



Annual Plan

2017/18

Te Mahere ā-Tau



Mihi

E ngā tūtohu whenua,
tokatū moana o te rohe
tēnā koutou katoa.

Mai i Ngā Kurī a Whārei ki Tihirau
Mai i Maketū ki tai mai o Taupō-nui-a-Tia.
ko te rohe kaunihera tēnei o Toi Moana
Kia toi te whenua, kia toi te moana, kia toi te taiao,
kia toi te tangata.

Haere atu rā e ngā mate o te wā,
haere atu koutou, whakangaro atu rā.
Waiho mai mātau ki te kawē i ā koutou ōhāki,
tūmanako mō te painga o te rohe whānui.

Tēnei te tāpae atu i te Mahere ā-Tau mō te rohe.
He paiherenga kia mau tonu ki te huarahi kua
whakaarohia mō tātau.
Hoake!

To all our community,
wide and far
greetings to you all.

From Maketū to just inland of Taupō.
This is the local government area of
the Bay of Plenty Regional Council.
Let the land remain, let the oceans and lakes remain,
let the environment remain, let humankind remain.

Farewell the departed,
leave us and return.
We remain behind to continue your aspirations
and hopes, for the benefit of our region.

Here presented is the Annual Plan for the region.
It binds us to the direction we have already set.
So let us continue!



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Introduction

Kupu whakatai



Introduction

Message from The Chairman

We are continuing on the journey that we set out in the Long Term Plan (LTP) 2015-2025 and remain committed to our vision of 'Thriving Together - mō te taio mō ngā tāngata'. We listened carefully to the community when we developed the LTP 2015-2025 and remain committed to delivering what we said we would with some changes to costs and timing of projects to help secure additional government funding and to address changed circumstances arising out of events and new information, including the April 2017 flood events.

Year three of LTP 2015–2025 sees a peak in capital expenditure in the life of the LTP. Our total operating expenditure budget for year three is now \$128 million, compared to \$123 million in year three. Our total capital expenditure budget is now \$43 million, compared to \$25 million in year three. Our operating and capital expenditure reflects the stage of a number of large capital projects where the planning and design work is nearing completion and construction commences. We have still been able to reduce the forecast total real rates revenue increase for 2017/18 from 8.5 percent down to 4.6 percent which equates to between \$3 and \$35 annually for an average household.

In April 2017, our region experienced a significant weather event (Cyclone Debbie), resulting in serious flooding in Edgecumbe and throughout our region. The damage to our flood defences was extensive. We are working to repair our flood protection schemes. This work will be funded from reserves and will not have a direct impact on rates, with the majority of these costs being recovered through Central Government financial support and insurance cover.

Our work is focused on achieving five community outcomes: Water Quality and Quantity, Environmental Protection, Resilience and Safety, Regional Collaboration and Leadership, and Economic Development. Some of our major work planned for 2017/18 includes:

- Remediating the Kopeopeo Canal to reduce community health risks
- Commencing work on Te Hekenga Nui o Te Tuna (The Tuna Plan) in the Rangitāiki Catchment

- Commencing construction of the Kaituna River Re-diversion and wetland creation project
- Working with Tauranga City Council to fund the Marine Precinct in Te Awanui Tauranga Harbour
- Developing our resources to manage nutrient discharges in the Rotorua Lakes more cost effectively
- Investing in research and containment of catfish in the Rotorua Lakes area

This Annual Plan has been prepared under the Local Government Act 2002 and provides detailed information on changes from the LTP 2015-2025, but does not repeat information that is unchanged. The LTP 2015-2025 remains our primary guide for financial and performance management. I strongly encourage everyone to read the LTP 2015-2025 to understand the full spectrum of services provided by the Bay of Plenty Regional Council and for further detail on our work programmes.

A brief overview of our work for 2017/18 is available in the separate Annual Plan Summary Document.

Doug Leeder

Chairman, Bay of Plenty Regional Council

Notable Variances from year three of the Long Term Plan 2015-2025

Notable variances

Compared to LTP 2015-2025 year three, our planned operating expenditure has increased from \$123 million to \$128 million. Capital expenditure has increased from \$25 million to \$43 million. In LTP 2015-2025 year three, we planned to have a total real rates increase of 8.5 percent. We have managed to reduce the increase to 4.6 percent, even though we are doing more. While the total real rates revenue increase is lower, there are some changes between general rates and targeted rates.

In accordance with the Local Government Act 2002, the Annual Plan (AP 17/18) no longer contains all project and performance information for the year. The primary source of information is the Long Term Plan (LTP) 2015-2025. AP 17/18 now describes any variances to year three of LTP 2015-2025 and shows updated financial information.

The main variances are shown in this section, with more detailed information in each activity statement.

Items carried over from 2016/17

Several projects were not completed in 2016/17 as originally planned. Budgets for these have been re-profiled to 2017/18 or later years, depending on the revised project timeline. The projects that have had budget carried over to 2017/18 include:

- Dredging the Opureora Channel in the Tauranga Harbour, in order to improve access to Matakana Island for residents
- Kaituna River Re-diversion and Te Awa o Ngataroirangi / Maketū Estuary Enhancement Project
- The Kopeopeo Canal Remediation Project to remove, contaminants and bio-remediate dioxins

- Regional Infrastructure Fund grants for the Te Puna West Sewerage Scheme and the Tauranga Marine Precinct projects

Items deferred from 2017/18

Several projects that were intended for 2017/18 have been deferred. These projects are all reserve funded, where Council provides funding to a third party to deliver a regionally significant infrastructure project. Delays in these projects are generally the result of increased clarity of timelines that were not available at the time that the LTP 2015-2025 was completed. Projects where Council has deferred funding to 2018/19 or later years include:

- Matatā Sewerage Scheme
- SCION Innovation Centre in Rotorua
- Ōpōtiki Harbour Transformation

April 2017 flood event

In April 2017, the Bay of Plenty experienced a significant flood event (Cyclone Debbie), resulting in extensive damage to our flood protection schemes. This event has resulted in the following variances from LTP 2015-2025 year three:

- We have included an additional \$200,000 within our Governance Activity to fund reviews to look at the flood events, how they were managed and the performance of our flood protection schemes.
- We have initially budgeted \$10 million of additional expenditure for the assessment and remediation of flood protection schemes. This includes \$4.8 million operating expenditure and \$5.2 million capital expenditure. In the short term, this will be funded from flood reserves and the investment reserve and will not have a direct impact on rates. In the longer term, it is anticipated that much of this expenditure will be recovered through Central Government financial support and insurance cover.

Changes of assumptions or underlying information

- Several changes to assumptions or accounting treatment of costs have been made. These do not affect the service delivered to the community.
- The assumptions made in the LTP 2015-2025 for interest and inflation rates have been revised down in line with the latest BERL forecasts, this has the effect of reducing overall expenditure with no change to levels of service.

Overview of how we will pay for our work

Funding for the work we do comes from a number of sources including: general rates; targeted rates; investment income; fees and charges and other revenue such as government subsidies and reserves.

We proposed in the LTP 2015-2025 to have an unbalanced budget in 2017/18. This means that our forecast operating revenue is less than our operating expenditure. The main reason for the forecast unbalanced budget is that we are contributing funding to infrastructure projects. It's better to use reserves to fund these types of expenditure, rather than increase rates. We have enough operating revenue and reserves to meet our obligations as they fall due.

Groups of Activities

Ngā Rōpū Mahi



Notes for Interpreting Financial Information

Example of Group Financial Statement

2017/18 Annual Plan		
	\$000	\$000 - dollar amounts are stated exclusive of GST in thousands in financial statements (for example, 1,000,000 is shown as 1,000).
Activity operating revenue		Activity operating revenue - revenue received that relates to the specific activity
Targeted rates	8,369	Targeted rates - a rate set to fund activities where the Council considers the cost should be met by particular groups of ratepayers, as they will be the prime beneficiaries of the activity
External interest income	308	
Operating grants and subsidies	530	
Other revenue	165	
Fees and charges	11	
Total activity operating revenue	9,383	
Operating expenditure by activity		Operating expenditure - expenditure resulting from normal business operations
Rivers and Drainage Schemes	14,341	
Regional Flood Risk Coordination	1,695	
Total operating expenditure	16,037	
Net (surplus) deficit to fund	6,653	Net (surplus) deficit to fund - this is the difference between the revenue collected and the day to day costs of an activity
Funding required		General rates - a charge against the property to help fund services and assets the Council provides
General rates	1,401	Investment income allocated - interest and dividend revenue put towards the funding of activities
Investment income allocated	2,198	Increase or decrease in reserves - an increase is collected from revenue to put towards future costs. A decrease is when costs are paid from funds built up in previous years
(Increase) decrease in reserves	3,054	Funding - this part of the financial statement details funding sources
Total funding required	6,653	
Capital expenditure by activity		Capital expenditure - spending on buying or building new assets and renewing existing assets
Rivers & Drainage Schemes	20,054	
Total capital expenditure	20,054	
Other capital funding applied		
Increase (decrease) in reserves	(20,054)	
Total capital funding applied	0	
Sources of capital funding		Subsidies and grants for capital expenditure - revenue received from an external agency to help fund an activity or service that the Council provides
Subsidies and grants for capital expenditure	0	
Total sources of capital funding	0	

The above figures are for illustrative purposes only

Council Summary Financial Statements

2016/17		2017/18			2016/17		2017/18		
		Year 3 Long Term Plan	Annual Plan	Change			Year 3 Long Term Plan	Annual Plan	Change
\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000	
	Activity operating revenue								
15,866	Targeted rates	19,034	16,034	3,000					
20,900	Dividends	21,850	25,600	(3,750)					
8,935	External interest income	7,576	7,086	490					
2,778	Internal interest income	4,399	3,072	1,328					
15,664	Operating grants and subsidies	13,566	14,714	(1,147)					
2,917	Other revenue	5,679	1,825	3,854					
8,948	Fees and charges	10,162	9,563	599					
76,008	Total activity operating revenue	82,266	77,894	4,372					
	Operating expenditure by group of activities								
27,454	Integrated Catchment Management	31,569	30,637	(932)					
10,859	Flood Protection and Control	11,918	16,037	4,118					
14,029	Resource Regulation and Monitoring	15,207	16,384	1,176					
20,872	Transportation	22,499	21,991	(508)					
9,608	Regional Development	15,688	13,927	(1,761)					
16,099	Regional Planning and Engagement	15,476	17,715	2,239					
2,934	Emergency Management	3,080	3,107	27					
6,077	Technical Services	7,443	7,797	354					
833	Corporate Services	438	241	(197)					
108,766	Total operating expenditure	123,318	127,836	4,518					
32,758	Net (surplus) deficit to fund	41,052	49,942	8,890					
	Funding required								
20,467	General rates	21,987	22,950	962					
12,291	(Increase) decrease in reserves	19,064	26,992	7,928					
32,758	Total funding required	41,052	49,942	8,890					
	Capital expenditure by group of activities								
3,668	Integrated Catchment Management	3,248	6,309	3,061					
8,954	Flood Protection and Control	8,071	20,054	11,983					
255	Resource Regulation and Monitoring	105	104	(1)					
0	Transportation	0	1,508	1,508					
160	Regional Development	0	0	0					
11	Emergency Management	38	36	(2)					
956	Technical Services	883	865	(18)					
9,557	Corporate Services	12,443	14,530	2,087					
23,561	Total capital expenditure	24,788	43,406	18,618					
	Other capital funding applied								
597	Internal loan repayments	1,095	597	(498)					
2,010	Clean Heat programme	2,010	2,010	0					
(23,677)	Increase (decrease) in reserves	(25,311)	(43,263)	(17,951)					
2,491	Total capital funding applied	2,583	2,750	167					
	Sources of capital funding								
75	Subsidies and grants for capital expenditure	250	342	92					
2,010	Internal loans advanced	2,010	2,010	0					
406	Gross proceeds from sale of assets	323	398	75					
2,491	Total sources of capital funding	2,583	2,750	167					

Integrated Catchment Management Group

Te Rōpū Whakahaere Whaitua Awa



Integrated Catchment Management Group of Activities

Tauranga Harbour Activity

What's changed?

The Opureora Channel Dredging Project was scheduled to start in year one of the LTP 2015-2025. The purpose of the project is to dredge the Opureora Channel in the Tauranga Harbour, in order to improve access to Matakana Island for residents. Consent for the dredging work has been granted, however, there have been some delays in the procurement process. As a result \$750,000 of operating expenditure has been carried over to 2017/18 to complete the project.

