

Annual Plan 2019/20

Te Mahere ā-Tau

Final Draft for Adoption

*This document is to be read in conjunction
with the Long Term Plan 2018-2028*



Thriving together – mō te taiao, mō ngā tāngata

The way we work

We provide great customer service

We honour our obligations to Māori

We deliver value to our ratepayers and our customers

We continually seek opportunities to innovate and improve

We look to partnerships for best outcomes

We use robust information, science and technology

Strategic challenges

Different priorities and issues across the region

The implications of changing climate

Limitations of our natural resources

Sustaining development across the region

An increasingly complex operating environment

Ensuring Māori participation in Council decision making

Balancing the expectations of both national and local partners

COMMUNITY OUTCOMES

OBJECTIVES

A healthy environment

We will maintain and enhance our air, land, freshwater, geothermal, coastal resources and biodiversity for all those who live, work and play within our region. We support others to do the same.

1. We develop and implement regional plans and policy to protect our natural environment.
2. We manage our natural resources effectively through regulation, education and action.
3. We work cohesively with volunteers and others, to sustainably manage and improve our natural resources.
4. Our environmental monitoring is transparently communicated to our communities.

Freshwater for life

Our water and land management practices maintain and improve the quality and quantity of the region's freshwater resources.

1. Good decision making is supported through improving knowledge of our water resources.
2. We listen to our communities and consider their values and priorities in our regional plans.
3. We collaborate with others to maintain and improve our water resource for future generations.
4. We deliver solutions to local problems to improve water quality and manage quantity.
5. We recognise and provide for Te Mana o Te Wai (intrinsic value of water).

Safe and resilient communities

Our planning and infrastructure supports resilience to natural hazards so that our communities' safety is maintained and improved.

1. We provide systems and information to increase understanding of natural hazard risks and climate change impacts.
2. We support community safety through flood protection and navigation safety.
3. We work with our partners to develop plans and policies, and we lead and enable our communities to respond and recover from an emergency.
4. We work with communities and others to consider long term views of natural hazard risks through our regional plans and policies.

A vibrant region

We work with our partners and communities to achieve integrated planning and good decision making. We support economic development, understanding the Bay of Plenty region and how we can best add value.

1. We lead regional transport strategy and system planning, working with others to deliver a safe and reliable public transport system.
2. We contribute to delivering integrated planning and growth management strategies especially for sustainable urban management.
3. We work with and connect the right people to create a prosperous region and economy.
4. We invest appropriately in infrastructure to support sustainable development.

Our values

Trust

Integrity

Courage

Manaakitanga

Kotahitanga

Whanaungatanga



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Mai i Ngā Kurī a Whārei ki Tikirau

Mai i Maketū ki uta mai ki Taupō-nui-a-Tia

Ko te rohe kaunihera tēnei o Toi Moana

*Kia toi te whenua, kia toi te moana,
kia toi te taiao, kia toi te iwi*

Tihei Mauriora!

Ngā mihi maioha ki a koutou katoa.

I whakarangona atu e Toi Moana ki ngā moemoeā a ngā hapori. Ka mōhiotia ko Toi Moana he rohe whai painga whai oranga hoki.

Ko te tino pūtake ko te whakapakari ai i ngā momo tūhono i waenganui i a tātou nā ngā wawata, moemoeā hoki.

Ko tō kaunihera ā rohe he waka eke noa. Nā tō rourou, nā tōku rourou ka ora ia te iwi.

Nā te ārahitanga o ngā Hapori o Toi Moana e kore mātou a Toi Moana e kotiti haere ki te whakapakari ai i tō tātou taiao Hapori anō hoki.

Stretching from Waihi Beach to East Cape

From Maketū to just inland of Lake Taupō

*This is the region of the Bay of Plenty
Regional Council*

*Let the land prosper, let the oceans and
lakes prosper, let the environment prosper
so that we, the people, prosper.*

‘Tis the breath of life

Warm and affectionate greetings to you all.

Council has listened to the aspirations of its communities confirming that we are a region seeking wellbeing and vitality together.

The focus is to strengthen our connections to each other and our environment guided by your aspirations and ideas.

Your regional council is a waka which we are all in together with no exceptions. Together we shall realise our collective aspirations.

The ongoing guidance from our communities ensures we never deviate from our commitment to you, our communities and environment.

Foreword

Wāhinga korero

This Annual Plan 2019/20 updates year two of our Long Term Plan 2018-2028. It focuses on the changes we're making while continuing the work we said we would do as part of the Long Term Plan.

MESSAGE FROM THE CHAIR AND CHIEF EXECUTIVE

After consulting with our communities on four topics, we're making the following changes:

- Putting more funding into supporting our work around responding to climate change;
- Working with service providers and other councils to agree a new approach for funding regional safety and rescue services;
- Putting on some additional bus services to support a one year trial of tertiary and commuter services across the Bay of Plenty; and
- Trialling fare-free bus travel for school students in Tauranga.

In addition, we will be increasing funding for the protection of biodiversity in the Kaimai Mamaku ranges, and increasing our capacity in consents and environmental monitoring. We are also committed to a continued focus on our own efficiencies and cost savings, while maintaining the same levels of service.

Our total operating expenditure budget for 2019/20 is now \$140.5 million, compared to the \$134.6 million we had budgeted in year two of our Long Term Plan and our total capital expenditure budget for 2019/20 is now \$59.4 million, compared to \$52.4 million. This Annual Plan will see a general rates increase

of 2.8%. In addition, there are increases to targeted rates largely as a result of implementing the transport proposals that were consulted on. These targeted rate increases result in an average increase in rates of 8.4%, which is higher than the 5.3% increase that was forecast a year ago in our Long Term Plan. The actual increase for any given ratepayer depends on their property value and where it is located.

Our work in 2019/20 will continue to focus on achieving what we set out to do in the Long Term Plan, and particularly our four Community Outcomes: a healthy environment, freshwater for life, safe and resilient communities, and a vibrant region.

We strongly encourage everyone to read the Long Term Plan 2018-2028 to understand the full spectrum of services the Bay of Plenty Regional Council provides.



Doug Leeder
Chairman



Fiona McTavish
Chief Executive

Introduction

Kupu whakataki

In March and April 2019 we consulted on this Annual Plan and asked our communities four questions on topics that weren't covered in our Long Term Plan 2018-2028.

We received 317 submissions and Councillors and staff spoke to more than 600 people across the region at a range of information and *Have Your Say* workshop events.

Over the next few pages we'll touch on the decisions Council has made, what new work we have included in our Annual Plan to help us deliver our Community Outcomes, and the impact of that work on our budgets.

Our Community Outcomes are at the center of what we do and form a key part of our Strategic Framework which is shown on the inside front cover of this document.

For the full work programme for 2019/20, we encourage you to read this document in conjunction with our Long Term Plan 2018-2028 which sets out our work plan in more detail.



Community Outcomes

Ngā putanga a-hapori

A healthy environment

He taiao ora

A healthy environment is at the heart of what we do. We sustainably manage our natural resources so our communities can thrive.

We want to continue to grow and develop as a region, support local business and ensure there are job opportunities for all of our communities.

We need to make sure we are not putting more pressure on the environment than it can cope with. We also need to consider what climate change means for us and understand how we need to respond to the changes this will bring, such as different weather patterns and rising sea levels.

We work with the community to protect our water, soils and our wildlife. We manage or get rid of pest plants and animals. We set rules around what can and can't be done in our environment and ensure the rules are followed through our consents and monitoring processes.

In 2019/20 we will continue to deliver the Regional Pest Management Plan to manage plant and animal pests, including working to prevent further catfish incursions and containing the spread of wallabies.

CHANGES TO OUR WORK THROUGH THE ANNUAL PLAN 2019/20

- (Consultation Question) The Annual Plan consultation document *What do you think* asked the community what climate change actions we should prioritise. Consultation feedback confirmed that climate change should be a strategic issue for Council, and that there are a range of views about what our actions should be. We have increased the budget by \$200,000 to progress work in this area.
- We are increasing efforts in supporting biodiversity in the Kaimai Mamaku ranges by allocating an additional \$240,000 for pest control in 2019/20. This is part of a five-year programme, and is dependent on funding support from other organisations, including the Department of Conservation.
- We are increasing funding for resource consent processing by allocating an additional \$495,000 to increase our capacity and help us maintain our level of service.
- To carry out additional work on the Kopeopeo Canal Remediation Project, we have increased funding by \$500,000. This involves an additional \$300,000 for project closure across the containment sites in 2019/20, and rephasing \$200,000 which will allow pre-treatment and early bioremediation initiatives to continue alongside current project work. Staff are progressing an application to the Contaminated Sites Remediation Fund as well as exploring other applicable Ministry for the Environment funds e.g. the Waste Minimisation Fund.



Freshwater for life

He wai māori, he wai oranga

Freshwater is vital for the health of people and communities, and that makes it important to us.

We're responsible for two kinds of freshwater: groundwater and surface water. Surface water is all the water above ground – rivers, lakes and streams, drains, ponds, springs and wetlands; while groundwater comes from rainfall and rivers and accumulates in underground aquifers.

We invest millions of dollars each year to maintain and improve water quality and quantity in the Bay of Plenty and we work with our community to look after the rivers, estuaries and coastal environments.

We monitor water quality and quantity; ensuring people follow the rules set through the consents process.

