



ANNUAL PLAN 2017/18



Introduction Whakataki	2
Message from Mayor and Chief Executive	2
How to read this plan Me pehea rā e pānui ai	3
What's an Annual Plan? He aha tēnei mea te mahere-ā-tau?	3
What's changed? Ngā whakarerekētanga	4
Fees and Charges Ngā utu	6
Performance Measures Ngā mehua	7
Annual Plan disclosure statement	9
Financial statements Tauākī pūtea	11
Statement of Accounting Policies for Prospective Financial Statements	12
Funding Impact Statement	35

Introduction | Whakataki

Message from Mayor and Chief Executive

This is the last Annual Plan we will produce that is aligned to the 2015-2025 Long Term Plan. The recently elected Council is clearly focused on the ten year planning exercise ahead of us for 2018 and this Annual Plan is about finishing off our good work, pausing for thought on projects and work streams which might need a new direction, and putting energy and resources into developing a clear course for the 2018-2028 Long Term Plan.

We have focused on delivering our core services well and responding to new developments where we need to, and we have identified projects which need a new direction and have deferred these conversations to the long term plan.

The big change in this Annual Plan is that we have brought forward budgets from the next four years to complete drinking water standard upgrades across all Council operated water supplies. Clean, healthy drinking water is one of the most basic and most vital services we provide as a Council and we are placing a clear priority on making sure we meet drinking water standards across all of our water supplies for the health and wellbeing of our communities.

We are taking the opportunity of an 85% subsidy from the New Zealand Transport Agency to convert street lights to LED. This will cost a total of \$1,387,298 from local roading budgets across all of our Community Boards in 2017/18 - money well spent given the contribution from central government.

We consulted with Mercury Bay ratepayers and residents about an extended Whitianga Town Centre upgrade, creating a new budget of \$715,941 to upgrade Taylor's Mistake and the Esplanade. This is a chance to complete a major town upgrade project for Whitianga with minimal disruption and ahead of the important Cook 250 celebrations in November 2019. This project is funded through the Mercury Bay local rate.

This year there is no major work being undertaken as part of the Coromandel Harbour project. This is an example of where we need to pause and assess our direction on what commitments we want to make as a Council to our community about development in the Coromandel harbour.

This year we undertake engagement with our communities over the future direction for this district as part of the new long term plan. It's an important process and the greatest opportunity available for residents, ratepayers, businesses and community groups to participate in their local democracy. We look forward to having many conversations with the community on what is best for the Thames-Coromandel district throughout the coming year.



Sandra Goudie
Mayor



Rob Williams
Chief Executive

How to read this plan | Me pehea rā e pānui ai

This plan is broken into the following sections:

How to read this plan	An explanation of each of the section and the new legal requirements for annual plans.
What's changed?	Contains a high level summary of the changes from the Long Term Plan, sorted by Group of Activities and includes fees and charges and updated information on performance measure targets.
Disclosure statement	Discloses the Council's planned financial performance in relation to various benchmarks to show whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.
Financial statements	<p>This section contains the 2017/18 budget and includes:</p> <ul style="list-style-type: none">• A statement of accounting policies• Funding impact statements (included in forecast financial statements)• Identification of reserve funds• Rating base information• Projected rating units• Capital expenditure statements

What's an Annual Plan? | He aha tēnei mea te mahere-ā-tau?

Every three years Council develops a Long Term Plan which has detailed budgets for the following three years as well as a longer term view out to ten years. Council last developed a Long Term Plan in 2015. In the two years between each Long Term Plan we develop an Annual Plan to provide better planning and financial information for those years. This is the third and final year of the three year cycle for the 2015-2025 Long Term Plan, and planning is now underway for the 2018-2028 Long Term Plan.

The 2017/18 Annual Plan refines the budget described in year three of the 2015-2025 Long Term Plan and produces an annual budget for the 2017/18 year.

Changes to the legislation introduced to coincide with the development of the 2015-2025 Long Term Plan meant a change to the way we consult with the community. The 2017/18 Annual Plan completes the first three year cycle under this legislation. Each of the three years has taken a slightly different approach to the level of consultation we have undertaken. In 2016/17 as there were no significant or material changes proposed to the budgets we did not formally consult which was a departure from previous annual plans.

Council decided to hold targeted consultations on two separate matters relating to the 2017/18 Annual Plan.

We determined that in the 2017/18 year there was one project which merited a targeted consultation using a special consultative procedure. The cost impact of the Whitianga Town Centre upgrade - stage 2 met a number of criteria considered significant for Mercury Bay ratepayers when assessed against our significance and engagement policy.

We also ran a targeted consultation for six ratepayer from Harriet Kings Road who approached Council for assistance with reinstating a privately maintained culvert. A targeted rate for Harriet Kings Road ratepayers was proposed to recover Council costs and consultation on this was required under the Act.

The consultations were carried out using a special consultative procedure as defined by legislation, as are the terms significant and material. These consultations involved submissions, hearings and deliberations by Council.

What's changed? | Ngā whakarerekētanga

We made one material change from the budget projections for 2017/18 included in the 2015-2025 Long Term Plan.

Following a targeted consultation with Mercury Bay residents and ratepayers, Council approved an additional budget to the Annual Plan of \$715,941. The timing and duration of the project was also changed with the stated intent of carrying out both stages at the same time and delivered in the 2017/18 year, benefiting from economies of scale. It is seen as particularly important by the Community Board that the work be completed well in advance of the Cook 250 celebrations in 2019, allowing the community to focus on supporting this significant event which is anticipated to attract visitors and international interest.

The other variations, deferrals and deletions proposed in the Year 3 budgets are not of significant value to trigger our Significance and Engagement Policy. There are no changes to levels of service proposed that were not covered in the 2015-25 Long Term Plan. As the overall budget changes do not result in significant rating impact differences staff consider that the Council has not met the threshold for formal consultation on the whole of the 2017/18 Annual Plan.

A summary of the most notable changes is below.

More information on our groups of activities, including descriptions of the activities within the groups, the rationale for delivery of the activities, and performance measurement information is available from pages 86 to 161 in our 2015-25 Long Term Plan. This can be accessed on our website: www.tcdc.govt.nz/ltp.

If you would like to read about the financial information associated with each activity for the 2017/18 year, refer to our financial statements in this document from page 11.

Roads and Footpaths

We have increased the **street light renewals** budget by \$1,387,298 across the district. This takes advantage of an 85% subsidy through the New Zealand Transport Agency to convert the lighting to LED components. This higher subsidy is only available to the end of June 2018. The additional budgets range from \$57,152 in Coromandel-Colville to \$558,624 in Mercury Bay.

Roading renewals has increased by \$363,304 for work which has either been delayed or brought forward to take advantage of the opportunity to align with the Whitianga town centre upgrade

Up to \$44,963 has been allocated to seal part of the **Hauraki Rail Trail** between Totara Palms and Kopu for health and safety reasons. Ministry for Business, Innovation and Employment has provided half the funding required.

Stormwater

We have increased the **stormwater renewals** budget to \$500,000 to accommodate works related to the Whitianga town centre upgrade.

Wastewater

The \$513,620 upgrade to the **Whitianga Pumpstation** at Moewai is deferred and will be rescheduled in the development of the 2018-2028 Long Term Plan.

Water Supply

We have decided to bring forward the district **drinking water standards upgrade** projects from years 4-7 of the current Long Term Plan. Capital expenditure that totals approximately \$2.05M has been added to the 2017/18 Annual Plan budget. The rating impact of bringing forward this programmed work is minimal given that depreciation reserves will be utilised.

Upgrades will occur at:

- Onemana and Whangamata (brought forward one year from 2018/19 at a cost of \$466,712)
- Coromandel (brought forward two years from 2019/20 at a cost of \$581,279)
- Pauanui (brought forward three years from 2020/21 at a cost of \$559,199)
- Tairua (brought forward from 2021/22 at a cost of \$466,507)
- Matarangi and Whitianga (proceed in 2017/18 as originally planned in the long term plan)

Upgrades have already taken place in Thames.

Whangamata system optimisation is now spread over the 2017/18 and 2018/19 financial years with \$302,500 allocated to the 2017/18 year.

Solid Waste

The **Whitianga refuse transfer station** project was originally scheduled in 2016/17 at a value of \$1.912 million. The project was deferred in the 2016/17 Annual Plan. The budget in 2017/18 is to address immediate renewal requirements associated with health and safety and environmental requirements. The project will be considered as part of the development of the 2018-2028 Long Term Plan.

Community Spaces and Development

Thames

Public convenience facilities for the Grahamstown area of Thames will be developed. This was deferred from 2016/17. Staff have been working with key stakeholders through consultants (Visitor Solutions) to identify and assess options for consideration by the Community Board. The project budget is \$118,413.

Coromandel-Colville

The **Coromandel Hall renewals** budget has been increased to \$250,000 to address issues to make the building structurally sound and weather tight. Completion of this work will allow a further \$200,000 of funding to be accessed from the Bizarre Trust. This funding will allow a number of functional improvements to be made to the hall.

Mercury Bay

A new budget for Stage 2 of the Whitianga town centre upgrade of \$715,941 is added to the overall budget.

When the 2015-25 Long Term Plan was developed the Whitianga Town Centre upgrade was originally anticipated to take place over several years in three stages. The latest planning, incorporating feedback from the businesses affected, upgrades Albert Street, Taylor's Mistake and the Esplanade in two stages.

The **Whitianga Boat Ramps** project was deferred to 2017/18.

The **Matarangi Boat Ramp** will be constructed in 2017/18 as only the planning and design for the facility was completed in 2016/17.

A key site in Monk Street, Whitianga has been purchased. The site is considered strategic to the Mercury Bay Community Board as it is situated adjacent to other Council properties and will provide expanded opportunities in the future for the larger site.

A successful funding application to the government's Tourism Infrastructure Fund for **public conveniences at Hahei carpark** requires up to \$50,000 and underwriting of a further \$130,000 of match funding from the Mercury Bay Public Conveniences activity.

Tairua - Pauanui

The **Royal Billy Point boat ramp and jetty upgrade** has a budget of \$65,000 allocated in 2017/18. Detailed design and resource consenting project will be undertaken in 2017/18 and the replacement project will be delivered in 2018/19 (deferred one year)

Whangamata

The **Curb/Channel/Swale programme** started in 2015/16 and will now be completed in 2017/18. Work was not completed in 2016/17 because the contractor was diverted from this work programme to address emergency management priorities arising from the 8 March storm event.

Economic Development

The Lees Road seal extension and carpark, a project within the Coromandel Walks has a budget of \$3,030,304 (to be funded by car park revenue).

The budgets in 2017/18 for Coromandel Harbour - Te Kouma Rd Intersection \$648,783 and Coromandel Harbour - Windy Point Improvements - \$1,027,239 have been removed from the 2017/18 Annual Plan. These projects were connected to the Sugar Loaf Wharf project which is being led by the Coromandel Marine Farmers Association.

Fees and Charges | Ngā utu

We have reviewed our fees and charges from the 2016/17 year and have made some changes for the 2017/18 year. The following new charges are added in 2017/18:

- Health Licences (\$50 fee for copies of Food Control plans)
- Libraries (Thames library is introducing charges for the use of its new meeting room and kitchen plus optional cleaning charge)
- Roading fees (Road stopping - Fixed Initial Deposit Charge per application of \$1,000 with an additional charge to recover actual and reasonable costs for the road stopping process will be made where the costs exceed the fixed charge paid.)
- Transfer Stations (Introduction of a small carrier bag fee of \$1)
- Thames Indoor Sports Facility (A range of hourly fees for the use of the new and old gym and meeting room at Thames indoor sports facility which will become operational in 2017/18.)
- Street trading charges have been introduced following the Activities in Public Places Bylaw consultation and adoption. There will be an annual application fee of \$100.

Although the preparation of an Annual Plan is the main mechanism we use to review our fees and charges, Council may from time to time change fees and charges by resolution throughout the year. We are guided by our Revenue and Financing Policy when making these decisions and this can be viewed at www.tcdc.govt.nz/ltp.

A document containing the full list of our fees and charges and how they compare to the fees and charges set in the 2016/17 year can be accessed on our website at www.tcdc.govt.nz/fees. This document will be updated if any changes are made throughout the year. Our internal reference number for the 2017/18 fees and charges is doc set # 4833378

Performance Measures | Ngā mehua

Delivery against performance measures and targets is how we measure performance against the major aspects for each of our groups of activities. This information per activity is available from page 86 to 161 in our 2015-25 Long Term Plan.

The following performance measure targets are defined each year using our Annual Plan.

Planning and regulation

Level of Service	Performance Measure	2017-18 target
Strategic Planning		
Council operates within a current and relevant strategic and legislative framework.	Proportion of work programme milestones completed. (Strategies, policies, bylaws, research projects e.g. peak population study)	Milestones <ul style="list-style-type: none"> Project manage the 2018-2028 Long Term Plan in time for adoption by 30 June 2018. Provide a Coastal Management Strategy to Council for adoption by 30 June 2018. Undertake a review of Council's Gambling Policy with a statement of proposal ready for public consultation by 30 June 2018.
District Plan		
The Council prepares reviews and maintains plans and policies for the management of the District's natural and physical resources.	Proportion of work programme progressed to complete and implement District Plan.	Milestones <ul style="list-style-type: none"> ≥ 60% (15 of 25) Environment Court appeal topics resolved by the end of June 2018. Proposed District Plan 'Appeals Version' updated in ePlan within one calendar month of appeals being resolved/determined. A variation to address Plan administration issues publicly notified by 31 October 2017.

Protection of people and the environment

Level of Service	Performance Measure	2017-18 target
The Council will work with other agencies to manage the effects of natural hazards.	Work programmes progressed with other agencies to manage the effects of natural hazards.	Complete the dune planting programmes approved by the Mercury Bay Community Board and Council (in accordance with Council resolution dated 4 April 2017) at: <ul style="list-style-type: none"> Whangapoua Beach Matarangi Beach Brophy's Beach Buffalo Beach Cooks Beach

Economic development

Level of Service	Performance Measure	2017-18 Target
Implement strategies and programmes to support and facilitate sustainable economic growth on the Coromandel.	Proportion of Priority One Economic Development Strategy Work Programme achieved. (Expressed as a number or % dependent on scale and detail of programme)	<p>The target is to deliver 100% of the following milestones.</p> <ul style="list-style-type: none"> Review the Economic Development Strategy Refresh Project Kopu Plan Deliver a draft Coromandel Harbour/West Coast harbour facilities strategy for Long Term Plan budgeting discussions

Annual Plan disclosure statement

Annual Plan disclosure statement for period commencing 1 July 2017

What is the purpose of this statement?

