

ANNUAL PLAN 2017/18



Directory



Main office

36 Water Street, Whangārei 0110

Postal address: Private Bag 9021, Whangārei Mail Centre, Whangārei 0148

Telephone: 09 470 1200

Facsimile: 09 470 1202

Email: mailroom@nrc.govt.nz

Freephone: 0800 002 004

24/7 Environmental Hotline: 0800 504 639

Website: www.nrc.govt.nz

Instagram: www.instagram.com/northlandregionalcouncil

Facebook: www.facebook.com/NorthlandRegionalCouncil

Twitter: www.twitter.com/NRCExpress



Dargaville office

Address: 42 Hokianga Road, Dargaville 0310

Telephone: 09 439 3300

Facsimile: 09 439 3301



Kaitiāia office

Address: 192 Commerce Street, Kaitiāia 0410

Telephone: 09 408 6600

Facsimile: 09 408 6601



Ōpua office

Address: Unit 10, Ōpua Marine Park, Ōpua 0200

Telephone: 09 402 7516

Facsimile: 09 402 7510

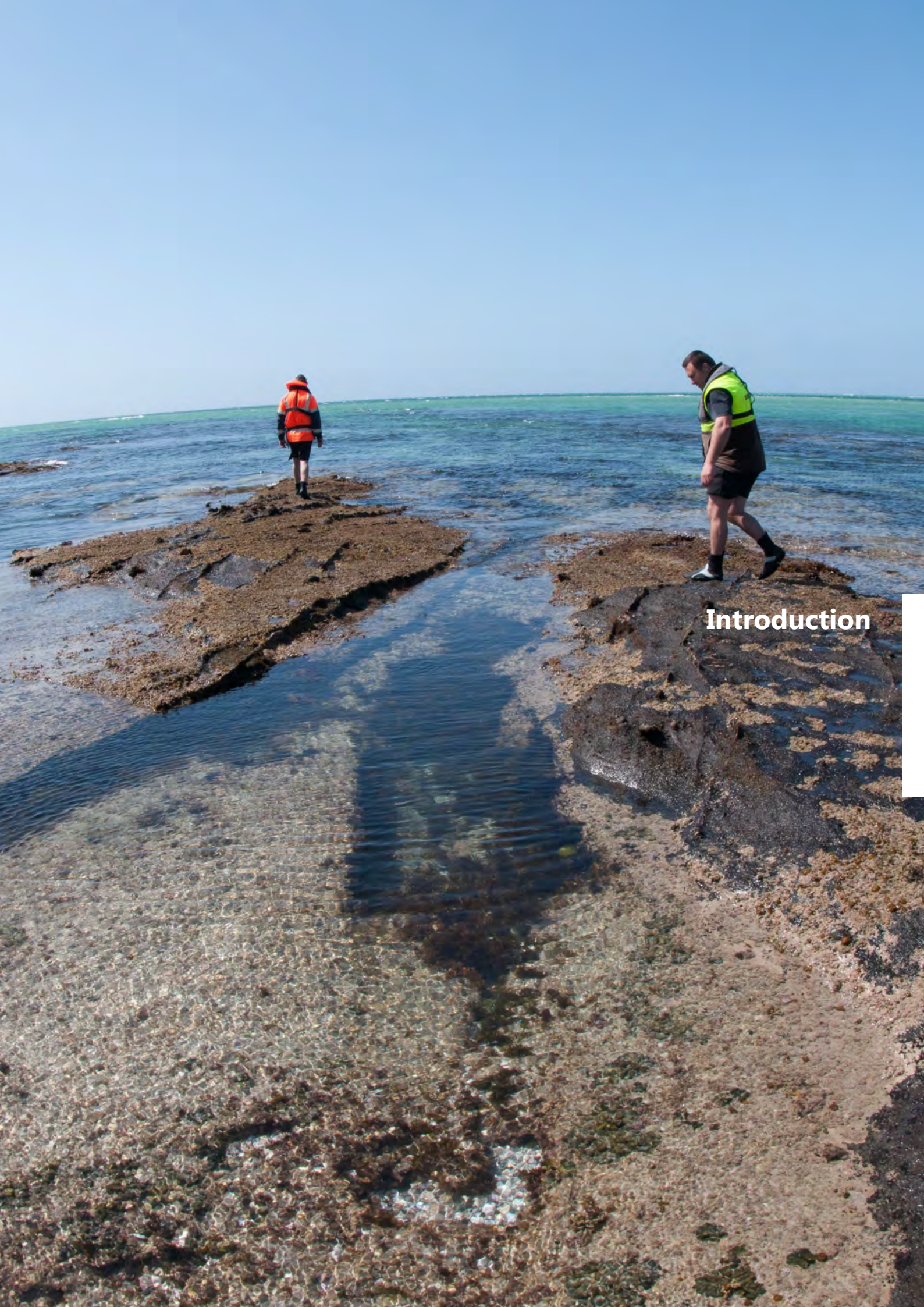
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Introduction

Welcome

He anga whakamua

Whakatakataka te hau ki te uru

Whakatakataka te hau ki te tonga

Kia mākinakina ki ūta

Kia mātaratara ki tai

E hī ake ana te ātākura

He tio, he huka, he hau hū

Te mea tuatahi, ko ngā mihi ki tō tātou Kaihanga, Tēnā hoki o tatou mate huhua o ngā tau, ngā marama, ngā wiki me ngā rā e pahure.

Tino hari, tino koa ana matou Te Kaunihera-ā-Rohe o Te Tai Tokerau, e whakawhiwhi kia koutou te Mahere-a-tau mo nga tau 2017/18, e whakamanahia, na nga whakaaro me nga korero o tatou rohe. Hore kau etahi mea e rereke ana ki ta tatou Mahere Rautaki 2015-2025.

Ngā pūtake i tēnei Mahere a tau:

- Ngā mahi e tika ki o matou mahi
- Ka haere matou e whakapai
- Whakautu ki ngā wero i te taiao
- Whautu ki ngā āheinga
- E kitea ka tika nga whai rawa mo matou mahi

Enei putake e whakarawe kei roto i tenei Mahere-a-tau.

Na reira, e nga mana, e nga reo, e nga hāpori, ko te mihi mutunga, “Ka puta Matariki, ka rere a Whānui. Ko te tohu tena o te tau e!”

Tēnā koutou katoa

He anga whakamua acknowledges and recognises the importance of Māori and their culture in moving Northland forward together as one. It confirms Northland Regional Council’s Annual Plan 2017/18, and outlines the activities proposed in this annual plan, explaining each of the areas in this document.

To this end, it is only fitting that we acknowledge ‘Matariki’, the beginning of the Māori New Year.

Message from the Chairman and Chief Executive

Kia Ora Northland, and welcome to our Annual Plan for the 2017/18 financial year. It tells you what we are going to do over the next year and highlights anything that is different from what we said we would do in our Long Term Plan 2015-2025. This corporate plan is the last of our three-yearly planning cycle and will take us up to our next Long Term Plan, which will have a ten-year view from 2018 to 2028.

While our Long Term Plans set out the overall direction for Northland, the expectations and aspirations of both our community and central government are constantly changing. In responding to these challenges we re-evaluate our plans on an annual basis. Our annual plan process presents the opportunity to do this, in consultation with our communities.

Our Annual Plan 2017/18 saw us consult on a number of proposals, which we communicated as part of a 'combined consultation' process. Council were impressed with the quality of the feedback that was received on our proposals across the board and our thanks go to those who took the time to provide considered submissions. We rely on our communities to help us shape our plan, and the points raised in submissions were carefully considered by all councillors.

The majority of feedback that we received on our annual plan was in relation to our proposal to continue the regional infrastructure rate, with the large majority of feedback supporting the proposal. Council acknowledged these submissions in deliberations and decided to continue the rate. Submitters were also particularly interested in our regional recreational facilities rate and our flood rate proposals, all of which were approved by council for the 2017/18 year.

In our Long Term Plan 2015-2025 we signalled that a 2.44% increase in our Council Services and Land Management Rates was required for the 2017/18 year to fund the increasing cost of our activities. In response to sustained community demand for new services, upgrades, and improvements, and a need to respond to change, council recognised that there was extra work to do and proposed an increase in rates collected by a further 2.4%, which resulted in an overall increase for the year of 4.84%. The majority of submitters who commented on this proposal were supportive, and recognised the need for continuous improvement. This was echoed by council in approving the rate increase and the specific initiatives that it will contribute to, which are outlined on pages 10 to 28 of this plan.

While we recognise the need to do extra work, we are also aware of the need to keep costs as low as possible for ratepayers. We have done this by maintaining the 'business as usual' component of our operational costs at a zero percent increase for the fourth year in a row - an achievement that council is immensely proud of. We are also continually monitoring our projects to see where savings are able to be made, and are pleased to pass on savings from several targeted rates as part of this annual plan.

As we approve our annual plan 2017/18, we are looking forward to reviewing and evaluating our position so that we can map out our role in Northland through our Long Term Plan process next year. We look forward to working toward this and implementing the proposals included in this annual plan for the 2017/18 year.



Bill Shepherd
Chairman



Malcolm Nicolson
Chief Executive Officer

Your regional councillors



Bill Shepherd

(Chairman)

Coastal North

Ph: (021) 433 574

E: bills@nrc.govt.nz



John Bain

Whangārei Urban

Ph: (021) 961 894

E: johnbain@nrc.govt.nz



Rick Stolwerk

Coastal South

(027) 542 2708

E: ricks@nrc.govt.nz



Paul Dimery

Coastal Central

Ph: (027) 542 2406

E: pauld@nrc.govt.nz



Penny Smart

Kaipara

Ph: (021) 439 735

E: pennys@nrc.govt.nz



David Sinclair

(Deputy Chairman)

Whangārei Urban

(027) 889 3551

E: davids@nrc.govt.nz



Mike Finlayson

Te Hiku

Ph: (027) 542 2286

E: mikef@nrc.govt.nz



Justin Blaikie

Hokianga – Kaikohe

Ph: (021) 542 2992

E: justinb@nrc.govt.nz



Joce Yeoman

Coastal North

Ph: (027) 542 2358

E: jocey@nrc.govt.nz

About this annual plan

Overview

This Annual Plan 2017/18 outlines the council's proposed budgets and rates for the coming year's activities, and highlights anything that has changed from our Long Term Plan 2015-2025.

This is the second annual plan to be produced since changes were made to the Local Government Act 2014, which altered the scope of annual plans to focus on any changes from the relevant long term plan. We will tell you what we are going to do through our three-yearly long term plan, and will tell you if anything is changing - and update you on our budgets - through our annual plan in the intervening two years. This is the last plan of our three-yearly corporate planning cycle, with a new Long Term Plan 2018-2028 to be developed over the next year.

This annual plan includes an increased rate take to allow us to respond to real-time challenges and increasing demand for services from our community. Several targeted rates are adjusted in this annual plan including adjustments made to save the ratepayer money where we are able to do so.

These proposals were identified in our Annual Plan 2017/18 Consultation Document, and feedback was sought by way of submissions over five weeks, and during three hearings meetings, as part of our 'combined consultation' process. Additional information on each of the proposals outlined in the consultation document, and more information on council financial planning, was made available in our supporting information document, and is included in this document - the Annual Plan 2017/18.

Our consultation process provided council with a high level of feedback from across the community, which in turn allowed councillors to make well-informed decisions on the proposals. Generally the feedback received was positive, with most people acknowledging the need for the changes proposed. Council decided to confirm all proposals put forward during consultation, and no new spending or rate alterations were introduced.

Increased rate take

Feedback showed majority support for increasing council's rate take from the 2.44% proposed in the Long Term Plan 2015-2025 to 4.84%, to allow council to spend \$822,000 (GST inclusive) on a suite of new initiatives across the range of council activities.

Submitters agreed that investment in Northland was important, and showed particular support for council's spending on Resource and Catchment Management.

Targeted rates

The proposal that received the most feedback, and widespread support, during the consultation process on this annual plan was the proposal to roll over the Regional Infrastructure Rate for a further year. Rolling over this rate will allow the complexities of the rail corridor funding to be addressed, and will provide council the opportunity to review the rate so that the best options for infrastructure investments, can form part of the process of our Long Term Plan 2018-2028.

There was also widespread support for lowering the Regional Recreational Facilities Rate over the 2017/18 year. This rate has funded the repayment of the Recreational Facilities Reserve, which funded construction of Toll Stadium, and will see the reserve fully repaid over the term of this annual plan.

The proposal to alter the boundaries of the targeted Awanui River Management Rate was met with majority support, and will see a fairer distribution of the rate collection across the areas of benefit. The Awanui River Management Rate is applied differentially by location and area of benefit, and funds the capital and operational works on the Awanui River flood management scheme.

Submitters were less emphatic about proposals to lower the targeted rates for Kaeo-Whangaroa Rivers and Kaihū River management. These rates fund channel maintenance (Kaihū), and operational and capital works (Kaeo-Whangaroa) associated with the flood management schemes in these areas. Lower costs have resulted in a reduction in these rates being offered as part of this annual plan, however submitters were split in support and opposition to this. The works in these areas will continue as provided for by their individual management schemes, and the lower costs are now able to be passed on to the individual ratepayers.

Similarly, the Kerikeri-Waipapa River Management targeted rate is being suspended to provide savings to these ratepayers, while technical investigations are carried out to determine the best approach to flood risk reduction in this area. The rate funded operational and capital costs of the flood

scheme works, and the balance of funds collected to date will be sufficient to cover the cost of operational works for the foreseeable future.

Find out more

More information on the new activities and altered rates included in this annual plan can be found in 'Council activities' (see page 10) and 'Rates' (see page 32).

The Local Government Act 2002 expressly prohibits the annual plan from duplicating content already in the long term plan that the activities and financial elements relate to. We will refer you to our Long Term Plan 2015-2025 where required to avoid duplication. You can view a copy of the Long Term Plan 2015-2025 at www.nrc.govt.nz/ltp2015.