Since the adoption of LTP 2015-2025, landowner contributions are now budgeted on a net basis resulting in adjustments to operating revenue and expenditure.

2016/17 Annual Plan \$000	2017/18 Year 3			
	Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000	
Activity operating revenue				
55	Operating grants and subsidies	56	56	0
0	Other revenue	1,728	0	1,728
55	Total activity operating revenue	1,784	56	1,728
Operating expenditure by sub activity				
441	Biodiversity	661	473	(188)
1,737	Sustainable Coastal Implementation	1,711	2,054	343
2,235	Sustainable Land Use	3,217	2,264	(953)
197	Sustainable Water	302	243	(59)
4,610	Total operating expenditure	5,891	5,034	(857)
4,555	Net (surplus) deficit to fund	4,106	4,978	872

2016/17 Annual Plan \$000	2017/18 Year 3			
	Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000	
Funding required				
1,409	General rates	1,495	1,251	(244)
2,350	Investment income allocated	2,296	1,921	(375)
796	(Increase) decrease in reserves	315	1,806	1,491
4,555	Total funding required	4,106	4,978	872

Rotorua Lakes Activity

What's changed?

Accurate planning and a stable environment have meant we are still in a position to deliver what we said we would for the Rotorua Lakes Activity in year three of the LTP 2015-2025. Capital funds have been allocated from the Information and Communication Technology Activity to develop an efficient Nutrient Management System for Rotorua Lakes.

We have also balanced how we use reserve funds to minimise both targeted and general rate increases for the Rotorua Lakes Activity.

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000
	Activity operating revenue			
2,974	Targeted rates	4,014	3,106	908
3,775	Operating grants and subsidies	4,565	4,775	(210)
0	Other revenue	303	0	303
6,749	Total activity operating revenue	8,883	7,881	1,001
	Operating expenditure by sub activity			
232	Biodiversity	693	148	(545)
1,687	Sustainable Land Use	1,074	1,375	301
12,316	Sustainable Water	14,163	14,413	250
14,235	Total operating expenditure	15,929	15,936	6
7,485	Net (surplus) deficit to fund	7,047	8,055	1,007
	Funding required			
1,217	General rates	1,449	1,274	(175)
2,031	Investment income allocated	2,226	1,464	(762)
4,237	(Increase) decrease in reserves	3,371	5,317	1,946
7,485	Total funding required	7,047	8,055	1,007

2016/17 Annual Plan \$000	Type	2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000
	Capital expenditure by sub activity			
	Sustainable Water			
	Rotorua Lakes - Non Deed SUSW			
94	Capital Projects	New	0	0
150	Tikitere Diversion	New	500	684
244	Total capital expenditure		500	684
	Other capital funding applied			
(169)	Increase (decrease) in reserves		(250)	(342)
75	Total capital funding applied		250	342
	Sources of capital funding			
75	Subsidies and grants for capital expenditure		250	342
75	Total sources of capital funding		250	342

Kaituna Activity

What's changed?

Detailed geotechnical investigations and the design phase has been completed for the Kaituna River Re-diversion and Te Awa o Ngatoroirangi / Maketū Estuary Enhancement Project. We are seeking partial funding for the project through the Ministry for the Environment Freshwater Improvement Fund in 2017/18. As a result we have deferred \$2.9 million of capital expenditure budget from 2016/17 to 2017/18 to align the procurement process with the Ministry for the Environment funding decision.

2016/17		2017/18		
		Year 3	Annual	Annual
Annual Plan		Long Term Plan	Plan	Plan Change
\$000		\$000	\$000	\$000
	Activity operating revenue			
33	Operating grants and subsidies	33	33	0
0	Fees and charges	30	0	30
33	Total activity operating revenue	63	33	30
	Operating expenditure by sub activity			
431	Biodiversity	588	463	(125)
787	Sustainable Coastal Implementation	1,016	997	(19)
1,311	Sustainable Land Use	984	1,380	396
0	Sustainable Water	182	0	(182)
2,529	Total operating expenditure	2,770	2,840	70
2,496	Net (surplus) deficit to fund	2,707	2,807	100
	Funding required			
755	General rates	979	1,053	74
1,361	Investment income allocated	1,505	1,548	43
380	(Increase) decrease in reserves	223	206	(17)
2,496	Total funding required	2,707	2,807	100

2016/17		2017/18		
		Year 3	Annual	Annual
Annual Plan		Long Term Plan	Plan	Plan Change
\$000		\$000	\$000	\$000
	Capital expenditure by sub activity			
	Sustainable Coastal Implementation			
0	Kaituna River Re-diversion	0	5,625	5,625
3,424	Kaituna River Re-diversion and Ongatoro	2,748	0	(2,748)
3,424	Total capital expenditure	2,748	5,625	2,877
	Other capital funding applied			
(3,424)	Increase (decrease) in reserves	(2,748)	(5,625)	(2,877)
0	Total capital funding applied	0	0	0

Rangitāiki Activity

What's changed?

In 2014, The Rangitāiki River Forum approved Te Ara Whanui o Rangitāiki – Pathways of the Rangitāiki, or the River Strategy. Te Hekenga Nui o te Tuna (the Tuna Plan) was prepared and endorsed in 2016. We have provided an additional \$40,000 to begin implementing Te Hekenga Nui o te Tuna in 2017/18.

Since the adoption of LTP 2015-2025, landowner contributions are budgeted on a net basis resulting in adjustments to operating revenue and expenditure. We have also made some internal changes to staffing requirements.

2016/17		2017/18		
Annual Plan		Year 3 Long Term Plan	Annual Plan	Annual Plan Change
\$000		\$000	\$000	\$000
Activity operating revenue				
0	Other revenue	63	0	63
20	Fees and charges	259	20	239
20	Total activity operating revenue	322	20	302
Operating expenditure by sub activity				
289	Biodiversity	273	228	(45)
147	Sustainable Coastal Implementation	126	164	38
418	Sustainable Land Use	728	524	(204)
188	Sustainable Water	155	258	103
1,042	Total operating expenditure	1,282	1,174	(108)
1,022	Net (surplus) deficit to fund	960	1,154	194
Funding required				
323	General rates	349	437	88
538	Investment income allocated	537	636	99
161	(Increase) decrease in reserves	74	81	7
1,022	Total funding required	960	1,154	194

Other Eastern Catchments Activity

What's changed?

Accurate planning and a stable environment have meant we are still in a position to deliver what we said we would for the Other Eastern Catchments Activity in year three of the LTP 2015-2025.

Since adoption of LTP 2015-2025, landowner contributions are now budgeted on a net basis results in adjustments to operating revenue and expenditure. We have also made some changes to internal staffing requirements.

2016/17		2017/18		
Annual Plan		Year 3 Long Term Plan	Annual Plan	Annual Plan Change
\$000		\$000	\$000	\$000
Activity operating revenue				
50	Other revenue	732	51	681
50	Total activity operating revenue	732	51	681
Operating expenditure by sub activity				
824	Biodiversity	1,127	775	(352)
342	Sustainable Coastal Implementation	312	346	34
853	Sustainable Land Use	1,281	1,079	(202)
295	Sustainable Water	253	343	90
2,314	Total operating expenditure	2,973	2,543	(430)
2,264	Net (surplus) deficit to fund	2,241	2,492	251
Funding required				
754	General rates	816	935	119
1,257	Investment income allocated	1,253	1,374	121
253	(Increase) decrease in reserves	172	183	11
2,264	Total funding required	2,241	2,492	251

Land and Water Framework Activity

What's changed?

Accurate planning and a stable environment have meant we are still in a position to deliver what we said we would for the Land and Water Framework Activity in year three of the LTP 2015-2025, with the exception that we have carried forward \$100,000 operating expenditure from 2016/17 to 2017/18 to complete the Water Strategy Project. We have also increased the internal resources allocated from other activities.

2016/17		2017/18		
Annual Plan		Year 3		
\$000		Long Term Plan	Annual Plan	Plan Change
		\$000	\$000	\$000
Activity operating revenue				
0	Operating grants and subsidies	0	50	(50)
35	Other revenue	0	36	(36)
35	Total activity operating revenue	0	86	(86)
Operating expenditure by sub activity				
245	Biodiversity	181	200	19
195	Sustainable Coastal Implementation	149	220	71
344	Sustainable Land Use	373	316	(57)
1,940	Sustainable Water	2,019	2,374	355
2,724	Total operating expenditure	2,723	3,110	388
2,689	Net (surplus) deficit to fund	2,723	3,024	301
Funding required				
914	General rates	991	1,120	129
1,526	Investment income allocated	1,523	1,640	117
249	(Increase) decrease in reserves	209	264	55
2,689	Total funding required	2,723	3,024	301

Integrated Catchment Management Group Financial Statement

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Activity operating revenue			
2,974	Targeted rates	4,014	3,107	907
3,863	Operating grants and subsidies	4,655	4,914	(259)
85	Other revenue	2,826	87	2,739
20	Fees and charges	289	20	269
6,942	Total activity operating revenue	11,785	8,128	3,656
	Operating expenditure by activity			
4,610	Tauranga Harbour	5,891	5,034	(857)
14,235	Rotorua Lakes	15,929	15,936	7
2,529	Kaituna	2,770	2,840	70
1,042	Rangitaiki	1,282	1,174	(108)
2,314	Other Catchments	2,973	2,543	(430)
2,724	Land and Water Framework	2,723	3,110	387
27,454	Total operating expenditure	31,569	30,637	(931)
20,512	Net (surplus) deficit to fund	19,784	22,509	2,725
	Funding required			
5,372	General rates	6,079	6,069	(10)
9,063	Investment income allocated	9,340	8,584	(756)
6,077	(Increase) decrease in reserves	4,365	7,856	3,491
20,512	Total funding required	19,784	22,509	2,725

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Capital expenditure by activity			
244	Rotorua Lakes	500	684	184
3,424	Kaituna	2,748	5,625	2,877
3,668	Total capital expenditure	3,248	6,309	3,061
	Other capital funding applied			
(3,593)	Increase (decrease) in reserves	(2,998)	(5,967)	(2,969)
75	Total capital funding applied	250	342	92
	Sources of capital funding			
75	Subsidies and grants for capital expenditure	250	342	92
75	Total sources of capital funding	250	342	92

Flood Protection and Control Group

Te Rōpū Kaupare me te Whakahaere Waipuke



Flood Protection and Control Group of Activities

Rivers and Drainage Schemes Activity

What's changed?

We have initially budgeted \$10 million of additional expenditure for the assessment and remediation of flood protection schemes following Cyclone Debbie. This includes \$4.8 million operating expenditure and \$5.2 million capital expenditure. In the short term, this will be funded from flood reserves and the investment reserve and will not have a direct impact on rates. In the longer term, it is anticipated that much of this expenditure will be recovered through Central Government financial support and insurance cover.

The Kopeopeo Canal Remediation Project is aimed at delivering improved water quality, and community and environmental health outcomes. A number of geotechnical issues have resulted in increased costs and some delays to the project. To address these issues, we have deferred \$3.8 million capital expenditure from 2016/17 to 2017/18. We have also increased the total capital budget by \$5.3 million to extend the remediation area and to meet increased costs.

