



**Part Three**  
**Te Wahanga Tuatoru**

**Financial**  
**Information**  
**He Rongo Putea**

**This section outlines how Council will finance its activities**



## Financial Strategy Summary

Growth is expected to be in the upper quartile through expansion of the local economy with the development of the harbour entrance and possible port facilities.

Infrastructure has adequate capacity to meet growth however, renewal expenditure is required for some aging sewerage reticulation in Opotiki. In addition, council will progressively pipe open stormwater drains and maintain its programme for rural seal extension and reconstruction of urban roading.

Development contributions will be used for growth related demand for recreational facilities and roading improvements.

Capital expenditure is funded by a mixture of borrowing, development contributions, rates and external sources. Borrowing is used for major infrastructural and other long term assets to better account for the intergenerational aspects.

Operational expenditure is based on the levels of service for each activity as portrayed in the 2009 – 19 Community Plan.

Depreciation. Council is fully funding depreciation which is used for capital expenditure, renewals and debt repayment.

Debt. Borrowing limits provided in the borrowing Management Policy will be maintained and will be adequate to undertake the capital expenditure programme.

## Significant Assumptions

**Along with the planning assumptions we have made about the Opotiki District, detailed in Part One of this document, a set of financial assumptions assist us in preparing this ten year plan.**

### **NZ Transport Agency:**

Requirements and specifications will not alter to an extent that they impact negatively on operating costs. Financial Assistance will remain at 51% for the maintenance programme works and 61% for capital works such as resealing. However, newly introduced national prioritisation rules have

resulted in seal extension projects being below the funding threshold. The seal extension programme will continue beyond 2009/10 year with the assistance from development contributions.

### **Inflation**

Inflation has been reflected in Council's costs. The Council has used national indices provided by BERL (September '08 publication) as a basis for adjusting costs. The approach is considered to provide consistency in cost movements across all local authorities. The inflation rates applied for various types of costs over each of the 10 years ranges from 2.1% to 3.8%.

### **Debt servicing costs**

Debt servicing cost on existing borrowing is the actual cost for each loan. Currently interest rates are low and it is not anticipated this will continue in the longer term. The 10 year Government Bond average over the past 10 years is 6.2%. Local authority borrowing has a margin above this rate and Opotiki District Council being one of the smaller authorities, is likely to have a more significant margin. This is likely to exceed 1%. Council has therefore adopted an assumed borrowing rate of 7.8% for new debt across the 10 year period.

### **Term of Borrowing**

The term of new borrowing is based on the useful life of the asset except where early repayment can be achieved by utilising surpluses from funding depreciation.

### **Investments**

Interest rates for investments have been calculated at 5.00%. Historically interest rates received have been in excess of this figure. However with the current economic downturn rates have fallen dramatically. These are expected to recover and an interest rate of 5% has been use over the term of the plan.

### **Internal loans**

Internal loans have been calculated to have an interest rate of 6.85% being the point between the external borrowing and investment rates.

### **Revaluation**

Revaluation of land and buildings and infrastructural assets are undertaken on a three year cycle and these revaluation projections are reflected in the financial projections and are based on the BERL inflation factors referred to above.

# Significant Assumptions

## Depreciation

While the accounting policies provide detail of the actual depreciation rates for components of infrastructural assets, for the purpose of these financial statements an averaging of these rates has been used.

## Funding replacement assets

Council fully funds depreciation based on useful life of assets so as to provide for replacement of significant assets at the end of their useful life.

## Vested Assets

Vested assets have not been included as there is no known large vestings that will occur over the ten year period.

## Useful Life of Assets

The useful life of assets are detailed in the accounting policies following the Forecast Financial Statements. The concrete sewerage pipes installed in 1955 have reached the end of their useful technical life. These will be progressively replaced with new sealed pipe, which will overcome inherent infiltration problems. There is no concern as to pipe failure within the next ten to fifteen years. The 225mm diameter cast iron water main leads to the water treatment plant is now eighty eight years old. Testing of the pipeline has concluded that it will give service for a further twenty five years.

## Harbour Development

The development of the Opotiki Harbour entrance has not been included in the Financial Statements as prospective costs funding sources are uncertain at this time and therefore fail to meet the requirement of FRS 42. The development is based on several major assumptions including:

- resource consent approval
- cost of the development
- substantial funding by way of grant or contribution from various external funding sources.

## Events Centre

The Financial Statements include the construction of an events centre in 2014/15. Again this development has major assumptions regarding:

- resource consent approval
- cost of the development
- substantial funding by way of grant or contribution from various external funding sources.

## Other external Funds

In addition to those projects listed above, the Ten Year Plan assumes external funds (eg. Grants) being sourced for other capital works (e.g. library upgrade).

## Global economic Volatility

The current global “credit crunch” (2009) and economic recession could impact on Council’s ability to implement the Ten Year Plan (e.g. borrowing, less rate revenue). This may require amendments to be made to the Ten Year Plan.

## Emissions trading scheme

The governments emissions trading scheme encourages industries and business to reduce greenhouse gas emissions. It is assumed that the scheme will continue in some form, and council has not made provision within this plan assuming adequate warning will be provided to enable response to directives from central government.

## Risk Assessment of Assumptions

With the exception of the harbour development and the events centre the above financial assumptions are considered to be minor to moderate and should not provide material variation in the financial information should they prove to be incorrect. However the harbour development and the events centre are significant in cost. Should they not proceed, or the estimated costs prove to be incorrect, the actual costs may be materially different from the following Forecast Financial Statements. This could also be the case if funding cannot be secured. In this case the projects could be delayed or may not proceed.

## FUNDING IMPACT STATEMENT

FUNDING IMPACT STATEMENT										
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Funding sources	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's
General Rates and UAGC	4,970	5,237	5,474	5,769	5,767	6,233	6,439	6,761	6,791	6,968
Targeted Rates										
Water supplies	735	736	734	735	742	712	699	707	690	691
Sewerage services	413	447	476	509	528	531	548	571	586	624
Public space litter control	90	94	97	99	101	104	106	108	111	113
Resource recovery centre	627	647	668	679	695	712	723	738	753	761
Urban rubbish collection	166	173	179	182	187	191	194	199	204	209
Promotion & Development	39	40	41	41	42	43	44	44	46	46
Transport services	88	88	88	88	88	88	88	17	2	0
Penalty Income	50	51	53	54	56	57	58	59	61	62
<b>Total rates</b>	<b>7,178</b>	<b>7,513</b>	<b>7,810</b>	<b>8,156</b>	<b>8,206</b>	<b>8,671</b>	<b>8,899</b>	<b>9,204</b>	<b>9,244</b>	<b>9,474</b>
Fees & Charges	892	951	956	983	1,049	1,054	1,089	1,166	1,187	1,250
B U Profit	4	4	4	5	5	4	5	4	3	3
Financial Contributions	5	5	5	5	6	6	6	6	6	6
Development Contributions	254	263	272	278	284	290	297	304	311	318
Grants & Subsidies	1,868	1,501	1,540	1,474	1,599	4,988	1,578	1,614	1,653	1,693
Interest	114	118	136	164	195	192	130	165	178	214
Sale of assets	70	28	32	40	63	52	35	8	89	65
Loans Raised	700	1,518	1,680	0	0	5,395	1,424	520	250	0
Withdrawals from Special & General Reserves	96	610	546	244	292	2,494	931	684	455	122
	<b>11,181</b>	<b>12,511</b>	<b>12,981</b>	<b>11,349</b>	<b>11,699</b>	<b>23,146</b>	<b>14,394</b>	<b>13,675</b>	<b>13,376</b>	<b>13,145</b>

# Funding Impact Statement

## FUNDING IMPACT STATEMENT

The funding impact statement provides an overview of how the Opotiki District Council obtains its funding. The funding sources are consistent over the ten year period.

The Council has set out the sources of its funding in the Revenue and Financing Policy (included as an appendix to this document). Each property in the district pays toward the provision of facilities and services for the community by way of rates.

All properties pay a **Uniform Annual General Charge** which is the same amount for all properties. They also pay **General Rates** which are calculated on the value of the property.

Services are provided to some areas of the district and not in others therefore a **Targeted Rate** is applied to those properties that have access to or benefit from a particular service. More information on the sources of the Opotiki District Council funding is contained in the following information.

### 1 GENERAL RATES

- (a) The General Rate is for the purpose of carrying out the activities set out in the council's ten year plan, whose costs are to be recovered from general rates. The general rate is calculated on the capital value of properties.

There are no differential rates.

- (b) Uniform Annual General Charge contributes to the costs of the activities, works or services set out in the Ten Year Plan whose costs are not otherwise recovered from Targeted Rates or other fee.

The uniform annual general charge is set so that along with the other qualifying uniform charges, they produce the maximum 30% of the total rate revenue allowed under the Local Government (Rating) Act 2002.

### 2 TARGETED RATES

- (a) Sewerage Drainage Charges. For the purpose of providing sewerage disposal services.
- (b) Water Supply Charges. To operate and maintain the water supply schemes.
- (c) Waikawa Sewerage - Decommissioning Charge. To repay the capital costs of decommissioning the Waikawa sewerage scheme.
- (d) Opotiki Urban Refuse Collection Charge. To provide a household refuse collection for rating units within the Opotiki Ward with the exception of Dip Road, Crooked Road and State Highway 2 west of Baird Road.