Our work in this area is guided by national legislation, regulations and standards for water that prescribe public processes for setting requirements and rules. This area is becoming increasingly complex and we're working hard to translate the policy into action on the ground.

Put simply, we manage the freshwater that's in and on the ground so there's enough for people and wildlife to thrive now and in the future.

Our areas of focus for 2019/20 include further work to improve the Ōhiwa Harbour and its catchment environment, the continued implementation of the National Policy Statement for Freshwater Management (NPSFM) and rolling out plan changes for region-wide water quantity (Plan Change 9) and on-site domestic wastewater systems (Plan Change 14) to allow for strengthened water allocation limits, improved water management, and enhanced treatment and disposal of on-site effluent.

CHANGES TO OUR WORK THROUGH THE ANNUAL PLAN 2019/20

- We have moved \$4.5 million for the Kaituna River Re-diversion Project from 2019/20 into the capital works programme for 2018/19 as this work is being delivered ahead of schedule.
- We are deferring \$7.4 million of operating expenditure budget from 2018/19 to 2020/21 due to forecasted underspends on the Rotorua Lakes incentives scheme and other deed projects. We are also deferring \$392,000 of capital expenditure budget from 2018/19 to 2020/21 for the Rotorua Lakes Tikitere Diversion Project.
- In addition, we are anticipating significant changes to central Government policy in relation to freshwater management in 2019/20, these changes have been signalled by Government and their implications are expected to become clear towards the end of 2019.



Safe and resilient communities

Kia haumaru, kia pakari te hapori

Our region is subject to a number of natural events, including volcanic activity, earthquakes and extreme rainfall. These events can endanger our communities.

We work to keep people safe by providing flood protection, such as stop banks and pump stations, and ensuring we are prepared for emergencies through our Civil Defence and Emergency Management services.

Raising awareness and preparing for issues such as climate change are also important aspects of building strong communities that can cope with change.

We are responsible for controlling the use of land to avoid or mitigate the effects of natural hazards, and we work with other local councils and Emergency Management Bay of Plenty to identify natural hazards and reduce risk.

Our areas of focus for 2019/20 include the continued delivery of the Flood Repair Project following the eastern Bay floods in April 2017 and the Rangitāiki Floodway Upgrade Project to protect Edgecumbe and the Rangitāiki Plains. We will also continue to provide a 24/7 navigation safety and maritime oil spill response across the region.

CHANGES TO OUR WORK THROUGH THE ANNUAL PLAN 2019/20

- *(Consultation Question)* Through the Annual Plan consultation document *What do you think* we asked the community for feedback on how we should fund regional safety and rescue services. During the 2019/20 financial year we will work with key stakeholders to determine whether a centralised approach for funding these services is appropriate.
- We have allocated an additional \$4.3 million for the completion of the Rangitāiki Floodway project which will help ensure that the level of service for flood control in the lower Rangitāiki area will be met. The additional funding for 2019/20 will be used to purchase land for the spillway, enable Stage 5 of the project to be completed and enable Stage 7 to commence. Stage 5 will include cutting a new channel to the Rangitāiki River, upgrading Thornton Hall Road and associated bridge work while Stage 7 will allow for channel widening, and stopbank and spillway improvements, including shaping downstream land.



A vibrant region Toitū te rohe

People and the environment are at the heart of our region. We support the growth of jobs in the Bay of Plenty and development of new industries.

We make significant contributions to the region's economic growth through environmental and infrastructure management.

Through our contestable Regional Infrastructure Fund, established through the Long Term Plan 2012-2022, we are supporting projects initiated by our partners, such as the Ōpōtiki Harbour Transformation Project and the Scion Innovation Hub in Rotorua.

We facilitate Bay of Connections, the economic development framework for the wider Bay of Plenty. Its goal is to grow our region's investment and job opportunities, in partnership with economic development agencies.

We also keep the community connected through the regional bus network of Bayhopper and Cityride buses. Our areas of focus for 2019/20 include the continued implementation of the Western Bay of Plenty Public Transport Blueprint to provide an improved bus service, supporting the development of the Scion Innovation Centre with a \$2.5 million contribution, and working on funding options for a Coastal Marine Research Centre alongside the University of Waikato and Tauranga City Council.

CHANGES TO OUR WORK THROUGH THE ANNUAL PLAN 2019/20

- *(Consultation Question)* Through the Annual Plan consultation document *What do you think* we asked the community for input on two transport proposals. As a result, Council has decided that:
 - We will trial new bus services in 2020 to improve access to tertiary education across the Bay of Plenty and for people commuting to Tauranga and Rotorua. The trial, which will last for one year, will be funded with support from NZTA, tertiary providers, and through Passenger Transport targeted rates.
 - To help reduce congestion on our roads, we are funding a one-year trial in 2020 of fare-free bus travel for Tauranga school students, funded through Passenger Transport targeted rates.
- We have had a change of bus provider and we will continue to work collaboratively to ensure the level of service the community expects is maintained.
- We have allocated an additional \$420,000 to support further development of the Urban Form and Transport Initiative (UFTI).



Financial highlights 2019/20 Ngā tīpako pūtea

Changes through our Annual Plan 2019/20 have resulted in a number of adjustments to our operating and capital expenditure in 2019/20 compared to what was originally set out in the year two budget in the Long Term Plan 2018-2028. This has led to some changes to how our work is funded, including through rates, and these are summarised in the sections below.

OPERATING AND CAPITAL EXPENDITURE

Our total operating expenditure budget for 2019/20 is now \$140.5 million, compared to \$134.6 million, as originally budgeted in year two of our plan.

There are a number of items impacting on changes to our operating expenditure including the changes to our work described in the Community Outcomes section of this document. Alongside these changes, we have set a target to achieve \$1 million of efficiency savings through the way we work. This means we improve our efficiency, while maintaining the same levels of service to the community.

CAPITAL EXPENDITURE

Our total capital expenditure budget for year two is now \$59.4 million, compared to \$52.4 million as originally budgeted in our plan.

Key changes to our capital work programme for 2019/20 are also outlined in the Community Outcomes section. In addition to the items described, we have carried forward budget from 2018/19 into 2019/20 of \$2.8 million for our building upgrade project at our Tauranga and Whakatāne offices and \$1.9 million for Passenger Transport projects with \$1.3 million of this relating to the regional integrated ticketing system.

FUNDING OUR WORK

The money collected through your rates is expected to make up 42% of the money that funds our operating expenditure in 2019/20.

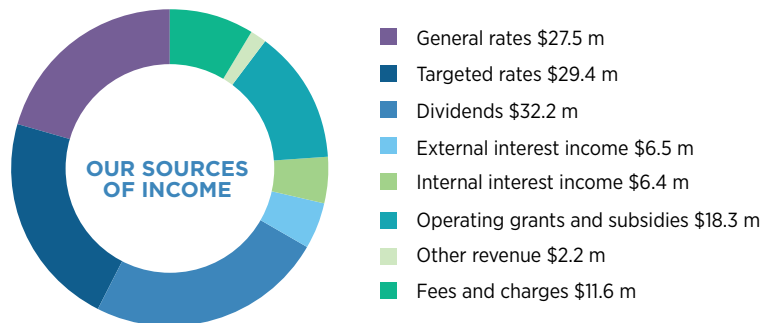
This Annual Plan will see an average rates increase for the 2019/20 financial year of 8.4% - this is higher than the 5.3% increase that was forecast 12 months ago in the Long Term Plan.

This includes a general rates increase of 2.8% in 2019/20. The average increase in targeted rates, which affects the total rates you pay, depends on the area in which you live and the services you receive. In addition, property revaluations by Western Bay of Plenty, Whakatāne, Ōpōtiki and Taupō District Councils will affect the final rates you pay.

Our proposed average rates increase allows us to address recent changes and continue on the path towards achieving our vision and community outcomes, while delivering the services you expect from us and meeting our legislative requirements.

The graph to the right shows rates comparisons between what you are paying now, what was originally planned for year two of the Long Term Plan 2018-2028, and what has been confirmed through Annual Plan 2019/20. The information shown is based on median property values, the level of rates you pay will vary depending on where you live and your property value.

The graph below shows all of our sources of income for 2019/20.

