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Introduction & Overview

INTRODUCTION

Council has a series of funding documents that collectively make up the Funding Strategies. These include the Revenue and Financing Policy, Rating Policy and Funding Impact Statement.

These policies should be read as collective documents.

The Local Government Act 2002 requires that Council has these policies in place in order to demonstrate that Council's funding approaches are transparent and the Community has an opportunity to comment on them.

Council is required to manage its finances being, revenue, expenses and other financial responsibilities in a prudent manner and in a way that provides for the current and future interests of the District.

REVENUE AND FINANCING POLICY

This policy supersedes the Council's previous Funding Policy.

There have been minor changes to the former policy to reflect changes in legislation, particularly the Local Government Rating Act 2002 has been made. In particular, targeted rates are now deemed to be a private funding source. In addition some activities have been split to provide for different funding options.

RATING POLICY

This policy provides detail on the amount required to be collected by different rating mechanisms and provides information on the activities that are funded by that rate. Note the amounts and rates in the dollar are indicative and should not be considered final.

The policy includes a comparative of the total required to be collected with the previous rating year by rate type.

This policy does not provide detailed information on the actual rates for each property. Some sample properties are included. However the figures can be used to determine the likely level of rates for the coming year.

FUNDING IMPACT STATEMENT

The Funding Impact Statement shows in a table the rates, by rate type, over the ten year period this document covers. There is also a table of rating changes year by year.

This information can give a quick overview of trends in rates that are used to fund different activities. The statement should be read in conjunction with the Rating Policy so that the detail of each rate type can be readily determined.

Revenue and Financing Policy

Council's Revenue and Financing Policy describes the funding rationale for each activity Council carries out. The policy also includes funding tables for each activity to show how the activity is funded.

FUNDING POLICY

The Council has adopted a funding policy for each activity. In adopting the Funding Policies for Operating Expenditure and identifying the sources of funding the Council has taken into account Section 101 (3) of the LGA 2002:

- (a) In relation to each activity to be funded, -
- the community outcomes to which the activity primarily contributes;
 - the distribution of benefits between the community as a whole, any identifiable part of the community and individuals;
 - the period in or over which those benefits are expected to occur;
 - the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity;
 - The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.
- (b) the overall impact of any allocating of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

Council will as far as is practical fund each activity in a manner consistent with, and complementary to, the achievement of the Community Outcomes for the activity.

Unless otherwise stated Council considers the benefits of each activity are ongoing, and accrue equally to current and future periods. Council has considered intergenerational equity in its determination of the most appropriate funding for each activity.

Council does not expect current ratepayers to fund the benefits future ratepayers receive, and will, where necessary, allocate funding between the two categories of ratepayer.

Council will seek to fully fund its operating expenditure in each year. There may be occasions when this is not practical and operating expenditure may be funded by prior years' surpluses or anticipated future year's surpluses.

CAPITAL EXPENDITURE

In adopting the Funding Policy for Capital Expenditure the Council has taken into account the requirements for adopting the funding policies for operating expenditure, the sources of funding listed in Section 103 (2) and the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community.

Council's policy on funding capital expenditure is to utilise sources of funds in the following order:

1. Grants and Subsidies

Council will use grants or subsidies from Central Government or other organisations where available. This approach minimises the cost to the community of undertaking projects / activities. In analysing the benefits and costs to the community of various project / activity options, Council will consider the availability of grants and subsidies.

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2. Financial Contributions / Development Contributions

Council currently receives a small amount of revenue from financial contributions. Council has the opportunity when it reviews its District Plan to collect development contributions when properties are subdivided. No income from development contributions has been included in the Plan however, it is probable that Council would set development contributions at a level sufficient to recover some of the increased costs caused by additional properties. Pending the outcome of the District Plan process no income has been included in the Long Term Plan.

3. Depreciation

Depreciation is set to allow for the replacement of Council's capital assets.

Council will use depreciation from current, and prior years that has not already been applied, to fund asset replacements

4. Past Surpluses

Where past surpluses are available these will be used to avoid the activity incurring interest costs.

5. Internal Borrowing

To avoid activity interest costs it is only once all other sources of funding have been used that Council will fund the activity by borrowing. Where there are sufficient cash reserves in other activities Council will borrow from those activities. This means Council avoids having to pay the margin between borrowing and investing interest rates.

6. External Borrowing

Where Council has insufficient funds to borrow internally Council is forced to borrow externally.

Council has followed this approach in each of the activities in the Plan. Where one of the funding sources listed above is not included in the list for the activity it is because there is no income forecast from that source. If Council do subsequently receive funding from that source then the funding for the activity will be determined by following the above approach.

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LEADERSHIP

Activities

- Democracy
- Iwi Liaison
- Policy Development

Council exercises the democratic process of local government by having:

- A Mayor and Councillors elected every three years to represent the electors on the Hauraki District Council;
- Standing Committees that deal with matters of a specific nature and comprise members of the Council. The present Standing Committees are Planning and Finance, Works, Consultative Committee Water and Waste and Hearings.
- Ward Committees (Paeroa, Plains and Waihi), to deal with local issues.
- Sub-committees established for special purposes such as land drainage and reserves management.
- The activity of policy development is beneficial to the district as a whole.

Benefits

Public benefits include:

- Statutory obligation to represent the interests of the people by way of a democratically elected Council.
- Access to elected members is no more available to any one individual than another.
- Equal representation across the whole District.

A degree of private benefit is gained from resource applications (Hearings).

Council determined that as the benefit is equally available to all properties, district funding should apply and this funding should be by way of the Uniform Annual General Charge (UAGC). Use of this mechanism ensures each property pays an equal charge.

Iwi Liaison and Policy Development also benefit each property equally.

Benefits are considered to accrue equally over current and future time periods.

There is little opportunity to identify particular individuals or groups to charge user recoveries.

Use of general rates is considered the most equitable mechanism for funding of Leadership costs.

Funding Table – Leadership Operating

Activity	Beneficiaries	2005/06 Funding	Future Funding
District Council	100% Public	100% UAGC District	100% UAGC District
Iwi Liaison	100% Public	100% UAGC District	100% UAGC District
Policy Development	100% Public	100% UAGC District	100% UAGC District

Leadership Capital

There is no capital expenditure forecast in the planning period.

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NETWORK SERVICES

Activities

- Roothing
- Water
- Wastewater
- Land Drainage
- Stormwater
- Solid Waste

ROADING

Roothing is a statutory function of the Council. The Hauraki District Council owns and manages the roading asset. In addition to the roads, the roading programme includes the maintenance of bridges, footpaths, kerb and channel, culverts and road signs. Street cleaning and township improvements are also included within the Roothing activity.

Transfund New Zealand, the national road funding authority, provides subsidy for work that meets certain criteria. Subsidised works include road maintenance, reseals and shape correction, undertaken in compliance with Transit New Zealand standards. Other works, such as footpaths, are not subsidised.

Public benefits include:

- Public have access to the whole roading network,
- The community benefits from having the option of using the roads, should they wish, even if they do not actually use them,
- By facilitating the movement of people and goods, roads are a vital part of the infrastructure that enables a community to function.

Private benefits include:

- Direct improvements that serve a particular group of properties,
- Businesses in close proximity to walkways/footpaths and general town improvements benefit from better access to their businesses and from the more pleasant surroundings.

Roothing activities are “primarily public good” in nature.

Roothing benefits are generally considered to be equally available over the forthcoming years.

Council recognises that the general public has access to all of the roading activities. The services provided are generally non-excludable by nature. Councils’ ability to charge for the private use portion of road usage is limited by legislation. There is a direct relationship between capital development and road use and this should be reflected in the funding. Footpaths and Street Cleaning are in general provided for the residents within a specific ward, as such funding for the public components of these two activities should be via Ward Community Facilities rates. Private benefit is gained by the businesses/properties in the areas which Street Cleaning is undertaken; therefore a component of the funding for Street Cleaning will be targeted at this area.