- (e) Public Space Litter Control Charge. To provide for the costs of litter collection from Council's rubbish bins in the Opotiki town centre, parks and reserves and collection of illegally dumped rubbish on public parks, reserves and beaches.
- (f) Resource Recovery Centre Support Charge. To fund the shortfall in gate charges of the 3 resource recovery centres at Opotiki, Te Kaha and Waihou Bay.
- (g) Town Centre Development/Town Centre Redevelopment. Provides the rate revenue required for the Town Centre Redevelopment loan and main street special cleaning programme.
- (h) Promotions and Development. Is to recover 30% of the rates revenue required for the Visitor Information Centre service costs.
- (i) Promotions and Development Charge recovers a further 2% of rates revenue required for the Visitor Information Centre operation.

### 3 SCHEDULED RATES

The following schedule details the rates for the 2009/10. While the structures of rates are consistent the actual rates likely to vary and to be different for subsequent planning years.

## FUNDING IMPACT STATEMENT CONTINUED

Note: All rates, charges and figures on this schedule exclude GST

	2009/10		2009/10	Differential	2008/09	
	Basis of Rate		Revenue Sought \$000's		Basis of Rate	
<b>General Rates</b>	All properties	0.20616c per \$ of Capital Value	3,762	Properties up to 25ha	0.19592c per \$ of Capital Value	2,697
				Properties 25 to 100ha	0.19592c per \$ of Capital Value	457
				Properties over 100ha	0.21551c per \$ of Capital Value	422
	<b>UAGC</b>	\$256.00 per separately rateable rating unit	1,208		\$245.33 per separately rateable rating unit	1,136
<b>Targeted Rates</b>	<b>Supply</b>	<b>Basis of Rate</b>	<b>Revenue Sought \$000's</b>		<b>Basis of Rate</b>	<b>Revenue Sought \$000's</b>
Water Supply	Opotiki/Hikutaia - Connected	\$282.67 per used or inhabitable portion of a rating unit	606		\$291.46 per used or inhabitable portion of a rating unit	615
	Opotiki/Hikutaia - Serviceable	\$141.34 per used or inhabitable portion of a rating unit	38		\$145.73 per used or inhabitable portion of a rating unit	40
		Any property that is connected to the water supply where there is a water meter shall also be charged at 25c per cubic meter for the metered volumes of water.			Any property that is connected to the water supply where there is a water meter shall also be charged at 25c per cubic meter for the metered volumes of water.	
	Te Kaha - Connected	\$297.78 per used or inhabitable portion of a rating unit	77		\$240.89 per used or inhabitable portion of a rating unit	58
	Te Kaha - Serviceable	\$148.89 per used or inhabitable portion of a rating unit	7		\$120.45 per used or inhabitable portion of a rating unit	6

# Funding Impact Statement

## FUNDING IMPACT STATEMENT CONTINUED

Note: All rates, charges and figures on this schedule exclude GST

	2009/10	2009/10	Differential	2008/09	2008/09
	Basis of Rate	Revenue Sought \$000's		Basis of Rate	Revenue Sought \$000's
	Any property that is connected to the water supply where there is a water meter shall also be charged at 57c per cubic meter for the metered volumes of water.			Any property that is connected to the water supply where there is a water meter shall also be charged at 57c per cubic meter for the metered volumes of water.	
Ohiwa - Connected	\$371.56 per used or inhabitable portion of a rating unit	7		\$346.67 per used or inhabitable portion of a rating unit	6
Ohiwa - Serviceable	\$185.78 per used or inhabitable portion of a rating unit			\$173.34 per used or inhabitable portion of a rating unit	
	Any property that is connected to the water supply where there is a water meter shall also be charged at 20.5c per cubic meter for the metered volumes of water.			Any property that is connected to the water supply where there is a water meter shall also be charged at 20.5c per cubic meter for the metered volumes of water.	
Sewerage					
Opotiki - Connected	\$250.67 per used or inhabited portion of a rating unit containing one separate toilet plan, water closet or urinal connected to a public drain.	302		\$240.00 per used or inhabited portion of a rating unit containing one separate toilet plan, water closet or urinal connected to a public drain.	280
Opotiki - Serviceable	\$125.34 per used or inhabited portion of a rating unit to which sewer drainage can be, but is not connected, situated within 30 metres from any part of a public drain.	35		\$120.00 per used or inhabited portion of a rating unit to which sewer drainage can be, but is not connected, situated within 30 metres from any part of a public drain.	31
Opotiki - Multiple connections	\$175.47 per separate toilet pan, water closet or urinal on any one property where there are multiple connections.	65		\$168.00 per separate toilet pan, water closet or urinal on any one property where there are multiple connections.	57



## FUNDING IMPACT STATEMENT CONTINUED

Note: All rates, charges and figures on this schedule exclude GST

	2009/10	2009/10	Differential	2008/09	2008/09
	Basis of Rate	Revenue Sought \$000's		Basis of Rate	Revenue Sought \$000's
Waihou Bay - Connected	\$346.67 per used or inhabited portion of a rating unit containing one separate toilet pan, water closet or urinal connected to a public drain.	8		\$309.33 per used or inhabited portion of a rating unit containing one separate toilet pan, water closet or urinal connected to a public drain.	7
Waihou Bay - Serviceable	\$173.34 per used or inhabited portion of a rating unit to which sewer drainage can be, but is not connected, situated within 30 metres from any part of a public drain.	1		\$154.67 per used or inhabited portion of a rating unit to which sewer drainage can be, but is not connected, situated within 30 metres from any part of a public drain.	1
Waihou Bay - Multiple connections	\$242.67 per separate toilet pan, water closet or urinal on any one property where there are multiple connections.			\$216.53 per separate toilet pan, water closet or urinal on any one property where there are multiple connections.	
Waikawa Sewerage - Decommissioning Charge	\$150 per separately rateable rating unit in sewerage area	2		\$150 per separately rateable rating unit in sewerage area	2
Public Space Litter Control	\$19.56 per separately rateable rating unit	90		\$18.67 per separately rateable rating unit	88
Resource Recovery Centre	\$132.44 per separately rateable rating unit	627		\$137.78 per separately rateable rating unit	639
Urban Rubbish Collection	\$89.78 per used or inhabitable portion of a rating unit within the Opotiki ward.	166		\$74.67 per used or inhabitable portion of a rating unit within the Opotiki ward.	136
Promotion & Development	0.04691c per \$ of Capital Value of all rating units where the land use is commercial or industrial.	36		0.04312c per \$ of Capital Value of all rating units where the land use is commercial or industrial.	33

# Funding Impact Statement

## FUNDING IMPACT STATEMENT CONTINUED

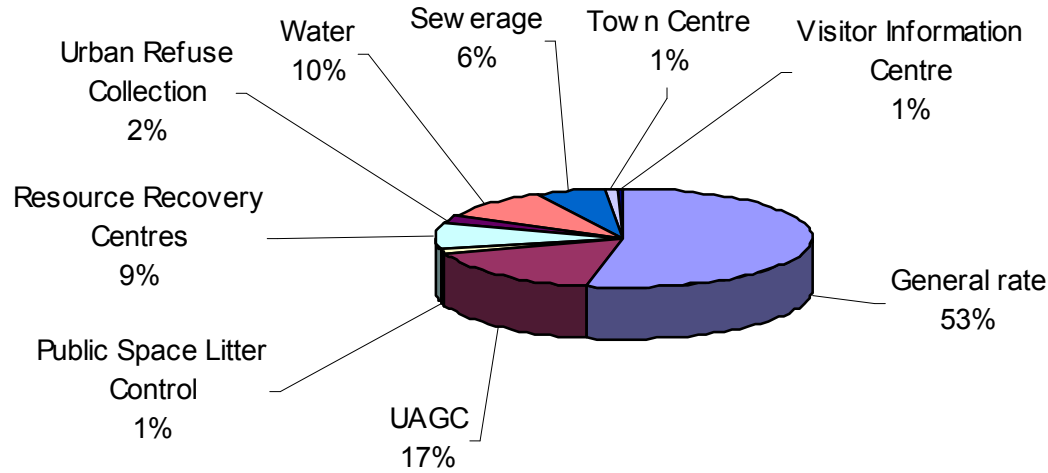
Note: All rates, charges and figures on this schedule exclude GST

	2009/10	2009/10	Differential	2008/09	2008/09
	Basis of Rate	Revenue Sought \$000's		Basis of Rate	Revenue Sought \$000's
Promotion & Development Uniform Charge	\$26.67 per separately rateable rating unit where there is a permitted activity which is related to recreation, entertainment, visitor accommodation or retail services and the land use is not commercial or industrial.	3		\$26.67 per separately rateable rating unit where there is a permitted activity which is related to recreation, entertainment, visitor accommodation or retail services and the land use is not commercial or industrial.	2
Town Centre Development	\$298.00 per separately rateable rating units where the land use is commercial or industrial within the area bounded by Kelly St, Potts Ave, King St, Nelson St, Richard St, St John St with the addition of Opotiki District Council, Department of Conservation and Whakatohea Maori Trust Board rating units fronting on to St Johns Street.	36		\$298.00 per separately rateable rating units where the land use is commercial or industrial within the area bounded by Kelly St, Potts Ave, King St, Nelson St, Richard St, St John St with the addition of Opotiki District Council, Department of Conservation and Whakatohea Maori Trust Board rating units fronting on to St Johns Street.	36
Town Centre Redevelopment	\$10.67 per separately rateable rating unit	52		\$11.56 per separately rateable rating unit	52
Penalty Income		50			56