Council activities

MOIRA
HIGHLAND
WATER

Council activities

This section includes information on the changes in council's activities, services and budgets that are specific to the 2017/18 year. It introduces each of council's groups of activities, discussed what is new, and includes a funding impact statement for each group of activities. Funding amounts discussed in this section are exclusive of GST, unless otherwise indicated.

Council's services are categorised into seven groups of activities.

Initiatives that have been added to council services as part of this annual plan contribute to six of these groups of activities as summarised in the table below.

Group of activities	New initiatives included in this Annual Plan
1. Community representation and engagement	<ul style="list-style-type: none"> • Staff training for cultural awareness • Governance support position
2. Resource and catchment management	<ul style="list-style-type: none"> • Riparian planner tool • Polar and willow nursery rent increase • Biodiversity advisor position • 'Seven in ten' forest restoration project
3. River management	<ul style="list-style-type: none"> • DRUC calibrator • ADCP flood traveller • Satellite loggers for storm event data • IRIS 150 logger for flood level monitoring • Safety upgrade of hydrometric sites • Survey traverse kit • Pumppro replacement
4. Hazard management	<ul style="list-style-type: none"> • Civil Defence emergency management position
5. Economic development	No new initiatives
6. Transport	<ul style="list-style-type: none"> • Safe boating education programme with Coastguard • AIS vessel identification system • Moorings management IT improvements • Northland Transportation Alliance
7. Support services	<ul style="list-style-type: none"> • Customer service initiatives • Contact system upgrade • Mid north customer service centre • Marketing and engagement position • Shared services investigation and support • Building maintenance • Business IT support

Information on levels of service, performance measures, and targets for each of council's group of activities can be found in the Long Term Plan 2015-2025 (available online at www.nrc.govt.nz/ltp2015).

Community representation and engagement

What has changed?

There are two new initiatives that will contribute to council's outcomes relating to community representation and engagement. We have allocated \$5,000 for Māori cultural awareness training, and \$55,000 for a governance support position.

Staff training for cultural awareness	\$5,000
Governance support position	\$55,000
Total	\$60,000

Staff training for cultural awareness

Funding has been made available for the 2017/18 year to supplement existing training budgets so that a specific training programme can be developed to build staff knowledge and capability to fulfil council's responsibilities to Māori. This is a key area of focus identified by council.

The \$5,000 of ongoing operational expenditure will predominantly be funded from the council services rate.

This initiative contributes to the Community Representation and Engagement group of activities in the Long Term Plan 2015-2025, activity 1.1 Community Representation and Engagement, levels of service 1.1.1 'Maintaining effective, open and transparent democratic processes', and; 1.1.4 'Promote community engagement'.

Governance support position

Funding has been allocated for a Governance Support position to support the increased workload arising from continued expansion and improvement of council services, including increased shared services, inter-council collaborative groups and engagement with Māori.

The \$55,000 of ongoing operational expenditure will predominantly be funded from the council services rate.

This initiative contributes to the Community Representation and Engagement group of activities in the Long Term Plan 2015-2025, activity 1.1 Community Representation and Engagement, levels of service 1.1.1 'Maintaining effective, open and transparent democratic processes', and; 1.1.2 'Providing effective advocacy on behalf of Northlanders on matters of regional significance'.

Funding impact statement for community representation and engagement

Annual Plan 2016-17 \$	For the 2017-18 Annual Plan Periods Ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
	Sources of operational funding		
0	General Rates, uniform annual general charges, rates penalties	0	0
2,856,768	Targeted rates (other than targeted water rates)	3,116,718	3,040,588
0	Grants and subsidies for operating purposes	0	0
59,652	Fees Charges and targeted rates for water supply	59,652	59,652
0	Internal charges and overheads recovered	8,392	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
2,916,420	Total operating funding	3,184,761	3,100,240
	Applications of operating funding		
3,887,892	Payments to staff and suppliers	3,810,527	3,701,295
0	Finance costs	0	0
378,780	Internal charges and overheads applied	526,089	691,932
0	Other operating funding applications	0	0
4,266,672	Total applications of operating funding	4,336,616	4,393,227
(1,350,252)	Surplus/(Deficit) of operating funding	(1,151,854)	(1,292,987)
	Sources of capital funding		
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
	Applications of capital funding		
	Capital expenditure		
	- To meet additional demands		
0	- To improve levels of service	0	0
0	- To replace existing assets	0	0
(182,000)	Increase/(Decrease) in reserves	(34,639)	0
(1,168,252)	Increase/(Decrease) in investments	(1,117,215)	(1,292,987)
(1,350,252)	Total Applications of capital funding	(1,151,854)	(1,292,987)
1,350,252	Surplus/(Deficit) from capital funding	1,151,854	1,292,987
(0)	Funding balance	(0)	0

Resource and catchment management

What has changed?

Funding has been allocated in the 2017/18 year to support five new initiatives related to resource and catchment management. Additional resourcing has been allocated for land management activities associated with water quality, including \$52,000 for a riparian planner tool and \$5,000 to cover the increased rent cost of council's poplar and willow nursery; \$70,000 has been provided for an additional staff resource for council's biodiversity programme; and \$172,000 is being contributed to the 'seven in ten' forest restoration project.

Riparian planner	\$52,000
Nursery rent increase	\$5,000
Biodiversity advisor position	\$70,000
'Seven in ten' forest restoration	\$172,000
Total	\$299,000

Riparian planner

Funding has been allocated for the development of a farm water quality improvement tool, which will allow data to be collected digitally in the field, increasing its efficiency and quality. The funding will cover the cost of development of the tool and the required mobile technology.

The \$45,000 of capital expenditure required will be funded from council's retained earnings with future depreciation funded from the council services rate, and the \$7,000 of ongoing operational expenditure required will predominantly be funded from the land management rate.

This initiative contributes to the Resource and Catchment Management group of activities in the Long Term Plan 2015-2025, activity 2.3 Land and Biodiversity, levels of service 2.3.1 'Promoting sustainable land management especially water quality, biodiversity, soil conservation and coastal environment', and; 2.3.2 'Provision of farm water quality improvement plans'.

Nursery rent increase

Block 4 of council's poplar and willow nursery is underway, an initiative which contributes to soil conservation and water quality improvement in Northland. The expansion of the nursery has an associated increase in the cost of land being leased, and additional funding is required for the 2017/18 year to account for this.

The \$5,000 of ongoing operational expenditure required will predominantly be funded from the land management rate.

This initiative contributes to the Resource and Catchment management group of activities in the Long Term Plan 2015-2025, activities 2.3 land and biodiversity and 3.1 river management; levels of service 2.3.1 'Promoting sustainable land management especially water quality, biodiversity, soil conservation and coastal environments, and; 3.1.5 'Maintaining and enhancing water quality in our rivers and coastal waters through integrated management.'

Biodiversity advisor position

Provision has been made in the 2017/18 annual plan for a full time equivalent position that is required to deliver the implementation of lake management plans, and contribute to the high level of ongoing lake management in general.

The \$70,000 of ongoing operational expenditure required will predominantly be funded from the land management rate.

This initiative contributes to the Resource and Catchment Management group of activities in the Long Term Plan 2015-2025, activities 2.5 Biosecurity, level of service 2.5.2 'Protecting forests and lake health through effective regional pest control.'

'Seven in ten' forest restoration

Council is contributing a 40% share of the full cost of year one of the 'Seven in ten' forest restoration programme, and has also allocated funding for the appointment of an additional full time equivalent resource to undertake project management of large scale pest operations in conjunction with Department of Conservation staff and community volunteers.

The \$172,000 of ongoing operational expenditure required will predominantly be funded from the land management rate.

This initiative contributes to the Resource and Catchment Management group of activities in the Long Term Plan 2015-25, activities 2.5 Biosecurity, levels of service 2.5.1 'Reducing the impact of introduced pests on environmental, economic and social values'; 2.5.2 'Protecting forests and lake health through effective regional pest control', and; 2.5.3 'Promoting community involvement in pest management'.

Funding impact statement for resource and catchment management

Annual Plan 2016-17 \$	For the 2017-18 Annual Plan Periods Ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
	Sources of operational funding		
0	General rates, uniform annual general charges, rates penalties	0	0
8,980,563	Targeted rates (other than targeted water rates)	9,169,326	9,367,541
0	Grants and subsidies for operating purposes	206,166	0
2,467,664	Fees Charges and targeted rates for water supply	2,371,859	2,310,612
0	Internal charges and overheads recovered	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
11,448,226	Total operating funding	11,747,351	11,678,153
	Applications of operating funding		
10,460,095	Payments to staff and suppliers	11,050,758	10,857,509
0	Finance costs	0	0
4,202,593	Internal charges and overheads applied	4,418,089	4,472,997
0	Other operating funding applications	0	0
14,662,688	Total applications of operating funding	15,468,846	15,330,505
(3,214,462)	Surplus/(Deficit) of operating funding	(3,721,496)	(3,652,352)
	Sources of capital funding		
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
	Applications of capital funding		
	Capital expenditure		
	- To meet additional demands		
75,914	- To improve levels of service	50,534	0
62,592	- To replace existing assets	8,427	8,427
(220,000)	Increase/(Decrease) in reserves	(228,933)	(155,000)
(3,132,968)	Increase/(Decrease) in investments	(3,551,524)	(3,505,779)
(3,214,462)	Total Applications of capital funding	(3,721,496)	(3,652,352)
3,214,462	Surplus/(Deficit) from capital funding	3,721,496	3,652,352
0	Funding balance	0	(0)

River management

What has changed?

Additional resourcing has been allocated to numerous new initiatives relating to river management for the 2017/18 year. These are all related to the upgrade of equipment for hydrology monitoring.

The total amount allocated for these upgrades and improvements is \$237,910.

DRUC calibrator	\$20,000
ADCP flood traveller	\$4,000
Satellite loggers	\$34,100
RIS 150 logger	\$23,810
Safety upgrade of hydrometric sites	\$130,000
Survey traverse kit	\$2,000
Pumppro replacement	\$24,000
Total	\$237,910

Council maintains an extensive hydrometric network, and uses specialised equipment to achieve this.

Funding has been allocated for new equipment that periodically needs to be purchased to support the network, and also to cover renewals of existing equipment. This will ensure that the network remains reliable, keeps up with technological development and can be operated safely.

DRUC calibrator

This new piece of equipment will enable calibrations of our water level sensors in the field. This is critical to ensure key sites are measuring accurately. \$20,000 of capital expenditure has been allocated for the purchase of this equipment.

ADCP flood traveller

This replacement piece of equipment will allow flood gauging to be completed on rivers. The current equipment is 10 years old and only suited to small streams. \$4,000 of capital expenditure has been allocated for this replacement.

Satellite loggers

Satellite loggers are used to secure communication pathways for key flood forecasting sites during storms, ensuring that staff are able to monitor weather events and provide flood warnings. \$27,500 of capital cost and \$6,600 of operational cost has been allocated to target ten sites for satellite communication across Northland in the 2017/18 year.

IRIS 150 logger

The current telemetry system used for flood level motioning is due to be phased out and replaced with a new telemetry system. This new system operates with a different type of logger to communicate with hydrometric sites. \$23,810 of capital expenditure has been allocated for 30 new logger units to complete the upgrade.

Safety upgrade of hydrometric sites

A recent independent report on some of council's hydrometric sites highlighted some serious safety issues. \$130,000 of capital expenditure has been allocated to fund the first major maintenance works to take place on these sites in 30-50 years.

Survey traverse kits

This new piece of equipment will enhance existing survey hardware, and is required to enable precise measurements of some of our permanent monitoring sites, including Bell's Hill, Kaitiāia. This upgrade will require \$2,000 of capital expenditure.

Pumppro unit replacements

Some of the sensors that council uses for hydrometric monitoring (Pumppro sensors) have exceeded their life expectancy and need to be phased out and replaced. \$24,000 of capital expenditure has been allocated to phase out and replace 12 units.

The \$231,310 of capital expenditure required will be funded from council's retained earnings with future depreciation funded from the council services rate. The \$6600 of ongoing operational expenditure required for the Satellite loggers will be funded primarily from the council services rate.

This initiative contributes to the River Management group of activities in the [Long Term Plan 2015-2025](#), activity 3.1 river management, and levels of service 3.1.1 'Building, monitoring and maintaining flood protection schemes to protect life and property'; 3.1.6 'Contributing to informed policy decisions regarding water resources'; 3.1.7 'Contributing to informed management of river hazards', and; 3.1.8 'provide accurate rainfall and flood level monitoring'; and activity 4.1 [civil defence and emergency management](#), level of service 4.1.2 'Providing accurate and timely flood warnings'; and activity 4.2 natural hazard management, level of service 4.2.1 'Investigating, assessing and documenting natural hazard information to protect life and property'.

Funding impact statement for river management

Annual Plan		Annual Plan	LTP Year 3
2016-17	For the 2017-18 Annual Plan Periods Ending 30 June	2017-18	2017-18
\$		\$	\$
Sources of operational funding			
0	General rates, uniform annual general charges, rates penalties	0	0
3,627,613	Targeted rates (other than targeted water rates)	3,388,568	3,693,655
0	Grants and subsidies for operating purposes	0	0
0	Fees Charges and targeted rates for water supply	0	0
0	Internal charges and overheads recovered	27,892	0
35,722	Local authorities fuel tax, fines, infringement fees and other receipts	35,722	0
3,663,335	Total operating funding	3,452,182	3,693,655
Applications of operating funding			
2,315,133	Payments to staff and suppliers	2,285,395	2,220,467
519,068	Finance costs	409,098	753,230
720,017	Internal charges and overheads applied	809,197	652,580
0	Other operating funding applications	0	0
3,554,218	Total applications of operating funding	3,503,690	3,626,277
109,117	Surplus/(Deficit) of operating funding	(51,508)	67,378
Sources of capital funding			
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
Applications of capital funding			
Capital expenditure			
- To meet additional demands			
131,579	- To improve levels of service	203,111	26,335
127,039	- To replace existing assets	144,923	100,923
522,463	Increase/(Decrease) in reserves	420,009	523,433
(671,964)	Increase/(Decrease) in investments	(819,551)	(583,313)
109,117	Total Applications of capital funding	(51,508)	67,378
(109,117)	Surplus/(Deficit) from capital funding	51,508	(67,378)
0	Funding balance	0	0

Hazard management

What has changed?