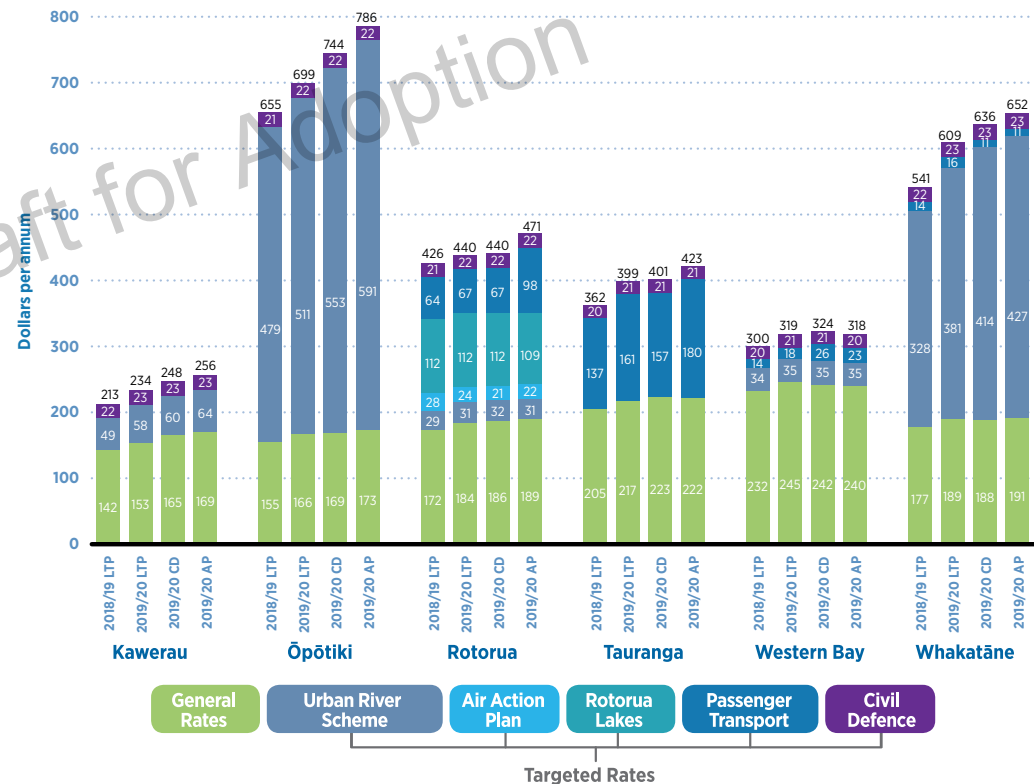


Total income planned for 2019/20 is \$134.1 million

BALANCED BUDGET STATEMENT

We propose to have an unbalanced budget in 2019/20. This means that our forecast operating revenue is less than our operating expenditure. The main reason for the forecast unbalanced budget is that we are contributing \$4.8 million to third party infrastructure projects through our reserves. This was committed to through our previous Long Term Plan. We have enough operating revenue and reserves to meet our obligations.

TOTAL RATES BY TERRITORIAL AUTHORITY - ANNUAL AVERAGE



What's happening in your area for 2019/20?

Ngā nekehanga

WESTERN BAY / TAURANGA

- Support the **Tauranga Moana Programme** to work on maintaining and improving the health of the harbour and its catchment.
- Continue the implementation of the **Western Bay of Plenty Public Transport Blueprint** which began on 10 December 2018.
- Completing the **Kaituna River Re-division and Te Awa o Ngātoroirangi / Maketū Estuary Enhancement** project.
- Monitoring **air quality** in the Mount Maunganui Industrial Area.
- Trialling **fare-free travel** for school students in Tauranga.
- Allocated additional funding into the protection of biodiversity in the **Kaimai Mamaku Ranges**.

ROTORUA

- Deliver the **Rotorua Te Arawa Lakes Programme**.
- Continue the **Rotorua Air Quality** programme – including hot swap loans.
- Support the **Scion Innovation Centre** – \$2.5 million budgeted to partner with Scion and construction scheduled in 2019/20.
- Support the delivery of **Rotoiti/Rotoma sewerage reticulation**.

WHAKATĀNE / ŌPŌTIKI / EASTERN BAY

- Continue to deliver the **Flood Repair Project** following the eastern Bay floods in April 2017.
- Continue the **Rangitāiki Floodway Upgrade Project**.
- Continue to support the **Ōhiwa Harbour Implementation Forum** with the implementation of the **Ōhiwa Harbour Strategy**.

REGION WIDE

- Undertake maintenance, renewals, and capital projects for **rivers and drainage schemes** across the region.
- **Respond to environmental complaints and incidents**, and carry out enforcement action where appropriate.
- Provide **resource consent application processing** services to meet growing demand.
- Provide a **24/7 navigation safety and maritime oil spill response** across the region.
- Introduce a new operating model for the **Bay of Connections regional growth development framework**.
- Deliver the **Regional Pest Management Plan** including working to prevent further catfish incursions and containing the spread of wallabies.
- Provide **public passenger transport services** across the region.
- Support **Civil Defence Emergency Management (CDEM)** services across the region.
- Increasing funding to support our work around responding to **climate change**.
- Introducing additional services to support **tertiary and commuter bus services** across the Bay of Plenty.
- Working with service providers and other councils to agree a new approach for **funding regional safety and rescue services**.

Groups of activities

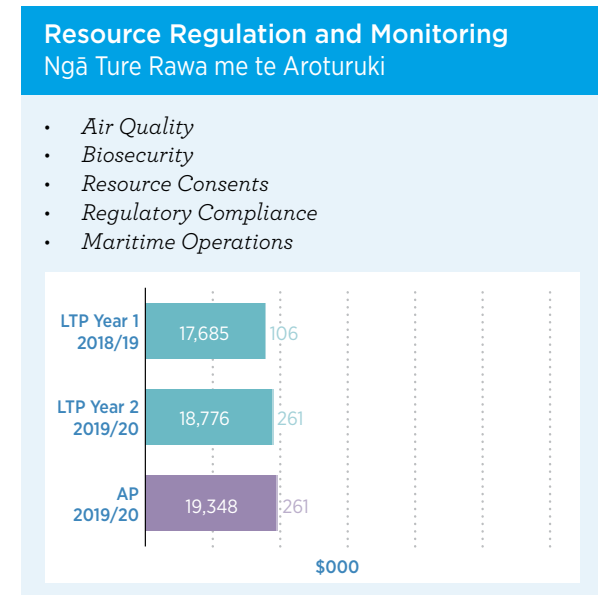
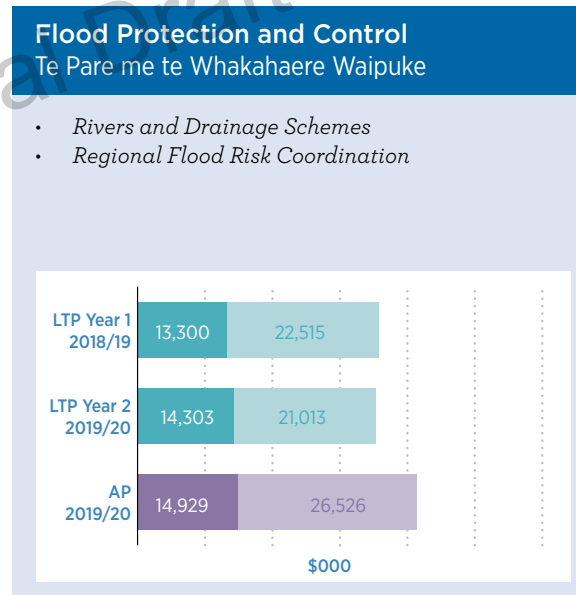
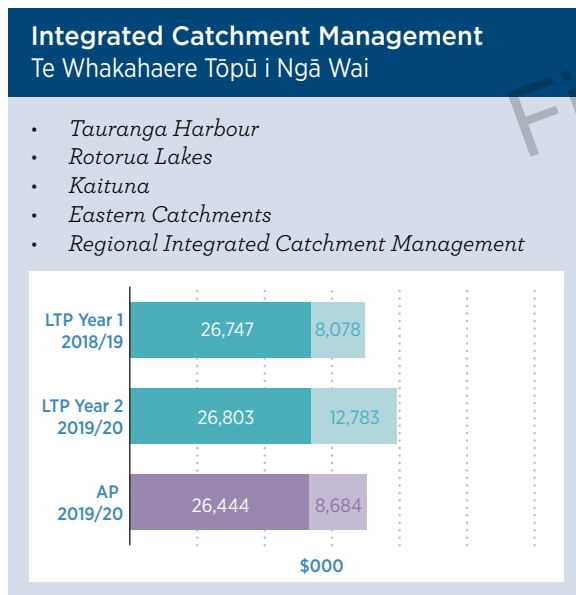
Ngā rōpū mahinga

We deliver our work through nine groups of activities (what we do).

The following graphs show our operating and capital expenditure for 2019/20, compared to our budget for 2018/19 and what was budgeted through year two of the Long Term Plan.

