



**rates**

# Funding Impact Statement and Other Rating Information

This statement sets out the information required by Schedule 10 of the Local Government Act 2002, together with additional information provided to assist ratepayers in understanding the indicative impact of the Plan.

## Revenue and Financing Mechanisms

### General Rates

Rates directly related to the value of the property, charged on capital value.

### Targeted Rates

Rates which apply in certain areas or to certain ratepayers.

### Uniform Annual General Charges

Charged to each separately used and inhabited part of a rating unit.

Definition of a Separately Used or Inhabited part of a Rating Unit -

## RULES

- A) Each separate shop or business activity on a rating unit is a separate use, for which a separate UAGC is payable. (See Note 1.)
- B) Each dwelling, flat, or additional rentable unit (attached or not attached) on a residential property which is let (or capable of being let) for a substantial part of the year to persons other than immediate family members is a separately inhabited part of a property, and separate UAGCs are payable. (See Note 2.)
- C) Each residential rating unit which has, in addition to a family dwelling unit, one or more non-residential uses (ie, home occupation units) will be charged an extra UAGC for each additional use. (See Note 3.)

- D) Each non-residential activity which has, in addition to its business or commercial function, co-sited residential units which are not a prerequisite part of the business or commercial function, will pay additional UAGCs for each dwelling unit. (see Note 4.)
- E) Individually tenanted flats, including retirement units, apartments and town houses (attached or not attached) or multiple dwellings on Māori freehold land are separately inhabited parts, and will each pay a separate UAGC. (See Note 5.)
- F) A rating unit which is actively used for pastoral farming is deemed to have no more than one separately used or inhabited part.
- G) Each title on a multiple-managed forestry holding (that is, where the forest is broken into several individual small titles) is a separately used part except when one or more titles are adjacent and under the same ownership, in which case the rules of contiguity apply.
- H) Each block of land for which a separate title has been issued is liable to pay a UAGC, even if that land is vacant. NOTE: Two or more adjacent blocks of vacant land are not eligible for Remission under “Contiguity” (S.20 of LG(R)A 02) because they are not “used for the same purpose” (ie, they are not used at all).

## NOTES

The following Notes are not rules, but are intended to aid Officers in the interpretation of the Rules.

### 1) Commercial Properties

- ▶ A single building on one title with 24 separate shops would pay 24 UAGCs.
- ▶ A motel with an attached dwelling would pay only one UAGC, because the attached dwelling is essential to the running of the motel. (see rule D above).

- ▶ A motel with an attached restaurant which is available to the wider public has two separately used parts, and would pay two UAGCs. Likewise, a motel with an attached Conference Facility would pay an additional UAGC.
- ▶ A business which makes part of its income through the leasing of part of its space to semi-passive uses such as billboards, or money machines, is not regarded as having a separately used or inhabited part, and would not be charged a separate UAGC.
- ▶ For the avoidance of doubt, an apartment block in which each apartment is on a separately owned title, is merely a series of co-sited Rating Units, and each will pay a UAGC.
- ▶ If, however, in the above example a management company leases the individual titles for 10 years or more, and those leases are registered on the titles, and the leases stipulate that the management company is responsible for paying the rates, and if the management company then operates the apartments as a single business operation, that business operation is considered for a remission under Council’s remission policies and have all but one UAGC remitted.
- ▶ An apartment block with separate laundry, or restaurant, which are available to the general population as a separate business enterprise, would pay an additional UAGC for each of these functions as separately used parts.

### 2) Residential Properties

- ▶ A substantial part of the year is considered to be three months or more (this total period may be fragmented, and may occur at any part of the rating year).
- ▶ The rule will apply to properties identified as “flats” on the valuation record, administered by Council’s Valuer. Sleep-outs and granny flats will generally be identified as “sleep-out” on the valuation record and will not normally qualify for additional UAGCs.

- ▶ If a property is identified on the valuation record as having flats, but these in fact are used only for family members, or for others for very short periods, then the additional UAGCs may be remitted on Council receiving proof of their use, including a signed declaration from the property owner (see remission policies). A property owner who actively advertises the flats for accommodation will not qualify for the remission.
- ▶ A property such as a large house which is identified as being split into, say, three internal flats at the time the valuation records were established, but which is not actually used as such, will need to apply for remission under Council's remission policy. (Note: This property should be referred to Council's Valuer for correction on the next valuation cycle.)

### **3) Residential with Non-Residential Part**

- ▶ A residence with a separately accessible "office" such as may be used for surveyor, architect, or medical services, will pay an additional UAGC for the office, because it is a separately used part which generates additional use of roads, services, planning resources, and democratic processes.
- ▶ A residence with a "Home Occupation" (commonly called a "hobby business") will not generally be charged a separate UAGC unless the intensity of operation is high. For example, a resident who occasionally manufactures boat trailers in his garage on the weekends would not incur an additional UAGC, but someone who works for most of the week panel beating or painting, particularly if the activity is accompanied by advertising, clearly has a separately used or inhabited part of the rating unit, and would incur an additional UAGC.
- ▶ A residential property, part of which is used continually for storage of large industrial machinery, has a separately used part, and would incur an additional UAGC.

### **4) Non-Residential Activity With Co-sited Dwelling**

- ▶ A fish and chip shop, with a flat above which can be accessed without passing through the shop, does have a separately used part, and would normally incur an additional UAGC charge.
- ▶ A dairy which has an integral dwelling attached, would not incur an additional UAGC, because the home is an integral part of the operation of the dairy.
- ▶ A boarding house containing a caretaker's apartment and several separately let rooms (with or without facilities) all within the structure of the one building, is a single (commercial) use and would not incur an additional UAGC. (The same applies to home-stays, and bed and breakfast homes).
- ▶ Certain government agencies, churches, marae, and the like are automatically rate exempt (except for service charges such as water and wastewater) but if these organisations undertake accommodation or business activities which are not related to their core function, they may be charged rates and additional UAGCs for each separately used or inhabited part of the rating unit.