One new initiative that contributes solely to the hazard management group of activities has received funding in the 2017/18 year. \$75,000 has been allocated to an additional role in Civil Defence emergency management.

Civil Defence emergency management position	\$75,000
Total	\$75,000

This initiative contributes to the Hazard Management group of activities in the Long Term Plan 2015-2025 activity 4.1 Civil Defence and Emergency Management; levels of service 4.1.1 'Maintaining a responsive and efficient civil defence emergency management system'; 4.1.3 'Maintaining an effective civil defence emergency management system', and; 4.1.4 'Increasing community awareness, understanding preparedness and participation in Civil Defence emergency management.

Civil Defence emergency management position

Funding has been allocated to a new resource that will cover two roles, including a public information role to ensure the ongoing effective communication with civil defence partners and communities (a requirement of the Civil Defence National Plan) and a Group Recovery Manager role as required by the Civil Defence Emergency Management Amendment Bill.

The \$75,000 of ongoing operational expenditure required will predominantly be funded from the Council services rate.

Funding impact statement for hazard management

Annual Plan 2016-17 \$	For the 2017-18 Annual Plan Periods Ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
	Sources of operational funding		
0	General rates, uniform annual general charges, rates penalties	0	0
1,028,810	Targeted rates (other than targeted water rates)	1,242,924	929,889
71,638	Grants and subsidies for operating purposes	278,055	73,388
257,756	Fees Charges and targeted rates for water supply	26,798	214,188
0	Internal charges and overheads recovered	0	0
12,000	Local authorities fuel tax, fines, infringement fees and other receipts	0	12,000
1,370,203	Total operating funding	1,547,778	1,229,465
	Applications of operating funding		
1,381,848	Payments to staff and suppliers	1,478,629	1,263,900
0	Finance costs	0	0
485,836	Internal charges and overheads applied	691,277	473,177
0	Other operating funding applications	0	0
1,867,684	Total applications of operating funding	2,169,906	1,737,078
(497,480)	Surplus/(Deficit) of operating funding	(622,129)	(507,613)
	Sources of capital funding		
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
	Applications of capital funding		
	Capital expenditure		
	- To meet additional demands		
0	- To improve levels of service	0	0
0	- To replace existing assets	0	0
(100,000)	Increase/(Decrease) in reserves	(100,000)	(100,000)
(397,480)	Increase/(Decrease) in investments	(522,129)	(407,613)
(497,480)	Total Applications of capital funding	(622,129)	(507,613)
497,480	Surplus/(Deficit) from capital funding	622,129	507,613
(0)	Funding balance	0	0

Economic development

Funding impact statement for economic development

There were no new initiatives proposed or adopted in this annual plan that related to the economic development group of activities. This following funding impact statement is provided for reference and to reflect minor financial adjustments that include rating base information, and salary and overhead allocations.

Annual Plan 2016-17 \$	For the 2017-18 Annual Plan Periods Ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
	Sources of operational funding		
0	General Rates, uniform annual general charges, rates penalties	0	0
2,086,010	Targeted rates (other than targeted water rates)	1,778,712	2,088,264
0	Grants and subsidies for operating purposes	0	0
64,232	Fees Charges and targeted rates for water supply	64,232	65,801
0	Internal charges and overheads recovered	0	0
3,592,612	Local authorities fuel tax, fines, infringement fees and other receipts	3,651,475	4,544,463
5,742,854	Total operating funding	5,494,419	6,698,527
	Applications of operating funding		
3,064,606	Payments to staff and suppliers	4,441,455	2,361,464
284,510	Finance costs	273,320	457,000
212,663	Internal charges and overheads applied	195,937	109,537
0	Other operating funding applications	0	0
3,561,779	Total applications of operating funding	4,910,712	2,928,002
2,181,075	Surplus/(Deficit) of operating funding	583,707	3,770,526
	Sources of capital funding		
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
	Applications of capital funding		
	Capital expenditure		
	- To meet additional demands		
0	- To improve levels of service	0	0
0	- To replace existing assets	0	0
(75,698)	Increase/(Decrease) in reserves	(1,047,540)	57,339
2,256,773	Increase/(Decrease) in investments	1,631,247	3,713,187
2,181,075	Total Applications of capital funding	583,707	3,770,526
(2,181,075)	Surplus/(Deficit) from capital funding	(583,707)	(3,770,526)
0	Funding balance	0	(0)

Transport

What has changed?

Four new initiatives that contribute to the transport group of activities have been funded as part of this annual plan. Three of these relate to harbour safety and navigation: \$15,000 has been made available to support a safe boating education programme for schools; \$24,500 has been allocated to a vessel identification system, and; \$14,000 has been allocated to improving moorings management. In addition to these, \$30,000 has been allocated to the Northland Transportation Alliance.

Water safety with Coastguard	\$15,000
AIS vessel identification system	\$24,500
Moorings management IT improvements	\$14,000
Northland Transportation Alliance	\$30,000
Total	\$83,500

Water safety with Coastguard

Promoting boating safety in Northland is one of the council's key priorities. Coastguard Boating Education has developed a safe boating programme that it is delivering to groups of schools to train children in safe boating practices. Council sees the benefit of educating our future boaties in safe practices, and has allocated funding to contribute to the set-up cost of each course.

The \$15,000 of ongoing operational expenditure required will predominantly be funded from the council services rate.

This initiative contributes to the Transport group of activities in the Long Term Plan 2015-2025, activity 6.2 Harbour Safety and Navigation; level of service 6.2.1 'Promoting navigation and boating safety on Northland harbours'.

AIS vessel identification system

Funding has been allocated to an Automatic Identification System for vessels, that will increase safety by allowing vessels to be tracked in our busiest area of the Bay of Islands. Funding will cover an initial upfront beacon set-up cost, and the first year of annual costs for the software and warranty. With

more and more vessels on Northland's waters, council needs to be increasingly prudent in ensuring that safety systems remain up to date.

The \$20,000 of capital expenditure required will predominantly be funded from council's retained earnings with future depreciation funded from the council services rate; \$4500 of ongoing operational expenditure required for this initiative will predominantly be funded from the council services rate.

This initiative contributes to the Transport group of activities in the Long Term Plan 2015-2025, activity 6.2 Harbour Safety and Navigation; level of service 6.2.1 'Promoting navigation and boating safety on Northland harbours', and; 6.2.2 'Maintaining navigation aids for safe navigation'.

Moorings management IT improvements

Funding has been allocated to streamline and improve the system that council uses to manage moorings, and link the council and contractors' systems so that the moorings records are auto-updated. This will enable moorings contractors to enter inspection details in to the council database and significantly reduce staff time required for this task.

The \$14,000 of ongoing operational expenditure required will predominantly be funded from the council services rate.

This initiative contributes to the Transport group of activities in the Long Term Plan 2015-2025, activity 6.2 Harbour Safety and Navigation; level of service 6.2.5 'Manage moorings in harbours'.

Northland Transportation Alliance

Council has allocated funding to cover ongoing overheads of the Northland Transportation Alliance, and has also allocated funding to contribute to the management and administration costs of the Northland Transportation Alliance.

The \$30,000 of ongoing operational expenditure required will predominantly be funded from the council services rate.

This initiative contributes to the Transport group of activities in the Long Term Plan 2015-2025, activity 6.1 Transport; level of service 6.1 'Planning for the future transport needs of the region'.

Funding impact statement for transport

Annual Plan 2016-17 \$	For the 2017-18 Annual Plan Periods Ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
Sources of operational funding			
0	General Rates, uniform annual general charges, rates penalties	0	0
2,057,253	Targeted rates (other than targeted water rates)	2,266,189	1,979,847
1,193,142	Grants and subsidies for operating purposes	1,424,826	1,223,460
1,538,501	Fees Charges and targeted rates for water supply	1,930,951	1,495,299
0	Internal charges and overheads recovered	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
4,788,896	Total operating funding	5,621,966	4,698,606
Applications of operating funding			
4,298,478	Payments to staff and suppliers	4,569,187	4,496,473
0	Finance costs	0	0
794,797	Internal charges and overheads applied	886,990	768,073
0	Other operating funding applications	0	0
5,093,275	Total applications of operating funding	5,456,177	5,264,546
(304,379)	Surplus/(Deficit) of operating funding	165,788	(565,940)
Sources of capital funding			
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
Applications of capital funding			
Capital expenditure			
	- To meet additional demands		
168,742	- To improve levels of service	80,570	60,570
322,333	- To replace existing assets	45,296	45,296
7,631	Increase/(Decrease) in reserves	123,413	1,872
(803,084)	Increase/(Decrease) in investments	(83,491)	(673,678)
(304,379)	Total Applications of capital funding	165,788	(565,940)
304,379	Surplus/(Deficit) from capital funding	(165,788)	565,940
0	Funding balance	0	0

Support services

What has changed?

Council has allocated funding to seven new initiatives that will contribute to the support services group of activities. Funding of \$64,000 has been allocated to improve our customer service systems, including \$34,000 for an upgrade of the phone and contact system; the set-up of a Mid-North Customer Service Centre has been allocated \$102,500; \$80,000 has been allocated for a marketing and engagement position; \$10,000 has been set aside to allow further investigation into other options for alignment with other councils; \$161,000 of funding has been allocated to maintain council's building assets, and funding of \$120,000 has been allocated to upgrade information technology systems.

Customer service initiatives	\$30,000
Contact system upgrade	\$34,000
Mid-North customer service centre	\$102,500
Marketing and engagement position	\$80,000
Shared services investigation and support	\$10,000
Building maintenance	\$161,000
Business IT support	\$120,000
Total	\$537,500

Funding has been allocated to improve council's interface with the community, including specialised customer service training, and resources that allow council and staff to better define their role within the community.

Customer service initiatives

The \$30,000 of ongoing operational expenditure required will predominantly be funded from the council services rate.

These changes relate to the Support Services activities in the Long Term Plan 2015-2025.

Contact system upgrade

Additional resourcing has been made available for replacement of council's current phone system, which has become unreliable. This upgrade will enable transfer of calls and better direct access between councils, will enable access to customer call back, and will provide for the relocation of phone services in emergency situations.

The \$34,000 of capital expenditure required will predominantly be funded from council's retained earnings with future depreciation funded from the council services rate.

These changes relate to the Support Services activities in the Long Term Plan 2015-2025.

Mid-North service centre

Funding has been allocated to the set-up of a mid-north office at Waipapa, which will provide a better level of customer service in the mid-north area, and would complement the services offered by the Far North District Council offices.

The \$50,000 of capital expenditure required will predominantly be funded from council's retained earnings with future depreciation funded from the Council services rate; the \$52,500 of ongoing operational expenditure required will predominantly be funded from the council services rate.

These changes relate to the Support Services activities in the Long Term Plan 2015-2025.

Marketing and engagement position

Funding has been allocated to an additional resource within the communications team, to provide increased communications, stakeholder engagement, marketing and promotional support.

The \$80,000 of ongoing operational expenditure required will predominantly be funded from the council services rate.

These changes relate to the Support Services activities in the Long Term Plan 2015-2025.

Shared services investigation and support

Council has pro-actively allocated funds to support investigation into potential shared-services projects, the final cost of which is usually shared amongst participating councils. Council enters in to shared services to improve the efficiency and effectiveness of services, and deliver better outcomes for communities.

The \$10,000 of ongoing operational expenditure required will predominantly be funded from the council services rate.

These changes relate to the Support Services activities in the Long Term Plan 2015-2025.

Building maintenance

Council has allocated additional funding to ensure that all residential rental properties in its portfolio meet the requirements of the Building Act and Residential Tenancy Act, and to undertake required maintenance of council's Water Street building in Whangārei, including work on floors and walls to prevent smoke and fire penetration, and work on air-conditioning.

The \$161,000 of capital expenditure required will predominantly be from council's retained earnings with future depreciation funded from the council services rate.

These changes relate to the Support Services activities in the Long Term Plan 2015-2025.

Business IT support

Funding has been allocated to continue with an ongoing programme of work to update council's business information technology systems, and implement programmes that adapt to changing business needs and reporting requirements.

The \$90,000 of capital expenditure required will predominantly be funded from council's retained earnings with future depreciation funded from the council services rate; the \$30,000 of ongoing operational expenditure required will predominantly be funded from the council services rate.

These changes relate to the Support Services activities in the Long Term Plan 2015-2025.

Funding impact statement for support services

Annual Plan 2016-17 \$	For the 2017-18 Annual Plan Periods Ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
	Sources of operational funding		
0	General Rates, uniform annual general charges, rates penalties	0	0
0	Targeted rates (other than targeted water rates)	0	0
0	Grants and subsidies for operating purposes	0	0
0	Fees Charges and targeted rates for water supply	56,342	
7,110,337	Internal charges and overheads recovered	7,609,079	8,090,316
5,260,473	Local authorities fuel tax, fines, infringement fees and other receipts	5,705,163	4,678,727
12,370,810	Total operating funding	13,370,584	12,769,043
	Applications of operating funding		
6,481,941	Payments to staff and suppliers	7,033,686	6,599,447
0	Finance costs	80,263	0
0	Internal charges and overheads applied	0	0
0	Other operating funding applications	0	0
6,481,941	Total applications of operating funding	7,113,949	6,599,447
5,888,869	Surplus/(Deficit) of operating funding	6,256,635	6,169,596
	Sources of capital funding		
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
	Applications of capital funding		
	Capital expenditure		
	- To meet additional demands		
147,551	- To improve levels of service	164,000	0
746,601	- To replace existing assets	817,517	641,517
924,600	Increase/(Decrease) in reserves	777,030	901,251
4,070,117	Increase/(Decrease) in investments	4,498,088	4,626,828
5,888,869	Total Applications of capital funding	6,256,635	6,169,596
(5,888,869)	Surplus/(Deficit) from capital funding	(6,256,635)	(6,169,596)
0	Funding balance	(0)	0



Funding impact statement

Funding impact statement

Rating funding impact statement

This statement is GST exclusive and shows total gross expenditure and lists (by rate and income type) the funding derived from each source, for easy reference.

