

# Annual Plan 2020/21

## Te Mahere ā-Tau

*This document should 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!*

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Ngā mihi kia tatou i ngā taumahatanga o te wā.

Ko te tumanako, e noho haumarū nei kōutou ngā  
whānau, me ngā hapori o te rohe nei.

Ma te manaakitanga tatou e kokiri whakamua.

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 Waihī 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*

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Warm and affectionate greetings to you  
during this challenging time

It is with good intent that your families and  
communities are safe across the region.

It is through caring for one another  
that we will get through this.

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.

# Message from the Chair and Chief Executive

*This Annual Plan 2020/21 updates year three 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.*

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The environment within which this Annual Plan 2020/21 was developed, and will be operative, is unprecedented due to the impact of COVID-19. The importance of thriving together *mō te taiao, mō ngā tāngata* has been evident in New Zealand's response to COVID-19. While New Zealand has been spared widespread illness and death, we have not been spared significant economic harm. Most forecasts are for a significant recession, potentially deepening into a depression, with substantial loss of employment across the Bay of Plenty. Our response, as detailed in this plan, has been shaped by a strong desire to recover from COVID-19 as quickly, and as energetically, as we can.

As a Council, we have an opportunity to lead the way, regionally and nationally, by doing things in new ways that contribute strongly to the four wellbeing: social, cultural, environmental, and especially in the current situation, economic. There is an opportunity for transformational change. This regional recovery process, done well, will allow the Bay of Plenty region to not only recover from COVID-19, but also ensure its communities thrive. Together with our equally motivated partners across central and local Government, Māori and other stakeholders, we have the opportunity to tackle some of the critical challenges facing the region. We have a crucial opportunity to transition towards a low-carbon economy and reduce the impact of climate change much more quickly than we had anticipated. We have an opportunity to create new jobs in these low-carbon industries, softening the blow of COVID-19.

At the same time, we will retain a paramount focus on organisational agility and efficiency. Sound fiscal planning, and consequent regional affordability, will be core to our approach. In this context, the Annual Plan is a key first step towards supporting regional recovery, and ensuring we have the right foundation as we build towards our next Long Term Plan 2021-31.

With COVID-19 having a significant impact on our region, in March 2020 Council decided not to consult on the Annual Plan 2020/21 and instead published an Information Document showing the planned changes to our work for 2020/21 while proposing a zero general rates increase (after growth and inflation), and no change to our fees and charges for 2020/21.

Our total operating expenditure budget for 2020/21 is now \$146.8 million, compared to the \$144.8 million we had budgeted in year three of our Long Term Plan and our total capital expenditure budget is now \$51.5 million, compared to \$30.7 million. As proposed through our Information Document there is a zero percent general rates increase after the effects of growth and inflation, and no change to our fees and charges. We are able to deliver this by generating additional efficiency savings and utilising our financial reserves. In addition, there are decreases to targeted rates largely as a result of a decrease in borrowing costs. These changes result in an average *decrease* in the total rates of 2.8% (after growth and inflation), which is 5.6% *lower* than the 2.8% *increase* that was forecast through our Long Term Plan.

Our region, like many others across the world is enduring a period of great uncertainty and anxiety. As your Regional Council, we are focused on ensuring we can thrive together, ensuring a healthy environment, freshwater for life, a vibrant region – and most importantly right now – safe and resilient communities.



**Doug Leeder**  
Chairman



**Fiona McTavish**  
Chief Executive

# Guide to this document

*This Annual Plan 2020/21 updates year three of our Long Term Plan 2018-2028. It focuses on the changes we're making while continuing the work we committed to as part of the Long Term Plan.*

Our work in 2020/21 will continue to focus on achieving what we set out to do in the Long Term Plan towards our four Community Outcomes: A Healthy Environment, Freshwater for Life, Safe and Resilient Communities, and a Vibrant Region. Starting on page 8 you can read about some of the new initiatives that are included in year three of the Long Term Plan to deliver on these. We have also included information on work we are undertaking to support the region's recovery from COVID-19, our response to Climate Change, and how we will support thriving Māori Partnerships.

The financial strategy summary to the right reflects our budgeted operating and capital spending, rates, and borrowings for 2020/21. Our 2020/21 rates are lower than our original forecast average rates increases in the Long Term Plan.

We strongly encourage everyone to read the Long Term Plan 2018-2028 to understand the full spectrum of work Bay of Plenty Regional Council does for our region.



**\$147**  
million for  
2020/21



**\$52**  
million for  
2020/21



**(2.8%)**  
Total real rates  
decrease for  
2020/21



**\$231**  
million forecast  
net borrowing at  
the completion of  
2020/21

# Community Outcomes

## Ngā putanga a-hapori





# A healthy environment

## He taiao ora

*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.*

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 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.

Our areas of focus for 2020/21 include delivering the Regional Pest Management Plan to manage plant and animal pests, including working to prevent further catfish incursions; containing the spread of wallabies; and monitoring air quality in the Mount Maunganui industrial area.

### CHANGES TO OUR WORK THROUGH THE ANNUAL PLAN 2020/21

- We are increasing efforts to manage plant and animal pests, through including an additional \$650,000 to support the implementation of the proposed Regional Pest Management Plan which is due to be adopted later this year
- \$41,000 toward a targeted education campaign to inform and reinforce awareness of the Motiti Protection Area to all relevant stakeholders
- \$20,000 towards funding of the *Treasuring our Place Environmental Programme* initiative provided by the Western Bay Museum





## Freshwater for life

### He wai māori, he wai oranga

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

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.

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.

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

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

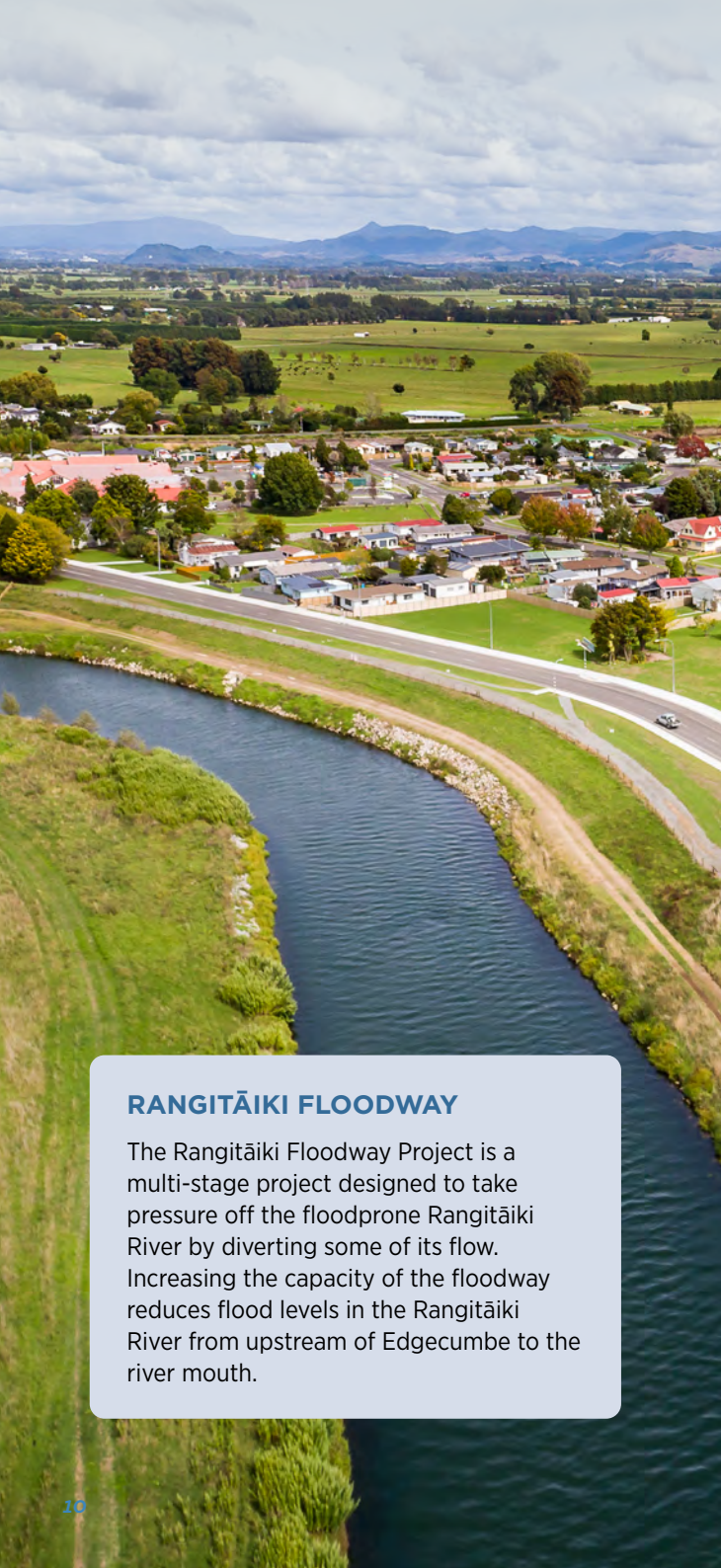
Our work in this area is guided by national legislation, regulations and standards for water that prescribe public processes for setting requirements and rules. This area is becoming increasingly complex and we're working hard to translate the policy into action on the ground.

Our areas of focus for 2020/21 include ensuring the organisation can progressively deliver the Government's *Action for healthy waterways*. We are also implementing our Focus Catchments programme across 11 other catchments in the region with known water quality issues, such as elevated contaminant levels or declining water quality trends. Further information can be found at: [www.boprc.govt.nz/focuscatchments](http://www.boprc.govt.nz/focuscatchments)

The Te Pourepo o Kaituna wetland creation project, which is aiming to restore 70 hectares of pasture into wetland paradise for wildlife to thrive in and people to enjoy, will also be progressed during the year – see [www.boprc.govt.nz/kaitunawetland](http://www.boprc.govt.nz/kaitunawetland)

#### CHANGES TO OUR WORK THROUGH THE ANNUAL PLAN 2020/21

- \$180,000 to support the implementation of the Government's Action for healthy waterways package announced in late May 2020



# Safe and resilient communities

## Kia haumarū, kia pakari te hapori

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

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 2020/21 include: renewal/maintenance of our rivers and drainage schemes where required and continuing with the Flood Repair Project to carry out major repairs to our flood protection structures damaged during the April 2017 floods in the eastern Bay.

We will also continue to provide a 24/7 navigation safety and maritime oil spill response across the region.

### RANGITĀIKI FLOODWAY

The Rangitāiki Floodway Project is a multi-stage project designed to take pressure off the floodprone Rangitāiki River by diverting some of its flow. Increasing the capacity of the floodway reduces flood levels in the Rangitāiki River from upstream of Edgecumbe to the river mouth.

