

Funding impact statement - Operating expenditure 2008/09 Annual Plan

(All figures shown exclusive of GST)

2008/09

\$000

Operating Statement

Total project expenditure	328,064
Self-insurance reserve	500

Total operating expenditure	328,564
------------------------------------	----------------

Add back City housing ring-fenced surplus	1,735
---	-------

Less expenditure not funded under section 100 of LGA:

LTNZ Transport funded projects	(7,757)
Clearwater sewerage treatment plant	(2,767)
Living Earth joint venture	(766)

Total operating expenditure to be funded	319,009
---	----------------

Funded by:

General rates	112,383
----------------------	----------------

Targeted rates:

Sewerage rates (including trade waste)	30,864
Water rate	29,668
Stormwater rate	12,432
Base (residential) sector targeted rate	6,521
Commercial sector targeted rate	1,858
Downtown levy	9,947
Tawa driveways levy	22
Marsden Village levy	14

Total targeted rates	91,326
-----------------------------	---------------

Total rates to fund operating expenditure	203,709
--	----------------

User charges	72,700
---------------------	---------------

Other income

Ground and commercial leases	32,215
Dividends	4,750
Transfund subsidies	3,472
Housing grants	401
Petrol tax	1,000
Miscellaneous	762

Total funding for operating expenditure	319,009
--	----------------

Funding impact statement - Capital expenditure and loans to other organisations 2008/09 Annual Plan

(All figures shown exclusive of GST)	2008/09 \$000
Renewal capital expenditure	61,825
Upgrade capital expenditure	55,853
Capital expenditure carried forward from 2007/08	21,775
Total capital expenditure to be funded	139,453
Loans to other organisations	5,000
Total capital expenditure and loans to be funded	144,453
Funded by:	
Depreciation	55,813
LTNZ transport subsidies	10,484
Housing grants	11,599
Development contributions	2,357
Bequests & grants	2,580
Borrowings	61,620
Total funding for capital expenditure and loans to other organisations	144,453

Note that the Housing activity will be ring-fenced from 1 July 2008. Any cash surplus arising within a financial year will be initially applied to borrowings.

Funding impact statement - Borrowing 2008/09 Annual Plan

	2008/09 \$000
Opening Gross Borrowings	273,500
New borrowings to fund capital expenditure and loans to other organisations	61,620
Repayment of borrowings funded through rates and other sources:	
Indoor Community Sports Centre - targeted rate	(1,132)
Ring-fenced housing surpluses	(4,209)
Closing Gross Borrowings	329,779

Statement of Prospective Capital Expenditure and Capital Expenditure Funding

2008/09 ANNUAL PLAN

	Forecast 2008/09 \$000
Capital expenditure:	
Renewals	61,825
New assets	55,853
Total annual capital expenditure programme	117,678
Renewals funded by:	
Depreciation	55,813
Borrowings	6,012
New assets funded by:	
Borrowings	28,833
Housing grants	11,599
Development contributions	2,357
LTNZ subsidies	10,484
Bequests	2,580
Total capital expenditure	117,678

Note that the annual capital expenditure programme excludes expenditure carried forward from 2007/08.

2008/09 ANNUAL PLAN					
RATES FUNDING STATEMENT					
<i>Rate</i>	<i>Factor</i>	<i>Differentiation</i>	<i>Total Value of Factor</i>	<i>Rate/charge</i>	<i>Rates yield GST Inclusive</i>
					<i>(\$000's)</i>
General Rate	Capital Value	Base differential use	\$35,048,760,000	¢0.166209	58,254
	Capital Value	Commercial, industrial & business use	\$10,794,766,000	¢0.631565	68,176
	TOTAL				126,430
Sewerage Rate	Fixed charge	Base differential use / connection status	63923 properties	\$112.50	7,191
	Capital Value	Base differential use / connection status	\$36,750,829,000	¢0.038314	14,081
	Capital Value	Commercial, industrial and business use / connection status	\$9,340,196,000	¢0.144003	13,450
	TOTAL				34,722
Water rate	Fixed charge	Base differential use/connection status	57985 properties	\$112.50	6,523
	Capital Value	Base differential use/connection status	\$30,949,910,000	¢0.042356	13,109
	Consumption unit charge	Base differential use/connection status	n/a	\$1.58 / m3	394
	Capital Value	Commercial, industrial and business use /connection status	\$924,397,000	¢0.240007	2,219
	Consumption unit charge	Commercial, industrial and business use /connection status	n/a	\$1.58 / m3	11,132
	TOTAL				33,377
Stormwater rate	Capital Value	Base differential use (excluding rural)	\$34,537,488,000	¢0.032397	11,189
	Capital Value	Commercial, industrial and business use (excluding rural)	9,783,482,000	¢0.028592	2,797
	TOTAL				13,986
Indoor Community Sports Centre rate	Capital Value	Base differential use	\$35,048,760,000	¢0.002826	991
	Capital Value	Commercial, industrial and business use	\$9,783,482,000	¢0.002893	283
	TOTAL				1,274
Base sector targeted rate	Capital Value	Residential use	\$35,048,760,000	¢0.020931	7,336
Commercial sector targeted rate	Capital Value	Commercial, industrial & business use	\$10,794,766,000	¢0.019361	2,090
Downtown levy	Capital Value	Commercial, industrial & business use / central city location	\$7,567,062,000	¢0.147884	11,190
Tawa driveways levy	Fixed charge	Shared residential access driveways in the suburb of Tawa and maintained by the Council	251 properties	\$100.00	25
Marsden Village levy	Capital Value	Commercial, industrial & business use located in Marsden shopping village	\$12,453,000	¢0.126100	16
TOTAL RATES REQUIREMENT (INCLUDING GST)					230,446