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 annual 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.

Benchmark		Planned	Met
Rates Affordability benchmark			
Income - no more than 80% of total revenue to come from rates	\$73,093,724	\$63,487,869	Yes
Increases - average cumulative district rate of no more than CPI	5.45%	7.17%	No
Increases - average cumulative district rate increase of less than or equal to LGCI + 2%	8.37%	7.17%	Yes
Debt affordability benchmark			
External debt no more than 150% of total rates revenue	\$95,231,803	\$47,935,743	Yes
Annual interest on external debt no more than 15% of total rates revenue	\$9,523,180	\$2,623,761	Yes
Balanced budget benchmark	100%	101%	Yes
Essential services benchmark	100%	145%	Yes
Debt servicing benchmark	10%	3.2%	Yes

Notes

1 Rates affordability benchmark

(1) For this benchmark,—

(a) the Council's planned rates income for the year is compared to no more than 80% of total revenue coming from rates, as contained in the financial strategy included in the Council's Long Term Plan; and

(b) the Council's planned rates increases for the year are compared with two quantified limits contained in the financial strategy included in the Council's Long Term Plan. The ultimate target is an average cumulative district rate increase of no more than CPI (%), however the target for the financial strategy is an average district rate increase of less than or equal to LGCI + 2% (%).

(2) The Council meets the rates affordability benchmark if—

(a) its planned rates income for the year equals or is less than each quantified limit on rates; and

(b) its planned rates increases for the year equal or are less than each quantified limit on rates increases.

2 Debt affordability benchmark

(1) For this benchmark, the Council's planned borrowing is compared with two quantified limits contained in the financial strategy included in the council's Long Term Plan. The first is external debt will not be more than 150% of total rates revenue and secondly, annual interest on external debt will not be any more than 15% of total rates revenue.

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

3 Balanced budget benchmark

(1) For this benchmark, the Council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

(2) The Council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

4 Essential services benchmark

(1) For this benchmark, the Council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.

(2) The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

5 Debt servicing benchmark

(1) For this benchmark, the Council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

(2) Because Statistics New Zealand projects that the Council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

Additional information or comment

Rates Affordability Benchmark - as anticipated in the Long Term Plan, Council does not meet the benchmark of average cumulative district rate increase at no more than CPI. This is an aspirational target and not the target for the financial strategy.

Financial statements | Tauākī pūtea

Statement of Accounting Policies for Prospective Financial Statements	12
Prospective Statement of Comprehensive Revenue and Expense	25
Prospective Statement of Changes in Net Assets and Equity	25
Prospective Statement of Financial Position	26
Prospective Statement of Cash Flows	27
Notes to Prospective Financial Statements	28
Statement of Financial Reserves	30
Depreciation reserves	31
Special reserves	32
LGA contributions reserves	33
Funding Impact Statement	34
Thames-Coromandel District Council: Funding Impact Statement for the year ending 30 June 2018 (Whole of Council)	43
Funding Impact Statement	44
Funding Impact Statement rating scenarios (including GST)	54
Allocation of rates to activities 2017/18 (GST inclusive)	60
Capital Expenditure statements	62

Statement of Accounting Policies for Prospective Financial Statements

Reporting entity

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

The Council provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

The Council has designated itself as a public benefit entity for financial reporting purposes.

The financial information contained within the Annual Plan may not be appropriate for purposes other than those described.

Council, who is authorised to do so, believes the assumptions underlying the prospective financial statements are appropriate and as such, has adopted the Annual Plan and has approved it for distribution on 27 June 2017.

Basis of preparation

The prospective financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period. Estimates have been restated accordingly if required. No actual financial results have been incorporated within the prospective financial statements.

Council and management of Thames-Coromandel District Council accept responsibility for the preparation of the prospective financial statements, including the appropriateness of the assumptions underlying the prospective financial statements and other required disclosures.

Statement of compliance

The prospective financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP), as required under section 93 and section 111 of the Local Government Act 2002, and opening balances for the year ended 30 June 2016. The prospective financial statements have been prepared in accordance with Tier 1 PBE FRS 42 Prospective Financial Statements. These prospective financial statements comply with PBE standards.

Measurement base

The prospective financial statements have been prepared on an historical cost basis, except where modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets and certain financial instruments (including derivative instruments).

Functional and presentation currency

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of Council is in New Zealand dollars. Judgement and estimations In preparing these financial statements, Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements 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.

Cautionary note

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

The information contained within these prospective financial statements may not be suitable for use in another capacity.

Changes in accounting policies

In May 2013, the External Reporting Board issued a new suite of PBE accounting standards for application by public sector entities for reporting periods beginning on or after 1 July 2014. The Council has applied these standards in preparing the prospective statements for the Annual Plan. In October 2014, the PBE suite of accounting standards

was updated to incorporate requirements and guidance for the not-for-profit sector. These updated standards apply to PBEs with reporting periods on or after 1 April 2015. The Council has applied these standards in preparing its prospective financial statements. The Council expects that there will be minimal or no change in applying these updated accounting standards.

There have been no other changes in accounting policy.

Assumptions underlying prospective financial information

The financial information contained within these policies and documents is prospective financial information in terms of PBE IPSAS 42 Prospective Financial Statements. The purpose for which it has been prepared is to enable the public to participate in the decision making processes as to the services to be provided by the Council over the financial year from 1 July 2016 to 30 June 2017, and to provide a broad accountability mechanism of the Council to the Community.

Basis of consolidation

Associates

An associate is an entity, over which Council has significant influence and that is neither a subsidiary nor an interest in a joint venture. Investments in associates are recognised under the equity method of accounting whereby the investment in the associate is recognised at cost with the carrying amount adjusted to reflect the ownership interest in the associate.

Council has elected to recognise its interests in both the Hauraki Rail Charitable Trust and Destination Coromandel Trust as associates of Council. However, given that Council does not have an ownership interest in either trust and that no share of the profit or loss is made to Council, it is impractical for Council to recognise its relationship with both trusts through this method of accounting. Nevertheless, the relationship is recognised as a related party with the appropriate disclosures made in accordance with PBE IPSAS 20 Related Party Disclosures.

Joint venture

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Council has a 40% interest in a jointly controlled entity called the Thames Valley Emergency Operating Area (TVEOA). Council is the administering authority of this entity and accounts for its interest in this entity under the equity-method of accounting.

Revenue

Revenue is measured at fair value. The specific accounting policies for significant revenue items are explained below.

Rates revenue

The following policies for rates 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 rate resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments 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 rates become overdue.
- Revenue from water by volume rates is recognised on an accrual basis. 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.

Development and financial contributions

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

Sale 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 the infringement notice is issued. The fair value of this revenue is determined based on the probability of collecting fines, which is estimated by considering the collection history of fines over the preceding 2-year period.

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 long-lived assets that must be used for a specific use (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.

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.

Donated services

The work of Council relies on the voluntary services of residents, particularly in the activities of parks and reserves, libraries, and foreshores. Since these services are not purchased by Council and, because of the difficulty of determining their value with reliability, donated services are not recognised in the financial statements.

Sale of goods

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

Expenses

Specific accounting policies for major categories of expenditure are outlined below.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

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.

Foreign currency transactions

Foreign currency transactions (including those for which forward foreign exchange contracts are held) are translated into NZ\$ (the functional currency) using the spot exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the prospective surplus or deficit.

Income tax

Income tax expense includes components relating to both current and deferred tax. The Council is exempt from income tax with the exception of income derived from wharf operations. Historically, the deductible operating expenditure has offset any operating revenue that is subject to income tax.

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. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

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 the assets and liabilities in the prospective statement of financial position and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. 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 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.

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

Leases

Finance leases

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

At the commencement of the lease term, finance leases are recognised 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 prospective surplus or deficit over the lease period 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.

Rental income from an operating lease is recognised on a straight-line basis over the term of the relevant lease.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and 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 in the statement of financial position.

Receivables

Receivables are recorded at their face value, 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.

Derivative financial instruments are initially measured at fair value on the contract date, and are remeasured to their fair value at each balance date. The fair value of interest rate swap contracts is determined by reference to market values for similar instruments. Any gains or losses arising from changes in fair value are recognised in the prospective surplus or deficit.

Derivatives embedded in other financial instruments or other non-financial host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contract and the host contract is not carried at fair value with unrealised gains or losses reported in the prospective surplus or deficit.

The portion of the fair value of an interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion classified as noncurrent.

The Council has elected not to apply hedge accounting to its derivative financial instruments.

Other financial assets

Financial assets are initially measured at fair value plus transaction costs unless they are carried at fair value through the prospective surplus and 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 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 has transferred substantially all the risks and rewards of ownership.

Council classifies its financial assets into the following categories for the purpose of measurement:

- fair value through prospective surplus or deficit;
- loans and receivables; and
- fair value through prospective 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 prospective surplus or deficit include financial assets held for trading. A financial asset is classified in this category if it is acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading.

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

Council's financial assets at fair value through surplus or deficit include derivatives that are not designated as hedges, and include interest rate swaps and foreign exchange options.

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 prospective surplus or deficit.

Loans to community organisations made by Council 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 difference between the face value and present value of the expected future cash flows of the loan is recognised in the prospective surplus or deficit as a grant expense. The loans are subsequently measured at amortised cost using the effective interest method.

Council's loans and receivables are comprised of cash and cash equivalents, trade and other receivables, term deposits and loans.

Fair value through other comprehensive income revenue and expense

Financial assets at fair value through prospective other comprehensive income 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, or realise, the investment within 12 months of the balance date.

The Council 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 through prospective other comprehensive income, except impairment losses, which are recognised through the prospective surplus or deficit.

On de-recognition, the cumulative gain or loss previously recognised in prospective other comprehensive income is reclassified from equity to the prospective surplus or deficit.

Investments in this category include shares held in New Zealand Local Government Insurance Corporation Limited and Local Authority Shared Services Limited.

Council has a one-twelfth ordinary shareholding in the Local Authority Shared Services Limited. The investment also consists of shares in the Shared Valuation Data Service, service shares in the Waikato Region Aerial Photography Service and Waikato Regional Transport Model. These shares have been measured at cost at the date of acquisition and have remained at cost, which may not equate to fair value.

Each year within the Annual Report, Council recognises its interest in its jointly controlled entity, the Thames Valley Emergency Operating Area using the equity method (per PBE IPSAS 7). This allows Council to recognise the investment initially at cost. The carrying amount is then increased or decreased to recognise Council's share of the prospective surplus or deficit of the jointly controlled entity after the date of recognition. However, due to immateriality reasons, Council has elected not to recognise its interest in the TVEOA for the purposes of this report.

Impairment of financial assets

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the prospective surplus or deficit.

Loans and other receivables

Impairment 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 asset 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 debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the prospective surplus or deficit. When the receivable is uncollectible, it is written off against the allowance account. Overdue receivables that have 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 prospective 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 an indicator of impairment. The cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss of that financial asset previously recognised in the prospective surplus or deficit) recognised in prospective other comprehensive revenue and expense is reclassified from equity to the prospective surplus or deficit.

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

Inventory

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at cost (using the FIFO method), and adjusted, when applicable, for any loss of service potential. Inventories acquired through non-exchange transactions are measured at fair value at the current replacement cost at the date of acquisition.

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

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 surplus or deficit.

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 (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Property, plant and equipment

Property, plant and equipment consist of operational assets, restricted assets, and infrastructural assets.

Operational assets

These include land, buildings and improvements, library books, furniture and fittings, plant and equipment, swimming pools, refuse processing and disposal, computer hardware, and motor vehicles.

Restricted assets

Restricted assets are parks and reserves (including public toilets) 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

Infrastructure assets are the fixed utility systems owned by the Council including roads, footpaths, bridges and culverts, water, wastewater, storm water, reserve improvements and harbour facilities. Each asset class includes all items that are required for the network to function.

Recognition and measurement

Land (operational, restricted and infrastructural) is measured at fair value, and buildings (operational and restricted), library books, and infrastructural assets (except land under roads) are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

Unformed or paper roads

An unformed or paper road is a term for a road that is legally established and recorded in survey plans, but has not been formed, and that ownership of the land associated with the paper road resides with the Council.

The Council does not recognise land under unformed paper roads in the financial statements because there is little or no service potential from the majority of these paper roads. Valuing these assets is also difficult. It is difficult to measure the service benefit to the public from having access to these routes. There is also limited market data detailing recent sales of such small individual areas arguably due to the high cost of disposal.

Revaluation

Land (operational, restricted and infrastructural) are revalued bi-annually, buildings (operational and restricted) and infrastructural assets (except land under roads) are revalued annually to ensure that their carrying amount does not differ materially from fair value.

The carrying value of land is assessed annually between the revaluation cycles to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the offcycle asset classes are revalued.

The opening asset values in the prospective financial statements for the asset classes that are revalued have been based upon estimate fair values as at 1 July 2016. These opening values were derived using a cost adjustment factor for the predicted valuation movement from the date of the last valuation through to 1 July 2016.

The cost adjustment factor is based on movements in the Producer Price Index, Labour Cost Index as well as movements in the Capital Goods Price Index.

Revaluations of property, plant and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to prospective 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 prospective other comprehensive revenue and expense but is recognised in the prospective surplus or deficit.

Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the prospective surplus or deficit will be recognised first in the prospective surplus or deficit up to the amount previously expensed, and then recognised in prospective other comprehensive revenue and 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.

Property, plant, and equipment is initially recognised at cost. Where an asset is acquired through a non-exchange transaction, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the prospective surplus or deficit. When revalued assets are sold, the amounts included in the asset revaluation reserves in respect of those assets are transferred to accumulated funds.

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 prospective 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 and assets under construction (work in progress), at rates that will write-off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows.