### CHANGES TO OUR WORK THROUGH THE ANNUAL PLAN 2020/21

- \$8.355 million toward funding for Stage 6 of the Rangitāiki Floodway Project
- \$1.8 million towards funding for the Kaituna Mole (flood protection and control)
- \$20,000 towards community engagement and collaboration regarding Water Safety within the Bay of Plenty



## A vibrant region

### Toitū te rohe

*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.*

People and the environment are at the heart of our region. We support the growth of jobs in the Bay of Plenty and the 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, which was established through the Long Term Plan 2012-2022, we have supported projects initiated by our partners, such as the Ōpōtiki Harbour Transformation Project and the Tauranga Marine Precinct development.

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

We also keep the community connected through the regional bus network of Bayhopper and Cityride buses.

We have also started feasibility work on a sustainable approach to procurement that will help achieve sustainability outcomes within the region. We are also continuing implementation of the Western Bay of Plenty Public Transport Blueprint to provide an improved bus service, including the trial of fare free bus travel for Tauranga school students to help reduce traffic congestion.

In light of the recent effects the region has seen from the COVID-19 pandemic, significant work has also been undertaken to assist with the region's response and subsequent recovery.

Our focus areas for 2020/21 include: a Regional Recovery Project encompassing a Bay of Connections-led Regional Recovery Strategy involving action from a range of organisations across the Bay of Plenty, and a separate Regional Council-specific Recovery Work Programme where we directly fund and deliver projects that deliver jobs. See further detail on following pages.

## CHANGES TO OUR WORK THROUGH THE ANNUAL PLAN 2020/21

- \$250,000 for delivery of the Regional Recovery Project
- \$250,000 to support the delivery of Western Bay urban growth and transport planning
- \$50,000 to complete feasibility work on a sustainable procurement policy and framework
- \$250,000 delivered through Toi Kai Rawa - a charitable trust established from He Ohooho, the Regional Maori Economic Strategy that operates as a Māori economic development organisation
- \$700,000 to support Thriving Māori Partnerships through building capacity and capability, and to reset relationships with iwi and to build partnerships
- Additional initiatives to transport services in the Bay of Plenty:
  - \$120,000 for a new bus service in Tauranga to improve coverage of regular bus services in the Lakes and Pyes Pā area to connect to the Tauranga Crossing
  - Up to \$69,000 to develop and trial an on demand door to door bus service within Kawerau that could collect passengers from their homes for access to shopping and essential services. This service may be partially funded by partners e.g. Waka Kotahi (NZTA)
  - Community Health Shuttles in Ōpōtiki and in Kawerau for patients that require transport to and from key medical and specialty services
  - Continuation of the SuperGold card scheme where holders receive free off-peak public bus travel on the regional Bayhopper and Cityride



# Supporting the Region's Recovery from COVID-19

*COVID-19 has created an unprecedented situation, the impact of which is still being determined.*

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Bay of Plenty Regional Council plays several roles in COVID-19 recovery, including leading emergency response via its coordination of the Group Emergency Coordination Centre, and through our Regional Recovery Project, which has involved changing, moving and/or reprioritising work to aid recovery within the region.

Planning, engagement and analysis has been undertaken and has identified two streams of work – a Bay of Connections Recovery Strategy that looks across and supports the wider region (including Taupō) and a Regional Council specific Recovery Programme.

## 1. BAY OF CONNECTION RECOVERY STRATEGY

This will support iwi leaders, territorial authorities and local economic development agencies with their local projects and priorities, while also engaging with industry, the business sector and communities from a regional point of view. The intention is to provide regional advocacy to central government, build on partners' own recovery plans and aspirations and focus on regional and local strengths.

## 2. BAY OF PLENTY REGIONAL COUNCIL RECOVERY PROGRAMME

The Bay of Plenty Regional Council Recovery Programme is a suite of Regional Council-led or supported initiatives to support recovery post COVID-19 that comprises infrastructure, environment, economic and information-led work that is a mix of business as usual and additional work. It is planned to include the following areas:

- Supporting Māori Economic Development
- Data Support, Dashboard and GIS
- Economic Stimulus Work:
  - a) 'Green' projects
  - b) Crown Infrastructure (CIPS) projects
  - c) SmartGrowth Partnership Stimulus Package
- Sustainable Procurement
- Supporting recovery through Regional Council processes



# Climate change

*We are already feeling the impacts of climate change in our region; this summer we saw a drought declared in the North Island, with higher temperatures and lower than average rainfall experienced across the Bay.*

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If global greenhouse gas emissions continue at current rates without significant action to reduce them, then we expect to see further changes to the Bay of Plenty's climate in the coming years, as illustrated in the graphic below. As a region, we will need to work together to adapt and adjust to these changes, alongside efforts to reduce our greenhouse gas emissions in order to limit the scale of these impacts. Recovery from COVID-19 presents us with an opportunity to do things differently and bring about transformational change, with the recovery process supporting a transition to a low carbon economy and enabling our communities to thrive as they adapt to a changing climate.

New Zealand's response to climate change at a national level is framed by Central Government's Climate Change Response (Zero Carbon) Amendment Act 2019, which covers both mitigation (reducing greenhouse gas emissions) and adaptation (building resilience and dealing with the impacts of climate change).

Meeting New Zealand's international commitments to reduce greenhouse gas emissions will involve significant changes in the Bay of Plenty. We will need to look at changing our behaviours and doing things differently in all aspects of our lives: at home, in our businesses and within our communities. Even if we meet national emissions reduction targets, expected changes in temperature, rainfall patterns and sea level will have – and in some cases is already having – significant impacts on Bay of Plenty communities and infrastructure. To minimise these impacts, households, communities, businesses, and local government will have to adapt to a society and an economy with decreasing emissions and a changed climate.

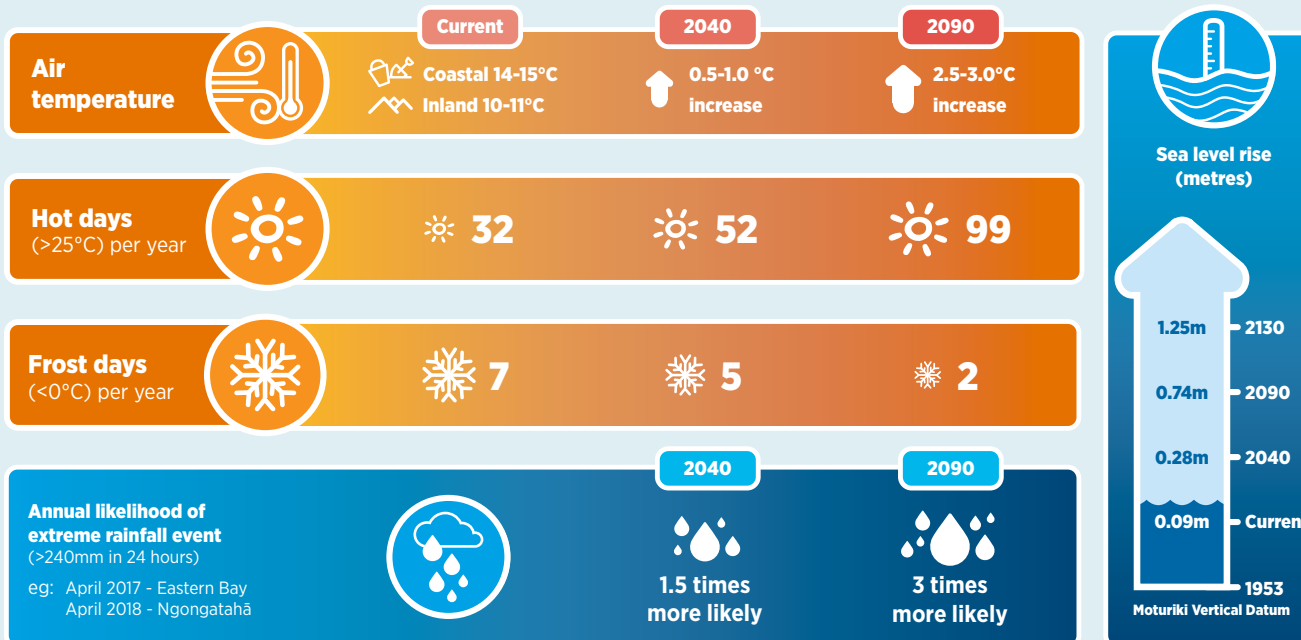
Councils and communities across New Zealand recognise the significant implications that climate change will have for their regions and the need for mitigation and adaptation actions at a local level. At the Bay of Plenty Regional Council, this is reflected through our declaration of a climate change emergency in June 2019 alongside the adoption of our first Climate Change Action Plan.

'Working with our communities' is one of the four focus areas of our Climate Change Action Plan. This is about how we approach the wider challenge of the Bay of Plenty's response as a region to climate change, both in terms of mitigation and adaptation. We are continuing to look at the role we play in supporting our communities and businesses as they look to make their mitigation choices and behaviours. At the same time, we will need to assist the community with building resilience and dealing with the impacts of climate change (adaptation).

**ADAPTATION** - Adaptation is the process of adjustment to actual or expected climate and its effects. In human systems, adaptation seeks to moderate or avoid harm or exploit beneficial opportunities. In some natural systems, human intervention may facilitate adjustment.

**MITIGATION** - Climate change mitigation consists of actions to limit the magnitude or rate of long-term climate change. Climate change mitigation generally involves reductions in human emissions of greenhouse gases.

### LIKELY CLIMATE CHANGE IMPACTS FOR THE BAY OF PLENTY\*



For further information on our approach to Climate Change please go to [www.boprc.govt.nz/climatechange](http://www.boprc.govt.nz/climatechange)

\*Based on current greenhouse gas emission rates. We may be able to slow or reduce the scale of these changes if sufficient local and global action is taken to decrease emissions.

# Iwi-Māori Partnerships

*Te Moana nui a Toi - a third of the Bay of Plenty population are Māori, which creates a unique and rich cultural layer. Te Ao Māori (the Māori world) exemplifies the four aspects of community wellbeing through:*



***He korowai mātauranga***  
CULTURAL WELLBEING

Iwi are strong exponents of Te Reo and Tikanga Māori. There are multiple proactive marae communities and many engaged kaitiaki and mātauranga Māori practitioners.

There are approximately 39 Iwi and 260 hapū in the region.



***He korowai Tiaki Taiao***  
ENVIRONMENTAL WELLBEING

Māori are the kaitiaki in our region and are Treaty Partners, enshrined in the Resource Management Act 1991, the Local Government Act 2002 and in the Treaty of Waitangi. Their associations with the land, freshwater bodies and the coastal marine area, affords them a significant role in the care and well-being of Te Taiao.