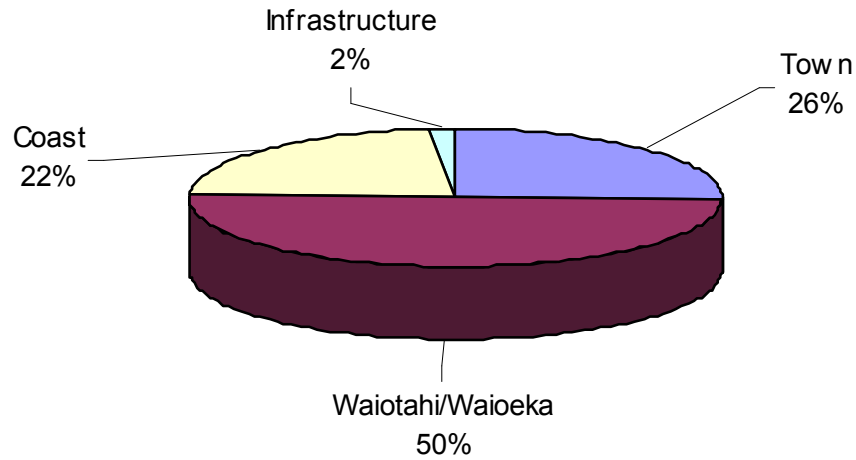
<b>FUNDING IMPACT STATEMENT CONTINUED</b>					
<b>Note: All rates, charges and figures on this schedule exclude GST</b>					
General Rates	2009/10	2009/10		2008/09	2008/09
	Basis of Rate	Revenue Sought \$000's	Differential	Basis of Rate	Revenue Sought \$000's
<b>Total Rates</b>		<b>7,178</b>			<b>6,857</b>
<b>Grants &amp; Subsidies</b>					
NZ Transport Agency		1,148			1,180
Petrol Tax		70			80
Civil Defence Grant		0			2
Other Contributions		650			566
<b>Total Subsidies</b>		<b>1,868</b>			<b>1,828</b>
<b>Other Income</b>					
Fees & Charges		892			918
B U Profit		4			9
Financial Contributions		5			7
Development Contributions		254			217
Income from Investments		114			175
<b>Total Other Income</b>		<b>1,269</b>			<b>1,326</b>
<b>Sale of Assets</b>		<b>70</b>			<b>49</b>
<b>Loans Raised</b>		<b>700</b>			<b>0</b>
<b>Withdrawal of Reserves</b>		<b>96</b>			<b>17</b>
<b>Total Funding Sources</b>		<b>11,181</b>			<b>10,077</b>

# Funding Impact Statement

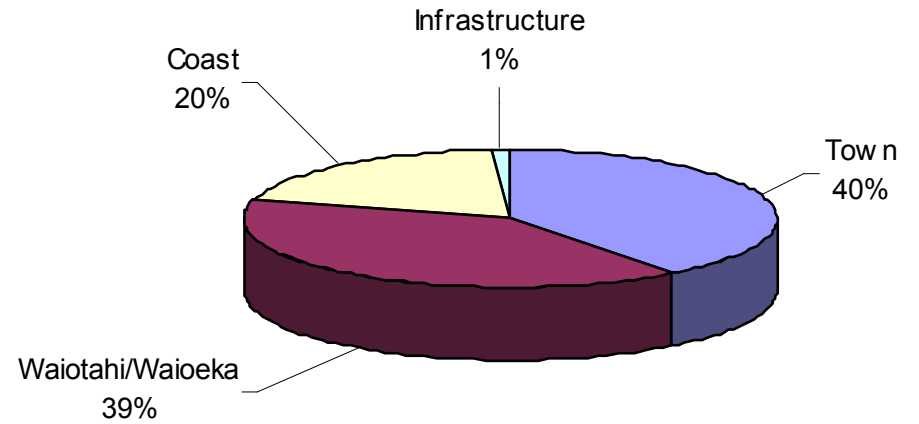
## RATE REVENUE BY RATE



## GENERAL RATE REVENUE BY WARD



## TOTAL RATE REVENUE BY WARD



<b>PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME</b>											
Forecast for the 10 years ending 30 June 2019											
	Notes	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
		\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's
<b>Income</b>											
Rates revenue	1	7,178	7,513	7,810	8,156	8,206	8,671	8,899	9,204	9,244	9,474
Activity Income		2,764	2,456	2,500	2,462	2,653	6,046	2,672	2,784	2,843	2,946
Investment income		114	118	136	164	195	192	130	165	178	214
Contributions		259	268	277	283	290	296	303	310	317	324
Gains/(loss) on revaluation of investment property		35	38	36	38	38	41	46	38	36	38
<b>Total Income</b>	<b>2</b>	<b>10,350</b>	<b>10,393</b>	<b>10,759</b>	<b>11,103</b>	<b>11,382</b>	<b>15,246</b>	<b>12,050</b>	<b>12,501</b>	<b>12,618</b>	<b>12,996</b>
<b>Expenditure</b>											
Employee benefits		2,412	2,505	2,552	2,620	2,684	2,751	2,818	2,891	2,980	3,059
Depreciation and amortisation		1,906	1,979	2,014	2,076	2,127	2,134	2,308	2,350	2,301	2,337
Other direct operating costs		4,891	5,130	5,311	5,405	5,616	5,781	5,854	6,089	6,290	6,450
Finance costs		262	273	294	304	304	499	582	577	553	546
<b>Total operating expenditure</b>	<b>2</b>	<b>9,471</b>	<b>9,887</b>	<b>10,171</b>	<b>10,405</b>	<b>10,731</b>	<b>11,165</b>	<b>11,562</b>	<b>11,907</b>	<b>12,124</b>	<b>12,392</b>
<b>Net surplus</b>		<b>879</b>	<b>506</b>	<b>588</b>	<b>698</b>	<b>651</b>	<b>4,081</b>	<b>488</b>	<b>594</b>	<b>494</b>	<b>604</b>
<b>Other comprehensive income</b>											
Gains/(loss) on property revaluation		0	13,456	0	0	8,906	0	0	8,818	0	0
<b>Total other comprehensive income</b>		<b>0</b>	<b>13,456</b>	<b>0</b>	<b>0</b>	<b>8,906</b>	<b>0</b>	<b>0</b>	<b>8,818</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for year</b>		<b>879</b>	<b>13,962</b>	<b>588</b>	<b>698</b>	<b>9,557</b>	<b>4,081</b>	<b>488</b>	<b>9,412</b>	<b>494</b>	<b>604</b>

# Forecast Financial Statements

## PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

Forecast for the 10 years ending 30 June 2019

	Forecast 2009/10	Forecast 2010/11	Forecast 2011/12	Forecast 2012/13	Forecast 2013/14	Forecast 2014/15	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's
<b>Accumulated funds at start of year</b>	126,918	127,797	128,303	128,891	129,589	130,240	134,321	134,809	135,403	135,897
Net surplus for the year	879	506	588	698	651	4,081	488	594	494	604
<b>Accumulated funds at end of year</b>	127,797	128,303	128,891	129,589	130,240	134,321	134,809	135,403	135,897	136,501
<b>Asset revaluation reserve at start of year</b>	41,022	41,022	54,478	54,478	54,478	63,384	63,384	63,384	72,202	72,202
<i>Property, plant and equipment</i>										
Revaluation surplus	0	13,456	0	0	8,906	0	0	8,818	0	0
<b>Revaluation reserve at end of year</b>	41,022	54,478	54,478	54,478	63,384	63,384	63,384	72,202	72,202	72,202
<b>Equity at end of the year</b>	168,819	182,781	183,369	184,067	193,624	197,705	198,193	207,605	208,099	208,703

## PROSPECTIVE STATEMENT OF FINANCIAL POSITION

Forecast for the 10 years ending 30 June 2019

	Forecast 2009/10	Forecast 2010/11	Forecast 2011/12	Forecast 2012/13	Forecast 2013/14	Forecast 2014/15	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's
<b>Assets</b>										
<b>Current assets</b>										
Cash and cash equivalents	2,834	2,753	3,043	3,893	4,420	2,921	3,603	4,604	5,191	6,123
Debtors and other receivables	2,025	2,095	2,165	2,215	2,268	2,315	2,367	2,420	2,476	2,536
Other financial assets	0	0	288	0	0	0	0	0	0	0
<b>Total current assets</b>	4,859	4,848	5,496	6,108	6,688	5,236	5,970	7,024	7,667	8,659
<b>Non-current assets</b>										
Property, plant and equipment	168,857	182,528	183,167	183,235	192,264	201,139	201,225	209,416	208,975	208,655
Intangible assets	64	44	25	62	39	47	27	45	28	5
Investment property	1,308	1,346	1,382	1,420	1,458	1,499	1,545	1,583	1,619	1,657
Other financial assets	290	290	2	2	2	2	2	2	2	2
<b>Total non-current assets</b>	170,519	184,208	184,576	184,719	193,763	202,687	202,799	211,046	210,624	210,319
<b>Total Assets</b>	175,378	189,056	190,072	190,827	200,451	207,923	208,769	218,070	218,291	218,978