Annual Plan 2016-17 \$	Excluding GST	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$	Variance \$
32,468,857	Operational Expenditure	35,396,033	31,930,556	(3,465,477)
1,782,349	Capital Expenditure	2,014,378	883,068	(1,131,310)
34,251,206	Total Gross Expenditure	37,410,411	32,813,624	(4,596,787)
	Funded By			
8,240,740	Council services Rate	8,701,286	8,737,721	(36,435)
6,580,779	Land Management Rate	7,006,415	6,399,321	607,095
611,350	Targeted Regional Infrastructure Rate	610,825	611,350	(525)
1,301,463	Targeted Regional Recreational Facilities Rate	1,046,194	1,240,901	(194,707)
3,902,685	Other Targeted Rates	3,597,716	4,110,492	(512,776)
1,159,370	Grants and Subsidies	1,803,637	1,188,863	614,774
4,493,214	User Charges	4,615,244	4,253,649	361,596
2,455,941	Rental Income	2,461,199	3,189,606	(728,407)
3,712,583	Interest Income	3,802,361	2,755,562	1,046,799
2,823,221	Dividend Income	3,210,300	3,431,700	(221,400)
0	Forestry Income	0	0	0
0	Sundry Income	0	0	0
(1,030,140)	Cash Reserves from/(to)	555,233	(3,105,540)	3,660,774
34,251,206	Total Funding	37,410,411	32,813,624	4,596,787

Prospective funding impact statement

This statement is GST exclusive. It is required under the Local Government Act 2002 (Schedule 10, Clause 20) and conforms to Form 1 of the Local Government (Financial Reporting and Prudence) Regulations 2014. Generally Accepted Accounting Practice (GAAP) does not apply to Funding Impact Statements as stated in section 111(2) of the Local Government Act 2002. Key divergences from GAAP are not including depreciation; including internal charges; and combining capital and operational items in one financial statement.

Annual Plan 2016-2017 \$		Annual Plan 2017-2018 \$	LTP Year 3 2017-2018 \$	Variance \$
Sources of operational funding				
0	General Rates, uniform annual general charges, rates penalties	0	0	0
20,637,017	Targeted rates	20,962,436	21,099,785	137,349
1,264,780	Grants and subsidies for operating purposes	1,909,047	1,296,848	(612,199)
4,387,804	Fees Charges	4,509,834	4,145,664	(364,171)
6,535,804	Interest and dividends from investments	7,012,661	6,187,262	(825,399)
2,455,941	Local authorities fuel tax, fines, infringement fees and other receipts	2,461,199	3,189,606	728,407
35,281,345	Total sources of operating funding	36,855,178	35,919,165	(936,013)
Applications of operating funding				
31,889,993	Payments to staff and suppliers	34,669,637	31,820,556	(2,849,081)
578,864	Finance costs	726,397	110,000	(616,397)
0	Other operating funding applications	0	0	0
32,468,857	Total applications of operating funding	35,396,034	31,930,556	(3,465,478)
2,812,488	Surplus/(Deficit) of operating funding	1,459,144	3,988,608	2,529,465
Sources of capital funding				
0	Subsidies and grants for capital expenditure	0	0	0
0	Development and financial contributions	0	0	0
0	Increase/(Decrease) in debt	0	0	0
0	Gross proceed from sale of assets	0	0	0
0	Lump sum contributions	0	0	0
0	Other dedicated capital funding	0	0	0
0	Total sources of capital funding	0	0	0
Applications of capital funding				
Capital expenditure				
- To meet additional demands				
523,785	- To improve levels of service	498,215	86,905	(411,310)
1,258,564	- To replace existing assets	1,016,163	796,163	(220,000)
876,996	Increase/(Decrease) in reserves	(90,660)	1,228,895	1,319,555
153,144	Increase/(Decrease) in investments	35,426	1,876,645	1,841,219

2,812,489	Total Applications of capital funding	1,459,144	3,988,608	2,529,464
(2,812,488)	Surplus/(Deficit) from capital funding	(1,459,144)	(3,988,608)	(2,529,464)
(0)	Funding balance	0	0	0

Reconciliation to the statement of comprehensive revenue and expense

Annual Plan 2016-2017	\$	Reconciliation to the statement of comprehensive revenue and expense	Annual Plan 2017-2018	\$	LTP Year 3 2017-2018	\$	Variance	\$
1,782,349		Capital expenditure included above not in Comprehensive Revenue and Expense	1,514,378		883,068		(631,310)	
153,144		Investment movements included above not in Comprehensive Revenue and Expense	35,426		1,876,645		1,841,219	
		Forestry asset revaluation - included in Revenue and Expense, not above					0	
0		Other Gains included in Comprehensive Revenue and Expense, not above	0		0		0	
		Gross Proceeds included above not in Comprehensive Revenue and Expense					0	
0		Financial Asset fair value adjustments included in Comprehensive Revenue and Expense but not above	0		0		0	
0		Property revaluation adjustments included in Comprehensive Revenue and Expense but not above	0		0		0	
876,996		Transfers to/(from) special reserves included above not in Comprehensive Revenue and Expense	(90,660)		1,228,895		1,319,555	
0		Infrastructure asset revaluation adjustments included in Comprehensive Revenue and Expense but not above	0		0		0	
(1,323,275)		Depreciation Expense included in Comprehensive Revenue and Expense not above	(1,433,641)		(1,400,362)		33,279	
1,489,213		Total Comprehensive Income per the Statement of Comprehensive Revenue and Expense	25,503		2,588,247		2,562,743	

Depreciation by activity

Annual Plan 2016-2017 \$	Depreciation by activity	Annual Plan 2017-2018 \$	LTP Year 3 2017-2018 \$	Variance \$
0	Community Representation and Engagement	2,505	3,505	1,000
1,520	Hazard Management	1,520	1,520	0
328,759	Resource and Catchment Management	334,419	330,419	(4,000)
150,134	River Management	169,904	160,406	(9,498)
762,744	Support Services	838,630	818,849	(19,781)
80,118	Transport	86,663	85,663	(1,000)
1,323,275	Total Depreciation by Activity	1,433,641	1,400,362	(33,279)

Proposed schedule of capital expenditure

Annual Plan 2016-17 \$	Proposed schedule of capital expenditure for the period ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
	Resource Management		
138,506	Plant and Equipment	58,961	8,427
	Transport		
491,074	Plant and Equipment	125,866	105,866
	River Management		
196,623	Plant and Equipment	285,033	64,257
61,995	Infrastructural Assets	63,001	63,001
	Support		
321,731	Information Systems	347,815	252,815
209,181	Plant and Equipment	297,669	52,670
363,239	Vehicles	336,033	336,033
1,782,349	Total Capital Expenditure	1,514,378	883,068

Rates

This section describes the various rates for 2017/18.

The amounts of the rates stated include the amount of the council's GST obligations.

For Kaipara and Far North district rates assessments, keep in mind that, for efficiency, the regional recreational facilities rate, council services rate and the emergency services rate will be shown as a single line item on the face of the joint regional and district rates assessments issued by the Kaipara District Council and Far North District Council. The amounts and descriptions of each of the rates are shown clearly in the notes on the assessment notice along with the activities or groups of activities that will be funded from each rate.

Council does not accept lump sum contributions in respect of any targeted rate.

Uniform annual general charge

The council does not set a uniform annual general charge.

Targeted region-wide rates

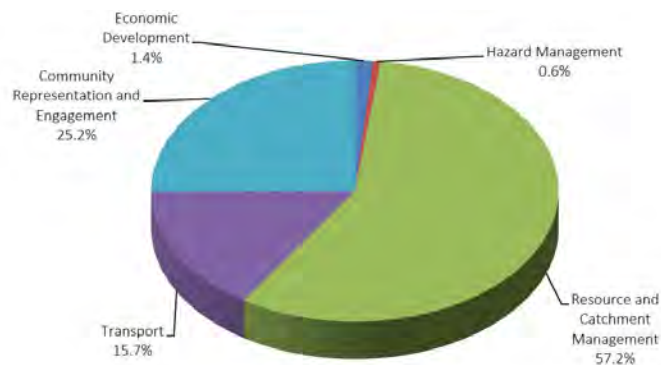
The council sets two rates, which are applied as targeted region-wide rates – the council services rate and the land management rate. Targeted region-wide rates are assessed on all rateable properties in the Northland region.

Council services rate

What it funds

The council uses the council services rate to fund activities that are carried out under the Resource Management Act 1991, the Local Government Act 2002, the Maritime Transport Act 1994, Maritime Bylaws and any other activities that are not covered by any other funding source. This rate will fund the costs remaining after appropriate user fees and charges and a share of investment income, where available, have been taken into account.

Council services rate allocation to activities 2017/18



How it is set

The council services rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is calculated on the total projected capital value, as determined by the certificate of projected valuation of each constituent district in the Northland region. An additional \$1.73 per separately used or inhabited part (SUIP) of a rating unit is to be assessed across the Whangārei constituency to provide \$73,919 to fund the ongoing maintenance of the Hātea River channel. The rate is differentiated by location in the Northland region, and assessed as a fixed amount per each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts and on each rating unit (RU) in the Kaipara district.

How much is the rate?

The estimated total council services rate amounts to **\$10,006,479** for the 2017/18 financial year.

The council services rate payable in respect of each rating unit in the Kaipara district, and each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts of the Northland region, will be set as shown in the following table.

This funding impact statement recognises that a differentiated, fixed amount on each rating unit (property) or SUIP of a rating unit links better to resource management planning, strategic planning, education, public advice, the public good elements of issuing resource consents, regional advocacy and transport planning where the link to land value is very weak.

Far North district	\$91.92	per SUIP
Kaipara district	\$122.90	per rating unit
Whangārei district	\$117.66	per SUIP

Land management rate

What it funds

This land value based rate is used to fund activities that are carried out under the Biosecurity Act 1993, the Soil Conservation and Rivers Control Act 1941, the Civil Defence Emergency Management Act 2002 and the Resource Management Act 1991. For new activities funded by this rate that relate to the implementation of the Northland Regional Pest Management Plan under the Biosecurity Act 1993, consideration was given to the requirements of Section 100T of the Biosecurity Act. The analysis required under section 100T of the Biosecurity Act 1993 before setting this rate can be found in the minutes of the Council meeting of 27 June 2017.

Land management rate allocation to activities 2017/18.



The land management rate will specifically fund land and general river management planning, minor river works and pest plant and pest animal control functions that have a direct relationship to land.

The land management rate is assessed across all sectors of the Northland community and recognises that all communities benefit from the protection of forests, the prevention of soil erosion, and the minimisation of damage by floodwaters and resulting improvements in water quality.

How it is set

The land management rate is a targeted rate authorised by the Local Government (Rating) Act 2002. The rate is assessed on the land value of each rateable rating unit in the region. The rate is set per dollar of the land value. The rate per dollar of land value is different for each constituent district because the rate is allocated on the basis of projected land value, as provided for in section 131 of the Local Government (Rating) Act. The council does not apply a differential on this rate.

How much is the rate?

The estimated total land management rate is **\$8,057,377** for the 2017/18 financial year.

The following table shows the actual and equalised land value for each district and the rate per \$100,000 of land value for each district based on the equalised land values.

District	Actual land value \$(000)'s	Equalised land value \$(000)'s	Rate per \$100,000 of actual land value
Far North district	7,740,217	7,745,617	\$36.12
Kaipara district	3,689,857	4,372,302	\$43.00
Whangārei district	9,412,516	10,484,094	\$40.16

If all districts had the same valuation date, each district would have the same rate per \$100,000 of actual land value.

Specific targeted rates

The following specific targeted rates are for 2017/18.

Regional recreational facilities rate

What it funds

This rate funds the development of the regional events centre.

How it is set

The regional recreational facilities rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is a fixed amount differentiated by location in the Northland region. The rate will be assessed on each rateable rating unit (RU) in the Kaipara district and each rateable separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts. The rate is set at \$22.85 per separately used or inhabited part (SUIP) of a rating unit in the Whangārei district; \$4.57 per separately used or inhabited part (SUIP) of a rating unit in the Far North district; and \$4.57 per rating unit in the Kaipara district.

How much is the rate?

The estimated total Northland regional recreational facilities rate amounts to **\$1,203,123** for the 2017/18 financial year. The rate is to be set as follows.

Far North district	\$4.57	per SUIP
Kaipara district	\$4.57	per rating unit
Whangārei district	\$22.85	per SUIP

How is the rate applied?

This rate is applied 100% to the development of the regional events centre which forms part of the economic development activity.

Regional infrastructure rate

What it funds

The council will fund activities relating to the development and/or completion of regional infrastructure projects, beginning with the Marsden Point rail link project.

How it is set

The regional infrastructure rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is assessed on the land value of each rateable rating unit in the region. The rate is set per dollar of land value. The rate per dollar of land value is different for each constituent district as the rate is allocated on the basis of projected land value, as provided for in section 131 of the Local Government (Rating) Act. The council does not apply a differential on this rate.

How much is the rate?

The estimated total regional infrastructure rate is **\$702,448** for the 2017/18 financial year.

The table below shows the actual and equalised land value for each district and the rate per \$100,000 of land value for each district based on the equalised land values.

District	Actual land value \$(000)'s	Equalised land value \$(000)'s	Rate per \$100,000 of actual land value
Far North district	7,740,217	7,745,617	\$3.15
Kaipara district	3,689,857	4,372,302	\$3.75
Whangārei district	9,412,516	10,484,094	\$3.50

If all districts had the same valuation date, each district would have the same rate per \$100,000 of land value.