***He korowai whakamana tangata***  
ECONOMIC WELLBEING

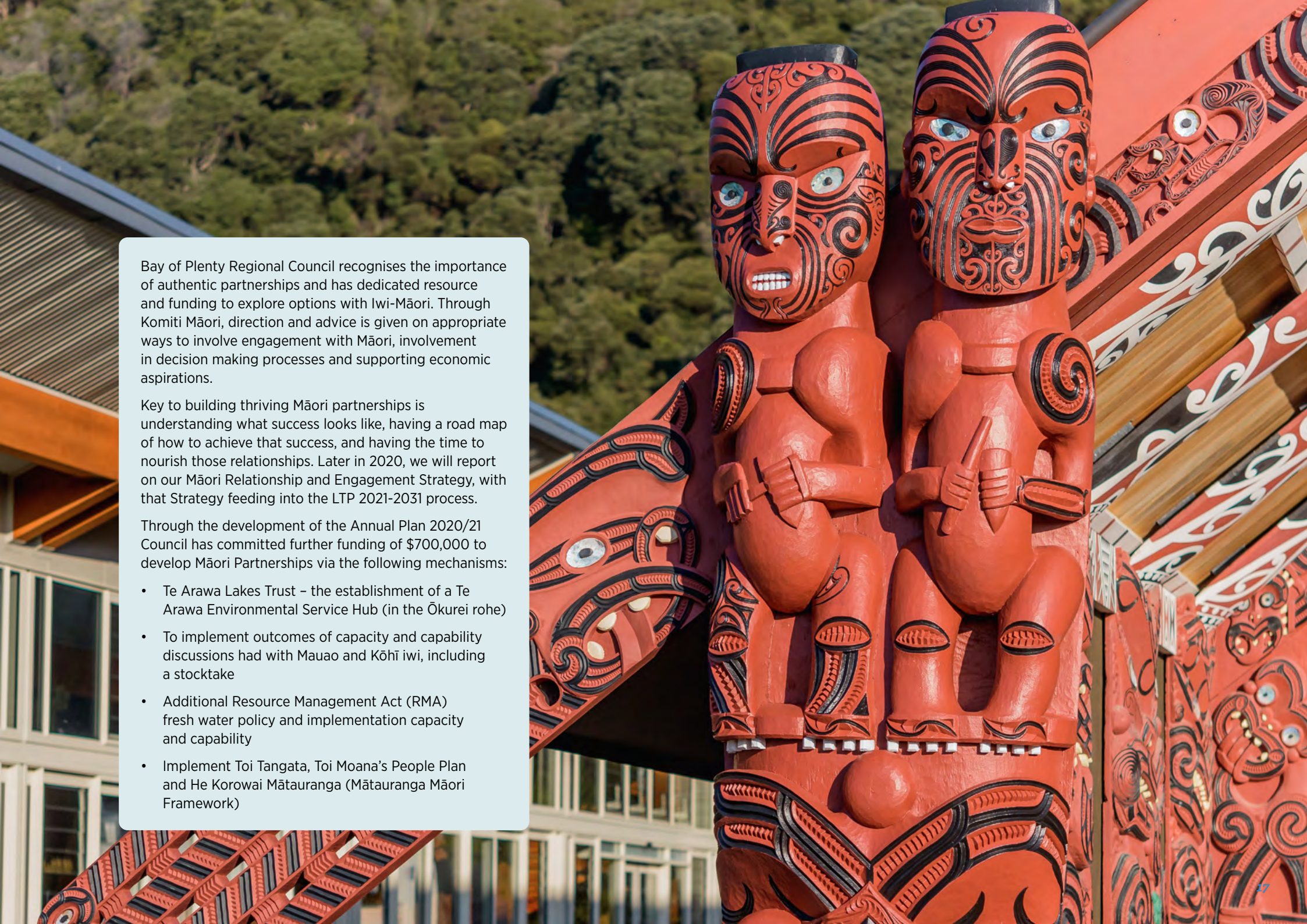
Iwi Treaty settlements have enabled financial investment back into the community. Through Iwi Authorities, Iwi and Māori Land Trusts and Māori businesses, Iwi-Māori contribute significantly to the region's GDP. There are more than 5,000 Māori land blocks (40% Māori land).



***He korowai aroha***  
SOCIAL WELLBEING

There are a number of Māori health providers, kaumātua and community support agencies. Māori land is being developed for Papakāinga, and Māori educational facilities (Kohanga Reo, Kura kaupapa) and Tertiary Institutes (Whare Wānanga) are expanding. There are multiple marae communities (180 marae in the region) many of which are utilised to support the wider communities in emergency management. Iwi-Māori entities were mobilised to support Māori communities through COVID-19.





Bay of Plenty Regional Council recognises the importance of authentic partnerships and has dedicated resource and funding to explore options with Iwi-Māori. Through Komiti Māori, direction and advice is given on appropriate ways to involve engagement with Māori, involvement in decision making processes and supporting economic aspirations.

Key to building thriving Māori partnerships is understanding what success looks like, having a road map of how to achieve that success, and having the time to nourish those relationships. Later in 2020, we will report on our Māori Relationship and Engagement Strategy, with that Strategy feeding into the LTP 2021-2031 process.

Through the development of the Annual Plan 2020/21 Council has committed further funding of \$700,000 to develop Māori Partnerships via the following mechanisms:

- Te Arawa Lakes Trust – the establishment of a Te Arawa Environmental Service Hub (in the Ōkurei rohe)
- To implement outcomes of capacity and capability discussions had with Mauao and Kōhī iwi, including a stocktake
- Additional Resource Management Act (RMA) fresh water policy and implementation capacity and capability
- Implement Toi Tangata, Toi Moana's People Plan and He Korowai Mātauranga (Mātauranga Māori Framework)

# Financial highlights 2020/21

## Ngā tīpako pūtea

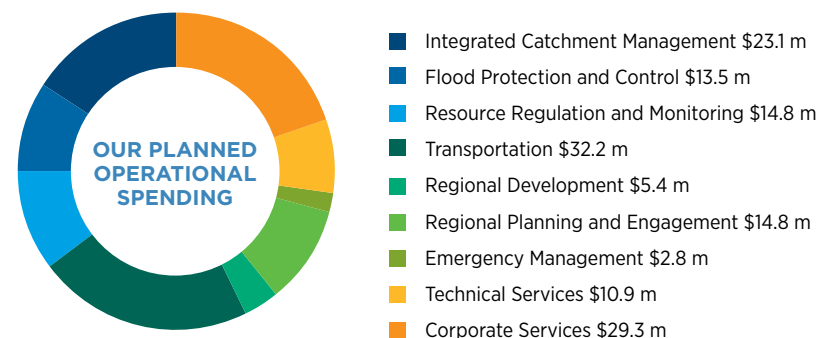
*Changes through our Annual Plan 2020/21 have resulted in a number of adjustments to our operating and capital expenditure in 2020/21 compared to what was originally set out in the year three budget in the Long Term Plan 2018-2028.*

The consequential impacts of New Zealand's COVID-19 response have been included in this Annual Plan. As a result, there are changes to how our work is funded and these are summarised in the sections below.

### OPERATING EXPENDITURE

Our total operating expenditure budget for 2020/21 is now \$146.8 million, compared to \$144.8 million, as originally budgeted in year three of our plan.

There are a number of items impacting on changes to our operating expenditure including the response to COVID-19 and changes to our work described in the Community Outcomes section of this document. Alongside these changes, we have incorporated \$2.3 million of additional efficiency savings through the way we work. This means we improve our efficiency, while still ensuring to maintain the same levels of service to the community.

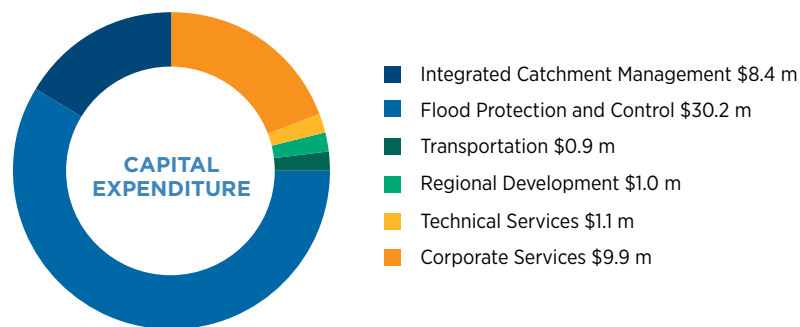


*Total operating spending planned for 2020/21 is \$146.8 million*

## CAPITAL EXPENDITURE

Our total capital expenditure budget for 2020/21 is \$51.5 million, compared to \$30.7 million as originally budgeted in year three of our Long Term Plan 2018-2028.

Key changes to our capital work programme for 2020/21 are also outlined in the Community Outcomes section. In addition to the items described, we have carried forward budget from 2019/20 into 2020/21 of \$8 million for our building upgrade project at our Tauranga and Whakatāne offices, as well as additional \$8.35 million for the Rangitāiki-Tarawera River scheme and \$1.8 million for the Kaituna Mole.



Total capital expenditure planned for 2020/21 is \$51.5 million

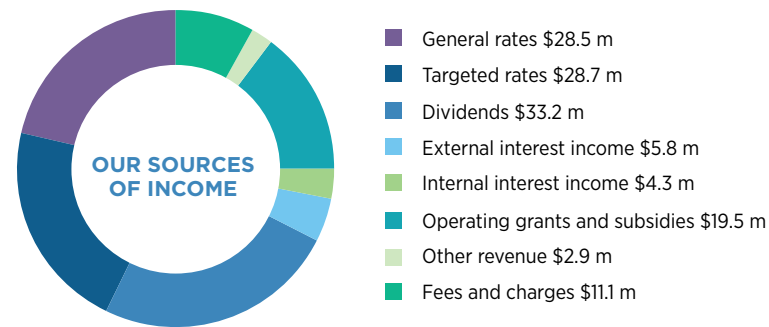
## FUNDING OUR WORK

The money collected through your rates is expected to make up 42.6% of the money that funds our operating expenditure in 2020/21.

This Annual Plan will see an average rates decrease for the 2020/21 financial year of 2.8% (after growth and inflation). This is 5.6% lower than the 2.8% increase that was forecast in the Long Term Plan. There is a zero general rates increase in 2020/21. The decrease 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 zero percent general rates increase allows us to help support our region recover from the impacts of COVID-19 by alleviating financial strain to ratepayers. We will continue working towards achieving our vision and community outcomes, and delivering the services you expect from us.