Key

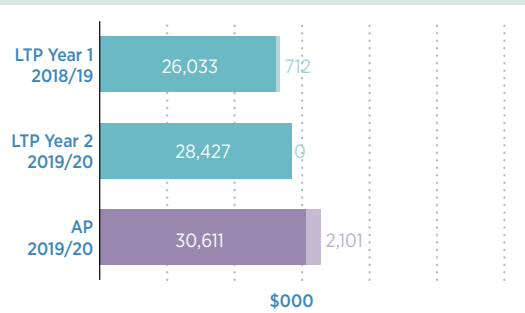
- LTP Operating expenditure
- LTP Capital expenditure
- AP Operating expenditure
- AP Capital expenditure



Transportation

Ikiiki

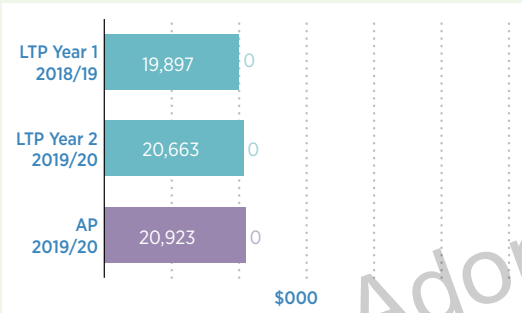
- Passenger Transport
- Transport Planning



Regional Planning and Engagement

Te Hanga Mahere ā-Rohe me te Whakawhitiwhiti

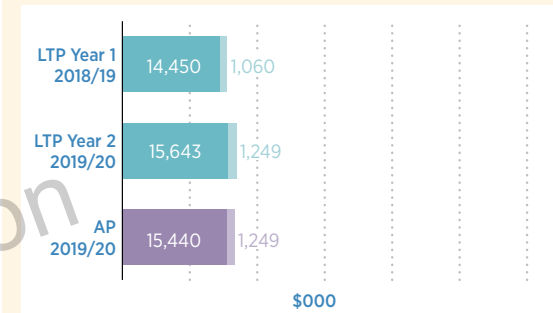
- Regional Planning
- Māori Policy
- Geothermal
- Community Engagement
- Governance Services



Technical Services

Ngā Ratonga Hangarau

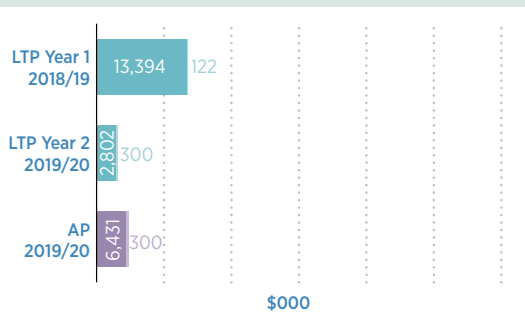
- Geospatial
- Engineering
- Data Services
- Science



Regional Development

Whanaketanga ā-Rohe

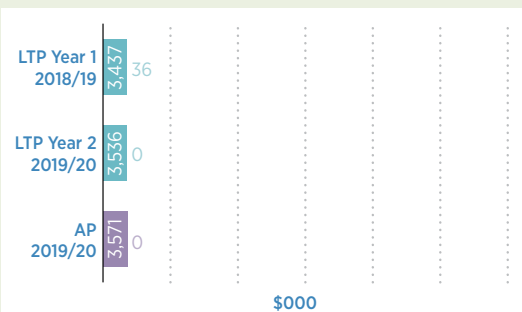
- Regional Infrastructure
- Regional Economic Development
- Regional Parks



Emergency Management

Te Whakahaere Mate Whawhati Tata

- Emergency Management

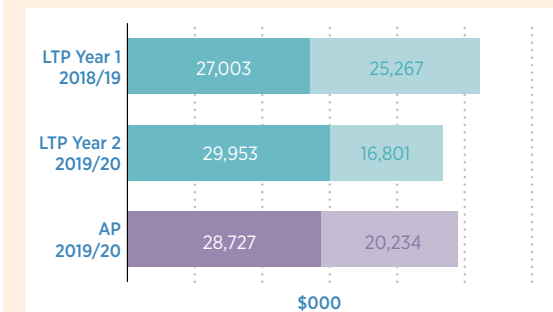


Corporate Services

Ngā Ratonga Rangatōpū

Before internal charges and recoveries

- Communications
- Internal Services
- Corporate Property
- Information and Communication Technology
- Finance and Corporate Planning
- People and Capability





Policies and financial information

Ngā kaupapa here me ngā pārongo pūtea

Changes to Accounting Policies and Forecasting Assumptions

ACCOUNTING POLICY CHANGES

There are no accounting policy changes for 2019/20 Annual Plan.

FORECASTING ASSUMPTION CHANGES

The following are changes to the forecasting assumptions since the Long Term Plan 2018-2028:

Assumption	2019/20	
	Year 2 Long Term Plan	Annual Plan
1. Investment income	4.6%	3.5%
2. Number of rating units	128,750	130,030
3. Borrowing and expected interest rates	4.0%	2.0%

For the full forecasting assumptions please refer to the Long Term Plan 2018-2028, pages 177-183.

Prospective Financial Statements

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE	Note	2018/19	2019/20		Change \$000
		Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	
OPERATING REVENUE					
General rates		25,728	27,285	27,544	(259)
Targeted rates		24,780	27,526	29,369	(1,843)
Subsidies and grants		22,870	19,942	23,032	(3,090)
Fees and charges		10,593	11,788	11,533	255
Finance income		6,725	6,423	6,528	(105)
Dividends		31,300	32,200	32,200	0
Other revenue		9,229	5,126	6,492	(1,366)
Total operating revenue	1	131,225	130,289	136,698	(6,409)
OPERATING EXPENDITURE					
Personnel expenses		40,371	41,623	42,050	(427)
Depreciation and amortisation	3	7,363	8,056	8,138	(82)
Finance costs		2,827	4,312	3,547	765
Trading and other expenses		82,419	74,274	80,316	(6,042)
Total operating expenditure	1	132,980	128,266	134,051	(5,786)
Net surplus (deficit)		(1,755)	2,024	2,647	(623)
OTHER COMPREHENSIVE REVENUE AND EXPENSE					
Gain on property revaluations		693	1,221	1,221	0
Gain on infrastructure asset revaluations		5,259	6,573	6,573	0
Gain on maritime asset revaluations		10	12	12	0
Financial assets at fair value through other comprehensive revenue and expense		392	276	276	0
Total other comprehensive revenue and expense		6,354	8,082	8,082	0
Total comprehensive revenue and expense		4,599	10,106	10,729	(623)

PROSPECTIVE STATEMENT OF CHANGES IN NET ASSETS/EQUITY

	2018/19	2019/20		
	Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	Change \$000
Balance at 1 July	429,613	434,212	462,605	28,393
Total comprehensive revenue and expense previously reported	4,599	10,106	10,729	623
Balance at 30 June	434,212	444,318	473,334	29,016
<i>Total comprehensive revenue and expense attributable to:</i>				
Equity holders of the parent	4,599	10,106	10,729	623

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

	2018/19	2019/20		
	Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	Change \$000
CURRENT ASSETS				
Cash and cash equivalents	18,307	18,339	33,607	15,268
Trade and other receivables	14,511	14,830	13,110	(1,720)
Other financial assets - current	17,166	22,751	67,400	44,649
Inventories	207	212	237	25
Total current assets	50,191	56,132	114,354	58,222
NON-CURRENT ASSETS				
Trade and other receivables - non-current	2,137	2,137	2,189	52
Property plant and equipment	375,649	427,111	455,254	28,143
Intangible assets	7,192	7,556	6,938	(618)
Other financial assets - long term	124,269	124,269	125,067	798
Investment in subsidiaries	1,877	1,877	1,877	0
Total non-current assets	511,124	562,951	591,325	28,374
Total assets	561,315	619,084	705,679	86,596

Final Draft for Adoption

PROSPECTIVE STATEMENT OF FINANCIAL POSITION *continued*

		2018/19	2019/20		
		Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Notes				
CURRENT LIABILITIES					
Trade and other payables		12,105	12,372	21,458	9,086
Employee benefit liabilities		4,602	4,703	5,202	499
Borrowings - short term		0	0	100,000	100,000
Total current liabilities		16,707	17,075	126,660	109,585
NON-CURRENT LIABILITIES					
Employee benefit liabilities - long term		1,055	1,079	1,165	86
Borrowings - long term		94,340	141,612	89,520	(52,092)
Put option		15,000	15,000	15,000	0
Total non-current liabilities		110,395	157,691	105,685	(52,006)
Total liabilities		127,102	174,765	232,345	57,580
Total net assets		434,212	444,318	473,334	29,016
EQUITY					
Retained earnings		191,388	189,763	197,879	8,116
Asset revaluation reserve	2	132,810	140,616	158,276	17,660
Asset replacement reserve	2	4,912	11,127	20,454	9,327
Environmental enhancement fund	2	237	237	726	489
Disaster reserve	2	2,625	2,997	3,486	489
Equalisation fund reserve	2	445	760	3,331	2,571
Infrastructure fund reserve	2	25,780	19,420	1,005	(18,414)
Regional project fund reserve	2	24,504	27,860	34,011	6,151
Toi Moana reserve	2	45,000	45,000	45,000	0
Rates current account reserve	2	2,250	2,000	3,963	1,963
Rotorua lakes deed funding reserve	2	718	718	1,314	596
Kaituna NZTA reserve	2	548	548	569	21
CDEM group reserve	2	600	600	1,341	741
Kaituna River authority reserve	2	255	255	234	(21)
Kaituna River remediation	2	445	445	464	19
Financial assets reserve	2	1,694	1,970	1,281	(689)
Total equity		434,212	444,318	473,334	29,016

PROSPECTIVE STATEMENT OF CASHFLOWS

	2018/19	2019/20		
	Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	Change \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
General and targeted rates	50,383	54,669	56,815	2,146
Grants and subsidies	21,706	18,749	23,003	4,254
Goods and Services Tax	1,700	1,738	96	(1,642)
Other receipts from customers	20,887	17,975	17,914	(61)
Interest received	6,709	6,405	6,507	102
Interest paid	2,827	4,312	(3,547)	(7,859)
Dividends	31,300	32,200	32,200	0
Payments to suppliers	(82,564)	(74,398)	(80,777)	(6,379)
Payments to employees	(39,899)	(41,132)	(42,162)	(1,030)
Net cash from operating activities	13,049	20,518	10,049	(10,469)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of property, plant and equipment	1,035	0	0	0
Purchase of property, plant and equipment	(55,420)	(50,346)	(56,975)	(6,629)
Purchase of intangible assets	(2,477)	(2,060)	(2,380)	(320)
Purchase of investments	(949)	(14,068)	0	14,068
Investment withdrawals	0	0	16,005	16,005
Net cash from investing activities	(57,811)	(66,474)	(43,350)	23,124
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings	94,340	47,272	50,000	2,728
Loan issued to QHL	(50,000)	0	0	0
Loans issued to ratepayers	(2,010)	(2,010)	(2,010)	0
Loan repayments from ratepayers	548	726	581	(145)
Net cash from financing activities	42,878	45,988	48,571	2,583
Net increase (decrease) in cash, cash equivalents and bank overdrafts	(1,884)	32	15,270	15,238
Cash, cash equivalents and bank overdrafts at the beginning of the year	20,190	18,306	18,339	33
Cash, cash equivalents and bank overdrafts at the end of the year	18,306	18,339	33,609	15,270