External subsidies and contributions are available and Council seeks to maximise the level of subsidy available from external agencies and minimise rate funding.

Summary Table – Roothing Operating

Activity	Beneficiaries	2005/06 Funding	Future Funding
Footpaths	80% Public 20% Private	100% UAC Ward Community Facilities	100% UAC Ward Community Facilities
Non-Subsidised Roothing	80% Public 20% Private	100% CV District	100% CV District
Subsidised Roothing	80% Public 20% Private	46% CV District 54% External Subsidies	46% CV District 54% External Subsidy

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Activity	Beneficiaries	2005/06 Funding	Future Funding
Street Cleaning	50% Public 50% Private	40% UAC Community Facilities 40% UAC Community Facilities Business 10% UAGC District 10% External Subsidy	40% UAC Community Facilities 40% UAC Community Facilities Business 10% UAGC District 10% External Subsidy

Roading Capital

- Land Transport Subsidy
- Depreciation
- Community Facilities Reserves (for footpaths)
- General Reserves

WATER SUPPLY

The Hauraki District Council owns and operates eight water supply systems that service the urban communities of Paeroa, Karangahake, Mackaytown, Waihi, Waikino, Ngatea, Kerepehi and Turua, and the rural communities of Plains, Ohinemuri and Kaimanawa.

The supplies have varying degrees of treatment and water quality.

Public benefits include:

- Public health through improved water quality and supply.
- Fire fighting capabilities.

Private benefits include:

- Benefits accrue to the individual users.

Water Supply activities are “primarily private good” in nature.

Water Supply benefits the Communities (both private and public benefit) within the water supply areas. Benefits are considered to apply equally over the forthcoming years.

Funding from targeted water by meter rates is considered the most practical and efficient means of funding.

Funding Table - Water Supply Operating

Activity	Beneficiaries	2005/06 Funding	Future Funding
Water Supply	10% Public 90% Private	100% Targeted Rate	100% Targeted Rate

Water Supply Capital

- Depreciation
- Water Reserves
- Internal Borrowing

WASTEWATER

The Hauraki District Council provides and operates reticulated wastewater systems for seven urban areas. Turua, Ngatea, Kerepehi, Paeroa, Waihi, Waitakaruru and Whiritoa.

Public benefits include:

- Improved public health and environmental quality.

Private benefits include:

- Benefits accrue to individual users.
- Benefits are equally available to all properties within the reticulated areas.

Wastewater activities are “primarily private good” in nature.

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Wastewater benefits the communities which have reticulated systems. Wastewater will be funded by a targeted rate in wastewater scheme areas.

Funding Table – Wastewater Operating

Activity	Beneficiaries	2005/06 Funding	Future Funding
Wastewater	10% Public 90% Private	100% targeted rate (pan charge) (sewerage areas)	100% targeted rate (pan charge) (sewerage areas)

Wastewater Capital

- Depreciation
- Wastewater Reserves
- Internal Borrowing

DRAINAGE

Council ensures designated areas are provided with effective land drainage and urban stormwater systems and does this by:

- Having five land drainage districts being: Western Plains; Eastern Plains; Komata; Opukeko and Tirohia - Rotokohu. The first two are mainly in the Plains Ward, while the latter three are located within the Paeroa Ward;
- Managing these drainage systems through the maintenance and operation of drains, control structures, floodgates, flood pumps, culverts and stop banks;
- Maintaining storm water systems in urban areas including Paeroa, Waihi, Ngatea, Turua, Kerepehi and Whiritoa.

Public benefits include:

- Drainage is important in the development of all land including roading, and community/public facilities such as parks.
- Public facilities (e.g. roads, parks) benefit from stormwater drainage.

Private benefits include:

- Individual properties benefit from the systems to minimise the effects of flooding.

Drainage activities are “primarily private good” by nature.

Benefits are considered to apply equally over the forthcoming years.

Drainage benefits the properties within the area which the drainage scheme applies. Drainage will be funded mostly to the targeted scheme areas. The funding should be based on capital value as the value reflects improvements which have a direct relationship to benefit. Some provision from general rates should also apply to address the drainage requirements for public facilities such as roads, parks, etc.

Funding Table – Drainage & Stormwater Operating

Activity	Beneficiaries	2005/06 Funding	Future Funding
Land Drainage	15% Public 85% Private	15% CV District 85% Targeted Rates	15% CV District 85% Targeted Rate
Urban Stormwater	15% Public 85% Private	15% CV District 34% UAC Ward 51% Targeted Rates	2006/07 15% CV District 40% UAC Ward 45% Targeted Rates Future 15% CV District 85% Targeted Rate

Drainage and Stormwater Capital

- Depreciation
- Drainage and Stormwater Reserves
- Internal Borrowing

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SOLID WASTE MANAGEMENT

The Solid Waste Management activity incorporates refuse collection, refuse transfer stations, solid waste disposal, and waste minimisation/recycling. Refuse collections are carried out by contract in the urban communities of Ngatea, Paeroa, Karangahake, Waikino, Waihi and Whiritoa on a weekly basis.

Solid Waste disposal is provided at the Paeroa and Waihi Refuse Transfer Stations.

Public benefits include:

- The community benefits from the service reducing the likelihood of littering spoiling the attractiveness of the area.
- Providing this service protects public health, and assists in fostering a clean and tidy environment.

Private benefits include:

- Where collection exists, the benefit is equally available to all properties.

Solid Waste Management activities are “primarily private good” in nature.

Where refuse collections exist, the benefit is equally available to all properties. Amounts able to be collected per week are capped and this supports the use of a targeted rate set at the same level for all properties that are situated within the refuse collection zones.

Fees and Charges will apply to the private share of refuse disposal. User charges are an efficient mechanism for the recovery of costs associated with refuse disposal and this requires the exacerbator to pay for the amount disposed of.

In general more solid waste is generated by properties that are developed than those that are undeveloped. The public share of refuse disposal is funded by the capital value district rate.

Funding Table – Solid Waste Operating

Activity	Beneficiaries	2005/06 Funding	Future Funding
Refuse Collection	10% Public 90% Private	100% Targeted Rate (where collection exists)	100% Targeted Rate (where collection exists)
Refuse Transfer Stations	10% Public 90% Private	58% CV District 42% Fees & Charges	10% CV District 90% Fees & Charges
Refuse Disposal	20% Public 80% Private	100% CV District	100% CV District

Solid Waste Capital

- Depreciation
- General Reserves

COMMUNITY SERVICES

Activities

- Parks & Reserves
- Libraries
- Community Facilities

The Hauraki District Council provides a wide range of Community Facilities that are available for public use within the Hauraki District.

PARKS AND RESERVES

The Council provides and maintains over fifty parks and reserves throughout the District.

The parks and reserves are classified as either active or passive. Active reserves provide for active recreation and the sporting needs of the

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community, while passive reserves provide for passive types of recreation such as walking, picnic facilities and playgrounds.

The classification of community owned/administered parks and reserves shall be consistent with the zoning in the Hauraki District Plan 1999.

Passive Reserves

Public benefits include:

- Visual and aesthetic benefit,
- Opportunities for casual activity,
- Scenic, natural, cultural preservation,

Principal benefit of maintaining these reserves are visual (includes State Highways),

Benefit is not exclusive to any one individual group,

There are few private benefits.

Active Reserves

Public benefits include:

- Visual and aesthetic benefit,
- Opportunity for active recreation and organised sport,
- Opportunities for whole community to view or engage in active pursuits.

Some events held on active reserves are of district significance and result in use by residents of the whole District.

Private benefits include:

- The major reason for costs of maintaining these reserves is for the use of groups such as rugby, athletics and netball clubs, these groups are also the main users of the active reserves.
- At some stages groups have exclusive use of the reserve or park.

While the Council decided that the reserves provide mixed benefits, charging for use could result in user resistance and would be detrimental to

the Community Outcome to encourage increased opportunities to participate in recreational, sporting and cultural activities.

Council decided to place the cost of funding parks and reserves on a ward and district basis, as the benefit is equally available to all properties within the District.