### **5) Individually Tenanted Flats**

- ▶ Each flat, apartment, or retirement or disability home, and each property under a "licence to occupy", is a separately used or inhabited part of a rating unit, no matter what number of people may be living in the unit, and each does pay an additional UAGC charge.
- ▶ If, because of construction work, poor condition, public health, or specific conditions pertaining to the property owner, one or more flats cannot be let on the open market, then the unit may be granted a remission under Council's remission policy. (A specific condition pertaining to the property owner might include the use of one of the units for a live-in caregiver). (Note: this property should be referred to Council's Valuer for correction on the next valuation cycle.)

### **Other Council's Funding Sources:**

#### **Subsidies and Grants**

From government and non-government organisations to fund maintenance or capital projects.

#### **Fees and Charges**

Council charges for services provided, eg, building consents, dog licences.

#### **Interest Received and Dividends Income**

From funds invested or Council investments.

#### **Loans**

Council borrows money to fund Capital Expenditure.

#### **Capital Rates**

Rates used to repay Loans and Capital Expenditure eg, millennium loan and capital waste water rate.

#### **Development Contributions**

Money received to fund capital expenditure for new development.

#### **Asset Sales**

Money received from the sale of assets.

#### **Reserves**

Money set aside for specific purpose, to fund capital expenditure.

For further details of Council's revenue funding mechanisms, please refer to the Revenue and Financing Policy.

## Ten Year Funding Impact Statement (all figures are GST exclusive)

This statement sets out the information required by Schedule 10 of the Local Government Act 2002, together with additional information provided to assist ratepayers in understanding the indicative impact of the Plan.

The revenue and financing mechanisms to be used by the Council, including the estimated amount (excluding GST) to be produced by each mechanism, are as follows:

	2010 \$000	2011 \$000	2012 \$000	2013 \$000	2014 \$000	2015 \$000	2016 \$000	2017 \$000	2018 \$000	2019 \$000
General Rates	3,602	3,099	3,627	3,721	3,903	4,607	4,733	4,903	4,823	5,019
Uniform Annual General Charges	11,125	11,884	12,860	13,248	13,689	14,363	14,817	15,424	16,058	16,623
<b>TARGETED RATES</b>										
District Loans	686	674	692	710	716	703	662	613	567	524
Roading	6,591	6,933	7,262	7,559	7,820	8,026	8,311	8,611	9,061	9,401
Non Subsidised Roading	62	67	-79	-74	-144	-186	-208	-205	24	104
Passenger Transport	132	137	143	149	154	160	166	172	178	184
Regional Development Roading	134	134	134	134	134	134	134	134	134	134
Planning	1,080	1,136	1,166	1,251	1,313	1,327	1,370	1,429	1,489	1,562
Pest and Plants	827	862	897	941	972	999	1,043	1,092	1,168	1,226
Stock Control	86	95	101	106	110	114	118	124	130	136
Rural Fires	380	402	418	432	446	460	474	489	510	528
Soil Conservation	801	808	817	856	872	881	923	969	1,082	1,151
Stormwater	2,007	2,112	2,141	2,304	2,353	2,428	2,556	2,722	2,842	3,049
Water Resources	954	989	1,029	1,074	1,105	1,133	1,178	1,224	1,296	1,353
Parks and Reserves	2,841	2,998	3,145	3,279	3,440	3,715	3,897	4,125	4,256	4,320
Gisborne City Wastewater	4,135	5,229	7,758	7,579	7,643	7,747	7,839	8,032	8,150	8,240
Te Karaka Wastewater	60	62	63	65	67	69	72	74	76	79
Gisborne Water Supply	3,207	3,628	3,596	3,684	3,799	3,727	3,969	4,133	4,223	4,324
Te Karaka Water Supply	57	62	68	70	72	73	73	73	73	73
Whatatutu Water Supply	21	21	22	22	21	22	22	22	22	21
Waste Management Recycling and Collection	1,398	1,444	1,477	1,513	1,545	1,579	1,615	1,652	1,692	1,734
Ruatoria Refuse and Recycling Collection	52	54	55	56	58	59	60	62	63	65
CBD Security Patrol	79	81	83	85	87	88	90	92	94	97