# Forecast Financial Statements

## PROSPECTIVE STATEMENT OF FINANCIAL POSITION

Forecast for the 10 years ending 30 June 2019

	Forecast 2009/10 \$ 000's	Forecast 2010/11 \$ 000's	Forecast 2011/12 \$ 000's	Forecast 2012/13 \$ 000's	Forecast 2013/14 \$ 000's	Forecast 2014/15 \$ 000's	Forecast 2015/16 \$ 000's	Forecast 2016/17 \$ 000's	Forecast 2017/18 \$ 000's	Forecast 2018/19 \$ 000's
<b>Liabilities</b>										
<b>Current liabilities</b>										
Creditors and other payables	2,233	2,310	2,390	2,440	2,500	2,550	2,610	2,670	2,730	2,800
Provisions	7	7	7	7	7	7	7	8	8	8
Employee benefit liabilities	306	321	271	285	299	313	334	349	366	382
Borrowings	505	295	0	0	565	413	180	340	0	565
<b>Total current liabilities</b>	<b>3,051</b>	<b>2,933</b>	<b>2,668</b>	<b>2,732</b>	<b>3,371</b>	<b>3,283</b>	<b>3,131</b>	<b>3,367</b>	<b>3,104</b>	<b>3,755</b>
<b>Non-current liabilities</b>										
Provisions	129	121	113	105	97	88	79	71	61	57
Employee benefit liabilities	44	23	24	25	26	27	27	28	28	29
Borrowings	3,335	3,198	3,898	3,898	3,333	6,820	7,339	6,999	6,999	6,434
<b>Total non-current liabilities</b>	<b>3,508</b>	<b>3,342</b>	<b>4,035</b>	<b>4,028</b>	<b>3,456</b>	<b>6,935</b>	<b>7,445</b>	<b>7,098</b>	<b>7,088</b>	<b>6,520</b>
<b>Total liabilities</b>	<b>6,559</b>	<b>6,275</b>	<b>6,703</b>	<b>6,760</b>	<b>6,827</b>	<b>10,218</b>	<b>10,576</b>	<b>10,465</b>	<b>10,192</b>	<b>10,275</b>
<b>Equity</b>										
Accumulated balance	126,835	127,126	127,592	128,093	128,477	133,904	134,168	134,549	134,783	135,124
Council created reserves	962	1,177	1,299	1,496	1,763	417	641	854	1,114	1,377
Asset revaluation reserve	41,022	54,478	54,478	54,478	63,384	63,384	63,384	72,202	72,202	72,202
<b>Total Equity</b>	<b>168,819</b>	<b>182,781</b>	<b>183,369</b>	<b>184,067</b>	<b>193,624</b>	<b>197,705</b>	<b>198,193</b>	<b>207,605</b>	<b>208,099</b>	<b>208,703</b>

# Forecast Financial Statements

## PROSPECTIVE STATEMENT OF CASH FLOWS

Forecast for the 10 years ending 30 June 2019

	Forecast 2009/10 \$ 000's	Forecast 2010/11 \$ 000's	Forecast 2011/12 \$ 000's	Forecast 2012/13 \$ 000's	Forecast 2013/14 \$ 000's	Forecast 2014/15 \$ 000's	Forecast 2015/16 \$ 000's	Forecast 2016/17 \$ 000's	Forecast 2017/18 \$ 000's	Forecast 2018/19 \$ 000's
<b>Cash flows from operating activities</b>										
Receipts from rates revenue	7,092	7,443	7,740	8,106	8,153	8,624	8,847	9,151	9,188	9,414
Interest received	114	118	136	164	195	192	130	165	178	214
Receipts from other revenue	2,991	2,732	2,794	2,735	2,913	6,351	2,970	3,096	3,155	3,259
Payments to suppliers and employees	(7,163)	(7,572)	(7,840)	(7,968)	(8,233)	(8,476)	(8,598)	(8,911)	(9,203)	(9,426)
Interest paid	(262)	(273)	(294)	(304)	(304)	(499)	(582)	(577)	(553)	(546)
<b>Net cash from operating activities</b>	<b>2,772</b>	<b>2,448</b>	<b>2,536</b>	<b>2,733</b>	<b>2,724</b>	<b>6,192</b>	<b>2,767</b>	<b>2,924</b>	<b>2,765</b>	<b>2,915</b>
<b>Cash flows from investing activities</b>										
Receipts from sale of property, plant and equipment	70	28	31	40	63	51	35	7	90	65
Receipts from sale of investments	0	0	0	288	0	0	0	0	0	0
Purchase of intangible assets	(27)	0	0	(54)	0	(23)	0	(36)	0	0
Purchase of property, plant and equipment	(2,922)	(2,210)	(2,682)	(2,157)	(2,260)	(11,054)	(2,406)	(1,714)	(1,928)	(2,048)
<b>Net cash from investing activities</b>	<b>(2,879)</b>	<b>(2,182)</b>	<b>(2,651)</b>	<b>(1,883)</b>	<b>(2,197)</b>	<b>(11,026)</b>	<b>(2,371)</b>	<b>(1,743)</b>	<b>(1,838)</b>	<b>(1,983)</b>
<b>Cash flows from financing activities</b>										
Proceeds from borrowings	700	1,518	1,680	0	0	5,395	1,424	520	250	0
Repayment of borrowings	0	(1,865)	(1,275)	0	0	(2,060)	(1,138)	(700)	(590)	0
<b>Net cash from financing activities</b>	<b>700</b>	<b>(347)</b>	<b>405</b>	<b>0</b>	<b>0</b>	<b>3,335</b>	<b>286</b>	<b>(180)</b>	<b>(340)</b>	<b>0</b>
<b>Net increase/(decrease) in cash, cash equivalents and bank overdraft</b>	<b>593</b>	<b>(81)</b>	<b>290</b>	<b>850</b>	<b>527</b>	<b>(1,499)</b>	<b>682</b>	<b>1,001</b>	<b>587</b>	<b>932</b>
Cash, cash equivalents and bank overdrafts at the beginning of the year	2,241	2,834	2,753	3,043	3,893	4,420	2,921	3,603	4,604	5,191
<b>Cash, cash equivalents and bank overdrafts at the end of the year</b>	<b>2,834</b>	<b>2,753</b>	<b>3,043</b>	<b>3,893</b>	<b>4,420</b>	<b>2,921</b>	<b>3,603</b>	<b>4,604</b>	<b>5,191</b>	<b>6,123</b>



# Forecast Financial Statements

<b>Note 1: Rate revenue</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
<b>General rates</b>	5,020	5,288	5,527	5,823	5,823	6,290	6,497	6,820	6,852	7,030
<b>Targeted rates</b>										
Solid waste	883	914	944	960	983	1,007	1,023	1,045	1,068	1,083
Water supplies	735	736	734	735	742	712	699	707	690	691
Sanitary services	413	447	476	509	528	531	548	571	586	624
Transport services	88	88	88	88	88	88	88	17	2	0
Tourism and promotion	39	40	41	41	42	43	44	44	46	46
	2,158	2,225	2,283	2,333	2,383	2,381	2,402	2,384	2,392	2,444
<b>Total rates</b>	<b>7,178</b>	<b>7,513</b>	<b>7,810</b>	<b>8,156</b>	<b>8,206</b>	<b>8,671</b>	<b>8,899</b>	<b>9,204</b>	<b>9,244</b>	<b>9,474</b>

## Note 2: Reconciliation between Statements of Prospective Financial Performance and Prospective Statement of Comprehensive Income.

<b>Income</b>	<b>Activity</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
Representation		935	1,005	995	1,002	1,078	1,071	1,076	1,154	1,152	1,164
Tangata Whenua Relationships		16	17	17	18	18	18	19	19	20	20
Community Sponsorship		285	300	303	315	316	328	328	341	342	356
Parks & Recreation		888	945	991	1,014	1,049	1,079	1,099	1,126	1,160	1,183
Library		211	251	260	264	270	277	283	289	299	306
Property		801	630	790	792	879	4,497	1,265	1,318	1,351	1,394
Solid Waste		1,102	1,140	1,176	1,197	1,226	1,255	1,275	1,304	1,331	1,350
Water Supplies		1,124	950	909	929	954	930	932	971	980	1,021
Sanitary Services		423	457	487	526	548	538	556	585	596	639
Stormwater		91	97	99	119	106	108	124	114	120	116
Transport Services		2,977	3,156	3,241	3,404	3,358	3,518	3,450	3,604	3,538	3,677
Emergency Management		177	189	194	198	202	207	211	216	222	226
Animal Control		177	183	191	193	199	206	206	211	219	222
Regulatory		512	527	544	555	572	587	595	610	630	645
Environmental Management		214	219	226	230	249	256	247	253	261	267
Tourism & Promotion		322	306	314	321	328	335	342	349	359	367
Harbour Development		157	79	82	83	86	89	89	91	94	96
		<b>10,412</b>	<b>10,451</b>	<b>10,819</b>	<b>11,160</b>	<b>11,438</b>	<b>15,299</b>	<b>12,097</b>	<b>12,555</b>	<b>12,674</b>	<b>13,049</b>
Less internal interest income		(97)	(96)	(96)	(95)	(94)	(94)	(93)	(92)	(92)	(91)
Gains/(loss) on revaluation of investment property		35	38	36	38	38	41	46	38	36	38
<b>Total Income</b>		<b>10,350</b>	<b>10,393</b>	<b>10,759</b>	<b>11,103</b>	<b>11,382</b>	<b>15,246</b>	<b>12,050</b>	<b>12,501</b>	<b>12,618</b>	<b>12,996</b>

# Forecast Financial Statements

## Note 2: Reconciliation between Statements of Prospective Financial Performance and Prospective Statement of Comprehensive Income. Continued