2016/17	Annual Plan \$000	2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Plan Change \$000
		Activity operating revenue		
8,652	Targeted rates	9,543	8,369	1,174
308	External interest income	352	308	44
2,637	Operating grants and subsidies	60	530	(470)
162	Other revenue	167	165	2
11	Fees and charges	11	11	0
11,770	Total activity operating revenue	10,134	9,383	750
		Operating expenditure by sub activity		
1,965	Kaituna Catchment Control Scheme	2,183	3,124	941
840	Minor Rivers and Drainage Schemes	772	993	221
639	Non-scheme Works	902	1,010	108
751	Rangitāiki Drainage Schemes	815	718	(97)
2,585	Rangitāiki-Tarawera Rivers Scheme	3,064	4,653	1,589
994	Waioeka-Otara Rivers Scheme	1,018	1,299	281
1,604	Whakatāne-Tauranga Rivers Scheme	1,721	2,544	823
9,378	Total operating expenditure	10,475	14,341	3,866
(2,392)	Net (surplus) deficit to fund	342	4,958	4,616
		Funding required		
926	General rates	1,020	757	(263)
1,545	Investment income allocated	1,568	1,263	(305)
(4,863)	(Increase) decrease in reserves	(2,246)	2,938	5,184
(2,392)	Total funding required	342	4,958	4,616

2016/17 Annual Plan \$000		Type	2017/18		
			Year 3 Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000
	Capital expenditure by sub activity				
	Kaituna Catchment Control Scheme				
280	Kaituna River Capital	New	2,689	537	(2,152)
	Non-scheme Works				
5,153	Kopeopeo Canal Remediation Capital	New	126	9,220	9,094
	Rangitāiki Drainage Schemes				
204	Rangitāiki Drainage Schemes	Renewals	263	300	37
	Rangitāiki-Tarawera Rivers Scheme				
3,194	Rangitāiki Floodway	New	4,478	4,287	(191)
71	Rangitāiki Tarawera Capital	Renewals	74	4,873	4,799
	Waioeka-Otara Rivers Scheme				
0	Waioeka Otara Capital	New	53	52	(1)
0	Waioeka Otara Capital	Renewals	53	52	(1)
	Whakatāne-Tauranga Rivers Scheme				
51	Whakatāne River Capital	New	337	733	396
8,954	Total capital expenditure		8,071	20,054	11,983
	Other capital funding applied				
(8,954)	Increase (decrease) in reserves		(8,071)	(20,054)	(11,983)
0	Total capital funding applied		0	0	0

Regional Flood Risk Coordination Activity

What's changed?

Accurate planning and a stable environment have meant we are still in a position to deliver what we said we would for the Regional Flood Risk Activity in year three of the LTP 2015-2025. However, there has been some allocation of resources from other activities to meet the current needs of the Regional Flood Risk Coordination Activity.

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000
	Activity operating revenue			
0	Other revenue	113	0	113
0	Total activity operating revenue	113	0	113
	Operating expenditure by sub activity			
1,481	Regional Flood Risk Coordination	1,443	1,695	252
1,481	Total operating expenditure	1,443	1,695	252
1,481	Net (surplus) deficit to fund	1,330	1,695	365
	Funding required			
455	General rates	484	644	160
759	Investment income allocated	744	935	191
267	(Increase) decrease in reserves	102	116	14
1,481	Total funding required	1,330	1,695	365

Flood Protection and Control Group Financial Statement

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Activity operating revenue			
8,652	Targeted rates	9,543	8,369	1,174
308	External interest income	352	308	44
2,637	Operating grants and subsidies	60	530	(470)
162	Other revenue	280	165	115
11	Fees and charges	11	11	0
11,770	Total activity operating revenue	10,247	9,383	863
	Operating expenditure by activity			
9,378	Rivers and Drainage Schemes	10,475	14,341	3,866
1,481	Regional Flood Risk Coordination	1,443	1,695	252
10,859	Total operating expenditure	11,918	16,037	4,118
(911)	Net (surplus) deficit to fund	1,672	6,653	4,981
	Funding required			
1,381	General rates	1,504	1,401	(104)
2,304	Investment income allocated	2,311	2,198	(113)
(4,596)	(Increase) decrease in reserves	(2,144)	3,054	5,198
(911)	Total funding required	1,672	6,653	4,981

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Capital expenditure by activity			
8,954	Rivers and Drainage Schemes	8,071	20,054	11,983
8,954	Total capital expenditure	8,071	20,054	11,983
	Other capital funding applied			
(8,954)	Increase (decrease) in reserves	(8,071)	(20,054)	(11,983)
0	Total capital funding applied	0	0	0

Resource Regulation and Monitoring Group

Te Rōpū Whakarite Rawa me te Aroturuki



Resource Regulation and Monitoring Group of Activities

Biosecurity Activity

What's changed?

Brown bullhead catfish were discovered in Lake Rotoiti in 2016. These fish pose a significant risk to the lake environment and native fish and there is a strong community desire to contain and eradicate this pest species. We have decided to increase the funding to contain the catfish population, and to research eradication methods.

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Activity operating revenue			
108	Other revenue	171	193	(22)
108	Total activity operating revenue	171	193	(22)
	Operating expenditure by sub activity			
2,995	Biosecurity	3,103	3,492	390
2,995	Total operating expenditure	3,103	3,492	390
2,887	Net (surplus) deficit to fund	2,931	3,299	368
	Funding required			
984	General rates	1,067	1,259	192
1,642	Investment income allocated	1,639	1,819	180
261	(Increase) decrease in reserves	225	221	(4)
2,887	Total funding required	2,931	3,299	368

Rotorua Air Quality Activity

What's changed?

There has been a significant reduction in public participation in the Hot Swap Loan Scheme since the preparation of LTP 2015-2025. The voluntary scheme has been available since 2010 and the number of home owners wanting to upgrade their fires was anticipated to reduce over time. The 2017/18 financial statement reflects a decrease in operating expenditure and expected revenue as a result of this trend.

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Activity operating revenue			
924	Targeted rates	1,903	1,157	746
924	Total activity operating revenue	1,903	1,157	746
	Operating expenditure by sub activity			
1,112	Rotorua Air Quality	1,703	1,307	(396)
1,112	Total operating expenditure	1,703	1,307	(396)
188	Net (surplus) deficit to fund	(200)	150	350
	Funding required			
246	General rates	292	253	(39)
411	Investment income allocated	449	381	(68)
(469)	(Increase) decrease in reserves	(942)	(484)	458
188	Total funding required	(200)	150	350

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
Capital expenditure by sub activity				
0	Total capital expenditure	0	0	0
Other capital funding applied				
597	Internal loan repayments	1,095	597	(498)
2,010	Clean Heat programme	2,010	2,010	0
(597)	Increase (decrease) in reserves	(1,095)	(597)	498
2,010	Total capital funding applied	2,010	2,010	0
Sources of capital funding				
2,010	Internal loans advanced	2,010	2,010	0
2,010	Total sources of capital funding	2,010	2,010	0

Resource Consents Activity

What's changed?

To provide the levels of environmental protection and service levels that the community expects, we have increased our resources for the Consents Activity. This increase is partially off-set by an increase in revenue through changes in our Section 36 (Resource Management Act) fees and charges.

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
Activity operating revenue				
1,380	Fees and charges	1,422	1,685	(263)
1,380	Total activity operating revenue	1,422	1,685	(263)
Operating expenditure by sub activity				
3,221	Resource Consents	3,090	3,820	730
3,221	Total operating expenditure	3,090	3,820	730
1,841	Net (surplus) deficit to fund	1,668	2,135	467
Funding required				
549	General rates	607	807	200
916	Investment income allocated	932	1,178	246
376	(Increase) decrease in reserves	128	150	22
1,841	Total funding required	1,668	2,135	467

Pollution Prevention Activity

What's changed?

To provide the level of environmental protection that the community expects, we have increased our operational budget for pollution complaint investigations. This increase is off-set by an increase in revenue through changes to our Section 36 (Resource Management Act) fees and charges.

2016/17 Annual Plan \$000	2017/18 Year 3		
	Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000
Activity operating revenue			
1,661	Fees and charges	1,722	1,867 (145)
1,661	Total activity operating revenue	1,722	1,867 (145)
Operating expenditure by sub activity			
4,126	Pollution Prevention	4,600	4,822 222
4,126	Total operating expenditure	4,600	4,822 222
2,465	Net (surplus) deficit to fund	2,878	2,955 77
Funding required			
937	General rates	1,048	1,135 88
1,564	Investment income allocated	1,610	1,630 20
(36)	(Increase) decrease in reserves	221	190 (31)
2,465	Total funding required	2,878	2,955 77

Maritime Operations Activity

What's changed?

As part of our review of the Navigation Safety Bylaw, and in response to community feedback, we have increased the Maritime budget by \$137,000. This allows for additional patrols in Te Awanui Tauranga Harbour, a new patrol in Ōhiwa Harbour and, updated and improved signs and education materials across the region.

2016/17 Annual Plan \$000	2017/18 Year 3		
	Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000
Activity operating revenue			
0	Operating grants and subsidies	0	60 (60)
61	Other revenue	22	62 (40)
544	Fees and charges	561	554 7
605	Total activity operating revenue	582	676 (94)
Operating expenditure by sub activity			
2,575	Maritime Operations	2,711	2,942 231
2,575	Total operating expenditure	2,711	2,942 231
1,970	Net (surplus) deficit to fund	2,129	2,266 137
Funding required			
705	General rates	775	861 86
1,177	Investment income allocated	1,190	1,250 60
88	(Increase) decrease in reserves	163	155 (8)
1,970	Total funding required	2,129	2,266 137

2016/17		2017/18			
Annual Plan		Year 3			
		Long Term	Annual	Annual	
Plan		Plan	Plan	Change	
\$000		\$000	\$000	\$000	
	Capital expenditure by sub activity	Type			
256	Navigational Assets	New	105	104	(1)
256	Total capital expenditure		105	104	(1)
	Other capital funding applied				
(256)	Increase (decrease) in reserves		(105)	(104)	1
0	Total capital funding applied		0	0	0

Resource Regulation and Monitoring Group Financial Statement

2016/17		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Activity operating revenue			
924	Targeted rates	1,903	1,157	746
0	Operating grants and subsidies	0	60	(60)
169	Other revenue	193	255	(62)
3,585	Fees and charges	3,705	4,106	(401)
4,678	Total activity operating revenue	5,801	5,578	223
	Operating expenditure by activity			
2,995	Biosecurity	3,103	3,492	389
1,112	Rotorua Air Quality	1,703	1,307	(396)
3,221	Resource Consents	3,090	3,820	730
4,126	Pollution Prevention	4,600	4,822	222
2,575	Maritime Operations	2,711	2,942	231
14,029	Total operating expenditure	15,207	16,383	1,176
9,351	Net (surplus) deficit to fund	9,406	10,805	1,399
	Funding required			
3,422	General rates	3,789	4,316	527
5,709	Investment income allocated	5,821	6,257	436
220	(Increase) decrease in reserves	(204)	232	436
9,351	Total funding required	9,406	10,805	1,399

2016/17		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Capital expenditure by activity			
256	Maritime Operations	105	104	(1)
256	Total capital expenditure	105	104	(1)
	Other capital funding applied			
597	Internal loan repayments	1,095	597	(498)
2,010	Clean Heat programme	2,010	2,010	0
(852)	Increase (decrease) in reserves	(1,200)	(701)	499
2,010	Total capital funding applied	2,010	2,010	0
	Sources of capital funding			
2,010	Internal loans advanced	2,010	2,010	0
2,010	Total sources of capital funding	2,010	2,010	0

Transportation Group

Te Rōpū Ikiiki



Transportation Group of Activities

Passenger Transport Activity

What's changed?

Our Passenger Transport Activity budget has been updated for contract costs, patronage data and expected revenue, based on the most recent information.

Effluent from stock trucks on our roads is also an increasing and on-going issue for the Bay of Plenty region. To address this issue, we are providing additional funds to identify at least one new stock truck effluent disposal site, and to secure appropriate resource consents for that site.

As a result of community feedback we have budgeted an additional \$7,000 grant expenditure to facilitate a Smart Transport Options event in the Western Bay of Plenty sub-region. This event will bring key stakeholders together to brainstorm the future of transport in the region.

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000
	Activity operating revenue			
3,407	Targeted rates	3,672	3,612	60
7,405	Operating grants and subsidies	7,190	7,725	(535)
687	Other revenue	751	701	50
4,313	Fees and charges	5,224	4,394	830
15,812	Total activity operating revenue	16,837	16,432	405

2016/17 Annual Plan \$000		2017/18			
		Year 3 Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000	
	Operating expenditure by sub activity				
2,948	Regional Passenger Transport	2,771	3,082	311	
3,178	Rotorua Passenger Transport	3,271	3,314	44	
14,180	Tauranga Passenger Transport	15,760	14,957	(803)	
20,306	Total operating expenditure	21,802	21,353	(449)	
4,494	Net (surplus) deficit to fund	4,964	4,921	(44)	
	Funding required				
1,656	General rates	1,595	1,715	120	
2,426	Investment income allocated	2,451	2,526	75	
412	(Increase) decrease in reserves	919	680	(239)	
4,494	Total funding required	4,964	4,921	(44)	
	Capital expenditure by sub activity				
	Regional Passenger Transport				
0	Electronic Ticketing Rural	New	0	42	42
	Rotorua Passenger Transport				
0	Electronic Ticketing Rotorua	New	0	170	170
	Tauranga Passenger Transport				
0	Electronic Ticketing Tauranga	New	0	638	638
0	Real Time Passenger Information	New	0	658	658
0	Total capital expenditure	0	1,508	1,508	
	Other capital funding applied				
0	Increase (decrease) in reserves	0	(1,508)	(1,508)	
0	Total capital funding applied	0	0	0	

Transport Planning Activity

What's changed?

