

## APPENDIX TWO

### Funding impact statement - Operating expenditure 2011/12 Draft Annual Plan

Annual Plan		Forecast
2010/11		2011/12
\$000		\$000
Operating Statement		
351,296	Total project expenditure	362,419
500	Self-insurance & Weathertight Homes reserve	2,720
<b>351,796</b>	<b>Total operating expenditure</b>	<b>365,139</b>
1,457	Add back City housing ring-fenced surplus	797
Less expenditure not funded under section 100 of LGA:		
(7,776)	LTNZ Transport funded projects	(9,605)
(2,768)	Clearwater sewerage treatment plant	(3,029)
(187)	Decommissioned Living Earth plant	(204)
<b>342,522</b>	<b>Total operating expenditure to be funded</b>	<b>353,098</b>
Funded by:		
<b>123,476</b>	<b>General rates</b>	<b>126,219</b>
Targeted rates:		
29,908	Sewerage rates (including trade waste)	30,492
33,690	Water rate	35,669
14,179	Stormwater rate	16,445
6,669	Base (residential) sector targeted rate	5,945
3,161	Commercial sector targeted rate	4,387
10,857	Downtown levy	11,268
33	Tawa driveways levy	33
14	Marsden Village levy	14
<b>98,511</b>	<b>Total targeted rates</b>	<b>104,253</b>
<b>221,987</b>	<b>Total rates to fund operating expenditure</b>	<b>230,472</b>
77,223	User charges	77,801
Other income		
31,395	Ground and commercial leases	31,519
5,250	Dividends	5,650
3,873	Transfund subsidies	4,548
810	Housing grants	798
1,100	Petrol tax	1,300
884	Miscellaneous	1,010
<b>342,522</b>	<b>Total funding for operating expenditure</b>	<b>353,098</b>

## APPENDIX TWO

### Funding impact statement - Capital expenditure and loans to other organisations 2011/12 Draft Annual Plan

Annual Plan		Forecast
2010/11		2011/12
\$000		\$000
64,794	Renewal capital expenditure	73,873
100,359	Upgrade capital expenditure	78,215
6,860	Capital expenditure carried forward from 2007/08	-
-	Capital expenditure carried forward from 2008/09	-
25,000	Capital expenditure carried forward from 2009/10	-
-	Capital expenditure carried forward from 2010/11	28,000
<b>197,013</b>	<b>Total capital expenditure to be funded</b>	<b>180,088</b>
-	<b>Loans to other organisations</b>	-
<b>197,013</b>	<b>Total capital expenditure and loans to be funded</b>	<b>180,088</b>
	Funded by:	
61,425	Depreciation	70,238
13,075	LTNZ transport subsidies	14,473
36,690	Housing grants	42,702
7,065	Development contributions	5,753
490	Bequests & grants	1,452
78,268	Borrowings	45,470
<b>197,013</b>	<b>Total funding for capital expenditure and loans to other organisations</b>	<b>180,088</b>

## APPENDIX TWO

### Funding impact statement - Borrowing 2011/12 Draft Annual Plan

Annual Plan 2010/11 \$000	Forecast 2011/12 \$000
<b>Opening Gross Borrowings per LTCCP</b>	
<b>287,881 Opening Gross Borrowings - total</b>	<b>323,985</b>
<div style="margin-left: 40px;">New borrowings to fund capital expenditure and 78,268 loans to other organisations</div>	45,470
<div style="margin-left: 40px;">Repayment of borrowings funded through rates and other sources:</div>	
<div style="margin-left: 80px;">0 Asset proceeds</div>	0
<div style="margin-left: 40px;">(4,826) Ring-fenced housing surpluses</div>	(4,069)
<div style="margin-left: 80px;">0 Repayment of loans</div>	0
<div style="margin-left: 40px;">(1,458) Depreciation</div>	0
<b>359,866 Closing Gross Borrowing</b>	<b>365,386</b>