Indicative rates for 2008/09

The tables below provide a guide for rates for 2008/09 (inclusive of GST). Indicative rates are shown for different types of property's depending on the increase in the property's value since last year. Residential rates include a Uniform Targeted Rate of \$225 (including GST) per property for water and sewage. This assumes you have no water meter - if you do have a water meter, your rates bill will not include the Uniform Targeted Rate for water. Greater Wellington - The Regional Council rates are excluded from these figures.

Total Rates 2008/09 (including GST)

	Base (residential) share \$000	Commercial share \$000	Total Rates \$000
General Rate	58,254	68,176	126,430
Water Rate (incl. water meters & UAC)	20,026	13,351	33,377
Sewerage Rate (incl. UAC)	21,272	13,450	34,722
Stormwater rate	11,189	2,797	13,986
Targeted sector rates	7,336	2,090	9,426
Downtown Levy	-	11,190	11,190
Indoor Community Sports Centre targeted rate	991	283	1,274
Tawa driveways	25		25
Marsden Village		16	16
Total Rates	119,093	111,353	230,446

Indicative residential property (without a water meter)

2008/09 Capital Values \$	2008/09 Rates \$	Percentage change in capital value from last year			
		5%	10%	15%	20%
Expected percentage change in rates					
200,000	831	1%	4%	8%	12%
300,000	1,134	1%	5%	9%	13%
400,000	1,437	1%	5%	9%	14%
500,000	1,740	1%	5%	10%	14%
600,000	2,043	1%	5%	10%	15%
700,000	2,346	1%	5%	10%	15%
800,000	2,649	1%	5%	10%	15%
900,000	2,952	1%	6%	10%	15%

Indicative downtown commercial property rates (without water meter)

2008/09 Capital Values \$	2008/09 Total Rates \$	Percentage change in capital value from last year			
		5%	10%	15%	20%
Expected percentage change in rates					
250,000	3,036	-8%	-2%	3%	9%
500,000	6,072	-8%	-2%	3%	9%
750,000	9,107	-8%	-2%	3%	9%
1,000,000	12,143	-8%	-2%	3%	9%
1,500,000	18,215	-8%	-2%	3%	9%
2,000,000	24,286	-8%	-2%	3%	9%
5,000,000	60,715	-8%	-2%	3%	9%
10,000,000	121,431	-8%	-2%	3%	9%

Indicative suburban commercial property rates (with water meter)

2008/09 Capital Values \$	2008/09 Total Rates \$	Percentage change in capital value from last year			
		5%	10%	15%	20%
Expected percentage change in rates					
250,000	2,066	-8%	-2%	4%	9%
500,000	4,132	-8%	-2%	4%	9%
750,000	6,198	-8%	-2%	4%	9%
1,000,000	8,264	-8%	-2%	4%	9%
1,500,000	12,396	-8%	-2%	4%	9%
2,000,000	16,528	-8%	-2%	4%	9%
5,000,000	41,321	-8%	-2%	4%	9%
10,000,000	82,641	-8%	-2%	4%	9%

Indicative downtown commercial property rates (with water meter)

2008/09 Capital Values \$	2008/09 Total Rates \$	Percentage change in capital value from last year			
		5%	10%	15%	20%
Expected percentage change in rates					
250,000	2,436	-7%	-2%	4%	10%
500,000	4,871	-7%	-2%	4%	10%
750,000	7,307	-7%	-2%	4%	10%
1,000,000	9,743	-7%	-2%	4%	10%
1,500,000	14,614	-7%	-2%	4%	10%
2,000,000	19,486	-7%	-2%	4%	10%
5,000,000	48,715	-7%	-2%	4%	10%
10,000,000	97,430	-7%	-2%	4%	10%