdivision Contributions - Matatā	General Council	To fund capital expenditure in the Matatā Ward
Subdivision Contributions - Murupara	General Council	To fund capital expenditure in the Murupara Ward
Subdivision Contributions - Rural	General Council	To fund capital expenditure in the Rural Ward
Harbour Capital Fund	Ports & Harbour	For Ports & Harbour Operating Surpluses or Deficits
Harbour Land Sales	Ports & Harbour	Funds set aside from the sale of Harbour assets
Development Contributions - Stormwater	Stormwater	To fund growth related stormwater capital expenditure
Development Contributions - Water	Water	To fund growth related Water capital expenditure
Development Contributions - Wastewater	Sewage Treatment and Disposal	To fund growth related Wastewater capital expenditure
Development Contributions - Community Infrastructure	Arts & Culture, Recreation & Community Facilities	To fund growth related Community Infrastructure
Development Contributions - Parks, Gardens and Reserves	Parks, Reserves, Recreation & Sports Fields	To fund growth related Parks, Gardens and Reserves capital expenditure
Development Contributions - Solid Waste	Waste	To fund growth related Solid Waste capital expenditure
Development Contributions - Roothing	Roads and Footpaths	To fund growth related Roothing capital expenditure
Capital Contributions - Roothing	Roads and Footpaths	Financial contributions for Roothing capital projects
DEPRECIATION RESERVES	ACTIVITY	PURPOSE
Water	Water	To fund the renewal of Water assets
Wastewater	Sewage Treatment and Disposal	To fund the renewal of Wastewater assets
Stormwater	Stormwater	To fund the renewal of Stormwater assets
Refuse Disposal	Waste	To fund the renewal of Refuse Disposal assets
Libraries	Libraries	To fund the renewal of Library assets
Museum	Exhibitions, Research, Storage & Archives	To fund the renewal of Museum assets
Parks and Gardens & Sportsfields	Parks, Reserves, Recreation & Sports Fields	To fund the renewal of Parks and Gardens & Sportsfields assets
Cemeteries & Crematoria	Cemeteries & Crematorium	To fund the renewal of Cemeteries & Crematorium assets
Swimming Pools	Aquatic Centres	To fund the renewal of Aquatic Centre assets
Halls	Halls	To fund the renewal of Halls assets
Public Conveniences	Public Conveniences	To fund the renewal of Public Conveniences assets
Pensioner Housing	Pensioner Housing	To fund the renewal of Pensioner Housing assets
Strategic & Investment Property	Commercial Property	To fund the renewal of Commercial Property assets
Corporate Property	Corporate & District Activities	To fund the renewal of Corporate Property assets
Information Management	Corporate & District Activities	To fund the renewal of Information Management assets
Port	Ports & Harbour	To fund the renewal of Port & Harbour assets
Roothing	Roads and Footpaths	To fund the renewal of Roothing assets
Airport - Whakatāne	Whakatāne Airport	To fund the renewal of Whakatāne Airport assets

RESERVE ACCOUNT	2019 OPENING BALANCE	2019 TRANSFERS IN	2019 TRANSFERS OUT	2019 CLOSING BALANCE	2020 TRANSFERS IN	2020 TRANSFERS OUT	2020 CLOSING BALANCE	2021 TRANSFERS IN	2021 TRANSFERS OUT	2021 CLOSING BALANCE	2022 TRANSFERS IN	2022 TRANSFERS OUT	2022 CLOSING BALANCE	2023 TRANSFERS IN
Restricted Reserves														
Subdivision Contributions - Whakatāne	111	5	-	116	5	-	121	5	-	127	6	-	132	6
Subdivision Contributions - Ōhope	45	2	-	47	2	-	49	2	-	51	2	-	53	2
Subdivision Contributions - Edgecumbe	25	1	-	27	1	-	28	1	-	29	1	-	30	1
Subdivision Contributions - Matatā	22	1	-	23	1	-	23	1	-	25	1	-	26	1
Subdivision Contributions - Murupara	7	-	-	7	-	-	7	-	-	8	-	-	8	-
Subdivision Contributions - Rural	12	1	-	13	1	-	14	1	-	14	1	-	15	1
Harbour Capital Fund	8,886	2,527	(2,408)	9,005	2,540	(1,739)	9,806	2,510	(6,037)	6,278	2,498	(2,826)	5,950	2,519
Harbour Land Sales	11,962	512		12,474	543		13,016	581		13,597	619		14,215	664
Development Contributions - Whakatāne Water	(478)	280	(14)	(212)	43	(21)	(190)	44	(90)	(236)	45	(86)	(278)	46
Development Contributions - Ōhope Water	(449)	-	(19)	(468)	-	(20)	(489)	-	(22)	(510)	-	(23)	(534)	-
Development Contributions - Edgecumbe Water	8	-	-	8	-	-	8	-	-	9	-	-	9	-
Development Contributions - Matatā Water	71	3	-	74	3	-	77	3	-	81	4	-	85	4
Development Contributions - Plains Water	(65)	-	(3)	(68)	-	(3)	(70)	-	(3)	(74)	-	(3)	(77)	-
Development Contributions - Whakatāne Wastewater	(1,751)	747	(334)	(1,338)	50	(32)	(1,319)	51	(31)	(1,300)	52	(31)	(1,279)	53
Development Contributions - Ōhope Wastewater	204	9	-	212	9	(1)	220	10	-	230	10	-	240	11
Development Contributions - Edgecumbe Wastewater	(3)	-	-	(4)	-	-	(4)	-	-	(4)	-	-	(4)	-
Development Contributions - Matatā Wastewater	8	-	-	8	-	-	8	-	-	9	-	-	9	-
Development Contributions - Community Infrastructure	358	11	(265)	104	6	(10)	100	6	(3)	103	7	(3)	107	7
Development Contributions - Parks, Gardens and Reserves	599	26	(4)	621	27	(4)	644	29	(4)	669	31	(4)	695	33

2023 TRANSFERS OUT	2023 CLOSING BALANCE	2024 TRANSFERS IN	2024 TRANSFERS OUT	2024 CLOSING BALANCE	2025 TRANSFERS IN	2025 TRANSFERS OUT	2025 CLOSING BALANCE	2026 TRANSFERS IN	2026 TRANSFERS OUT	2026 CLOSING BALANCE	2027 TRANSFERS IN	2027 TRANSFERS OUT	2027 CLOSING BALANCE	2028 TRANSFERS IN	2028 TRANSFERS OUT	2028 CLOSING BALANCE
-	139	7	-	145	7	-	152	7	-	159	8	-	167	8	-	175
-	56	3	-	58	3	-	61	3	-	64	3	-	67	3	-	70
-	32	1	-	33	2	-	35	2	-	36	2	-	38	2	-	40
-	27	1	-	28	1	-	29	1	-	31	2	-	32	2	-	34
-	8	-	-	9	-	-	9	-	-	10	-	-	10	-	-	11
-	15	1	-	16	1	-	17	1	-	18	1	-	19	1	-	20
(2,274)	6,195	2,610	(1,769)	7,035	2,705	(1,899)	7,841	2,800	(1,740)	8,902	2,921	(1,805)	10,018	3,034	(1,854)	11,198
-	14,879	699		15,579	738		16,317	780	-	17,097	834		17,931	882		18,814
(305)	(537)	47	(360)	(850)	48	(75)	(877)	285	(53)	(645)	50	(30)	(625)	52	(29)	(603)
(25)	(559)	-	(26)	(585)	-	(28)	(613)	-	(29)	(642)	-	(31)	(673)	-	(33)	(706)
-	10	-	-	10	-	-	10	-	-	11	1	-	11	1	-	12
-	89	4	-	93	4	-	97	5		102	5	-	107	5	-	112
(4)	(81)	-	(4)	(84)	-	(4)	(88)	-	(4)	(93)	-	(5)	(97)	-	(5)	(102)
(31)	(1,256)	55	(148)	(1,350)	56	(35)	(1,328)	58	(34)	(1,305)	59	(34)	(1,279)	61	(33)	(1,251)
(1)	250	12	-	262	12	(2)	272	13	-	285	14	-	299	15	-	314
-	(4)	-	-	(4)	-	-	(5)	-	-	(5)	-	-	(5)	-	-	(5)
-	10	-	-	10	-	-	10	-	-	11	1	-	11	1	-	12
(3)	110	7	(3)	114	2	(227)	(110)	-	(324)	(435)	-	(21)	(456)	-	(22)	(478)
(4)	724	34	(4)	754	36	(4)	786	38	-	823	41	(1)	863	43	(1)	906

RESERVE ACCOUNT	2019 OPENING BALANCE	2019 TRANSFERS IN	2019 TRANSFERS OUT	2019 CLOSING BALANCE	2020 TRANSFERS IN	2020 TRANSFERS OUT	2020 CLOSING BALANCE	2021 TRANSFERS IN	2021 TRANSFERS OUT	2021 CLOSING BALANCE	2022 TRANSFERS IN	2022 TRANSFERS OUT	2022 CLOSING BALANCE	2023 TRANSFERS IN
Development Contributions - Solid Waste	276	12	-	288	13	-	301	13	-	314	14	-	329	15
Development Contributions - Roading	898	51	(573)	377	54	(49)	381	54	(161)	274	53	(90)	237	55
Development Contributions - Whakatāne Land Drainage	76	28	(3)	100	29	(35)	94	28	(107)	14	26	(96)	(56)	26
Development Contributions - Ōhope Land Drainage	123	5	-	129	6	-	134	6	-	140	6	-	146	7
Development Contributions - Matatā Land Drainage	-	-	-	-	-	-	-	-	-	1	-	-	1	-
Development Contributions - Whakatāne Carparks	(8)	-	-	(9)	-	-	(9)	-	-	(10)	-	-	(10)	-
Otarawairere Disaster Mitigation	(46)	-	(2)	(48)	-	(2)	(50)	-	(2)	(52)	-	(2)	(55)	-
Total Restricted Reserves	20,890	4,222	(3,627)	21,485	3,332	(1,917)	22,901	3,346	(6,462)	19,785	3,377	(3,166)	19,995	3,454