Accurate planning and a stable environment have meant we are still in a position to deliver what we said we would for the Transport Planning Activity in year three of the LTP 2015-2025.

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000
	Activity operating revenue			
65	Operating grants and subsidies	0	65	(65)
65	Total activity operating revenue	0	65	(65)
	Operating expenditure by sub activity			
566	Transport Planning	697	638	(59)
566	Total operating expenditure	697	638	(59)
501	Net (surplus) deficit to fund	697	573	(124)
	Funding required			
209	General rates	254	217	(37)
349	Investment income allocated	390	316	(74)
(57)	(Increase) decrease in reserves	54	40	(14)
501	Total funding required	697	573	(124)

Transportation Group Financial Statement

2016/17		2017/18		
		Year 3 Long Term Plan	Annual Plan	Change
Annual Plan \$000		\$000	\$000	\$000
	Activity operating revenue			
3,407	Targeted rates	3,672	3,612	59
7,470	Operating grants and subsidies	7,190	7,790	(599)
687	Other revenue	751	701	50
4,312	Fees and charges	5,224	4,394	830
15,877	Total activity operating revenue	16,837	16,497	340
	Operating expenditure by activity			
20,306	Passenger Transport	21,802	21,353	(448)
566	Transport Planning	697	638	(59)
20,872	Total operating expenditure	22,499	21,991	(508)
4,995	Net (surplus) deficit to fund	5,661	5,494	(167)
	Funding required			
1,865	General rates	1,849	1,932	83
2,775	Investment income allocated	2,840	2,842	2
356	(Increase) decrease in reserves	972	720	(252)
4,995	Total funding required	5,661	5,494	(167)

2016/17		2017/18		
		Year 3 Long Term Plan	Annual Plan	Change
Annual Plan \$000		\$000	\$000	\$000
	Capital expenditure by activity			
0	Passenger Transport	0	1,508	1,508
0	Total capital expenditure	0	1,508	1,508
	Other capital funding applied			
0	Increase (decrease) in reserves	0	(1,508)	(1,508)
0	Total capital funding applied	0	0	0

Regional Development Group

Te Rōpū Whakawhanaketanga ā-Rohe



Regional Development Group of Activities

Regional Infrastructure Activity

What's changed?

We still intend to fund the infrastructure projects that we set out in LTP 2015-2025. All of these projects are managed and delivered by third parties. The timing of the following grant payments have been updated based on the most recent delivery timelines.

- \$4.5 million moved from 2017/18 to 2019/20 for the Ōpōtiki Harbour Transformation. Ōpōtiki District Council lead this project and physical construction is anticipated to commence in 2018/19.
- \$1.9 million moved from 2017/18 to 2019/20 for Matatā Sewerage. Whakatāne District Council lead this project and the preferred option and funding is being refined.
- \$1.5 million moved from 2016/17 to 2017/18 for the Tauranga Marine Precinct. Tauranga City Council lead this project. Most of the physical construction will be completed in 2017/18, and the grant for the travel lift has been moved to 2017/18 to allow for testing and certification.
- \$1.25 million moved from 2017/18 to 2019/20 for the SCION Innovation Centre. SCION lead this project and pre-funding conditions are anticipated to be met in 2017/18 leading to physical construction over 2018/19 and 2019/20.
- \$900,000 has been moved from 2016/17 to 2017/18 for the Te Puna West Sewerage Scheme. Western Bay of Plenty District Council lead on this project and grant timing has been updated to reflect the construction programme.

2016/17 Annual Plan \$000	2017/18			
	Year 3 Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000	
Activity operating revenue				
0	Total activity operating revenue	0	0	0
Operating expenditure by sub activity				
7,940	Regional Infrastructure	14,126	12,134	(1,992)
7,940	Total operating expenditure	14,126	12,134	(1,992)
7,940	Net (surplus) deficit to fund	14,126	12,134	(1,992)
Funding required				
317	Investment income allocated	269	308	39
7,623	(Increase) decrease in reserves	13,857	11,826	(2,031)
7,940	Total funding required	14,126	12,134	(1,992)

Regional Economic Development Activity

What's changed?

In response to community feedback, we budgeted the following additional expenditure:

- \$40,000 for the Bay of Connections Regional Growth Study Action Plan, Agri-business Sector.
- \$40,000 for the Bay of Connections Regional Growth Study Action Plan, Visitor Economy Sector.
- \$20,000 to assist with the establishment of a Regional Film Office in the Bay of Plenty.
- \$7,000 grant money to facilitate a Smart Transport Options event in the Western Bay of Plenty sub-region.

2016/17	Annual Plan \$000	2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000
		Activity operating revenue		
50	Other revenue	0	0	0
50	Total activity operating revenue	0	0	0
		Operating expenditure by sub activity		
874	Regional Economic Development	761	961	200
874	Total operating expenditure	761	961	200
824	Net (surplus) deficit to fund	761	961	200
		Funding required		
257	General rates	277	368	91
429	Investment income allocated	426	530	104
138	(Increase) decrease in reserves	58	63	5
824	Total funding required	761	961	200

Regional Parks Activity

What's changed?

Accurate planning and a stable environment have meant we are still in a position to deliver what we said we would for the Regional Parks Activity in year three of the LTP 2015-2025.

2016/17	Annual Plan \$000	2017/18			
		Year 3 Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000	
		Activity operating revenue			
0	Other revenue	14	0	14	
1	Fees and charges	69	1	68	
1	Total activity operating revenue	83	1	82	
		Operating expenditure by sub activity			
794	Regional Parks	801	832	31	
794	Total operating expenditure	801	832	31	
793	Net (surplus) deficit to fund	718	831	113	
		Funding required			
242	General rates	261	311	50	
404	Investment income allocated	401	458	57	
147	(Increase) decrease in reserves	55	62	6	
793	Total funding required	717	831	113	
		Capital expenditure by sub activity			
		Regional Parks			
161	Papamoa Regional Park	Renewals	0	0	0
161	Total capital expenditure	0	0	0	
		Other capital funding applied			
(161)	Increase (decrease) in reserves	0	0	0	
0	Total capital funding applied	0	0	0	

Regional Development Group Financial Statement

2016/17 Annual Plan \$000	2017/18			
	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000	
	Activity operating revenue			
50	Other revenue	14	0	14
1	Fees and charges	69	1	68
51	Total activity operating revenue	83	1	82
	Operating expenditure by activity			
7,940	Regional Infrastructure	14,126	12,134	(1,992)
874	Regional Economic Development	761	961	200
794	Regional Parks	801	832	31
9,608	Total operating expenditure	15,688	13,927	(1,761)
9,557	Net (surplus) deficit to fund	15,605	13,926	(1,679)
	Funding required			
499	General rates	538	679	141
1,150	Investment income allocated	1,096	1,296	200
7,908	(Increase) decrease in reserves	13,971	11,951	(2,020)
9,557	Total funding required	15,605	13,926	(1,679)

2016/17 Annual Plan \$000	2017/18			
	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000	
	Capital expenditure by activity			
161	Regional Parks	0	0	0
161	Total capital expenditure	0	0	0
	Other capital funding applied			
(161)	Increase (decrease) in reserves	0	0	0
0	Total capital funding applied	0	0	0

Regional Planning and Engagement Group

Te Rōpū Waihanga Mahere ā-Rohe me te Whakawhitiwhiti



Regional Planning and Engagement Group of Activities

Regional Planning Activity

What's changed?

Our Regional Planning Activity incorporates regional integrated planning, natural resources policy and water policy. Overall, we have increased our Regional Planning budget to enable a range of activities, including:

- Regional Planning: enabling us to respond to emerging planning requirements from central government, such as the Clean Water Initiative, National Policy Statements, and changes to the Resource Management Act.
- Regional Integrated Planning: enabling us to undertake additional natural hazards research, including regional volcanic and earthquake hazard susceptibility mapping; coastal hazard risk assessment, including for tsunami in the Western Bay of Plenty District and Tauranga City. We will also complete a natural hazard risk management process for Ōpōtiki District and an issues assessment for flood risk in other developed areas.
- Water Policy: to help meet statutory requirements to deliver water quality and quantity plan changes. Water Policy is now presented separately.

2016/17	Annual Plan \$000	2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Plan Change \$000
		Activity operating revenue		
0	Total activity operating revenue	0	0	0
		Operating expenditure by sub activity		
1,333	Natural Resource Planning	2,686	1,622	(1,064)
2,721	Regional Integrated Planning	2,794	3,249	455
1,712	Water Policy	0	1,938	1,938
5,766	Total operating expenditure	5,480	6,809	1,329
5,766	Net (surplus) deficit to fund	5,480	6,809	1,329
		Funding required		
1,901	General rates	1,994	2,603	609
3,171	Investment income allocated	3,064	3,755	691
694	(Increase) decrease in reserves	421	451	30
5,766	Total funding required	5,480	6,809	1,329

Māori Policy Activity

What's changed?

The Māori Policy Activity budget has been increased to provide additional cultural/technical resources (Pou Ngaio). The focus of this change is to proactively work with hapū and iwi to increase knowledge and capacity around the Resource Management Act.

2016/17 Annual Plan \$000	2017/18 Year 3		
	Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000
Activity operating revenue			
0	0	0	0
Operating expenditure by sub activity			
1,362	1,240	1,453	213
1,362	1,240	1,453	213
1,362	1,240	1,453	213
Funding required			
444	451	549	97
741	693	801	108
177	95	103	8
1,362	1,240	1,453	213

Geothermal Activity

What's changed?

Accurate planning and a stable environment have meant we are still in a position to deliver what we said we would for the Geothermal Activity in year three of the LTP 2015-2025. We have increased the resources allocated from other internal service activities, for example, Data Services and increased the Geothermal Activity budget accordingly.

2016/17 Annual Plan \$000	2017/18 Year 3		
	Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000
Activity operating revenue			
0	0	0	0
Operating expenditure by sub activity			
485	398	540	142
485	398	540	142
485	398	540	142
Funding required			
133	145	204	59
222	223	298	75
130	31	38	7
485	398	540	142

Kotahitanga/Strategic Engagement Activity

What's changed?

Accurate planning and a stable environment have meant we are still in a position to deliver what we said we would for the Kotahitanga/Strategic Engagement Activity, with the exception that Council has decided to:

- Create a new environmental youth scholarship in recognition of the work and mana of the late Councillor Awanuiarangi Black. The award will total \$10,000 and will be administered through the Environmental Enhancement Fund (EEF).
- Provide a \$10,000 grant to the Mōtū Trails Cycleway group to assist with promotion and management of the trail.

2016/17 Annual Plan \$000	2017/18		
	Year 3 Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000
Activity operating revenue			
0	0	0	0
Operating expenditure by sub activity			
1,583	1,836	1,649	(187)
1,583	1,836	1,649	(187)
Net (surplus) deficit to fund			
1,583	1,836	1,649	(187)
Funding required			
505	560	299	(261)
842	860	915	54
236	415	435	20
1,583	1,836	1,649	(187)

Governance Services Activity

What's changed?

Following the major flood event of April 2017, an additional \$200,000 has been included within the Governance Activity to fund reviews to look at how they were managed, and the performance of our flood protection schemes.

An additional non-financial change has also been made to the Governance Activity to amend a Key Performance Indicator so that 95% of draft Council and Committee minutes are published on the council website within ten working days after the meeting.

There have also been some changes arising out of Council's obligations relating to Treaty settlements.

2016/17 Annual Plan \$000	2017/18		
	Year 3 Long Term Plan \$000	Annual Plan \$000	Annual Plan Change \$000
Activity operating revenue			
338	150	38	112
338	150	38	112
Operating expenditure by sub activity			
6,903	6,522	7,265	743
6,903	6,522	7,265	743
Net (surplus) deficit to fund			
6,565	6,372	7,227	855
Funding required			
2,176	2,319	2,723	404
3,629	3,564	3,985	421
760	489	519	30
6,565	6,372	7,227	855

Regional Planning and Engagement Group Financial Statement

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Activity operating revenue			
338	Operating grants and subsidies	150	38	112
338	Total activity operating revenue	150	38	112
	Operating expenditure by activity			
5,766	Regional Planning	5,480	6,809	1,329
1,362	Maori Policy	1,240	1,453	213
485	Geothermal	398	540	142
1,583	Kotahitanga/Strategic Engagement	1,836	1,649	(187)
6,903	Governance Services	6,522	7,265	743
16,099	Total operating expenditure	15,476	17,716	2,240
15,761	Net (surplus) deficit to fund	15,326	17,378	2,352
	Funding required			
5,158	General rates	5,470	6,377	907
8,605	Investment income allocated	8,404	9,754	1,350
1,998	(Increase) decrease in reserves	1,451	1,547	96
15,761	Total funding required	15,326	17,678	2,352

Emergency Management Group

Te Rōpū Whakahaere Mate Whawhati Tata



Emergency Management Group of Activities

What's changed?