The estimated useful lives of the major classes of property, plant and equipment and associated depreciation are as follows:

Operational Assets	Useful lives	Amortisation rate
Buildings	2 - 56 years	1.8% - 50.0%
Computer Hardware	3 - 10 years	10.0% - 33.3%
Furniture and Fittings	2 - 50 years	2.0% - 50.0%
Library Collections	10 years	10.0%
Plant and Machinery	3 - 25 years	4.0% - 33.3%
Solid Waste	10 - 80 years	1.3% - 10.0%

Infrastructural Assets	Useful lives	Amortisation rate
Reserve Improvements		
Cemeteries	10 - 80 years	1.3% - 10.0%
Equipment	5 - 50 years	2.0% - 20.0%
Fences	10 - 75 years	1.3% - 10.0%
Furniture	10 - 30 years	3.3% - 10.0%
Pavement	8 - 80 years	1.3% - 12.5%
Playground	25 years	4.0%
Signs	10 - 50 years	2.0% - 10.0%
Structures	10 - 80 years	1.3% - 10.0%
Bridges and Culverts	100 years	1.0%
Footpaths	20 - 50 years	2.0% - 5.0%
Harbour Facilities		
Ramp	50 - 80 years	1.3% - 2.0%
Wharf	25 - 50 years	2.0% - 4.0%
Harbour general	20 - 50 years	2.0% - 5.0%
Reclamations	15 - 100 years	1.0% - 6.7%
Slipway	50 years	2.0%
Water		
Plant	5 - 100 years	1.0% - 20.0%
Signs	10 years	10.0%
Hydrants/valves	15 - 80 years	1.3% - 6.7%
Mains	60 - 100 years	1.0% - 1.7%
Connections	80 years	1.3%
Wastewater		
Pipes	60 - 100 years	1.0% - 1.7%
Connections	80 years	1.3%
Manholes	80 years	1.3%
Plant	5 - 100 years	1.0% - 20.0%
Vents	20 - 80 years	1.3% - 5.0%
Stormwater		
Pits	80 - 100 years	1.0% - 1.3%
Drains	50 - 100 years	1.0% - 2.0%
Plant	10 - 90 years	1.1% - 10.0%
Roads		
Railing	15 - 20 years	5.0% - 6.7%
Drainage	60 years	1.7%
Signs	15 years	6.7%
Lights	10 years	10.0%
Poles	25 - 50 years	2.0% - 4.0%
Brackets	50 years	2.0%
Retaining Walls	99 years	1.0%
Minor Structures	30 years	3.3%
Surface Water Channels	15 - 50 years	2.0% - 6.7%
Surface	3 - 30 years	3.3% - 33.3%
Basecourse	60 - 80 years	1.3% - 1.7%
Sub-base	60 - 70 years with a 100% residual value	0.0%
Formation	Infinite	Not depreciated

The residual value and useful life of an asset is reviewed, and adjusted if applicable, 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.

Staff training costs are recognised in the prospective surplus or deficit when incurred.

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

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

Easements

Easements are not cash generating in nature, instead they give Council the right to access private property where infrastructural assets are located.

The Council has not valued and recognised easements as an intangible asset under PBE IPSAS 31 Intangibles. The work required identifying and developing a central register to record easements and paper roads would be considerable and difficult to ensure that it was comprehensive and complete. The Council is also concerned that the cost to establish the register would be substantial with minimal benefits being achieved. Registered valuers would have difficulty determining a fair value for the easements due to their unique nature, and having no active market for this particular asset type. There is also no recognised valuation methodology.

For these reasons, the Council has opted not to recognise easements as an intangible asset because they cannot be quantified and the value of the easements cannot be measured reliably.

Resource consents

It is difficult to determine the fair value of resource consents due to their specialised nature and having no active market to compare values against. For these reasons, the Council holds resource consents at deemed cost and they are amortised over the life of the asset.

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 that the asset is derecognised. The amortisation charge for each period is recognised in the prospective surplus or deficit. The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

	Useful lives	Amoritisation rate
Computer software	5 years	20%
Resource consents	3 - 35 years	2.9% - 33.3%
Aerial Photography	5 years	20%

Impairment of property, plant and equipment and intangible assets

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

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 regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the prospective surplus or deficit. The reversal of an impairment loss is recognised in the prospective surplus or deficit.

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 the availability of information.

Assets under construction

Assets under construction are not depreciated. The total cost of a completed project is transferred to the relevant asset class at balance date.

Forestry assets

Standing forestry assets are independently revalued annually at fair value less estimated point of sale costs for harvesting, transport, roading and management for one growth cycle. Fair value is determined based on the present value of expected net cash flows that would arise if the asset were harvested today, 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. The valuation is of standing timber only, exclusive of the underlying land value.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the prospective surplus or deficit.

Forestry maintenance costs are included in the prospective surplus or deficit when incurred.

Payables

Short-term creditors and other payables are recorded at their face value.

Borrowings

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are 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 balance date.

Employee entitlements

Short-term employee entitlements

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured 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, and sick leave.

A liability for sick leave is recognised 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 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 a past practice has created a constructive obligation.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, 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 estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation schemes

Defined contribution schemes

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

Defined benefit schemes

The Council makes employer contributions to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit plan accounting, as it is not possible to determine from the terms of the scheme the extent to which the scheme's prospective surplus or deficit will affect future contributions by individual employers, as there is no prescribed bases for allocation. The scheme is therefore accounted for as a defined contribution scheme. Further information on this scheme is disclosed in Note 29.

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, and it is probable that an outflow of future economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount 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 and is included in 'finance costs'.

Landfill post-closure costs

The Council has a legal obligation to provide on-going maintenance and monitoring services at its five closed landfill sites. A provision for post-closure costs is recognised as a liability in the prospective statement of financial position. The provision is measured based on the present value of future cash outflows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provision includes all known costs associated with landfill post-closure.

Leaky home settlement costs

As a result of legal precedent that Councils are liable for a share of leaky homes repair costs, a provision for estimated settlement costs has been recognised as a liability in the prospective statement of financial position. The provision is measured based on the present value of future cash outflows expected to be incurred, taking into account future events. The provision includes all expected settlement costs. When there is a high level of uncertainty, a contingent liability is recognised.

Reserve contribution credits

A provision has been established in the statement of financial position for the estimated liability associated with historic reserve contribution credits, as a result of subdivision's vesting of reserves prior to the introduction of the Development Contribution Policy in October 2004. In addition to this, a provision has been established for reserve contribution credits associated with the development of the Whitianga multi-sports complex centre.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the Council to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts have not been provided for in the prospective statement of financial position because the Council has assessed the probability of a financial guarantee being called up as 'less than likely to occur' and the club or organisation has provided an indemnity to the Council that transfers ownership of the assets to the Council in the event of the guarantee being called up. The Council's exposure to any risk is therefore mitigated and minimal. As such, financial guarantees are disclosed as a contingent liability because it is less likely than not that a present obligation exists.

Equity

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 the following components.

- accumulated funds;
- restricted reserves;
- property revaluation reserves; and
- Council created reserves.

Accumulated funds

The accumulated surpluses do not represent cash available to offset future rate increases, but rather it represents the community's investment in publicly owned assets resulting from past surpluses.

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 the Council.

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

Property revaluation reserves

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

Council created reserves

Council created 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. The Council created reserves consist of specifically named reserves into which funds are put for specific purposes, as well as reserves for unspent revenue from one year that the Council deems appropriate to be expended in the following year, usually to finish incomplete, but previously budgeted work. The Council created reserves also include reserves for depreciation that have been funded but not yet utilised.

Goods and services tax

All items in the prospective financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax, 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 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 statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Prospective statement of cash flows

Operating activities include cash received from all income sources of Council and records the cash payments made for the supply of goods and services. Agency transactions are not recognised as receipts and payments in the prospective statement of cash flows. Investing activities are those activities relating to the acquisition and disposal of non-current assets. Financing activities comprise the change in equity and debt capital structure of Council.

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 a significant activity. Indirect costs are those that cannot be identified in an economically feasible manner with a specific activity.

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

Prospective Statement of Comprehensive Revenue and Expense

A forecast for the year ending 30 June 2018

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
REVENUE			
Rates 1	61,434	64,570	63,488
Fees and charges	10,061	9,334	10,322
Development and financial contributions	1,667	1,733	1,733
Subsidies and grants	8,639	6,104	8,734
Interest revenue	12	12	12
Other revenue	1,867	2,014	2,274
Gains	1,905	557	4,804
Total revenue	85,584	84,324	91,367
EXPENDITURE			
Personnel costs	16,737	15,370	18,154
Depreciation and amortisation expense	19,007	19,833	19,524
Finance costs	2,636	3,236	2,624
Other expenses	42,318	40,838	41,811
Total operating expenditure 2	80,699	79,276	82,114
Share of associate's surplus (deficit)	0	0	0
Surplus (deficit) before tax	4,885	5,048	9,253
Income tax expense	0	0	0
Surplus (deficit) after tax	4,885	5,048	9,253
OTHER COMPREHENSIVE REVENUE AND EXPENSE			
Gain on property revaluation	27,842	26,391	25,889
Total other comprehensive income revenue and expense	27,842	26,391	25,889
TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR	32,727	31,439	35,142

Prospective Statement of Changes in Net Assets and Equity

A forecast for the year ending 30 June 2018

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
Balance at 1 July	1,283,073	1,304,877	1,342,047
Total comprehensive income and expense for the year	32,727	31,439	35,142
Balance at 30 June	1,315,800	1,336,315	1,377,189

Prospective Statement of Financial Position

A forecast for the year ending 30 June 2018

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
Current assets			
Cash & cash equivalents	474	409	449
Debtors and other receivables	7,514	7,677	3,746
Investments	0	0	0
Inventories	180	193	125
Non-current assets held for sale	0	0	0
Total current assets	8,167	8,280	4,320
Non-current assets			
Postponed rates	450	523	488
Derivative financial investments	0	0	0
Investments in joint ventures	0	0	0
<i>Other financial assets</i>	0		
Investments in CCO's and similar entities	0	0	0
Investments in other entities	998	997	1,053
Total other financial assets	998	997	1,053
Intangible assets	7,478	8,478	6,901
Property, plant and equipment	1,369,962	1,395,918	1,431,041
Forestry assets	2,931	2,514	2,965
Total non-current assets	1,381,819	1,408,431	1,442,448
TOTAL ASSETS	1,389,987	1,416,711	1,446,768
Current liabilities			
Creditors and other payables	14,018	15,510	10,752
Derivative financial instruments	16	132	132
Employee entitlements	1,553	1,410	1,644
Provisions	2,688	2,424	1,057
Borrowings	0	15,000	15,000
Total current liabilities	18,274	34,475	28,586
Non-current liabilities			
Derivative financial instruments	2,298	1,687	1,687
Employee entitlements	185	196	200
Provisions	5,730	5,312	6,096
Borrowings	47,700	38,725	33,011
Total non-current liabilities	55,913	45,920	40,994
TOTAL LIABILITIES	74,187	80,396	69,579
NET ASSETS (assets minus liabilities)	1,315,800	1,336,315	1,377,189
Equity			
Accumulated surplus (deficit)	391,293	385,880	398,039
Reserves 3	924,507	950,436	979,150
TOTAL EQUITY	1,315,800	1,336,315	1,377,189

Prospective Statement of Cash Flows

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from rates revenue	61,396	64,341	63,450
Interest received	12	12	12
Receipts from other revenue	21,069	17,874	21,467
Payments to suppliers and employees	(59,073)	(55,839)	(60,008)
Interest paid	(2,636)	(3,236)	(2,624)
Net cash flow from operating activities	20,768	23,152	22,297
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts from sale of investments	0	0	0
Receipts from sale of property, plant and equipment	156	0	582
Purchase of property, plant and equipment	(29,821)	(21,139)	(29,758)
Purchase of intangible assets	(614)	(170)	(417)
Net cash flow from investing activities	(30,279)	(21,309)	(29,592)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	11,528	1,131	9,745
Repayment of borrowings	(2,134)	(3,060)	(2,390)
Net cash flow from financing activities	9,394	(1,929)	7,354
Net increase (decrease) in cash and cash equivalents	(118)	(86)	59
Cash and cash equivalents at the beginning of the year	591	495	390
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	474	409	449

Notes to Prospective Financial Statements

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
NOTE 1			
Rates			
General rate	5,216	4,883	5,333
Uniform annual general charge	10,018	11,164	10,839
Targeted rates on property value	9,949	10,368	10,343
Targeted rates as fixed charges	33,779	35,885	34,691
Targeted rates for servicing loans	176	175	182
Sub total	59,139	62,475	61,388
Penalties	800	600	600
Sub total	59,939	63,075	61,988
Targeted rates for water supply	1,495	1,495	1,500
Rates paid in advance (lump sum options)	0	0	0
Total rates	61,434	64,570	63,488
NOTE 2			
Total operating expenditure			
Planning and Regulation	9,681	9,139	10,182
Stormwater	3,006	3,225	3,082
Wastewater	13,115	14,459	14,069
Landuse	0	0	0
Water Supply	8,710	9,514	9,002
Solid Waste	5,947	5,906	6,339
Representation	6,279	6,008	6,349
Protection of People and the Environment	3,151	3,172	3,477
Roads and Footpaths	15,655	14,213	14,185
Community Spaces and Development	11,611	11,838	12,086
Economic Development	4,200	2,582	3,995
Less internal rates	658	780	652
	80,699	79,276	82,114

Notes to Prospective Financial Statements

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
NOTE 3			
Other reserves			
Restricted reserves	33,357	33,357	33,357
Depreciation	7,370	8,653	5,167
Retained earnings	10,487	7,060	11,247
Special purpose	33,882	34,949	36,335
Property revaluation reserves	839,412	866,416	893,044
	754,316	950,436	806,938
NOTE 4			
Revenue from non-exchange transactions			
Revenue from rates			
Rates	61,434	64,570	63,488
Revenue from transfers			
Fees and charges	7,759	8,403	7,996
Vested assets	1,311	1,311	1,596
Fines and infringements	556	703	678
Subsidies and grants	8,639	6,104	8,734
Other transfer revenue	3,885	1,249	6,784
Total revenue from non-exchange transactions	83,583	82,339	89,277
Revenue from exchange transactions			
Fees and charges	322	240	346
Development and financial contributions	1,667	1,733	1,733
Interest revenue	12	12	12
Other exchange revenue	0	0	0
Total revenue from exchange transactions	2,001	1,984	2,091
	85,584	84,324	91,367

Revenue is classified as exchange or non-exchange based on the funding of the underlying activity which generates the revenue. As a result revenue from fees and charges and other income can be categorised as exchange or non-exchange based on the funding of the underlying activity which generates the revenue.