## APPENDIX TWO

### Statement of Prospective Capital Expenditure and Capital Expenditure Funding 2011/12 Draft Annual Plan

Annual Plan Year Ending 30 Jun 2011 2010/11 \$000		Forecast Year Ending 30 Jun 2012 2011/12 \$000
	Capital expenditure:	
64,794	Renewals	73,873
100,359	New assets	78,215
<b>165,153</b>	<b>Total annual capital expenditure programme</b>	<b>152,088</b>
	Renewals funded by:	
61,425	Depreciation	70,238
3,369	Borrowings	3,635
	New assets funded by:	
43,039	Borrowings	13,835
36,690	Housing grants	42,702
7,065	Development contributions	5,753
13,075	LTNZ subsidies	14,473
490	Bequests and other grants	1,452
<b>165,153</b>	<b>Total capital expenditure funding</b>	<b>152,088</b>
<p>Note that the annual capital expenditure programme excludes expenditure carried forward from previous years.</p>		

## APPENDIX TWO

### Funding impact statement (Housing) - Operating expenditure 2011/12 Draft Annual Plan

Annual Plan 2010/11 \$000		Forecast 2011/12 \$000
Operating Statement		
11,522	Total project expenditure	11,430
5,531	Depreciation	6,247
<b>17,053</b>	<b>Total operating expenditure</b>	<b>17,677</b>
Funded by:		
17,700	<b>User charges (rental income)</b>	17,675
810	<b>Other income</b> Housing grants	798
<b>18,510</b>	<b>Total funding for operating expenditure</b>	<b>18,473</b>
<b>1,457</b>	<b>Ringfenced Operating funding surplus</b>	<b>796</b>

This information is incorporated into and forms part of the Funding Impact Statement - Operating Expenditure

## APPENDIX TWO

### Funding impact statement (Housing) - Borrowing/Investments 2011/12 Draft Annual Plan

Forecast 2010/11 \$000	Forecast 2011/12 \$000
Opening Gross Borrowings per LTCCP	
<b>6,835 Opening Gross Borrowings/Investments - total</b>	<b>2,009</b>
(1,457) Ring-fenced housing operating surplus	(796)
(3,369) Ring-fenced housing capital funding surplus	(3,273)
<b>2,009 Closing Gross Borrowings/Investments</b>	<b>(2,060)</b>
<i>This information is incorporated into and forms part of the Funding Impact Statement - Borrowings</i>	

## APPENDIX TWO

### Funding impact statement (Housing) - Capital expenditure 2011/12 Draft Annual Plan

Forecast		Forecast
2010/11		2011/12
\$000		\$000
1,889	Renewal capital expenditure	2,920
36,963	Upgrade capital expenditure	42,756
<b>38,852</b>	<b>Total capital expenditure and loans to be funded</b>	<b>45,676</b>
<b>Funded by:</b>		
5,531	Depreciation	6,247
36,690	Housing grants	42,702
<b>42,221</b>	<b>Total funding for capital expenditure and loans to other organisations</b>	<b>48,949</b>
<b>3,369</b>	<b>Ringfenced Capital funding surplus</b>	<b>3,273</b>
<i>This information is incorporated into and forms part of the Funding Impact Statement - Capital Expenditure and loans to other organisations</i>		