Depreciation Reserves														
Whakatāne Water	(431)	866	(583)	(148)	894	(449)	297	911	(2,383)	(1,175)	933	(1,800)	(2,041)	956
Ōhope Water	(573)	86	(39)	(526)	103	(95)	(518)	105	(102)	(515)	108	(84)	(491)	110
Edgecumbe Water	219	65	(6)	278	66	(159)	184	67	-	251	71	(10)	313	76
Matatā Water	285	19	(8)	296	19	(41)	273	19	(1)	292	18	(128)	182	15
Taneatua Water	413	46	(5)	453	48	(15)	486	51	(2)	535	55	(6)	583	58
Murupara Water	475	34	(56)	453	35	-	488	30	-	518	28	(190)	356	25
Ruatoki Water	191	3	(18)	176	3	(21)	158	2	(18)	141	2	(3)	140	2
Waimana Water	28	27	(2)	53	26	(312)	(234)	26	(12)	(220)	27	(24)	(217)	27
Plains Water	475	4	(128)	351	1	(28)	325	(4)	(209)	112	(10)	(24)	78	(14)
Te Mahoe Water	44	2	-	45	2	-	47	2	-	49	1	(41)	9	-
Whakatāne Wastewater	1,603	522	(293)	1,832	569	(178)	2,224	652	(377)	2,499	682	(251)	2,929	717
Ōhope Wastewater	(1,897)	173	(112)	(1,836)	177	(220)	(1,878)	182	(96)	(1,793)	186	(375)	(1,981)	190
Edgecumbe Wastewater	314	337	(46)	605	422	(24)	1,003	545	(74)	1,475	580	(38)	2,017	618
Taneatua Wastewater	409	50	(40)	420	91	(25)	486	134	(16)	605	161	(11)	755	169
Te Mahoe Wastewater	(42)	7	(12)	(47)	7	(12)	(52)	7	(2)	(47)	7	(2)	(42)	7
Murupara Wastewater	174	119	(18)	275	175	(216)	235	242	(105)	372	252	(215)	409	260

2023 TRANSFERS OUT	2023 CLOSING BALANCE	2024 TRANSFERS IN	2024 TRANSFERS OUT	2024 CLOSING BALANCE	2025 TRANSFERS IN	2025 TRANSFERS OUT	2025 CLOSING BALANCE	2026 TRANSFERS IN	2026 TRANSFERS OUT	2026 CLOSING BALANCE	2027 TRANSFERS IN	2027 TRANSFERS OUT	2027 CLOSING BALANCE	2028 TRANSFERS IN	2028 TRANSFERS OUT	2028 CLOSING BALANCE
-	344	16	-	360	17	-	377	18	-	395	19	-	414	20	-	435
(44)	248	58	(31)	275	61	(33)	303	65	(35)	334	70	(37)	366	74	(39)	401
(94)	(123)	27	(5)	(101)	28	(4)	(78)	29	(3)	(52)	29	(2)	(25)	30	-	5
-	153	7	-	160	8	-	168	8	-	176	9	-	185	9	-	194
-	1	-	-	1	-	-	1	-	-	1	-	-	1	-	-	1
-	(11)	-	-	(11)	-	(1)	(12)	-	(1)	(12)	-	(1)	(13)	-	(1)	(13)
(3)	(57)	-	(3)	(60)	-	(3)	(63)	-	(3)	(66)	-	(3)	(69)	-	(3)	(72)
(2,789)	20,660	3,591	(2,354)	21,897	3,731	(2,315)	23,313	4,113	(2,227)	25,200	4,068	(1,969)	27,298	4,243	(2,021)	29,520

(689)	(1,775)	979	(1,419)	(2,216)	1,003	(1,215)	(2,427)	1,028	(809)	(2,208)	1,054	(407)	(1,561)	1,082	(795)	(1,274)
(84)	(465)	113	(78)	(430)	116	(40)	(354)	119	(58)	(294)	122	(26)	(198)	125	(407)	(479)
(9)	379	77	(186)	270	77	(7)	340	82	(6)	416	82	(243)	255	82	(11)	326
(23)	175	15	(23)	167	14	(74)	107	12	(26)	94	11	(61)	44	8	(130)	(78)
(24)	617	56	(196)	477	55	(29)	503	57	(42)	518	59	(43)	534	59	(79)	514
(26)	355	21	(192)	184	17	(27)	175	17	(24)	168	17	(24)	161	16	(89)	88
(3)	138	1	-	140	1	(4)	137	1	(18)	120	-	(19)	101	(3)	(84)	14
(34)	(224)	28	(33)	(229)	29	(36)	(236)	30	(96)	(302)	30	(58)	(330)	31	(93)	(392)
(339)	(275)	(15)	(113)	(403)	(15)	(68)	(486)	(15)	(48)	(549)	(16)	(55)	(620)	(16)	(218)	(854)
(45)	(36)	-	(2)	(38)	-	(2)	(40)	-	(2)	(43)	-	(33)	(76)	-	(4)	(80)
(367)	3,279	735	(935)	3,079	651	(4,751)	(1,021)	619	(475)	(877)	635	(1,786)	(2,028)	651	(349)	(1,726)
(113)	(1,904)	195	(85)	(1,794)	200	(133)	(1,727)	205	(78)	(1,600)	210	(94)	(1,484)	216	(471)	(1,739)
(119)	2,517	656	(113)	3,059	695	(133)	3,621	736	(188)	4,170	776	(371)	4,575	759	(2,579)	2,755
(110)	814	176	(113)	877	182	(127)	932	186	(243)	874	186	(313)	748	189	(134)	803
(2)	(37)	8	(13)	(42)	8	(14)	(48)	8	(2)	(42)	8	(2)	(36)	8	(21)	(48)
(221)	448	260	(565)	143	262	(116)	289	279	-	568	284	(635)	217	273	(674)	(185)

RESERVE ACCOUNT	2019 OPENING BALANCE	2019 TRANSFERS IN	2019 TRANSFERS OUT	2019 CLOSING BALANCE	2020 TRANSFERS IN	2020 TRANSFERS OUT	2020 CLOSING BALANCE	2021 TRANSFERS IN	2021 TRANSFERS OUT	2021 CLOSING BALANCE	2022 TRANSFERS IN	2022 TRANSFERS OUT	2022 CLOSING BALANCE	2023 TRANSFERS IN
Whakatāne Land Drainage	(629)	177	(233)	(684)	182	(84)	(586)	187	(747)	(1,146)	191	(208)	(1,162)	196
Ōhope Land Drainage	(140)	38	(11)	(114)	39	(31)	(106)	40	(35)	(101)	41	(122)	(182)	42
Edgecumbe Land Drainage	(40)	9	(29)	(60)	10	(2)	(53)	10	(2)	(45)	10	(7)	(43)	10
Matatā Land Drainage	9	4	(5)	8	4	-	13	5	-	17	4	(82)	(60)	4
Taneatua Land Drainage	17	1	(5)	13	1	-	15	2	-	16	2	-	18	2
Te Mahoe Land Drainage	20	-	-	20	-	-	20	-	-	21	-	-	21	1
Murupara Land Drainage	96	4	-	101	4	-	105	8	(4)	109	1	(5)	104	1
Te Teko Land Drainage	6	-	-	6	1	-	7	1	-	7	1	-	8	1
Refuse Disposal	(157)	8	(38)	(186)	9	(39)	(216)	9	(39)	(247)	9	(28)	(266)	9
Libraries	94	116	(100)	110	119	(102)	127	122	(104)	145	125	(106)	164	129
Museum	144	6	-	150	7	-	157	7	-	164	7	-	171	8
Parks, Reserves, Recreation & Sports Fields	1,129	585	(531)	1,183	598	(524)	1,257	638	(586)	1,309	654	(555)	1,408	672
Cemeteries & Crematoria	71	53	(19)	105	55	(36)	124	57	(54)	127	58	(55)	129	60
Swimming Pools	64	194	(326)	(68)	198	(128)	1	201	(211)	(8)	205	(191)	5	170
Halls	376	133	(88)	422	129	(596)	(46)	164	(150)	(31)	167	(122)	14	173
Dog Control	1	-	-	1	-	-	1	-	-	1	-	-	1	-
Public Conveniences	217	57	(100)	174	56	(108)	122	54	(126)	51	53	(95)	8	53
Pensioner Housing	376	15	(60)	330	14	-	345	15	-	360	16	-	377	18
Strategic & Investment Property	2	-	-	2	-	-	3	-	-	3	-	-	3	-
Vehicle & Plant Reserve	451	397	(214)	634	410	(353)	692	419	(410)	701	427	(483)	644	433
Corporate Property	(601)	276	(298)	(623)	291	(234)	(566)	318	(247)	(494)	325	(97)	(266)	332
Information Management	1,539	527	(1,143)	923	506	(729)	700	524	(588)	636	723	(680)	679	838
Port	(2,316)	161	(1,186)	(3,341)	164	(702)	(3,879)	167	(1,199)	(4,911)	170	(605)	(5,346)	173
Roading - assisted / non- assisted / special and safety	538	1,970	(1,596)	911	2,090	(1,633)	1,368	2,159	(1,671)	1,856	2,348	(1,710)	2,494	2,461
Non Fin Assist Rooding	(263)	-	(86)	(349)	16	(91)	(424)	46	(96)	(474)	47	(100)	(528)	48
Airport - Whakatāne 50%	(249)	74	(118)	(293)	75	(137)	(355)	77	(14)	(291)	79	(11)	(224)	81
Operations BU	(25)	-	(31)	(56)	-	(35)	(90)	-	(31)	(121)	-	(25)	(146)	-
Whakatāne Holiday Park	-	60	(50)	10	62	(51)	21	63	(52)	33	65	(53)	45	67