Statement of Financial Reserves

A forecast for the year ending 30 June 2017

Retained Earnings

Activities to which the fund relates		Opening Balance 2017/18 (\$000)	Transfers In 2017/18 (\$000)	Transfers Out 2017/18 (\$000)	Closing Balance 2017/18 (\$000)
District	Building Control, Community Health & Safety, Representation, District Roads and Footpaths, Emergency Management, Economic Development, Coastal & Hazard Management, District Plan, Resource Consents, Strategic Planning, Grants & Remissions, Rubbish and Recycling, Wastewater, Water Supply, Stormwater, Domain Board Committees and Moanataia Flood Protection Loan	(8,553)	(2)	686	(7,869)
Thames Community Board	Airfield, Halls, Harbour Facilities, Library, Local Roads and Footpaths, Moanataia Flood Protection Loan, Parks & Reserves, Grants & Remissions, Strategic Planning, Swimming Pool, Cemeteries, Public Conveniences	(333)	0	0	(333)
Coromandel/Colville Community Board	Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Grants & Remissions, Strategic Planning, Cemeteries, Public Conveniences, Water Supply Loan	(137)	0	0	(137)
Mercury Bay Community Board	Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Grants & Remissions, Strategic Planning, Cemeteries, Public Conveniences	(1,906)	0	251	(1,655)
Tairua/Pauanui Community Board	Airfield, Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Grants & Remissions, Strategic Planning, Cemeteries, Public Conveniences	(703)	0	100	(603)
Whangamata Community Board	Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Grants & Remissions, Strategic Planning, Harbours, Cemeteries, Public Conveniences	(660)	0	10	(650)
Total Retained Earnings Reserves		(12,292)	(2)	1,047	(11,247)

Year end surplus or deficit rate revenue which can only be applied to fund either operating, capital renewals or capital increased levels of service expenditure in the area of benefit for which the rate was collected.

Depreciation reserves

	Activities to which the fund relates	Opening Balance 2017/18 (\$000)	Transfers In 2017/18 (\$000)	Transfers Out 2017/18 (\$000)	Closing Balance 2017/18 (\$000)
District	Building Control, Strategic Planning, Representation, Emergency Management, Economic Development, Coastal & Hazard Management, Community Health & Safety, Rubbish and Recycling, Wastewater, Water Supply, Stormwater	(7,840)	(13,435)	16,451	(4,824)
Thames Community Board	Airfield, Halls, Harbour Facilities, Library, Local Roads and Footpaths, Moanataiairi Flood Protection Loan, Parks & Reserves, Grants & Remissions, Strategic Planning, Swimming Pool, Cemeteries, Public Conveniences	(351)	(952)	960	(343)
Coromandel/Colville Community Board	Halls, Harbour Facilities, Library, Local Transportation, Parks & Reserves, Grants & Remissions, Strategic Planning, Cemeteries, Public Conveniences	(251)	(251)	501	(0)
Mercury Bay Community Board	Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Grants & Remissions, Strategic Planning, Cemeteries, Public Conveniences	(0)	(1,322)	1,322	(0)
Tairua/Pauanui Community Board	Airfield, Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Grants & Remissions, Strategic Planning, Cemeteries, Public Conveniences	(0)	(570)	570	(0)
Whangamata Community Board	Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Grants & Remissions, Strategic Planning, Cemeteries, Public Conveniences	(0)	(518)	518	(0)
Total Depreciation Reserves		(8,442)	(17,047)	20,322	(5,167)

Fixed Assets depreciation expense which can only be applied to fund Renewals or Increased Level of Service capital expenditure in the area of benefit which funded the depreciation expense.

Special reserves

Activities to which the fund relates		Opening Balance 2017/18 (\$000)	Transfers In 2017/18 (\$000)	Transfers Out 2017/18 (\$000)	Closing Balance 2017/18 (\$000)
District					
Power New Zealand Reserve	Proceeds from sale of Power NZ shares to be used solely to fund internal borrowing with all interest earned applied to subsidise the UAGC rate requirement	(23,928)	0	0	(23,928)
Disaster Reserve	Fund repairs to infrastructure caused by natural disasters after subsidies and insurance have been applied	(1,268)	(880)	648	(1,500)
General Purpose Insurance Excess	Any one off, unbudgeted, Community Board project as approved by Council Fund insurance excess of any legal settlements within Building Control, Community Health & Safety and Resource Consents activities	(206) (1,995)	0 (290)	0 3	(206) (2,282)
Solid Waste Levy	To fund any Waste Minimisation initiative	(236)	(100)	36	(301)
Roading	Contributions collected under RMA to be used for Roading	(13)	0	0	(13)
Property	Proceeds from the sale of Council owned land & buildings to be used to fund purchase of land or buildings	(1,466)	(500)	0	(1,966)
Special Projects	Balance of \$1m allocated from Power NZ Reserve available to fund special 'one-off' Community Board projects as approved by Council	0	0	0	0
Wastewater Headworks Reserve	Reserve contributions collected under RMA to be used for funding of Increased levels of service projects within the water	(48)	0	0	(48)
Rates Postponment	To fund any shortfall between the net realisation on sale of a property and the amount outstanding for postponed rates and accrued charges at the time of sale	(14)	0	0	(14)
Thames Community Board					
Urban General Purpose Reserve	To fund non infrastructural assets within the Thames Urban area	(500)	(273)	0	(773)
Land Subdivision Reserve	Reserve contributions collected under RMA to be used for acquisition or development of reserves	0	0	0	0
Off Street Parking Reserve	Reserve contributions collected under RMA to be used for acquisition or development of parking	(0)	0	0	(0)
Water Headworks Reserve	Reserve contributions collected under RMA to be used for funding of increased levels of service projects within wastewater	(9)	0	0	(9)
Coromandel/Colville Community Board					
Land Subdivision Reserve	Reserve contributions collected under RMA to be used for acquisition or development of reserves	(402)	0	0	(402)
Off Street Parking Reserve	Reserve contributions collected under RMA to be used for acquisition or development of parking	(7)	0	0	(7)
Water Unused Loan Reserve	Balance of loan raised to fund water extension	(9)	0	0	(9)
Water Headworks Reserve	Reserve contributions collected under RMA to be used for funding of Increased levels of service projects within water	(203)	0	0	(203)

Special reserves

Activities to which the fund relates		Opening Balance 2017/18 (\$000)	Transfers In 2017/18 (\$000)	Transfers Out 2017/18 (\$000)	Closing Balance 2017/18 (\$000)
Mercury Bay Community Board					
Whitianga Land Subdivision Reserve	Reserve contributions collected under RMA to be used for acquisition or development of reserves	(29)	0	0	(29)
Off Street Parking Reserve	Reserve contributions collected under RMA to be used for acquisition or development of parking	(26)	0	0	(26)
Hot Water Beach Parking Fees	Proceeds from Hot Water Beach parking fees to be used to fund car park/toilet development	(31)	(102)	0	(133)
Hahei Parking Fees	Proceeds from Hahei parking fees to be used to fund car park maintenance/development	0	(48)	0	(48)
Whitianga Harbours Reserve	Proceeds from Whitianga Boat fees for use in Whitianga harbour activity	(112)	(31)	0	(143)
Purangi/Cooks Beach Boat Ramp	Proceeds from Purangi/Cooks Beach boat ramp fees to fund boat ramp maintenance/development	0	(22)	0	(22)
Kuaotunu Boat Ramp	Proceeds from Kuaotunu boat ramp fees to fund boat ramp maintenance/development	0	0	0	0
Ohuka Park DC Payment Plan	To fund development contributions payable when connecting to Council's water scheme in Ohuka Park	0	(24)	24	0
Tairua/Pauanui Community Board					
Land Subdivision Reserve	Reserve contributions collected under RMA to be used for acquisition or development of reserves	(1,423)	0	0	(1,423)
Off Street Parking Reserve	Reserve contributions collected under RMA to be used for acquisition or development of parking	0	0	0	0
Whangamata Community Board					
Land Subdivision Reserve	Reserve contributions collected under RMA to be used for acquisition or development of reserves	(1,195)	0	0	(1,195)
Off Street Parking Reserve	Reserve contributions collected under RMA to be used for acquisition or development of parking	(78)	0	0	(78)
Water Headworks Reserve	Reserve contributions collected under RMA to be used for funding of Increased Levels of Service Projects within water	(307)	0	0	(307)
Total Special Reserves		(33,505)	(2,271)	711	(35,065)

Includes contributions collected under the Resource Management Act which can only be used in the area and for the purpose for which they were levied as well as a few specific reserves such as the Disaster Relief Reserve, Thames Urban General Purpose Reserve and the Power New Zealand Reserve

LGA contribution reserves

Activities to which the fund relates		Opening Balance 2017/18 (\$000)	Transfers In 2017/18 (\$000)	Transfers Out 2017/18 (\$000)	Closing Balance 2017/18 (\$000)
District	Representation, District Roads and Footpaths, Rubbish and Recycling, Wastewater, Water, Stormwater	(120)	(940)	1,005	(56)
Thames Community Board	Airfield, Library, Swimming Pool, Parks & Reserves, Local Roads and Footpaths, Public Conveniences	(250)	(12)	12	(250)
Coromandel/Colville Community Board	Local Roads and Footpaths, Parks & Reserves	(92)	(36)	36	(92)
Mercury Bay Community Board	Halls, Library, Harbour, Parks & Reserves, Local Roads and Footpaths, Cemeteries, Public Conveniences	(391)	(733)	768	(356)
Tairua/Pauanui Community Board	Library, Halls, Parks & Reserves, Local Roads and Footpaths	(16)	(7)	5	(18)
Whangamata Community Board	Local Roads and Footpaths, Halls, Parks & Reserves	(683)	(28)	212	(499)
Total LGA Contributions Reserves		(1,551)	(1,757)	2,038	(1,270)

Funds collected under Council's Development Contributions policy. May only be applied to the funding of additional capacity projects for which they were levied.

Funding Impact Statement

The following pages provide detail regarding the calculation of rates. Our use of rates is guided by our Revenue and Financing Policy.

Rating Act

The Local Government (Rating) Act 2002 places some restrictions on the use of rating tools. The Local Government (Rating) Act 2002 limits total fixed charges (excluding water and wastewater charges) to 30% of total rates revenue. Fixed charges include the Uniform Annual General Charge and targeted rates set at a fixed amount. The targeted rates set at a fixed amount exclude those to which a differential rate applies.

General Rate

When using the General Rate, the Local Government (Rating) Act 2002 only allows a choice of one valuation system from three options:

1. the annual value of the land; or
2. the capital value of the land; or
3. the land value.

Currently, Council's general rate is based on land value.

Differentials are applied to the General Rate based on the uses to which the land is put, and where the land is situated. These differentials are calculated as a percentage of land value as follows:

a differential of 0.6

- to Farming and Horticultural category to encourage the continued use of these rating units for farming and horticultural purposes

a differential of 0.5

- to the Off-shore islands (used) category on the basis that these communities have less opportunity to consume benefits than communities on the mainland.

a differential of 0.1

- to the Off-shore islands (unused) category on the basis that these islands consume no, or very little, benefits.

a differential of 1.0

- to each of the following categories Residential, Industrial and Commercial, Commercial Forestry, Rural Other and other.

Note: one rating unit may fall into one or more of the above rating differential categories.

Definition of Differential Categories

The following definitions are used to determine the differential category for the General and Works and Services Targeted Rates:

Farming and Horticultural means:

- all rating units categorised within the District valuation roll as arable, dairying, pastoral, specialist or horticulture where the ratepayer's income or a substantial part thereof is derived from the use of the land for such purpose or purposes, except for those rating units which are expressly defined under Commercial Forestry, or Offshore Islands (used).

Rural Other means:

- all rating units used as rural and lifestyle blocks, except those rating units that are expressly defined under Industrial and Commercial, Farming and Horticultural, Commercial Forestry, Offshore Islands (used) or Residential.
- where vacant or idle land adjoining rating units categorised rural other and its best use potential is a use falling within the category "Rural Other", the land will be defined as Rural Other.

Industrial and Commercial means:

- all rating units used principally for commercial and/or industrial purposes other than rating units defined as Farming and Horticultural, Commercial Forestry or Residential. Where the principal use of the rating unit is a business or entity engaged in or relating to retail or wholesale trade, tourist services, manufacturing, marketing, service industries, offices, depots, yards, parking areas of buildings, cool stores and freezers, taverns, restaurants, motels, hotels, rest-homes, medical services, mining activity and commercial nurseries, whether operated for private pecuniary profit or not. The rating unit will be deemed industrial and commercial for the purposes of determining the differential rating category. For the purposes of clarity large scale Bed & Breakfast, Homestay and other similar short stay accommodation, (excluding Bookabach, Batchcare and other similar short stay accommodation whereby the principle residence is rented out), that offer four or more rooms for short stay accommodation (at any one time) will be treated as Industrial and Commercial.
- any rating unit not defined as Farming and Horticultural or Commercial Forestry or not expressly listed under Industrial and Commercial, where activity is carried out for private pecuniary profit
- where vacant or idle land is adjoining rating units categorised Industrial and Commercial and its best use potential is a use falling within the category "Industrial and Commercial", the land will be defined as Industrial and Commercial.

Commercial Forestry means:

- all rating units used for production forestry purposes by a ratepayer whose income or a substantial part thereof, is derived from the use of the land for such purposes.

Residential means:

- all rating units used or capable of being used for occupation as a residence of one or more household units other than property defined as Industrial and Commercial, Farming and Horticultural, Rural Other, and Commercial Forestry and including dwellings, home units, flats, baches, maisonettes and terrace houses. Small scale Bed & Breakfast and Homestay accommodation used principally for residential purposes is deemed Residential for the purposes of determining the differential rating category. For the purposes of clarity, small scale Bed & Breakfast and homestay accommodation (e.g. where 3 rooms or less are offered at any one time for short stay accommodation) will be treated as Residential. Bookabach, Batchcare and other similar short stay accommodation whereby the principal residence is rented out, is considered residential.
- community use land, being rating units used for the purpose of public schools, public hospitals, churches, cemeteries, private and public community centres and halls, recreation areas, sports clubs, sports grounds, art galleries and museums, kindergartens, play centres and private clubs where the use of the land is an activity not performed for private pecuniary profit.
- where vacant or idle land is adjoining rating units categorised Residential and its best use potential is a use falling within the category "Residential", the land will be defined as Residential.
- any land not falling within any other category.