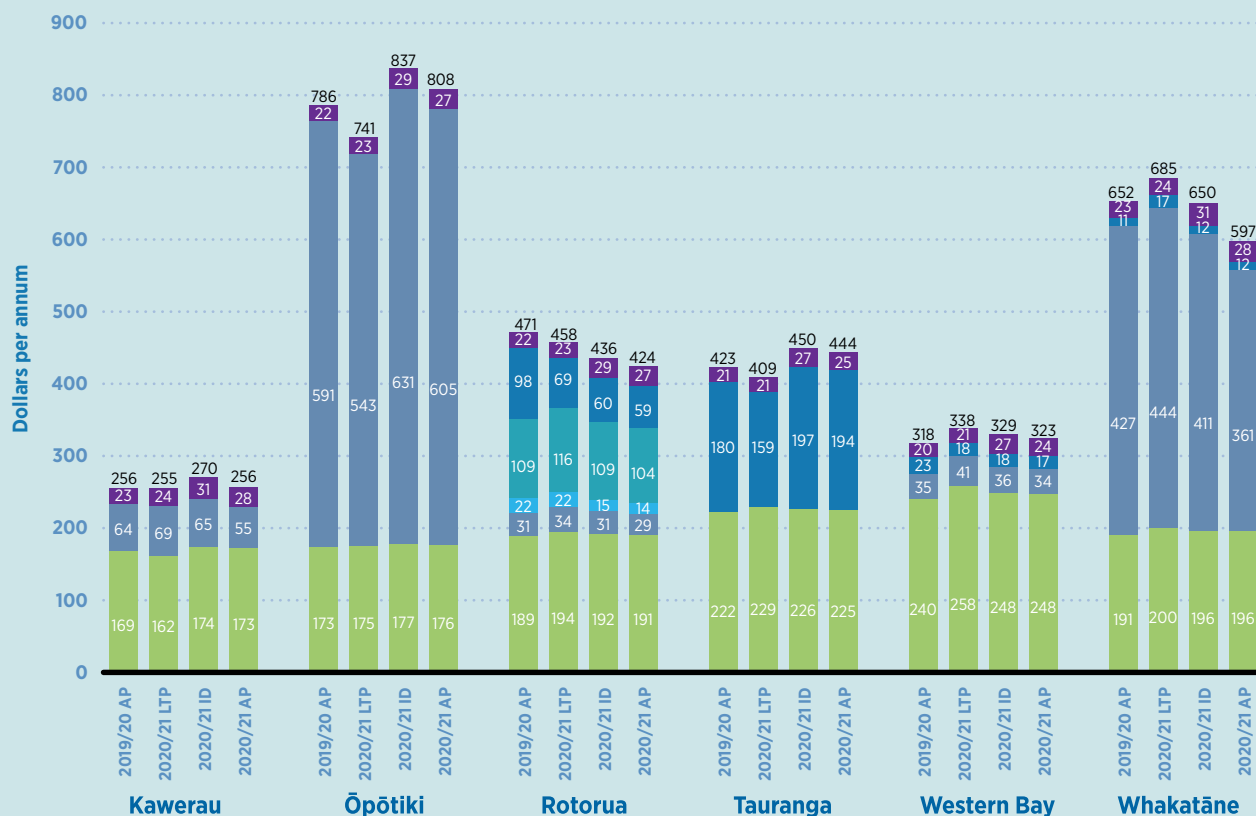
The graph below shows all of our sources of income for 2020/21.



Total income planned for 2020/21 is \$134.0 million

The graph below shows rates comparisons between what you are paying now, what was originally planned for year three of the Long Term Plan 2018-2028, and what has been confirmed through Annual Plan 2020/21. 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.

### TOTAL RATES BY TERRITORIAL AUTHORITY - ANNUAL AVERAGE



LTP = Long Term Plan 2018-2028  
 ID = Draft Annual Plan Information Document  
 AP = Annual Plan



The rates shown in the graph above includes the Council's Goods and Services Tax component.

Note: the Civil Defence targeted rate was introduced in the 2018/19 financial year and includes costs to deliver services that were previously funded by local and district councils.

### UNBALANCED BUDGET STATEMENT

We have an unbalanced budget in 2020/21. This means that our forecast operating revenue is less than our operating expenditure. The main reason for the forecast unbalanced budget is due to contributing to third party infrastructure projects, and using reserves to lessen the impact on ratepayers. This funding for third party infrastructure projects was committed to through our previous Long Term Plan.

We have enough operating revenue and reserves to meet our obligations.

# What's happening in your area for 2020/21? Ngā nekehanga

## WESTERN BAY / TAURANGA

- Support the **Tauranga Moana Programme** to work on improving the health of the Harbour and its catchment
- Renewal of the **Kaituna Mole** – a river mouth control structure located at the mouth of the Kaituna River
- Continue the implementation of the **Western Bay of Plenty Public Transport Blueprint**
- Monitoring of **air quality** in the Mount Maunganui Industrial Area
- With our partners including Tauranga City Council, Western Bay District Council and NZTA supporting the **Urban Form and Transport Initiative**
- Education campaign to inform and reinforce awareness of the **Motiti Protection Area**

## ROTORUA

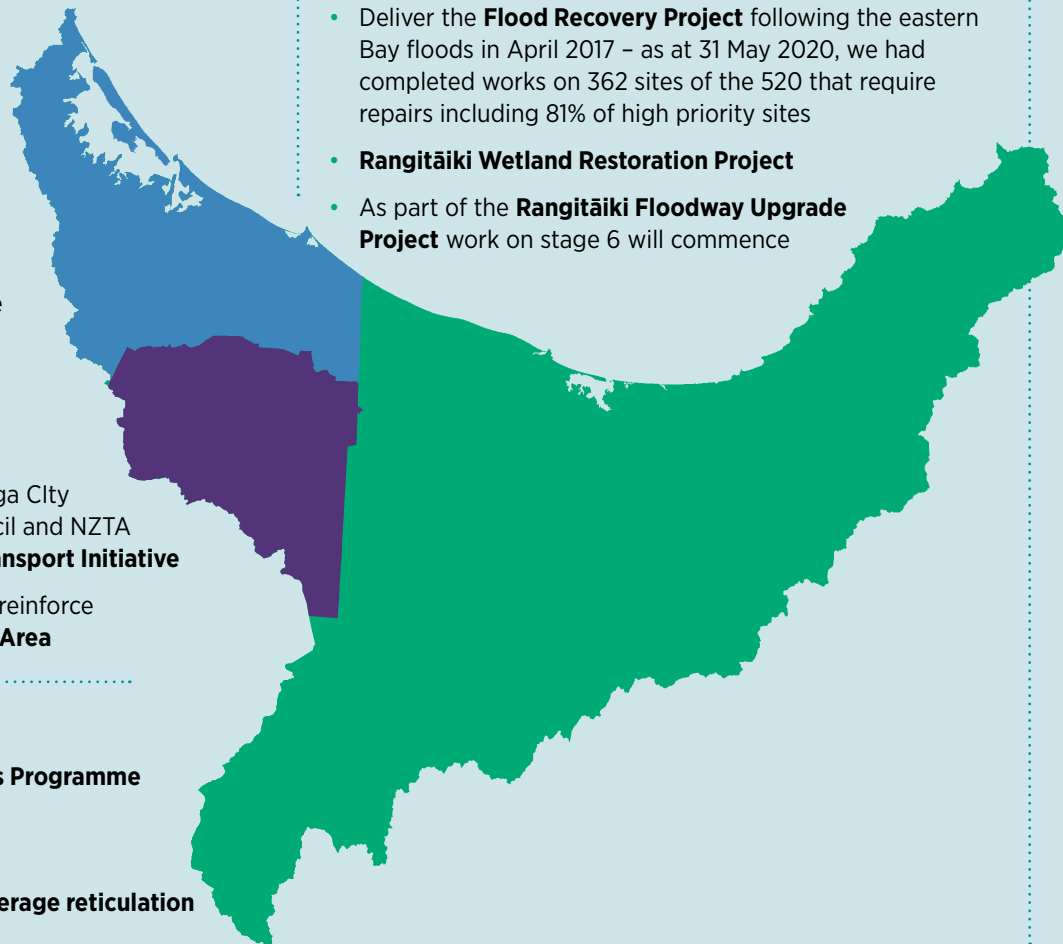
- Deliver the **Rotorua Te Arawa Lakes Programme**
- **Rotorua Air Quality** programme – including hot swap loans
- Support the delivery of **Rotoiti sewerage reticulation**

## WHAKATĀNE / ŌPŌTIKI / EASTERN BAY

- Deliver the **Flood Recovery Project** following the eastern Bay floods in April 2017 – as at 31 May 2020, we had completed works on 362 sites of the 520 that require repairs including 81% of high priority sites
- **Rangitāiki Wetland Restoration Project**
- As part of the **Rangitāiki Floodway Upgrade Project** work on stage 6 will commence

## REGION WIDE

- Undertake maintenance, renewals, and capital projects for **rivers and drainage schemes** across the region
- **Responding to environmental complaints and incidents**, and carrying 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
- 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
- **Bay of Connection Recovery Strategy** and **Bay of Plenty Regional Council Recovery Programme** workstreams to support regional recovery from COVID-19



# Groups of activities

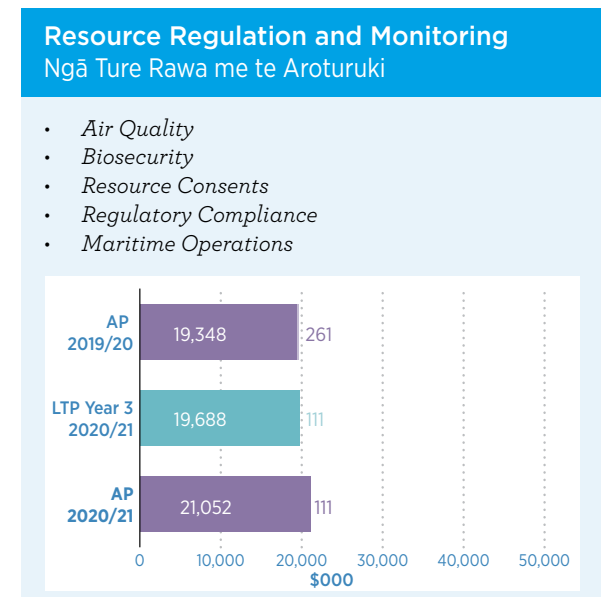
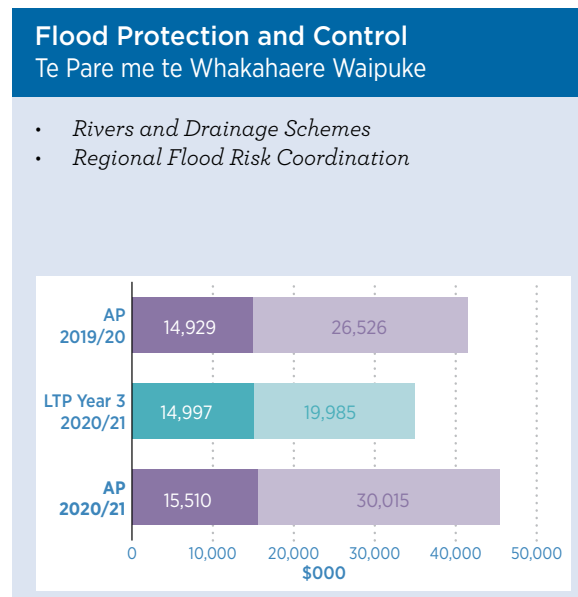
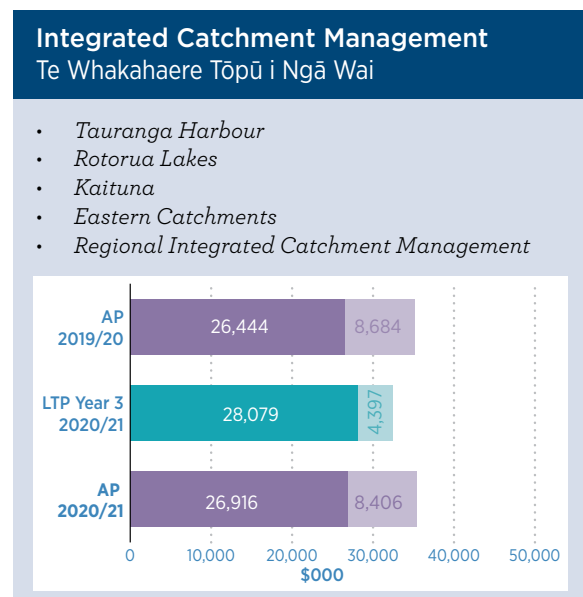
## Ngā rōpū mahinga

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

The following show our operating and capital expenditure for 2020/21, compared to our budget for 2019/20 and what was budgeted through year three of the Long Term Plan 2018-2028.