## APPENDIX TWO

<b>2011/12</b>					
<b>RATES FUNDING STATEMENT (excluding GST)</b>					
<i>Rate</i>	<i>Factor</i>	<i>Differentiation</i>	<i>Total Value of Factor</i>	<i>Rate/charge</i>	<i>Rates yield GST Exclusive</i>
					(\$'000's)
<b>General Rate</b>	Capital Value	Base differential use	\$34,890,136,000	¢0.194887	67,996
	Capital Value	Commercial, industrial & business use	\$10,671,241,000	¢0.545607	58,223
	<b>TOTAL</b>				<b>126,219</b>
<b>Sewerage Rate</b>	Fixed charge	Base differential use / connection status	65228 properties	\$104.00	6,784
	Capital Value	Base differential use / connection status	\$36,404,130,000	¢0.032576	11,859
	Capital Value	Commercial, industrial and business use / connection status	\$9,110,297,000	¢0.130062	11,850
	<b>TOTAL</b>				<b>30,493</b>
<b>Water rate</b>	Fixed charge	Base differential use/connection status (without water meter)	58340 properties	\$119.75	6,986
	Capital Value	Base differential use/connection status (without water meter)	\$30,408,773,000	¢0.045799	13,927
	Consumption unit charge	Base differential use/connection status (water meter)	n/a	\$1.715 / m <sup>3</sup>	418
	Fixed charge	Base differential use/connection status (water meter)	n/a	\$100.00	70
	Capital Value	Commercial, industrial and business use /connection status( without water meter)	\$807,776,000	¢0.270372	2,184
	Consumption unit charge	Commercial, industrial and business use /connection status (water meter)	n/a	\$1.715 / m3	11,789
	Fixed charge	Commercial, industrial and business use /connection status (water meter)	n/a	\$100.00	294
	<b>TOTAL</b>				<b>35,668</b>
<b>Stormwater rate</b>	Capital Value	Base differential use (excluding rural)	\$34,431,367,000	¢0.037016	12,745
	Capital Value	Commercial, industrial and business use (excluding rural)	9,626,396,000	¢0.038436	3,700
	<b>TOTAL</b>				<b>16,445</b>
<b>Indoor Community Sports Centre rate</b>	Capital Value	Base differential use	\$34,890,136,000	¢0.000000	-
	Capital Value	Commercial, industrial and business use	\$9,626,396,000	¢0.000000	-
	<b>TOTAL</b>				-
<b>Base sector targeted rate</b>	Capital Value	Residential use	\$34,890,136,000	¢0.017039	<b>5,945</b>
<b>Commercial sector targeted rate</b>	Capital Value	Commercial, industrial & business use	\$10,671,241,000	¢0.041110	<b>4,387</b>
<b>Downtown levy</b>	Capital Value	Commercial, industrial & business use / central city location	\$7,357,059,000	¢0.153159	<b>11,268</b>
<b>Tawa driveways levy</b>	Fixed charge	Shared residential access driveways in the suburb of Tawa and maintained by the Council	251 properties	\$133.33	<b>33</b>
<b>Marsden Village levy</b>	Capital Value	Commercial, industrial & business use located in Marsden shopping village	\$11,519,000	¢0.121538	<b>14</b>
<b>TOTAL RATES REQUIREMENT (excluding GST)</b>					<b>230,472</b>



# APPENDIX TWO

## 1 Cost of Service Statement: Governance

### Operational Expenditure (\$000)

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
15,059	1.1	Information, consultation and decision making	14,360
360	1.2	Maori engagement (including mana whenua)	237
<b>15,419</b>	<b>Total Operating Expenditure</b>		<b>14,597</b>
0 Less: Non-funded Depreciation			0
<b>15,419</b>	<b>Net Operating Expenditure</b>		<b>14,597</b>
<i>Net operating expenditure funded by:</i>			
552	Direct activity income		245
14,867	General Rates		14,352
-	Targeted Rates		0
-	Grants & Subsidies		0
-	Other Income		0
<b>15,419</b>	<b>Net Operational Expenditure Funding</b>		<b>14,597</b>

### Capital Expenditure (\$000)

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
104	1.1	Information, consultation and decision making	0
<b>104</b>	<b>Total Capital Expenditure</b>		<b>0</b>
<i>Capital expenditure funded by:</i>			
65	Depreciation		75
-	Grants & Subsidies		0
-	Development Contributions		0
39	Borrowings and working capital*		(75)
<b>104</b>	<b>Capital Expenditure Funding</b>		<b>0</b>

\* a debit balance indicates increased borrowings, while a (credit) balance indicates a funding surplus in that year which offsets borrowings and working capital.

# APPENDIX TWO

## 2 Cost of Service Statement: Environment

### Operational Expenditure (\$000)

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
12,991	2.1	Gardens and beaches	13,331
15,472	2.2	Green open spaces (Town belts)	16,035
33,721	2.3	Water	35,699
48,348	2.4	Wastewater and stormwater	51,487
9,388	2.5	Waste reduction and energy conservation	10,544
5,337	2.6	Environmental conservation attractions	4,875
220	2.7	Quarry	217
<b>125,477</b>	<b>Total Operating Expenditure</b>		<b>132,188</b>
2,955	Less: Non-funded Depreciation		3,233
<b>122,522</b>	<b>Net Operating Expenditure</b>		<b>128,955</b>
<i>Net operating expenditure funded by:</i>			
11,767	Direct activity income		12,465
31,516	General Rates		32,485
78,224	Targeted Rates		82,983
563	Grants & Subsidies		547
452	Other Income		476
<b>122,522</b>	<b>Net Operational Expenditure Funding</b>		<b>128,955</b>