Off-shore Islands (used) means:

- those islands within the District that are used or inhabited, including assessments numbered 04791/00100, 04791/00200, 04791/01400, 04791/01500, 04962/00202, 04962/00203, 04962/00206, 04962/00207, 04962/00208, 04962/00209, 04962/00210, 04962/00213, 04962/00215, 04962/00217, 04962/00218 and 04962/00219.

Off-shore Islands (unused) means:

- those islands within the District, which are substantially unused or uninhabited.

Uniform Annual General Charge (UAGC)

This rate is set at a fixed amount per 'separately used or inhabited part' of every rateable part of a rating unit in the District. It is used where the benefits of an activity are for the whole of the District and where the use of a value based rate would place an unfair burden on high value rating units.

Targeted Rates (Area of Service)

Targeted Rates are rates that are charges to particular communities or groups of ratepayers. They are used to fund services where a particular community or group benefits from the activity being funded. The following activities currently utilise targeted rates funding mechanisms:

Rubbish and recycling	Land drainage	Water by volume
Economic Development	Moanataiari flood protection loan	Roading and Footpaths and Building Control
Wastewater loan charges (Whangapoua Road)	Wastewater	Water Supply
Local works and services	Stormwater	Water Supply loan charges (Coromandel and Ohuka Park)
Water Supply - Ohuka Park Development Contribution	Wastewater loan charges (Cooks Beach existing users)	

(The Council will charge each separately used or inhabited part of a rating unit for some targeted rates).

Rubbish and Recycling

The **Targeted Rate for Rubbish and Recycling** is a rate set as a fixed amount per separately used or inhabited part of every rating unit in the District which is provided with a collection service. Solid waste collection and recycling is a District function operated by a District-wide contract for collection and disposal and operation of refuse transfer stations. The numbers of collections vary among the five Community Board areas of the Council due to the high incidence of holiday homes in certain localities. For this reason, the Council has determined that a differential charge will apply using the number of collections in each Community Board area as a basis for allocating the costs associated with refuse collection and its disposal.

Moanataiari Flood Protection Loan

The **Targeted Rate for Moanataiari Flood Protection Loan** is set as a fixed amount on every rating unit in the area of benefit for which no election was made to pay in advance. The construction of the Moanataiari flood protection works was completed in the 1997/1998 year. Half the costs of the work was funded from the Council reserves and the balance funded by loan. Payment in advance offers have been made to rating units in the defined area of benefit to repay the loan.

Land Drainage

The **Targeted Rates for Land Drainage** are to be set for land drainage on each rating unit in the following designated land drainage areas, as a rate in the dollar on land value:

- Hikutaia/Wharepoa
- Matatoki

The Council administers two land drainage schemes: Hikutaia/Wharepoa and Matatoki. These areas are defined on maps.

Local Works and Services

Two **Targeted Rates for Local Works and Services** are to be set in each community of the District for the purposes of funding local works and services:

- The first is to be set as a fixed amount per separately used or inhabited part of every rateable rating unit in each community, except for rating units designated industrial and commercial and commercial forestry in Council's rating information database. The amount will be set per rating unit for rating units designated industrial and commercial and commercial forestry in the Council's rating information database.
- The second is to be set as a rate in the dollar on land value on every rateable rating unit in each community. It will be set on a differential basis using the following categories of land use:
 - Farming and Horticultural
 - Rural Other
 - Industrial and Commercial
 - Commercial Forestry
 - Residential
 - Off-shore Islands (used)
 - Off-shore Island (unused)

The differentials to be applied to the local works and services rate are:

- Offshore Islands (unused), a differential of 0.1 will apply on the basis that these islands consume no, or very little, benefits.
- Offshore Islands (used), a differential of 0.5 will apply on the basis that these communities have less opportunity to consume benefits than communities on the mainland.
- Farming and Horticultural, Rural Other, Industrial and Commercial, Commercial Forestry and Residential will attract a differential of 1.0.

These differentials apply to the local works and services rate to fund both operating expenses and capital expenditure.

This policy indicates a number of activities, which in the main benefit ratepayers at a local (community) level. It also indicates that a portion of this funding should come from a community-based rate in the dollar on land value and the balance by way of a fixed charge within each community.

Wastewater

A **Targeted Rate for Wastewater** is to be set as a charge per separately used or inhabited part of a rating unit, based on the number of water closets and urinals in each part, within the District.

This charge will be set on a differential basis based on the use to which the land is put (nonresidential or residential) and the availability to the land of the service provided.

A rating unit (or part of a rating unit) used primarily as a residence for one household will not be treated as having more than one water closet or urinal.

Wastewater Loan Charges (Whangapoua Road)

A **Targeted Rate for Wastewater Loan Charges (Whangapoua Road)** is to be set as a fixed amount on every rating unit in the area of benefit for which no election was made to pay in advance. In some instances, the Council has offered payment in advance options as an alternative to loan charges for major capital programmes within wastewater schemes. Where this occurs and ratepayers do not elect to take up the options, a loan charge is made to service the loan.

Wastewater Loan Charges (Cooks Beach existing users)

A **Targeted Rate for Wastewater Loan Charges (Cooks Beach Existing Users)** is to be set as a charge per separately used or inhabited part of a rating unit, based on the number of water closets or urinals in each part, in the area of benefit, for which no election has been made to pay a lump sum contribution.

The charge will be set on a differential basis based on the use to which the land is put (nonresidential or residential) and the availability to the land of the service provided.

A rating unit (or part of a rating unit) used primarily as a residence for one household will not be treated as having more than one water closet or urinal. This policy indicates that the loan raised to construct the scheme for existing rating units (as distinct from future subdivisions) will be funded on a "per pan" basis. This requires the loan charge to be set on a differential basis.

Water Supply

Targeted Rates for Water Supply, is to be set per separately used or inhabited part of a rating unit.

This targeted rate will be set on a differential based on where the land is situated and the provision or availability to the land of the Council water service.

A further targeted rate for water supply is to be set based on the volume of water supplied through each meter installed where Council carries out cyclic water reading.

Water by Volume

The Targeted Rates for Water By Volume set under section 19 of the Local Government (Rating) Act 2002 are aligned with other rating policies except that:

- such a rate should have its own remission policy (except for penalties); and
- instalments should be two per annum; and
- the due dates of instalments are as follows:
- Pauanui 10 December and 20 May each year

- Thames Urban 20 January and 30 May each year
- Coromandel 30 January and 10 June each year
- Whitianga 30 January and 10 June each year
- Thames Rural 20 January and 30 May each year

Water Supply Loan Charges (Coromandel and Ohuka Park)

A **Targeted Rate for Water Supply Loan** is to be set as a fixed amount on every rating unit in the area of benefit, for which no election is made to pay in advance. In some instances, the Council has offered, or intends to offer, payment in advance options as an alternative to loan charges for major capital programmes within water supplies. Where this occurs and ratepayers do not elect to take up the option, a loan charge is made to service the loan.

Water Supply - Ohuka Park Development Contribution

A **Targeted Rate for Ohuka Park Development Contribution** is to be set as a fixed amount on every rating unit in the area of benefit, for which an election has been made to pay the Development Contribution off over a five year period. In this instance Council has elected to provide Ohuka Park existing rating units with an opportunity to pay off the Development Contribution requirement for water as part of the an arrangement or Council to take over the Ohuka Park Water Supply.

Stormwater

Two Targeted Rates for Stormwater are to be set for the purposes of funding stormwater dispersal. The first is to be set as a fixed amount per separately used or inhabited part of every rateable rating unit differentiated depending on location.

The second is to be set as a rate in the dollar on improvement value on every rateable rating unit again, differentiated depending on location as defined by the Council.

For clarification purposes, only properties defined as either 'Industrial and Commercial' or 'Residential' for the purposes of the general rate and that are located within the catchment areas as defined by Council will be assessed for the targeted rate funding components for stormwater dispersal.

Council operates a District activity for stormwater dispersal. The rating units, which fund this activity by way of targeted rate, are contained within urban areas defined by the Council.

This policy indicates that a portion of this funding should come from a rate in the dollar on improvement value as a proxy for user charges where user charges cannot be made directly to the user, while the balance should be made by way of a fixed amount per separately used or inhabited part of a rating unit.

	Targeted rate assessed per separately used or inhabited part	Targeted rate assessed against improvement value
Tairua	1.0	1.0
Pauanui	1.0	1.0
Thames Community Board Area		
Thames, Thames Coast Communities and Kopu (excluding Kauaeranga Valley, Matatoki, Puriri, Whakatete Bay and Hikutaia)	1.0	1.0
Hikutaia	0.6	0.6
Coromandel / Colville Community Board Area		
Coromandel	1.0	1.0
Kennedy Bay, Tuatawa and Te Kouma (this excludes rating units 399, 401, 403, 405 and 407 Te Kouma Road)	0.6	0.6

Mercury Bay Community Board Area		
Mercury Bay (excluding Otama, Kuaotunu, Wharekaho and Rings Beach)	1.0	1.0
Kuaotunu West and Wharekaho	0.6	0.6
Whangamata Community Board Area		
Whangamata	1.0	1.0
Opoutere	0.6	0.6

Economic Development (District)

A **Targeted Rate for Economic Development (District)** is to be set as a rate in the dollar, on the value of improvements, of every rating unit in the District, which is designated Industrial and Commercial, in the Council's rating information database. This policy provides for a medium level of funding for Economic Development to be provided from this targeted rate.

Roads and Footpaths and Building Control

A **Targeted Rate for Roads and Footpaths and Building Control** is to be set as a rate in the dollar on capital value on every rateable rating unit in the District. This policy provides for 35% of Roads and Footpaths and 2.6% of the Building Control activity to be funded from a targeted rate set on the capital value of all rating units within the District.

The following definition is used to calculate the number of rates factors applicable.

Due dates and Penalty Dates

Rates - Due Date for Payment of Rates (except water by volume)		
	Due Date	Penalty Date
Installment 1	8 September 2017	15 September 2017
Installment 2	8 December 2017	15 December 2017
Installment 3	8 April 2018	16 April 2018

Volumetric Water - Due dates for payment of Water Volumetric Rates			
		Due Date	Penalty Date
Pauanui	Cycle 1	10 December 2017	18 December 2017
	Cycle 2	20 May 2018	28 May 2018
Thames Urban	Cycle 1	20 January 2018	30 January 2018
	Cycle 2	30 May 2018	7 June 2018
Thames Rural	Cycle 1	20 January 2018	30 January 2018
	Cycle 2	30 May 2018	7 June 2018
Coromandel	Cycle 1	30 January 2018	7 February 2018
	Cycle 2	10 June 2018	18 June 2018
Whitianga	Cycle 1	30 January 2018	7 February 2018

Volumetric Water - Due dates for payment of Water Volumetric Rates

	Cycle 2	10 June 2018	18 June 2018
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Note - a further penalty of 10% will be added to all rates (including volumetric water) that remain unpaid from previous years on 5 July 2017.

Separately Used or Inhabited Part of a Rating Unit means:

A separately used or inhabited part of a rating unit includes any part inhabited or used by a person other than the owner, and who has the right to inhabit or use that part by virtue of a tenancy lease, license, or other agreement. For the purpose of this policy, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.

The Council will charge each **separately used or inhabited part** of a rating unit for the UAGC and some targeted rates. Examples of where this policy will apply include:

- a single dwelling with a flat attached
- two or more houses, flats or apartments on one certificate of title
- a business premise with flat above
- a commercial building leased to multiple tenants
- a farm with more than one dwelling
- a council rating unit with more than one lessee
- where part of a rating unit that has a right of exclusive occupation when there is more than one ratepayer/owner a vacant rating unit

Note: the list above is of examples and does not constitute an exhaustive list of situations where multiple SUIP's may occur.

Further Definitions:

Water and Wastewater

Connected means:

- in relation to any rate for wastewater disposal purposes, any separately used or inhabited part of a rating unit that is connected, either directly or indirectly, through a private drain to a public drain:
- in relation to any rate for the ordinary supply of water, any separately used or inhabited part of a rating unit to which water is supplied.

Service available but not connected means:

- In relation to any targeted rate for wastewater disposal purposes, any rating unit situated within 30 metres of a public wastewater drain to which it is capable of being effectively connected, either directly or through a private drain, but which is not so connected:
- In relation to any targeted rate for the ordinary supply of water, any rating unit to which water can be but is not supplied (being any rating unit situated within 100 meters from any part of the water reticulation system).

For the purposes of Wastewater targeted rates

Residential means:

All rating units that are used for or capable of being used for occupation as a residence of one or more household units including; dwellings, home units, flats, baches, maisonettes and terraced houses, small scale Bed & Breakfast and homestay accommodation used principally for residential purposes is deemed Residential for the purposes of determining the differential rating category. For the purposes of clarity, small scale Bed & Breakfast and homestay accommodation (e.g. where 3 rooms or less are offered for visitor accommodation) will be treated as Residential.

Non-Residential means:

All rating units or part thereof that are not categorised as Residential above.

Lump Sum Contributions:

The Council does not offer this payment option under Part 4A of the Local Government Rating Act 2002 [LG(R)A 2002]. It does however continue to provide for payments in advance via its internal 'lump sum payments policy' based on section 56 of the LG(R)A 2002 referred to as 'payments in advance' which are a targeted rate. It continues to do this because section 56 provides more flexibility to Council than offering lump sums under the more prescriptive Part 4A of the LG(R)A 2002. Rates Postponement Charges

Council will charge a postponement fee on all rates that are postponed under any of its postponement policies. The postponement fees will be as follows:

- Register statutory land charge \$180.00
- Management fee on the Postponement Policy: 1% on the outstanding balance
- Financing fee on all postponements: Currently set at 5.99% pa but may vary to match Council's average cost of funds

At Council's discretion, all these fees may be added to the total postponement balance.