### Key

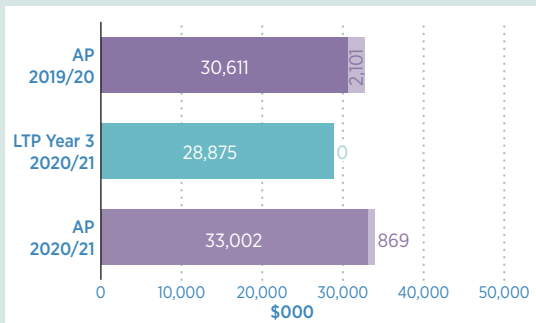
- LTP Operating expenditure
- LTP Capital expenditure
- AP Operating expenditure
- AP Capital expenditure



## Transportation

Ikiiki

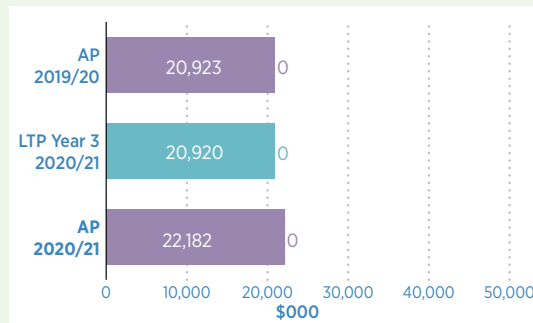
- Passenger Transport
- Transport Planning



## Regional Planning and Engagement

Te Hanga Mahere ā-Rohe me te Whakawhitiwhiti

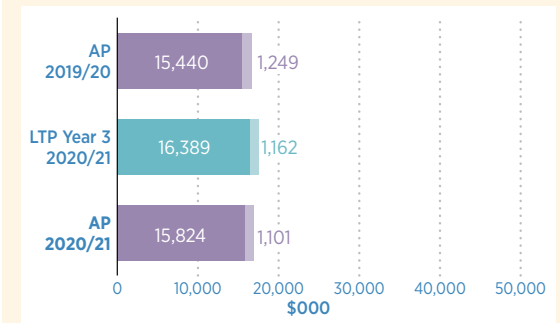
- Regional Planning
- Māori Policy
- Geothermal
- Community Engagement
- Governance Services



## Technical Services

Ngā Ratonga Hangarau

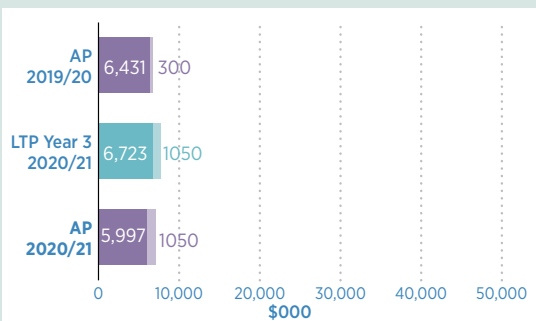
- Geospatial
- Engineering
- Data Services
- Science



## Regional Development

Whanaketanga ā-Rohe

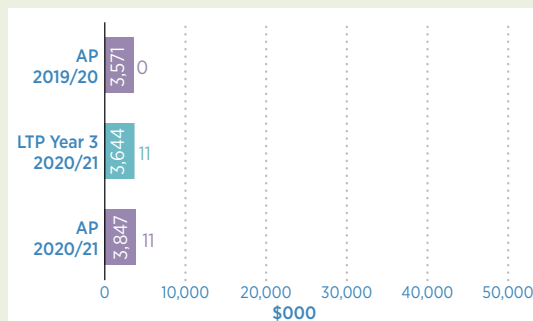
- Regional Infrastructure
- Regional Economic Development
- Regional Parks



## Emergency Management

Te Whakahaere Mate Whawhati Tata

- Emergency Management

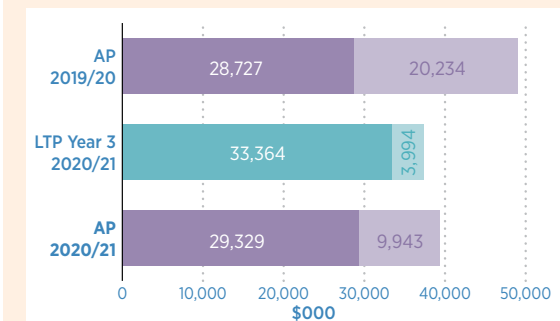


## Corporate Services

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*

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#### **ACCOUNTING POLICY CHANGES**

There are no accounting policy changes for 2020/21 Annual Plan.

#### **FORECASTING ASSUMPTION CHANGES**

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

Assumption	2020/21	
	Year 3 Long Term Plan	Annual Plan
1. Investment income	4.8%	3.5%
2. Number of rating units	130,014	131,514
3. Borrowing and expected interest rates	4.0%	1.68%



## Prospective Financial Statements

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE	Note	2019/20	2020/21		Change \$000
		Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	
<b>OPERATING REVENUE</b>					
General rates		27,544	28,934	28,471	463
Targeted rates		29,369	29,202	28,727	475
Subsidies and grants		23,032	19,007	22,892	(3,885)
Fees and charges		11,533	12,318	11,080	1,238
Finance income		6,528	7,026	5,781	1,245
Dividends		32,200	33,200	33,200	0
Other revenue		6,492	7,875	6,702	1,173
<b>Total operating revenue</b>	1	<b>136,698</b>	<b>137,562</b>	<b>136,853</b>	<b>709</b>
<b>OPERATING EXPENDITURE</b>					
Personnel expenses		42,050	42,580	44,432	(1,852)
Depreciation and amortisation	3	8,138	8,799	9,130	(331)
Finance costs		3,547	6,372	3,258	3,114
Trading and other expenses		80,316	78,939	85,625	(6,686)
<b>Total operating expenditure</b>	1	<b>134,051</b>	<b>136,690</b>	<b>142,445</b>	<b>(5,755)</b>
<b>Net surplus (deficit)</b>		<b>2,647</b>	<b>872</b>	<b>(5,592)</b>	<b>6,464</b>
<b>OTHER COMPREHENSIVE REVENUE AND EXPENSE</b>					
Gain on property revaluations		1,221	1,536	1,536	0
Gain on infrastructure asset revaluations		6,573	7,875	7,875	0
Gain on maritime asset revaluations		12	16	16	0
Financial assets at fair value through other comprehensive revenue and expense		276	158	158	0
<b>Total other comprehensive revenue and expense</b>		<b>8,082</b>	<b>9,585</b>	<b>9,585</b>	<b>0</b>
<b>Total comprehensive revenue and expense</b>		<b>10,729</b>	<b>10,457</b>	<b>3,993</b>	<b>6,464</b>

## PROSPECTIVE STATEMENT OF CHANGES IN NET ASSETS/EQUITY

	2019/20	2020/21		
	Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
Balance at 1 July	462,605	444,318	524,655	80,337
Total comprehensive revenue and expense previously reported	10,729	10,457	3,993	(6,464)
<b>Balance at 30 June</b>	<b>473,334</b>	<b>454,775</b>	<b>528,648</b>	<b>73,873</b>
<i>Total comprehensive revenue and expense attributable to:</i>				
Equity holders of the parent	10,729	10,457	3,993	(6,464)

## PROSPECTIVE STATEMENT OF FINANCIAL POSITION

	Notes	2019/20	2020/21		
		Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
<b>CURRENT ASSETS</b>					
Cash and cash equivalents		33,607	18,492	24,166	5,674
Trade and other receivables		13,110	15,156	16,914	1,758
Other financial assets - current		67,400	24,798	179,606	154,808
Inventories		237	217	245	28
<b>Total current assets</b>		<b>114,354</b>	<b>58,663</b>	<b>220,931</b>	<b>162,268</b>
<b>NON-CURRENT ASSETS</b>					
Trade and other receivables - non-current		2,189	2,137	1,857	(280)
Property plant and equipment		455,254	459,328	516,276	56,948
Intangible assets		6,938	7,273	5,498	(1,775)
Other financial assets - long term		125,067	124,269	31,447	(92,822)
Investment in subsidiaries		1,877	1,877	10,148	8,271
<b>Total non-current assets</b>		<b>591,325</b>	<b>594,884</b>	<b>565,226</b>	<b>(29,658)</b>
<b>Total assets</b>		<b>705,679</b>	<b>653,547</b>	<b>786,157</b>	<b>132,610</b>

**PROSPECTIVE STATEMENT OF FINANCIAL POSITION** *continued*

	Notes	2019/20	2020/21		Change \$000
		Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	
<b>CURRENT LIABILITIES</b>					
Trade and other payables		21,458	12,643	16,542	3,899
Employee benefit liabilities		5,202	4,806	4,916	110
Borrowings - short term		100,000	0	90,500	90,500
<b>Total current liabilities</b>		<b>126,660</b>	<b>17,449</b>	<b>111,958</b>	<b>94,509</b>
<b>NON-CURRENT LIABILITIES</b>					
Employee benefit liabilities - long term		1,165	1,103	1,251	148
Borrowings - long term		89,520	165,220	140,900	(24,320)
Put option		15,000	15,000	3,400	(11,600)
<b>Total non-current liabilities</b>		<b>105,685</b>	<b>181,323</b>	<b>145,551</b>	<b>(35,772)</b>
<b>Total liabilities</b>		<b>232,345</b>	<b>198,772</b>	<b>257,509</b>	<b>58,737</b>
<b>Total net assets</b>		<b>473,334</b>	<b>454,775</b>	<b>528,648</b>	<b>73,873</b>
<b>EQUITY</b>					
Retained earnings		197,879	189,559	192,685	3,126
Asset revaluation reserve	2	158,276	150,046	197,198	47,152
Asset replacement reserve	2	20,454	18,734	40,234	21,500
Environmental enhancement fund	2	726	237	465	228
Disaster reserve	2	3,486	3,991	2,738	(1,253)
Equalisation reserve	2	3,331	208	5,340	5,132
Infrastructure fund reserve	2	1,005	9,251	5,453	(3,798)
Regional fund reserve	2	34,011	31,370	33,435	2,065
Toi Moana reserve	2	45,000	45,000	45,000	0
Rates current account reserve	2	3,963	1,685	3,431	1,746
Rotorua lakes deed funding reserve	2	1,314	718	401	(317)
Kaituna NZTA reserve	2	569	548	606	58
CDEM reserve	2	1,341	600	0	(600)
Kaituna River authority reserve	2	234	255	189	(66)
Kaituna River remediation	2	464	445	487	42
Financial assets reserve	2	1,281	2,128	986	(1,142)
<b>Total equity</b>		<b>473,334</b>	<b>454,775</b>	<b>528,648</b>	<b>73,873</b>