	2010 \$000	2011 \$000	2012 \$000	2013 \$000	2014 \$000	2015 \$000	2016 \$000	2017 \$000	2018 \$000	2019 \$000
Heart of Gisborne	186	186	186	186	186	186	186	186	186	186
Wainui Foredune Protection Scheme	23	23	23	23	22	22	22	22	22	22
Tourism	359	361	362	363	365	366	368	369	371	372
Economic Development	147	162	173	194	204	211	230	251	293	322
Drainage	430	442	455	467	484	508	526	542	559	577
Te Karaka Land Drainage	57	57	57	57	57	57	58	58	58	59
Waipaoa River Flood Control Scheme	262	268	280	333	427	523	684	787	848	855
Wainui Foredune Capital Works Repayment	10	10	10	10	10	10	10	10	10	10
Waste Water Capital Rate	934	934	0	0	0	0	0	0	0	0
Solid Waste Capital Rate	0	90	90	90	180	274	274	274	274	274
<b>Total Rates Funding</b>	<b>42,725</b>	<b>45,444</b>	<b>49,111</b>	<b>50,487</b>	<b>52,110</b>	<b>54,385</b>	<b>56,272</b>	<b>58,465</b>	<b>60,632</b>	<b>62,624</b>
Grants, Subsidies and Contributions	18,684	23,290	16,239	16,350	18,566	34,437	17,126	28,109	29,099	29,400
Other Revenue	11,736	12,267	12,696	13,068	13,385	13,773	14,575	14,887	15,271	16,012
Dividends	1,000	800	800	800	800	800	800	800	800	800
Interest Received	165	165	165	165	165	165	165	165	165	165
	<b>74,310</b>	<b>81,966</b>	<b>79,011</b>	<b>80,870</b>	<b>85,026</b>	<b>103,560</b>	<b>88,938</b>	<b>102,426</b>	<b>105,967</b>	<b>109,001</b>
<b>OTHER CAPITAL EXPENDITURE FUNDING</b>										
Reserves	15,417	15,975	10,326	12,658	14,410	16,768	13,020	13,384	13,306	14,345
Loans	13,777	13,907	2,822	3,733	5,071	6,231	2,563	3,932	2,104	20,904
	<b>29,194</b>	<b>29,882</b>	<b>13,148</b>	<b>16,391</b>	<b>19,481</b>	<b>22,999</b>	<b>15,583</b>	<b>17,316</b>	<b>15,410</b>	<b>35,249</b>
<b>TOTAL REVENUE and FINANCING</b>	<b>103,504</b>	<b>111,848</b>	<b>92,159</b>	<b>97,261</b>	<b>104,507</b>	<b>126,559</b>	<b>104,521</b>	<b>119,742</b>	<b>121,377</b>	<b>144,250</b>
<b>Note: Other Revenue includes Water-by-Meter Charges and Council Fees and Charges</b>										

The following rates will be set by the Council for the financial year commencing 1 July 2009 and ending 30 June 2010. **All figures in this Funding Impact Statement are GST EXCLUSIVE.**

**PLEASE NOTE:**

All rate calculations are estimates based on Rating Information as at 29 May 2009, and may be subject to amendment based on Rating Information as recorded on 30 June 2009.

Funding Source	Categories of Rateable Land	Rating Act Ref	Category (Sch2) ss14,17	Factors (Sch 3)	\$ Value excl GST per factor s18 & Sch 3	Revenue Sought Excl GST 2009/2010 \$
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**Note:** In the rating definitions below, differential rating areas such as DRA1, DRA2 etc and Inner and Outer Zones are defined. In accordance with the system of Differential Rating established by Special Order on 27 June 1991. The District was split into six (6) differential areas. Except for DRA5 these areas were established on 27 June 1991 and maps detailing the boundaries are available at Council's Administrative Offices, Fitzherbert Street, Gisborne. DRA4 was split into two areas, a new DRA5 and residual DRA4 by way of a Special Order on 16 May 2001. They are as follows:

Short Title	Areas Covered	Sub Types
<b>DRA1</b>	Former Gisborne City Council boundaries, excluding Rural Farm Land.	Residential Commercial and Other
<b>DRA1A</b>	All Rural Farm Land within the previous Gisborne City Boundaries and the area surrounding the City. City including Wainui and Makaraka.	Residential and Other Commercial and Industrial
<b>DRA2</b>	Poverty Bay Flats including fringe hill properties.	
<b>DRA3</b>	That area which is within reasonable and currently exercised commuting distance to Gisborne, including part Waerenga-o-kuri and Ngatapa, Whatatutu and Te Karaka	All Other Properties Rural Townships
<b>DRA4</b>	The inland rural area beyond DRA3, up to the boundary of DRA5. Tolaga Bay and Matawai	All Other Properties Rural Townships
<b>DRA5</b>	The whole of the East Cape area from a line running inland from a point in the vicinity of Mangatuna north of Tolaga Bay Township, to the tip of the East Cape. Hicks Bay, Te Araroa, Tikitiki, Ruatoria, Waipiro Bay, Te Puia Springs and Tokomaru Bay.	All Other Properties Rural Townships
<b>Inner Zone</b>	The total land area of DRA1 and DRA1A and DRA2.	Urban and Rural
<b>Outer Zone</b>	The total land area of DRA3 and DRA4 and DRA5.	Rural and Rural Townships

**General Rates**

A general rate based on the capital value of each rating unit in the district. The general rate will be set on a differential basis based on the following categories of land.

General Differentiated	Urban Inner Zone	13(2)(b)	1&2	2	\$0.000445 per \$ of Capital Value	1,888,080
	Rural Inner Zone	13(2)(b)	1&2	2	\$0.000445 per \$ of Capital Value	616,913
	Rural Outer Zone	13(2)(b)	1&2	2	\$0.000359 per \$ of Capital Value	1,014,051
	Rural Townships Outer Zone	13(2)(b)	1&2	2	\$0.000359 per \$ of Capital Value	82,470

Council will be using a Uniform Annual General Charge.