In determining a practical and efficient source of funding parks and reserves, Council has considered the public/private benefit split and funding tools and determined that future funding of parks and reserves shall be as set out in the summary table below.

Benefits are considered to accrue equally over current and future time periods.

There is little opportunity to identify particular individuals or groups to charge user recoveries and increasing recoveries is likely to meet with user resistance and lower usage of the facilities.

Use of general and ward rates is considered the most equitable mechanism for funding of parks & reserves costs with a small amount of user recoveries.

Funding Table - Parks and Reserves Operating

Activity	Beneficiaries	2005/06 Funding	Future Funding
Principal Reserves	50% Public 50% Private	50% UAGC District 50% UAC Ward	50% UAGC District 50% UAC Ward
Other active reserves	80% Public 20% Private	100% UAGC District	100% UAGC District
Passive Reserves	100% Public	100% UAGC District	100% UAGC District

Parks and Reserves Capital

- Financial Contributions
- Depreciation
- Internal Borrowing

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LIBRARIES

Public benefits include:

- All facilities are available to all residents.
- Facilities assist the economic and social development of the District.
- Facilities provide opportunities for learning, exercise and recreation.

Private benefits include:

- Individuals derive private benefit when they borrow books from the library.

Libraries are operated as a Council wide service and all residents and ratepayers have equal access to the opportunities provided by the libraries. Benefits of the service are considered to accrue equally over current and future years of the plan.

User recoveries are made for rental of library books. These charges are set to recover approximately 10% of the cost of providing library services. Experience has shown that there is consumer resistance to increased charges and reduction in patronage results compromising the outcomes desired from the provision of the service, principally “encouraging increased opportunities to participate in recreational, sporting and cultural activities”.

The remaining 90% funding comes from the District UAGC as all properties benefit equally from the provision of library services.

Funding Table - Libraries Operating

Activity	Beneficiaries	2005/06 Funding	Future Funding
Public Libraries	80% Public 20% Private	91% UAGC District 9% Fees & Charges	90% UAGC District 10% Fees & Charges

Libraries Capital

- Depreciation
- General Reserves

COMMUNITY FACILITIES

Facilities provided by council include

- Cemeteries
- Swimming Pools
- Public Halls
- Community Funding Assistance
- Public Toilets

Public benefits include:

- All facilities are available to all residents.
- Facilities assist the economic and social development of the District.
- Facilities provide opportunities for learning, exercise and recreation.

Private benefits include:

- Private benefit is gained from certain facilities, for example hall hire and burials.
- Benefit is provided to visitors to the District that do not have to pay for the use of certain facilities, for example public toilets.

Benefits accrue largely to the wider community as opposed to an easily identifiable group of users. Benefits are also considered to accrue evenly over the life of the assets. User recoveries are made for cemetery burials because the costs are readily identifiable and an efficient mechanism exists for charging and recovery. User recoveries are also made for swimming pools and public halls. These recoveries are limited to encourage increased opportunities to participate in recreational, sporting and cultural activities.

The maintenance and upkeep of Cemeteries, as opposed to burials, is considered to be a function of predominantly public good. A significant public good is also provided with Public Toilets, Public Halls and Swimming Pools. These facilities are currently recovered via the Ward Community Facilities Rate as these facilities are largely provided by and for each ward and the benefit applies equally to each property in the ward.

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Funding Table - Community Facilities Operating

Activity	Beneficiaries	2005/06 Funding	Future Funding
Cemeteries–Burial	20% Public 80% Private	100% Fees & Charges	100% Fees & Charges
Cemeteries–Reserves	100% Public	85% Community Facilities 15% District CV	2006/07 87% Community Facilities 13% District CV Future 90% Community Facilities 10% District CV
Halls	80% Public 20% Private	90% Community Facilities 10% Fees & Charges	2006/07 88% Community Facilities 12% Fees & Charges Future 84% Community Facilities 16% Fees & Charges
Public Toilets	100% Public	100% UAGC District	100% UAGC District
Swimming Pools	80% Public 20% Private	94% Community Facilities 6% Fees & Charges	2006/07 95% Community Facilities 5% Fees & Charges Future 90% Community Facilities 10% Fees & Charges

Community Facilities Capital

- Depreciation
- Community Facilities Reserves
- General Reserves
- Internal Borrowing

COMMUNITY DEVELOPMENT

Activities

- Community Growth
 - Economic Development
 - District Promotion
 - Information Centres
 - Positive Paeroa
 - Positively Promoting the Plains
 - Go Waihi
 - Tourism Coromandel
- Community Initiatives
 - Community Development
 - Whiritoa Beachcare
 - Conservation Initiatives
 - Sports Co-ordinator
 - Grants and Donations
 - Public Transport

Public benefits include:

- District is perceived as a more pleasant place to live, work and visit.
- Benefits from most activities are non-excludable by nature (e.g. Conservation Initiatives and District Promotions).
- Services provided are available to all and not excludable to those who wish to use them (i.e. Sports Co-ordinator).
- Information is available to all residents in the District and relates to activities throughout the whole District

Private benefits include:

- Benefits to individuals/businesses and groups as a result of some activities (i.e. Economic Development, Tourism Coromandel and Whiritoa Beach Care).

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- Direct benefit to the individuals who use the services available.

There is a high proportion of public good in these activities which reflects in the District and Ward Community Facilities based rate funding.

Benefits accrue largely to the wider community as opposed to an easily identifiable group of users. Benefits are also considered to accrue evenly over the forthcoming years. Some Economic Development expenditure may bring rewards to the Community in future periods. The conservative view is to fund this expenditure in the year it is incurred.

There is a small opportunity to raise some revenue by way of Fees and Charges in the Information Centres activity. Information Centres have mixed funding to reflect the district wide and local benefits.

While there may be some other private benefits from these activities there is little opportunity to identify particular individuals or groups to charge user recoveries.

Some activities, e.g. Positive Paeroa and Go Waihi have a local focus and are primarily business focussed. While these activities are primarily funded by targeted rates, to promote the outcomes of vibrant and sustainable business economies in our District a portion of these activities are funded by the Ward.

Funding Summary - Community Development Operating

Activity	Beneficiaries	2005/06 Funding	Future Funding
Community Development	100% Public	100% UAGC District	100% UAGC District
Community Assistance	100% Public	100% Community Facilities	100% Community Facilities
Conservation Initiatives	100% Public	100% UAGC District	100% UAGC District
District Promotions	100% Public	100% UAGC District	100% UAGC District

Activity	Beneficiaries	2005/06 Funding	Future Funding
Economic Development	70% Public 30% Private	70% UAGC District 30% CV District	70% UAGC District 30% CV District
Grants and Donations	100% Public	100% UAGC District	100% UAGC District
Go Waihi	40% Public 60% Private	43% Community Facilities 57% Targeted	46% Community Facilities 54% Targeted
Information Centres	80% Public 20% Private	8% Fees & Charges 28% UAGC District 64% Community Facilities	5% Fees & Charges 29% UAGC District 66% Community Facilities
Positive Paeroa	40% Public 60% Private	40% Community Facilities 60% Targeted	40% Community Facilities 60% Targeted
Positively Promoting the Plains	40% Public 60% Private	60% Community Facilities Business 40% Community Facilities	60% Community Facilities Business 40% Community Facilities
Public Transport	100% Public	100% UAGC District	100% UAGC District
Sports Co-ordinator	80% Public 20% Private	100% UAGC District	100% UAGC District
Tourism Coromandel	60% Public 40% Private	100% CV District	100% CV District
Whiritoa Beach Care	80% Public 20% Private	100% CV District	100% UAGC District

Community Development Capital

There is no capital expenditure forecast in the planning period.

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REGULATION

Activities

- Building Services
- RMA Implementation
- Community Protection
- Animal Control

Hauraki District Council has a statutory responsibility for resource management, environmental health, building construction, animal control, liquor licensing, Emergency Management (Civil Defence) and rural fires.