## PROSPECTIVE STATEMENT OF CASHFLOWS

	2019/20	2020/21		
	Annual Plan \$'000	Year 3 Long Term Plan \$'000	Annual Plan \$'000	Change \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
General and targeted rates	56,815	57,992	57,198	(794)
Grants and subsidies	23,003	17,784	22,892	5,108
GST	96	1,776	95	(1,681)
Other receipts from customers	17,914	21,282	17,782	(3,500)
Interest received	6,507	7,008	5,781	(1,227)
Interest paid	(3,547)	6,372	(3,258)	(9,630)
Dividends	32,200	33,200	33,200	0
Payments to suppliers	(80,779)	(79,066)	(85,622)	(6,556)
Payments to employees	(42,162)	(42,080)	(44,433)	(2,353)
<b>Net cash from operating activities</b>	<b>10,047</b>	<b>24,268</b>	<b>3,635</b>	<b>(20,633)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of property, plant & equipment	0	0	0	0
Purchase of property plant & equipment	(56,975)	(29,144)	(50,715)	(21,571)
Purchase of intangible assets	(2,380)	(1,565)	(947)	618
Purchase of investments	0	(15,926)	(38,995)	(23,069)
Investment withdrawals	16,005	0	54,776	54,776
<b>Net cash from investing activities</b>	<b>(43,350)</b>	<b>(46,635)</b>	<b>(35,881)</b>	<b>10,754</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings	50,000	23,608	40,000	16,392
Loan issued to QHL	0	0	0	0
Borrower Notes	0	0	(840)	(840)
Loans issued to ratepayers	(2,010)	(2,010)	(2,010)	0
Loan repayments from ratepayers	581	922	770	(152)
<b>Net cash from financing activities</b>	<b>48,571</b>	<b>22,520</b>	<b>37,920</b>	<b>15,400</b>
<b>Net increase (decrease) in cash, cash equivalents and bank overdrafts</b>	<b>15,268</b>	<b>153</b>	<b>5,674</b>	<b>5,521</b>
Cash, cash equivalents and bank overdrafts at the beginning of the year	18,339	18,339	18,492	153
<b>Cash, cash equivalents and bank overdrafts at the end of the year</b>	<b>33,607</b>	<b>18,492</b>	<b>24,166</b>	<b>5,674</b>

## Notes to Prospective Financial Statements

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

	2019/20	2020/21		
	Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
<b>REVENUE BY GROUP OF ACTIVITIES</b>				
Integrated Catchment Management	8,712	8,565	8,755	(190)
Flood Protection & Control	11,944	12,800	12,416	384
Resource Regulation & Monitoring	6,361	6,566	6,872	(306)
Transportation	28,376	26,990	28,667	(1,677)
Regional Development	8	8	8	0
Regional Planning & Engagement	0	0	0	0
Emergency Management	3,574	3,649	3,001	648
Technical Services	2,187	2,288	2,310	(22)
Corporate Services	45,406	48,723	43,520	5,203
<b>Activity operating revenue</b>	<b>106,568</b>	<b>109,589</b>	<b>105,549</b>	<b>4,040</b>
General rates	27,544	28,934	28,471	463
Investment income allocated	0	0	0	0
<b>Total activity operating revenue</b>	<b>134,112</b>	<b>138,523</b>	<b>134,020</b>	<b>4,503</b>
<b>RECONCILIATION TO INCOME STATEMENT</b>				
Less internal interest	(6,436)	(8,062)	(4,312)	(3,750)
Plus subsidies and grants for capital expenditure	9,022	7,101	7,145	(44)
<b>Total operating revenue - income statement</b>	<b>136,698</b>	<b>137,562</b>	<b>136,853</b>	<b>709</b>

NOTE 1 *continued*

	2019/20	2020/21		
	Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
<b>RECONCILIATION TO FUNDING IMPACT STATEMENT</b>				
Less subsidies and grants for capital expenditure	(4,715)	(1,400)	(3,404)	2,004
Less other dedicated capital funding	(4,307)	(5,701)	(3,740)	(1,961)
<b>Total sources of operating funding</b>	<b>127,676</b>	<b>130,461</b>	<b>129,709</b>	<b>752</b>
<b>EXPENDITURE BY GROUP OF ACTIVITIES</b>				
Integrated Catchment Management	26,443	28,080	26,915	(1,165)
Flood Protection & Control	14,929	14,997	15,510	513
Resource Regulation & Monitoring	19,348	19,688	21,052	1,364
Transportation	30,611	28,875	33,002	4,127
Regional Development	6,431	6,723	5,997	(726)
Regional Planning & Engagement	20,923	20,920	22,182	1,262
Emergency Management	3,571	3,644	3,847	203
Technical Services	15,440	16,389	15,824	(565)
Corporate Services	2,791	5,436	2,428	(3,008)
<b>Total operating expenditure</b>	<b>140,487</b>	<b>144,752</b>	<b>146,757</b>	<b>2,005</b>
<b>RECONCILIATION TO INCOME STATEMENT</b>				
Less internal interest	(6,436)	(8,062)	(4,312)	3,750
<b>Total expenditure - income statement</b>	<b>134,051</b>	<b>136,690</b>	<b>142,445</b>	<b>5,755</b>
<b>RECONCILIATION TO FUNDING IMPACT STATEMENT</b>				
Less depreciation	(8,138)	(8,799)	(9,130)	(331)
<b>Total applications of operating funding</b>	<b>125,913</b>	<b>127,891</b>	<b>133,315</b>	<b>5,424</b>
<b>Net cost of service</b>	<b>2,647</b>	<b>872</b>	<b>(5,592)</b>	<b>(6,464)</b>
<b>Surplus (deficit) of operating funding</b>	<b>1,763</b>	<b>2,570</b>	<b>(3,606)</b>	<b>(6,176)</b>

Each group of activity financial statement includes internal costs, internal revenues, and non-monetary transactions.

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

	2019/20	2020/21		
	Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
<b>ASSET REVALUATION RESERVE</b>				
Opening balance surplus (deficit)	150,470	140,616	187,769	47,153
Deposits	7,806	9,428	9,428	0
Withdrawals	0	0	0	0
<b>Closing balance surplus (deficit)</b>	<b>158,276</b>	<b>150,044</b>	<b>197,197</b>	<b>47,153</b>
<b>ASSET REPLACEMENT RESERVE</b>				
Opening balance surplus (deficit)	(1,529)	11,127	22,845	11,718
Deposits	43,685	25,887	73,771	47,884
Withdrawals	(21,702)	(18,280)	(56,381)	(38,101)
<b>Closing balance surplus (deficit)</b>	<b>20,454</b>	<b>18,734</b>	<b>40,235</b>	<b>21,501</b>
<b>ENVIRONMENTAL ENHANCEMENT FUND</b>				
Opening balance surplus (deficit)	726	237	465	228
Deposits	313	320	333	13
Withdrawals	(313)	(320)	(333)	(13)
<b>Closing balance surplus (deficit)</b>	<b>726</b>	<b>237</b>	<b>465</b>	<b>228</b>
<b>DISASTER RESERVES</b>				
Opening balance surplus (deficit)	3,114	2,998	1,744	(1,254)
Deposits	960	994	994	0
Withdrawals	(588)	0	0	0
<b>Closing balance surplus (deficit)</b>	<b>3,486</b>	<b>3,992</b>	<b>2,738</b>	<b>(1,254)</b>
<b>EQUALISATION FUND RESERVE</b>				
Opening balance surplus (deficit)	2,824	760	10,079	9,319
Deposits	507	(552)	0	552
Withdrawals	0	0	(4,739)	(4,739)
<b>Closing balance surplus (deficit)</b>	<b>3,331</b>	<b>208</b>	<b>5,340</b>	<b>5,132</b>

**NOTE 2 - RESERVES** *continued*

	2019/20	2020/21		
	Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
<b>INFRASTRUCTURE FUND RESERVE</b>				
Opening balance surplus (deficit)	10,871	19,419	9,198	(10,221)
Deposits	0	0	0	0
Withdrawals	(9,866)	(10,168)	(3,745)	6,423
<b>Closing balance surplus (deficit)</b>	<b>1,005</b>	<b>9,251</b>	<b>5,453</b>	<b>(3,798)</b>
<b>REGIONAL PROJECT FUND RESERVE</b>				
Opening balance surplus (deficit)	30,655	27,860	32,925	5,065
Deposits	3,356	3,510	3,510	0
Withdrawals	0	0	(3,000)	(3,000)
<b>Closing balance surplus (deficit)</b>	<b>34,011</b>	<b>31,370</b>	<b>33,435</b>	<b>2,065</b>
<b>TOI MOANA RESERVE</b>				
Opening balance surplus (deficit)	45,000	45,000	45,000	0
Deposits	0	0	0	0
Withdrawals	0	0	0	0
<b>Closing balance surplus (deficit)</b>	<b>45,000</b>	<b>45,000</b>	<b>45,000</b>	<b>0</b>
<b>RATES CURRENT ACCOUNT RESERVE</b>				
Opening balance surplus (deficit)	4,116	2,000	6,086	4,086
Deposits	979	1,120	585	(535)
Withdrawals	(1,132)	(1,435)	(3,241)	(1,806)
<b>Closing balance surplus (deficit)</b>	<b>3,963</b>	<b>1,685</b>	<b>3,430</b>	<b>1,745</b>
<b>ROTORUA LAKES DEED FUNDING RESERVE</b>				
Opening balance surplus (deficit)	1,656	718	3,401	2,683
Deposits	7,195	0	0	0
Withdrawals	(7,537)	0	(3,000)	(3,000)
<b>Closing balance surplus (deficit)</b>	<b>1,314</b>	<b>718</b>	<b>401</b>	<b>(317)</b>
<b>KAITUNA NZTA RESERVE</b>				
Opening balance surplus (deficit)	569	548	606	58
Deposits	0	0	0	0
Withdrawals	0	0	0	0
<b>Closing balance surplus (deficit)</b>	<b>569</b>	<b>548</b>	<b>606</b>	<b>58</b>