2023	2023	2024	2024	2024	2025	2025	2025	2026	2026	2026	2027	2027	2027	2028	2028	2028
TRANSFERS OUT	CLOSING BALANCE	TRANSFERS IN	TRANSFERS OUT	CLOSING BALANCE	TRANSFERS IN	TRANSFERS OUT	CLOSING BALANCE	TRANSFERS IN	TRANSFERS OUT	CLOSING BALANCE	TRANSFERS IN	TRANSFERS OUT	CLOSING BALANCE	TRANSFERS IN	TRANSFERS OUT	CLOSING BALANCE
(89)	(1,056)	200	(681)	(1,536)	205	(145)	(1,477)	211	(546)	(1,812)	216	(114)	(1,710)	222	(79)	(1,567)
(51)	(192)	43	(37)	(186)	44	(14)	(155)	45	(20)	(130)	46	(36)	(120)	47	(6)	(79)
(2)	(34)	10	(40)	(63)	11	(80)	(132)	11	(6)	(128)	11	(11)	(127)	12	(24)	(140)
(3)	(59)	4	(7)	(62)	4	(15)	(72)	4	(3)	(71)	5	(3)	(70)	5	(21)	(87)
-	20	2	-	21	1	(29)	(6)	1	-	(6)	1	-	(5)	1	-	(4)
-	22	-	(5)	18	-	(6)	12	-	-	12	-	-	12	-	-	13
-	105	-	(28)	76	(1)	-	75	(1)	-	74	(1)	(5)	68	(2)	-	66
-	8	1	(5)	4	-	(6)	(1)	-	-	(1)	-	-	(1)	-	-	-
(40)	(296)	9	(43)	(330)	10	(50)	(371)	10	(36)	(397)	10	(43)	(430)	10	(45)	(465)
(108)	184	132	(111)	206	136	(113)	229	140	(115)	253	144	(118)	279	148	(120)	307
-	179	8	-	188	9	-	197	9	-	206	10	-	216	11	-	227
(509)	1,571	690	(584)	1,677	708	(596)	1,788	725	(611)	1,903	744	(642)	2,005	763	(602)	2,166
(29)	160	62	(36)	187	64	(64)	186	60	(245)	2	57	(88)	(29)	58	(91)	(61)
(160)	16	173	(315)	(126)	176	(287)	(237)	180	(289)	(346)	183	(107)	(270)	187	(100)	(183)
(68)	119	178	(235)	62	177	(686)	(447)	180	(859)	(1,125)	183	(329)	(1,271)	187	(430)	(1,514)
-	1	-	-	1	-	-	1	-	-	1	-	-	1	-	-	1
(81)	(20)	54	(66)	(33)	55	(86)	(65)	56	(75)	(84)	57	(49)	(76)	58	(75)	(94)
-	394	19	-	413	20	-	432	21	-	453	22	-	475	23	-	498
-	3	-	-	3	-	-	3	-	-	3	-	-	3	-	-	4
(477)	600	443	(339)	704	456	(409)	751	466	(497)	720	476	(437)	758	485	(519)	724
(278)	(213)	328	(357)	(242)	334	(215)	(123)	341	(329)	(110)	349	(486)	(247)	356	(598)	(489)
(639)	877	882	(653)	1,107	942	(666)	1,383	999	(680)	1,702	855	(1,579)	978	726	(1,612)	92
(418)	(5,590)	176	(383)	(5,797)	180	(316)	(5,934)	183	(394)	(6,144)	187	(312)	(6,269)	190	(321)	(6,400)
(1,749)	3,206	2,551	(1,791)	3,966	2,646	(1,834)	4,778	2,747	(1,879)	5,646	2,856	(1,925)	6,577	2,971	(1,975)	7,573
(105)	(585)	49	(110)	(646)	51	(115)	(710)	52	(121)	(779)	53	(127)	(853)	50	(133)	(936)
(9)	(152)	83	(5)	(74)	85	(37)	(26)	87	(55)	5	91	(14)	82	97	(16)	163
(27)	(173)	-	(36)	(208)	-	(34)	(242)	-	(36)	(279)	-	(39)	(318)	-	(42)	(359)
(54)	58	69	(55)	72	71	(56)	87	73	(57)	103	75	(58)	120	77	(59)	138

RESERVE ACCOUNT	2019 OPENING BALANCE	2019 TRANSFERS IN	2019 TRANSFERS OUT	2019 CLOSING BALANCE	2020 TRANSFERS IN	2020 TRANSFERS OUT	2020 CLOSING BALANCE	2021 TRANSFERS IN	2021 TRANSFERS OUT	2021 CLOSING BALANCE	2022 TRANSFERS IN	2022 TRANSFERS OUT	2022 CLOSING BALANCE	2023 TRANSFERS IN
Total Depreciation Reserves	2,416	7,226	(7,631)	2,011	7,678	(7,410)	2,278	8,266	(9,761)	784	8,827	(8,542)	1,068	9,196
General Rates and Revenues	(64)	556	(120)	373	16	-	389	17	-	406	18	-	425	20
Roading Rate	548	18	(275)	291	2	-	292	-	(10)	282	-	(10)	272	-
Refuse Collection Rate	383	16	(175)	400	17	(102)	417	19	(52)	436	20	-	456	21
Waste Minimisation	116	113	(23)	31	113	(23)	20	116	(23)	60	122	-	183	130
Whakatāne Wastewater	(175)	-	(8)	(183)	-	(8)	(192)	-	(9)	(201)	-	(10)	(210)	-
Ōhope Wastewater	(10)	-	-	(11)	-	-	(11)	-	(1)	(12)	-	(1)	(12)	-
Edgcumbe Wastewater	2	-	-	2	-	-	2	-	-	2	-	-	2	-
Matatā Wastewater	(2,884)	3,000	(59)	57	2	-	60	3	-	62	3	-	65	3
Taneatua Wastewater	(2)	-	-	(2)	-	-	(2)	-	-	(2)	-	-	(2)	-
Te Teko Wastewater	1	-	-	1	-	-	1	-	-	1	-	-	1	-
Murupara Wastewater	(24)	-	(1)	(25)	-	(1)	(26)	-	(1)	(27)	-	(1)	(28)	-
Equalised Water	(206)	433	-	228	167	-	395	18	-	413	19	-	431	20
Murupara Water	(34)	58	(6)	18	38	-	55	2	-	58	3	-	60	3
Plains Water	393	59	(130)	322	14	-	336	15	-	351	16	-	367	17
Dog Control	24	1	(1)	24	1	-	26	1	-	27	1	(1)	26	1
Parking Enforcement	154	10	(30)	134	143	(163)	115	145	(198)	62	145	(168)	39	145
Pensioner Housing	575	25	-	599	26	-	626	28	-	653	30	-	683	32
Airport Whakatāne	(1,448)	-	(422)	(1,801)	-	(404)	(2,119)	-	(215)	(2,237)	-	(285)	(2,416)	-
Fixed Assets	1,257	54	-	1,311	57	-	1,368	61	-	1,429	65	-	1,494	70
Disaster Mitigation - Matatā Grant Funded	195	8	-	204	9	-	213	9	-	222	10	-	232	11
Disaster Mitigation - Matatā Non-Grant Funded	51	2	-	53	2	-	56	2	-	58	3	-	61	3
Disaster Mitigation - Edgcumbe	24	1	-	25	1	-	26	1	-	27	1	-	28	1
Disaster Mitigation - Awatapu	9	-	-	10	-	-	10	-	-	11	-	-	11	1
Disaster Mitigation - West End	43	2	-	45	2	-	47	2	-	49	2	-	52	2
Whakatāne Stormwater	145	50	(100)	95	4	-	100	4	-	104	5	-	109	5

2023 TRANSFERS OUT	2023 CLOSING BALANCE	2024 TRANSFERS IN	2024 TRANSFERS OUT	2024 CLOSING BALANCE	2025 TRANSFERS IN	2025 TRANSFERS OUT	2025 CLOSING BALANCE	2026 TRANSFERS IN	2026 TRANSFERS OUT	2026 CLOSING BALANCE	2027 TRANSFERS IN	2027 TRANSFERS OUT	2027 CLOSING BALANCE	2028 TRANSFERS IN	2028 TRANSFERS OUT	2028 CLOSING BALANCE
(7,103)	3,161	9,471	(9,988)	2,644	9,678	(12,635)	(313)	9,962	(8,964)	685	10,088	(10,691)	82	10,162	(13,005)	(2,761)
-	445	21	-	466	22	-	488	23	-	511	25	-	536	26	-	562
(11)	261	-	(12)	249	-	(12)	237	-	(13)	224	-	(14)	209	-	(15)	195
-	477	22	-	499	24	-	523	25	-	548	27	-	575	28	-	603
-	313	139	-	452	149	-	601	159	-	759	170	-	929	181	-	1,110
(10)	(221)	-	(11)	(232)	-	(11)	(243)	-	(12)	(255)	-	(13)	(268)	-	(14)	(282)
(1)	(13)	-	(1)	(13)	-	(1)	(14)	-	(1)	(15)	-	(1)	(15)	-	(1)	(16)
-	2	-	-	2	-	-	2	-	-	2	-	-	3	-	-	3
-	68	3	-	71	3	-	75	4	-	78	4	-	82	4	-	86
-	(2)	-	-	(2)	-	-	(2)	-	-	(2)	-	-	(3)	-	-	(3)
-	1	-	-	1	-	-	1	-	-	1	-	-	2	-	-	2
(1)	(30)	-	(1)	(31)	-	(1)	(33)	-	(2)	(34)	-	(2)	(36)	-	(2)	(38)
-	451	21	-	473	22	-	495	24	-	519	25	-	544	27	-	571
(13)	50	2	-	52	2	-	55	3	-	57	3	-	60	3	(15)	48
(4)	379	18	-	397	19	-	416	20	-	436	21	-	457	22	(5)	474
(2)	25	1	(3)	24	1	(1)	24	1	(1)	24	1	2	27	1	6	35
(205)	(20)	148	(176)	(48)	152	(216)	(112)	156	(186)	(142)	161	(229)	(210)	168	(198)	(240)
-	715	34	-	749	13	(939)	(177)	-	(8)	(186)	-	(9)	(195)	-	(10)	(204)
(182)	(2,484)	-	(184)	(2,549)	-	(195)	(2,621)	-	(215)	(2,710)	-	(177)	(2,753)	-	(172)	(2,789)
-	1,563	73	-	1,637	78	-	1,714	82	-	1,796	88	-	1,884	93	-	1,977
-	243	11	-	254	12	-	266	13	-	279	14	-	293	14	-	307
-	64	3	-	67	3	-	70	3	-	73	4	-	77	4	-	81
-	30	1	-	31	1	-	32	2	-	34	2	-	36	2	-	37
-	12	1	-	12	1	-	13	1	-	13	1	-	14	1	-	15
-	54	3	-	57	3	-	59	3	-	62	3	-	65	3	-	68
-	114	5	-	119	6	-	125	6	-	131	6	-	137	7	-	144