Accurate planning and a stable environment have meant we are still in a position to deliver what we said we would for the Emergency Management group of activities in year three of the LTP 2015-2025.

2016/17		2017/18		
		Year 3 Long Term Plan	Annual Plan	Change
Annual Plan		\$000	\$000	\$000
Activity operating revenue				
1,356	Operating grants and subsidies	1,511	1,382	130
39	Other revenue	45	40	5
1,395	Total activity operating revenue	1,557	1,422	135
Operating expenditure by sub activity				
2,934	Emergency Management	3,080	3,107	27
2,934	Total operating expenditure	3,080	3,107	27
1,539	Net (surplus) deficit to fund	1,523	1,685	162
Funding required				
467	General rates	534	601	67
780	Investment income allocated	820	890	70
292	(Increase) decrease in reserves	169	194	25
1,539	Total funding required	1,523	1,685	162

2016/17		Type	2017/18		
			Year 3 Long Term Plan	Annual Plan	Change
Annual Plan			\$000	\$000	\$000
Capital expenditure by activity					
11	Emergency Management	New	38	36	(2)
11	Total capital expenditure		38	36	(2)
Other capital funding applied					
(11)	Increase (decrease) in reserves		(38)	(36)	2
0	Total capital funding applied		0	0	0

Technical Services Group

Te Rōpū Ratonga Hangarau



Technical Services Group of Activities

Geospatial Activity

What's changed?

Accurate planning and a stable environment have meant we are still in a position to deliver what we said we would for the Geospatial Activity in year three of the LTP 2015-2025. Our operating expenditure is allocated across the activities that will utilise the services in 2017/18.

2016/17 Annual Plan \$000	2017/18		
	Year 3 Long Term Plan \$000	Annual Plan Change \$000	
Activity operating revenue			
0	0	0	0
Total activity operating revenue			
0	0	0	0
Operating expenditure by sub activity			
0	0	0	0
Geospatial			
0	0	0	0
Total operating expenditure			
0	0	0	0
Net (surplus) deficit to fund			
0	0	0	0
Funding required			
0	0	0	0
Total funding required			

2016/17 Annual Plan \$000		Type	2017/18		
			Year 3 Long Term Plan \$000	Annual Plan Change \$000	
Capital expenditure by sub activity					
86	NZ/Regional Spatial Data Infrastructure	New	21	21	0
258	Spatial data provision for BOP region	New	189	187	(2)
45	Spatial Modelling	New	95	93	(2)
389	Total capital expenditure		305	301	(4)
Other capital funding applied					
(389)	Increase (decrease) in reserves		(305)	(301)	4
0	Total capital funding applied		0	0	0

Engineering Activity

What's changed?

Accurate planning and a stable environment have meant we are still in a position to deliver what we said we would for the Engineering Activity in year three of the LTP 2015-2025. However, we have allocated some resources to the Regional Flood Risk Coordination Activity resulting in a reduction in operating expenditure.

2016/17		2017/18		
		Year 3		Annual Plan Change
Annual Plan		Long Term Plan	Annual Plan	
\$000		\$000	\$000	\$000
	Activity operating revenue			
44	Other revenue	0	0	0
44	Total activity operating revenue	0	0	0
	Operating expenditure by sub activity			
2,123	Engineering	2,629	2,399	(230)
2,123	Total operating expenditure	2,629	2,399	(230)
2,079	Net (surplus) deficit to fund	2,629	2,399	(230)
	Funding required			
879	General rates	957	900	(57)
1,467	Investment income allocated	1,470	1,323	(147)
(267)	(Increase) decrease in reserves	202	176	(26)
2,079	Total funding required	2,629	2,399	(230)

Data Services Activity

What's changed?

We have increased the resources in our Data Services Activity, which includes our laboratory services, enabling us to meet increasing service delivery requirements, including laboratory, data analysis and data collection, focussing on freshwater futures and engineering requirements. The increased resources have been allocated across the activities that will utilise this additional resource.

2016/17		2017/18		
		Year 3		Annual Plan Change
Annual Plan		Long Term Plan	Annual Plan	
\$000		\$000	\$000	\$000
	Activity operating revenue			
170	Other revenue	163	208	(46)
0	Fees and charges	13	0	13
170	Total activity operating revenue	175	208	(33)
	Operating expenditure by sub activity			
170	Data Services	175	208	33
170	Total operating expenditure	175	208	33
0	Net (surplus) deficit to fund	0	0	0
	Funding required			
0	Total funding required	0	0	0

2016/17		2017/18			
Annual Plan		Year 3	Annual	Change	
\$000		Long Term Plan	Plan		
		\$000	\$000	\$000	
Capital expenditure by sub activity		Type			
25	Expansion of Network	New	26	26	0
228	Upgrade and Replacement - Environmental	New	230	199	(31)
33	Upgrade and Replacement - Laboratory	New	34	33	(1)
5	Radio Telephones	New	6	6	0
291	Total capital expenditure		296	264	(32)
Other capital funding applied					
(291)	Increase (decrease) in reserves		(296)	(264)	32
0	Total capital funding applied		0	0	0

Science Activity

What's changed?

Our Science budget has been increased so that we can expand our monitoring of air-borne pollutants in the Tauranga Port area. The changes will enable four new air quality monitoring sites in the Tauranga Port and Sulphur Point area, and allow us to monitor Methyl Bromide, air-borne particulate levels (PM10, PM2.5) and other pollutants, as well as provide for mobile monitoring.

2016/17		2017/18			
Annual Plan		Year 3	Annual	Change	
\$000		Long Term Plan	Plan		
		\$000	\$000	\$000	
Activity operating revenue					
31	Other revenue		32	31	1
904	Fees and charges		932	921	11
934	Total activity operating revenue		963	952	12
Operating expenditure by sub activity					
3,783	Science		4,639	5,190	551
3,783	Total operating expenditure		4,639	5,190	551
2,849	Net (surplus) deficit to fund		3,676	4,238	563
Funding required					
1,203	General rates		1,338	1,632	294
2,006	Investment income allocated		2,055	2,337	282
(360)	(Increase) decrease in reserves		282	269	(13)
2,849	Total funding required		3,675	4,238	563

2016/17	2017/18				
	Annual Plan		Year 3 Long Term Plan	Annual Plan	Change
\$000			\$000	\$000	\$000
	Capital expenditure by sub activity	Type			
275	Monitoring Equipment	New	283	300	17
275	Total capital expenditure		283	300	17
	Other capital funding applied				
(275)	Increase (decrease) in reserves		(283)	(300)	(17)
0	Total capital funding applied		0	0	0

Technical Services Group Financial Statement

2016/17 Annual Plan \$000	2017/18		
	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Activity operating revenue		
244	207	240	(33)
904	932	920	12
1,148	1,139	1,160	(21)
	Operating expenditure by activity		
2,123	2,629	2,399	(230)
170	175	208	33
3,784	4,639	5,190	551
6,077	7,443	7,797	354
4,929	6,305	6,637	332
	Funding required		
2,081	2,295	2,533	238
3,476	3,526	3,660	134
(628)	484	444	(40)
4,929	6,305	6,637	332

2016/17 Annual Plan \$000	2017/18		
	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Capital expenditure by activity		
389	305	301	(4)
291	296	264	(32)
275	283	300	17
955	883	865	(18)
	Other capital funding applied		
(955)	(883)	(865)	18
0	0	0	0

Corporate Services Group

Te Rōpū Ratonga Tōpū



Corporate Services Group of Activities

What's changed?

The Corporate Services Group incorporates a range of Council support services activities, including Finance, as well as Information and Communication Technology (ICT) Activities.

The main changes in this group of activities are:

- \$400,000 within the Finance Activity to develop enterprise software to better manage purchasing, contract and asset management.
- \$950,000 within the ICT Activity to develop a Nutrient Management System to implement Plan Change 10 of the Regional Water and Land Plan.

The Corporate Services Group financial statements have also been updated to reflect annual changes in service level delivery costs, for example software licencing.

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Activity operating revenue			
(91)	Targeted rates	(99)	(211)	112
20,900	Dividends	21,850	25,600	(3,750)
8,626	External interest income	7,224	6,778	446
2,778	Internal interest income	4,399	3,072	1,328
1,480	Other revenue	1,174	338	836
115	Fees and charges	118	109	9
33,808	Total activity operating revenue	34,667	35,686	(1,018)
	Operating expenditure by activity			
40	Communications	41	41	0
82	People and Performance	85	84	(1)
0	Support Services	0	95	95
501	Corporate Property	165	83	(82)
	Information and Communication			
243	Technology	250	240	(10)
(33)	Finance	(103)	(301)	(198)
833	Total operating expenditure	438	241	(197)
(32,975)	Net (surplus) deficit to fund	(34,230)	(35,445)	(1,215)
	Funding required			
220	General rates	(71)	(958)	(887)
(33,859)	Investment income allocated	(34,159)	(35,482)	(1,323)
664	(Increase) decrease in reserves	0	995	995
(32,975)	Total funding required	(34,230)	(35,445)	(1,215)

2016/17 Annual Plan \$000	Type	2017/18			
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000	
Capital expenditure by sub activity					
Communications					
11	Display equipment and gazebos	New	11	11	0
Land and Buildings					
0	Edgecumbe Building Capital	Renewals	5	0	(5)
273	General Building Capital	Renewals	0	268	268
Group Emergency Coordination					
0	Centre	New	1,576	0	(1,576)
907	Quay Street Building Capital	Renewals	945	2,429	1,484
3,488	Regional Building Capital	Renewals	6,933	7,287	354
0	Rotorua Buildings Capital	Renewals	3	0	(3)
Plant					
783	Plant Replacement	Renewals	473	467	(6)
Vehicles					
1,096	Vehicle Replacement	Renewals	958	947	(11)
Information Services					
1,680	Accelerate Project	New	158	0	(158)
438	Data/BI Project	New	263	586	323
0	Lakes Nutrients Database	New	0	954	954
15	Business Continuity	New	16	15	(1)
25	Asset Management Project	New	26	0	(26)
Finance enterprise software					
0	development	New	0	400	400
Information Technology					
280	End User Computer	New	320	317	(4)
183	Network Infrastructure	New	357	403	46
76	Servers	New	79	78	(1)
301	Video Conferencing and Telephony	New	320	367	47
9,557	Total capital expenditure		12,443	41,530	2,087

2016/17 Annual Plan \$000	Type	2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
Other capital funding applied				
(9,151)	Increase (decrease) in reserves	(12,120)	(14,131)	(2,011)
406	Total capital funding applied	323	398	75
Sources of capital funding				
406	Gross proceeds from sale of assets	323	398	75
406	Total sources of capital funding	323	398	75

Policies and financial information

Ngā mōhiotanga kaupapa here me te pūtea



Policies and Financial Information

Changes to Accounting Policies and Forecasting Assumptions

Accounting Policy changes

There are no accounting policy changes for 2017/18 Annual Plan.

Forecasting assumption changes

The following are changes to the forecasting assumptions since the Long Term Plan 2015-2025:

Assumption	2017/18	
	Year 3 Long Term Plan	Annual Plan
1. Inflation factors	2.5%	1.9%
2. Investment income	5.6%	4.8%
3. Number of rating units	125,347	125,347

For the full forecasting assumptions please refer to the Long Term Plan 2015-2025, pages 232-238.