Public benefits include:

- The monitoring of the general state of the environment is of benefit to everyone in the District.
- The activity of policy development is beneficial to the district as a whole.
- Information regarding property development and sites subject to hazards are available to all.
- Community benefits through the sustainable management of natural and physical resources.
- The enforcement of building and health standards protects the rights and quality of life of all residents and visitors.
- Activities such as Civil Defence and Rural Fire Control are mandatory requirements under current legislation.

Private benefits include:

- The need for monitoring arises largely from the activities of individuals/groups who have obtained specific consents or are carrying out specific activities (exacerbators); therefore some private benefit is gained from provision of the service.
- The need for dog registration arises from the keeping of animal by individuals.

Council determined most of the RMA Implementation, Building Services, Health and Liquor Licensing activities are of “mixed good”.

The provision of Emergency Management and Rural Fires is principally of public good.

Animal Control has been broken into two distinct activities. Dog Registration which is seen to be predominantly of private good and Animal Control which has a predominant public good.

Benefits are considered to apply equally across the years.

There are opportunities to identify particular individuals or groups to charge user recoveries. Particularly for Dog Registration where the exacerbator principal can be applied and the persons are readily identifiable.

User charges are made for building services and other activities to recover the private benefit portion of services provided.

Building Services, RMA Implementation, Civil Defence, and Rural Fires primarily relate to the protection of property and will be funded by district capital value rates.

Other regulation activities will be funded by district UAGC.

Funding Table – Regulation Operating

Activity	Beneficiaries	2005/06 Funding	Future Funding
Animal Control	70% Public 30% Private	100% UAGC District (costs to be recovered where possible)	100% UAGC District (costs to be recovered where possible)
Building Services	35% Public 65% Private	16% CV District 84% Fees & Charges	2006/07 49% CV District 51% Fees & Charges Future 41% CV District 59% Fees & Charges

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Activity	Beneficiaries	2005/06 Funding	Future Funding
Civil Defence	100% Public	100% CV District	100% CV District
Dog Registration	20% Public 80% Private	100% Fees & Charges	100% Fees & Charges
Health & Liquor Licensing	35% Public 65% Private	78% UAGC District 22% Fees & Charges	2006/07 74% UAGC District 26% Fees & Charges Future 76% UAGC District 24% Fees & Charges
RMA Implementation	40% Public 60% Private	56% CV District 44% Fees & Charges	55% CV District 45% Fees & Charges
Rural Fires	100% Public	100% CV District	100% CV District

Regulation Capital

There is no capital expenditure forecast in the planning period.

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	Budget 2006-07 \$000's	Budget 2007-08 \$000's	Budget 2008-09 \$000's	Budget 2009-10 \$000's	Budget 2010-11 \$000's	Budget 2011-12 \$000's	Budget 2012-13 \$000's	Budget 2013-14 \$000's	Budget 2014-15 \$000's	Budget 2015-16 \$000's
General Rates										
General Rates	6,146	6,473	6,734	6,886	7,148	7,271	7,360	7,562	7,838	7,918
Targeted Rates										
Paeroa Community Facilities	841	888	952	967	972	993	1,002	1,003	1,010	1,014
Paeroa Community Facilities Business	126	153	180	182	184	185	187	188	189	190
Plains Community Facilities	424	437	470	497	500	507	513	516	521	524
Plains Community Facilities Business	28	28	29	29	30	31	31	32	32	33
Waihi Community Facilities	1,014	1,051	1,091	1,136	1,149	1,164	1,182	1,191	1,203	1,213
Waihi Community Facilities Business	57	59	60	62	63	64	65	66	67	68
Komata North Drainage	38	39	40	42	43	44	46	47	48	50
Opukeko Drainage	15	15	15	15	15	15	15	15	15	15
Tirohia Rotokohu Drainage	67	67	67	67	67	74	74	74	74	74
Eastern Plains Drainage	249	256	264	272	280	288	297	306	315	324
Western Plains Drainage	735	757	780	803	827	852	878	904	931	959
Refuse Collection	375	389	404	423	430	443	456	473	479	490
Positive Paeroa	54	41	42	43	44	45	46	47	48	49
Go Waihi	53	54	56	58	59	60	62	62	64	65
Paeroa Urban Stormwater	230	253	278	306	315	325	335	345	355	366
Wastewater	2,441	2,549	2,660	2,773	2,887	3,003	3,122	3,243	3,368	3,495
Water	3,894	4,020	4,148	4,313	4,431	4,571	4,701	4,827	4,952	5,078
Total Targeted Rates	10,641	11,056	11,536	11,988	12,296	12,664	13,012	13,339	13,671	14,007
Fees and Charges										
Solid Waste Disposal Fees	637	655	674	692	708	724	740	753	765	778
Building Services Fees	377	389	400	411	421	431	440	448	455	463
Dog Registration	148	152	157	160	163	167	170	173	175	178
Health and Liquor Licensing Fees	77	79	81	83	85	87	89	91	92	94
RMA Implementation Fees	257	265	273	280	287	294	300	305	310	315
Cemetery Fees	42	43	44	45	47	48	49	50	50	51
Community Hall Fees	35	36	37	38	39	39	40	41	42	42
Information Centre Recoveries	5	5	5	5	6	6	6	6	6	6
Library Fees	49	51	52	54	55	56	58	59	60	61
Pensioner Housing Rentals	225	232	238	244	250	255	260	264	268	272
Swimming Pool Fees	12	12	12	13	13	13	13	14	14	14
Other	15	16	16	17	15	18	22	21	18	18
Total Fees and Charges	1,879	1,935	1,989	2,042	2,089	2,138	2,187	2,225	2,255	2,292
External Subsidies										
Transfund Subsidies	3,386	3,713	3,522	3,775	3,680	3,691	4,081	3,791	3,854	3,615
External Loans	4,500	6,000	3,500	2,600	2,800	-	-	-	-	-
Business Unit Surpluses										
Quarry	520	536	553	567	581	594	607	617	628	638
Construction and Maintenance	150	155	159	164	168	171	175	178	181	184
Technical Services	6	6	7	7	7	7	7	7	8	8
Workshop	2	2	2	2	2	2	2	2	2	2

The Rating Policy included below forms part of the Funding Impact Statement.

Rating Policy

INTRODUCTION

This rating policy should be read in conjunction with Council's Revenue and Financing Policy.

At various points in this policy a level of rate or charge is specified. These are indicative figures included to give ratepayers an estimate of what their level of rates is likely to be in the coming year.

These figures are not the actual level of rates that will be assessed in the coming year, and the actual figure will not be known until the council's rating information database and the special consultative procedure are completed.

All figures in this policy are GST inclusive.

GENERAL RATES

Council proposes to set a Uniform Annual General Charge, and a Differential General Rate based on Capital Value, for the purpose of funding leadership, libraries, solid waste disposal, roading, regulatory services, parks and reserves, drainage, community growth, community initiatives, and other sundry activities.

UNIFORM ANNUAL GENERAL CHARGE

Council proposes to set on each rating unit within the District, a uniform annual general charge.

In the 2006/07 year this charge is estimated to be \$255.

The revenue sought is approximately \$2,060,000.

DIFFERENTIAL GENERAL RATE

Council proposes to set on each rating unit within the District, a capital value general rate. The capital value general rate will be set on a differential basis based on land use.

The categories are:

- Residential and Rural Land Use - all rating units used primarily for residential, recreational, cultural or primarily or predominately for the purposes of agriculture, viticulture, horticulture or silviculture.
- Commercial, Industrial and Utility Land Use - all rating units used for commercial or industrial purposes, including utility networks.
- Mineral Extraction Land Use - all mineral value rating units that are not used in gold mining.
- Mining Land Use - all mineral value rating units that are used in gold mining.