RESERVE ACCOUNT	2019 OPENING BALANCE	2019 TRANSFERS IN	2019 TRANSFERS OUT	2019 CLOSING BALANCE	2020 TRANSFERS IN	2020 TRANSFERS OUT	2020 CLOSING BALANCE	2021 TRANSFERS IN	2021 TRANSFERS OUT	2021 CLOSING BALANCE	2022 TRANSFERS IN	2022 TRANSFERS OUT	2022 CLOSING BALANCE	2023 TRANSFERS IN
Ōhope Stormwater	96	4	-	101	4	-	105	5	-	110	5	-	115	5
Edgecumbe Stormwater	10	-	(25)	(15)	-	(1)	(16)	-	(1)	(16)	-	(1)	(17)	-
Matatā Stormwater	16	1	-	16	1	-	17	1	-	18	1	-	19	1
Murupara Stormwater	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Taneatua Stormwater	2	-	-	3	-	-	3	-	-	3	-	-	3	-
Te Teko Stormwater	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Te Mahoe Stormwater	-	-	-	-	-	-	(1)	-	-	(1)	-	-	(1)	-
District Growth	(45)	-	(2)	(47)	-	(2)	(49)	-	(2)	(51)	-	(2)	(53)	-
Total Operating Reserves	(847)	4,412	(1,376)	2,258	622	(703)	2,262	450	(511)	2,298	469	(480)	2,393	492
OTHER RESERVES														
Car Parks Development	44	2	-	46	2	-	48	2	-	50	2	-	52	2
Museum Collections	1	-	-	1	-	-	1	-	-	1	-	-	1	-
Galatea Reserve Development	2	-	-	2	-	-	2	-	-	2	-	-	2	-
Disabled Facilities	(10)	-	-	(10)	-	-	(10)	-	-	(11)	-	-	(11)	-
Capital Contributions - Roading	60	3	-	63	3	-	66	3	-	69	3	-	72	3
Roading Storm Damage Reserve	-	275	(538)	(263)	281	(5)	14	295	-	309	315	-	624	338
Te Mahoe Water - special	21	1	-	22	1	-	23	1	-	24	1	-	25	1
Disaster/LAPP Insurance Reserve	36	2	-	38	106	-	143	113	-	256	120	-	376	128
Asset Divestment	(719)	565	(156)	(310)	2,027	(649)	1,069	70	(36)	1,103	2,323	(36)	3,389	2,740
Sale of Bennett Block	(100)	-	(4)	(104)	-	(5)	(108)	-	(5)	(113)	-	(5)	(118)	-
Leaky Homes Reserve	(48)	151	-	103	161	-	264	171	-	435	183	-	617	29
Community Boards & Iwi Liaison	209	9	-	218	10	-	228	11	-	238	11	-	249	12
Digitisation	-	-	(178)	(178)	-	(8)	(186)	-	(8)	(194)	-	(9)	(203)	-
Whakatāne Holiday Park	-	-	(103)	(103)	-	(111)	(214)	-	(120)	(333)	-	(129)	(463)	-
Total Other Reserves	(503)	1,007	(980)	(476)	2,591	(777)	1,338	666	(170)	1,834	2,959	(181)	4,612	3,254
Total Reserves	21,956	16,868	(13,614)	25,279	14,222	(10,808)	28,778	12,728	(16,904)	24,700	15,631	(12,369)	28,068	16,396

2023 TRANSFERS OUT	2023 CLOSING BALANCE	2024 TRANSFERS IN	2024 TRANSFERS OUT	2024 CLOSING BALANCE	2025 TRANSFERS IN	2025 TRANSFERS OUT	2025 CLOSING BALANCE	2026 TRANSFERS IN	2026 TRANSFERS OUT	2026 CLOSING BALANCE	2027 TRANSFERS IN	2027 TRANSFERS OUT	2027 CLOSING BALANCE	2028 TRANSFERS IN	2028 TRANSFERS OUT	2028 CLOSING BALANCE
-	120	6	-	126	6	-	132	6	-	138	7	-	145	7	-	152
(1)	(18)	-	(1)	(19)	-	(1)	(20)	-	(1)	(20)	-	(1)	(21)	-	(1)	(22)
-	20	1	-	21	1	-	21	1	-	23	1	-	24	1	-	25
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	3	-	-	3	-	-	3	-	-	4	-	-	4	-	-	4
-	-	-	-	-	-	-	-	-	-	(1)	-	-	(1)	-	-	(1)
-	(1)	-	-	(1)	-	-	(1)	-	-	(1)	-	-	(1)	-	-	(1)
(2)	(56)	-	(3)	(58)	-	(3)	(61)	-	(3)	(64)	-	(3)	(67)	-	(3)	(70)
(433)	2,566	515	(390)	2,809	519	(1,381)	2,069	530	(443)	2,284	562	(447)	2,533	593	(429)	2,833
-	55	3	-	57	3	-	60	3	-	63	3	-	66	3	-	69
-	1	-	-	1	-	-	1	-	-	1	-	-	1	-	-	1
-	2	-	-	2	-	-	2	-	-	3	-	-	3	-	-	3
(1)	(12)	-	(1)	(13)	-	(1)	(13)	-	(1)	(14)	-	(1)	(14)	-	(1)	(15)
-	75	4	-	79	4	-	83	4	-	86	4	-	91	4	-	95
-	961	361	-	1,322	386	-	1,709	413	-	2,122	343	-	2,464	470	-	2,934
-	26	1	-	27	1	-	29	1	-	30	1	-	32	2	-	33
-	505	137	-	642	146	-	788	156	-	943	167	-	1,110	178	-	1,288
(37)	6,091	309	(38)	6,362	325	(39)	6,649	341	(39)	6,950	363	(40)	7,273	382	(41)	7,615
(6)	(124)	-	(6)	(130)	-	(6)	(136)	-	(6)	(142)	-	(7)	(149)	-	(7)	(157)
-	646	30	-	677	32	-	709	34	-	742	36	-	779	38	-	817
-	260	13	-	272	13	(1)	285	14	(1)	299	15	(1)	313	16	(1)	329
(9)	(213)	-	(10)	(223)	-	(11)	(233)	-	(11)	(244)	-	(12)	(256)	-	(13)	(269)
(141)	(603)	-	(151)	(754)	-	(160)	(915)	-	(173)	(1,087)	-	(185)	(1,273)	-	(196)	(1,469)
(194)	7,671	858	(206)	8,323	910	(217)	9,017	967	(231)	9,752	933	(246)	10,440	1,093	(258)	11,275
(10,520)	34,058	14,435	(12,939)	35,672	14,838	(16,547)	34,086	15,573	(11,865)	37,921	15,651	(13,353)	40,353	16,092	(15,713)	40,867

STATEMENT OF ACCOUNTING POLICIES

Ngā Tauākī kaupapa here pūtea

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 local authority governed by the Local Government Act 2002 and is domiciled in New Zealand and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002. 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.

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 Tier 1 public benefit entity (PBE) for financial reporting purposes.

The prospective financial statements of the Council are for the ten years ended 30 June 2028. The prospective financial statements were authorised for issue on 28 June 2018 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.

There is no intention to update the prospective financial information after the finalisation of this Long Term Plan.

BASIS OF PREPARATION

Statement of compliance

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period. The prospective 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). The prospective financial statements comply with NZ PBE IPSAS (Tier 1) and PBE FRS 42 Prospective Financial Statements

The principle accounting policies adopted in the preparation of these prospective financial statements are set out below have been applied consistently to all periods presented in these prospective financial statements.

Measurement base

The prospective financial statements use closing balances from the period ending 30 June 2017; estimates have been restated accordingly if required. These prospective financial statements have been prepared on a historical basis, modified by the estimated revaluation of land and buildings, certain infrastructural assets, financial instruments (including derivative instruments) investment property, and forestry assets.

Presentation currency and rounding

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.

Standards issued that are not yet effective and not early adopted

Standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to the council and group are:

Impairment of Revalued Assets

In April 2017, the XRB issued Impairment of Revalued Assets, which now scopes in revalued property, plant, and equipment into the impairment accounting standards. Previously, only property, plant, and equipment assets measured at cost were scoped into the impairment accounting standards.

This Standard amends PBE IPSAS 21 Impairment of Non-Cash-Generating Assets and PBE IPSAS 26 Impairment of Cash-Generating Assets so that assets measured at revalued amounts under the revaluation model in PBE IPSAS 17 Property, Plant and Equipment and PBE IPSAS 31 Intangible Assets are within the scope of PBE IPSAS 21 and PBE IPSAS 26.