Prospective Financial Statements

Prospective Statement of Comprehensive Revenue and Expense

2016/17		2017/18		
Annual Plan		Year 3 Long Term Plan	Annual Plan	Change
\$000		\$000	\$000	\$000
	Operating revenue			
20,467	General rates	21,987	22,950	(963)
15,866	Targeted rates	19,034	16,034	3,000
8,935	Finance income	7,576	7,086	490
20,900	Dividends	21,850	25,600	(3,750)
15,739	Subsidies and grants	13,816	15,056	(1,240)
11,865	Trading and other revenue	15,840	11,388	4,452
93,772	Total operating revenue	100,104	98,114	1,990
	Operating expenditure			
34,772	Employee benefit expenses	33,664	37,816	4,152
5,816	Depreciation and amortisation	7,451	6,463	(988)
65,400	Trading and other expenses	77,804	80,486	2,682
105,988	Total operating expenditure	118,918	124,765	5,846
(12,216)	Net surplus (deficit)	(18,814)	(26,650)	7,836
	Other comprehensive revenue and expense			
667	Gain on property revaluations	961	961	0
6,749	Gain on infrastructure asset revaluations	6,480	6,480	0
(403)	Financial assets at fair value through comprehensive revenue and expense	(662)	(662)	0
7,012	Total other comprehensive revenue and expense	6,779	6,779	0
(5,204)	Total comprehensive revenue and expense	(12,036)	(19,872)	7,836

Prospective Statement of Changes in Net Assets/Equity

2016/17		2017/18		
Annual Plan		Year 3 Long Term Plan	Annual Plan	Change
\$000		\$000	\$000	\$000
444,360	Balance at 1 July	442,455	462,361	(19,906)
(5,204)	Total comprehensive revenue and expense previously reported	(12,036)	(19,872)	(7,836)
439,156	Balance at 30 June	430,419	442,489	(12,070)
	<i>Total comprehensive revenue and expense attributable to:</i>			
(5,204)	Equity holders of the parent	(12,036)	(19,872)	7,836

Prospective Statement of Financial Position

2016/17		Notes	2017/18		Change
Annual Plan			Year 3 Long Term Plan	Annual Plan	
\$000			\$000	\$000	\$000
Current assets					
15,363	Cash and cash equivalents		9,211	12,435	(3,224)
21,825	Other financial assets - current		10,095	21,148	(11,053)
14,682	Trade and other receivables		11,372	11,906	(534)
239	Inventories		214	221	(7)
52,109	Total current assets		30,892	45,710	(14,818)
Non-current assets					
4,554	Trade and other receivables - non-current		7,968	4,249	3,719
310,589	Property plant and equipment		344,739	350,252	(5,513)
7,445	Intangible assets		10,203	5,489	4,714
115,599	Other financial assets - long term		90,870	64,938	25,932
1,944	Investment in subsidiaries		1,944	1,877	67
440,131	Total non-current assets		455,724	426,805	28,919
492,240	Total assets		486,616	472,515	14,101
Current liabilities					
9,923	Trade and other payables		13,110	9,606	(3,504)
3,050	Employee benefit liabilities		3,007	4,282	1,275
12,973	Total current liabilities		16,117	13,888	(2,229)
Non-current liabilities					
1,112	Employee benefit liabilities - long term		1,080	1,138	58
39,000	Put option		39,000	15,000	(24,000)
40,112	Total non-current liabilities		40,080	16,138	(23,942)
53,085	Total liabilities		56,197	30,026	(26,171)
439,155	Total net assets		430,419	442,489	12,070

2016/17		Notes	2017/18		Change \$000
Annual Plan \$000			Year 3 Long Term Plan \$000	Annual Plan \$000	
Equity					
159,909	Retained earnings		196,299	212,223	(15,924)
134,886	Asset revaluation reserve	2	142,667	141,502	1,165
(5,886)	Asset replacement reserve	2	(7,982)	(1,453)	(6,529)
547	Environmental enhancement fund	2	0	237	(237)
8,297	Disaster reserve	2	9,432	4,444	4,988
426	Equalisation reserve	2	0	26	(26)
79,028	Investment fund reserve	2	30,758	33,849	(3,091)
54,336	Regional project fund	2	54,925	44,918	10,007
3,718	Current account reserves	2	1,719	3,586	(1,867)
142	Rotorua lakes deed funding reserve	2	1,934	1,011	923
3,752	Financial assets reserve	2	667	2,146	(1,479)
439,156	Total equity		430,419	442,489	(12,070)

Prospective Statement of Cashflows

2016/17 Annual Plan \$000		2017/18		Change \$000
		Year 3 Long Term Plan \$000	Annual Plan \$000	
	Cash flows from operating activities			
36,333	General and targeted rates	40,947	36,333	4,614
15,739	Grants & subsidies	13,836	15,739	(1,903)
1,099	GST	28	1,099	(1,071)
12,262	Other receipts from customers	15,893	12,064	3,829
8,935	Interest income	7,498	8,935	(1,437)
20,900	Dividends	21,850	20,900	950
(66,706)	Payments to suppliers	(77,484)	(66,700)	(10,784)
(34,584)	Payments to employees	(33,600)	(34,607)	1,007
(6,022)	Net cash from operating activities	(11,032)	(6,237)	(4,795)
	Cash flows from investing activities			
406	Proceeds from sale of property, plant & equipment	398	392	6
(20,722)	Purchase of property plant & equipment	(23,742)	(41,947)	18,205
(6,141)	Purchase of intangible assets	(1,047)	(1,458)	411
33,138	Investment withdrawals	32,744	45,419	(12,675)
6,681	Net cash from investing activities	8,353	2,406	5,947
	Cash flows from financing activities			
(2,010)	Loans issued to ratepayers	(2,010)	(2,010)	0
597	Loan repayments from ratepayers	1,095	597	498
(1,413)	Net cash from financing activities	(915)	(1,413)	498
(754)	Net increase (decrease) in cash, cash equivalents and bank overdrafts	(3,594)	(5,244)	1,650
16,117	Cash, cash equivalents and bank overdrafts at the beginning of the year	12,805	17,679	(4,874)
15,363	Cash, cash equivalents and bank overdrafts at the end of the year	9,211	12,435	(3,223)

Notes to Prospective Financial Statements

Note 1 - Summary Financial Statements - Reconciliation to Statement of Comprehensive Revenue and Expense and Funding Impact Statement

2016/17 Annual Plan \$000		2017/18		Change \$000
		Year 3 Long Term Plan \$000	Annual Plan \$000	
	Revenue by group of activities			
6,942	Integrated Catchment Management	11,785	8,128	3,656
11,771	Flood Protection and Control	10,247	9,383	863
4,678	Resource Regulation and Monitoring	5,801	5,578	223
15,877	Transportation	16,837	16,497	340
51	Regional Development	83	1	82
338	Regional Planning and Engagement	150	38	112
1,395	Emergency Management	1,557	1,422	135
1,148	Technical Services	1,139	1,160	(21)
33,808	Corporate Services	34,667	35,686	(1,018)
76,008	Activity operating revenue	82,266	77,894	4,371
20,467	General rates	21,987	22,950	(963)
96,475	Total activity operating revenue	104,254	100,843	7,779
	Reconciliation to statement of comprehensive revenue and expense			
(2,778)	Less internal interest	(4,399)	(3,072)	1,327
75	Plus subsidies and grants for capital expenditure	250	342	92
93,772	Total operating revenue - statement of comprehensive revenue and expense	100,104	98,113	1,991
	Reconciliation to funding impact statement			
(75)	Less subsidies and grants for capital expenditure	(250)	(342)	(92)
93,697	Total sources of operating funding	99,854	97,771	2,083

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Expenditure by group of activities			
27,455	Integrated Catchment Management	31,569	30,637	(931)
10,859	Flood Protection and Control	11,918	16,037	4,118
14,029	Resource Regulation and Monitoring	15,207	16,383	1,176
20,871	Transportation	22,499	21,991	(508)
9,608	Regional Development	15,688	13,927	(1,761)
16,100	Regional Planning and Engagement	15,476	17,716	2,240
2,934	Emergency Management	3,080	3,107	27
6,077	Technical Services	7,443	7,797	354
833	Corporate Services	438	241	(197)
108,766	Total operating expenditure	123,318	127,836	4,518
	Reconciliation to statement of comprehensive revenue and expense			
(2,778)	Less internal interest	(4,399)	(3,072)	1,328
105,988	Total expenditure - statement of comprehensive revenue and expense	118,918	124,764	5,846
	Reconciliation to funding impact statement			
(5,816)	Less depreciation	(7,451)	(6,463)	987
100,172	Total applications of operating funding	111,468	118,301	6,833
(12,217)	Net cost of service	(18,814)	(26,650)	(7,836)
(6,476)	Surplus (deficit) of operating funding	(11,613)	(20,529)	9,816

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

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

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

Note 2 - Reserves

2016/17		2017/18		
Annual Plan		Year 3 Long Term Plan	Annual Plan	Change
\$000		\$000	\$000	\$000
Asset revaluation reserve				
127,470	Opening balance surplus (deficit)	135,227	134,061	1,166
7,416	Deposits	7,440	7,441	(1)
0	Withdrawals	0	0	0
134,886	Closing balance surplus (deficit)	142,667	141,502	1,165
Asset replacement reserve				
(3,677)	Opening balance surplus (deficit)	(9,349)	(743)	(8,606)
7,733	Deposits	8,383	8,526	(143)
(9,942)	Withdrawals	(7,017)	(9,236)	2,219
(5,886)	Closing balance surplus (deficit)	(7,983)	(1,453)	(6,530)
Environmental enhancement fund				
847	Opening balance surplus (deficit)	297	547	(250)
0	Deposits	0	0	0
(300)	Withdrawals	(297)	(310)	13
547	Closing balance surplus (deficit)	0	237	(237)
Disaster reserves				
7,211	Opening balance surplus (deficit)	8,301	8,758	(457)
1,086	Deposits	1,130	1,086	44
0	Withdrawals	0	(5,400)	5,400
8,297	Closing balance surplus (deficit)	9,431	4,444	4,987
Equalisation fund reserve				
0	Opening balance surplus (deficit)	0	0	0
9,341	Deposits	0	4,831	(4,831)
(8,914)	Withdrawals	0	(4,805)	4,805
426	Closing balance surplus (deficit)	0	26	(26)

2016/17	2017/18			
	Annual Plan \$000	Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	CDEM Group reserve			
0	Opening balance surplus (deficit)	0	476	(476)
0	Deposits	0	0	0
0	Withdrawals	0	0	0
0	Closing balance surplus (deficit)	0	476	(476)
	Kaituna River Authority Reserve			
0	Opening balance surplus (deficit)	0	259	(259)
0	Deposits	0	0	0
0	Withdrawals	0	0	0
0	Closing balance surplus (deficit)	0	259	(259)
	Investment fund reserve			
105,857	Opening balance surplus (deficit)	68,021	88,138	(20,117)
0	Deposits	0	0	0
(26,829)	Withdrawals	(37,263)	(54,288)	17,025
79,028	Closing balance surplus (deficit)	30,758	33,850	(3,092)
	Regional project fund reserve			
54,681	Opening balance surplus (deficit)	55,121	48,493	6,628
3,002	Deposits	4,635	3,002	1,633
(3,347)	Withdrawals	(4,831)	(6,577)	1,746
54,336	Closing balance surplus (deficit)	54,925	44,918	10,007
	Current account reserve			
4,336	Opening balance surplus (deficit)	2,252	3,470	(1,218)
1,458	Deposits	1,133	469	664
(2,078)	Withdrawals	(1,666)	(1,088)	(578)
3,718	Closing balance surplus (deficit)	1,719	2,851	(1,132)

2016/17		2017/18		
Annual Plan		Year 3 Long Term Plan	Annual Plan	Change
\$000		\$000	\$000	\$000
Rotorua lakes deed funding reserve				
1,035	Opening balance surplus (deficit)	1,934	1,011	923
0	Deposits	0	0	0
(893)	Withdrawals	0	0	0
142	Closing balance surplus (deficit)	1,934	1,011	923
Financial assets for resale reserve				
4,155	Opening balance surplus (deficit)	1,330	2,808	(1,478)
0	Deposits	66	0	66
(403)	Withdrawals	(728)	(662)	(66)
3,752	Closing balance surplus (deficit)	668	2,146	(1,478)
Total Reserves				
301,917	Opening balance surplus (deficit)	263,135	287,278	(24,143)
30,037	Deposits	22,786	25,355	(2,569)
(52,706)	Withdrawals	(51,801)	(82,366)	30,565
279,247	Closing balance surplus (deficit)	234,120	230,267	3,853