Notes to Prospective Financial Statements

NOTE 1 - SUMMARY FINANCIAL STATEMENTS - RECONCILIATION TO STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE AND FUNDING IMPACT STATEMENT

	2018/19	2019/20		
	Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	Change \$000
REVENUE BY GROUP OF ACTIVITIES				
Integrated Catchment Management	9,136	8,778	8,712	66
Flood Protection and Control	11,111	11,546	11,944	(398)
Resource Regulation and Monitoring	6,059	6,303	6,361	(58)
Transportation	23,432	26,401	28,376	(1,975)
Regional Development	8	8	8	0
Regional Planning and Engagement	0	0	0	0
Emergency Management	3,439	3,540	3,574	(34)
Technical Services	1,634	2,213	2,187	26
Corporate Services	42,231	45,465	45,406	59
Activity operating revenue	97,049	104,254	106,568	(2,314)
General rates	25,728	27,285	27,544	(259)
Investment income allocated	0	0	0	0
Total activity operating revenue	122,777	131,538	134,112	(2,574)
RECONCILIATION TO INCOME STATEMENT				
Less internal interest	(4,074)	(6,383)	(6,436)	53
Plus subsidies and grants for capital expenditure	12,522	5,134	9,022	(3,888)
Total operating revenue - income statement	131,225	130,289	136,698	(6,409)

NOTE 1 *continued*

	2018/19	2019/20		
	Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	Change \$000
RECONCILIATION TO FUNDING IMPACT STATEMENT				
Less subsidies and grants for capital expenditure	(5,100)	(2,150)	(4,715)	2,565
Less other dedicated capital funding	(7,422)	(2,984)	(4,307)	1,322
Total sources of operating funding	118,703	125,156	127,676	(2,520)
EXPENDITURE BY GROUP OF ACTIVITIES				
Integrated Catchment Management	26,747	26,803	26,444	(359)
Flood Protection and Control	13,300	14,303	14,929	626
Resource Regulation and Monitoring	17,685	18,776	19,348	572
Transportation	26,033	28,427	30,611	2,184
Regional Development	13,394	2,802	6,431	3,629
Regional Planning and Engagement	19,897	20,663	20,923	260
Emergency Management	3,437	3,536	3,571	35
Technical Services	14,450	15,643	15,440	(203)
Corporate Services	2,112	3,695	2,791	(904)
Total operating expenditure	137,054	134,648	140,488	5,840
RECONCILIATION TO INCOME STATEMENT				
Less internal interest	(4,074)	(6,383)	(6,436)	(53)
Total expenditure - income statement	132,980	128,266	134,051	5,786
RECONCILIATION TO FUNDING IMPACT STATEMENT				
Less depreciation	(7,363)	(8,056)	(8,138)	(82)
Total applications of operating funding	125,617	120,209	125,913	5,704
Net cost of service	(1,755)	2,024	2,648	623
Surplus (deficit) of operating funding	(6,914)	4,947	1,762	(3,185)

In order to fairly reflect the total external operations for the Council in the income statement, internal transactions are eliminated as shown.

In order to comply with schedule 10 of the Local Government Act 2002, internal and non-monetary transactions are eliminated in the funding impact statement (whole of council) as shown.

NOTE 2 - RESERVES

	2018/19	2019/20		
	Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	Change \$000
ASSET REVALUATION RESERVE				
Opening balance surplus (deficit)	126,848	132,810	150,470	17,660
Deposits	5,962	7,806	7,806	0
Withdrawals	0	0	0	0
Closing balance surplus (deficit)	132,810	140,616	158,276	17,660
ASSET REPLACEMENT RESERVE				
Opening balance surplus (deficit)	0	4,912	(1,529)	(6,441)
Deposits	22,177	28,818	43,685	14,868
Withdrawals	(17,265)	(22,603)	(21,702)	900
Closing balance surplus (deficit)	4,912	11,127	20,454	9,327
ENVIRONMENTAL ENHANCEMENT FUND				
Opening balance surplus (deficit)	237	237	726	489
Deposits	306	313	313	0
Withdrawals	(306)	(313)	(313)	0
Closing balance surplus (deficit)	237	237	726	489
DISASTER RESERVES				
Opening balance surplus (deficit)	2,418	2,626	3,114	488
Deposits	921	960	960	0
Withdrawals	(713)	(588)	(588)	0
Closing balance surplus (deficit)	2,626	2,998	3,486	488
EQUALISATION FUND RESERVE				
Opening balance surplus (deficit)	0	445	2,824	2,379
Deposits	445	315	507	192
Withdrawals	0	0	0	0
Closing balance surplus (deficit)	445	760	3,331	2,571

NOTE 2 - RESERVES *continued*

	2018/19	2019/20		
	Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	Change \$000
INFRASTRUCTURE FUND RESERVE				
Opening balance surplus (deficit)	62,852	25,779	10,871	(14,908)
Deposits	0	0	0	0
Withdrawals	(37,073)	(6,360)	(9,866)	(3,506)
Closing balance surplus (deficit)	25,779	19,419	1,005	(18,414)
REGIONAL PROJECT FUND RESERVE				
Opening balance surplus (deficit)	46,351	24,504	30,655	6,151
Deposits	23,353	3,356	3,356	0
Withdrawals	(45,200)	0	0	0
Closing balance surplus (deficit)	24,504	27,861	34,011	6,151
TOI MOANA RESERVE				
Opening balance surplus (deficit)	0	45,000	45,000	0
Deposits	45,000	0	0	0
Withdrawals	0	0	0	0
Closing balance surplus (deficit)	45,000	45,000	45,000	0
RATES CURRENT ACCOUNT RESERVE				
Opening balance surplus (deficit)	1,930	2,250	4,116	1,866
Deposits	1,409	1,163	979	(184)
Withdrawals	(1,089)	(1,413)	(1,132)	281
Closing balance surplus (deficit)	2,250	2,000	3,963	1,963
ROTORUA LAKES DEED FUNDING RESERVE				
Opening balance surplus (deficit)	718	718	1,656	938
Deposits	0	0	7,195	7,195
Withdrawals	0	0	(7,537)	(7,537)
Closing balance surplus (deficit)	718	718	1,314	596
KAITUNA NZTA RESERVE				
Opening balance surplus (deficit)	548	548	569	21
Deposits	0	0	0	0
Withdrawals	0	0	0	0
Closing balance surplus (deficit)	548	548	569	21

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NOTE 2 - RESERVES *continued*

	2018/19	2019/20		
	Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	Change \$000
CDEM GROUP RESERVE				
Opening balance surplus (deficit)	600	600	1,341	741
Deposits	0	0	0	0
Withdrawals	0	0	0	0
Closing balance surplus (deficit)	600	600	1,341	741
KAITUNA RIVER AUTHORITY RESERVE				
Opening balance surplus (deficit)	255	255	234	(21)
Deposits	0	0	0	0
Withdrawals	0	0	0	0
Closing balance surplus (deficit)	255	255	234	(21)
KAITUNA RIVER REMEDIATION				
Opening balance surplus (deficit)	445	445	464	19
Deposits	0	0	0	0
Withdrawals	0	0	0	0
Closing balance surplus (deficit)	445	445	464	19
FINANCIAL ASSETS FOR RESALE RESERVE				
Opening balance surplus (deficit)	1,302	1,694	1,005	(689)
Deposits	392	276	276	0
Withdrawals	0	0	0	0
Closing balance surplus (deficit)	1,694	1,970	1,281	(689)
TOTAL RESERVES				
Opening balance surplus (deficit)	244,505	242,825	251,516	8,691
Deposits	99,965	43,007	65,077	22,071
Withdrawals	(101,645)	(31,276)	(41,138)	(9,862)
Closing balance surplus (deficit)	242,825	254,556	275,455	20,899

NOTE 3 - DEPRECIATION AND AMORTISATION

	2018/19	2019/20		
	Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	Change \$000
DEPRECIATION AND AMORTISATION BY GROUP OF ACTIVITIES				
Integrated Catchment Management	813	923	1,014	91
Flood Protection and Control	1,410	1,248	1,494	246
Resource Regulation and Monitoring	85	92	74	(18)
Transportation	288	346	327	(19)
Regional Development	32	44	56	12
Regional Planning and Engagement	0	0	0	0
Emergency Management	0	0	0	0
Technical Services	743	854	737	(117)
Corporate Services	3,992	4,548	4,436	(112)
Total depreciation and amortisation	7,363	8,056	8,138	82