How is the rate applied?

This rate is applied 100% to the infrastructure development activity. The proceeds from this rate will be applied to funding the Marsden Point rail link designation.

Emergency services rate

What it funds

The council will collect the emergency services rate to provide a contestable funding pool for eligible organisations whose primary purpose is to save lives that are in immediate or critical danger, or to respond to serious injury. The funds must be applied to the provision of services in Northland. The fund recipients will be granted funding for a three-year period.

How it is set

The emergency services rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. This rate is assessed as a fixed amount on each rateable separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts and each rateable rating unit in the Kaipara district.

How much is the rate?

The estimated total emergency services rate is **\$1,086,077** for the 2017/18 financial year.

The rate for each rating unit in the Kaipara district and each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts is set as \$11.76.

How is the rate applied?

The emergency services rate will be applied to approved recipients who meet the specified criteria following a contestable funding process. The collection and payment of this rate forms part of the community representation and engagement activity.

Whangārei Heads pest management rate

What it funds

The council will collect the Whangārei Heads pest management rate to undertake pest management in and around Whangārei Heads. The funding will be applied to target pests which threaten kiwi and to eradicate selected weeds on private land.

How it is set

The Whangārei Heads pest management rate (Whangārei district) is a targeted rate as authorised by the Local Government (Rating) Act 2002 and is related to the council's functions under the Biosecurity Act 1993. The analysis required to be undertaken by the Council under section 100T of the Biosecurity Act 1993 before setting this rate can be found in the minutes of the Council meeting of 27 June 2017. The rate is a fixed amount assessed on each separately used or inhabited part (SUIP) of a rating unit located in and around the Whangārei Heads area. These rating units are identified on this map.

Rating units for the Whangārei Heads pest management rate (Whangārei district).



How much is the rate?

The estimated total Whangārei Heads pest management rate (Whangārei district) is **\$107,350** for the 2017/18 financial year.

The rate will be set at \$50.00 for each rateable separately used or inhabited part (SUIP) of a rating unit located in and around the Whangārei Heads area, as illustrated in the map below.

How is the rate applied?

The Whangārei Heads pest management rate will be applied to target pests which threaten kiwi and to eradicate selected weeds on private land in the area identified on the map below.

Whangārei transport rate

What it funds

This rate forms the local contribution required to fund the Whangārei bus passenger transport and Whangārei Total Mobility service.

How it is set

The Whangārei transport rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is a fixed amount assessed on each rateable separately used or inhabited part (SUIP) of a rating unit in the Whangārei district.

How much is the rate?

The estimated total Whangārei transport rate is **\$593,919** for the 2017/18 financial year.

The rate will be set at \$13.90 for each rateable separately used or inhabited part (SUIP) of a rating unit in the Whangārei district.

How is the rate applied?

The Whangārei transport rate will be applied to the passenger transport administration activity to subsidise bus passenger transport and the Total Mobility service provided in the Whangārei district.

Kaitiāia transport rate (Far North district)

What it funds

This rate funds the Kaitiāia bus passenger transport service.

How it is set

The Kaitiāia transport rate (Far North district) is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is a fixed amount assessed on each rateable separately used or inhabited part (SUIP) of a rating unit located near the Kaitiāia bus route. These rating units are identified on this map.

How much is the rate?

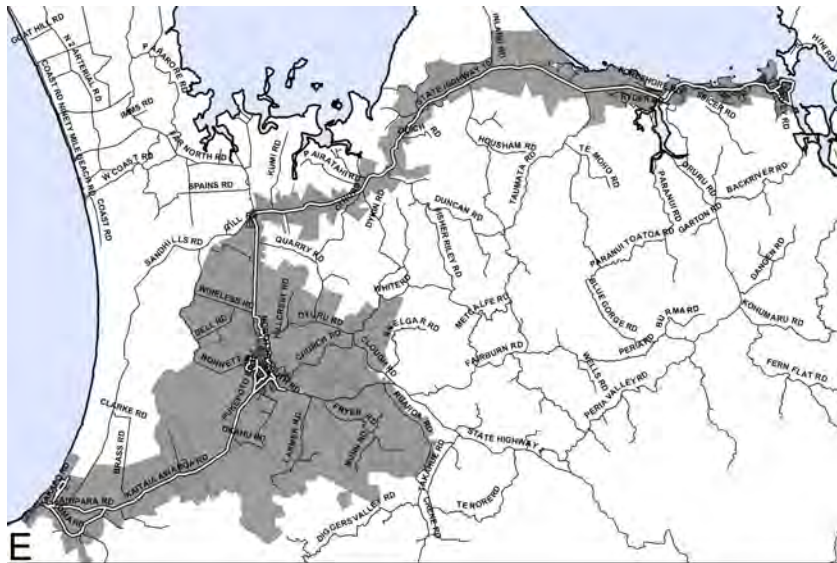
The estimated total Kaitiāia transport rate (Far North district) is **\$94,124** for the 2017/18 financial year.

The rate will be set at \$15.69 for each rateable separately used or inhabited part (SUIP) of a rating unit located near the Kaitiāia bus route, as illustrated in the map below.

How is the rate applied?

The Kaitiāia transport rate (Far North district) will be applied to the transport activity to subsidise bus passenger transport in the Kaitiāia/Mangōnui/Ahipara area.

Rating units for the Kaitiāia transport rate (Far North district).



Mid-north transport rate (Far North district)

What it funds

This rate funds the mid-north bus passenger transport service

How it is set

The mid-north transport rate (Far North district) is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rating units liable for the rate are identified on the map below. The rate is a fixed amount assessed on each rateable separately used or inhabited part (SUIP) of a rating unit located near the mid-north bus route and is differentiated by category.

Rating units for mid-north transport rate (Far North district).



1	SUIPs on or near mid-north bus route (as defined on the map below) - commercial differential	\$48.64	Per SUIP
2	SUIPs on or near mid-north bus route (as defined on the map below) - non-commercial differential	\$24.32	Per SUIP

How much is the rate?

The estimated total mid-north transport rate (Far North district) is \$288,630 for the 2017/18 financial year.

The revenue sought from each category is as follows:

1	SUIPs on or near mid-north bus route (as defined on the map) - commercial differential.	\$67,220
2	SUIPs on or near mid-north bus route (as defined on the map) - non-commercial differential.	\$221,410
Total revenue		\$288,630

How is the rate applied?

The mid-north transport rate (Far North district) will be applied to the transport activity to subsidise bus passenger transport in the mid-north area.

Mid-north transport rate differential

The mid-north transport rate will be set on a differential basis as described in the table below.

Differential	Basis	Description	Land use codes
Non Commercial	100%	SUIPs have a non-commercial use based on their actual use as defined by their land use code. (Note: in certain circumstances land	0, 1, 2, 9, 10 to 17, 19 to 29, 90, 91, 92 & 97-99 (93 - 96 may also be treated as

Differential	Basis	Description	Land use codes
		with a commercial land use may be treated as non commercial if the ratepayer demonstrates to council's satisfaction that the actual use is not commercial.)	non commercial if the actual use of the land is not commercial)
Commercial	200%	SUIPs which have some form of commercial or industrial use or are used primarily for commercial purposes as defined by their land use codes. (Note: in certain circumstances land with a non commercial land code use may be treated as commercial if the actual use of the entire rating unit is commercial in nature.)	3, 4, 5, 6, 7, 8, 18, 30 to 89, 93, 94, 95, & 96

Where different uses take place on parts of the rating unit, the parts may be categorised in different differential categories.

Council retains the right to apply a different differential where it can be demonstrated, to its satisfaction, that the actual use of the entire rating unit differs from that described by the current land use code.

Awanui River management rate

What it funds

This rate funds capital and operational works on the Awanui River flood management scheme.

How it is set

The Awanui River management rate is a targeted rate set under the Local Government (Rating) Act 2002, set differentially by location and area of benefit as illustrated by the following table and maps.

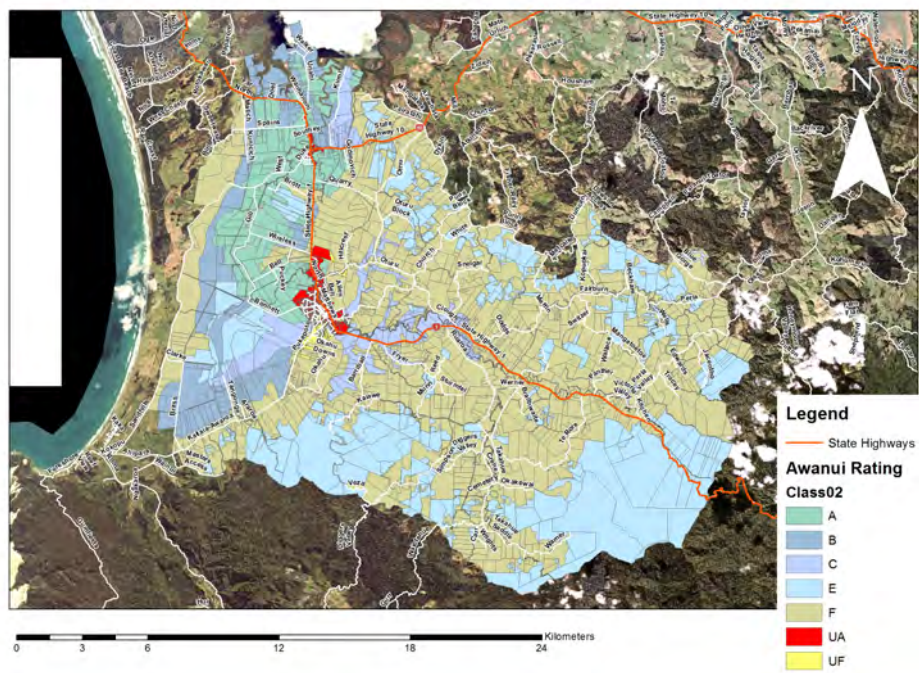
The rate is set differentially as follows:

1	Urban rate class UA (floodplain location) \$188.29 direct benefit plus \$18.71 indirect benefit per separately used or inhabited part of a rating unit.	\$207.00	Per SUIP
2	Urban rate classes UF (higher ground) \$18.71 direct benefit plus \$18.71 indirect benefit per separately used or inhabited part of a rating unit.	\$37.42	Per SUIP
3	Commercial differential factor applicable to urban rate classes UA and UF, and rural hectare rate classes A & B, C, E and F.	3.0 times the appropriate rate	
4	Rural rate differentiated by class, \$8.42 per separately used or inhabited part of a rating unit of indirect benefit plus a rate per hectare for each of the following classes of land in the defined Kaitāia flood rating district as illustrated in the following maps and table.	\$8.42	Per SUIP

The rating classifications and the rate charged are illustrated in the following maps and table.

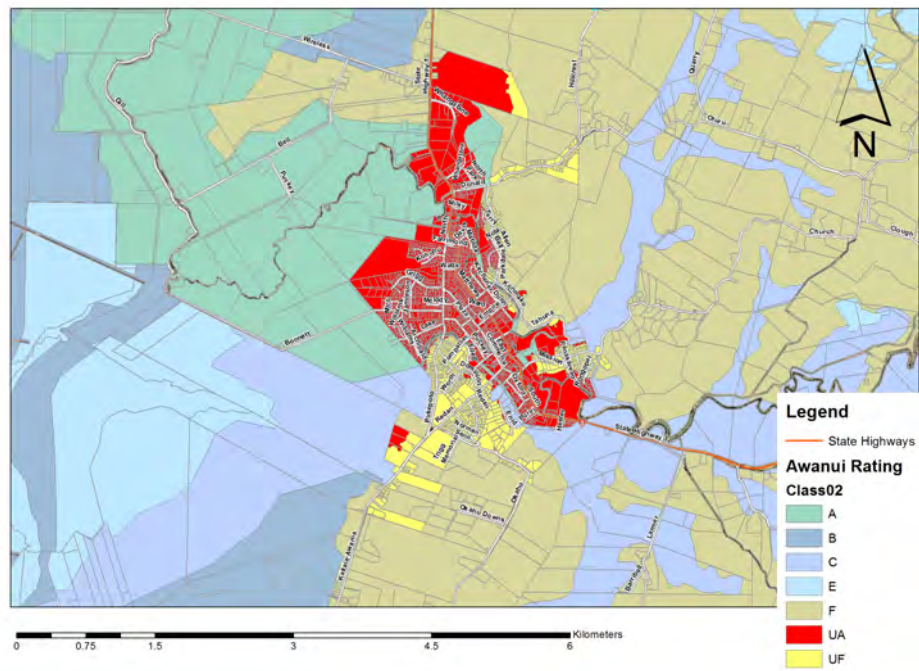
Awanui River scheme targeted rate.