Expenditure	Activity	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Representation		935	1,005	995	1,002	1,078	1,071	1,076	1,154	1,152	1,164
Tangata Whenua Relationships		16	17	17	18	18	18	19	19	20	20
Community Sponsorship		285	300	303	315	316	328	328	341	342	356
Parks & Recreation		888	945	991	1,014	1,049	1,079	1,099	1,126	1,160	1,183
Library		211	251	260	264	270	277	283	289	299	306
Property		373	404	438	470	487	767	1,031	1,064	1,074	1,084
Solid Waste		1,090	1,128	1,165	1,186	1,214	1,243	1,264	1,292	1,324	1,350
Water Supplies		868	887	894	905	926	911	920	952	964	1,002
Sanitary Services		415	449	478	512	531	534	551	575	590	629
Stormwater		91	97	99	102	106	108	110	114	114	116
Transport Services		2,837	2,997	3,076	3,132	3,194	3,243	3,284	3,343	3,392	3,450
Emergency Management		177	189	194	198	202	207	211	216	222	226
Animal Control		177	183	191	193	199	206	206	211	219	222
Regulatory		512	527	544	555	572	587	595	610	630	645
Environmental Management		214	219	226	230	249	256	247	253	261	267
Tourism & Promotion		322	306	314	321	328	335	342	349	359	367
Harbour Development		157	79	82	83	86	89	89	91	94	96
		<b>9,568</b>	<b>9,983</b>	<b>10,267</b>	<b>10,500</b>	<b>10,825</b>	<b>11,259</b>	<b>11,655</b>	<b>11,999</b>	<b>12,216</b>	<b>12,483</b>
Less internal interest expense		(97)	(96)	(96)	(95)	(94)	(94)	(93)	(92)	(92)	(91)
<b>Total operating expenditure</b>		<b>9,471</b>	<b>9,887</b>	<b>10,171</b>	<b>10,405</b>	<b>10,731</b>	<b>11,165</b>	<b>11,562</b>	<b>11,907</b>	<b>12,124</b>	<b>12,392</b>

## Accounting Policies

### STATEMENT OF ACCOUNTING POLICIES FOR THE LONG TERM COMMUNITY PLAN

#### REPORTING ENTITY

Opotiki District Council (ODC) is a territorial local authority governed by the Local Government Act 2002.

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

The prospective financial statements of ODC are for the ten year period commencing July 2009. The financial statements were authorised for issue by Council on 23 February, 2009.

The Council, who are authorised to do so and believe that the assumptions underlying these prospective financial statements are appropriate, has approved the Long Term Council Community Plan for distribution.

The Council and management of the Opotiki District Council accept responsibility for the preparation of their prospective financial statements, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

No actual financial results have been incorporated within the prospective financial statements.

The Council intends to update the prospective financial statements subsequent to presentation May 2009. The final prospective financial statements are then to be presented to the Council for adoption on 30 June 2009.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

#### BASIS OF PREPARATION

##### Statement of compliance

The prospective financial statements of ODC have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

##### Measurement base

The prospective financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property and financial instruments.

##### Functional and presentation currency

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of ODC is New Zealand dollars.

##### Changes in accounting policies

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

#### SIGNIFICANT ACCOUNTING POLICIES

##### Revenue

Revenue is measured at the fair value of consideration received.

##### *Rates revenue*

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

# Accounting Policies

Rates collected on behalf of Bay of Plenty Regional Council (EBOP) are not recognised in the financial statements as ODC is acting as agent for EBOP.

Revenue from water rates by meter is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

## *Government Grants*

ODC receives government grants from NZ Transport Agency, which subsidises part of ODC's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

## *Vested assets*

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as income. Assets vested in ODC are recognised as revenue when control over the asset is obtained.

## *Sale of goods*

Sales of goods are recognised when a product is sold to the customer.

## **Grant expenditure**

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

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

## **Income Tax**

ODC is exempt under Section CW37 of the Income Tax Act 2007 which specifically exempts local authorities from income tax unless derived from a CCO or port-related commercial activities.

## **Leases**

### *Finance leases*

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

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

## *Interest and dividends*

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

## *Development contributions*

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

Development contributions are classified as part of "Other Revenue".

## **Borrowing costs**

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

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

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

## **Cash and cash equivalents**

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

## **Debtors and other receivables**

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

Loans, including loans to community organisations made by ODC at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost, using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the statement of financial performance as a grant.

A provision for impairment of receivables is established when there is objective evidence that ODC will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

## Financial assets

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss, in which case the transaction costs are recognised in the statement of financial performance.

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

ODC classifies its financial assets into the following categories: fair value through profit or loss, held-to-maturity investments, loans and receivables and financial assets at fair value through equity. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the Prospective Statement of comprehensive performance.

ODC does not anticipate holding any financial assets in this category.

### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are in non-current assets. ODC's loans and receivables comprise cash and cash equivalents, debtors and other receivables, term deposits and loan advance.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognized are recognised in the Prospective Statement of Financial Income.

Loans to community organizations made by ODC at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The loans are subsequently measured at amortised cost using the effective interest method. The difference between the face value and the present value of expected cash flows of the loan is recognised in the Prospective Statement of Financial Income.

### *Held to maturity investments*

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

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the Prospective Statement of Financial Income.

ODC does not hold any financial assets in this category.

### *Financial assets at fair value through equity*

Financial assets at fair value through equity are those that are designated as fair value through equity or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance date. ODC's financial assets at fair value through equity comprise investment in quoted shares. ODC includes in this category:

- Investments that ODC intends to hold long-term but which may be realised before maturity; and
- Shareholdings that ODC holds for strategic purposes.

After initial recognition these investments are measured at their fair value, with gains and losses recognised directly in equity except for impairment losses, which are recognised in the Prospective Statement of Financial Income.

# Accounting Policies

On de-recognition the cumulative gain or loss previously recognised in equity is recognised in the statement of financial performance.

## *Fair value*

The fair value of financial instruments traded in an active market is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded on an active market is determined using valuation techniques. ODC uses a variety of methods and makes assumptions that are based on the current market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as discounted expected cash flows, are used to determine fair value for the remaining financial instruments.

ODC hold no fair value investments.

## **Impairment of financial assets**

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

## *Loans and other receivables*

Impairment of a loan or a receivable is established when there is objective evidence that ODC will not be able to collect amounts due according to the original terms. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the assets carrying amount and the present value of estimated cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of financial performance. When the receivable is uncollectable, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due). For term deposits, local authority stock, government stock and community loans, impairment losses are recognised directly against the instruments carrying amount.

Impairment of term deposits, local authority stock, government stock, and related party and community loans is established when there is objective evidence that the ODC will not be able to collect the amounts due to the original terms of the instrument. Significant financial difficulties of the issuer, probability the issuer will enter into bankruptcy, and default in payment are considered indicators that the instrument is impaired.

## *Quoted and unquoted equity investments*

For equity investments classified as fair value through equity, a significant or prolonged decline in fair value of the investment below its cost is considered an indicator of impairment. If such evidence exists for investments at fair value through equity, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment on that financial asset previously recognised in the statement of financial performance) is removed from equity and recognised in the Prospective Statement of Financial Income. Impairment losses recognised in the Prospective Statement of Financial Income on equity investments are not reversed through the Prospective Statement of Financial Income.

## **Non-current assets held for sale**

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value, less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the statement of financial performance.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

## **Property, plant and equipment**

Property, plant and equipment consist of:

*Operational assets* — These include land, buildings, plant, machinery and vehicles, fixtures, fittings and equipment and library collections.

*Restricted assets* — Restricted assets are land and buildings owned by ODC which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

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

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

## *Revaluation*

Land, buildings (operational and restricted), library books, and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure their carry amount does not differ materially from fair value, and at least every three years. All other asset classes are carried at depreciated historical cost. ODC assesses the carrying values of its revalued assets annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

ODC accounts for revaluation of property, plant and equipment on a class of asset basis. The result of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the statement of financial performance. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the statement of financial performance will be recognised first in the statement of financial performance up to the value of the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

## *Additions*

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to ODC and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

## *Disposals*

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

## *Depreciation*

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write-off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

## Buildings

- Structure 35 to 85 years (2.86% - 1.18%)
- Roof 40 years (2.5%)
- Services 15 to 50 years (6.67% - 2.0%)
- Internal fit out 15 to 35 years (6.67% - 2.86%)

Plant and machinery 5 to 10 years (10% - 20%)

Motor vehicles 5 years (20%)

Fixtures, fittings and equipment 3 to 5 years (33% - 20%)

Library collections 5 to 10 years (10% - 20%)

## Infrastructural assets

### Roading network

- Formation N/A (Nil)
- Sub base N/A (Nil)
- Basecourse (unsealed) 8 years (12.5%)
- Basecourse (sealed) 25 to 50 years (2% - 4%)
- Seal 15 years (6.67%)
- Bridges 100 years (1.0%)
- Hot mix 10 years (10.0%)

Kerb and footpaths 50 years (2.0%)

Reticulation 5 to 100 years (0.5% - 20.0%)

Traffic facilities (roading components) 10 to 20 years (5.0% - 10.0%)

Culverts (roading components) 50 years (2.0%)

Pumps 10 to 20 years (5.0% - 10.0%)

Meters, valves and connections 25 to 75 years (1.5% - 4.0%)

River protection works 100 years (1.0%)

Drainage associated with the roading infrastructure is not depreciated. The annual maintenance programme set out in the asset management plan will ensure the specific level of service is maintained.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

## **Intangible assets**

### *Software acquisition and development*

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

Costs that are directly associated with the development of software for internal use by ODC are recognised as intangible asset. Direct cost will include the software development employee costs and appropriate portion of relevant overheads. Staff training costs are recognised as an expense when incurred.

# Accounting Policies

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

## *Amortisation*

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised in the Prospective Statement of Financial Income.

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

Computer software 4 to 5 years (20% - 25%)

## **Impairment of property, plant and equipment and intangible assets**

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicator of impairment at each balance date. When there is an indicator of impairment the assets recoverable amount is estimated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

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

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired, and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the Prospective Statement of Financial Income.

For assets not carried at a revalued amount, the total impairment loss is recognised in the Prospective Statement of Financial Income.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the statement of financial performance, a reversal of the impairment loss is also recognised in the Prospective Statement of Financial Income.

For assets not carried at a revalued amount the reversal of an impairment loss is recognised in the Prospective Statement of Financial Income.