The 2006/07 estimated rates (in cents per dollar of capital value) per category are:

Category	Estimated Rate in the Dollar	Revenue Sought %	Revenue Sought 2006/07	Revenue Sought 2005/06
Residential and Rural	.21094	83.5%	\$3,960,000	\$3,780,000
Commercial, Industrial and Utility	.31641	12.2%	\$581,000	\$442,000
Mineral Extraction	2.05454	1.0%	\$48,000	\$46,000
Mining	11.14630	3.3%	\$156,000	\$147,000

The revenue sought is approximately \$4,746,000.

Funding Statements

Rating Policy

Targeted Rates

COMMUNITY FACILITIES

Council proposes to set targeted rates for each ward, based on an annual charge per rating unit for the purpose of fully and partially funding activities within the ward. These activities include cemeteries, grants and donations, domains, halls and events centres, footpaths and street-cleaning, information and visitors' centres, swimming pools, reserves, the Positive Paeroa Co-ordinator and Go Waihi, Waihi urban stormwater and other sundry activities. The charges will be set on a uniform basis per category with the categories based on the matter location.

The categories are:

- Paeroa Ward – all rating units situated within the Paeroa Ward.
- Plains Ward – all rating units situated within the Plains Ward.
- Waihi Ward – all rating units situated within the Waihi Ward.

Annual Charges

Council proposes to set on each rating unit within each of the wards the following annual charges.

The 2006/07 estimated charges are:

Category	Uniform Charge	Revenue Sought 2006/07	Revenue Sought 2005/06
Paeroa Ward	\$364.00	\$946,000	\$771,000
Plains Ward	\$217.00	\$446,000	\$381,000
Waihi Ward	\$330.00	\$1,139,000	\$1,007,000

COMMUNITY FACILITIES - BUSINESS

Council proposes to set targeted rates for each ward, based on a differential annual charge per separately used or inhabited part of a commercial and industrial rating unit for the purpose of fully and partially funding activities within the ward. These activities include car-parks, street cleaning, information and visitor centres, Positively Promoting the Plains, Streetscape

and main street gardens. The rate funding of these activities comes partly from this targeted rate, partly from the ward based Community Facilities targeted rate and also from General rates.

The charges will be set on a differential basis on categories based on location and land use. These rates will only be assessed on separately used or inhabited commercial and industrial parts of commercial and industrial rating units. Separately used or inhabited commercial and industrial parts of commercial and industrial rating units in the rural areas of the Paeroa and Waihi Wards will be assessed an annual charge equivalent to half the annual charge assessed on urban rating units. In the Plains Ward the rural rate assessed is equivalent to 58% of the annual charge assessed on urban rating units. This is due to Positively Promoting the Plains being funded equally by urban and rural rating units.

The categories are:

- Paeroa Ward Urban – all rating units used principally for commercial and industrial purposes situated within the valuation rolls 5001, 5002, 5003 and 5004.
- Paeroa Ward Rural – all rating units used principally for commercial and industrial purposes situated within the Paeroa Ward but outside the valuation rolls 5001, 5002, 5003 and 5004.
- Plains Ward Urban – all rating units used principally for commercial and industrial purposes situated within the valuation roll 4771.
- Plains Ward Rural – all rating units used principally for commercial and industrial purposes situated within the Plains Ward but outside the valuation roll 4771.
- Waihi Ward Urban – all rating units used principally for commercial and industrial purposes situated within the valuation rolls 5020 and 5030.
- Waihi Ward Rural – all rating units used principally for commercial and industrial purposes situated within the Waihi Ward but outside the valuation rolls 5020 and 5030.

Funding Statements

Rating Policy

Annual Charges

Council proposes to set on each separately used or inhabited part of a rating unit within each of the wards the following annual charges.

The 2006/07 estimated charges are:

Category		Uniform Charge	Revenue Sought 2006/07	Revenue Sought 2005/06
Paeroa Ward	- Urban	\$604.00	\$137,000	\$125,000
	- Rural	\$302.00	\$5,000	\$5,000
Plains Ward	- Urban	\$340.00	\$19,000	\$17,000
	- Rural	\$201.00	\$13,000	\$10,000
Waihi Ward	- Urban	\$350.00	\$61,000	\$62,000
	- Rural	\$175.00	\$4,000	\$4,000

COMMUNITY HALLS

Council proposes to set targeted rates on all rating units in Community Hall Rating Areas for the purpose of funding community halls. A separate targeted rate will be set for each Community Hall Rating Area.

Land Value Rates

Council proposes to set targeted rates, based on land value, on each of the following categories based on location.

The categories are:

- Kaihere Hall – all rating units situated within the Kaihere Hall Rating Area,
- Patetonga Hall – all rating units situated within the Patetonga Hall Rating Area.

The 2006/07 estimated rates (in cents per dollar of land value) are:

Category	LV Rate in the Dollar	Revenue Sought 2006/07	Revenue Sought 2005/06
Kaihere Hall	.00636	\$2,200	\$2,200
Patetonga Hall	.00379	\$1,600	\$1,600

Annual Charges

Council proposes to set targeted rates, based on an annual charge per separately used or inhabited part of a rating unit, on each of the following categories based on location.

The categories are:

- Hikutaia Hall – all rating units situated within the Hikutaia Hall Rating Area within the Hauraki District.
- Karangahake Hall – all rating units situated within the Karangahake Hall Rating Area.
- Kerepehi Hall – all rating units situated within the Kerepehi Hall Rating Area.
- Netherton Hall – all rating units situated within the proposed Netherton Hall Rating Area.
- Tirohia Hall – all rating units situated within the Tirohia Hall Rating Area.
- Turua Hall – all rating units situated within the Turua Hall Rating Area.
- Waikino Hall – all rating units situated within the Waikino Hall Rating Area.
- Waitakaruru Hall – all rating units situated within the Waitakaruru Hall Rating Area.

Funding Statements

Rating Policy

In the 2006/07 year the estimated charges are:

Category	Uniform Charge	Revenue Sought 2006/07	Revenue Sought 2005/06
Hikutaia Hall	\$22.50	\$2,500	\$2,500
Karangahake Hall	\$15.00	\$2,000	\$2,000
Kerepehi Hall	\$10.00	\$2,800	\$2,800
Netherton Hall	\$20.00	\$3,100	\$3,100
Tirohia Hall	\$12.25	\$600	\$600
Turua Hall	\$13.00	\$5,000	\$4,950
Waikino Hall	\$22.50	\$4,350	\$4,400
Waitakaruru Hall	\$22.50	\$4,900	\$4,850

LAND DRAINAGE

Council proposes to set targeted rates for each of the Drainage Districts for the purpose of funding drainage activity.

Eastern Plains Drainage District Rates

Council proposes to set land value rates on a uniform basis on each rating unit within the following category based on location.

The category is:

- Eastern Plains – all rating units situated within the Eastern Plains Drainage District. The 2006/07 estimated rates (in cents per dollar of land value) are:

Category	Uniform Charge	Revenue Sought 2006/07	Revenue Sought 2005/06
Eastern Plains Drainage District	.11353	\$280,000	\$272,000

Komata North Drainage District Rates

Council proposes to set land value rates on a differential basis on all land within the following categories based on location and land classifications.

The categories are:

- Komata North Class A – all land classified as Class A within rating units situated within the Komata North Drainage District.
- Komata North Class B – all land classified as Class B within rating units situated within the Komata North Drainage District.
- Komata North Class C – all land classified as Class C within rating units situated within the Komata North Drainage District.

The 2006/07 estimated rates (in cents per dollar of land value) are:

Category	LV Rate in the Dollar	Revenue Sought 2006/07	Revenue Sought 2005/06
Komata North Class A	.19168	\$41,800	\$40,700
Komata North Class B	.13394	\$900	\$900
Komata North Class C	.07403	\$300	\$300

Opukeko Drainage District Rates

Council proposes to set land value rates on a differential basis on all land within the following categories based on location and land classifications.

The categories are:

- Opukeko Class A – all land classified as Class A within rating units situated within the Opukeko Drainage District.
- Opukeko Class B – all land classified as Class B within rating units situated within the Opukeko Drainage District.
- Opukeko Class C – all land classified as Class C within rating units situated within the Opukeko Drainage District.