As a result of the amendments, the Council is required to assess at each reporting date whether there is any indication that an asset may be impaired. If any indication exists, the Council is required to assess the recoverable amount of that asset and recognise an impairment loss if the recoverable amount is less than the carrying amount. The Council can therefore impair a revalued asset without having to revalue the entire class-of-asset to which the asset belongs.

The new standards are effective for annual periods beginning on or after 1 January 2019, with early application permitted.

The Council plans to apply the new standards in preparing the 30 June 2020 financial statements. The Council and group has not yet assessed the effects of these new standards.

Interests in other entities

In January 2017, the XRB issued new standards for interests in other entities (PBE IPSAS 34 - 38). These new standards replace the existing standards for interests in other entities (PBE IPSAS 6 - 8). The new standards are effective for annual periods beginning on or after 1 January 2019, with early application permitted.

The Council plans to apply the new standards in preparing the 30 June 2020 financial statements. The Council and group has not yet assessed the effects of these new standards.

Financial instruments

In January 2017, the XRB issued PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The main changes under PBE IFRS 9 are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses.
- Revised hedge accounting requirements to better reflect the management of risks.

The Council plans to apply this standard in preparing its 30 June 2022 financial statements. The Council and group has not yet assessed the effects of the new standard.

SIGNIFICANT ACCOUNTING POLICIES

Joint ventures and associates

A joint venture is a binding arrangement whereby two or more parties are committed to undertake an activity that is subject to joint control. Joint control is the agreed sharing of control over an activity.

For jointly controlled operations, the Council recognises in its financial statements the assets it controls, the liabilities and expenses it incurs and the share of revenue it earns from the joint venture.

REVENUE RECOGNITION

Revenue is measured at fair value of the consideration received.

Rates Revenue

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.

The following policies have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The council considers that the effect of payment of rates by instalment is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when the rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

- 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 Revenue and Expense as it does not belong to the Council. It is however, included as a receipt and payment in the Prospective Statement of Cash Flows.

Development and financial contributions

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

New Zealand Transport Agency roading subsidies

The Council receives funding assistance from the New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Other grants received

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grants are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Building and resource consent revenue

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

Entrance fees

Entrance fees are charged to users of the Council's local facilities, such as pools, museum, and gallery. Revenue from entrance fees is recognised upon entry to such facilities.

Landfill fees

Fees for disposing of waste at the Council's landfill are recognised as waste is disposed by users.

Provision of commercially based services

Revenue derived through the provision of services to third parties in a commercial manner is recognised in proportion to the stage of completion at balance date.

Rendering of services

Revenue derived through rendering of services is recognised when the service is provided to the customer.

Sales of goods

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

Infringement fees and fines

Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when tickets are paid.

Vested or donated physical assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer. For long-lived assets that must be used for a specific purpose (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects that it will need to return or pass the asset to another party.

Donated or bequeathed financial assets

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability released to revenue as the conditions are met (e.g. as the funds are spent for the nominated purpose).

Interest and dividends

Interest revenue is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.

Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the cost of the investment.

BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which they are incurred, regardless of how the borrowings are applied.

GRANT EXPENDITURE

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 approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.

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 nor taxable profit.

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

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly 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.

DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are used to manage exposure to interest rate risks arising from the Council's 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 re-measured at their fair value at each balance date.

The associated gains or losses of these derivatives are recognised in the surplus or deficit.

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 revenue and expense.

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.

After initial recognition, financial assets in this category are measured at their fair values with gains or losses on re-measurement 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 revenue and expense

Financial assets at fair value through other comprehensive revenue and expense 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 revenue and expense, except for impairment losses, which are recognised in the surplus or deficit. On derecognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense 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 revenue and expense.

Loans and receivables, and held-to-maturity investments

Impairment of a receivable is established when there is objective evidence that the Council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation, and default in payments are considered indicators that the debt is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For receivables and debtors the carrying amount of the asset is reduced through the use of an additional allowance account, and the amount of the loss is

recognised in the surplus or deficit. When the receivable is uncollectible, it is written off against the allowance cost of receivables. Overdue receivables that have not been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government bonds, and community loans, are recognised directly against the instrument's carrying amount.

Financial assets at fair value through other comprehensive revenue and expense

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss is reversed in the surplus or deficit.

INVENTORIES

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at cost (using the FIFO method), adjusted, when applicable, for any loss of service potential.

Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower end of cost (using the FIFO method) and net realisable value.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

When land held for development and future resale is transferred from investment property, or property, plant and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant and equipment.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

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 revenue and expense. 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.

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 net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue an expense.

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.

Work in progress is recognised at cost less impairment and is not depreciated.

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 revenue and expense. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when 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.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. 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
ROADING	
Land - Road reserve	N/A
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

WATER

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

WHARVES

Wharves (concrete)	50
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STORMWATER

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

SEWERAGE

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

OPERATIONAL ASSETS	YEARS
Museum assets	N/A
Land	N/A
Buildings	8-55
Vehicles	5-8
Plant and Equipment	4-33
Furniture and fittings	5-10
Library books	2-15
Office equipment	5-10

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.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with development and maintenance of the Council's website are recognised as an expense when incurred.

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 revenue and expense.

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.

Property, plant, and equipment and intangible assets subsequently measured at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

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.

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 revenue and expense.

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

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 revenue and expense, a reversal of the impairment loss is also recognised in the prospective statement of comprehensive revenue and expense.

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

Value in use for non-cash-generating assets

Non-cash generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

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

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, at each reporting date.

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

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 Revenue and Expense.

The costs to maintain forestry assets are included in the Prospective Statement of Comprehensive Revenue and Expense.

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.

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.

A liability and an expense are recognised for bonuses where the Council has a contractual obligation or where there is a past practice that has created a constructive obligation.

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.

Presentation of employee entitlements

Sick leave and long service leave are valued on an actuarial basis. The present value of retirement and long service leave obligations depend on a number of factors that are determined on an actuarial basis. Three key assumptions used in calculating this liability include the discount rate, salary escalation rates and resignation rates. Any changes in these assumptions will affect the carrying amount of the liability.

Sick leave and long service leave are classified as both current and long term liabilities depending on predicted settlement. If the payment is likely to be made within 12 months of balance date the entitlement is classified as current. The basis of the valuation is classified as long term.

Projected cashflows are discounted back to the valuation date at the valuation discount rates. The discount rates have been chosen in accordance with PBE IPAS 25 and have been obtained from Treasury's published Risk-Free Discount Rates as at 30 June 2017. A long term annual rate of salary growth of 3.0% per year has been used.

Superannuation scheme

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

PROVISIONS

A provision is recognised for future expenditure of uncertain timing when the Council has a present legal or constructive obligation as a result of past events; is probable 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.

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.

Fair value through other comprehensive revenue and expense reserve

This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

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.

COST ALLOCATION

The cost of service for each significant activity of the Council has been derived using the cost allocation system outlined below.

Direct costs are those costs directly attributable to the significant activity. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities using appropriate cost drivers such as usage, staff numbers, and floor area.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

Asset valuations and Fair Value assumptions

During the 2017 year, independent valuations were carried out on operational land, operational buildings, parks and reserves, harbour assets, the library collection, investment property and property held for sale.

All assets have been valued on the fair value assumption. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

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 Statement of Comprehensive Revenue. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Statement of Comprehensive Revenue will be recognised first in the Statement of

Comprehensive Revenue up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset. Revaluations are based on BERL estimates.

CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

Management has exercised no critical judgements in applying accounting policies to the proposed budget.

CAPITAL PROJECTS LIST

Rārangi mahi hua

The following table sets out the capital projects which are planned for the period of the LTP. This table provides a complete list of capital projects, however a number of projects have been consolidated for readability. All figures are not inflation adjusted.

ACTIVITY	YEAR	TOTAL \$	FUNDING
ROADS AND FOOTPATHS			
Unsealed Road Metalling Renewals	2019-28	5,000,000	RENEWAL 36 SUBSIDY 64
Sealed Road Resurfacing Renewals	2019-28	22,000,000	RENEWAL 36 SUBSIDY 64
Drainage Renewals	2019-28	4,800,000	RENEWAL 36 SUBSIDY 64
Pavement Rehabilitation	2019-28	9,140,000	RENEWAL 36 SUBSIDY 64
Structures Renewals	2019-28	1,400,000	RENEWAL 36 SUBSIDY 64
Traffic Service Renewals	2019-28	2,000,000	RENEWAL 36 SUBSIDY 64
Road Improvements - Landing Road	2019-21	2,700,000	DEVCON 5 LOAN 31 SUBSIDY 64
Low Cost Low Risk Improvements	2019-28	15,963,000	LOAN 36 SUBSIDY 64
Cycleway Extension	2022	900,000	DEVCON 5 LOAN 31 SUBSIDY 64
Bunyan Road Improvements	2019	950,000	LOAN 36 SUBSIDY 64
April 2017 Storm Damage Reinstatement	2019-28	1,050,000	OPEXRES 25 SUBSIDY 75
Total Financially Assisted Local Roads		65,903,000	
Unsealed Road Metalling Renewals	2019-28	2,000,000	SUBSIDY 100
Sealed Road Resurfacing Renewals	2019-28	1,400,000	SUBSIDY 100
Drainage Renewals	2019-28	1,100,000	SUBSIDY 100
Structures Renewals	2019-28	550,000	SUBSIDY 100
Traffic Service Renewals	2019-28	265,000	SUBSIDY 100
Seal Extensions	2019-21	4,500,000	SUBSIDY 100
Low Cost Low Risk Improvements	2019-28	4,490,000	SUBSIDY 100
April 2017 Storm Damage Reinstatement	2019-28	7,900,000	SUBSIDY 100
Total Financially Assisted Special Purpose Roads		22,205,000	