Note 3 - Depreciation and Amortisation

	2016/17 Annual Plan \$000	2017/18		Change \$000
		Year 3 Long Term Plan \$000	Annual Plan \$000	
Depreciation and amortisation by group of activities				
735	Integrated Catchment Management	833	802	(31)
986	Flood Protection and Control	1,248	1,016	(232)
72	Resource Regulation and Monitoring	64	141	77
29	Transportation	1,073	96	(977)
28	Regional Development	17	28	11
0	Regional Planning and Engagement	0	0	0
2	Emergency Management	8	4	(4)
684	Technical Services	1,009	761	(248)
3,281	Corporate Services	3,198	3,615	417
5,816	Total depreciation and amortisation	7,451	6,463	(987)

Note - 4 Financial prudence

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

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

Benchmark		Ratio	2017/18		Met
			Year 3 Long Term Plan Limit	Annual Plan	
1. a) Rates affordability General	<i>quantified limit on rates</i>	Income <=	21,988,000	22,950,000	no
	<i>quantified limit on rates increases</i>	Increases <=	9.5%	9.4%	yes
1. b) Rates affordability Targeted	<i>quantified limit on rates</i>	Income <=	19,034,000	16,034,000	yes
	<i>quantified limit on rates increases</i>	Increases <=	5.9%	-1.6%	yes
2. Debt affordability	<i>quantified limit on borrowing</i>	Net debt/total revenue <175%	175%	-102%	yes
	<i>quantified limit on borrowing</i>	Net interest/total revenue <20%	20%	10%	yes
	<i>quantified limit on borrowing</i>	Net interest/annual rates revenue <25%	25%	-26%	yes
	<i>quantified limit on borrowing</i>	Liquidity >110%	110%	130%	yes
3. Balanced budget	100%	Revenue >=operational	100%	84%	no
4. Essential services	100%	Planned capital expenditure on network services >= expected depreciation	100%	1386%	yes
5. Debt servicing	10%	Planned borrowing cost is <= 10% of planned revenue	10%	0%	yes

Rates affordability benchmark

For this benchmark

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

The Council meets the rates affordability benchmark if:

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

Debt affordability benchmark

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

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

Balanced budget benchmark

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

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

Essential services benchmark

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

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

Debt servicing benchmark

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

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

Funding Impact Statement

Introduction

Bay of Plenty Regional Council has prepared this Funding Impact Statement in accordance with Clause 15, Part 1 of Schedule 10 of the Local Government Act 2002. Examples of the impact of rating proposals on the rates assessed on different categories of land are included in the Long Term Plan's introduction section.

All 2017/18 rates tables exclude the Council's Goods and Services Tax component.

General rates

General rates based on land value

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

General Rates Land Value	\$12,360,967
Constituent Authority	Rates expressed as cents per dollars of rateable land value
Kawerau	0.043960
Ōpōtiki	0.028018
Rotorua (Pt)	0.032052
Taupō (Pt)	0.028018
Tauranga	0.036647
Western Bay of Plenty	0.028018
Whakatāne	0.028018
Offshore Islands	0.118347

Uniform annual general charge

In addition, a Uniform Annual General Charge (UAGC) is set in accordance with Section 15(1)(a) of the Local Government (Rating) Act 2002 for all rateable land within the region. It is calculated as a fixed amount per rating unit.

Uniform Annual General Charge	\$10,796,567
Fixed amount per rating unit	\$86.13

Major River and Drainage Scheme targeted rates

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

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

Kaituna Catchment Control Scheme targeted rates

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

Kaituna Catchment Control Scheme targeted rates			
Category	Rate per hectare \$	Site component \$	Revenue sought \$
A1P	180.97	180.97	371,742
A2P	144.78	162.88	22,867
A3P	108.58	144.78	18,424
A4P	72.39	126.68	19,793
A1	144.78	135.73	90,448
A2	117.63	117.63	42,115
A3	90.49	117.63	42,404
A4	63.34	117.63	24,479
A5	54.29	117.63	42,119

A6	45.24	99.54	17,282
A7	32.58	90.49	17,917
A8	21.72	0.00	2,400
A9	7.24	0.00	625
A10	3.62	0.00	697
A11	1.81	0.00	383
B1	21.72	54.29	18,744
B2	16.29	45.24	5,979
B3	9.05	36.19	16,738
B4	5.43	27.15	27,970
B5	3.62	27.15	29,408
C1	5.43	27.15	5,453
C2	3.17	27.15	89,412
C3	2.17	27.15	25,798
C4	1.81	0.00	3,785
C6R	1.09	0.00	1,163
C8	0.72	18.10	5,691
C5	2.17	18.10	91,590
C6	1.27	14.48	14,106
C7	0.72	54.29	1,917
C9	0.54	14.48	3,637
R01	36.19	72.39	18,136
R02	0.00	54.29	56,711
R03	27.15	22.62	544,459
TP1	18.10	27.15	78,970
Total			1,753,362

Rangitāiki-Tarawera Rivers Scheme targeted rates

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

Rangitāiki-Tarawera Rivers Scheme targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A1	97.76	788,561
A2	69.25	108,649
A3	52.95	97,585
A4	40.73	45,807
A5	34.62	238,991
A6	12.22	1,976
B1	61.10	129,566
B2	48.88	23,724
B3	36.66	26,015
B4	28.51	244,730
B5	20.37	32,647
B6	7.33	271
B7	5.70	1,025
C1	5.30	43,919
C2	3.67	188,970
C3	1.22	115,986
C4	0.81	51,078
C5	0.61	13,300
U1	3,116.08	124,659
U2	2,932.78	168,217
U3	529.53	13,285
U4	346.23	269,930
U5	244.40	24,891
Total		2,753,782

Whakatāne-Tauranga Rivers Scheme targeted rates

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

Whakatane-Tauranga Rivers Scheme targeted rates			
Category	Rate per hectare \$	Site component \$	Revenue sought \$
A1	125.89	125.89	94,758
A2	106.52	106.52	42,404
A3	87.15	91.99	138,019
A4	72.63	82.31	220,788
A5	53.26	0.00	12,861
A6	38.73	67.78	16,770
A7	29.05	58.10	21,674
A8	19.37	53.26	46,896
A9	9.68	0.00	1,251
B1	43.58	0.00	96,098
B2	24.21	43.58	68,293
B3	19.37	29.05	35,065
B4	14.53	24.21	6,402
B5	1.94	0.00	876
C1	5.81	48.42	25,358
C2	3.87	19.37	38,409
C3	2.91	19.37	27,459
C4	1.94	4.84	4,548
C5	0.97	4.84	23,110
U1	435.76	130.73	349,100
U2	319.56	101.68	100,384
U3	169.46	67.78	158,378
U4	106.52	58.10	76,239
U5	9.68	0.00	7
Total			1,605,147

Waioeka-Otara Rivers Scheme targeted rates

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

Waioeka-Otara Rivers Scheme targeted rates			
Category	Rate per hectare \$	Site component \$	Revenue sought \$
A1A	259.79	299.76	15,455
A2	139.89	219.82	19,055
A2A	199.84	249.80	9,029
A3	119.90	179.86	90,476
A3A	159.87	219.82	4,590
A4	99.92	139.89	53,903
A4A	129.90	179.86	3,024
A5	89.93	139.89	41,368
A6	69.94	139.89	636
A7	59.95	139.89	7,224
A8	49.96	139.89	65,086
B1	39.97	0.00	10,778
B2	6.00	0.00	102
C1	9.99	119.90	29,453
C2	6.00	119.90	10,062
C3	4.00	99.92	9,835
C4	3.00	39.97	14,234
C5	2.00	39.97	2,218
C6	0.80	39.97	7,166
R	2.00	0.00	189
U1A C	1,199.04	879.29	33,449
U1AR	599.52	439.65	50,088
U1C	959.23	719.42	107,947
U1R	479.62	359.71	302,367
U2AC	879.29	639.49	11,712

U2AR	439.65	319.74	36,607
U2C	639.49	559.55	7,241
U2R	319.74	279.78	86,238
U3R	79.94	159.87	66,155
Total			1,095,687

Rangitāiki Drainage targeted rates

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

Rangitāiki Drainage targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	43.50	337,186
B	39.15	43,491
C	36.54	52,723
D	31.76	194,394
E	26.10	69,347
F	19.58	48,322
G	14.79	55,158
H	10.88	1,213
I	5.22	3,823
U1	87.01	30,938
U2	43.50	2,735
Total		839,330

Passenger Transport targeted rate

A targeted rate is set differentially in accordance with Sections 16, 17 and 18 of the Local Government (Rating) Act 2002, as a fixed amount per rating unit on all rateable properties within the defined boundaries of Tauranga City, and on a fixed amount per rating unit on all rateable properties within the defined boundaries of urban Rotorua. The targeted rate are set for the Transportation Group of Activities.

Passenger Transport targeted rate		
Category	Rate per rating unit \$	Revenue sought \$
Tauranga City	53.96	2,953,284
Rotorua Urban	30.04	659,171
Total		3,612,455

Rotorua Lakes Programme targeted rate

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

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

Rotorua Lakes Programme targeted rate		
Category - All Properties	Rate per rating unit \$	Revenue sought \$
0 - 1.9999ha	97.08	2,454,164
2 - 9.9999ha	207.10	144,143
10ha and over	663.48	508,229
Total		3,106,536

Rotorua Air Action Plan Implementation targeted rate

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

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

Rotorua Air Action Plan Implementation targeted rate		
Category	Rate per rating unit \$	Revenue sought \$
Rotorua Urban	31.51	691,137

Rotorua Air - Clean Heat Conversion targeted rates

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

Rotorua Air Clean Heat Conversion targeted rates 2017/18		
Category	Rate \$	Revenue sought \$
CH001	591.30	20,104
CH002	573.91	6,887
CH003	556.52	10,574
CH004	539.13	12,400
CH005	521.74	4,696
CH006	504.35	1,513
CH007	486.96	6,330
CH008	469.57	2,817
CH009	452.17	1,357
CH010	434.78	870
CH011	417.39	-
CH1	400.00	143,600
CH2	395.65	22,156
CH3	391.30	16,043
CH4	386.96	12,383
CH5	382.61	21,809
CH6	378.26	13,617
CH7	373.91	22,061
CH8	369.57	11,826
CH9	365.22	7,304
CH10	360.87	14,074
CH11	356.52	9,626
CH12	352.17	9,156
CH13	347.83	7,304
CH14	343.48	16,831
CH15	339.13	15,600
CH16	334.78	16,739
CH17	330.43	4,956

CH18	326.09	8,804
CH19	321.74	10,296
CH20	317.39	6,348
CH21	313.04	5,322
CH22	308.70	2,470
CH23	304.35	4,565
CH24	300.00	10,200
CH25	295.65	3,548
CH26	291.30	4,952
CH27	286.96	8,322
CH28	282.61	12,152
CH29	278.26	3,617
CH30	273.91	3,287
CH31	269.57	2,157
CH32	265.22	1,857
CH33	260.87	4,957
CH34	256.52	4,104
CH35	252.17	2,270
CH36	247.83	991
CH37	243.48	1,948
CH38	239.13	957
CH39	234.78	470
CH40	230.43	461
CH41	226.09	452
CH42	221.74	443
CH43	217.39	1,087
CH44	213.04	426
CH45	208.70	417
CH46	204.35	613
CH47	200.00	200
CH48	196.00	980
Total		541,306

Minor Rivers and Drainage Schemes targeted rates

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

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

Minor Rivers and Drainage Schemes targeted differential rates

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

Ōpōtiki

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

Waiotahi River District targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	36.84	4,002
B	29.47	4,794
C	22.11	4,226
D	12.28	624
E	7.37	559
F	3.68	695
Total		14,900

Huntress Creek Drainage District targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	16.92	3,563
B	12.97	1,029
C	8.46	614
D	5.64	301
E	3.95	129

F	1.69	564
Total		6,200

Waiotahi Drainage District targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	20.68	1,766
B	17.23	3,583
C	13.79	870
D	10.34	464
E	6.89	29
F	3.45	788
Total		7,500

Rangitāiki Plains

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

Omeheu West Communal Pumped Drainage Scheme targeted rate		
Category	Rate per hectare \$	Revenue sought \$
A	26.88	940
B	23.89	406
C	5.97	254
Total		1,600

Awaiti West Pumped Drainage Scheme targeted rate		
Category	Rate per hectare \$	Revenue sought \$
A	246.38	3,104
B	113.33	16,682
C	49.28	9,724
D	24.64	1,190
Total		30,700

Withy Communal Pumped Drainage Scheme targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	163.70	10,798
B	98.22	4,571
C	32.74	1,431
Total		16,800