## **Investment property**

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

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

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

Gains or losses arising from a change in the fair value of investment property are recognised in the Prospective Statement of Financial Income.

## **Creditors and other payables**

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

## **Borrowings**

Borrowings are initially recognised at their fair value net of transaction costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless ODC has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

## **Employee entitlements**

### *Short-term employee entitlements*

Employee benefits that ODC expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date; annual leave earned to, but not yet taken at, balance date; retiring and long service leave entitlements expected to be settled within 12 months; and sick leave.



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

#### *Long-term employee entitlements*

Entitlements that are payable beyond 12 months, such as retiring gratuities, have been calculated on an actuarial basis. The calculations are based on likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and the present value of the estimated future cash flows.

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

#### **Superannuation schemes**

##### *Defined contribution schemes*

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the Prospective Statement of Financial Income as incurred.

#### **Provisions**

ODC recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event. It is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

#### *Landfill*

ODC operated a landfill at Woodlands Road Opotiki. This has closed but ODC has responsibility under the resource consent to provide ongoing maintenance and monitoring of the site. A provision for post-closure costs is recognised as a liability when the obligation for post-closure arises.

#### **Equity**

Equity is the community's interest in ODC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Retained earnings
- Restricted reserves
- Asset revaluation reserves
- Fair value reserves

#### *Restricted reserves*

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

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

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

#### **Goods and Services Tax (GST)**

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

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

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

#### **Estimated expenses and governance statements**

The cost of service statements report the net cost of service for significant activities of Council, and are represented by all the operating revenue that can be allocated to these activities less the operating cost of providing that service.

# Accounting Policies

## **Cost allocation**

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

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

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

## **Critical accounting estimates and assumptions**

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

## **Cautionary note**

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

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

## **Assumptions underlying prospective financial information**

The financial information presented within these policies and documents is prospective financial information in terms of FRS 42: Prospective Financial Information. The purpose for which it has been prepared is to enable the public to participate in the decision making processes as to the services to be provided by the Opotiki District Council over the financial years from 2009/2010 to 2018/2019 and to provide a broad accountability mechanism of the Council to the community.

The reader is referred to page 76 for a full list of underlying assumptions.

# Fees and Charges

	Present Charges	Charges 2009/10
<b>ANIMAL MANAGEMENT</b>		
<b>Dog Registration</b>		
<b>Urban Dog</b> (resides in Opotiki Ward)		
Complete dog or bitch	105.00	105.00
Desexed dog or bitch	40.00	50.00
Complete dog (Good Owner)	80.00	80.00
<b>Rural Dog</b>	40.00	50.00
<b>Good Dog Owner</b>		
Good Dog Owner Inspection Fee	30.00	35.00
<b>Penalty Late Payment</b>		
Rural dog	20.00	30.00
Urban neutered dogs	20.00	30.00
Urban entire dogs	50.00	60.00
<b>Dog Pound &amp; Other Fees</b>		
<b>Seizure of Dogs - charge per dog</b>		
1st occasion	65.00	50.00
2nd occasion	85.00	90.00
3rd & subsequent occasions	120.00	120.00
<b>Sustenance Charge - per day per dog</b>	5.00	7.50

	Present Charges	Charges 2009/10
<b>Destruction/Euthanasia - per dog</b>	30.00	30.00
<b>Replacement of Registration Tags</b>		5.00
<b>Implant of Micro-Chip Transponder</b>		15.00
<b>Certified Companion Dogs, Hearing Dogs and Guide Dogs</b>		10.00
<b>Droving Charges</b>		
<b>Collection Fee and Costs Incurred</b> in leading, driving or conveying stock from the place where it is found to the pound or to the place where it is delivered to the owner plus \$50.00 per hr additional person assisting. Mileage @ 90c/km <b>Note:</b> Costs for after-hours will be as billed.	per hour 50.00	per hour 80.00
<b>If Transport Required</b>		At Cost
<b>Charge per Head of Stock Driven</b>	30.00	40.00
<b>Charges for Trucks, Vehicles and Additional Personnel Assistance.</b>		
<b>Impounding of Stock</b>		
<b>Impounding Fee per Head of Stock per day</b>	15.00	20.00
<b>Charge per head of stock per day</b> for second and subsequent cases of the impounding of stock of any particular owner.	20.00	30.00
<b>Sustenance Charge per Head of Stock per day</b>	6.00	10.00

# Fees and Charges

	Present Charges	Charges 2009/10
<b>ENVIRONMENTAL &amp; HEALTH &amp; LIQUOR LICENSING</b>		
<b>Food Premises</b>		
(a) <b>Application for Initial Registration</b> for all Food premises, including hotels, taverns, tourist houses, premises with off-licence and club licence, except for those listed in (c) below	160.00	200.00
(b) <b>Application for Renewal of Registration</b> for all Food premises, including hotels, taverns, tourist houses, premises with off-licence and club licence, except for those listed in (c) below	160.00	200.00
(c) <b>Application for Registration or Renewal Registration</b> For Camping Ground shops, Service Stations & Storage premises	55.00	75.00
(d) <b>Reports on Premises for Liquor Licences</b>		At cost
(e) <b>Request for Health Inspection Prior to Transfer or Any Other Reason</b>		At cost
(f) <b>Transfer of Licence</b>		50.00
<b>Camping Grounds</b>		
(a) <b>Application for Initial Registration</b> This fee covers any initial consultation and advice, administration costs of setting up the base data in the register, and a pre-registration inspection.	215.00	215.00
(b) <b>Application for Renewal of Registration</b> This fee covers the cost of administration and cost of one inspection during the year.	160.00	170.00

	Present Charges	Charges 2009/10
(c) <b>Certificates for Exemptions</b> from Camping Ground Regulations	215.00	220.00
<b>Hairdressers</b>		
(a) <b>Application for Initial Registration</b> This fee covers any initial consultation and advice, administration costs of setting up the base data in the register, and a pre-registration inspection.	160.00	180.00
(b) <b>Application for Renewal of Registration</b> This fee covers the cost of administration and cost of one inspection during the year.	160.00	160.00
<b>Offensive Trades</b>		
(a) <b>Application for Initial Registration</b> This fee covers any initial consultation and advice, administration costs of setting up the base data in the register, and a pre-registration inspection.	215.00	270.00
(b) <b>Application for Renewal of Registration</b> This fee covers the cost of administration and cost of one inspection during the year.	250.00	270.00
<b>Sale Yards</b>		
(a) <b>Application for Initial Registration</b> This fee covers any initial consultation and advice, administration costs of setting up the base data in the register, and a pre-registration inspection.	150.00	160.00
(b) <b>Application for Renewal of Registration</b> This fee covers the cost of administration and cost of one inspection during the year.	250.00	270.00
<b>Noting of Certificates</b>		
This fee covers the costs of altering the details in the record of registration and on the certificate of registration any change in the occupation of premises.	60.00	75.00

# Fees and Charges

	Present Charges	Charges 2009/10
<b>Exempt Premises</b>		
This fee covers the cost of annual inspection of premises specified in sub clause (4) of regulation 4, which are premises exempt from registration but still subject to the requirements of the Regulations	60.00	75.00
<b>Amusement Devices (Fee set under legislation)</b>		
Approval to operate:		
(a) 1 device up to 7 days	11.25	11.25
(b) Additional device up to 7 days	2.25	2.25
(c) Each device for 7 day period after first 7 day period	1.50	1.50
<b>Mobile Shop License</b>		
The fee covers the cost of administration where the application is considered, suitable conditions imposed on the operation if necessary, and the license issued – which may be up to 12 months. <u>Note:</u> Operators selling food must be registered pursuant to the Food Hygiene Regulations 1974 and fees payable as detailed for the Food Premises Fee	130.00	140.00
<b>Hawkers License</b>		
The fee covers the cost of administration where the application is considered, suitable conditions imposed on the operation if necessary, and the license issued – which may be up to 12 months. <u>Note:</u> Operators selling food must be registered pursuant to the Food Hygiene Regulations 1974 and fees payable as detailed for the Food Premises Fee	55.00	60.00
<b>Sale of Liquor – Set by Statute</b>		
On License Application	776.00	776.00
On License Endorsed – BYO	132.00	132.00
Off License Application	776.00	776.00
Club License Application	776.00	776.00

	Present Charges	Charges 2009/10
Renewal On/Off Club Application	776.00	776.00
Manager Certificate Application	132.00	132.00
Renewal Managers Certificate	132.00	132.00
Record Inspection	23.00	23.00
Temporary Authority	132.00	132.00
Special License	63.00	63.00
<u>Note:</u> District Licensing Agency receives the total fee and pays the Licensing Authority an amount specified by regulation		
<b>GENERAL LICENSE AND PERMIT FEES</b>		
Fees payable to recover any sign or goods impounded from a public place	40.00	No change
Vehicle impounding pursuant to Section 356 Local Government Act 1974	Actual cost of recovering vehicle	
Storage of impounded vehicle	\$12. p/day	No change
Fee for inspection where a notice has not been complied with	31.50 per visit	No change
Impounded stereo release fee	100.00	120.00
<b>BUILDING SERVICES</b>		
<b>Project Information Memorandum – PIM</b>		
The charge is for the preparation and issuing of the PIM and is payable on application, where the PIM is required for:		
<u>Minor building work valued up to \$25,000</u> including decks over 1m high, signs, carports, conservatories, plumbing and drainage, retaining walls, pergolas over 10m <sup>2</sup>	42.00	50.00
<u>Garages, farm buildings, alterations and additions to dwellings, re-piles, pools, re-sited garages and school buildings, stock underpasses, converted buildings to a value of \$50,000</u>	58.00	70.00
<u>All other projects valued over \$50,000</u>	175.00	190.00
<b>Building Consents</b>		
<u>Category 1</u>	131.00	125.00