Uniform Annual General Charge	All Rateable land	15(1)(b)			\$547.52 per Separately Used or Inhabited Part of a Rating Unit (SUIP) see definition of SUIP	11,125,485
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Funding Source	Categories of Rateable Land	Rating Act Ref	Category (Sch2) ss14,17	Factors (Sch 3)	\$ Value excl GST per factors 18 & Sch 3	Revenue Sought Excl GST 2009/2010 \$
<b>TARGETED RATES</b>						
Roading	Residential/Lifestyle Blocks	16(4)(b)	1&2	2	\$0.000574 per \$ of Capital Value	2,985,698
	Horticulture and Pastoral Farming	16(4) (b)	1&2	2	\$0.000861 per \$ of Capital Value	2,292,428
	Commercial	16(4)(b)	1&2	2	\$0.001148 per \$ of Capital Value	318,476
	Forestry	16(4)(b)	1&2	2	\$0.002296 per \$ of Capital Value	596,175
	Industrial	16(4)(b)	1&2	2	\$0.001148 per \$ of Capital Value	398,737
Regional Development Roading	Forestry	16(4)(b)	1&2	2	\$0.000516 per \$ of Capital Value	134,000
District Loan Expenses	DRA1 Residential & Other	16(4)(b)	6	2	\$0.000148 per \$ of Capital Value	449,569
	DRA1 Commercial	16(4)(b)	6	2	\$0.000193 per \$ of Capital Value	102,917
	DRA1A Residential	16(4)(b)	6	2	\$0.000009 per \$ of Capital Value	5,632
	DRA1A Commercial	16(4)(b)	6	2	\$0.000008 per \$ of Capital Value	156
	DRA2	16(4)(b)	6	2	\$0.000085 per \$ of Capital Value	118,657
	DRA3 All Other Properties	16(4)(b)	6	2	\$0.000004 per \$ of Capital Value	2,873
	DRA3 Rural Townships	16(4)(b)	6	2	\$0.000001 per \$ of Capital Value	21
	DRA4 All Other Properties	16(4)(b)	6	2	\$0.000003 per \$ of Capital Value	3,816
	DRA4 Rural Townships	16(4)(b)	6	2	\$0.000001 per \$ of Capital Value	63
	DRA5 All Other Properties	16(4)(b)	6	2	\$0.000003 per \$ of Capital Value	1,734
	DRA5 Rural Townships	16(4)(b)	6	2	\$0.000002 per \$ of Capital Value	176
Non Subsidised Roading	DRA1& 1A	16(4)(b)	6	2	\$0.000012 per \$ of Capital Value	49,322
	DRA's 2,3,4 & 5	16(4)(b)	6	2	\$0.000003 per \$ of Capital Value	12,331
Planning	All Rateable Land	16(4)(a)		3	\$0.000199 per \$ of Land Value	1,079,931
Passenger Transport	DRA1 Residential	16(4)(a)	5&6	7	\$11.61 per Separately Used or Inhabited Part of a Rating Unit	131,667
Pest and Plants	All Rateable land	16(4)(a)	4	5	\$1.163856 per hectare	826,615
Rural Fires	DRA2 (Rural Inner Zone)	16(4)(b)	6	3	\$0.000120 per \$ of Land Value	113,894
	DRA's 3 & 4 & 5 (Outer Zone - Rural & Townships)	16(4)(b)	6	3	\$0.000108 per \$ of Land Value	265,752

Funding Source	Categories of Rateable Land	Rating Act Ref	Category (Sch2) ss14,17	Factors (Sch 3)	\$ Value excl GST per factors18 & Sch 3	Revenue Sought Excl GST 2009/2010 \$
Soil Conservation	DRA1, DRA1A & DRA2 (Inner Zone)	16(4)(b)	6	3	\$0.000054 per \$ of Land Value	160,285
	DRA'S 3 & 4	16(4)(b)	6	3	\$0.000130 per \$ of Land Value	240,427
	DRA5	16(4)(b)	6	3	\$0.000665 per \$ of Land Value	400,712
Stock Control	DRA1, DRA1A & DRA2 (Inner Zone)	16(4)(b)	6	3	\$0.000003 per \$ of Land Value	8,634
	DRA'S 3 & 4	16(4)(b)	6	3	\$0.000014 per \$ of Land Value	25,901
	DRA5	16(4)(b)	6	3	\$0.000086 per \$ of Land Value	51,800
Water Resources	DRA1, DRA1A & DRA2 (Inner Zone)	16(4)(b)	6	3	\$0.000225 per \$ of Land Value	667,768
	DRA's 3 & 4 & 5 (Outer Zone - Rural & Townships)	16(4)(b)	6	3	\$0.000117 per \$ of Land Value	286,187
Parks and Reserves	Inner Zone	16(4)(b)	6		\$176.08 per rating unit	2,465,074
	Outer Zone	16(4)(b)	6		\$76.97 per rating unit	375,537
Stormwater	Gisborne City	16(4)(b)	6		\$165.92 per rating unit	1,860,324
	All Rural Townships	16(4)(b)	6		\$94.23 per rating unit	147,085
Gisborne City Wastewater	Within scheme areas connected	16(4)(a)	5&6	7	\$224.82 per Rating Unit	2,490,516
	Within scheme areas - not connected	16(4)(a)	5&6	7	\$112.41 per Rating Unit	33,498
	Pan Charges	16(4)(a)	5&6	12	\$112.60 per water closet or urinal connected	1,610,856
Gisborne City Water	Within scheme areas connected	16(4)(a)	5&6	7	\$251.34 per Separately Used or Inhabited Part of a Rating Unit	3,169,885
	Within scheme areas - not connected	16(4)(a)	5&6	7	\$125.67 per Separately Used or Inhabited Part of a Rating Unit	37,450
Uniform Waste Management Charge	Within scheme refuse collection areas	16(4)(a)	5&6	7	\$107.06 per Separately Used or Inhabited Part of a Rating Unit	1,397,074
Commercial Recycling Charge	Within scheme recycling collection areas	16(4)(a)	5&6	7	\$53.53 per Separately Used or Inhabited Part of a Rating Unit	1,113
Te Karaka Sewerage and Stormwater	Within scheme areas connected	16(4)(a)	5&6	7	\$340.50 per Rating Unit	53,785
	Within scheme areas - not connected	16(4)(a)	5&6	7	\$170.25 per Rating Unit	5,959