Awanui River Scheme Targeted Rate



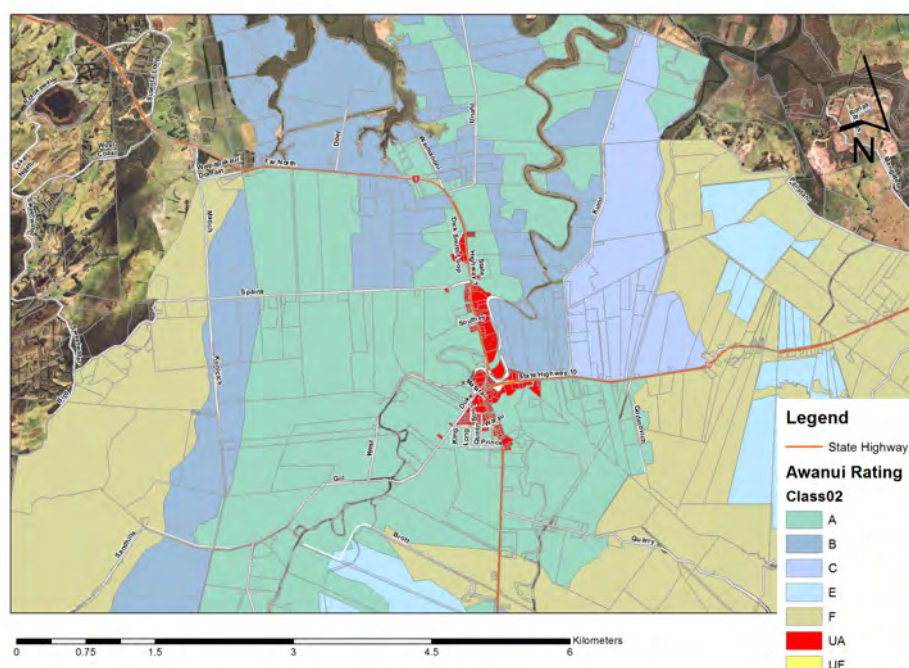
Awanui scheme targeted rate - Kataia detail

Awanui River Scheme Targeted Rate - Kaitaia Detail



Awanui River scheme targeted rate - Awanui detail

Awanui River Scheme Targeted Rate - Awanui Detail



Class	Description	Rate/ha
A & B	High benefit; Rural land which receives high benefit from the Awanui Scheme works due to reduced river flooding risk and/or reduced duration of flooding and/or reduced coastal flooding.	\$15.31
C	Moderate benefit; land floods less frequently and water clears quickly.	\$6.93
E	Land in flood-ways and ponding areas that receive no benefit and land retained in native bush that provides watershed protection.	-
F	Contributes run-off waters, and increases the need for flood protection.	\$0.92

For more detailed information on rating class boundaries, please refer to the [Awanui Scheme Asset Management Plan](#), which is available on our website.

How much is the rate?

The estimated total Awanui River management rate is **\$682,985** for the 2017/18 financial year. The revenue sought from each category of rateable land will be as follows:

Class		Total revenue
A & B	Rural	\$87,119
C	Rural	\$11,211
F	Rural	\$17,386
Indirect benefit	Rural	\$13,447
Urban A		\$303,048
Urban F		\$24,866

Class		Total revenue
Commercial differential	Majority urban	\$225,908
Total		\$682,985

How is the rate applied?

The rate is applied 100% to Awanui River flood management scheme works which form part of the river management activity.

Kaihū River management rate

What it funds

This rate funds channel maintenance works on the Kaihū River flood management scheme.

How it is set

The Kaihū River management rate is a targeted rate set under the Local Government (Rating) Act 2002, set differentially by location and area of benefit as illustrated by this map and the following table.

The council will set the rate differentially as follows:

- Class A – land on the floodplain and side valleys downstream of the Rotu Bottleneck; rate is applied per hectare of land.
- Class B – land on the floodplain and tributary side valleys between Ahikiwi and the Rotu Bottleneck and in the Mangatara Drain catchment upstream of SH12; rate is applied per hectare of land.
- Class F (Catchment rate) – balance of land within the Kaihū River rating area not falling within class A and class B; rate is applied per hectare of land.
- Urban contribution – a contribution from Kaipara District Council instead of a separate rate per property.

The rating classifications and the rate charged are illustrated as follows:

Kaihū River targeted rate area.



Class	Description	Rate/Ha
A	Land on the floodplain and side valleys downstream of the Rotu Bottleneck.	\$21.22
B	Land on the floodplain and tributary side valleys between Ahikiwi and the Rotu Bottleneck.	\$11.68
F	Balance of rateable land within the Kaihū River rating area.	\$1.65
	Urban contribution	Per annum
	A contribution from Kaipara District Council instead of a separate rate per property.	\$5015

How much is the rate?

The estimated total Kaihū River management rate is **\$79,869** in the 2017/2018 financial year. The revenue sought from each category of rateable land will be as follows:

Class	Total revenue
A	\$28,510
B	\$14,480
F	\$31,864
Urban contribution	\$5,015
Total	\$79,869

How is the rate applied?

The rate is applied 100% to Kaihū River management scheme works, which form part of the river management activity.

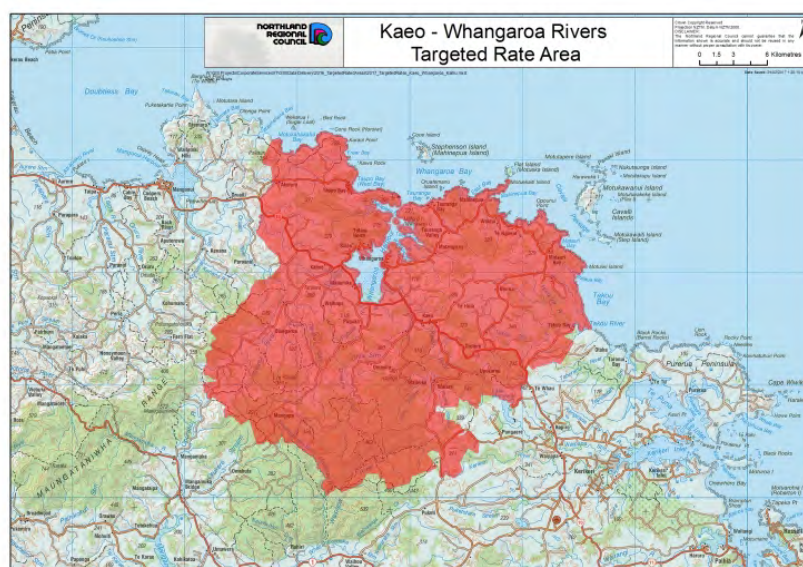
Kaeo-Whangaroa rivers management rate

What it funds

This rate funds operational and capital flood scheme works in Kaeo and Tauranga Bay, and minor river maintenance works to clear flood debris and gravel from streams from Taupō Bay to Te Ngairā.

How it is set

The Kaeo-Whangaroa rivers management rate is a targeted rate set under the Local Government (Rating) Act 2002, set on a uniform basis in respect of each rateable separately used or inhabited part (SUIP) of a rating unit falling within the former Whangaroa ward rating rolls of 100-199, as illustrated in this map.



Kaeo-Whangaroa River targeted rate area.

How much is the rate?

The estimated total Kaeo-Whangaroa rivers management rate is \$119,635 in the 2017/18 financial year. The rate is set at \$53.66 and will be assessed on each rateable separately used or inhabited part (SUIP) of a rating unit falling between rating rolls 100-199 of the former Whangaroa ward as illustrated in this map.

How is the rate applied?

The rate is applied 100% to Kaeo-Whangaroa rivers management works which form part of the river management activity.

Whangārei urban rivers management rate

What it funds

This rate funds the operational costs and capital costs of the flood risk reduction project for Whangārei.

How it is set

The Whangārei urban rivers management rate is a targeted rate set under the Local Government (Rating) Act 2002, and assessed on all rateable properties defined by reference to the differential categories, and differentiated by location (see maps below), and, for some categories, land use. It is set as a fixed amount per each separately used or inhabited part (SUIP) of a rating unit, as follows:

1.	Commercial properties in the Whangārei CBD flood area.	\$324.43	Per SUIP
2.	Residential properties in the Whangārei CBD flood area.	\$125.17	Per SUIP
3.	Properties in the contributing water catchment area (including properties falling in the Waiarohia, Raumaunga, Kirikiri and Hātea River catchments).	\$41.88	Per SUIP

The differential recognises the different categories of beneficiaries to the scheme and the properties that contribute to flooding in the Whangārei CBD. Properties in the contributing water catchment area contribute run-off from rainfall to the CBD which exacerbates and contributes to flooding, and these properties also receive a wider benefit from reduced flooding of the Whangārei CBD. The commercial and residential properties in the Whangārei CBD flood area are the primary beneficiaries due to reduced flood risk. Commercial benefits even more significantly than residential due to improved business continuity from reduced flooding.

Residential properties in the Whangārei central business district (CBD) flood area are defined as all rating units which are used principally for residential or lifestyle residential purposes, including retirement villages, flats etc. Residential properties also includes multi-unit properties, these being all separate rating units used principally for residential purposes, and on which is situated multi-unit type residential accommodation that is used principally for temporary or permanent residential accommodation and for financial reward, including, but not limited to, hotels, boarding houses, motels, tourist accommodation, residential clubs and hostels, but excluding any properties that are licensed under the Sale and Supply of Alcohol Act 2012.

Commercial properties in the Whangārei CBD flood area are all separate rating units used principally for commercial, industrial or related purposes or zoned for commercial, industrial or related purposes in accordance with the Whangārei district plan. For the avoidance of doubt, this category includes properties licensed under the Sale and Supply of Alcohol 2012; and private hospitals and private medical centres.

Whangārei central business district flood area.



Contributing water catchments in Whangārei urban rivers management scheme.



How much is the rate?

The estimated total Whangārei urban rivers management rate is **\$1,084,786** in the 2017/18 financial year. The revenue sought from each category is as follows:

1.	All commercial properties in the Whangārei CBD flood area.	\$337,078
2.	All residential properties in the Whangārei CBD flood area.	\$21,279
3.	All properties in the contributing water catchment area (including properties falling in the Waiarohia, Raumanga, Kirikiri and Hātea River catchments).	\$726,429
Total		\$1,084,786

How is the rate applied?

The rate is applied 100% to Whangārei urban rivers management plan works, which form part of the river management activity.

Other rating information

Each of Northland's three district councils is appointed as a collector for the Northland Regional Council in terms of section 53 of the Local Government (Rating) Act 2002. This means that the district councils issue rates assessments and invoices for the Northland Regional Council's rates. They also collect the rates.

Northland Regional Council has adopted policies regarding remission of rates and penalties and postponement of rates, and it remits rates and penalties and postpones payment of rates in accordance with these policies. It also resolves that penalties will be added to unpaid rates. The district councils record these transactions on the rating information database and rates records which they maintain on behalf of the Northland Regional Council.

Northland Regional Council has adopted the same definitions as the Far North and Whangārei district councils to determine a separately used or inhabited part of a rating unit as follows:

SUIP definition applicable in Far North district

Where rates are calculated on each separately used or inhabited part of a rating unit, the following definitions will apply:

- Any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement.
- Any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use.

The following are considered to be separately used parts of a rating unit:

- Individual flats or apartments;
- Separately leased commercial areas which are leased on a rating unit basis;
- Vacant rating units;
- Single rating units which contain multiple uses such as a shop with a dwelling; and
- A residential building or part of a residential building that is used, or can be used, as an independent residence. An independent residence is defined as having a separate entrance, separate cooking facilities, for example, cooking stove, range, kitchen sink etc. together with living and toilet/bathroom facilities.

The following are not considered to be separately used or inhabited parts of a rating unit:

- A residential sleep-out or granny flat that does not meet the definition of an independent residence;
- A hotel room with or without kitchen facilities;
- A motel room with or without kitchen facilities; and
- Individual offices or premises of business partners.

SUIP definition applicable in Whangārei district

A separately used or inhabited part is defined as a clearly identified part of a property (rating unit) that is capable of separate use or capable of being separately inhabited or occupied. For a commercial rating unit this includes a building or part of a building that is, or is capable of being, separately tenanted, leased or sub leased. For a residential rating unit, this includes a building or part of a building which is used, or is capable of being used, as an independent residence. An independent residence means a self-contained dwelling containing separate cooking and living facilities; separate entrance; and separate toilet and bathroom facilities.

Examples include –

- Each separate shop or business activity on a rating unit is a separate part.
- Each dwelling, flat, or additional rentable unit (attached or not attached) on a residential property which is let (or capable of being let) is a separate inhabitable part.
- Individually tenanted flats, including retirement units, apartments and town houses (attached or not attached) or multiple dwellings on Māori freehold land are separately inhabited parts.
- Each block of land for which a separate title has been issued, even if that land is vacant.

Postponement charges for postponed rates in the Far North district

Pursuant to the Local Government (Rating) 2002 Act, Council will charge a postponement fee on all rates that are postponed under any of its postponement policies. The postponement fees are as follows:

- Application fee: \$50.

- Administration fee: \$50pa.
- Financing fee on all postponements: currently set at 4.75% pa but may vary to match council's average cost of funds.

At council's discretion, all these fees may be added to the total postponement balance.

Equalisation of rates

Each district in Northland is independently revalued by Quotable Value over a three-yearly cycle (one district per year). To ensure that property valuations in the remaining two districts are current, a registered valuer also provides the regional council with "an estimate of projected value" of property values in those districts (as provided for in Section 131 of the Local Government (Rating) Act 2002). The council services rate is set by reference to the projected capital value of each district. The land management rate and regional infrastructure rate are set according to projected land values in each district – for these two rates, remember that if all the districts had the same valuation date, then each district would have the same rate per dollar of actual land value.

Inspection and objection to council's rating information database

The rating information database for each district is available at the relevant district council and the Northland Regional Council. The rating information database for each district can also be found on each district council website. The website addresses are:

www.fndc.govt.nz

www.wdc.govt.nz

www.kaipara.govt.nz

Ratepayers have the right to inspect rating information database records and can object on the grounds set out in the Local Government (Rating) Act 2002.

Rating examples

How much will my rates be?

Presented on the next pages are some example rates for properties in each of Northland's three districts. The tables show the total rates that would apply to different groups of ratepayers under this annual plan.

Note that the rates detailed in this plan are worked out using estimated land or capital values (where applicable) – actual rates will be set using district valuation rolls as at 30 June 2017, so they may differ slightly.

Ratepayers in the Whangārei district

Whangārei district ratepayers will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017, with an additional charge of \$1.73 per separately used or inhabited part of a rating unit to fund the maintenance of the Hātea Channel;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of a rating unit;
4. A targeted regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed transport rate assessed on each separately used or inhabited part of a rating unit;
6. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of a rating unit; and
7. A targeted, Whangārei urban rivers management rate differentiated by location, and for some categories and set as a fixed amount on each separately used or inhabited part of a rating unit.