ACTIVITY	YEAR	TOTAL \$	FUNDING
Renewals	2019-28	1,173,000	RENEWAL 100
Walkway Lighting - Information Centre to Boat Ramp	2019	150,000	RESTRICT 50 SUBSIDY 50
New Kerbing & Drainage	2019-28	200,000	LOAN 100
New Footpaths	2019-28	1,000,000	LOAN 36 SUBSIDY 64
Miscellaneous Projects	2019-28	500,000	TARG 100
Pedestrian Bridge from Piripai	2020	1,000,000	OPEXRES 50 SUBSIDY 50
Bunyan Road Improvements	2019	550,000	DEVCON 100
Cemetery Road Resealing	2019	15,000	LOAN 100
Total Non Financially Assisted		4,588,000	
Total Roads And Footpaths		92,696,000	

WATER SUPPLY

Water Supply Renewals	2019-28	7,422,000	RENEWAL 100
Whakatāne Sludge Treatment	2023-24	800,000	LOAN 100
Whakatāne Water Treatment Plant Upgrade	2021	100,000	RENEWAL 100
Coastlands Main Link	2023-24	500,000	DEVCON 98 LOAN 2
Whakatāne Treatment Plant Filter Covering	2021	100,000	LOAN 100
Whakatāne Riverbank Filtration Gallery and Bore/s	2019-20	2,300,000	LOAN 100
Water Meter Programme	2020	558,000	LOAN 100
Water Modelling and Calibration	2019-22	315,000	LOAN 100
Hydrogeological Studies	2023	980,000	LOAN 100
Condition and Improvements - Reservoirs	2020-26	8,750,000	DEVCON 3 LOAN 37 RENEWAL 60
Water Losses and Leak Detection	2019-23	280,000	LOAN 100
Water Safety Plan	2019-25	1,673,500	LOAN 50 RENEWAL 50
Supply Main from Ngāti Awa Reserve	2019	500,000	LOAN 100
Upgrade Pipes - Harbour	2025	650,000	LOAN 50 RENEWAL 50

ACTIVITY	YEAR	TOTAL \$	FUNDING
Ōhope Timber Reservoir Replacement	2028	500,000	LOAN 41 RENEWAL 59
Te Mahoe Improvements	2019-28	92,500	LOAN 100
Otumahi Morrison Bore watermains and Hydrants	2019-20	350,000	LOAN 100
Total Water Supply		25,871,000	
SEWAGE TREATMENT AND DISPOSAL			
Sewage Treatment and Disposal Renewals	2019-28	4,127,200	RENEWAL 100
Mc Allister Pump Station Rising Main	2024-25	3,500,000	RENEWAL 100
Huna Road Development	2019	300,000	DEVCON 98 LOAN 2
Emergency Storage - McAllister Pump Station	2024	1,500,000	DEVCON 6.8 LOAN 93.2
Upgrade Whakatāne Wastewater Treatment Plant	2019-28	4,030,000	LOAN 70 RENEWAL 30
Wastewater Model Network Upgrades	2021	142,000	LOAN 100
Resource Consents	2020-28	3,500,000	RENEWAL 100
Risk Assessment and Implementation	2019-24	862,000	LOAN 100
Monitoring of Wastewater Discharges	2019-28	1,050,000	LOAN 100
Edgecumbe Pump Station - land matters	2019	12,000	LOAN 50 RENEWAL 50
Upgrade Edgecumbe Wastewater Treatment plant	2023	529,500	LOAN 100
Edgecumbe Renewal of Reticulation Network	2028	4,000,000	LOAN 50 RENEWAL 50
Murupara Treatment plant upgrade	2027-28	3,000,000	LOAN 64 RENEWAL 36
Tāneatua Treatment Plant Upgrade	2019-28	540,000	LOAN 70 RENEWAL 30
Total Sewage Treatment and Disposal		27,092,700	
STORMWATER DRAINAGE			
Hinemoa Pump Station and Pipes	2021-23	3,500,000	DEVCON 6.8 LOAN 93.2
Henderson Street Improvements	2019-20	800,000	LOAN 100
Pipe Upgrades	2020-26	2,850,000	LOAN 70 RENEWAL 30
Upgrade St Josephs Pump Station	2019-21	1,050,000	DEVCON 6.8 LOAN 93.2





ACTIVITY	YEAR	TOTAL \$	FUNDING
Stormwater Drainage Renewals	2019-28	700,600	RENEWAL 100
Resource Consents, Risk Assessment & Implementation, Modelling	2019-24	2,167,000	LOAN 100
Comprehensive Management Plans Development	2021-23	120,000	LOAN 100
Comprehensive Management Plan Upgrades	2021-25	950,000	LOAN 50 RENEWAL 50
Maraetōtara Stream	2019	200,000	LOAN 100
Stormwater Study - Edgcumbe	2024	25,000	LOAN 100
Ōhope - Upgrades	2020-22	150,000	LOAN 50 RENEWAL 50
Edgcumbe Drains - Flood Gates/Fencing	2019-27	25,000	LOAN 20 RENEWAL 80
Catchment Management Plans Development	2024-25	120,000	LOAN 100
Total Stormwater Drainage		12,657,600	
SOLID WASTE			
Renewals	2019-28	239,838	RENEWAL 100
Murupara Transfer Station Improvements	2019-28	50,000	GENRATE 100
Recycling Park Improvements	2019-28	50,000	GENRATE 30 TARG 70
Total Solid Waste		339,838	
DISTRICT GROWTH			
Harbour Owned Building Renewals	2019-28	335,317	RESTRICT 100
Strategic and Investment Property Renewals	2019-28	531,786	GENRATE 100
60 Bunyan Road Woodwaste Remediation	2019-28	200,000	LOAN 100
Total District Growth		1,067,103	
RECREATION & COMMUNITY FACILTITES			
Library Mixed Collection Renewal	2019-28	1,000,000	RENEWAL 100
Multi Sports Event Centre	2019-26	10,000,000	DEVCON 4.8 LOAN 19 RENEWAL 9.4 SUBSIDY 66.8
Halls Renewals	2019-28	2,395,500	RENEWAL 100
Aquatic Centres - Plant Room VSD Installation	2020	40,000	LOAN 100

ACTIVITY	YEAR	TOTAL \$	FUNDING
Aquatic Centres - Development of Outdoor Picnic and BBQ Facilities	2020	30,000	LOAN 50 SUBSIDY 50
Aquatic Centres - Heat Pump Replacement	2020	20,000	RENEWAL 50 SUBSIDY 50
Aquatic Centres - Plant Renewal	2019-28	1,208,350	LOAN 48 RENEWAL 52
Aquatic Centres - Renewals	2019-28	1,387,804	RENEWAL 100
Cemetery Expansion	2019-27	2,724,000	LOAN 100
Cemetery Berms	2019-28	100,000	FEECHG 89 GENRATE 11
Cemetery Renewals	2019-28	639,000	RENEWAL 100
Christmas Lights	2019-28	400,000	GENRATE 100
Recycling Bins for Reserves	2019-28	100,000	SUBSIDY 100
Sullivan Lake Footpath and Retaining Walls	2019-27	63,000	RESTRICT 100
Harbour Beautification	2019-28	750,000	RESTRICT 100
Playground and Reserves Renewals	2019-28	3,555,500	RENEWAL 100
Dog Park	2024-28	10,000	RESTRICT 100
Significant Sites	2019-28	651,000	RENEWAL 50 SUBSIDY 50
Walking & Cycling Projects	2019-28	750,000	SUBSIDY 100
Game Wharf Park Upgrade	2019	600,000	RESTRICT 100
Port Ōhope Wharf	2019-28	525,000	RESTRICT 100
Ports & Harbour Renewals	2019-28	1,494,000	RENEWAL 100
Whakatāne Main Wharf Replacement	2019-22	6,764,561	RENEWAL 20 RESTRICT 80
Harbour Eastern Wall Strengthening	2023	470,000	RESTRICT 100
Public Conveniences - Renewals	2019-28	788,500	RENEWAL 100
Sportsfields Facilities - Renewals	2019-28	1,169,500	RENEWAL 100
Whakatāne Holiday Park - Renewals	2019-28	500,000	RENEWAL 100





ACTIVITY	YEAR	TOTAL \$	FUNDING
Whakatāne Holiday Park - Upgrades	2019-28	500,000	LOAN 100
Total Recreation & Community Facilities		38,635,715	
COMMUNITY SAFETY			
CCTV- Phase 2	2019-25	200,000	RENEWAL 30 SUBSIDY 70
Speed Limit Sign	2024	20,000	SUBSIDY 100
Total Community Safety		220,000	
CORPORATE ACTIVITIES			
Vehicle Replacements	2019-28	3,672,000	RENEWAL 100
Corporate Property Renewals	2019-28	2,679,146	RENEWAL 100
Information Systems Infrastructure - Upgrades	2019-27	760,000	LOAN 100
Information Systems Infrastructure - Renewals	2019-28	6,604,000	RENEWAL 100
ERP Replacement	2027-28	2,000,000	LOAN 25 RENEWAL 75
Operations Business Unit Renewals	2019-28	229,000	RENEWAL 100
Total Corporate Activities		15,944,146	
REPORTABLE COUNCIL CONTROLLED ORGANISATIONS			
Security Management Systems	2021	5,000	LOAN 50 OPEXRES 50
Runway Renewals	2019-27	403,672	OPEXRES 50 RENEWAL 50
Taxiway & Terminal Apron	2020-28	176,796	OPEXRES 50 RENEWAL 50
Commercial Lease Taxiway	2020	50,400	OPEXRES 50 RENEWAL 50
Airport Car Park	2020-25	25,272	OPEXRES 50 RENEWAL 50
Runway Lighting & Navigation Aids Upgrade	2022	200,000	LOAN 25 OPEXRES 50 SUBSIDY 25
Airport Terminal Building	2020	150,000	LOAN 50 OPEXRES 50
Runway End Safety Area	2019	250,000	LOAN 25 OPEXRES 50 SUBSIDY 25
Total Reportable Council Controlled Activities		1,261,140	
Total Council		215,785,242	

ALL ABOUT RATES

Ngā Take Kaunihera

Rateable properties in our District

The Council's rating requirement (the amount we need to collect from rates) is divided among the available "rateable properties" in the District. Certain types of properties, like schools, churches, and recreation reserves, are not rateable. Our District is made up of 15,659 rateable properties. The table below shows the number of rateable properties in our District as at 6 June 2018. Properties are valued every three years by an independent valuer, and were last valued in September 2016. The next review will take place in 2019.