NOTE - 4 FINANCIAL PRUDENCE

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	Ratio	2019/20		Met	
		Year 2 Long Term Plan Limit	Annual Plan		
1. a) Rates affordability General	<i>quantified limit on rates</i>	Income <=	27,285,000	27,543,000	no
	<i>quantified limit on rates increases</i>	Increases <=	6.1%	7.1%	no
b) Rates affordability Targeted	<i>quantified limit on rates</i>	Income <=	27,526,000	29,368,807	no
	<i>quantified limit on rates increases</i>	Increases <=	11.1%	18.5%	no
2. Debt affordability	<i>quantified limit on borrowing</i>	Net debt/total revenue <250%	250%	92%	yes
	<i>quantified limit on borrowing</i>	Net interest/total revenue <20%	20%	9%	yes
	<i>quantified limit on borrowing</i>	Net interest/annual rates revenue <30%	30%	-23%	yes
	<i>quantified limit on borrowing</i>	Liquidity >110%	110%	145%	yes
3. Balanced budget	100%	Revenue >=operational	100%	102%	yes
4. Essential services	100%	Planned capital expenditure on network services >= expected depreciation	100%	1675%	yes
5. Debt servicing	10%	Planned borrowing cost is <= 10% of planned revenue	10%	3%	yes

RATES AFFORDABILITY BENCHMARK

For this benchmark

- The Council's planned rates income for the year is compared with a quantified limit/quantified limits on rates contained in the financial strategy included in the Council's Long Term Plan; and
- The Council's planned rates increases for the year are compared with a quantified limit/quantified limits on rates increases for the year contained in the financial strategy included in the Council's Long Term Plan.

The Council meets the rates affordability benchmark if:

- Its planned rates income for the year equals, or is less than each quantified limit on rates; and
- Its planned rates increases for the year equal, or are less than each quantified limit on rates increases.

DEBT AFFORDABILITY BENCHMARK

For this benchmark, the Council's planned borrowing is compared with (a quantified limit/quantified limits) on borrowing contained in the financial strategy included in the Council's Long Term Plan.

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

BALANCED BUDGET BENCHMARK

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).

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

ESSENTIAL SERVICES BENCHMARK

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

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

DEBT SERVICING BENCHMARK

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).

Because Statistics New Zealand projects that the Council's population will grow as fast as 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.

Funding Impact Statement

INTRODUCTION

Bay of Plenty Regional Council has prepared this Funding Impact Statement in accordance with Clause 20, Part 2 of Schedule 10 of the Local Government Act 2002. Examples of the impact of rating proposals on the rates assessed on different categories of land are included in the Long Term Plan's introduction section.

All 2019/20 rates tables exclude the Council's Goods and Services Tax component.

GENERAL RATES

General rates based on land value

The general rate is set in accordance with Sections 13 and 131 of the Local Government (Rating) Act 2002 based on the projected valuation of all rateable land in the districts of the constituent Territorial Authorities at a uniform rate in the dollar. The rate in the dollar is different according to the location of land within each Territorial Authority district or city. The differences are in accordance with a Certificate of Valuation changes supplied by Quotable Value NZ Limited.

General Rates Land Value	\$11,441,074
Constituent Authority	Rates expressed as cents per dollars of rateable land value
Kawerau	0.020432
Ōpōtiki	0.027216
Rotorua (Pt)	0.022963
Taupō (Pt)	0.022525
Tauranga	0.019856
Western Bay of Plenty	0.024079
Whakatāne	0.025405
Offshore Islands	0.115529

UNIFORM ANNUAL GENERAL CHARGE

In addition, a Uniform Annual General Charge (UAGC) is set in accordance with Section 15(1)(a) of the Local Government (Rating) Act 2002 for all rateable land within the region. It is calculated as a fixed amount per rating unit (according to each local authority's interpretation of a separately rated unit, for the purposes of a UAGC)

Uniform Annual General Charge	\$16,310,918
Fixed amount per rating unit	\$125.44

MAJOR RIVER AND DRAINAGE SCHEME TARGETED RATES

Scheme rating maps for all major river and drainage schemes are available from Bay of Plenty Regional Council. For detail on how to access these maps, visit our website www.boprc.govt.nz

The targeted rates are set for the Flood Protection and Control Group of Activities.

Kaituna Catchment Control Scheme targeted rates

A targeted rate is set differentially in accordance with Sections 16, 17 and 18 of the Local Government (Rating) Act 2002, for all rateable land situated in the Kaituna Catchment Control Scheme within the Tauranga, Western Bay of Plenty and Rotorua constituent districts. The Council sets two targeted rates; the first on where the land is situated and calculated using the area of land within the rating unit, and the second on where the land is situated and calculated using the extent of service provided.

Kaituna Catchment Control Scheme targeted rates			
Category	Rate per hectare \$	Site component \$	Revenue sought \$
A1P	194.67	194.67	385,994
A2P	155.74	175.20	23,412
A3P	116.80	155.74	19,841
A4P	77.87	136.27	21,567
A1	155.74	146.00	96,429
A2	126.54	126.54	45,303
A3	97.34	126.54	45,613
A4	68.13	126.54	26,332
A5	58.40	126.54	78,021
A6	48.67	107.07	18,589
A7	35.04	97.34	18,406
A8	23.36	0.00	2,582
A9	7.79	0.00	676
A10	3.89	0.00	648
A11	1.95	0.00	474
B1	23.36	58.40	20,053
B2	17.52	48.67	6,279
B3	9.73	38.93	17,802
B4	5.84	29.20	30,324
B5	3.89	29.20	50,540
C1	5.84	29.20	5,836
C2	3.41	29.20	97,154
C3	2.34	29.20	27,062
C4	1.95	0.00	4,158
C6R	1.17	0.00	1,256
C8	0.78	19.47	5,582
C5	2.34	19.47	101,513
C6	1.36	15.57	15,223
C7	0.78	58.40	2,077
C9	0.58	15.57	3,911
R01	38.93	77.87	20,077

Kaituna Catchment Control Scheme targeted rates			
Category	Rate per hectare \$	Site component \$	Revenue sought \$
R02	0.00	58.40	61,063
R03	29.20	24.33	587,426
TP1	19.47	29.20	85,550
Total			1,926,773

Rangitāiki-Tarawera Rivers Scheme targeted rates

A targeted rate is set differentially in accordance with Sections 16, 17 and 18 of the Local Government (Rating) Act 2002, for all rateable land situated in the Rangitāiki-Tarawera Rivers Scheme Catchment within the Whakatāne, Kawerau, Rotorua and Taupō constituent districts. The Council sets one targeted rate on where the land is situated and the extent of service provided, calculated using the area of land within the rating unit.

Rangitāiki-Tarawera Rivers Scheme targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A1	157.58	1,268,300
A2	111.62	175,132
A3	85.36	156,077
A4	65.66	73,590
A5	55.81	384,966
A6	19.70	3,186
B1	98.49	208,848
B2	78.79	38,242
B3	59.09	41,934
B4	45.96	394,308
B5	32.83	52,622
B6	11.82	437
B7	9.19	1,652
C1	8.54	67,367

Rangitāiki-Tarawera Rivers Scheme targeted rates		
Category	Rate per hectare \$	Revenue sought \$
C2	5.91	305,588
C3	1.97	186,797
C4	1.31	82,340
C5	0.98	21,167
U1	5,022.84	200,939
U2	4,727.38	268,090
U3	853.55	21,414
U4	558.09	434,624
U5	393.95	40,123
Total		4,427,743

Whakatāne-Tauranga Rivers Scheme targeted rates

A targeted rate is set differentially in accordance with Sections 16, 17 and 18 of the Local Government (Rating) Act 2002, for all rateable land situated in the Whakatāne-Tauranga Rivers Scheme Catchment within the Whakatāne constituent district. Council sets two targeted rates; the first on where the land is situated and calculated using the area of land within the rating unit, and the second on where the land is situated and calculated using the extent of service provided.

Whakatāne-Tauranga Rivers Scheme targeted rates			
Category	Rate per hectare \$	Site component \$	Revenue sought \$
A1	179.63	179.63	132,742
A2	151.99	151.99	60,369
A3	124.36	131.27	198,424
A4	103.63	117.45	315,175
A5	76.00	0.00	18,351
A6	55.27	96.72	24,019
A7	41.45	82.90	30,926

Whakatāne-Tauranga Rivers Scheme targeted rates			
Category	Rate per hectare \$	Site component \$	Revenue sought \$
A8	27.63	76.00	66,948
A9	13.82	0.00	1,785
B1	62.18	0.00	137,105
B2	34.54	62.18	97,280
B3	27.63	41.45	50,118
B4	20.73	34.54	9,134
B5	2.76	0.00	1,250
C1	8.29	69.09	37,180
C2	5.53	27.63	54,861
C3	4.15	27.63	39,154
C4	2.76	6.91	6,489
C5	1.38	6.91	32,969
U1	621.78	186.53	499,198
U2	455.97	145.08	143,720
U3	241.80	96.72	225,994
U4	151.99	82.90	109,826
U5	13.82	0.00	9
Total			2,293,026

Waioeka-Otara Rivers Scheme targeted rates

A targeted rate is set differentially in accordance with Sections 16, 17 and 18 of the Local Government (Rating) Act 2002, for all rateable land situated in the Waioeka-Otara Rivers Scheme Catchment within the Ōpōtiki constituent district. Council sets two targeted rates; the first on where the land is situated and calculated using the area of land within the rating unit, and the second on where the land is situated and calculated using the extent of service provided.