Whangārei Urban/Rural/Other Land Management Rate = LV rate in the \$ = 0.0004016 Infrastructure Rate = LV rate in the \$ = 0.0000350	Land Value	2017-18 Rates	2016-17 Rates
Residential Property (non CBD)			
Council Services Rate		\$117.66	\$108.62
Land Management Rate	\$120,000	\$48.19	\$45.13
Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure Rate		\$4.20	\$4.19
Transport Rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates		\$218.56	\$211.67
Residential Property (non CBD)			
Council Services Rate		\$117.66	\$108.62
Land Management Rate	\$225,000	\$90.36	\$84.63
Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure Rate		\$7.88	\$7.86

Transport Rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates		\$264.41	\$254.84
Residential property (in CBD area)			
Council Services Rate		\$117.66	\$108.62
Land Management Rate	\$225,000	\$90.36	\$84.63
Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure Rate		\$7.88	\$7.86
Transport Rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Whangārei Urban Rivers Management Rate		\$125.17	\$125.17
Total Regional Rates		\$389.58	\$380.01
Residential property (in storm water catchment area)			
Council Services Rate		\$117.66	\$108.62
Land Management Rate	\$225,000	\$90.36	\$84.63
Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure Rate		\$7.88	\$7.86
Transport Rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Whangārei Urban Rivers Management Rate		\$41.88	\$41.88
Total Regional Rates		\$389.58	\$296.72
Farm property			
Council Services Rate		\$117.66	\$108.62
Land Management Rate	\$2,750,000	\$1,104.40	\$1,034.28
Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure Rate		\$96.25	\$96.10
Transport Rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates		\$1,366.82	\$1,292.73
Commercial property (non CBD)			
Council Services Rate		\$117.66	\$108.62
Land Management Rate	\$2,000,000	\$803.20	\$752.20

Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure Rate		\$70.00	\$69.89
Transport Rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates		\$1,039.37	\$984.44
Commercial property (in CBD area)			
Council Services Rate		\$117.66	\$108.62
Land Management Rate	\$2,000,000	\$803.20	\$752.20
Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure Rate		\$70.00	\$69.89
Transport Rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Whangārei Urban Rivers Management Rate		\$324.43	\$324.43
Total Regional Rates		\$1,363.80	\$1,308.87

Whangārei district ratepayers in the Whangārei Heads Pest Management rate area will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017, with an additional charge of \$1.73 per separately used or inhabited part of a rating unit to fund the maintenance of the Hātea Channel;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of a rating unit;
4. A targeted regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed transport rate assessed on each separately used or inhabited part of a rating unit;
6. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of a rating unit; and
7. A targeted, fixed Whangārei Heads pest management rate assessed on each separately used or inhabited part of a rating unit located in and around the Whangārei Heads area.

Whangārei Urban/Rural/Other		Land Value	2017-18 Rates	2016-17 Rates
Land Management Rate = LV rate in the \$ = 0.0004016				
Infrastructure Rate = LV rate in the \$ = 0.0000350				
Residential Property (In the Whangārei Heads Pest Management Area)				
Council Services Rate			\$117.66	\$108.62
Land Management Rate		\$225,000	\$90.36	\$84.63
Regional Recreational Facilities Rate			\$22.85	\$28.75
Regional Infrastructure Rate			\$7.88	\$7.86
Transport Rate			\$13.90	\$13.22
Emergency Services Rate			\$11.76	\$11.76
Whangārei Heads Pest Management Rate			\$50.00	\$50.00
Total Regional Rates			\$314.41	\$304.84

Ratepayers in the Kaipara district

Kaipara district ratepayers will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017 and assessed on each rating unit;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of the rating unit;
4. A targeted, regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed emergency service rate assessed on each rating unit; and
6. A targeted Kaihū River management rate, based on land area, and differentiated by location and area of benefit as defined in the Kaihū River management scheme.

Kaipara urban/rural Land Management Rate = LV rate in the \$ = 0.0004300 Infrastructure Rate = LV rate in the \$ = 0.0000375	Land value	2017-18 Rates	2016-17 Rates
Residential property			
Council Services Rate		\$122.90	\$126.06
Land Management Rate	\$120,000	\$51.60	\$47.86
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure Rate		\$4.50	\$4.45
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates		\$195.33	\$195.88
Residential property			
Council Services Rate		\$122.90	\$126.06
Land Management Rate	\$225,000	\$96.75	\$89.73
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure Rate		\$8.44	\$8.35
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates		\$244.42	\$241.65
Farm property			
Council Services Rate		\$122.90	\$126.06
Land Management Rate	\$2,750,000	\$1,182.50	\$1,096.70
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure Rate		\$103.13	\$102.05
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates		\$1,424.86	\$1,342.32

Additional for properties in the Kaihū River catchment	Land value	2017-18 Rates	2016-17 Rates
10 hectares	Class A	\$212.20	\$256.20
	Class B	\$116.80	\$128.10
	Class F	\$16.50	\$19.20
100 hectares	Class A	\$2,122.00	\$2,562.00
	Class B	\$1,168.00	\$1,281.00
	Class F	\$165.00	\$192.00

Ratepayers in the Far North District

Far North district ratepayers will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017 and assessed on each separately used or inhabited part of the rating unit;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of the rating unit;
4. A targeted, regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of the rating unit.

Far North		2017-18 Rates	2016-17 Rates
Land Management Rate = LV rate in the \$ = \$0.0003612			
Infrastructure Rate = LV rate in the \$ = \$0.0000315			
Residential/Commercial/Other			
Council Services Rate		\$91.92	\$89.47
Land Management Rate	\$120,000	\$43.34	\$46.50
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure Rate		\$3.78	\$4.32
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates		\$155.37	\$157.80
Residential/Commercial/Other			
Council Services Rate		\$91.92	\$89.47
Land Management Rate	\$225,000	\$81.27	\$87.19
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure Rate		\$7.09	\$8.10
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates		\$199.61	\$202.27
Farm Property			
Council Services Rate		\$91.92	\$89.47
Land Management Rate	\$2,750,000	\$993.30	\$1,065.63
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure Rate		\$86.63	\$99.00
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates		\$1,188.18	\$1,271.61

Far North district ratepayers in the Awanui River management rate area will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017 and assessed on each separately used or inhabited part of a rating unit;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of a rating unit;
4. A targeted regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of a rating unit; and
6. A targeted Awanui River management rate, classes UA/UF, A & B, C, E and F differentiated by location and area of benefit as defined in the Awanui river flood management scheme.

Far North - Awanui Catchment		2017-18 Rates	2016-17 Rates
Land Management Rate = LV rate in the \$ = \$0.0003612		Land value	
Infrastructure Rate = LV rate in the \$ = \$0.0000315			
Residential & Commercial Urban			
Council Services Rate		\$91.92	\$89.47
Land Management Rate	\$120,000	\$43.34	\$46.50
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure Rate		\$3.78	\$4.32
Emergency Services Rate		\$11.76	\$11.76
<i>Plus Awanui river management rates applicable to:</i>			
Urban UA Low Land \$		\$207.00	\$197.72
Urban UF Hills \$		\$37.42	\$35.75
Commercial Urban UA \$ ¹		\$621.00	\$593.16
Lifestyle - 10 hectares			
Council Services Rate		\$91.92	\$89.47
Land Management Rate	\$450,000	\$162.54	\$174.38
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure Rate		\$14.18	\$16.20
Emergency Services Rate		\$11.76	\$11.76
<i>Plus Awanui river management rates applicable to:</i>			
Rural Commercial A & B		\$467.72	\$694.54
Rural Class A & B		\$161.52	\$238.74
Rural Class C		\$77.72	\$130.84
Rural Class E		\$8.42	\$10.84
Rural Class F		\$17.62	\$20.04

Farm Property - 100 hectares			
Council Services Rate		\$91.92	\$89.47
Land Management Rate	\$2,750,000	\$993.30	\$1,065.63
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure Rate		\$86.63	\$99.00
Emergency Services Rate		\$11.76	\$11.76
<i>Plus Awanui river management rates applicable to:</i>			
	Rural Commercial A & B	¹ Refer Below	¹ Refer Below
	Rural Class A & B	\$1,539.42	\$2,289.84
	Rural Class C	\$701.42	\$1,210.84
	Rural Class E	\$8.42	\$10.84
	Rural Class F	\$100.42	\$102.84

1. Commercial properties for the Awanui River management rate are subject to the 3:1 commercial differential on class UA (\$207 for urban commercial; \$15.31 per ha for rural commercial A & B). The rural commercial rate also includes a single rate of \$8.42 to reflect the indirect benefit. Note that commercial and industrial activities in rural zones that have a lower area and land value will be rated less than the illustrated differentials above - refer to rating factors previously set out (and multiply by the differential factor of three).

Far North district ratepayers in the Kaeo-Whangaroa rivers management rate area will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017 and assessed on each separately used or inhabited part of a rating unit;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of a rating unit;
4. A targeted regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of a rating unit; and
6. A targeted Kaeo-Whangaroa Rivers management rate set on a uniform basis in respect of each separately used or inhabited part of a rating unit for properties falling within the former Whangaroa ward (rating rolls 100-199).

Far North Land Management Rate = LV rate in the \$ = \$0.0003612 Infrastructure Rate = LV rate in the \$ = \$0.0000315		Land value	2017-18 Rates	2016-17 Rates
Residential/Commercial/Other				
Council Services Rate			\$91.92	\$89.47
Land Management Rate	\$120,000		\$43.34	\$46.50
Regional Recreational Facilities Rate			\$4.57	\$5.75
Regional Infrastructure Rate			\$3.78	\$4.32
Emergency Services Rate			\$11.76	\$11.76
Kaeo - Whangaroa Rivers Management Rate			\$53.66	\$72.19
Total Regional Rates			\$209.03	\$229.99
Residential/Commercial/Other				
Council Services Rate			\$91.92	\$89.47
Land Management Rate	\$225,000		\$81.27	\$87.19
Regional Recreational Facilities Rate			\$4.57	\$5.75
Regional Infrastructure Rate			\$7.09	\$8.10
Emergency Services Rate			\$11.76	\$11.76
Kaeo - Whangaroa Rivers Management Rate			\$53.66	\$72.19
Total Regional Rates			\$250.27	\$274.46
Farm Property				
Council Services Rate			\$91.92	\$89.47
Land Management Rate	\$2,750,000		\$993.30	\$1,065.63
Regional Recreational Facilities Rate			\$4.57	\$5.75
Regional Infrastructure Rate			\$86.63	\$99.00
Emergency Services Rate			\$11.76	\$11.76
Kaeo - Whangaroa Rivers Management Rate			\$53.66	\$72.19
Total Regional Rates			\$1,241.84	\$1,343.80

Far North district ratepayers in the Kaitiāia transport rate area will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017 and assessed on each separately used or inhabited part of a rating unit;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of a rating unit;
4. A targeted regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of a rating unit; and
6. A targeted, fixed Kaitiāia transport rate assessed on each separately used or inhabited part of a rating unit falling within the targeted area.

Far North				
Land Management Rate = LV rate in the \$ = \$0.0003612		Land value	2017-18 Rates	2016-17 Rates
Infrastructure Rate = LV rate in the \$ = \$0.0000315				
Residential/Commercial/Other				
Council Services Rate			\$91.92	\$89.47
Land Management Rate	\$120,000		\$43.34	\$46.50
Regional Recreational Facilities Rate			\$4.57	\$5.75
Regional Infrastructure Rate			\$3.78	\$4.32
Emergency Services Rate			\$11.76	\$11.76
Kaitaia Transport Rate			\$15.69	\$15.69
Total Regional Rates			\$171.06	\$173.49
Residential/Commercial/Other				
Council Services Rate			\$91.92	\$89.47
Land Management Rate	\$225,000		\$81.27	\$87.19
Regional Recreational Facilities Rate			\$4.57	\$5.75
Regional Infrastructure Rate			\$7.09	\$8.10
Emergency Services Rate			\$11.76	\$11.76
Kaitaia Transport Rate			\$15.69	\$15.69
Total Regional Rates			\$212.30	\$217.96
Farm Property				
Council Services Rate			\$91.92	\$89.47
Land Management Rate	\$2,750,000		\$993.30	\$1,065.63
Regional Recreational Facilities Rate			\$4.57	\$5.75
Regional Infrastructure Rate			\$86.63	\$99.00
Emergency Services Rate			\$11.76	\$11.76
Kaitaia Transport Rate			\$15.69	\$15.69
Total Regional Rates			\$1,203.87	\$1,287.30

Far North district ratepayers in the Mid-North transport rate area will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017 and assessed on each separately used or inhabited part of a rating unit;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of a rating unit;
4. A targeted regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of a rating unit; and
6. A targeted, Mid-North transport rate differentiated by location and category and set as a fixed amount per each separately used or inhabited part of a rating unit falling within the targeted area.