Omeheu Adjunct Communal Pumped Drainage Scheme targeted rates		
Category	Rate per hectare \$	Revenue sought \$
A	37.53	386
B	28.15	2,256
C	20.64	1,149
D	11.26	983
E	5.63	305
F	1.88	44
URBAN	99.45	4,277
Total		9,400

Lawrence Communal Pumped Drainage Scheme rates		
Category	Rate per hectare \$	Revenue sought \$
A	263.86	7,441
B	211.09	971
C	131.93	934
D	65.97	954
Total		10,300

Murray's Communal Pumped Drainage Scheme rates		
Category	Rate per hectare \$	Revenue sought \$
A	64.21	9,797
B	46.23	761
C	41.10	1,969
D	17.98	973
Total		13,500

Minor Drainage Schemes uniform targeted rates

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

Minor Drainage Schemes targeted uniform rates		
Category	Rate per hectare \$	Revenue sought \$
Angle Road	50.77	11,650
Awakeri	17.34	4,950
Baird-Miller	39.97	5,500
Foubister	27.63	2,900
Gordon	150.46	14,800
Greigs Road	39.80	28,400
Halls	0.00	0
Hyland-Ballie	75.12	17,700
Riverslea Road	195.17	6,000
Kuhanui	37.37	3,100
Longview-Richlands	41.41	4,800
Luxton	10.51	2,300
Martin	0.00	0
Massey	41.73	17,800
Mexted-Withy	0.00	0
Nicholas	18.65	5,400
Noord-Vierboon	0.86	100
Omeheu East	80.13	33,600
Pedersen - Topp	0.00	0
Platts	0.00	0
Reynolds	14.76	1,900
Robins Road	72.22	13,500
Robinsons	0.00	0
Thompson-Ernest	26.17	14,200
Travurzas	21.72	4,300
Wyls	0.00	0
Poplar Lane	28.45	1,600
Awaiti East	90.52	12,900
Total		207,400

Lump Sum Contributions

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

Examples of 2017/18 general rates only

Kawerau

Median Land Value	Land Value \$	Annual per property \$
Lower Quartile	18,000	94.05
Middle Quartile	23,000	96.24
Upper Quartile	26,000	97.56

Ōpōtiki

Median Land Value	Land Value \$	Annual per property \$
Lower Quartile	33,000	95.38
Middle Quartile	91,000	111.63
Upper Quartile	205,000	143.57

Rotorua (Pt)

Median Land Value	Land Value \$	Annual per property \$
Lower Quartile	78,000	269.76
Middle Quartile	105,000	278.42
Upper Quartile	171,000	299.57

Tauranga

Median Land Value	Land Value \$	Annual per property \$
Lower Quartile	163,000	199.83
Middle Quartile	205,000	215.22
Upper Quartile	295,000	248.20

Western Bay of Plenty

Median Land Value	Land Value \$	Annual per property \$
Lower Quartile	220,000	147.77
Middle Quartile	350,000	184.20
Upper Quartile	540,000	237.43

Whakatāne

Median Land Value	Land Value \$	Annual per property \$
Lower Quartile	101,000	114.43
Middle Quartile	160,000	130.96
Upper Quartile	250,000	156.18

Schedule to Funding Impact Statement - rates requirement

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	General rates			
10,744	General rates based on land value	11,196	12,361	(1,165)
9,977	Uniform annual general charge (UAGC)	11,091	10,797	294
(254)	Rates remissions	(300)	(208)	(92)
20,467	Total general rates	21,987	22,950	(963)
	Targeted rates			
1,753	Kaituna Catchment Control Scheme targeted rate	1,857	1,753	104
2,754	Rangitāiki-Tarawera Rivers Scheme targeted rate	3,354	2,754	600
1,601	Whakatāne-Tauranga Rivers Scheme targeted rate	1,706	1,605	101
1,096	Waioeka-Otara Rivers Scheme targeted rate	1,157	1,096	61
839	Rangitāiki Drainage targeted rate	941	839	102
3,407	Passenger transport targeted rate	3,672	3,613	59
2,974	Rotorua Lakes activity targeted rate	4,014	3,107	907
419	Rotorua Air Action Plan Implementation targeted rate	852	691	161
580	Rotorua Air - Clean Heat Conversion targeted rate	1,052	541	511
609	Minor Rivers and Drainage Schemes targeted rate	528	321	207
(166)	Rates remissions	(99)	(286)	187
15,866	Total targeted rates	19,034	16,034	3,001
36,333	Total rates	41,022	38,984	2,038

Council Funding Impact Statement

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

The key difference between the funding impact statement and the statement of comprehensive revenue and expense, is that depreciation and vested assets are excluded from the funding impact statements.

	2016/17 Annual Plan \$000	2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
Sources of operating funding				
20,467	General rates, uniform annual general charge, rates penalties	21,987	22,950	(963)
15,866	Targeted rates	19,034	16,034	3,000
15,664	Subsidies and grants for operating purposes	13,566	14,714	1,148
8,948	Fees and charges	10,162	9,563	599
29,835	Interest and dividends from investments	29,426	32,686	(3,260)
2,917	Local authorities fuel tax, fines, infringement fees, and other receipts	5,679	1,825	3,854
93,697	Total operating funding (A)	99,854	97,772	2,082
Applications of operating funding				
100,047	Payments to staff and suppliers	110,822	118,070	(7,248)
0	Finance costs	0	0	0
125	Other operating funding applications	645	231	414
100,172	Total applications of operating funding (B)	111,468	118,301	(6,834)
(6,476)	Surplus (deficit) of operating funding (A-B)	(11,613)	(20,529)	8,916
Sources of capital funding				
75	Subsidies and grants for capital expenditure	250	342	(92)
406	Gross proceeds from sale of assets	323	398	(75)
481	Total sources of capital funding (C)	573	740	(167)

2016/17 Annual Plan \$000		2017/18		
		Year 3 Long Term Plan \$000	Annual Plan \$000	Change \$000
	Application of capital funding			
	Capital expenditure			
18,457	- to improve the level of service	16,745	28,196	(11,451)
5,103	- to replace existing assets	8,043	15,209	(7,166)
(30,152)	Increase (decrease) in reserves	(36,924)	(63,792)	26,868
597	Increase (decrease) of investments	1,095	597	498
(5,995)	Total applications of capital funding (D)	(11,041)	(19,789)	8,749
6,476	Surplus (deficit) of capital funding (C-D)	11,613	20,529	(8,916)
0	Funding balance ((A-B)+(C-D))	0	0	0
	Note: This financial statement excludes:			
5,816	Depreciation and amortisation	7,451	6,463	(988)

Rates Summary

Total Annual Average Rates

The tables below set out the total annual rates for an average property for each district in the Bay of Plenty regions. The 2017/18 total rates figure includes targeted rates for Rotorua Lake, Passenger Transport, and Rotorua Air, but excludes targeted rates for River and Drainage Schemes and the clean heat conversions. The amounts in the tables below **include** the Council's Goods and Services Tax component.

Kawerau	\$
Median property land value	23,000
Uniform annual general charge	99.05
General rate	11.63
2017/18 total rate	110.68
Average weekly cost	2.13
Increase from previous year	9.73

Rotorua	\$
Median property land value	105,000
Uniform annual general charge	99.05
General rate	38.70
2017/18 total rate	320.18
Average weekly cost	6.16
Increase from previous year	35.33

Western Bay	\$
Median property land value	350,000
Uniform annual general charge	99.05
General rate	112.77
2017/18 total rate	211.82
Average weekly cost	4.07
Increase from previous year	24.12

Ōpōtiki	\$
Median property land value	91,000
Uniform annual general charge	99.05
General rate	29.32
2017/18 total rate	128.37
Average weekly cost	2.47
Increase from previous year	2.53

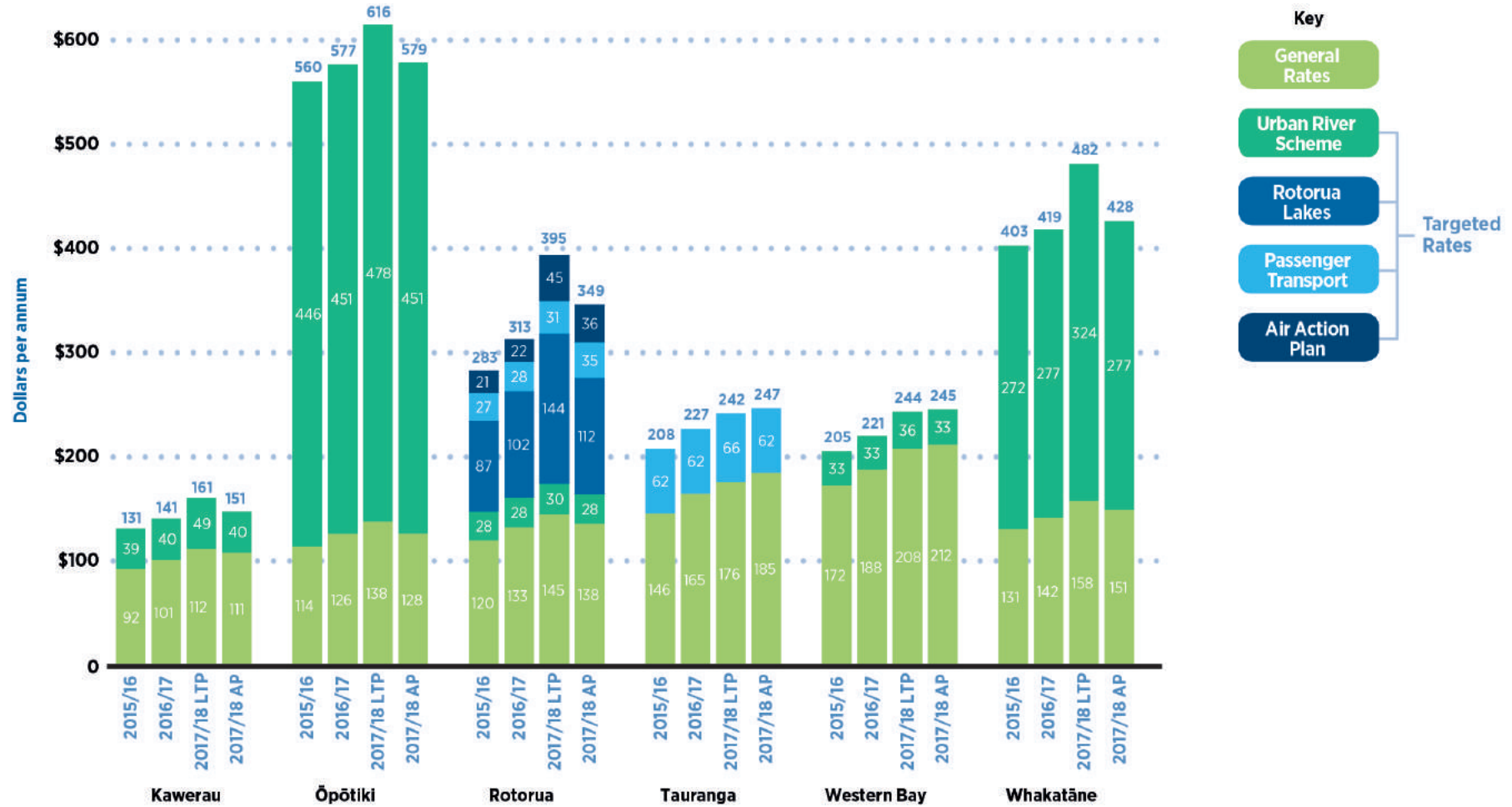
Tauranga	\$
Median property land value	205,000
Uniform annual general charge	99.05
General rate	86.40
2017/18 total rate	247.50
Average weekly cost	4.76
Increase from previous year	20.93

Whakatāne	\$
Median property land value	160,000
Uniform annual general charge	99.05
General rate	51.55
2017/18 total rate	150.61
Average weekly cost	2.90
Increase from previous year	9.08

Rates Summary

The following graph shows the annual average total rates, and includes the Council's Goods and Services Tax component. Each district has three columns showing how the rates in the Annual Plan 2017/18 compare to 2016/17 and Year Three (2017/18) of the Long Term Plan 2015-2025. Each total rate is divided up to show the proportion of the general rates, Rotorua Lakes, Passenger Transport and Rotorua Air targeted rates, as well as Rivers and Drainage Scheme targeted rates applied to urban areas. The amounts in the chart below **includes GST**.

Total Rates by Territorial Authority - Annual Average Median Properties 1000m² Table





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