Waioeka-Otara Rivers Scheme targeted rates			
Category	Rate per hectare \$	Site component \$	Revenue sought \$
A1A	339.95	392.25	20,325
A2	183.05	287.65	24,934
A2A	261.50	326.88	11,815
A3	156.90	235.35	118,361
A3A	209.20	287.65	6,006
A4	130.75	183.05	70,548
A4A	169.98	235.35	3,957
A5	117.68	183.05	54,113
A6	91.53	183.05	833
A7	78.45	183.05	9,453
A8	65.38	183.05	85,169
B1	52.30	0.00	14,104
B2	7.85	0.00	134
C1	13.08	156.90	38,645
C2	7.85	156.90	13,225
C3	5.23	130.75	12,869
C4	3.92	52.30	18,625
C5	2.62	52.30	2,902

Waioeka-Otara Rivers Scheme targeted rates			
Category	Rate per hectare \$	Site component \$	Revenue sought \$
C6	1.05	52.30	9,377
R	2.62	0.00	248
U1A C	1,569.00	1,150.60	41,985
U1AR	784.50	575.30	65,441
U1C	1,255.20	941.40	141,253
U1R	627.60	470.70	395,722
U2AC	1,150.60	836.80	14,523
U2AR	575.30	418.40	47,965
U2C	836.80	732.20	9,475
U2R	418.40	366.10	112,846
U3R	104.60	209.20	86,979
Total			1,431,832

Rangitāiki Drainage targeted rates

A targeted rate is set differentially in accordance with Sections 16, 17 and 18 of the Local Government (Rating) Act 2002, for all rateable land in the defined Rangitāiki Drainage Rating Area situated on the Rangitāiki Plains within the Whakatāne constituent district. Council sets one targeted rate on where the land is situated and the extent of service provided, calculated using the area of land within the rating unit.

Rangitāiki Drainage targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	56.35	435,487
B	50.72	56,380
C	47.34	68,295

Rangitāiki Drainage targeted rates		
Category	Rate per hectare \$	Revenue sought \$
D	41.14	251,162
E	33.81	91,682
F	25.36	62,310
G	19.16	71,866
H	14.09	1,570
I	6.76	5,156
U1	112.70	24,672
U2	56.35	3,414
Total		1,071,994

Passenger Transport targeted rate

A targeted rate is set differentially in accordance with Sections 16, 17 and 18 of the Local Government (Rating) Act 2002 as an amount per rating unit on all rateable properties within the defined boundaries of Tauranga City, urban Rotorua, Western Bay district and the Whakatāne district and calculated on the extent of the service provided.

The targeted rate are set for the Transportation Group of Activities - Passenger Transport.

Passenger Transport targeted rate		
Category	Rate per rating unit \$	Revenue sought \$
Tauranga City	156.33	9,048,567
Rotorua Urban	85.31	1,885,114
Western Bay District	20.28	456,711
Whakatāne District	11.46	171,001
Total		11,561,393

Rotorua Lakes Programme targeted rate

A targeted rate is set differentially in accordance with Sections 16, 17 and 18 of the Local Government (Rating Act) 2002, for all rateable properties over the whole area of land of Rotorua District within the Bay of Plenty Regional Council region, with categories of land further defined by the area of land within the rating unit. Liability for the targeted rate is calculated as a fixed amount per rating unit.

The targeted rate is set for the Integrated Catchment Management Group of Activities - Rotorua Lakes Activity.

Rotorua Lakes Programme targeted rate		
Category - All Properties	Rate per rating unit \$	Revenue sought \$
0 - 1.9999 ha	94.77	2,423,840
2 - 9.9999 ha	201.08	142,362
10 ha and over	659.59	501,950
Total		3,068,152

Rotorua Air Action Plan Implementation targeted rate

A targeted rate is set uniformly in accordance with Sections 16, 17 and 18 of the Local Government (Rating) Act 2002, for all rateable land within the defined boundaries of urban Rotorua, with liability calculated as a fixed amount per rating unit.

The targeted rates are set for the Resource Regulation Group of Activities - Rotorua Air Quality Activity.

Rotorua Air Action Plan Implementation targeted rate		
Category	Rate per rating unit \$	Revenue sought \$
Rotorua Urban	19.09	421,871

Rotorua Air - Clean Heat Conversion targeted rates

A targeted rate is set differentially in accordance with Sections 16, 17 and 18 of the Local Government (Rating) Act 2002, for rateable properties within the Rotorua Airshed Area, with liability calculated as the extent of loans provided by Council under the Clean Heat Conversion Scheme.

Rotorua Air Clean Heat Conversion targeted rates		
Category	Rate \$	Revenue sought \$
CH001	591.30	37,252
CH002	573.91	12,052
CH003	556.52	17,252
CH004	539.13	15,096
CH005	521.74	9,391
CH006	504.35	5,548
CH007	486.96	6,817
CH008	469.57	4,696
CH009	452.17	1,357
CH010	434.78	1,739
CH011	417.39	2,087
CH1	400.00	122,400
CH2	395.65	18,991
CH3	391.30	15,652
CH4	386.96	10,061
CH5	382.61	19,513
CH6	378.26	12,104

Rotorua Air Clean Heat Conversion targeted rates		
Category	Rate \$	Revenue sought \$
CH7	373.91	17,948
CH8	369.57	11,826
CH9	365.22	8,765
CH10	360.87	12,270
CH11	356.52	7,843
CH12	352.17	6,691
CH13	347.83	6,609
CH14	343.48	14,770
CH15	339.13	11,191
CH16	334.78	13,726
CH17	330.43	3,965
CH18	326.09	7,174
CH19	321.74	8,365
CH20	317.39	5,078
CH21	313.04	5,635
CH22	308.70	2,161
CH23	304.35	4,565
CH24	300.00	8,100
CH25	295.65	3,548
CH26	291.30	3,787
CH27	286.96	8,322
CH28	282.61	11,022
CH29	278.26	2,783
CH30	273.91	3,835
CH31	269.57	2,696
CH32	265.22	1,326
CH33	260.87	3,913
CH34	256.52	4,104

Rotorua Air Clean Heat Conversion targeted rates		
Category	Rate \$	Revenue sought \$
CH35	252.17	4,791
CH36	247.83	1,239
CH37	243.48	3,896
CH38	239.13	1,674
CH39	234.78	4,930
CH40	230.43	461
CH41	226.09	1,130
CH42	221.74	1,774
CH43	217.39	1,522
CH44	213.04	1,065
CH45	208.70	1,461
CH46	204.35	613
CH47	200.00	1,600
CH48	195.65	2,935
Total		543,115

CIVIL DEFENCE EMERGENCY MANAGEMENT TARGETED RATE

A targeted rate is set differentially in accordance with Sections 16, 17 and 18 of the Local Government (Rating) Act 2002 as an amount per rating unit on all rateable properties within the defined boundaries of Kawerau, Ōpōtiki, Rotorua, Tauranga, Western Bay of Plenty and Whakatāne constituent districts and calculated on the extent of service provided by Civil Defence Emergency Management group and Emergency Management Bay of Plenty.

The targeted rates are set for the Emergency Management Group of Activities.

Civil Defence Emergency Management targeted rate		
Category - All Properties	Rate per rating unit \$	Revenue sought \$
Kawerau	20.19	57,944
Ōpōtiki	19.40	95,838
Rotorua	19.26	520,886
Tauranga	18.06	1,045,441
Western Bay of Plenty	17.62	396,813
Whakatāne	20.29	302,748
Total		2,419,670

MINOR RIVERS AND DRAINAGE SCHEMES TARGETED RATES

The Council sets and collects rates from three minor rivers and drainage schemes situated in the Ōpōtiki area, and from 34 minor communally pumped drainage schemes situated on the Rangitāiki Plains.

Scheme rating maps for all minor schemes are available from Bay of Plenty Regional Council. To see these maps, visit our website www.boprc.govt.nz

Minor Rivers and Drainage Schemes targeted differential rates

Targeted rates are set differentially in accordance with Section 16, 17 and 18 of the Local Government (Rating) Act 2002, for all rateable land situated in the defined communal pumped drainage and defined minor rivers and drainage schemes. Council sets one targeted rate on where the land is situated and the extent of service provided, calculated using the area of land within the rating unit.

Ōpōtiki

The following tables detail rate requirements for the three Ōpōtiki-based minor rivers and drainage schemes.

Waiotahi River District targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	133.53	14,502
B	106.82	17,371
C	80.12	15,317
D	44.51	2,263
E	26.71	2,027
F	13.35	2,520
Total		54,000

Huntress Creek Drainage District targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	43.65	9,195
B	33.47	2,655
C	21.83	1,584
D	14.55	776
E	10.19	334
F	4.37	1,456
Total		16,000

Waiotahi Drainage District targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	19.30	1,648
B	16.08	3,343
C	12.87	812
D	9.65	434
E	6.43	27
F	3.22	736
Total		7,000

Rangitāiki Plains

The following tables detail rate requirements for the 34 minor communally pumped drainage schemes on the Rangitāiki Plains.