# Fees and Charges

	Present Charges	Charges 2009/10
\$0-\$5,000 Solid fuel burners, carports, demolitions, decks, etc		
<b>Category 2</b> Septic tanks/On-site effluent treatment disposal systems (permitted activity) in accordance with Environment BOP requirements. Where an effluent disposal system becomes a discretionary activity, then costs will be assessed at \$100.00/hr plus expenses	210.00	225.00
<b>Category 3</b> \$5,001-\$10,000 Building work such as sleep-outs, additions and garages, farm buildings <b>without</b> plumbing and drainage	405.00	400.00
<b>Category 4</b> \$10,001-\$25,000 Building work such as sleep-outs, additions and garages, farm buildings which <b>include</b> plumbing and drainage	635.00	635.00
<b>Category 5</b> \$25,001-\$50,000 Large additions, alteration to dwellings, alterations to commercial buildings, <b>without</b> plumbing and drainage	982.00	1,000.00
<b>Category 6</b> \$50,001-\$100,000 Large additions, alterations to dwellings, alterations to commercial buildings which <b>include</b> plumbing and drainage	1386.00	1,500.00
<b>Category 7</b> \$100,001-\$150,000 New dwellings, commercial buildings	1732.00	1,850.00
<b>Category 8</b> \$150,001-\$200,000 New dwellings, commercial buildings	2080.00	2,100.00
<b>Category 9</b> \$200,001-\$300,000 New dwellings, commercial buildings	2540.00	2,700.00
<b>Category 10</b> Over \$300,000	2890.00	3,100.00

	Present Charges	Charges 2009/10
All other building works Plus fee per additional \$50,000	230.00	350.00
<b>Building Consent extension of time</b>		
Building owners request for an extension of time to ensure that the building consent does not expire	47.00	70.00
<b>Application for Temporary Building</b>		
Available while an applicant is building a dwelling (a performance bond is also required under the Resource Management Act – refer to Resource Management Fee Schedule)	130.00	150.00
<b>Compliance Schedules</b>		
Applies to new buildings with certain automatic systems that require annual maintenance	158.00	175.00
<b>Application for Change of Use of a Building</b>		
Applies to buildings in relation to fire safety and access for persons with disabilities	262.00	250.00
Plus \$100 per hour	100.00	100.00
<b>Application for Waivers and Modifications</b>		
Waivers and Modifications from Building Act	115.00	130.00
Plus \$100 per hour	100.00	100.00
<b>Amendment to Consented Plans</b>		
Application Fee	150.00	165.00
Plus \$100 per hour	100.00	100.00
<b>Inspection Existing Compliance Schedules (Auditing)</b>		
Inspection Fees	175.00	185.00
Re-inspection fee for work not ready for inspection	100.00	100.00
Plus \$100.00 per hour		
<b>Certificate of Acceptance</b>		
Application Fee, includes initial inspection if applicable	400.00	450.00
Administration Fee	50.00	50.00
Mileage	80c/km	90c/km
<b>Inspection Charges</b>		
An inspection charge is levied for the second and all	100.00	120.00

	Present Charges	Charges 2009/10
subsequent inspections that are required in relation to any particular job or application		
Mileage	80 c/km	90 c/km
<b>All Other Inspections</b>		
Any other inspections where fees have not been otherwise fixed	100.00	100.00
Mileage	80 c/km	90 c/km
Applications required to be peer reviewed by Whakatane District Council		At cost
Applications required to be peer reviewed by Whakatane District Council B.A.C		At cost
<b>Fencing of Swimming Pools</b>		
Inspection of pool fence to comply with the Fencing of Swimming Pools Act 1987. Inspection fee for second and subsequent inspections if satisfactory progress is not being made	100.00	120.00
<b>Request for Information or Service</b>		
Non-routine request for information or services - \$85 per hour	85.00	100.00
<b>Request for Information</b>		
Annual subscription for the regular provision of copies or summaries of building consents, or applications or ancillary information	10.00 125.00	15.00 150.00
<ul style="list-style-type: none"> <li>• Per month</li> <li>• Per year</li> </ul>		
<b>Engineering Charges arising from Building Consent Application</b>		
(a) <b>Footpath and Vehicle Crossing Damage</b> Deposit Fee	750.00	750.00 125.00
(b) <b>Road, Street and Infrastructure Damage</b> Deposit Fee	750.00	750.00 125.00
(c) <b>Water Supply Connection Fee</b> for Opotiki, Ohiwa, Te Kaha <b>plus</b> actual costs of any additional materials, plant, labour required.	250.00	250.00
(d) <b>Sewer connection fee</b> – Opotiki <b>plus</b> actual costs of any additional materials, plant, labour required.	250.00	300.00
(e) <b>Stormwater discharge</b> fee for discharge to land		200.00

	Present Charges	Charges 2009/10
administrated by Council.		
(f) <b>Vehicle entrance</b>		2,000.00
(g) <b>Peer review</b> of engineering specifications relating to building projects		At cost
Note : Where costs exceed deposits applicants will be required to meet the difference after receiving invoice		

## LAND USE RESOURCE CONSENT

<b>RESOURCE MANAGEMENT SERVICES</b>		
<b>Non-notified Land use applications</b>		
<b>Category 1 – Land Use Flat Fee</b>	450.00	470.00
Resource consent involving any of the Zone standard non-compliance and controlled activities.		
<ul style="list-style-type: none"> <li>• Day light protection</li> <li>• Building setbacks</li> <li>• Yards</li> <li>• Site coverage</li> <li>• Height</li> <li>• Signs</li> <li>• Relocatable dwellings</li> </ul>		
<b>Category 2 – All other land use consents</b>	750.00	780.00
<b>SUBDIVISION CONSENT</b> - Subdivision consent fees are set out in two parts:		
<ul style="list-style-type: none"> <li>• Up to the decision stage – flat fee</li> <li>• Post decision fees – invoiced on completion of the consent</li> </ul>		
<b>SUBDIVISION CONSENT – UP TO DECISION</b> The following subdivision consent fees apply when a <b>hearing is not required:</b>		
<ul style="list-style-type: none"> <li>• This fee is a flat fee and covers the consideration of an application up to the approval stage only. The application fee includes: administration time, planner's time and some engineering input. Any subdivision consent that requires engaging an expert will be charged additional fees as set out in the schedule.</li> </ul>		

# Fees and Charges

	Present Charges	Charges 2009/10
<b>Category 1</b> – Subdivision flat fee - 2 lot and boundary adjustments, cross lease	1100.00	1150.00
<b>Category 2</b> – Subdivision flat fee - 3 – 6 lots	1300.00	1350.00
<b>Category 3</b> – Subdivision flat fee - 7 lots or more plus \$100 for each additional lot after 7	15.00	1575.00
<b>Hapu Partition</b> assessments		750.00
<b>SUBDIVISION CONSENT – POST DECISION</b> ( <i>up to and including s224 stage</i> ) Post decision fees – this fee is invoiced on completion of the consent.		
<b>Actions related to all types of subdivision consent</b> Signing fees are included except where stated.		
Survey Plan approval (Section 223) No Easements	110.00	110.00
Survey Plan approval (Section 243) Easement approval or Revocation of Easement	150.00	150.00
Monitoring Fee for approval prior to 224 sign off for 4 lots & under (This charge constitutes actual processing plus mileage)	300.00	350.00
Monitoring fee for approval prior to 224 sign off over 5 lots (This charge constitutes actual processing plus mileage)	300.00	450.00
Preparation, change or cancellation of any consent notice (if referred to solicitor for preparation charge will be at cost)	155.00	160.00
Completion Certificate – S224	240.00	250.00
Preparation and signing of any bond, covenant, legal document or variation thereto required as condition of a consent or to enable the issue of a completion certificate (Section 108 & 109), including signing fee.	595.00	595.00
Application to extend time in respect of any bond, covenant or consent notice under Section 108, 109 and 222	240.00	250.00
Bond discharges	180.00	250.00
<b>Miscellaneous Charges relating to all types of Resource Consents</b> Signing Fees are included		
Applications for :		

	Present Charges	Charges 2009/10
- Extensions of time – RMA section 125(b), 126(b)	180.00	200.00
- Change, review or cancellation of consent conditions (section 127-132)	250.00	260.00
- Renewal of Resource Consent (Section 124)	250.00	260.00
- Preparation of minor covenants or any variation to (Section 221)	250.00	260.00
Objections (357)	250.00	260.00
Certificates of Compliance RMA Section 139	250.00	260.00
Easement Approval (Local Government Act 348)	180.00	250.00
Preparation of any document, encumbrance or certificate for the purpose of the Overseas Investment Commission or any purpose under any such enactments or regulations.	500.00	500.00
Resource Management planning certificates under the Sale of Liquor Act 1989	155.00	200.00
Every other certificate, authority, approval consent or services given or inspection made by the Council under any enactment or regulation not otherwise mentioned elsewhere in this schedule where such enactment contains no provision authorising the Council to charge a fee and does not provide a certificate, authority, approval, consent, service or inspection is to be given or made free of charge. Inspection Fees will be charged, if appropriate.	120.00	200.00
Additional charges at a rate of \$100 per hour payable if monitoring is further than 1 hour from Opotiki plus mileage		100.00