Funding Statements

Rating Policy

The 2006/07 estimated rates (in cents per dollar of land value) are:

Category	LV Rate in the Dollar	Revenue Sought 2006/07	Revenue Sought 2005/06
Opukeko Class A	.69182	\$7,200	\$7,600
Opukeko Class B	.59298	\$8,800	\$8,500
Opukeko Class C	.09883	\$600	\$500

Tirohia-Rotokohu Drainage District Rates

Council proposes to set land value rates on a differential basis on all land within the following categories based on location and land classifications.

The categories are:

- Tirohia-Rotokohu Class A – all land classified as Class A within rating units situated within the Tirohia-Rotokohu Drainage District.
- Tirohia-Rotokohu Class B – all land classified as Class B within rating units situated within the Tirohia-Rotokohu Drainage District.
- Tirohia-Rotokohu Class C – all land classified as Class C within rating units situated within the Tirohia-Rotokohu Drainage District.

The 2006/07 estimated rates (in cents per dollar of land value) are:

Category	LV Rate in the Dollar	Revenue Sought 2006/07	Revenue Sought 2005/06
Tirohia-Rotokohu Class A	.34385	\$58,300	\$58,300
Tirohia-Rotokohu Class B	.25789	\$16,300	\$16,300
Tirohia-Rotokohu Class C	.08596	\$1,000	\$1,000

Western Plains Drainage District Rates

Council proposes to set land value rates on a differential basis on all land with the following categories based on location and land classifications.

The categories are:

- Waitakaruru Class A – all land classified as Class A within rating units situated in the Waitakaruru Subdivision of the Western Plains Drainage District.
- Waitakaruru Class C – all land classified as Class C within rating units situated in the Waitakaruru Drainage District of the Western Plains Drainage District.
- Waitakaruru Class E – all land classified as Class E within rating units situated in the Waitakaruru Drainage District of the Western Plains Drainage District.
- Miranda Class A – all land classified as Class A within rating units situated in the Miranda Subdivision of the Western Plains Drainage District.
- Miranda Class C – all land classified as Class C within rating units situated in the Miranda Drainage District of the Western Plains Drainage District.
- Boom Road Class A – all land classified as Class A within rating units situated in the Boom Road Subdivision of the Western Plains Drainage District.
- Boom Road Class C – all land classified as Class C within rating units situated in the Boom Road Drainage District of the Western Plains Drainage District.
- Boom Road Class E – all land classified as Class E within rating units situated in the Boom Road Drainage District of the Western Plains Drainage District.
- Ngatea Township – all land within rating units situated in the Ngatea Township Drainage District of the Western Plains Drainage District.
- Ngatea/Pipiroa – all land within rating units situated in the Ngatea/Pipiroa Drainage District of the Western Plains Drainage District.

Funding Statements

Rating Policy

The 2006/07 estimated rates (in cents per dollar of land value) are:

Category	LV Rate in the Dollar	Revenue Sought 2006/07	Revenue Sought 2005/06
Waitakaruru Class A	.42011	\$43,300	\$42,900
Waitakaruru Class C	.28007	\$1,700	\$1,700
Waitakaruru Class E	.14004	\$900	\$900
Miranda Class A	.58477	\$146,600	\$150,200
Miranda Class C	.38985	\$1,900	\$1,900
Boom Road Class A	.63079	\$18,600	\$18,400
Boom Road Class C	.42052	\$2,600	\$2,600
Boom Road Class E	.21026	\$2,600	\$2,600
Ngatea Township	.47249	\$107,804	\$91,300
Ngatea/Pipiroa	.18637	\$136,000	\$134,700

Council proposes to set land area rates on a differential basis on all land within the following categories based on location and land classifications.

The categories are:

- Pouarua-Patetonga Class A – all land classified as Class A within rating units situated within the Pouarua-Patetonga Drainage District.
- Pouarua-Patetonga Class B – all land classified as Class B within rating units situated within the Pouarua-Patetonga Drainage District.
- Pouarua-Patetonga Class C – all land classified as Class C within rating units situated within the Pouarua-Patetonga Drainage District.
- Pouarua-Patetonga Class D – all land classified as Class D within rating units situated within the Pouarua-Patetonga Drainage District.

The 2006/07 estimated rates (in dollars per hectare of land area) are:

Category	Rate per Hectare	Revenue Sought 2006/07	Revenue Sought 2005/06
Pouarua-Patetonga Class A	\$32.06	\$323,100	\$319,100
Pouarua-Patetonga Class B	\$14.03	\$3,000	\$3,000
Pouarua-Patetonga Class C	\$4.01	\$7,300	\$7,200
Pouarua-Patetonga Class D	\$2.00	\$500	\$400

Council proposes to set land area rates on a uniform basis on all land within the following category based on provision of service.

- Western Plains Class P – all land serviced by the Hopai West, Martinovich, Central North and Rawerawe West pump stations.

The 2006/07 estimated rates (in dollars per hectare of land area) are:

Category	Rate per Hectare	Revenue Sought 2006/07	Revenue Sought 2005/06
Western Plains Class P	\$19.35	\$31,700	\$26,200

URBAN STORMWATER

Council proposes to set targeted rates on all rating units in the Paeroa Urban Stormwater rating area for the purpose of funding the urban stormwater activity.

Land Value Rates

Council proposes to set land value rates on a differential basis on each rating unit within the following categories based on land use and land area.

The categories are:

- Rural, Recreation and Cultural Land Use Over 10 Hectares - all rating units situated in the Paeroa urban stormwater area which have a land use predominantly rural, recreational, or cultural, and which have a land area greater than 10 hectares.
- Rural Land Use 10 Hectares and Under - all rating units situated in the Paeroa urban stormwater area which have a land use predominantly rural and which have a land area less than or equal to 10 hectares.
- Other Land – all rating units situated in the Paeroa urban stormwater area not included in the categories Rural, Recreation and Cultural Land Use over 10 Hectares, and Rural Land Use 10 Hectares and Under.

Funding Statements

Rating Policy

2006/07 estimated rates (in cents per dollar of land value) are:

Category	LV Rate in the Dollar	Revenue Sought 2006/07	Revenue Sought 2005/06
Rural, Recreation and Cultural Land Use over 10 Hectares	.11272	\$1,200	\$1,100
Rural Land Use 10 Hectares and Under	.28183	\$7,200	\$6,500
Other Land	.56363	\$250,500	\$227,800

WATER SUPPLY

Council proposes to set targeted rates for water supply based on, the volume of water supplied and, the number of connections to the supply on all rating units connected to a water supply for the purpose of funding the water supply activity. The water volume rate is on a differential basis based on the extent of provision of service. Water supply rates are billed separately twice yearly on varying dates in the various water supply areas. Council also proposes to set a per rating unit targeted rate for the purpose of repaying the Karangahake Water Loan.

Annual Charges

Council proposes to set an annual charge per connection to a water supply on each rating unit within the following category based on the provision of a service.

- Connected – all rating units with a connection to a Council water supply.

The 2006/07 estimated annual charge is:

- Per Metered Connection - \$60

Every metered connection will be charged the annual charge in conjunction with their usage charges for water consumed.

Water Volume Rates (Metered Supply)

Council proposes to set a targeted rate on a differential basis per unit of water supplied to each rating unit within the following categories based on location and extent of provision of service.

The categories are:

- Fully Treated – rating units connected to the Paeroa, Plains and Waihi water supplies.
- Partially Treated – rating units connected to the Kaimanawa, Karangahake, Ohinemuri, and Waikino water supplies.
- Raw Water – rating units connected to a Council raw water main that receive completely untreated water.

The 2006/07 estimated rates (in cents per cubic metre of water supplied) are:

- Fully Treated - 85c
- Partially Treated - 75c
- Raw Water - 35c

The revenue sought from water supply targeted rate annual charges and water volume rates is approximately \$4,372,000.