Thames-Coromandel District Council: Funding Impact Statement for the year ending 30 June 2018 (Whole of Council)

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
SOURCES OF OPERATING FUNDING			
General rates, uniform annual general charges, rates penalties	15,549	16,063	16,900
Targeted rates	44,332	46,964	46,575
Subsidies and grants for operating purposes	2,801	2,637	2,941
Fees and charges	12,348	10,791	11,085
Interest and dividends from investments	12	12	12
Local authorities fuel tax, fines, infringement fees and other receipts	740	729	690
Total operating funding (A)	75,783	77,195	78,204
Applications of operating funding			
Payments to staff and suppliers	59,073	56,251	60,008
Finance costs	2,636	3,236	2,624
Other operating funding applications	0	0	0
Total applications of operating funding (B)	61,709	59,486	62,632
Surplus (deficit) of operating funding (A - B)	14,074	17,709	15,572
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	5,065	3,528	5,030
Development and financial contributions	1,667	1,733	1,733
Increase (decrease) in debt	9,394	(1,929)	7,354
Gross proceeds from sale of assets	156	0	582
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	16,281	3,332	14,699
Applications of capital funding			
Capital expenditure			
- to meet additional demand	1,194	905	1,191
- to improve the level of service	15,092	6,030	9,215
- to replace existing assets	14,149	14,373	19,769
Increase (decrease) in reserves	(80)	(268)	97
Increase (decrease) in investments	0	0	0
Total applications of capital funding (D)	30,355	21,041	30,272
Surplus (deficit) of capital funding (C - D)	(14,074)	(17,709)	(15,572)
FUNDING BALANCE ((A - B) + (C - D))	0	-0	0

Funding Impact Statement

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
RATING MECHANISMS			
General Rate	5,305	4,990	5,422
Uniform Annual General Charge	10,115	11,279	10,935
Targeted Rates			
Rubbish and Recycling	2,972	3,125	2,850
Moanataiari Flood Protection Loan	5	5	5
Land Drainage	13	14	13
Local Works and Services (rate in \$)	6,355	6,802	6,923
Local Works and Services (fixed charge)	6,976	7,272	7,296
Wastewater	15,257	16,079	15,629
Wastewater Loans	84	85	83
Stormwater	2,193	2,338	2,230
Water	7,278	8,069	7,587
Water Loans	90	89	97
Economic Development	665	665	665
Roading and Building Control	2,488	2,444	2,304
Roading Loans			0
Sub Total	59,797	63,255	62,040
Penalties	800	600	600
Sub Total	60,597	63,855	62,640
Water Supplied by Volume	1,495	1,495	1,500
Sub Total	62,092	65,350	64,140
Less Internal Rates Charged	658	780	652
TOTAL	61,434	64,570	63,488

Funding Impact Statement

Total Revenue Required	Rates 2017/2018 (GST Inclusive)	Categories on which Rate is Set	Factor or Factors	Differential Categories	Differential Calculation	Indicative	
						Unit of Measure	Rate or Charge
6,235,475	General Rate (Partially funds coastal and hazard management, building control, district roading and footpaths, stormwater, and rubbish and recycling in compliance with the Revenue and Financing Policy)	Every rating unit in the district	Rate in the \$ on land value	Farming and Horticultural	Ratio 0.6	702,941,900	\$0.000406
				Rural Other	Ratio 1.0	836,045,150	\$0.000677
				Industrial and Commercial	Ratio 1.0	455,384,600	\$0.000677
				Commercial Forestry	Ratio 1.0	36,930,000	\$0.000677
				Residential	Ratio 1.0	7,435,099,850	\$0.000677
				Off-shore Island (used)	Ratio 0.5	55,994,000	\$0.000338
				Off-shore Island (unused)	Ratio 0.1	5,253,000	\$0.000068
12,575,138	Uniform Annual General Charge (Partially funds district representation, local representation, district grants and remissions, district strategic planning, district plan, economic development, coastal and hazard management, building control, emergency management, community health and safety, district roads and footpaths and resource consents in compliance with the Revenue and Financing policy)	Every rating unit in the district	Fixed amount for each separately used or inhabited part of a rating unit			28,748	\$437.43
3,277,843	Targeted Rates and Activities Funded Rubbish and Recycling (Partially funds rubbish and recycling activity in compliance with the Revenue and Financing Policy)	Every rating unit in the district to which there is provision or availability to the land of the solid waste collection and recycling service	Fixed amount for each separately used or inhabited part of a rating unit	Thames community	Ratio 1.0000	5,385	\$118.75
				Coromandel/Colville community	Ratio 1.0000	2,163	\$118.75
				Mercury Bay community	Ratio 1.0962	8,238	\$130.18
				Tairua/Pauanui community	Ratio 1.1731	3,973	\$139.31
				Whangamata community	Ratio 1.1731	5,424	\$139.31

Funding Impact Statement

Total Revenue Required	Rates 2017/2018 (GST Inclusive)	Categories on which Rate is Set	Factor or Factors	Differential Categories	Differential Calculation	Indicative	
						Unit of Measure	Rate or Charge
5,327	Moanataiari Flood Protection Loan (Funds loan servicing for flood protection)	Every rating unit where the land is situated where no election to make a payment in advance has been made	Fixed amount for each rating unit			20	\$247.76
		Every rating unit where the land is situated where an election has been made to pay half in advance	Fixed amount for each rating unit			3	\$123.88
8,607	Matatoki Land Drainage Scheme (Funds land drainage)	Every rating unit in the defined drainage area	Rate in the \$ on land value			62,923,000	\$0.000137
6,582	Hikutaiia/Wharepou Land Drainage Scheme (Funds land drainage)	Every rating unit in the defined drainage area	Rate in the \$ on land value			49,067,000	\$0.000134
1,797,579	Local Works and Services	Every rating unit in the Thames community area	Rate in the \$ on land value	Farming and Horticultural	Ratio 1.0	183,938,400	\$0.001516
	Thames			Rural Other	Ratio 1.0	134,843,250	\$0.001516
	(Partially funds airfield, halls, parks and reserves, libraries, swimming pool, local grants and remissions, land drainage, coastal and hazard management, local roading and footpaths, public conveniences, cemeteries, local strategic planning, and harbours in compliance with the Revenue and Financing Policy)			Industrial and Commercial	Ratio 1.0	131,604,500	\$0.001516
				Commercial Forestry	Ratio 1.0	2,490,000	\$0.001516
				Residential	Ratio 1.0	732,907,900	\$0.001516
				Off-shore Island (used)	Ratio 0.5	0	
				Off-shore Island (unused)	Ratio 0.1	0	

Funding Impact Statement

Total Revenue Required	Rates 2017/2018 (GST Inclusive)	Categories on which Rate is Set	Factor or Factors	Differential Categories	Differential Calculation	Indicative	
						Unit of Measure	Rate or Charge
2,646,576	Local Works and Services Thames (Partially funds airfield, halls, parks and reserves, libraries, swimming pool, local grants and remissions, land drainage, coastal and hazard management, local roading and footpaths, public conveniences, cemeteries, local strategic planning, and harbours in compliance with the Revenue and Financing Policy)	Every rating init in the Thames community area	Fixed amount for each separately used or inhabited part of a rating unit	Farming and Horticultural, Rural Other, Residential, Off-shore Islands used and Off-shore Islands unused.		5,448	\$452.17
						405	\$452.17
607,166	Local Works and Services Coromandel/Colville (Partially funds halls, parks and reserves, libraries, local grants and remissions, local roading and footpaths, public conveniences, cemeteries, local strategic planning, and harbours in compliance with the Revenue and Financing Policy)	Every rating init in the Coromandel community area	Rate in the \$ on land value	Farming and Horticultural Rural Other Industrial and Commercial Commercial Forestry Residential Off-shore Island (used) Off-shore Island (unused)	Ratio 1.0 Ratio 1.0 Ratio 1.0 Ratio 1.0 Ratio 1.0 Ratio 0.5 Ratio 0.1	120,585,500	\$0.000738
						190,831,600	\$0.000738
						38,455,000	\$0.000738
						3,650,000	\$0.000738
						461,820,000	\$0.000738
						13,694,000	\$0.000369
						4,431,000	\$0.000074
750,057	Local Works and Services Coromandel/Colville (Partially funds halls, parks and reserves, libraries, local grants and remissions, local roading and footpaths, public conveniences, cemeteries, local strategic planning, and harbours in compliance with the Revenue and Financing Policy)	Every rating init in the Coromandel community area	Fixed amount for each separately used or inhabited part of a rating unit	Farming and Horticultural, Rural Other, Residential, Off-shore Islands used and Off-shore Islands unused.		2,667	\$269.32
						118	\$269.32

Funding Impact Statement

Total Revenue Required	Rates 2017/2018 (GST Inclusive)	Categories on which Rate is Set			Differential Categories	Differential Calculation	Indicative	
							Unit of Measure	Rate or Charge
3,162,133	Local Works and Services Mercury Bay (Partially funds halls, parks and reserves, libraries, local grants and remissions, local roading and footpaths, public conveniences, cemeteries, local strategic planning, and harbours in compliance with the Revenue and Financing Policy)	Every rating unit in the Mercury Bay community area	Rate in the \$ on land value		Farming and Horticultural	Ratio 1.0	282,579,000	\$0.000853
					Rural Other	Ratio 1.0	368,732,950	\$0.000853
					Industrial and Commercial	Ratio 1.0	156,488,100	\$0.000853
					Commercial Forestry	Ratio 1.0	11,170,000	\$0.000853
					Residential	Ratio 1.0	2,869,970,350	\$0.000853
					Off-shore Island (used)	Ratio 0.5	33,000,000	\$0.000427
					Off-shore Island (unused)	Ratio 0.1	0	
2,339,867	Local Works and Services Mercury Bay (Partially funds halls, parks and reserves, libraries, local grants and remissions, local roading and footpaths, public conveniences, cemeteries, local strategic planning, and harbours in compliance with the Revenue and Financing Policy)	Every rating unit in the Mercury Bay community area	Fixed amount for each separately used or inhabited separately used or inhabited part of a rating unit		Farming and Horticultural, Rural		9,096	\$249.75
					Other, Residential, Off-shore Islands used and Off-shore Islands unused.			
1,229,738	Local Works and Services Tairua/Pauanui (Partially funds airfield, halls, parks and reserves, libraries, local grants and remissions, local roading and footpaths, public conveniences, cemeteries, local strategic planning, and harbours in compliance with the Revenue and Financing Policy)	Every rating unit in the Tairua/Pauanui community area	Rate in the \$ on land value		Farming and Horticultural	Ratio 1.0	78,829,000	\$0.000701
					Rural Other	Ratio 1.0	60,808,900	\$0.000701
					Industrial and Commercial	Ratio 1.0	43,675,000	\$0.000701
					Commercial Forestry	Ratio 1.0	7,800,000	\$0.000701
					Residential	Ratio 1.0	1,558,336,000	\$0.000701
					Off-shore Island (used)	Ratio 0.5	9,300,000	\$0.000351
					Off-shore Island (unused)	Ratio 0.1	822,000	\$0.000070

Funding Impact Statement

Total Revenue Required	Rates 2017/2018 (GST Inclusive)	Categories on which Rate Is Set	Factor or Factors	Differential Categories	Differential Calculation	Indicative Unit of Measure	Rate or Charge
1,371,265	Local Works and Services Tairua/Pauanui (Partially funds airfield, halls, parks and reserves, libraries, local grants and remissions, local roading and footpaths, public conveniences, cemeteries, local strategic planning, and harbours in compliance with the Revenue and Financing Policy)	Every rating unit in the Tairua/Pauanui community area.	Fixed amount for each separately used or inhabited part of a rating unit	Farming and Horticultural, Rural Other, Residential, Off-shore Islands used and Off-shore Islands unused.		4,433	\$301.77
1,165,031	Local Works and Services Whangamata (Partially funds airfield, halls, parks and reserves, libraries, local grants and remissions, local roading and footpaths, public conveniences, cemeteries, local strategic planning, and harbours in compliance with the Revenue and Financing Policy)	Every rating unit in the Whangamata community area.	Rate in the \$ on land value	Farming and Horticultural Rural Other Industrial and Commercial Commercial Forestry Residential Off-shore Island (used) Off-shore Island (unused)	Ratio 1.0 Ratio 1.0 Ratio 1.0 Ratio 1.0 Ratio 1.0 Ratio 0.5 Ratio 0.1	37,010,000 80,828,450 85,162,000 11,820,000 1,812,065,600 0 0	\$0.000575 \$0.000575 \$0.000575 \$0.000575 \$0.000575 \$0.000575 \$0.000575
1,283,114	Local Works and Services Whangamata (Partially funds airfield, halls, parks and reserves, libraries, local grants and remissions, local roading and footpaths, public conveniences, cemeteries, local strategic planning, and harbours in compliance with the Revenue and Financing Policy)	Every rating unit in the Whangamata community area.	Fixed amount for each separately used or inhabited part of a rating unit	Farming and Horticultural, Rural Other, Residential, Off-shore Islands used and Off-shore Islands unused.		5,410	\$228.84
			Fixed amount for each rating unit	Industrial and Commercial and Commercial Forestry		197	\$228.84

Funding Impact Statement

Total Revenue Rates 2017/2018 Required (GST Inclusive)		Categories on which Rate is Set	Factor or Factors	Differential Categories	Differential Calculation	Indicative Unit of Measure	Rate or Charge
17,973,750	Wastewater (Funds wastewater)	Every rating unit in the district to which there is provision or availability of the wastewater service	Fixed amount for each separately used or inhabited part of a rating unit, on each water closet or urinal within the rating unit	Residential Non-residential uses: 1 water closet/urinal > 1 water closet/urinal or each water closet/urinal including the first for each water closet/urinal including the first	Ratio 1.0 Ratio 1.0 Ratio 0.5	18,138	\$831.23
						295	\$831.23
						4,484	\$415.62
4,351	Wastewater Loan (Whangapoua Rd) (Funds loan servicing for wastewater)	Every rating unit where the land is situated where no election to make a payment in advance has been made	Fixed amount for each rating unit	The availability to the land of the wastewater service (not connected)	Ratio 0.75	1,264	\$623.42
						9	\$483.46
90,910	Wastewater Loan (Cooks Beach) (Funds loan servicing for wastewater for existing users)	Every rating unit where the land is situated where no election to make a payment in advance has been made	Fixed amount for each separately used or inhabited part of a rating unit, on each water closet or urinal within the rating unit	Residential Non-residential uses: 1 water closet/urinal > 1 water closet/urinal for each water closet/urinal including the first	Ratio 1.0 Ratio 1.0 Ratio 0.5	102	\$722.94
						1	\$722.94
						0	\$361.47
		Every rating unit where the land is situated where no election to make a payment in advance has been made to pay half in advance	Fixed amount for each rating unit	The availability to the land of the wastewater service (not connected)	Ratio 1.0	4	\$722.94
						31	\$361.47
						1	\$361.47
		Every rating unit where the land is situated where no election to make a payment in advance has been made to pay half in advance	Fixed amount for each rating unit	The availability to the land of the wastewater service (not connected)	Ratio 0.25	9	\$180.74
						1	\$361.47