**NOTE 2 - RESERVES** *continued*

	2019/20	2020/21		
	Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
<b>CDEM GROUP RESERVE</b>				
Opening balance surplus (deficit)	1,341	600	570	(30)
Deposits	0	0	0	0
Withdrawals	0	0	(570)	(570)
<b>Closing balance surplus (deficit)</b>	<b>1,341</b>	<b>600</b>	<b>0</b>	<b>(600)</b>
<b>KAITUNA RIVER AUTHORITY RESERVE</b>				
Opening balance surplus (deficit)	234	255	190	(65)
Deposits	0	0	0	0
Withdrawals	0	0	0	0
<b>Closing balance surplus (deficit)</b>	<b>234</b>	<b>255</b>	<b>190</b>	<b>(65)</b>
<b>KAITUNA RIVER REMEDIATION</b>				
Opening balance surplus (deficit)	464	445	487	42
Deposits	0	0	0	0
Withdrawals	0	0	0	0
<b>Closing balance surplus (deficit)</b>	<b>464</b>	<b>445</b>	<b>487</b>	<b>42</b>
<b>FINANCIAL ASSETS FOR RESALE RESERVE</b>				
Opening balance surplus (deficit)	1,005	1,970	828	(1,142)
Deposits	276	158	158	0
Withdrawals	0	0	0	0
<b>Closing balance surplus (deficit)</b>	<b>1,281</b>	<b>2,128</b>	<b>986</b>	<b>(1,142)</b>
<b>TOTAL RESERVES</b>				
Opening balance surplus (deficit)	251,516	254,553	322,193	67,640
Deposits	65,077	40,865	88,779	47,914
Withdrawals	(41,138)	(30,203)	(75,009)	(44,806)
<b>Closing balance surplus (deficit)</b>	<b>275,455</b>	<b>265,215</b>	<b>335,963</b>	<b>70,748</b>

### NOTE 3 - DEPRECIATION AND AMORTISATION

	2019/20	2020/21		
	Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
<b>DEPRECIATION AND AMORTISATION BY GROUP OF ACTIVITIES</b>				
Integrated Catchment Management	1,014	1,039	1,114	75
Flood Protection & Control	1,494	1,465	1,874	409
Resource Regulation & Monitoring	74	99	81	(18)
Transportation	327	354	390	36
Regional Development	56	79	68	(11)
Regional Planning & Engagement	0	0	0	0
Emergency Management	0	0	0	0
Technical Services	737	1,078	885	(193)
Corporate Services	4,436	4,685	4,718	33
<b>Total depreciation and amortisation</b>	<b>8,138</b>	<b>8,799</b>	<b>9,130</b>	<b>331</b>

### 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	2020/21		Met	
		Year 3 Long Term Plan Limit	Annual Plan		
1. a) Rates affordability General	<i>quantified limit on rates</i>	Income <=	28,934,000	28,471,000	yes
	<i>quantified limit on rates increases</i>	Increases <=	6.1%	4.3%	yes
1. b) Rates affordability Targeted	<i>quantified limit on rates</i>	Income <=	29,202,000	28,727,066	yes
	<i>quantified limit on rates increases</i>	Increases <=	6.9%	4.4%	yes
2. Debt affordability	<i>quantified limit on borrowing</i>	Net debt/total revenue <250%	250%	35%	yes
	<i>quantified limit on borrowing</i>	Net interest/total revenue <20%	20%	-2%	yes
	<i>quantified limit on borrowing</i>	Net interest/annual rates revenue <30%	30%	4%	yes
	<i>quantified limit on borrowing</i>	Liquidity >110%	110%	181%	yes
3. Balanced budget	100%	Revenue >=operational	100%	96%	no
4. Essential services	100%	Planned capital expenditure on network services >= expected depreciation	100%	1831%	yes
5. Debt servicing	10%	Planned borrowing cost is <= 10% of planned revenue	10%	2%	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, plan 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 on page 42 of this Plan.

**All 2020/21 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	\$12,132,453
Constituent Authority	Rates expressed as cents per dollars of rateable land value
Kawerau	0.023330
Ōpōtiki	0.019879
Rotorua (Pt)	0.023851
Taupō (Pt)	0.019879
Tauranga	0.020788
Western Bay of Plenty	0.019879
Whakatāne	0.019879
Offshore Islands	0.128453

### 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.

Uniform Annual General Charge	\$16,546,657
Fixed amount per rating unit	\$125.82

### 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](http://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	185.08	185.08	366,679
A2P	148.06	166.57	22,259
A3P	111.05	148.06	18,864
A4P	74.03	129.56	20,557
A1	148.06	138.81	91,568
A2	120.30	120.30	43,071
A3	92.54	120.30	43,246
A4	64.78	120.30	25,813
A5	55.52	120.30	74,642
A6	46.27	101.79	17,858
A7	33.31	92.54	17,097
A8	22.21	N/A	2,455
A9	7.40	N/A	643
A10	3.70	N/A	613
A11	1.85	N/A	450
B1	22.21	55.52	19,068
B2	16.66	46.27	5,970
B3	9.25	37.02	17,327
B4	5.55	27.76	30,502
B5	3.70	27.76	50,786
C1	5.55	27.76	5,550
C2	3.24	27.76	92,761
C3	2.22	27.76	25,702
C4	1.85	N/A	3,852
C6R	1.11	N/A	1,200
C8	0.74	18.51	5,289
C5	2.22	18.51	96,023
C6	1.30	14.81	14,517
C7	0.74	55.52	2,048
C9	0.56	14.81	3,689
R01	37.02	74.03	19,089

Kaituna Catchment Control Scheme targeted rates			
Category	Rate per hectare \$	Site component \$	Revenue sought \$
R02	N/A	55.52	58,055
R03	27.76	23.14	564,592
TP1	18.51	27.76	81,882
<b>Total</b>			<b>1,843,717</b>

N/A = Not Applicable

#### 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	136.14	1,095,678
A2	96.43	151,306
A3	73.74	134,843
A4	56.73	64,969
A5	48.22	331,846
A6	17.02	2,814
B1	85.09	180,434
B2	68.07	33,039
B3	51.05	36,229
B4	39.71	340,715
B5	28.36	45,463
B6	10.21	378
B7	7.94	1,427
C1	7.37	58,202

Rangitāiki-Tarawera Rivers Scheme targeted rates		
Category	Rate per hectare \$	Revenue sought \$
C2	5.11	263,922
C3	1.70	161,383
C4	1.13	71,138
C5	0.85	18,287
U1	4,339.48	173,871
U2	4,084.22	231,534
U3	737.43	18,501
U4	482.16	379,434
U5	340.35	34,664
<b>Total</b>		<b>3,830,077</b>

#### 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	141.83	141.83	104,809
A2	120.01	120.01	47,666
A3	98.19	103.64	156,643
A4	81.82	92.73	252,600
A5	60.00	N/A	14,490
A6	43.64	76.37	18,965
A7	32.73	65.46	24,415

Whakatāne-Tauranga Rivers Scheme targeted rates			
Category	Rate per hectare \$	Site component \$	Revenue sought \$
A8	21.82	60.00	53,094
A9	10.91	N/A	1,409
B1	49.09	N/A	108,724
B2	27.27	49.09	77,431
B3	21.82	32.73	42,068
B4	16.36	27.27	7,341
B5	2.18	N/A	986
C1	6.55	54.55	29,510
C2	4.36	21.82	43,305
C3	3.27	21.82	30,914
C4	2.18	5.45	5,129
C5	1.09	5.45	26,478
U1	490.94	147.28	394,155
U2	360.02	114.55	114,102
U3	190.92	76.37	178,208
U4	120.01	65.46	87,872
U5	10.91	N/A	7
<b>Total</b>			<b>1,820,321</b>

N/A = Not Applicable

### 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	367.01	423.47	21,833
A2	197.62	310.54	26,919
A2A	282.31	352.89	12,756
A3	169.39	254.08	127,794
A3A	225.85	310.54	5,790
A4	141.16	197.62	76,162
A4A	183.50	254.08	2,402
A5	127.04	197.62	58,617
A6	98.81	197.62	899
A7	84.69	197.62	10,205
A8	70.58	197.62	92,110
B1	56.46	N/A	15,228
B2	8.47	N/A	144
C1	14.12	169.39	41,865
C2	8.47	169.39	14,448
C3	5.65	141.16	13,893
C4	4.23	56.46	20,164
C5	2.82	56.46	3,133

Waioeka-Otara Rivers Scheme targeted rates			
Category	Rate per hectare \$	Site component \$	Revenue sought \$
C6	1.13	56.46	10,124
R	2.82	N/A	268
U1AC	1,693.88	1,242.18	48,934
U1AR	846.94	621.09	70,770
U1C	1,355.10	1,016.33	150,369
U1R	677.55	508.16	429,753
U2AC	1,242.18	903.40	15,679
U2AR	621.09	451.70	53,119
U2C	903.40	790.48	10,230
U2R	451.70	395.24	121,827
U3R	112.93	225.85	93,556
<b>Total</b>			<b>1,548,991</b>

N/A = Not Applicable

### 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	57.12	441,855
B	51.41	57,151
C	47.98	69,229

Rangitāiki Drainage targeted rates		
Category	Rate per hectare \$	Revenue sought \$
D	41.70	254,597
E	34.27	93,544
F	25.71	63,545
G	19.42	72,522
H	14.28	1,591
I	6.85	5,274
U1	114.25	25,261
U2	57.12	3,482
<b>Total</b>		<b>1,088,051</b>

#### 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	168.62	9,918,753
Rotorua Urban	51.54	1,141,096
Western Bay District	15.19	346,406
Whakatāne District	12.16	183,111
<b>Total</b>		<b>11,589,366</b>

#### 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 - 1.9999ha	90.32	2,314,573
2 - 9.9999ha	191.96	135,945
10ha and over	628.11	479,322
<b>Total</b>		<b>2,929,840</b>

#### 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	12.55	277,796

#### 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 per rating unit \$	Revenue sought \$
CH001	591.30	41,983
CH002	573.91	15,496
CH003	556.52	18,365
CH004	539.13	15,635
CH005	521.74	14,609
CH006	504.35	9,078
CH007	486.96	7,791
CH008	469.57	11,739
CH009	452.17	2,713
CH010	434.78	2,609
CH011	417.39	3,339
CH1	400.00	116,400
CH2	395.65	17,013
CH3	391.30	16,435
CH4	386.96	7,352
CH5	382.61	18,748

Rotorua Air Clean Heat Conversion targeted rates		
Category	Rate per rating unit \$	Revenue sought \$
CH6	378.26	12,104
CH7	373.91	17,200
CH8	369.57	10,348
CH9	365.22	9,496
CH10	360.87	11,187
CH11	356.52	7,130
CH12	352.17	7,043
CH13	347.83	6,609
CH14	343.48	13,396
CH15	339.13	9,835
CH16	334.78	13,056
CH17	330.43	3,304
CH18	326.09	7,174
CH19	321.74	7,400
CH20	317.39	5,078
CH21	313.04	5,635
CH22	308.70	2,470
CH23	304.35	4,261
CH24	300.00	7,800
CH25	295.65	3,843
CH26	291.30	4,370
CH27	286.96	8,035
CH28	282.61	10,739
CH29	278.26	3,896
CH30	273.91	3,561
CH31	269.57	3,774
CH32	265.22	1,591
CH33	260.87	3,913