### Capital Expenditure (\$000)

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
2,157	2.1	Gardens and beaches	2,205
602	2.2	Green open spaces (Town belts)	639
9,949	2.3	Water	10,701
11,536	2.4	Wastewater and stormwater	11,593
691	2.5	Waste reduction and energy conservation	941
2,147	2.6	Environmental conservation attractions	4,531
<b>27,082</b>	<b>Total Capital Expenditure</b>		<b>30,609</b>
0	Loans to other organisations		0
<b>27,082</b>	<b>Total capital expenditure and loans to be funded</b>		<b>30,609</b>
<i>Capital expenditure funded by:</i>			
30,846	Depreciation		33,912
490	Bequests		3,595
4,043	Development Contributions		0
-	Loan Repayments		(6,898)
(8,297)	Borrowings and working capital*		(6,898)
<b>27,082</b>	<b>Capital Expenditure Funding</b>		<b>30,609</b>

\* a debit balance indicates increased borrowings, while a (credit) balance indicates a funding surplus in that year which offsets borrowings and working capital.

# APPENDIX TWO

## 3 Cost of Service Statement: Economic Development

### Operational Expenditure (\$000)

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
23,969	3.1	City promotions, events and attractions	17,754
2,147	3.2	Business support	2,117
<b>26,116</b>	<b>Total Operating Expenditure</b>		<b>19,871</b>
-	Less: Non-funded Depreciation		0
<b>26,116</b>	<b>Net Operating Expenditure</b>		<b>19,871</b>

### Net operating expenditure funded by:

6,257	Direct activity income	247
7,821	General Rates	6,051
12,032	Targeted Rates	13,573
-	Grants & Subsidies	0
6	Other Income	0
<b>26,116</b>	<b>Net Operational Expenditure Funding</b>	<b>19,871</b>

### Capital Expenditure (\$000)

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
603	3.1	City promotions, events and attractions	2,201
<b>603</b>	<b>Capital Expenditure</b>		<b>2,201</b>
-	Loans to other organisations		0
<b>603</b>	<b>Total capital expenditure and loans to be funded</b>		<b>2,201</b>

### Capital expenditure funded by:

-			0
1,285	Depreciation	2,148	
-	Grants & Subsidies	0	
-	Development Contributions	0	
(682)	Borrowings and working capital*	53	
<b>603</b>	<b>Capital Expenditure Funding</b>	<b>2,201</b>	

# APPENDIX TWO

## 4 Cost of Service Statement: Cultural Wellbeing

### *Operational Expenditure (\$000)*

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
7,942	4.1	Galleries and museums	8,325
1,435	4.2	Heritage	1,305
3,461	4.3	Community arts and cultural support	3,602
2,083	4.4	Arts partnerships	1,771
<b>14,921</b>	<b>Total Operating Expenditure</b>		<b>15,003</b>
- Less: Non-funded Depreciation			0
<b>14,921</b>	<b>Net Operating Expenditure</b>		<b>15,002</b>
<i>Net operating expenditure funded by:</i>			
689	Direct activity income		793
11,140	General Rates		11,067
2,724	Targeted Rates		2,741
-	Grants & Subsidies		0
368	Other Income		401
<b>14,921</b>	<b>Net Operational Expenditure Funding</b>		<b>15,002</b>

### *Capital Expenditure (\$000)*

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
-	4.1	Galleries and museums	0
36	4.2	Heritage	0
413	4.3	Community arts and cultural support	43
<b>449</b>	<b>Total Capital Expenditure</b>		<b>44</b>
<i>Capital expenditure funded by:</i>			
283	Depreciation		478
-	Grants & Subsidies		0
-	Development Contributions		0
166	Borrowings and working capital*		(434)
<b>449</b>	<b>Capital Expenditure Funding</b>		<b>44</b>

\* a debit balance indicates increased borrowings, while a (credit) balance indicates a funding surplus in that year which offsets borrowings and working capital.

# APPENDIX TWO

## 5 Cost of Service Statement: Social & Recreation

### Operational Expenditure (\$000)

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
21,551	5.1	Libraries	21,215
1,730	5.2	Recreation promotion and access	1,494
29,177	5.3	Recreation Services	33,548
11,711	5.4	Public health and safety	12,282
17,053	5.5	Housing	17,676
8,443	5.6	Community participation and support	9,344
<b>89,665</b>	<b>Total Operating Expenditure</b>		<b>95,559</b>
-	Less: Non-funded Depreciation		0
1,457	Add back Housing Surplus		796
<b>91,122</b>	<b>Net Operating Expenditure</b>		<b>96,356</b>
<i>Net operating expenditure funded by:</i>			
15,245	Direct activity income		16,811
52,083	General Rates		56,122
5,483	Targeted Rates		4,907
810	Grants & Subsidies		798
17,501	Other Income		17,719
<b>91,122</b>	<b>Net Operational Expenditure Funding</b>		<b>96,356</b>