Funding Impact Statement

Total Revenue Required	Rates 2017/2018 (GST Inclusive)	Categories on which Rate Is Set	Factor or Factors	Differential Categories	Differential Calculation	Indicative	
						Unit of Measure	Rate or Charge
1,931,135	Stormwater (Funds stormwater)	Every rating unit where the land is located in the areas as defined by Council	Fixed amount for each separately used or inhabited part of a rating unit		Ratio 1.0	23,275	\$81.24
		Every rating unit where the land is located in the areas as defined by Council	Fixed amount for each separately used or inhabited part of a rating unit		Ratio 0.60	827	\$48.74
633,542	Stormwater	Every rating unit where the land is located in the areas as defined by Council	Rate in the \$ on the value of improvements		Ratio 1.0	4,113,168,400	\$0.000152
		Every rating unit where the land is located in the areas as defined by Council	Rate in the \$ on the value of improvements		Ratio 0.60	103,108,000	\$0.000091

Funding Impact Statement

Total Revenue Required	Rates 2017/2018 (GST Inclusive)	Categories on which Rate is Set			Factor or Factors	Differential Categories	Differential Calculation	Indicative	
								Unit of Measure	Rate or Charge
8,697,024	Water Supply (Funds water)	Every rating unit in the district to which there is provision or availability of the Council water service	Fixed amount for each separately used or inhabited part of a rating unit	The provision to the land of the water service (connected) and metered and within a scheduled reading scheme	Ratio 0.5	7,458	\$284.14		
1,725,000	Water Supplied by Volume (Funds water)	Every rating unit that is connected to a meter where a scheduled reading is undertaken	Fixed amount for each cubic metre	The provision to the land of the water service (connected) but not metered or metered but not within a scheduled reading scheme	Ratio 1.0	11,574	\$515.43		
75,991	Water Loan (Coromandel) (Funds loan servicing for water)	Every rating unit where the land is situated where no election to make a payment in advance has been made	Fixed amount for each rating unit	The availability to the land of the water service (not connected)	Ratio 0.75	1,584	\$386.57		
							</		

Funding Impact Statement

Total Revenue Required	Rates 2017/2018 (GST Inclusive)	Categories on which Rate is Set			Factor or Factors	Differential Categories	Differential Calculation	Indicative	
		Every rating unit in the district defined for general rate differential purposes as industrial and commercial		Rate in the \$ on the value of improvements				Unit of Measure	Rate or Charge
764,750	Economic Development (Partially funds economic development in compliance with the Revenue and Financing Policy)	Every rating unit in the district defined for general rate differential purposes as industrial and commercial		Rate in the \$ on the value of improvements				755,666,500	\$0.001012
0	Short Term Accommodation Rate (Partially funds economic development in compliance with the Revenue and Financing Policy)	For all short term accommodation in the district not defined for general rate differential purposes as industrial and commercial		Fixed amount for each rating unit		Ratio 1.0		0	
2,649,062	District Transportation and Building Control and building control in compliance with the Revenue and Financing Policy	Every rating unit in the district		Rate in the \$ on capital value				14,873,061,850	\$0.000178
28,132	Ohuka Park Development Contributions Payment Plan (A targeted rate to fund development contributions payable when connecting to Council's water scheme in Ohuka Park)	Every rating unit where the land is situated and the ratepayer has opted to pay over five years		Fixed amount for each rating unit		Ratio 1.0		47	\$598.56
73,070,428 TOTAL									

N.B. Does not include penalties

Funding Impact Statement

RATING SCENARIOS (including GST)

RESIDENTIAL Under \$320K	THAMES		COROMANDEL		MERCURY BAY		TAIRUA/PAUANUI		WHANGAMATA	
	16/17	17/18	16/17	17/18	16/17	17/18	16/17	17/18	16/17	17/18
Current Land Value	140,000		140,000		140,000		140,000		140,000	
Current Imp Value	170,000		170,000		170,000		170,000		170,000	
Current Cap Value	310,000		310,000		310,000		310,000		310,000	
Gen Rate	93.07	94.75	93.07	94.75	93.07	94.75	93.07	94.75	93.07	94.75
UAGC	407.97	437.43	407.97	437.43	407.97	437.43	407.97	437.43	407.97	437.43
Solid Waste	125.55	118.75	125.55	118.75	137.63	130.18	147.28	139.31	147.28	139.31
Wastewtr	835.80	831.23	835.80	831.23	835.80	831.23	835.80	831.23	835.80	831.23
Roading	60.49	55.21	60.49	55.21	60.49	55.21	60.49	55.21	60.49	55.21
Sub Total	1,522.87	1,537.37	1,522.87	1,537.37	1,534.95	1,548.80	1,544.61	1,557.93	1,544.61	1,557.93
W&S Rate	188.94	212.23	105.31	103.33	103.89	119.47	97.01	98.14	79.56	80.47
W&S Charge	420.16	452.17	278.83	269.32	236.18	249.75	302.40	301.77	225.82	228.84
Stormwtr - Charge	80.59	81.24	80.59	81.24	80.59	81.24	80.59	81.24	80.59	81.24
Stormwtr - Rate	26.30	25.80	26.30	25.80	26.30	25.80	26.30	25.80	26.30	25.80
Water Ln			182.70	183.11						
Water	273.04	284.14	273.04	284.14	505.38	515.43	505.38	515.43	505.38	515.43
TOTAL	2,511.90	2,592.95	2,469.66	2,484.31	2,487.30	2,540.48	2,556.29	2,580.32	2,462.27	2,489.71
% change on previous year		3.23%		0.59%		2.14%		0.94%		1.11%

Funding Impact Statement

RATING SCENARIOS (including GST)

RESIDENTIAL \$580-660K	THAMES		COROMANDEL		MERCURY BAY		TAIRUA/PAUANUI		WHANGAMATA	
	16/17	17/18	16/17	17/18	16/17	17/18	16/17	17/18	16/17	17/18
Current Land Value	225,000	152.27	225,000	152.27	225,000	152.27	225,000	152.27	225,000	152.27
Current Imp Value	375,000	437.43	375,000	437.43	375,000	437.43	375,000	437.43	375,000	437.43
Current Cap Value	600,000	118.75	600,000	118.75	600,000	130.18	600,000	139.31	600,000	139.31
		831.23		831.23		831.23		831.23		831.23
Gen Rate	149.57	106.87	149.57	106.87	149.57	106.87	149.57	106.87	149.57	106.87
UAGC	407.97		407.97		407.97		407.97		407.97	
Solid Waste	125.55		125.55		137.63		147.28		147.28	
Wastewtr	835.80		835.80		835.80		835.80		835.80	
Roading	117.07		117.07		117.07		117.07		117.07	
Sub Total	1,635.96	1,646.55	1,635.96	1,646.55	1,648.04	1,657.97	1,657.70	1,667.11	1,657.70	1,667.11
W&S Rate	303.65	341.09	169.25	166.07	166.96	192.01	155.91	157.73	127.87	129.33
W&S Charge	420.16	452.17	278.83	269.32	236.18	249.75	302.40	301.77	225.82	228.84
Stormwtr - Charge	80.59	81.24	80.59	81.24	80.59	81.24	80.59	81.24	80.59	81.24
Stormwtr - Rate	58.02	56.90	58.02	56.90	58.02	56.90	58.02	56.90	58.02	56.90
Water Ln			365.41	366.22						
Water	273.04	284.14	273.04	284.14	505.38	515.43	505.38	515.43	505.38	515.43
TOTAL	2,771.43	2,862.09	2,861.11	2,870.44	2,695.18	2,753.30	2,760.00	2,780.19	2,655.38	2,678.85
% change on previous year		3.27%		0.33%		2.16%		0.73%		0.88%

Funding Impact Statement

RATING SCENARIOS (including GST)

RESIDENTIAL Over \$850K	THAMES		COROMANDEL		MERCURY BAY		TAIRUA/PAUANUI		WHANGAMATA	
	16/17	17/18	16/17	17/18	16/17	17/18	16/17	17/18	16/17	17/18
Current Land Value	400,000		400,000		400,000		400,000		400,000	
Current Imp Value	505,000		505,000		505,000		505,000		505,000	
Current Cap Value	905,000		905,000		905,000		905,000		905,000	
Gen Rate	265.91	270.70	265.91	270.70	265.91	270.70	265.91	270.70	265.91	270.70
UAGC	407.97	437.43	407.97	437.43	407.97	437.43	407.97	437.43	407.97	437.43
Solid Waste	125.55	118.75	125.55	118.75	137.63	130.18	147.28	139.31	147.28	139.31
Wastewtr	835.80	831.23	835.80	831.23	835.80	831.23	835.80	831.23	835.80	831.23
Roading	176.58	161.19	176.58	161.19	176.58	161.19	176.58	161.19	176.58	161.19
Sub Total	1,811.81	1,819.31	1,811.81	1,819.31	1,823.89	1,830.73	1,833.54	1,839.86	1,833.54	1,839.86
W&S Rate	539.82	606.38	300.89	295.23	296.82	341.35	277.18	280.41	227.33	229.92
W&S Charge	420.16	452.17	278.83	269.32	236.18	249.75	302.40	301.77	225.82	228.84
Stormwtr - Charge	80.59	81.24	80.59	81.24	80.59	81.24	80.59	81.24	80.59	81.24
Stormwtr - Rate	78.14	76.63	78.14	76.63	78.14	76.63	78.14	76.63	78.14	76.63
Water Ln										
Water	273.04	284.14	273.04	284.14	505.38	515.43	505.38	515.43	505.38	515.43
TOTAL	3,203.56	3,319.86	2,823.30	2,825.86	3,021.00	3,095.13	3,077.23	3,095.35	2,950.80	2,971.92
% change on previous year		3.63%		0.09%		2.45%		0.59%		0.72%

Funding Impact Statement

RATING SCENARIOS (including GST)

RURAL OTHER

	THAMES		COROMANDEL		MERCURY BAY		TAIRUA/PAUANUI		WHANGAMATA	
	16/17	17/18	16/17	17/18	16/17	17/18	16/17	17/18	16/17	17/18
Current Land Value	250,000	169.19	250,000	169.19	250,000	169.19	250,000	169.19	250,000	169.19
Current Imp Value	155,000	437.43	155,000	437.43	155,000	437.43	155,000	437.43	155,000	437.43
Current Cap Value	405,000	118.75	405,000	118.75	405,000	130.18	405,000	139.31	405,000	139.31
Gen Rate	166.25	169.19	166.25	169.19	166.25	169.19	166.25	169.19	166.25	169.19
UAGC	407.97	437.43	407.97	437.43	407.97	437.43	407.97	437.43	407.97	437.43
Solid Waste	125.55	118.75	125.55	118.75	137.63	130.18	147.28	139.31	147.28	139.31
Wastewtr										
Roading	78.98	72.14	78.98	72.14	78.98	72.14	78.98	72.14	78.98	72.14
Econ Dev										
Sub Total	778.75	797.50	778.74	797.50	790.82	808.93	800.48	818.06	800.48	818.06
W&S Rate	337.50	378.99	188.00	184.52	185.50	213.34	173.25	175.26	142.00	143.70
W&S Charge	420.16	452.17	278.83	269.32	236.18	249.75	302.40	301.77	225.82	228.84
Stormwtr - Charge	80.59	81.24	80.59	81.24	80.59	81.24	80.59	81.24	80.59	81.24
Stormwtr - Rate	24.03	23.52	24.03	23.52	24.03	23.52	24.03	23.52	24.03	23.52
TOTAL	1,641.03	1,733.42	1,350.19	1,356.10	1,317.12	1,376.78	1,380.74	1,399.85	1,272.92	1,295.36
% change on previous year		5.63%		0.44%		4.53%		1.38%		1.76%

Funding Impact Statement

RATING SCENARIOS (including GST)

FARMING & HORTICULTURAL

	THAMES		COROMANDEL		MERCURY BAY		TAIRUA/PAUANUI		WHANGAMATA	
	16/17	17/18	16/17	17/18	16/17	17/18	16/17	17/18	16/17	17/18
Current Land Value	4,250,000		4,250,000		4,250,000		4,250,000		4,250,000	
Current Imp Value	570,000		570,000		570,000		570,000		570,000	
Current Cap Value	4,820,000		4,820,000		4,820,000		4,820,000		4,820,000	
Gen Rate	1,695.18	1,725.73	1,695.18	1,725.73	1,695.18	1,725.73	1,695.18	1,725.73	1,695.18	1,725.73
UAGC	407.97	437.43	407.97	437.43	407.97	437.43	407.97	437.43	407.97	437.43
Solid Waste	125.55	118.75	125.55	118.75	137.63	130.18				
Wastewtr										
Roading	940.47	858.50	940.47	858.50	940.47	858.50	940.47	858.50	940.47	858.50
Econ Dev										
Sub Total	3,169.16	3,140.41	3,169.16	3,140.41	3,181.24	3,151.83	3,043.62	3,021.66	3,043.62	3,021.66
Land Drainage	566.01	581.35								
W&S Rate	5,735.59	6,442.75	3,196.93	3,136.83	3,153.66	3,626.85	2,945.05	2,979.39	2,415.33	2,442.85
W&S Charge	420.16	452.17	278.83	269.32	236.18	249.75	302.40	301.77	225.82	228.84
Water	273.04	284.14			505.38	515.43				
TOTAL	10,163.96	10,900.82	6,644.93	6,546.56	7,076.47	7,543.86	6,291.06	6,302.82	5,684.77	5,693.35
% change on previous year		7.25%		-1.48%		6.60%		0.19%		0.15%

ISLANDS/FORESTRY

	ISLAND		FORESTRY	
	16/17	17/18	16/17	17/18
Current Land Value	38,000,000		8,800,000	
Current Imp Value	6,500,000		700,000	
Current Cap Value	44,500,000		9,500,000	
Gen Rate	12,630.76	12,858.40	5,850.04	5,955.47
UAGC	2,447.80	2,624.56		
Solid Waste				
Wastewtr				
Roading	8,682.75	7,925.96	1,853.62	1,692.06
Econ Dev				
Sub Total	23,761.32	23,408.91	7,703.66	7,647.53
Land Drainage				
W&S Rate	14,098.73	16,214.14	6,583.05	6,659.81
W&S Charge	1,673.01	1,615.92		
TOTAL	39,533.05	41,238.97	14,286.71	14,307.33
% change on previous year		4.32%		0.14%

Funding Impact Statement

RATING SCENARIOS (including GST)