Funding Source	Categories of Rateable Land	Rating Act Ref	Category (Sch2) ss14,17	Factors (Sch 3)	\$ Value excl GST per factors 18 & Sch 3	Revenue Sought Excl GST 2009/2010 \$
Te Karaka Water Supply	Within scheme areas connected	16(4)(a)	5&6	7	\$310.00 per Separately Used or Inhabited Part of a Rating Unit	51,150
	Within scheme areas - not connected	16(4)(a)	5&6	7	\$155.00 per Separately Used or Inhabited Part of a Rating Unit	5,735
Whatatutu Water Supply	Within scheme areas connected	16(4)(a)	5&6	7	\$422.00 per Separately Used or Inhabited Part of a Rating Unit	17,724
	Within scheme areas - not connected	16(4)(a)	5&6	7	\$211.00 per Separately Used or Inhabited Part of a Rating Unit	3,587
Ruatoria Refuse	Within scheme refuse collection area	16(4)(a)	5&6	7	\$211.12 per Separately Used or Inhabited Part of a Rating Unit	52,146
CBD Patrol	<b>Commercial Properties within the CBD Area:</b> Non-residential properties on both sides of the roads bounded by Carnarvon Street, Childers Road, Reads Quay and Palmerston Road and all roads inside this area and also that part of Grey Street as far as the skateboard park and Customhouse Street as far as the Waikanae Cut	16(4)(a)	1,2,6	2	\$0.000318 per \$ of Capital Value	78,807
Heart of Gisborne	<b>Commercial Properties within the CBD Area:</b> Non-residential properties on both sides of the roads bounded by Cobden Street, Childers Road, Reads Quay and Palmerston Road and all roads inside this area and also that part of Grey Street as far as the Skateboard Park and Customhouse Street as far as the Waikanae Cut and also all non residential properties within the blocks bounded by Carnarvon Street, Childers Road, Palmerston Road and Cobden Street	16(4)(a)	1,2,6	2	\$0.001034 per \$ of Capital Value	185,580
Wainui Foredune Protection Scheme	Rateable Properties within the Wainui area as defined	16(4)(a)	5&6	2	\$0.000200 per \$ of Capital Value	23,410
Wainui Foredune Capital Works	Rateable Land within the Hazard Area	16(4)(a)	5	10	\$20978.77 per hectare	10,374
Tourism	All Industrial and Commercial Properties excluding Retail & Accommodation	16(4)(b)	1&2	2	\$0.000459 per \$ of Capital Value	159,330
	All Retail and Accommodation businesses	16(4)(b)	1&2	2	\$0.000719 per \$ of Capital Value	199,521
Economic Development	All Industrial, Commercial and Forestry Properties	16(4)(a)	5&6	2	\$0.000167 per \$ of Capital Value	147,316

Funding Source	Categories of Rateable Land	Rating Act Ref	Category (Sch2) ss14,17	Factors (Sch 3)	\$ Value excl GST per factors18 & Sch 3	Revenue Sought Excl GST 2009/2010 \$
Te Karaka Flood Control	Residential	16(4)(b)	5&6	2	\$0.002247 per \$ of Capital Value	46,376
	Non Residential	16(4)(b)	5&6	2	\$0.001623 per \$ of Capital Value	10,422
Waipaoa River Flood Control Scheme	Class A	16(4)(b)	5&6	2	0.0736c per \$ Capital Value	18,752
	Class B	16(4)(b)	5&6	2	0.0481c per \$ Capital Value	76,957
	Class C	16(4)(b)	5&6	2	0.0283c per \$ Capital Value	83,973
	Class D	16(4)(b)	5&6	2	0.0142c per \$ Capital Value	26,008
	Class E	16(4)(b)	5&6	2	0.0057c per \$ Capital Value	29,052
	Class F	16(4)(b)	5&6	2	0.0012c per \$ Capital Value	27,468
Eastern Drainage Rates	1 - Ormond	16(4)(b)	5&6	5	\$41.845808 per hectare	25,950
	2 - Eastern Taruheru	16(4)(b)	5&6	5	\$18.823393 per hectare	47,954
	3 - Western Taruheru	16(4)(b)	5&6	5	\$19.276112 per hectare	33,953
	4 - Willows	16(4)(b)	5&6	5	\$17.559743 per hectare	21,717
	5 - Waikanae Creek	16(4)(b)	5&6	5	\$30.588583 per hectare	15,985
	6 - City/Wainui	16(4)(b)	5&6	5	\$40.827311 per hectare	68,346
	7 - Taruheru Class A	16(4)(b)	5&6	5	\$22.1104 per hectare	4,631
	7 - Taruheru Class B	16(4)(b)	5&6	5	\$11.9056 per hectare	15,564
	7 - Taruheru Class C	16(4)(b)	5&6	5	\$5.1024 per hectare	5,789
	7 - Taruheru Class D	16(4)(b)	5&6	5	\$1.7008 per hectare	2,831
8 - Eastern Hill Catchment	16(4)(b)	5&6	5	\$1.444214 per hectare	6,174	
Western Drainage Rates	A - Waipaoa	16(4)(b)	5&6	5	\$6.170822 per hectare	7,276
	B - Patutahi	16(4)(b)	5&6	5	\$12.347555 per hectare	32,408
	C - Ngatapa	16(4)(b)	5&6	5	\$30.890763 per hectare	24,914
	D - Manutuke	16(4)(b)	5&6	5	\$26.763883 per hectare	76,503
	E - Muriwai	16(4)(b)	5&6	5	\$24.012814 per hectare	34,173
	F - Western Hill Catchment	16(4)(b)	5&6	5	\$0.242394 per hectare	5,346