Awaiti West Pumped Drainage Scheme targeted rate		
Category	Rate per hectare \$	Revenue sought \$
A	75.44	951
B	34.70	5,108
C	15.09	2,977
D	7.54	364
Total		9,400

Omeheu Adjunct Communal Pumped Drainage Scheme targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	91.83	944
B	68.87	5,519
C	50.51	2,813
D	27.55	2,406
E	13.77	746
F	4.59	108
URBAN	243.34	10,464
Total		23,000

Murray's Communal Pumped Drainage Scheme rates		
Category	Rate per hectare \$	Revenue sought \$
A	110.49	13,742
B	79.55	943
C	70.72	2,888
D	30.94	1,227
Total		18,800

Minor Drainage Schemes uniform targeted rates

Targeted rates are set uniformly in accordance with Sections 16, 17 and 18 of the Local Government (Rating) Act 2002, for all rateable land situated in the defined drainage and defined minor rivers and drainage schemes. Council sets one targeted rate on where the land is situated, and the area of land.

Minor Drainage Schemes targeted uniform rates		
Category	Rate per hectare \$	Revenue sought \$
Angle Road	23.53	5,400
Awakeri	38.89	11,100
Baird-Miller	79.93	11,000
Foubister	52.41	5,500
Gordon	71.16	7,000
Greigs Road	75.11	53,600
Halls	140.41	34,000
Hyland-Ballie	27.59	6,500
Kuhanui	126.57	10,500
Longview-Richlands	69.01	8,000
Martin	448.90	60,000
Massey	40.09	17,100
Mexted-Withy	78.01	21,700
Omeheu East	69.16	29,000
Pedersen - Topp	43.73	5,000
Platts	8.69	3,200
Reynolds	94.01	12,100
Robinsons	156.61	11,500
Travurzas	10.10	2,000
Wylids	19.70	3,700
Poplar Lane	48.90	2,750
Awaiti East	143.15	20,400
Total		341,050

LUMP SUM CONTRIBUTIONS

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

EXAMPLES OF 2019/20 GENERAL RATES ONLY

Kawerau

Median Land Value	Land Value \$	Annual per property \$
Lower Quartile	83,000	140.70
Middle Quartile	106,000	165.45
Upper Quartile	120,000	148.03

Ōpōtiki

Median Land Value	Land Value \$	Annual per property \$
Lower Quartile	33,000	132.97
Middle Quartile	92,000	167.93
Upper Quartile	205,000	178.33

Rotorua (Pt)

Median Land Value	Land Value \$	Annual per property \$
Lower Quartile	128,000	351.92
Middle Quartile	171,000	380.75
Upper Quartile	265,000	382.40

Tauranga

Median Land Value	Land Value \$	Annual per property \$
Lower Quartile	275,000	333.51
Middle Quartile	340,000	364.08
Upper Quartile	465,000	370.07

Western Bay of Plenty

Median Land Value	Land Value \$	Annual per property \$
Lower Quartile	220,000	195.89
Middle Quartile	345,000	242.68
Upper Quartile	525,000	267.05

Whakatāne

Median Land Value	Land Value \$	Annual per property \$
Lower Quartile	101,000	160.59
Middle Quartile	160,000	195.41
Upper Quartile	250,000	197.27

SCHEDULE TO FUNDING IMPACT STATEMENT - RATES REQUIREMENT

	2018/19	2019/20		
	Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	Change \$000
GENERAL RATES				
General rates based on land value	12,114	12,310	11,441	869
Uniform annual general charge (UAGC)	13,822	15,183	16,311	(1,128)
Rates remissions	(208)	(208)	(208)	0
Total general rates	25,728	27,285	27,544	(259)
TARGETED RATES				
Kaituna Catchment Control Scheme targeted rate	1,823	1,896	1,927	(31)
Rangitāiki-Tarawera Rivers Scheme targeted rate	3,382	3,983	4,428	(445)
Whakatāne-Tauranga Rivers Scheme targeted rate	1,734	2,002	2,293	(291)
Waioeka-Otara Rivers Scheme targeted rate	1,161	1,243	1,432	(189)
Rangitāiki Drainage targeted rate	1,005	1,055	1,072	(17)
Passenger transport targeted rate	8,405	9,834	11,561	(1,727)
Rotorua Lakes activity targeted rate	3,134	3,134	3,068	66
Rotorua Air Action Plan Implementation targeted rate	530	460	422	38
Rotorua Air - Clean Heat Conversion targeted rate	556	756	543	213
Minor Rivers and Drainage Schemes targeted rate	1,005	1,044	469	575
Civil Defence Emergency Management targeted rate	2,311	2,386	2,420	(34)
Rates remissions	(266)	(266)	(266)	0
Total targeted rates	24,780	27,526	29,369	(1,843)
Total rates	50,508	54,810	56,913	(2,102)

COUNCIL FUNDING IMPACT STATEMENT

The funding impact statement on the following pages are presented for compliance with the Local Government (Financial Reporting and Prudence) Regulations 2014. In accordance with the regulations, the information presented is incomplete and not prepared in compliance with generally accepted accounting practice. It should not be relied upon for any other purpose than compliance with the Local Government (Financial Reporting and Prudence) Regulations 2014.

The key difference between the Funding Impact Statement and the Statement of Comprehensive Revenue and Expense are: depreciation and vested assets are excluded from all Funding Impact Statements.

	2018/19	2019/20		
	Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	Change \$000
SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	25,728	27,285	27,544	(259)
Targeted rates	24,780	27,526	29,369	(1,843)
Subsidies and grants for operating purposes	17,770	17,792	18,317	(525)
Fees and charges	10,625	11,821	11,566	255
Interest and dividends from investments	38,025	38,623	38,728	(105)
Local authorities fuel tax, fines, infringement fees and other receipts	1,775	2,110	2,152	(42)
Total operating funding	118,703	125,156	127,676	(2,520)
APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	122,659	115,744	123,267	(7,523)
Finance costs	2,827	4,312	2,493	1,819
Other operating funding applications	131	153	153	0
Total applications of operating funding	125,617	120,209	125,913	(5,704)
Surplus (deficit) of operating funding	(6,914)	4,947	1,763	3,184
SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	5,100	2,150	4,715	(2,565)
Development and financial contributions	0	0	0	0
Increase (decrease) in debt	44,340	47,272	50,332	(3,060)
Gross proceeds from sale of assets	1,035	0	0	0
Lump sum contributions	0	0	0	0
Other operating funding applications	7,422	2,984	4,307	(1,323)
Total sources of capital funding	57,897	52,406	59,354	(6,948)

COUNCIL FUNDING IMPACT STATEMENT *continued*

	2018/19	2019/20		
	Year 1 Long Term Plan \$000	Year 2 Long Term Plan \$000	Annual Plan \$000	Change \$000
APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
- to meet additional demand	0	0	0	0
- to improve levels of service	37,150	33,599	40,111	(6,512)
- to replace existing assets	20,747	18,807	19,244	(437)
Increase (decrease) in reserves	(7,470)	4,191	1,219	2,972
Increase (decrease) of investments	556	756	543	213
Total applications of capital funding	50,983	57,352	61,117	(3,765)
Surplus (deficit) of capital funding	6,914	(4,947)	(1,763)	(3,184)
Funding balance	0	0	0	0
Note: This financial statement excludes: Depreciation and amortisation	7,363	8,056	8,138	(82)

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Rates Summary

TOTAL ANNUAL AVERAGE RATES

The tables below set out the total annual rates for an average property for each district in the Bay of Plenty region. The 2019/20 total rates figure includes targeted rates for Rotorua Lake, Passenger Transport, Rotorua Air, Clean Heat, and Civil Defence Emergency Management but excludes targeted rates for Rivers and Drainage Schemes and the clean heat conversions. The amounts in the tables below **include** the Council's Goods and Services Tax component.

Kawerau	\$
Median property land value	106,000
Uniform annual general charge	144.26
General rate	24.91
2019/20 total rate	192.38
Average weekly cost	3.70
Increase from previous year	28.35

Ōpōtiki	\$
Median property land value	92,000
Uniform annual general charge	144.26
General rate	28.79
2019/20 total rate	195.36
Average weekly cost	3.76
Increase from previous year	19.37

Rotorua	\$
Median property land value	171,000
Uniform annual general charge	144.26
General rate	45.16
2019/20 total rate	440.60
Average weekly cost	8.47
Increase from previous year	43.43

Tauranga	\$
Median property land value	340,000
Uniform annual general charge	144.26
General rate	77.64
2019/20 total rate	422.44
Average weekly cost	8.12
Increase from previous year	59.65

Western Bay	\$
Median property land value	345,000
Uniform annual general charge	144.26
General rate	95.53
2019/20 total rate	283.38
Average weekly cost	5.45
Increase from previous year	16.63

Whakatāne	\$
Median property land value	160,000
Uniform annual general charge	144.26
General rate	46.74
2019/20 total rate	227.51
Average weekly cost	4.38
Increase from previous year	11.67

Your representatives

Ngā reo kōrero



From left: Jane Nees, Norm Bruning, Stuart Crosby, David Love, John Cronin, Paula Thompson, Andrew von Dadelszen, Kevin Winters, Lyall Thurston, Doug Leeder, Bill Clark, Matemoana McDonald, Tipene Perenara Marr and Arapeta Tahana.

Final Draft for Adoption



*For more information visit our website
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