# Fees and Charges

	Present Charges	Charges 2009/10
<p><b>ANY APPLICATION REQUIRING A HEARING</b></p> <p>These fees require a deposit to be paid with the application and the actual costs are charged out as set out in the fee schedule and invoiced on completion of the consent. For lwi consultant if charges are made, the applicant will be charged actual cost.</p>	New deposit requested	<p>For example: Resource Consent requires a hearing:</p> <ul style="list-style-type: none"> <li>+ \$ Administration (including file set up) and venue hire</li> <li>+ \$ Inspection / site visit</li> <li>+ \$ Notification charges</li> <li>+ \$ Charges for a hearing</li> <li>+ \$ Administration charges for a hearing</li> <li>+ \$ Planner's/Planners, Consultant's time</li> <li>+ \$ Commissioner fees</li> <li>+ \$ Expert evidence (Actual cost)</li> <li>- \$ Deposit – paid with application</li> <li>= \$ Invoice Total</li> </ul>
<p><b>Category 1 deposit</b></p> <p>Land use or Subdivision applications which are notified (excluding limited notification), or</p> <ul style="list-style-type: none"> <li>• Private plan change or</li> <li>• Designation, or</li> <li>• Heritage order</li> </ul> <p><b>Note:</b> Application for change to District Plan – A charge shall be made to recover actual and reasonable costs to prepare a change to the District Plan including but not limited to the following matters: Administration costs, research, preparation of reports to meet the requirements of Sections 32, 72-76 and processing of the change in accordance with the First</p>	Actual costs based on deposit \$3500.00	Actual costs based on deposit \$4000.00

	Present Charges	Charges 2009/10
<p>Schedule of the Resource Management Act. The minimum charge shall be a deposit of \$3500.00 but this may be increased to a maximum of \$25,000.00 where the change to which the charge relates has any of the following attributes:</p> <ul style="list-style-type: none"> <li>• It involves a major change in policy.</li> <li>• It affects a wide geographical area.</li> <li>• It is likely to involve Council in significant investigation or research.</li> <li>• It will involve the notification of many parties</li> </ul>		
<p><b>Category 2 deposit</b></p> <p>Land use or subdivision applications requiring limited notification</p>	Actual costs based on deposit \$2500.00	Actual costs based on deposit \$3000.00
<p><b>Administration charges for a hearing</b></p>		
<p><b>Inspection / site visits</b></p>	100.00 plus 80 cents per k/m	100.00 plus 90 cents per k/m
<p>Pre hearing meeting</p>	Actual cost	Actual cost
<p>Public notice on site (sign)</p>	50.00	100.00
<p>Public notice in paper</p>		Actual cost Actual cost
<p>Notification (sent a copy of the application) per person</p>		5.00 5.00
<p>Copy of the Planner's s42A report to be sent to submitters per submitter</p>		5.00 5.00
<p>Copy of the decision per person</p>		5.00 5.00
<p>Other administration per hour</p>		50.00 75.00
<p><b>Expert Evidence/Expert reports</b></p>		Actual cost Actual cost

# Fees and Charges

	Present Charges	Charges 2009/10
<b>Commissioner Hearing fees</b> Commissioners attending the hearing and preparing a decision	Actual cost	Actual cost
<b>Additional charges</b> <ul style="list-style-type: none"> <li>Planners</li> <li>Engineers</li> </ul> Planner's/Engineers time per hour spent on processing the consent including: attending meetings, preparing reports, and attending the hearing	Ranging between 55.00 - 110.00	Ranging between 110.00- 150.00
<b>OTHER RESOURCE MANAGEMENT CHARGES</b> (where a hearing is not required)		
s226 Application & certificate	380.00	400.00
s168 Requirements for designation	1250.00	1300.00
s176A Assessment of outline plan	380.00	400.00
s181 Requirements for an alteration of a designation	750.00	800.00
s182 Requirements for a removal of a designation	750.00	800.00
s184 (1)(b) and (2)(b) Application to determine that a designation should not lapse	750.00	800.00
s189 Requirements for a heritage order	1250.00	1300.00
s196 Requirements for a removal of a heritage order	750.00	800.00
<b>Note</b> – The Environmental Planning Manager has the delegated authority to vary charges for heritage order requests if, in the Managers; opinion, some of the benefits are to the community as a whole		
Existing use certificate	380.00	400.00
<b>OTHER CHARGES</b>		
<b>MONITORING OF LANDUSE CONSENTS</b> Monitoring on a resource consent where a breach of a consent condition or conditions are identified Actual costs per hours ( <i>To invoice on completion of investigations</i> )	110.00 plus 80 cents per k/m	110.00 plus 90 cents per k/m
<b>INSPECTION CHARGES</b> An inspection charge is levied for the second and all subsequent inspections that are required in relation to any particular job or application	100.00 plus 80 cents per k/m	110.00 plus 90 cents per k/m

	Present Charges	Charges 2009/10
<b>REQUEST FOR INFORMATION AND DOCUMENTS</b>		
<b>A) Copying of Information</b> A charge shall be made for the supply of information relating to plans and resource consents and Council's resource management functions under Section 35 and the supply of any document as follows:		
<b>Photocopying and Printing</b>		
Each A4 page	50cents	
Colour copies including aerials	5.00	5.00
Each A3 page	1.50	2.00
Colour copies including aerials A4	10.00	10.00
Each A2 page	5.00	5.00
Colour copies/aerials A3	20.00	20.00
<b>B) Published Documents</b>	Actual Costs	Actual Costs
Fee fixed per document to include the cost of printing, postage, and may include actual and reasonable costs in preparing the document		
<b>C) District Plan Purchase</b> Or charged in components: Maps \$50 District Plan \$100.00 CD Version \$28.00	100.00	150.00
<b>D) Information Research</b> Researching information charged per hour	110.00	150.00
<b>E Land Information Memorandum</b> Requests for the supply of information in writing about a property including plan and resource consent details, services details, requisitions and rates, and any other matters within Council records:		
<ul style="list-style-type: none"> <li>Rural or Residential</li> <li>Commercial / Industrial</li> <li>Urgency Fee (under 5 days)</li> </ul>	185.00 280.00 90.00	195.00 295.00 100.00
<b>F) Copy of Certificate of Title</b>	20.00	25.00
<b>G) Circulation of Documents</b> A charge shall apply to the circulation of documents to those persons or organisation who request them	Actual Costs	Actual Costs
<b>H) Subscriptions</b>		

	Present Charges	Charges 2009/10	
<ul style="list-style-type: none"> <li>▪ Resource consent annual subscription</li> <li>▪ Plan changes annual subscription</li> </ul>	450.00 250.00	450.00 250.00	
<p>I) <u>Financial Contributions to car parking</u> Requirements for car parking are stated in the zone section of the District Plan</p>	300.00	300.00	
<p>J) <u>Reserve Contribution</u> As set out in District Plan – shall be in form of money or land as follows:</p> <ul style="list-style-type: none"> <li>▪ At the time of subdivision</li> <li>▪ At the time of a land use consent for commercial and industrial activities where the contribution will be based on equivalent household units</li> </ul>	888.75	888.75	
<p>K) <u>Development Contribution fees</u></p> <ul style="list-style-type: none"> <li>▪ Recreational</li> <li>▪ District Roding</li> </ul>	2440.00 1001.00	2,678.63 1,310.63	
L) Expert Reports	Actual costs	Actual costs	
<b>CEMETERY FEES &amp; CHARGES (\$GST Inc)</b>			
<b>Cemetery Plots</b>			
<u>Purchase Plot</u> (also reserve plot)	Adult	1,150.00	1,250.00
	Child	540.00	600.00
		470.00	500.00
<u>Interment Fee</u>	Adult	215.00	225.00
	Child	625.00	700.00
	Stillborn	105.00	110.00
	Saturday	275.00	300.00
	Ashes	325.00	350.00
Ashes – Niche wall	Adult/Child	275.00	300.00
Ashes – cremation Strip	Purchase of plot	325.00	350.00
	Interment fee	Adult/child	110.00
Monument permit		44.00	45.00

# Fees and Charges

<b>2009/10 OPOTIKI RESOURCE RECOVERY CENTRE CHARGES</b>					
Advertised charges are based on full loads and then adjusted by percentage of full loads					
	<b>RECYCLED</b>				<b>Non Recycled</b>
	<b>100%</b>	<b>75%</b>	<b>50%</b>	<b>25%</b>	
Cars	\$4	\$6	\$8	\$10	\$12
Ute, Station wagon, Van Small trailers (up to 1m <sup>3</sup> )	\$6	\$9	\$12	\$15	\$18
Large trailers (1m <sup>3</sup> to 2m <sup>3</sup> )	\$12	\$18	\$24	\$30	\$34
<b>Plastic Bags:</b>	Small \$1	Large \$2		Ex Large \$4	
(Single, i.e. one only)	25 litre Shopping Bag	Up to 75 Litres		Over 75 Litres	
<b>Non-household, Commercial Loads and Loads Greater Than 2m<sup>3</sup></b>					
Totally Recycled \$10 per m <sup>3</sup> Not Recycled Not Accepted					
<b>Green Waste:</b>	Smaller loads of green waste will be charged at 50% recyclable. Loads larger than 2m <sup>3</sup> with limbs smaller than 100mm will be charged at \$10m <sup>3</sup> . Loads with limbs or material greater than 100mm – Not accepted.				
<b>Car Bodies:</b>	<b>\$25 each (Empty)</b>				
<b>Gas Bottles:</b>	Up to 9.0 kg	\$5.00 empty		\$10.00 with gas	
	Over 9.00 kg	\$10.00 empty		\$20.00 with gas	
		<u>Without Rims</u>		<u>With Rims</u>	
<b>Tyres:</b>	Car/Van	\$2.00		\$3.00	
	4x4 Ute or Truck	\$5.00		\$7.00	
	Tractor or Truck	\$8.00		\$10.00	