Funding Source	Categories of Rateable Land	Rating Act Ref	Category (Sch2) ss14,17	Factors (Sch 3)	\$ Value excl GST per factors 18 & Sch 3	Revenue Sought Excl GST 2009/2010 \$
Waste Water Capital Project Works	DRA1	16(3)(b)	6	7	\$91 per rating unit	841,322
Contribution	DRA1A	16(3)(b)	6	7	\$24.50 per rating unit	20,364
	DRAs 2,3,4,5	16(3)(b)	6	7	\$14 per rating unit	72,314
<b>TOTAL RATES REVENUE</b>						<b>\$ 42,724,711</b>
Rates Penalties		57				455,400
<b>OTHER FUNDING SOURCES</b>						
Activity Revenue						9,571,412
Water by Meter	Extraordinary and Rural Domestic users	19(2)(b)		0.8849	cents per cubic metre	1,398,623
Petroleum Tax						310,500
Dividends						1,000,000
Interest						165,000
Grants and Subsidies						18,684,657
<b>TOTAL FUNDING</b>						<b>\$ 74,310,303</b>

## Schedule 2

Matters that may be used to Define Categories of Rateable Land:

1. The use to which the land is put.
2. The activities that are permitted, controlled, or discretionary for the area in which the land is situated, and the rules to which the land is subject under an operative District Plan or Regional Plan under the Resource Management Act 1991 (The RMA).
3. The activities that are proposed to be permitted, controlled, or discretionary activities, and the proposed rules for the area in which the land is situated under a proposed District Plan or proposed Regional Plan under the Resource Management Act 1991, but only if:
  - a. No submissions in opposition have been made under Clause 6 of the First Schedule of the RMA Act on those proposed activities or rules, and the time for making submissions has expired; or
  - b. All submissions in opposition, and any appeals, have been determined, withdrawn, or dismissed.
4. The area of land within each rating unit.
5. The provision or availability to the land of a service provided by, or on behalf of the local authority.
6. Where the land is situated.
7. The annual value of the land.
8. The capital value of the land.
9. The land value of the land.

## Schedule 3

Factors that may be used for Calculating Liability for Targeted Rates:

1. The annual value of the rating unit.
2. The capital value of the rating unit.
3. The land value of the rating unit.
4. The value of improvements to the rating unit.
5. The area of land within the rating unit.
6. The area of land within the rating unit that is sealed, paved, or built on.
7. The number of separately used or inhabited parts of a rating unit.
8. The extent of provision of any service to the rating unit by the local authority, including any limits or conditions that apply to the provision of the service.
9. The number or nature of connections from the land within each rating unit to any local authority reticulation system.
10. The area of land within the rating unit that is protected by any amenity or facility that is provided by the local authority.
11. The area of floor space of buildings within the rating unit.
12. The number of water closets and urinals within the rating unit. (Note: A rating unit used primarily as a residence for 1 household must not be treated as having more than 1 water closet.)

## Schedule 4

### Due Date and Penalty Date

Instalment 1	20 August 2009	Penalty 10%
Instalment 2	20 November 2009	Penalty 10%
Instalment 3	22 February 2010	Penalty 10%
Instalment 4	20 May 2010	Penalty 10%

## Additional Charges

### P2 PENALTY

A further penalty of 10% will be added to any rates assessed for the 2008/09 year and remaining unpaid on 8 July 2009.

### P3 PENALTY

A further penalty of 5% will be added to any rates to which a P2 penalty has been applied and which remains unpaid on 11 January 2010. The amount of unpaid rates to which a penalty may be added includes a penalty previously added to unpaid rates.

## Matters Affecting Rates

### REVENUE and FINANCING POLICY CHANGES

The Revenue & Financing Policy determines how individual funding streams (previously called activities) are charged to different groups of ratepayers. Funding streams relate to the detailed rates that are listed on the back of the rates invoice. The full Revenue & Financing Policy is printed in Volume 2.

The amount of money in each funding stream can be assessed by inspection of the Funding Impact Statement.

The following paragraphs outline the more significant changes.

### Pests and Plants

The Pests and Plants rate was previously a Targeted Rate on land value. Under the new policy this will become a Targeted Rate on land area. This will impact on ratepayers with large land areas.

### Tourism

The Tourism Rates in the 2008-2009 Annual Plan were:

40% to accommodation and retail businesses

40% to industry and commercial properties

20% to all ratepayers as a Uniform Annual General Charge (UAGC)

Council proposes to change the Tourism Rates to:

50% to accommodation and retail businesses

40% to industrial and commercial properties

10% to all ratepayers as a UAGC

This represents a movement of \$41,053 from the UAGC to the business and accommodation sectors. (See Volume 2, Revenue and Financing Policy, Funding Stream FS-09-81.)

### Uniform Annual General Charge (UAGC)

The UAGC has increased by \$60.23 plus GST. This increase results from funding changes in the Revenue and Financing Policy.

The following activities have changed to 100% UAGC from either 100% General Rates, 50% General Rates or 50% UAGC.

- ▶ Civic expenses of the district.
- ▶ Corporate expenses of the district (excluding LAPP).
- ▶ Community Development.
- ▶ Maori Liaison.
- ▶ Community grants.

The effect of this change will benefit ratepayers with high capital value properties.

### Te Karaka and Whatatūtū Rates

The cost of maintaining existing water supplies and sewer systems continues to increase. It is proposed to increase the Te Karaka water connection charge by \$30 plus GST per connection.

Whatatūtū water supply rate will increase by \$30 plus GST per connection.

Te Karaka's sewerage connection charge will increase \$27 plus GST per connection.