### Capital Expenditure (\$000)

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
2,382	5.1	Libraries	2,235
112	5.2	Recreation promotion and access	297
31,918	5.3	Recreation Services	7,966
1,967	5.4	Public health and safety	959
38,852	5.5	Housing	45,674
41	5.6	Community participation and support	311
<b>75,272</b>	<b>Total Capital Expenditure</b>		<b>57,442</b>
<i>Capital expenditure funded by:</i>			
9,149	Depreciation		11,147
5,531	Housing (rental) Funded Depreciation		6,247
36,690	Grants & Subsidies		44,154
589	Development Contributions		898
(3,369)	Adj for Housing ring-fenced capital funding surplus		797
26,682	Borrowings and working capital*		(5,801)
<b>75,272</b>	<b>Capital Expenditure Funding</b>		<b>57,442</b>

\* a debit balance indicates increased borrowings, while a (credit) balance indicates a funding surplus in that year which offsets borrowings and working capital.

# APPENDIX TWO

## 6 Cost of Service Statement: Urban Development

### Operational Expenditure (\$000)

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
2,757	6.1	Urban planning and policy	2,202
11,808	6.2	Building control and facilitation	12,074
6,528	6.3	Development control and facilitation	6,465
667	6.4	Earthquake risk mitigation	523
3,934	6.5	Public spaces development	3,594
<b>25,694</b>	<b>Total Operating Expenditure</b>		<b>24,858</b>
-	Less: Non-funded Depreciation		0
<b>25,694</b>	<b>Net Operating Expenditure</b>		<b>24,858</b>

### Net operating expenditure funded by:

10,404	Direct activity income	11,164
15,276	General Rates	13,680
14	Targeted Rates	14
-	Grants & Subsidies	0
-	Other Income	0
<b>25,694</b>	<b>Net Operational Expenditure Funding</b>	<b>24,858</b>

### Capital Expenditure (\$000)

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
190	6.1	Urban planning and policy	1,562
117	6.4	Earthquake risk mitigation	491
5,352	6.5	Public spaces development	5,422
<b>5,659</b>	<b>Total Capital Expenditure</b>		<b>7,475</b>
<i>Capital expenditure funded by:</i>			
10	Depreciation	12	
-	Grants & Subsidies	0	
729	Development Contributions	191	
4,920	Borrowings and working capital*	7,272	
<b>5,659</b>	<b>Capital Expenditure Funding</b>	<b>7,475</b>	

\* a debit balance indicates increased borrowings, while a (credit) balance indicates a funding surplus in that year which offsets borrowings and working capital.

## 7 Transport

## APPENDIX TWO

*Operational Expenditure (\$000)*

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
860	7.1	Transport planning and policy	1,311
37,800	7.2	Transport networks	40,326
11,580	7.3	Parking	12,176
<b>50,240</b>	<b>Total Operating Expenditure</b>		<b>53,813</b>
7,776	Less: Non-funded Depreciation		9,605
<b>42,464</b>	<b>Net Operating Expenditure</b>		<b>44,208</b>
<i>Net operating expenditure funded by:</i>			
28,819	Direct activity income		31,909
10,302	General Rates		7,837
33	Targeted Rates		33
3,310	Grants & Subsidies		4,429
-	Other Income		0
<b>42,464</b>	<b>Net Operational Expenditure Funding</b>		<b>44,208</b>

*Capital Expenditure (\$000)*

Annual Plan 2010/11	Activity	Activity Name	Forecast 2011/12
43,064	7.2	Transport networks	36,623
269	7.3	Parking	1,316
<b>43,333</b>	<b>Total Capital Expenditure</b>		<b>37,939</b>
<i>Capital expenditure funded by:</i>			
11,174	Depreciation		11,783
13,075	Grants & Subsidies		14,473
1,703	Development Contributions		1,068
17,381	Borrowings and working capital*		10,615
<b>43,333</b>	<b>Capital Expenditure Funding</b>		<b>37,939</b>

\* a debit balance indicates increased borrowings, while a (credit) balance indicates a funding surplus in that year which offsets borrowings and working capital.