The financial forecasts in this LTP are based on no-change in the number of rateable units in the Whakatāne District. While some growth is expected, this provides a conservative approach. This will be updated annually to reflect the actual change.

	NUMBER OF RATEABLE RATING UNITS	RATEABLE CAPITAL VALUE \$ MILLION
Whakatāne Commercial	528	1,086,893
Edgecumbe	648	188,608
Matatā	333	92,215
Murupara	773	52,819
Ōhope	1,879	1,187,571
Ōtarawairere	37	32,242
Rural	5,078	3,462,103
Tāneatua	284	37,764
Te Teko	277	38,670
Whakatāne Urban	5,822	2,137,824
TOTAL	15,659	8,316,709

Rates due dates

There will be four equal instalments for the 2018/19 rates and the due dates are as follows:

INSTALMENT	DUE DATE	PENALTY DATE
Instalment 1	Friday, 24 August 2018	27 August 2018
Instalment 2	Friday, 23 November 2018	26 November 2018
Instalment 3	Friday, 22 February 2019	25 February 2019
Instalment 4	Friday, 24 May 2019	27 May 2019

A 10% instalment penalty will apply to any rates which are not paid by the instalment due dates. A further 10% additional charge will be added on 1 October 2019 to any overdue rates payments as at 1 July 2019 and which are unpaid at 1 July 2019, which remain unpaid at 30 September 2019.

Water due dates

The following are the due dates for the water invoices:

INSTALMENT	SCHEME	DUE DATE	PENALTY DATE
1st Reading	Plains	Friday, 26 October 2018	29 October 2018
2nd Reading	All metered schemes	Friday, 25 January 2019	28 January 2019
3rd Reading	Plains	Friday, 26 April 2019	29 April 2019
4th Reading	All metered schemes	Friday, 26 July 2019	29 July 2019

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

Funding Impact Statement (Rating)

The Funding Impact Statement shows how the rating system will look as dollar figures applied across the community. Hopefully this information will help you to understand the financial impact of the 'All about rates' section. You will find that this information is very similar to what appears on the back of your rates invoice.

RATING UNITS ARE DEFINED AS:

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

Rural is defined as all rural zoned land except commercial and industrial properties as defined above.

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

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
GENERAL RATES											
Total amount required	21,692,874	21,994,161	22,500,434	22,490,146	22,650,469	23,042,043	23,422,785	23,461,226	24,054,078	24,350,619	
<i>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\$).</i>											
	Cents per CV\$										
District wide rating units capital value less than \$15 million (step 1)	0.00138374	10,889,196	10,948,879	11,092,068	10,918,729	10,864,903	10,970,091	11,102,988	10,990,585	11,323,597	11,389,371
District wide rating units capital value greater than \$15 million (step 2)*	0.00069187	307,004	308,687	312,724	307,837	306,319	309,285	313,032	309,863	319,252	321,106
<i>The council sets a Uniform Annual General Charge on a fixed dollar amount per applicable rating unit.</i>											
Uniform Annual General Charge on all rating units in the District	707.23	10,496,674	10,736,595	11,095,643	11,263,580	11,479,246	11,762,666	12,006,765	12,160,778	12,411,229	12,640,142
<i>* Council uses a differential for all rating units with capital value over \$15 million to reduce the total rate those 17 rating units are charged.</i>											
ROADING RATES											
Total amount required	5,837,464	6,412,079	6,549,943	6,819,271	7,043,480	7,323,080	7,351,890	7,546,726	7,680,453	7,834,464	
<i>The Council sets the roading rate on the capital value of each applicable rating unit in the District (cents per CV\$).</i>											
	Cents per CV\$										
District wide rating units (cents per CV\$)	0.00063648	5,253,717	5,770,871	5,894,949	6,137,344	6,339,132	6,590,772	6,616,701	6,792,053	6,912,407	7,051,018
Fixed targeted rate on all rating units in the District	39.33	583,746	641,208	654,994	681,927	704,348	732,308	735,189	754,673	768,045	783,446

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$			
COMMUNITY BOARD RATES													
Total amount required	333,517	338,688	344,350	350,388	357,976	364,453	370,905	379,217	386,141	393,203			
<i>The Community Board rate funds the Governance activity and the costs of the four Community Boards. The Council sets a fixed targeted rate on rating units within each of the following locations.</i>													
	Rate \$												
Whakatāne/Ōhope	22.04	181,242	183,974	186,661	189,976	194,593	197,714	201,269	206,307	209,659	213,553		
Rangitāiki	15.12	62,104	63,261	64,465	65,594	66,809	68,169	69,372	70,711	72,159	73,479		
Tāneatua	34.95	43,897	44,702	45,542	46,336	47,183	48,128	48,972	49,907	50,911	51,838		
Murupara	36.67	46,058	46,938	47,870	48,687	49,598	50,651	51,520	52,523	53,645	54,598		
STORMWATER RATES													
Total amount required	3,184,455	3,390,288	3,597,401	3,820,184	3,995,279	4,142,912	4,237,732	4,432,140	4,480,355	4,517,950			
<i>The Council sets a differential targeted rate for stormwater on rating units and a rate on the capital value differentially as follows.</i>													
	Differential	Fixed targeted rate per rateable unit	Cents per CV\$										
Whakatāne Urban	1.0	92.75	0.00054360	1,703,359	1,814,991	1,920,795	2,030,341	2,129,005	2,197,732	2,228,963	2,346,189	2,405,968	2,428,855
Whakatāne Commercial and Industrial*	2.2	92.75	0.00119591	624,301	665,215	703,994	744,144	780,305	805,495	816,941	859,906	881,816	890,204
Matatā	1.0	46.61	0.00049281	60,592	66,169	88,000	94,217	99,878	109,238	116,780	109,923	111,525	112,893
Ōhope	1.0	72.22	0.00033632	543,373	560,973	580,488	604,646	619,190	635,478	647,568	662,881	648,771	650,394
Edgecumbe	1.0	90.99	0.00063511	231,469	261,247	274,753	303,764	311,798	327,680	346,653	359,992	348,703	351,655
Tāneatua	1.0	11.13	0.00023787	11,977	12,214	12,524	14,421	19,767	21,253	22,881	28,481	28,915	29,260
Murupara	1.0	0.50	0.00002622	1,471	1,501	8,775	18,894	19,652	27,785	38,195	38,286	28,013	27,962
Te Mahoe Land Drainage	1.0	14.73	0.00050447	1,415	1,427	1,464	1,504	2,367	4,895	5,640	9,144	9,212	9,245
Te Teko Land Drainage	1.0	12.69	0.00046477	6,499	6,550	6,609	8,253	13,316	13,355	14,112	17,337	17,433	17,480
* A differential targeted rate calculated on capital value is charged for Whakatāne Commercial and Industrial rating units, due to the greater level of impermeable surfaces putting greater pressure on stormwater systems.													

		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
DISTRICT GROWTH RATES											
Total amount required		759,529	771,320	786,059	801,292	817,311	833,518	849,498	866,386	883,483	900,106
<i>The District Growth rate funds the Economic Development Activity.</i>											
The Council sets a fixed targeted rate per commercial and industrial rating unit within the District	318.59	189,882	192,830	196,515	200,323	204,328	208,380	212,374	216,596	220,871	225,027
Total amount required from cents per CV\$		569,647	578,490	589,544	600,969	612,983	625,139	637,123	649,789	662,612	675,080
	Differential	cents per CV\$	\$								
The Council sets a targeted rate on the capital value for all commercial and industrial rating units outside the Whakatāne urban area (cents per CV\$).	1.0	0.00050129	82,969								
The Council sets a targeted rate on the capital value for all commercial and industrial rating units within the Whakatāne urban area (cents per CV\$).	2.0	0.00100259	486,678								
REFUSE REMOVAL RATES											
Total amount required		\$ 2,595,157	2,731,699	2,829,587	2,925,401	2,992,242	3,055,626	3,119,389	3,193,497	3,202,487	3,277,636
<i>The Refuse Removal rate funds the Waste Group of Activities. 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 where a service is available to the rating unit. A rating unit can apply for more than one service and will be charged accordingly. The service applicable to each category is: Residential - refuse, recycling and green waste. Rural and Commercial - recycling and green waste.</i>											
Residential - per service	198.46	1,609,098	1,691,176	1,750,565	1,808,689	1,849,870	1,889,133	1,928,427	1,974,007	1,981,298	2,027,348
Rural/commercial - per service	162.66	627,227	663,581	688,986	713,860	730,451	745,931	761,746	780,237	780,361	799,315
Ōhope residential * - per service	201.10	351,724	369,429	382,240	394,778	403,661	412,131	420,607	430,439	432,012	441,946
Ōhope commercial - per service	165.30	7,108	7,513	7,797	8,074	8,259	8,432	8,608	8,814	8,816	9,027
<i>*The Council provides an additional three recycling collections during the summer holiday period for Ōhope.</i>											