## Rates Examples for 2009-2010 - GST Inclusive

Land Value	760,000	495,000	130,000	485,000	940,000	14,000	3,670,000	12,000	155,000	2450000
Improvements	1,100,000	600,000	150,000	535,000	90,000	79,000	665,000	96,000	95,000	250000
Capital Value	1,860,000	1,095,000	280,000	1,020,000	1,030,000	93,000	4,335,000	108,000	250,000	2,700,000
Area - Hectares	1.6186	0.1012	0.1464	0.1207	13.2282	0.0971	891.7648	0.0809	0.0809	1721.4257
Rating Area	DRA1	DRA1	DRA1	DRA1A	DRA2	DRA3	DRA4	DRA5	DRA5	DRA5
	Industrial Commercial	City Retail Comm	City Average	Wainui Residential	Patutahi Hort	Te Karaka Rural Town	Tiniroto Rural	Ruatoria Rural Town	Hicks Bay Rural Town	Rural Forest
<b>GENERAL RATES (Capital Value)</b>										
<b>Community Services which include:</b>										
Corporate Expenses Of District	24.18	14.24	3.64	13.26	13.39	1.21	56.36	1.40	3.25	35.10
Olympic Pool	182.28	107.31	27.44	99.96	100.94	2.70	125.72	3.13	7.25	78.30
Theatres and Halls	31.62	18.62	4.76	17.34	17.51	0.00	0.00	0.00	0.00	0.00
<b>Total Community Services</b>	<b>238.08</b>	<b>140.17</b>	<b>35.84</b>	<b>130.56</b>	<b>131.84</b>	<b>3.91</b>	<b>182.08</b>	<b>4.53</b>	<b>10.50</b>	<b>113.40</b>
District Development	7.44	4.38	1.12	4.08	4.12	0.37	17.34	0.43	1.00	10.80
Regulatory Activities	18.60	10.95	2.80	10.20	10.30	0.93	43.35	1.08	2.50	27.00
River Control	146.94	86.51	22.12	80.58	81.37	7.35	342.47	8.53	19.75	213.30
Roading (Non Subsidised)	7.44	4.38	1.12	4.08	4.12	0.37	17.34	0.43	1.00	10.80
Stormwater	44.64	26.28	6.72	24.48	24.72	2.23	104.04	2.59	6.00	64.80
Treasury	364.56	214.62	54.88	199.92	201.88	18.23	849.66	21.17	49.00	529.20
<b>TOTAL GENERAL RATES</b>	<b>827.70</b>	<b>487.29</b>	<b>124.60</b>	<b>453.90</b>	<b>458.35</b>	<b>33.39</b>	<b>1556.28</b>	<b>38.76</b>	<b>89.75</b>	<b>969.30</b>
<b>TARGETED RATES</b>										
<b>Targeted Rates (Area)</b>										
Drainage (ha)	66.08	4.13	5.98	0.00	163.34	208.97	0.00	0.00	0.00	0.00
Pests and Plants (ha)	1.88	0.12	0.17	0.14	15.40	0.11	1037.89	0.09	0.09	2003.49
	<b>67.96</b>	<b>4.25</b>	<b>6.15</b>	<b>0.14</b>	<b>178.74</b>	<b>209.08</b>	<b>1037.89</b>	<b>0.09</b>	<b>0.09</b>	<b>2003.49</b>
<b>Targeted Rates (Land Value)</b>										
Planning	151.24	98.51	25.87	96.52	187.06	2.79	730.33	2.39	30.85	487.55
Rural Fires	0.00	0.00	0.00	0.00	112.80	1.51	396.36	1.30	16.74	264.60
Soil Conservation	41.04	26.73	7.02	26.19	50.76	1.82	477.10	7.98	103.08	1629.25
Stock Control	2.28	1.49	0.39	1.46	2.82	0.20	51.38	1.03	13.33	210.70
Water Resources	171.00	111.38	29.25	109.13	211.50	1.64	429.39	1.40	18.14	286.65
	<b>365.56</b>	<b>238.11</b>	<b>62.53</b>	<b>233.30</b>	<b>564.94</b>	<b>7.96</b>	<b>2084.56</b>	<b>14.10</b>	<b>182.14</b>	<b>2878.75</b>

	Industrial Commercial	City Retail Comm	City Average	Wainui Residential	Patutahi Hort	Te Karaka Rural Town	Tiniroto Rural	Ruatoria Rural Town	Hicks Bay Rural Town	Rural Forest
<b>TARGETED RATES (Capital Value)</b>										
CBD Security Patrol	0.00	348.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
District Loan Expenses	358.98	211.34	41.44	9.18	87.55	0.09	13.01	0.22	0.50	8.10
Economic Development	310.62	182.87	0.00	0.00	0.00	0.00	0.00	0.00	0.00	450.90
Heart of Gisborne	0.00	1132.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Subsidised Roothing	22.32	13.14	3.36	12.24	3.09	0.28	13.01	0.32	0.75	8.10
Regional Development Roothing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1393.20
Subsidised Roothing	2135.28	1257.06	160.72	585.48	886.83	53.38	3732.44	61.99	143.50	6199.20
Tourism	853.74	787.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Waipaoa River FCS	492.63	13.14	0.00	0.00	58.71	0.00	0.00	0.00	0.00	0.00
	<b>4173.57</b>	<b>3945.29</b>	<b>205.52</b>	<b>606.90</b>	<b>1036.18</b>	<b>53.75</b>	<b>3758.46</b>	<b>62.53</b>	<b>144.75</b>	<b>8059.50</b>
<b>Other Targeted Rates</b>										
Parks and Reserves	176.08	176.08	176.08	176.08	176.08	76.97	76.97	76.97	76.97	76.97
Passenger Transport	0.00	0.00	11.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Refuse Collection (City and Ruatoria)	0.00	0.00	107.06	107.06	0.00	0.00	0.00	211.12	0.00	0.00
Sewerage - City and Te Karaka	224.82	224.82	224.82	0.00	0.00	340.50	0.00	0.00	0.00	0.00
Sewerage Pan Charge	112.60	112.60	112.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Stormwater	165.92	165.92	165.92	0.00	0.00	94.23	0.00	94.23	94.23	0.00
Wastewater Project Contribution	91.00	91.00	91.00	24.50	14.00	14.00	14.00	14.00	14.00	14.00
Water Supply (City, TTK, Whatatutu)	251.34	251.34	251.34	0.00	0.00	310.00	0.00	0.00	0.00	0.00
	<b>1021.76</b>	<b>1021.76</b>	<b>1140.43</b>	<b>307.64</b>	<b>190.08</b>	<b>835.70</b>	<b>90.97</b>	<b>396.32</b>	<b>185.20</b>	<b>90.97</b>
<b>TOTAL TARGETED RATES</b>	<b>5628.85</b>	<b>5209.41</b>	<b>1414.63</b>	<b>1147.98</b>	<b>1969.94</b>	<b>1106.49</b>	<b>6971.88</b>	<b>473.04</b>	<b>512.18</b>	<b>13032.71</b>
<b>UNIFORM ANNUAL GENERAL CHARGE</b>										
Cemeteries	4.11	4.11	4.11	4.11	4.11	4.11	4.11	4.11	4.11	4.11
Civil Defence	10.53	10.53	10.53	10.53	10.53	10.53	10.53	10.53	10.53	10.53