Loan Rates

Council proposes to set an annual charge per rating unit within the following category based on location and the provision of a service. All rating units in this category that have elected to make a lump sum contribution benefit from the lump sum savings provisions and do not have to pay the rate.

Funding Statements

Rating Policy

The category is:

- Karangahake Connected – all rating units in the Karangahake Special Rating Area with a connection to a Council water supply.

The 2006/07 estimated annual charge is:

- Karangahake Connected - \$84

The revenue sought is approximately \$7,800.

WASTEWATER

Council proposes to set targeted rates for wastewater based on an annual charge, per rating unit for unconnected rating units, or per water closet/urinal (pan) for connected rating units. Rating units used primarily as a residence for one household will only be charged one pan charge. The targeted rates are for the purpose of funding the wastewater activity.

Council also proposes to set a land value targeted rate for the purpose of repaying Paeroa Wastewater loans.

Annual Charges

Council proposes to set an annual charge on a differential basis on the following categories based on location, provision of service, and land use.

The categories are:

- District Unconnected – All rating units not connected to the Kerepehi, Ngatea, Paeroa, Turua, Waitakaruru, Waihi or Whiritoa Wastewater schemes with a boundary within 30 metres of a wastewater main belonging to one of those schemes.
- District Connected – All rating units connected to the Kerepehi, Ngatea, Paeroa, Turua, Waitakaruru, Waihi or Whiritoa Wastewater schemes.

The 2006/07 estimated annual charges are:

Category	Uniform Charge	Revenue Sought 2006/07	Revenue Sought 2005/06
District Unconnected	\$237.50	\$129,000	\$128,000

For District Connected rating units a scale of charges will apply:

Rating units used primarily as a residence for one household will be treated as having one pan.

Number of Pans	% of Residential Annual Charge	District Connected
Up to & including 2 Pans	100%	\$475.00 per pan
Up to & including 4 Pans	75%	\$357.00 per pan
Up to & including 6 Pans	67%	\$317.00 per pan
Up to & including 8 Pans	62.5%	\$297.00 per pan
Up to & including 10 Pans	60%	\$285.00 per pan
Up to & including 15 Pans	48%	\$229.00 per pan
Up to & including 20 Pans	42.5%	\$202.00 per pan
Over 20 Pans	37%	\$174.00 per pan
Approximate revenue sought 2006/07		\$2,617,000

Number of Pans	% of Residential Annual Charge	District Connected
Approximate revenue sought 2005/06		\$2,309,000

There may be further reductions in pan charges for educational establishments dependant upon regulations made under section 25 of the Local Government (Rating) Act 2002. Council's proposed remission policy on Wastewater charging for Educational Establishments should be read in conjunction with this policy.

REFUSE COLLECTION TARGETED RATES

Council proposes to set targeted rates for refuse collection based on a uniform charge per separately used or inhabited part of a rating unit serviced by a Council funded refuse collection.

Funding Statements

Rating Policy

The targeted rates are for the purpose of funding the refuse collection activity. The annual charge is on a differential basis (based on location and the provision of service).

Annual Charges

Council proposes to set an annual charge per separately used or inhabited part of a rating unit on a differential basis (based location and the provision of service). Whiritoa rating units have an increased number of collections per year.

The categories are:

- District Collected – all rating units serviced by Council's refuse collection excluding those in the Whiritoa township.
- District Collected – all rating units serviced by Council's refuse collection in the Whiritoa township.

The 2006/07 estimated annual charges are:

Category	Uniform Charge	Revenue Sought 2006/07	Revenue Sought 2005/06
District Collected	\$77.00	\$376,700	\$274,000
Whiritoa Collected	\$106.00	\$44,700	\$36,000

POSITIVE PAEROA

Council proposes to set a targeted rate based on an annual charge per separately used or inhabited part of a commercial and industrial rating unit for the purpose of partially funding the Positive Paeroa activity. Funding of this activity comes partly from this targeted rate and partly from the ward based Community Facilities targeted Rate.

The charges will be set on a differential basis on categories based on location and land use. These rates will only be assessed on separately used or inhabited parts of commercial and industrial rating units. Separately used or inhabited parts of commercial and industrial rating units in the rural

areas of each ward will be assessed an annual charge equivalent to half the annual charge assessed on urban rating units.

The categories are:

Paeroa Ward Urban - all rating units used principally for commercial and industrial purposes situated within the valuation rolls 5001, 5002, 5003 and 5004.

Paeroa Ward Rural - all rating units used principally for commercial and industrial purposes situated within the Paeroa Ward, but outside the valuation rolls 5001, 5002, 5003 and 5004.

The 2006/07 estimated charges are:

Category	Uniform Charge	Revenue Sought 2006/07	Revenue Sought 2005/06
Paeroa Ward Urban	\$260.00	\$58,800	\$42,700
Paeroa Ward Rural	\$130.00	\$2,300	\$1,600

GO WAIHI

Council proposes to set a targeted rate based on an annual charge per separately used or inhabited part of a commercial and industrial rating unit for the purpose of partially funding the Go Waihi activity. Funding of this activity comes partly from this targeted rate and partly from the ward based Community Facilities targeted Rate.

The charges will be set on a differential basis on categories based on location and land use. These rates will only be assessed on separately used or inhabited parts of commercial and industrial rating units. Separately used or inhabited parts of commercial and industrial rating units in the rural areas of each ward will be assessed an annual charge equivalent to half the annual charge assessed on urban rating units.

The categories are:

Waihi Ward Urban - all rating units used principally for commercial and industrial purposes situated within the valuation rolls 5020 and 5030.

Funding Statements

Rating Policy

Waihi Ward Rural - all rating units used principally for commercial and industrial purposes situated within the Waihi Ward, but outside the valuation rolls 5020 and 5030.

The 2006/07 estimated charges are:

Category	Uniform Charge	Revenue Sought 2006/07	Revenue Sought 2005/06
Waihi Ward Urban	\$325.00	\$56,600	\$57,900
Waihi Ward Rural	\$162.50	\$3,600	\$3,600

PENALTIES FOR LATE PAYMENTS AND DUE DATE OF PAYMENTS

PAYMENT DATES AND METHODS

The above rates are payable at the Council Offices at William Street, Paeroa, Orchard Rd, Ngatea and Seddon St, Waihi between 8.00am and 4.30pm Monday to Friday. Payments may also be made by way of Direct Debits and Automatic Payments. Direct Credits in the form of telephone and internet banking services are also accepted.

Excluding water supply targeted rates, the above rates are by way of three instalments, the dates of such instalments being:

Instalment Number	Instalment Date	Last Date Before Penalty	Penalty Added
One	20 October 2006	25 October 2006	26 October 2006
Two	20 February 2007	28 February 2007	1 March 2007
Three	20 May 2007	30 May 2007	31 May 2007

Water supply targeted rates are by way of two instalments per year with instalment dates for the various water supply areas being staggered throughout the year. The instalment date for water rates is the invoice date.

PENALTIES FOR LATE PAYMENT

The following penalties will be added to outstanding rates (excluding water supply rates):

- An additional charge on unpaid rates of 10% of the instalment amount will be added on the day following the last date on which the instalment is payable without incurring additional charges (as described above).
- An additional charge of 10% will be added to all rates assessed in a previous year which remain unpaid on 1 September 2006.
- A further additional charge of 10% will be added to all rates assessed in a previous year which remain unpaid on 1 March 2007.

The following penalties will be applied to water supply rates:

- An additional charge of 5% will be added to all current and previous years' rates outstanding on the day following the last date for payment of the first instalment.
- An additional charge of 5% will be added to all current and previous years' rates outstanding on the day following the last date for payment of the second instalment.

Rating Policy in Practice

Included below are examples of the rating implication for rural and residential properties of a defined capital and land value in each of the three wards of the Hauraki District. These examples have been provided to enable the readers of this plan greater insight into the effect of the proposals outlined in this plan. It should be noted that these are indicative examples only, the actual rates may vary.