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
WATER RATES												
Total amount required	6,117,375	5,884,834	6,035,206	6,225,640	6,477,708	6,720,065	6,906,253	7,044,216	7,141,562	7,248,158		
<p>The Council sets water rates on a differential based on provision of service, land use and location.</p> <p>Connected - any rating unit that is connected directly or indirectly to a Council operated waterworks.</p> <p>Available - any rating unit that is not connected to a Council operated waterworks but is within 100 metres of such waterworks.</p> <p>Note: All water by meter consumption that is invoiced during the current rating year will be calculated on the charges detailed below.</p>												
	Per connection	Rate										
	\$	\$										
Ruatāhuna												
Connected	36.93		295	304	311	318	326	334	342	351	359	368
Connected - commercial	92.33		185	190	194	199	204	209	214	219	224	230
Plains												
Connected - metered	120.00		410,305	407,948	427,469	433,325	446,957	467,162	472,042	470,178	480,662	489,912
Water by meter		0.27	615,457	611,921	641,204	649,988	670,435	700,742	708,063	705,267	720,993	734,868
excess water by meter*		0.90										
Murupara		Rate										
		\$										
Connected - metered	127.71		3,065	2,824	2,495	2,575	2,940	3,068	3,137	3,132	3,234	3,176
Connected - non metered	314.09		210,754	194,160	171,583	177,026	202,177	239,002	244,368	243,991	251,879	247,429
Available - not connected	127.71		13,282	12,236	10,814	11,157	12,742	13,296	13,594	13,573	14,012	13,764
Water by meter		0.85	28,005	25,800	22,800	23,524	26,866	0	0	0	0	0
All Other Schemes (Whakatāne, Ōhope, Edgecumbe, Tāneatua, Te Mahoe, Matatā, Waimana, Rūātoki)												
Connected - metered	202.43		1,729,957	1,656,061	1,702,166	1,762,690	1,829,775	1,894,591	1,954,774	2,005,933	2,028,360	2,059,915
Connected - non metered	540.85		320,184	306,507	315,040	326,242	338,658	350,655	361,793	371,262	375,413	381,253
Available - not connected	202.43		84,615	81,001	83,256	86,216	89,498	92,668	95,611	98,114	99,211	100,754
Water by meter		1.54	2,701,270	2,585,882	2,657,874	2,752,381	2,857,131	2,958,339	3,052,314	3,132,196	3,167,215	3,216,488
<p>*The council sets an additional targeted rate for any excess water consumed that is over and above the purchased entitlement for each rating unit connected to these water supplies. An overuse targeted rate is set for the excess volume consumed over and above the purchased entitlement.</p> <p>Note: Where rating units 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.</p>												

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
SEWERAGE RATES											
Total amount required	3,764,335	4,037,930	4,467,880	4,608,638	4,754,551	4,888,821	5,116,166	5,289,197	5,409,326	5,662,044	
<p><i>The Council sets sewerage rates on land use and provision of service. Land use is residential, rural or commercial / industrial. For residential and rural rating units, the Council sets fixed targeted rates per separately used or inhabited part of a rating unit* to fund sewage disposal. Commercial / industrial properties are charged per pan.</i></p> <p>Connected - any rating unit that is connected to a public sewerage drain.</p> <p>Available - any rating unit that is not connected to a public sewerage drain but is within 30 metres of such a drain.</p>											
	Rate \$										
Available - all schemes (Whakatāne, Ōhope, Edgecumbe, Tāneatua, Te Mahoe)	156.65	56,081	59,335	65,023	67,089	68,996	70,941	74,270	76,912	78,273	81,037
Connected - all schemes (Whakatāne, Ōhope, Edgecumbe, Tāneatua, Te Mahoe) included land use of residential/rural and commercial/industrial**	313.30	3,509,322	3,712,925	4,068,861	4,198,147	4,317,436	4,439,164	4,647,502	4,812,828	4,897,950	5,070,913
Available - Murupara	126.39	11,122	14,853	18,673	19,199	20,581	21,173	22,050	22,333	24,214	28,519
Connected - Murupara included land use of residential/rural and commercial/industrial**	252.77	187,809	250,817	315,322	324,202	347,538	357,543	372,344	377,124	408,889	481,576
<p>* 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.</p> <p>**Commercial / industrial properties are charged per pan</p>											

Indicative Rating Examples for 2018/19

	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
Capital Value	155,000	355,000	1,100,000	370,000	730,000	295,000	293,000	640,000
General Rate	214.48	491.23	1,522.12	511.99	1,010.13	408.20	405.44	885.60
Uniform Annual General Charge	707.23	707.23	707.23	707.23	707.23	707.23	707.23	707.23
Roading CV	98.65	225.95	700.13	235.50	464.63	187.76	186.49	407.35
Roading Fixed Targeted Rate	39.33	39.33	39.33	39.33	39.33	39.33	39.33	39.33
Community Boards	22.04	22.04	22.04	22.04	22.04	15.12	15.12	15.12
Stormwater Fixed Targeted Rate	92.75	92.75	92.75	92.75	92.75	90.99	46.61	46.61
Stormwater CV	84.26	192.98	597.96	442.49	873.02	187.36	144.39	315.40
District Growth	-	-	-	689.55	1,050.48	-	-	-
Refuse Removal	198.46	198.46	198.46	162.66	162.66	198.46	198.46	198.46
Water	540.85	540.85	540.85	540.85	540.85	540.85	540.85	540.85
Sewerage	313.30	313.30	313.30	313.30	313.30	313.30	-	-
Subtotal (excluding GST)	2,311.35	2,824.12	4,734.17	3,757.69	5,276.42	2,688.60	2,283.92	3,155.95
Plus GST at 15%	346.70	423.62	710.13	563.65	791.46	403.29	342.59	473.39
2018/19 Total indicative rates including GST	\$2,658.05	\$3,247.74	\$5,444.30	\$4,321.34	\$6,067.88	\$3,091.89	\$2,626.51	\$3,629.34
2017/18 Total indicative rates including GST	\$2,545.01	\$3,128.12	\$5,300.22	\$4,121.85	\$5,821.73	\$2,902.03	\$2,456.83	\$3,371.33
% increase (decrease) incl. GST	4.44%	3.82%	2.72%	4.84%	4.23%	6.54%	6.91%	7.65%

MURUPARA URBAN	MURUPARA LIFESTYLE	TE TEKŌ	ŌTARAWAIRERE	ŌHOPE LOW	ŌHOPE AVERAGE	ŌHOPE HIGH	TĀNEATUA	RURAL LOW	RURAL AVERAGE	RURAL HIGH
61,000	205,000	111,000	820,000	510,000	640,000	1,220,000	134,000	58,500	965,000	3,190,000
84.41	283.67	153.60	1,134.67	705.71	885.60	1,688.17	185.42	80.95	1,335.31	4,414.14
707.23	707.23	707.23	707.23	707.23	707.23	707.23	707.23	707.23	707.23	707.23
38.83	130.48	70.65	521.92	324.61	407.35	776.51	85.29	37.23	614.21	2,030.38
39.33	39.33	39.33	39.33	39.33	39.33	39.33	39.33	39.33	39.33	39.33
36.67	36.67	15.12	22.04	22.04	22.04	22.04	34.95	15.12	15.12	15.12
0.50	-	12.69	72.22	72.22	72.22	72.22	11.13	-	-	-
1.60	-	51.59	275.78	171.52	215.24	410.31	31.87	-	-	-
-	-	-	-	-	-	-	-	-	-	-
198.46	162.66	198.46	201.10	201.10	201.10	201.10	198.46	162.66	162.66	162.66
314.09	-	120.00	540.85	540.85	540.85	540.85	540.85	120.00	120.00	120.00
252.77	-	-	313.30	313.30	313.30	313.30	313.30	-	-	-
1,673.89	1,360.04	1,368.67	3,828.44	3,097.91	3,404.26	4,771.06	2,147.83	1,162.52	2,993.86	7,488.86
251.08	204.01	205.30	574.27	464.69	510.64	715.66	322.17	174.38	449.08	1,123.33
\$1,924.97	\$1,564.05	\$1,573.97	\$4,402.71	\$3,562.60	\$3,914.90	\$5,486.72	\$2,470.00	\$1,336.90	\$3,442.94	\$8,612.19
\$1,788.26	\$1,570.53	\$1,583.22	\$4,256.94	\$3,430.77	\$3,777.22	\$5,322.96	\$2,366.31	\$1,349.95	\$3,393.03	\$8,407.77
7.64%	(%0.41)	(%0.58)	3.42%	3.84%	3.64%	3.08%	4.38%	(%0.97)	1.47%	2.43%

AUDIT REPORT

This consultation document and the underlying information provided in supporting documents have been reviewed by Audit New Zealand.

To the reader:

Independent auditor's report on Whakatāne District Council's 2018 28 Long Term Plan

I am the Auditor General's appointed auditor for Whakatāne District Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's long term plan (the plan). Section 259C of the Act requires a report on disclosures made under certain regulations. We have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 28 June 2018.

Opinion

In my opinion:

- the plan provides a reasonable basis for:
- long term, integrated decision making and co ordination of the Council's resources; and
 - accountability of the Council to the community;
 - the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 228 to 231 of the plan represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the plan.

Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. In meeting the requirements of this standard, we took into account particular elements of the Auditor General's Auditing Standards and the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;

- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
 - presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
 - having systems and processes in place to enable the preparation of a plan that is free from material misstatement.
- I am responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan's policy content.

Independence

In carrying out our work, we complied with the Auditor General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 (Revised); and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended).

In addition to this report on the Council's long-term plan and all legally required external audits, we have provided an assurance report on certain matters in respect of the Council's Debenture Trust Deed. These assignments are compatible with those independence requirements. Other than these assignments, we have no relationship with or interests in the Council.



B H Halford
Audit New Zealand
On behalf of the Auditor General, Tauranga, New Zealand



FOUR PRINCIPALS of the LTP

1
Responsible
Takohanga

2
Sustainable
Whakauka

3
Enabling
Whakamana

4
Affordable
Ka tae ate utu

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WHAKATĀNE
District Council
Kia Whakatāne au i ahau