	Industrial Commercial	City Retail Comm	City Average	Wainui Residential	Patutahi Hort	Te Karaka Rural Town	Tiniroto Rural	Ruatoria Rural Town	Hicks Bay Rural Town	Rural Forest
<b>Community and Consultation Processes which include:</b>										
Civic Expenses of District (including Museum)	27.19	27.19	27.19	27.19	27.19	27.19	27.19	27.19	27.19	27.19
Community Development	11.82	11.82	11.82	11.82	11.82	11.82	11.82	11.82	11.82	11.82
Corporate Expenses Of District	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21
Community Expenses of District	2.44	2.44	2.44	2.44	2.44	2.44	2.44	2.44	2.44	2.44
Maori Liaison	4.46	4.46	4.46	4.46	4.46	4.46	4.46	4.46	4.46	4.46
Policy Development	35.12	35.12	35.12	35.12	35.12	35.12	35.12	35.12	35.12	35.12
<b>Community and Consultation Processes</b>	<b>85.24</b>	<b>85.24</b>	<b>85.24</b>	<b>85.24</b>	<b>85.24</b>	<b>85.24</b>	<b>85.24</b>	<b>85.24</b>	<b>85.24</b>	<b>85.24</b>
Democratic Process	81.12	81.12	81.12	81.12	81.12	81.12	81.12	81.12	81.12	81.12
Economic Development and Tourism	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51
<b>Municipal Buildings including Theatres and Halls</b>										
Municipal Buildings	16.31	16.31	16.31	16.31	16.31	16.31	16.31	16.31	16.31	16.31
Theatres and Halls	5.42	5.42	5.42	5.42	5.42	5.42	5.42	5.42	5.42	5.42
<b>Total Municipal Buildings</b>	<b>21.73</b>	<b>21.73</b>	<b>21.73</b>	<b>21.73</b>	<b>21.73</b>	<b>21.73</b>	<b>21.73</b>	<b>21.73</b>	<b>21.73</b>	<b>21.73</b>
Landfills and Transfer Stations	59.50	59.50	59.50	59.50	59.50	59.50	59.50	59.50	59.50	59.50
Library	58.17	58.17	58.17	58.17	58.17	58.17	58.17	58.17	58.17	58.17
Litter Bins and Cleaning Public Areas	20.75	20.75	20.75	20.75	20.75	20.75	20.75	20.75	20.75	20.75
Millennium 2000	7.78	7.78	7.78	7.78	7.78	7.78	7.78	7.78	7.78	7.78
<b>Planning and Regulatory Activities which include:</b>										
Environmental Health	53.55	53.55	53.55	53.55	53.55	53.55	53.55	53.55	53.55	53.55
Construction	12.52	12.52	12.52	12.52	12.52	12.52	12.52	12.52	12.52	12.52
Planning	24.61	24.61	24.61	24.61	24.61	24.61	24.61	24.61	24.61	24.61
<b>Planning and Regulatory Activities</b>	<b>90.68</b>	<b>90.68</b>	<b>90.68</b>	<b>90.68</b>	<b>90.68</b>	<b>90.68</b>	<b>90.68</b>	<b>90.68</b>	<b>90.68</b>	<b>90.68</b>
Public Conveniences	32.87	32.87	32.87	32.87	32.87	32.87	32.87	32.87	32.87	32.87
Roading	69.53	69.53	69.53	69.53	69.53	69.53	69.53	69.53	69.53	69.53
<b>TOTAL UNIFORM ANNUAL GENERAL CHARGE</b>	<b>547.52</b>	<b>547.52</b>	<b>547.52</b>	<b>547.52</b>	<b>547.52</b>	<b>547.52</b>	<b>547.52</b>	<b>547.52</b>	<b>547.52</b>	<b>547.52</b>

	Industrial Commercial	City Retail Comm	City Average	Wainui Residential	Patutahi Hort	Te Karaka Rural Town	Tiniroto Rural	Ruatoria Rural Town	Hicks Bay Rural Town	Rural Forest
Rate Requirement 2009/10	7004.07	6244.22	2086.75	2149.40	2975.81	1687.40	9075.68	1059.32	1149.45	14549.53
Plus GST	875.51	780.53	260.84	268.67	371.98	210.92	1134.46	132.42	143.68	1818.69
Total Including GST	7879.58	7024.75	2347.59	2418.07	3347.79	1898.32	10210.14	1191.74	1293.13	16368.22
Actual 2008/09	7301.88	7935.02	2178.06	2785.11	3376.73	1733.67	11570.44	1092.56	1271.21	17987.62
Change	577.70	-910.27	169.53	-367.05	-28.94	164.65	-1360.30	99.18	21.92	-1619.40
%	7.9%	-11.5%	7.8%	-13.2%	-0.9%	9.5%	-11.8%	9.1%	1.7%	-9.0%