	2005/2006 Forecast	2006/2007 Forecast
RURAL PROPERTIES		
PLAINS		
L.V.	\$850,000	
C.V.	\$1,115,000	
Capital Value General Rate	\$2,215.51	\$2,351.98
UAGC	\$255.00	\$255.00
UAC Ward	\$186.00	\$217.00
SUB TOTAL	\$2,656.51	\$2,823.98
Drainage	\$1,568.42	\$1,584.15
TOTAL	\$4,224.93	\$4,408.13
PAEROA		
L.V.	\$980,000	
C.V.	\$1,195,000	
Capital Value General Rate	\$2,374.47	\$2,520.73
UAGC	\$255.00	\$255.00
UAC Ward	\$297.00	\$364.00
SUB TOTAL	\$2,926.47	\$3,139.73
Hall	\$22.50	\$22.50
Drainage	\$1,757.79	\$1,782.62
TOTAL	\$4,706.76	\$4,944.86
WAIHI		
L.V.	\$950,000	
C.V.	\$1,175,000	
Capital Value General Rate	\$2,334.73	\$2,478.55
UAGC	\$255.00	\$255.00
UAC Ward	\$293.00	\$330.00
SUB TOTAL	\$2,882.73	\$3,063.55
TOTAL	\$2,882.73	\$3,063.55

Funding Statements

Rating Policy in Practice

	2005/2006 Forecast	2006/2007 Forecast
RESIDENTIAL PROPERTIES		
NGATEA		
L.V.	\$42,000	
C.V.	\$134,000	
Capital Value General Rate	\$266.26	\$282.66
UAGC	\$255.00	\$255.00
UAC Ward	\$186.00	\$217.00
SUB TOTAL	\$707.26	\$754.66
Sewer Maintenance	\$425.00	\$475.00
Refuse Collection	\$57.00	\$77.00
Drainage	\$165.37	\$198.45
TOTAL	\$1,354.63	\$1,505.11
PAEROA		
L.V.	\$36,000	
C.V.	\$151,000	
Capital Value General Rate	\$300.04	\$318.52
UAGC	\$255.00	\$255.00
UAC Ward	\$297.00	\$364.00
SUB TOTAL	\$852.04	\$937.52
Sewer Maintenance	\$425.00	\$475.00
Refuse Collection	\$57.00	\$77.00
Drainage	\$183.22	\$202.91
TOTAL	\$1,517.26	\$1,692.43
WAIHI		
L.V.	\$46,000	
C.V.	\$131,000	
Capital Value General Rate	\$260.30	\$276.33
UAGC	\$255.00	\$255.00
UAC Ward	\$293.00	\$330.00
SUB TOTAL	\$808.30	\$861.33
Sewer Maintenance	\$425.00	\$475.00
Refuse Collection	\$57.00	\$77.00
TOTAL	\$1,290.30	\$1,413.33

	2005/2006 Forecast	2006/2007 Forecast
COMMERCIAL & INDUSTRIAL PROPERTIES		
NGATEA		
L.V.	\$23,000	
C.V.	\$200,000	
Capital Value General Rate	\$596.14	\$632.82
UAGC	\$255.00	\$255.00
UAC Ward	\$186.00	\$217.00
UAC Ward Business	\$292.00	\$340.00
SUB TOTAL	\$1,329.14	\$1,444.82
Sewer Maintenance	\$425.00	\$475.00
Refuse Collection	\$57.00	\$77.00
Drainage	\$90.56	\$108.67
TOTAL	\$1,901.70	\$2,105.49
PAEROA		
L.V.	\$69,000	
C.V.	\$249,000	
Capital Value General Rate	\$742.19	\$787.86
UAGC	\$255.00	\$255.00
UAC Ward	\$297.00	\$364.00
UAC Ward Business	\$550.00	\$604.00
SUB TOTAL	\$1,844.19	\$2,010.86
Sewer Maintenance	\$425.00	\$475.00
Refuse Collection	\$57.00	\$77.00
Positive Paeroa Co-ordinator	\$189.00	\$260.00
Drainage	\$351.18	\$388.90
TOTAL	\$2,866.37	\$3,211.77
WAIHI		
L.V.	\$50,000	
C.V.	\$215,000	
Capital Value General Rate	\$640.85	\$680.28
UAGC	\$255.00	\$255.00
UAC Ward	\$293.00	\$330.00
UAC Ward Business	\$350.00	\$350.00
SUB TOTAL	\$1,538.85	\$1,615.28
Sewer Maintenance	\$850.00	\$950.00
Refuse Collection	\$57.00	\$77.00
Go Waihi Co-ordinator	\$325.00	\$325.00
TOTAL	\$2,770.85	\$2,967.28

UAC Percentage (for 30% Cap calculation) 28.0% 28.7%

Funding Statements

Summary of Rating Changes

Summary of Rating Changes

	Notes	Forecast 2006/07	Forecast 2007/08	Forecast 2008/09	Forecast 2009/10	Forecast 2010/11	Forecast 2011/12	Forecast 2012/13	Forecast 2013/14	Forecast 2014/15	Forecast 2015/16
Uniform Annual General Charge		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
District Capital Value Rate		8%	8%	6%	5%	6%	2%	2%	4%	5%	2%
Paeroa Community Facilities		\$67	\$19	\$27	\$6	\$2	\$8	\$3	(\$0)	\$2	\$1
Paeroa Community Facilities Business	2	\$54	\$130	\$131	\$9	\$8	\$7	\$7	\$6	\$6	\$6
Plains Community Facilities		\$31	\$22	\$16	\$13	\$0	\$3	\$1	\$0	\$2	\$0
Plains Community Facilities Business	2	\$48	\$80	\$6	\$8	\$6	\$7	\$7	\$6	\$5	\$4
Waihi Community Facilities		\$37	\$11	\$12	\$15	\$2	\$4	\$6	\$1	\$3	\$3
Waihi Community Facilities Business	2	(\$0)	\$9	\$9	\$9	\$8	\$8	\$7	\$6	\$6	\$6
District Wastewater		\$50	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15
Komata North Drainage		3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Opukeko Drainage		0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Tirohia Rotokohu Drainage		0%	0%	0%	0%	0%	10%	0%	0%	0%	0%
Eastern Plains Drainage		3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Western Plains Drainage		3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Refuse Collection District		\$20	\$1	\$1	\$2	(\$0)	\$1	\$1	\$1	(\$1)	\$0
Refuse Collection Whiritoa		\$21	\$3	\$3	\$3	\$1	\$2	\$0	\$3	\$1	\$2
Positive Paeroa		\$71	(\$65)	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
Go Waihi		\$0	\$5	\$10	\$10	\$10	\$5	\$10	\$5	\$10	\$5
Paeroa Urban Stormwater		10%	10%	10%	10%	3%	3%	3%	3%	3%	3%
Water (per m ³)		\$0.05	\$0.05	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03

Funding Statements

Summary of Rating Changes

NOTES:

1. The rating changes signalled include the effects of forecast inflation. The increases shown will be affected by changes in inflation, by efficiency improvements, and any unforecast changes in levels of services.
2. The Community Facilities Business increases for ratepayers outside the towns of Paeroa, Ngatea and Waihi will be half those stated.

POSSIBLE FUTURE CHANGES

DRAINAGE RATE REVIEW

A review of the current methods used for rating Land Drainage and Urban Stormwater is currently underway. This may result in changes in the rates paid by individual properties but would not significantly alter the overall rates to be set to fund Land Drainage and Urban Stormwater. Some of the options under review are changing the current differential land value based on land classifications to flat land value, or flat capital value, and having separate urban stormwater rates for Ngatea, Kerepehi and Turua townships instead of rating them as part of their surrounding drainage districts.

The future funding of Waihi Urban stormwater is also being considered. Currently the activity is funded across the ward at large and consideration will be given to funding this across the urban areas. This would have the effect of increasing rates in Waihi and Whiritoa and reducing rural rates across the Waihi ward.

Also signalled in this plan are the Pouarua/Maukoro Southern Area Drainage Works. These may be funded by a separate targeted rate, or by a differential.