COMMERCIAL

	THAMES		COROMANDEL		MERCURY BAY		TAIRUA/PAUANUI		WHANGAMATA	
	16/17	17/18	16/17	17/18	16/17	17/18	16/17	17/18	16/17	17/18
Current Land Value	3,000,000		3,000,000		3,000,000		3,000,000		3,000,000	
Current Imp Value	10,600,000		10,600,000		10,600,000		10,600,000		10,600,000	
Current Cap Value	13,600,000		13,600,000		13,600,000		13,600,000		13,600,000	
Gen Rate	1,994.33	2,030.27	1,994.33	2,030.27	1,994.33	2,030.27	1,994.33	2,030.27	1,994.33	2,030.27
UAGC	407.97	437.43	407.97	437.43	407.97	437.43	407.97	437.43	407.97	437.43
Solid Waste	125.55	118.75	125.55	118.75	137.63	130.18	147.28	139.31	147.28	139.31
Wastewtr	835.80	831.23	835.80	831.23	835.80	831.23	835.80	831.23	835.80	831.23
Roading	2,653.61	2,422.31	2,653.61	2,422.31	2,653.61	2,422.31	2,653.61	2,422.31	2,653.61	2,422.31
Econ Dev	10,792.79	10,727.42	10,792.79	10,727.42	10,792.79	10,727.42	10,792.79	10,727.42	10,792.79	10,727.42
Sub Total	16,810.04	16,567.42	16,810.04	16,567.42	16,822.12	16,578.84	16,831.77	16,587.97	16,831.77	16,587.97
W&S Rate	4,048.65	4,547.82	2,256.66	2,214.23	2,226.12	2,560.13	2,078.86	2,103.10	1,704.94	1,724.37
W&S Charge	420.16	452.17	278.83	269.32	236.18	249.75	302.40	301.77	225.82	228.84
Water	273.04	284.14	273.04	284.14	273.04	284.14	273.04	284.14	505.38	515.43
Stormwater Rate	1,640.11	1,608.50	1,640.11	1,608.50	1,640.11	1,608.50	1,640.11	1,608.50	1,640.11	1,608.50
Stormwater Charge	80.59	81.24	80.59	81.24	80.59	81.24	80.59	81.24	80.59	81.24
TOTAL	23,272.59	23,541.29	21,339.27	21,024.85	21,278.16	21,362.59	21,206.77	20,966.72	20,988.62	20,746.35
% change on previous year		1.15%		-1.47%		0.40%		-1.13%		-1.15%

Allocation of rates to activities for 2017/18 (GST inclusive)

Uniform annual general charge and fixed targeted rates for works and services

The following schedule indicates how the Uniform Annual General Charge, and targeted rates set on a fixed basis, are spent on individual activities

	UAGC District	Thames	Coromandel-Colville	Mercury Bay	Tairua-Pauanui	Whangamata
District Representation	\$86.65					
Local Representation	\$35.76					
District Strategic Planning	\$27.12					
Local Strategic Planning		\$5.83	\$12.48	\$5.94	\$3.10	\$3.51
District Plan	\$36.62					
Coastal & Hazard Management	\$9.11					
Emergency Management	\$15.23					
Economic Development	\$45.82					
Community Health & Safety	\$39.29					
Building Control	\$10.73					
Grants & Remissions	\$24.49	\$74.70	\$58.23	\$25.67	\$26.85	\$36.24
District Roading & Footpaths	\$53.17					
Local Roading & Footpaths		\$23.08	\$14.77	\$23.42	\$19.95	\$23.02
Community Spaces and Development						
Airfields		\$21.45			\$7.03	
Cemeteries		\$21.62	\$30.86	\$17.86	\$11.98	\$14.65
Halls		\$27.84	\$15.70	\$12.61	\$16.05	\$20.57
Swimming Pools		\$44.32				
Libraries		\$72.57	\$8.59	\$26.32	\$45.10	\$19.50
Harbour Facilities		\$7.45	\$10.33	\$12.78	\$24.23	\$7.97
Local Parks & Reserves		\$123.09	\$83.88	\$106.47	\$117.60	\$82.24
Public Conveniences		\$30.22	\$34.48	\$18.67	\$29.88	\$21.14
Resource Consents	\$53.44					
	\$437.43	\$452.17	\$269.32	\$249.74	\$301.77	\$228.84

Allocation of rates to activities 2017/18 (GST inclusive)

General rate and targeted rate for works and services

The following schedule indicates how the proportion of general rates, and targeted rates set as a rate in the dollar on land value, are spent on individual activities, for each \$10,000 of land value (assuming a differential of 1.0)

	General Rate District	Thames	Coromandel-Colville	Mercury Bay	Tairua-Pauanui	Whangamata
Strategic Planning		\$0.29	\$0.42	\$0.15	\$0.08	\$0.10
Coastal & Hazard Management	\$1.11	\$0.32				
Building Control	\$0.17					
District Roading & Footpaths	\$2.75					
Local Roading & Footpaths		\$2.66	\$1.17	\$1.38	\$1.21	\$1.49
Community Spaces and Development						
Airfields		\$0.57			\$0.23	\$0.53
Halls		\$1.07	\$0.46	\$0.34	\$0.35	
Swimming Pools		\$1.76				
Harbour Facilities		\$0.30	\$0.29	\$0.60	\$0.63	\$0.40
Parks & Reserves		\$4.18	\$2.83	\$4.22	\$2.58	\$1.92
Land Drainage		\$0.03				
Cemeteries		\$1.02	\$1.01	\$0.47	\$0.29	\$0.39
Public Conveniences		\$0.80	\$0.96	\$0.75	\$0.63	\$0.48
Libraries		\$2.16	\$0.24	\$0.63	\$1.01	\$0.44
Stormwater	\$1.18					
Rubbish & Recycling	\$1.56					
	\$6.77	\$15.16	\$7.38	\$8.54	\$7.01	\$5.75

Capital Expenditure statements

Property, Plant & Equipment Projects - Thames

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
THAMES			
Local Roads and Footpaths			
Footpath Rehabilitation	53	54	54
Footpath Construction	80	82	82
Streetlight Improvements	13	13	13
Streetlight Renewals	85	87	500
Street Furniture Renewals	10	7	6
New Bicycle Racks	2	2	2
Kauaeranga Valley Rd Sealing	32	535	605
Queen St Pedestrian Refuges	50		
Thames Security Cameras - Stage 2			26
Danby Field Carpark Northern Exit	15		
Airfield			
Renewals	2	2	
Halls			
Thames Furniture & Fittings	5	5	5
Thames Civic Centre Upgrade	51		
Harbour Facilities			
Thames Wharf Renewals	5	133	119
Swimming Pools			
Thames Pool Renewals	8	17	15
Libraries			
Thames - Library Books	74	86	77
Thames - Furniture & Fittings	5	44	39
Thames - Building Functionality Improvements	133		0
Parks & Reserves			
Renewals	14	107	57
Thames Skatepark	292		
Reserve Carpark Reseals	53		
WWI Monument	200		
Porritt Park Playground Equipment	43		
Thames Indoor Sports Facility	3,893		
Public Conveniences			
Renewals	11	11	10
New/Replacement Facilities	168	0	118
Cemeteries			
Renewals	18	8	7
Water			
Thames South Water	897	923	923
Thames South Water Meters	156	160	160
Stormwater			
Kopu Stormwater Land Purchase	505		
TOTAL THAMES	6,872	2,277	2,818

Property, Plant & Equipment Projects - Coromandel

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
COROMANDEL			
Wastewater			
Coromandel Treatment Plant Improvements	266		
Local Roads and Footpaths			
Footpath Rehabilitation	4	4	5
Footpath Construction	51	53	53
Streetlight Improvements	20	21	21
Streetlight Renewals	14	15	72
Street Furniture Renewals	5	1	0
Hannafords Parking Bay			80
Halls			
Coromandel Renewals	27	18	250
Harbour Facilities			
Wharf Renewals	43		
Port Charles Wharf Renewals		21	29
Oamaru Bay Boat Ramp	52		
Charter Fishing Customer Car Park	64		
Parks & Reserves			
Renewals	18	63	43
Minor Reserves Projects	47	10	42
Coro Sportsville	473		
Public Conveniences			
Renewals	5	97	56
Cemeteries			
Renewals	22	7	6
Water			
Consent Renewal - Karaka	132		
TOTAL COROMANDEL	1,244	308	656

Property, Plant & Equipment Projects - Mercury Bay

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
MERCURY BAY			
Wastewater			
Matarangi Treatment - Aeration & Filters	108	410	410
Matarangi Consent Renewal - Land Disposal	100		100
Whitianga Plant Optimisation	315		
Whitianga Pumpstation - Moewai		514	
Hahei Treatment Plant Upgrade (Electrical & Inlet Screen)		350	350
Solid Waste			
Transfer Station Whitianga	168		105
Public Conveniences			
Renewals	125	227	77
Hot Water Beach Toilet Upgrade	618		
Bull Paddock New Toilet	168		
Buffalo Beach New Toilet	168		80
Hahei Village Entrance New Toilet			180
Local Roads and Footpaths			
Footpath Rehabilitation	35	37	95
Footpath Construction	263	270	270
Streetlight Improvements	26	27	27
Streetlight Renewals	47	49	607
Victoria St Carpark Construction	53		
Whitianga Town Upgrade	913	800	3,625
Bluff Road Treatment			125
Cemeteries			
Renewals	8	8	7
Mercury Bay Cemetery Stage 2 Development	407		
Halls			
Renewals	21	22	20
Purchase of 2 Monk Street			400
Libraries			
Mercury Bay - Library Books	32	34	31
Mercury Bay - Air Conditioning Unit			8
Mercury Bay - Furniture & Fittings	3	3	3
Harbour Facilities			
Whitianga Boat Ramps	635		580
Ferry Landing Historic Wharf Refurbishment	165		
Wharf Interpretation Signage	24		
Renewals	84	87	50
Purangi Ramp Upgrade & New Pontoon	179		
Ferry Landing Pontoon Extension	0	81	
Matarangi Boat Ramp	210		175
Parks & Reserves			
Renewals	158	162	140
Whitianga Sports Ground	263	114	104
Whitianga Taylors Mistake/Esplanade		270	
Minor Reserves Projects	158	162	140
Reserve Carpark Rd Reseals/Seals	53	54	48
Hahei Village Carpark	414		
Coastal & Hazard Management			
Cooks Beach Flood Protection Wall	270		
Buffalo Beach Coastal Erosion	549		
Stormwater			
Whitianga Sarah Avenue	739		
TOTAL MERCURY BAY	7,477	3,681	7,758

Property, Plant & Equipment Projects - Tairua-Pauanui

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
TAIRUA/PAUANUI			
Local Roads and Footpaths			
Footpath Rehabilitation	37	38	38
Footpath Construction	38	108	108
Streetlight Improvements	13	14	
Streetlight Renewals	25	25	143
Street Furniture Renewals	1	5	
Tairua - Library Books	9	10	9
Tairua - Furniture & Fittings	3	3	3
Harbour Facilities			
Renewals	34	65	
Tairua Mary Beach Wharf Boat Ramp Improvements	1,265	0	
Pauanui Royal Billy Boat Ramp/Pontoon		378	65
Parks & Reserves			
Renewals	16	16	14
Minor Reserves Projects	32	189	169
Pauanui Kennedy Park Reserve Carpark		26	26
Reserve Carpark Reseals	9	40	36
Public Conveniences			
Renewals	7	14	14
Water - Tairua			
Pepe Valley RBF	377		
TOTAL TAIRUA/PAUANUI	1,866	932	624

Property, Plant & Equipment Projects - Whangamata

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
WHANGAMATA			
Local Roads and Footpaths			
Footpath Rehabilitation	16	16	16
Streetlight Improvements	20	22	22
Streetlight Renewals	40	41	282
Xmas Lights & Decorations	2	2	2
Street Furniture Renewal	3	2	2
Curb/Channel/Swale	843		121
Harbour Facilities			
Renewals	5	5	4
Parks & Reserves			
Renewals	16	16	14
Minor Reserves Projects	89	16	14
Reserve Carpark Reseals	11	4	4
Williamson Park Redevelopment	370	184	184
Beach Road Playground Upgrade	108	108	0
Water - Whangamata			
Consent Renewal - Manuka Place	94		
System Optimisation		606	303
TOTAL WHANGAMATA	1,617	1,023	968

Property, Plant & Equipment Projects - District Wide

	2016/17 Annual plan (\$000)	2017/18 Long term plan (\$000)	2017/18 Annual plan (\$000)
DISTRICT WIDE (No specific Community Board area)			
Community Health & Safety			
Plant & Equipment	20		
Leadership			
Thames Administration Building	13	11	
Thames Administration Building - Roof	84		
Thames Customer Service Renovations			313
Whangamata Administration Building		14	
Coromandel Administration Building	13		
Strategic Planning			
Computer Software	288	170	327
Computer Hardware	312	182	257
Furniture & Fittings	77	131	77
Plant & Vehicles	539	495	220
Emergency Management			
Warning Systems	63	65	123
Economic Development			
Coromandel Harbour - Te Kouma Rd Intersection		649	
Coromandel Harbour - Windy Point Improvements		1,027	
Coromandel Walk - Lees Rd Seal Extension	1,356		3,030
District Roads and Footpaths			
Area-wide Pavement Treatment	1,100	2,030	1,667
Unsealed Road Wearing Course Replacement	694	811	650
Unsealed Road Basecourse Replacement	305	205	450
Major Drainage Control	912	681	707
Maintenance Chip Seals	750	1,081	1,026
Thin AC Surfacing	632	541	503
Seal Widening	179	184	184
Bridge Component Replacement	79	81	120
Minor Safety Projects	642	661	661
Traffic Services	179	184	184
Dust Sealing	158	162	162
Preventative Maintenance	53	54	54
Road Legalisation		54	
Wastewater			
Renewals	687	1,556	1,556
Water			
Renewals	1,000	728	948
Drinking Water Standards Upgrades	429	448	2,501
Stormwater			
Renewals	429	859	1,359
Solid Waste			
Transfer Station Miscellaneous Improvements	103		150
Weighbridge Software Upgrade			8
Pod Renewals			91
Community Litter Bin Renewals	26	27	24
TOTAL DISTRICT WIDE (No specific Community Board area)	11,119	13,089	17,351
TOTAL CAPITAL PROJECTS	30,195	21,309	30,175