Rotorua Air Clean Heat Conversion targeted rates		
Category	Rate per rating unit \$	Revenue sought \$
CH34	256.52	4,617
CH35	252.17	5,296
CH36	247.83	2,726
CH37	243.48	3,652
CH38	239.13	3,826
CH39	234.78	7,513
CH40	230.43	1,383
CH41	226.09	2,939
CH42	221.74	2,661
CH43	217.39	2,609
CH44	213.04	2,557
CH45	208.70	2,087
CH46	204.35	2,248
CH47	200.00	2,000
CH48	195.65	15,652
<b>Total</b>		<b>585,319</b>

## 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	24.43	70,924
Ōpōtiki	23.54	117,306
Rotorua	23.53	637,568
Tauranga	21.75	1,279,627
Western Bay of Plenty	21.30	485,701
Whakatāne	24.60	370,565
<b>Total</b>		<b>2,961,691</b>



## 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](http://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	94.95	10,313
B	75.96	12,353
C	56.97	10,892
D	31.65	1,609
E	18.99	1,441
F	9.50	1,792
<b>Total</b>		<b>38,400</b>

Huntress Creek Drainage District targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	71.48	15,057
B	54.80	4,348
C	35.74	2,594
D	23.83	1,270
E	16.68	546
F	7.15	2,385
<b>Total</b>		<b>26,200</b>

Waiotahi Drainage District targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	44.12	3,767
B	36.76	7,640
C	29.41	1,857
D	22.06	991
E	14.71	63
F	7.35	1,682
<b>Total</b>		<b>16,000</b>

#### 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	353.11	4,449
B	162.43	23,909
C	70.62	13,937
D	35.31	1,705
<b>Total</b>		<b>44,000</b>

Omeheu Adjunct Communal Pumped Drainage Scheme targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	75.06	772
B	56.29	4,512
C	41.28	2,299
D	22.52	1,967
E	11.26	610
F	3.75	88
URBAN	198.91	8,552
<b>Total</b>		<b>18,800</b>

Lawrence Communal Pumped Drainage Scheme rates		
Category	Rate per hectare \$	Revenue sought \$
A	543.10	15,315
B	434.48	1,999
C	271.55	1,923
D	135.77	1,963
<b>Total targeted rates</b>		<b>21,200</b>

Murray's Communal Pumped Drainage Scheme rates		
Category	Rate per hectare \$	Revenue sought \$
A	87.04	13,281
B	62.67	1,031
C	55.71	2,669
D	24.37	1,319
<b>Total</b>		<b>18,300</b>

### 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	43.58	10,000
Awakeri	16.47	4,700
Baird-Miller	32.70	4,500
Foubister	84.81	8,900
Gordon	169.77	16,700
Greigs Road	68.66	49,000
Halls	93.33	22,600
Riverslea Road	494.42	15,200
Kuhanui	60.27	5,000
Longview-Richlands	86.26	10,000
Martin	38.90	5,200
Massey	12.42	5,300
Mexted-Withy	17.25	4,800
Omeheu East	53.18	22,300
Pedersen - Topp	43.73	5,000
Platts	77.90	28,700
Reynolds	64.49	8,300
Robins Road	190.46	35,600
Travurzas	58.58	11,600
Wyls	100.09	18,800
Poplar Lane	192.04	10,800
Awaiti East	224.55	32,000
<b>Total</b>		<b>335,000</b>

### LUMP SUM CONTRIBUTIONS

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

### EXAMPLES OF 2020/21 GENERAL AND TARGETED RATES

The examples show the impact of general and targeted rates for a range of property values and sizes for different rating categories.

#### Kawerau

Land Value \$	Land Area m <sup>2</sup>	General Rates	Targeted Rates
83,000	500	145.18	48.54
106,000	1,000	150.55	72.65
120,000	2,000	153.81	120.86

#### Ōpōtiki

Land Value \$	Land Area m <sup>2</sup>	General Rates	Targeted Rates
78,000	500	141.32	516.46
140,000	1,000	153.65	548.93
290,000	2,000	183.47	613.86

#### Rotorua (Pt)

Land Value \$	Land Area m <sup>2</sup>	General Rates	Targeted Rates
123,000	500	155.15	201.63
171,000	1,000	166.60	203.01
265,000	2,000	189.02	205.79

#### Tauranga

Land Value \$	Land Area m <sup>2</sup>	General Rates	Targeted Rates
275,000	500	182.98	190.37
340,000	1,000	196.50	190.37
465,000	2,000	222.48	190.37

#### Western Bay of Plenty

Land Value \$	Land Area m <sup>2</sup>	General Rates	Targeted Rates
295,000	500	184.46	64.62
455,000	1,000	216.27	65.55
690,000	2,000	262.98	67.40

#### Whakatāne

Land Value \$	Land Area m <sup>2</sup>	General Rates	Targeted Rates
141,000	500	153.85	226.66
225,000	1,000	170.54	350.27
350,000	2,000	195.39	597.51

## SCHEDULE TO FUNDING IMPACT STATEMENT - RATES REQUIREMENT

	2019/20	2020/21		
	Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
<b>GENERAL RATES</b>				
General rates based on land value	11,441	12,928	12,132	796
Uniform annual general charge (UAGC)	16,311	16,214	16,547	(333)
Rates remissions	(208)	(208)	(208)	0
<b>Total general rates</b>	<b>27,544</b>	<b>28,934</b>	<b>28,471</b>	<b>463</b>
<b>TARGETED RATES</b>				
Kaituna Catchment Control Scheme targeted rate	1,927	2,144	1,844	300
Rangitāiki-Tarawera Rivers Scheme targeted rate	4,428	4,779	3,830	949
Whakatāne-Tauranga Rivers Scheme targeted rate	2,293	2,162	1,820	341
Waioeka-Otara Rivers Scheme targeted rate	1,432	1,317	1,549	(232)
Rangitāiki Drainage targeted rate	1,072	1,106	1,088	18
Passenger transport targeted rate	11,561	9,913	11,589	(1,677)
Rotorua Lakes activity targeted rate	3,068	3,275	2,930	345
Rotorua Air Action Plan Implementation targeted rate	422	426	278	149
Rotorua Air - Clean Heat Conversion targeted rate	543	956	585	371
Minor Rivers and Drainage Schemes targeted rate	469	925	518	407
Civil Defence Emergency Management targeted rate	2,420	2,465	2,962	(497)
Rates remissions	(266)	(266)	(266)	0
<b>Total targeted rates</b>	<b>29,369</b>	<b>29,202</b>	<b>28,727</b>	<b>475</b>
<b>Total rates</b>	<b>56,913</b>	<b>58,136</b>	<b>57,198</b>	<b>938</b>

## 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.

	2019/20	2020/21		
	Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
<b>SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	27,544	28,934	28,471	463
Targeted rates	29,369	29,202	28,727	475
Subsidies and grants for operating purposes	18,317	17,607	19,488	(1,881)
Fees and charges	11,566	12,352	11,114	1,238
Interest and dividends from investments	38,728	40,226	38,980	1,246
Local authorities fuel tax, fines, infringement fees and other receipts	2,152	2,140	2,929	(789)
<b>Total operating funding</b>	<b>127,676</b>	<b>130,461</b>	<b>129,709</b>	<b>752</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	123,267	121,344	129,882	(8,538)
Finance costs	2,493	6,372	3,258	3,114
Other operating funding applications	153	175	175	0
<b>Total applications of operating funding</b>	<b>125,913</b>	<b>127,891</b>	<b>133,315</b>	<b>(5,424)</b>
<b>Surplus (deficit) of operating funding</b>	<b>1,763</b>	<b>2,570</b>	<b>(3,606)</b>	<b>6,176</b>
<b>SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	4,715	1,400	3,404	(2,004)
Development and financial contributions	0	0	0	0
Increase (decrease) in debt	50,332	23,608	48,101	(24,493)
Gross proceeds from sale of assets	0	0	0	0
Lump sum contributions	0	0	0	0
Other dedicated capital funding	4,307	5,701	3,740	1,961
<b>Total sources of capital funding</b>	<b>59,354</b>	<b>30,709</b>	<b>55,245</b>	<b>(24,536)</b>

**COUNCIL FUNDING IMPACT STATEMENT** *continued*

	2019/20	2020/21		
	Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
<b>APPLICATIONS OF CAPITAL FUNDING</b>				
- to meet additional demand	0	0	0	0
- to improve the level of service	40,111	15,639	34,408	(18,769)
- to replace existing assets	19,244	15,071	17,097	(2,026)
Increase (decrease) in reserves	1,219	1,613	(451)	2,064
Increase (decrease) of investments	543	956	585	371
<b>Total applications of capital funding</b>	<b>61,117</b>	<b>33,279</b>	<b>51,639</b>	<b>(18,360)</b>
<b>Surplus (deficit) of capital funding</b>	<b>(1,763)</b>	<b>(2,570)</b>	<b>3,606</b>	<b>(6,176)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Note: This financial statement excludes: Depreciation and amortisation	8,138	8,799	9,130	331

## 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 2020/21 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	144.69
General rate	28.44
2020/21 total rate	201.22
Average weekly cost	3.87
Increase from previous year	8.84

Ōpōtiki	\$
Median property land value	140,000
Uniform annual general charge	144.69
General rate	32.01
2020/21 total rate	203.77
Average weekly cost	3.92
Increase from previous year	8.41

Rotorua	\$
Median property land value	171,000
Uniform annual general charge	144.69
General rate	46.90
2020/21 total rate	396.22
Average weekly cost	7.62
Increase from previous year	(44.39)

Tauranga	\$
Median property land value	340,000
Uniform annual general charge	144.69
General rate	81.28
2020/21 total rate	444.90
Average weekly cost	8.56
Increase from previous year	22.45

Western Bay	\$
Median property land value	455,000
Uniform annual general charge	144.69
General rate	104.02
2020/21 total rate	290.67
Average weekly cost	5.59
Increase from previous year	7.28

Whakatāne	\$
Median property land value	225,000
Uniform annual general charge	144.69
General rate	51.44
2020/21 total rate	238.40
Average weekly cost	4.58
Increase from previous year	10.89

# Your representatives

## Ngā reo kōrero



*From left: Jane Nees, Norm Bruning, Andrew von Dadelszen, Stuart Crosby, David Love, Paula Thompson, Stacey Rose Lyall Thurston, Kevin Winters, Doug Leeder, Bill Clark, Te Taru White, Matemoana McDonald and Toi Kai Rākau Iti..*



*For more information visit our website  
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