Far North		2017-18 Rates	2016-17 Rates
Land Management Rate = LV rate in the \$ = \$0.0003612	Land value		
Infrastructure Rate = LV rate in the \$ = \$0.0000315			
Residential			
Council Services Rate		\$91.92	\$89.47
Land Management Rate	\$120,000	\$43.34	\$46.50
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure Rate		\$3.78	\$4.32
Emergency Services Rate		\$11.76	\$11.76
Mid North Transport Rate		\$24.32	\$24.31
Total Regional Rates		\$179.69	\$182.11
Residential			
Council Services Rate		\$91.92	\$89.47
Land Management Rate	\$225,000	\$81.27	\$87.19
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure Rate		\$7.09	\$8.10
Emergency Services Rate		\$11.76	\$11.76
Mid North Transport Rate		\$24.32	\$24.31
Total Regional Rates		\$220.93	\$226.58
Farm Property			
Council Services Rate		\$91.92	\$89.47
Land Management Rate	\$2,750,000	\$993.30	\$1,065.63
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure Rate		\$86.63	\$99.00
Emergency Services Rate		\$11.76	\$11.76
Mid North Transport Rate		\$24.32	\$24.31

Total Regional Rates		\$1,212.50	\$1,295.92
Commercial			
Council Services Rate		\$91.92	\$89.47
Land Management Rate	\$2,000,000	\$722.40	\$775.00
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure Rate		\$63.00	\$72.01
Emergency Services Rate		\$11.76	\$11.76
Mid North Transport Rate		\$48.64	\$48.63
Total Regional Rates		\$942.29	\$1,002.62

Summary of rates

The following table illustrates the distribution of the regional rate on the actual and forecast bases for the 2016/17 year and the 2017/18 financial year. The actual and projected apportionment of rates between Northland's districts is as follows, based on the Valuation Roll at 30 June in each year:

Rating base information: Estimate – 30 June 2017

	Total projected number of Rating Units	Nett number of rating units (Kaipara) or SUIPS (Others)	Capital Value \$000's	Land Value \$000's	Equalised Capital Value \$000's	Equalised Land Value \$000's	Equalised CV%	Equalised LV%
Far North District	37,647	36,145	14,927,566	7,740,217	14,951,879	7,745,617	33.45%	34.27%
Kaipara District	14,982	13,481	6,245,800	3,689,857	7,456,885	4,372,302	16.68%	19.34%
Whangārei District	41,760	42,728	19,599,787	9,412,516	22,294,239	10,484,094	49.87%	46.39%
Total Valuation - Northland	94,389	92,354	40,773,153	20,842,590	44,703,003	22,602,013	100.00%	100.00%

	Budgeted rates 2017-18 (including GST)					Budgeted rates 2016-17 (including GST)				
	Far North District	Kaipara District	Whangārei District	Total \$ (gross)	Total \$ (net)	Far North District	Kaipara District	Whangārei District	Total \$ (gross)	Total \$ (net)
Targeted Council service rate										
Rates per SUIP	\$91.92			\$3,437,399	\$3,322,229	\$89.47			\$3,299,851	\$3,189,174
Rates per RU		\$122.90		\$1,841,361	\$1,656,881		\$126.06		\$1,816,314	\$1,700,336
Rates per SUIP			\$117.66	\$5,152,324	\$5,027,369			\$108.62	\$4,705,630	\$4,587,340
				\$10,431,084	\$10,006,479				\$9,821,796	\$9,476,850
Targeted Land management rate										
Rate per \$ of actual LV	\$0.0003612			\$2,795,766	\$2,761,198	\$0.0003875			\$2,674,594	\$2,646,618
Rate per \$ of actual LV		\$0.0004300		\$1,586,639	\$1,558,646		\$0.0003988		\$1,468,582	\$1,445,130
Rate per \$ of actual LV			\$0.0004016	\$3,780,066	\$3,737,533			\$0.0003761	\$3,521,658	\$3,476,147
				\$8,162,471	\$8,057,377				\$7,664,833	\$7,567,896
Targeted Regional recreational facilities										
Rates per SUIP	\$4.57			\$170,907	\$165,180	\$5.75			\$212,069	\$204,956
Rates per RU		\$4.57		\$68,468	\$61,608		\$5.75		\$82,846	\$77,556
Rates per SUIP			\$22.85	\$1,000,601	\$976,335			\$28.75	\$1,245,479	\$1,214,170
				\$1,239,976	\$1,203,123				\$1,540,393	\$1,496,682
Targeted Regional infrastructure rate										
Rate per \$ of actual LV	\$0.0000315			\$243,817	\$240,797	\$0.00003600			\$248,487	\$245,869
Rate per \$ of actual LV		\$0.0000375		\$138,370	\$135,930		\$0.00003711		\$136,650	\$134,252
Rate per \$ of actual LV			\$0.0000350	\$329,438	\$325,721			\$0.00003494	\$327,189	\$322,932
				\$711,625	\$702,448				\$712,325	\$703,053
Targeted Emergency service rate										

Rates per SUIP	\$11.76		\$439,795	\$425,059	\$11.76		\$433,729	\$419,181	
Rates per RU	\$11.76		\$176,188	\$158,537		\$11.76	\$169,439	\$158,620	
Rates per SUIP		\$11.76	\$514,970	\$502,481			\$11.76	\$509,458	\$496,651
			\$1,130,953	\$1,086,077			\$1,112,625	\$1,074,452	
Whangārei transport rate									
Rates per SUIP		\$13.90	\$608,681	\$593,919			\$13.22	\$572,704	\$558,307
Whangārei Heads pest management rate									
Rates per SUIP		\$50.00	\$108,900	\$107,350			\$50.00	\$108,200	\$106,450
Kaitiāia transport rate									
Rates per SUIP (Kaitiāia only)	\$15.69		\$96,007	\$94,124	\$15.69		\$95,661	\$93,872	
Targeted Mid North transport rate									
Rates per SUIP			\$ 292,779	\$ 286,506 8,630			\$ 292,463	\$ 286,190	
Awanui river management rate									
Far North District - Rural			\$130,803	\$130,267			\$187,857	\$186,603	
Far North District - Urban			\$554,035	\$552,718			\$496,379	\$496,382	
			\$684,838	\$682,985			\$684,236	\$682,985	
Kaihū river management rate									
Kaipara			\$79,869	\$79,869			\$90,670	\$90,670	
Kaeo-Whangaroa river management rate									
Far North (Kaeo only)	\$53.66		\$127,630	\$119,635	\$72.19		\$168,022	\$159,828	
Kerikeri-Waipapa rivers management rate									
Far North (Kerikeri-Waipapa only)			-	-			\$366,665	\$361,060	
Whangārei rivers management rate									
Rates per SUIP			\$1,090,679	\$1,084,786			\$1,081,811	\$1,074,274	
TOTAL RATES (including GST)									
Far North District			\$8,289,823	\$8,099,837			\$8,475,775	\$8,289,735	
Kaipara District			\$3,890,894	\$3,651,470			\$3,764,500	\$3,606,564	
Whangārei District			\$12,585,660	\$12,355,496			\$12,072,128	\$11,836,271	
TOTAL			\$24,766,377	\$24,106,803			\$24,312,402	\$23,732,570	



Financials

Financial statements

Financial statements

The following financial statements show our draft financial plan for the 2017/18 year.

Please note that the following documents support the financial information contained in these financial statements, and can be found on our website www.nrc.govt.nz/annualplanpolicies:

- Significant forecasting assumptions
- Significant financial forecasting assumptions
- Accounting policies.

Charging policy

Council's charging policy was adopted by council on 27 June 2017. This policy is available on our website: www.nrc.govt.nz/chargingpolicy

Prospective statement of comprehensive revenue and expense

Annual Plan 2016-17 \$	For the 2017-18 Annual Plan Periods Ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
REVENUE			
20,637,017	Rates	20,962,436	21,099,785
4,387,804	Fees and Charges	4,509,834	4,145,664
1,264,780	Subsidies and Grants	1,909,047	1,296,848
2,876,583	Interest Revenue	1,033,132	1,778,562
5,279,162	Other Revenue	5,671,499	6,621,306
836,000	Other Gains	2,769,229	977,000
35,281,345	TOTAL REVENUE	36,855,178	35,919,165
EXPENSES			
12,985,731	Personnel Costs	13,953,679	12,590,752
1,323,275	Depreciation and Amortisation Expense	1,433,641	1,400,362
578,864	Finance Costs	726,397	110,000
0	Other Losses	0	0
18,904,262	Other Expenditure on Activities	20,715,958	19,229,804
33,792,132	TOTAL OPERATING EXPENDITURE	36,829,675	33,330,918
1,489,213	SURPLUS/(DEFICIT) BEFORE TAX	25,503	2,588,247
0	INCOME TAX CREDIT/(EXPENSE)	0	0
1,489,213	SURPLUS/(DEFICIT) AFTER TAX	25,503	2,588,247
	SURPLUS/(DEFICIT) ATTRIBUTABLE TO:		
1,489,213	Northland Regional Council	25,503	2,588,247
	Non-Controlling Interest		
	OTHER COMPREHENSIVE REVENUE AND EXPENSE		
	<i>Items that will be reclassified to surplus/(deficit)</i>		
0	Financial Assets at fair value through other comprehensive revenue and expense	0	0
	<i>Items that will not be reclassified to surplus/(deficit)</i>		
0	Gains/(loss) on Property Revaluations	0	0
0	Gains/(loss) on Infrastructure Asset revaluations	0	0
0	TOTAL OTHER COMPREHENSIVE REVENUE AND EXPENSE	0	0
1,489,213	TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR	25,503	2,588,247

Prospective statement of financial position

Annual Plan 2016-17 \$	Prospective Statement of Financial Position as at 30 June	Annual Report 2015-16 \$	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
ASSETS				
Current Assets				
782,397	Cash and cash equivalents	1,674,580	401,641	4,872,960
4,000,000	Other Financial Assets	4,300,718	3,783,144	9,981,864
5,098,647	Receivables	5,264,216	6,231,006	5,192,753
3,274,603	Inventory	3,113,202	3,186,051	3,297,224
3,796,000	Assets Held for Sale	17,920,000	16,443,000	0
16,951,647	Total Current Assets	32,272,715	30,044,842	23,344,801
Non Current Assets				
5,796,444	Receivables	5,461,413	6,855,394	0
47,206,132	Other Financial Assets	48,589,803	49,371,660	32,608,536
33,857,645	Infrastructure, property, plant and equipment	30,257,159	32,213,104	33,433,649
40,870,000	Investment Property	28,883,000	29,563,949	45,579,000
208,142	Intangible Assets	704,349	139,836	373,922
2,200,000	Forestry Assets	2,360,000	2,360,000	1,933,000
0	Investment in Subsidiaries (excl. council controlled organisations) and Joint Venture company	7,827,563	7,827,563	0
8,690,246	Investment in Council Controlled Organisations	862,683	862,683	5,894,019
138,828,609	Total Non Current Assets	124,945,967	129,194,189	119,822,126
155,780,256	Total Assets	157,218,683	159,239,031	143,166,927
LIABILITIES				
Current Liabilities				
6,107,103	Payables	4,689,033	3,647,038	4,642,158
1,370,474	Employee Entitlements	1,503,264	1,538,440	1,471,299
7,477,577	Total Current Liabilities	6,192,297	5,185,478	6,113,457
Non Current Liabilities				
738,590	Payables and deferred revenue	844,217	850,000	0
13,000,000	Borrowings and other Financial Liabilities	13,000,000	13,000,000	0
74,447	Employee Entitlements	11,004	13,579	35,563
13,813,037	Total Non Current Liabilities	13,855,221	13,863,579	35,563
21,290,614	Total Liabilities	20,047,518	19,049,057	6,149,020
134,489,641	Net Assets	137,171,166	140,189,973	137,017,907

Equity				
117,073,095	Accumulated Funds	117,670,944	114,670,949	132,437,725
961,290	Revaluation reserves	938,441	938,441	2,940,755
16,455,256	Other Reserves	18,561,781	24,580,583	1,639,427
134,489,641	Total Equity	137,171,166	140,189,973	137,017,907
0	Non-controlling interests in subsidiary companies	0	0	0
134,489,641	TOTAL EQUITY	137,171,166	140,189,973	137,017,907

Prospective statement of changes in equity

Annual Plan		Annual Plan	LTP Year 3
2016-17	Prospective Statement of Changes in Equity for the period ending 30 June	2017-18	2017-18
\$		\$	\$
133,000,428	Balance at 1 July	140,164,470	134,429,660
1,489,213	Total Comprehensive Revenue and expense	25,503	2,588,247
134,489,641	Balance at 30 June	140,189,973	137,017,907
	Total Comprehensive Revenue and expense attributable to:		
1,489,213	Northland Regional Council	25,503	2,588,247
0	Non-controlling interests		0
134,489,641	Balance at 30 June	140,189,973	137,017,907

Prospective statement of cashflows

Annual Plan 2016-17 \$	Prospective Statement of Cashflows for the year ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$	Variance to LTP \$
	Cash flows from operating activities			
22,332,957	Receipts from rates revenue	24,120,681	21,031,044	(3,089,637)
4,632,896	Receipts from customers	5,928,836	5,043,473	(885,363)
1,019,688	Subsidies and grants received	1,452,878	1,193,273	(259,605)
1,662,318	GST received	2,535,097	2,604,624	69,527
87,382	Interest received	157,132	1,778,562	1,621,430
2,823,221	Other revenue received	3,210,300	6,080,283	2,869,983
(32,277,388)	Staff and Suppliers	(38,267,826)	(34,453,235)	3,814,591
(197,363)	Other payments - operating	(245,673)	(183,575)	62,098
(578,864)	Interest paid	(726,397)	(110,000)	616,397
(495,152)	Net cash provided (or used) in operating activities	(1,834,972)	2,984,449	4,819,421
	Cash flows from investing activities			
	Sale of infrastructure, property, plant and equipment			
2,500,000	Other receipts - investing	3,500,000	0	(3,500,000)
(1,782,354)	Purchase of infrastructure, property, plant and equipment	(1,516,479)	(883,073)	633,406
717,646	Net cash provided (or used) in investing activities	1,983,521	(883,073)	(2,866,594)
	Cash flows from financing activities			
0	Other receipts - financing		5,320	5,320
0	Net cash provided (or used) in financing activities	0	5,320	5,320
222,494	Net increase/(decrease) in cash & cash equivalents	148,549	2,106,696	1,958,147
559,903	Cash and Cash Equivalents at beginning of period	253,092	782,397	529,305
782,397	Cash and Cash Equivalents at end of period	401,641	2,889,093	2,487,452

Schedule of reserves

Revaluation reserves

Annual Plan 2016-17 \$	Schedule of reserves for the period ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
Asset Revaluation Reserve			
944,860	Opening Balance as at 1 July	956,290	2,924,325
	Increase /(Decrease) in Reserve throughout the year (operational transfer)		
	Increase /(Decrease) in Reserve throughout the year (capital transfer)		
944,860	Closing Balance as at 30 June	956,290	2,924,325
Financial Assets at Fair Value			
16,430	Opening Balance as at 1 July	(17,849)	16,430
	Increase /(Decrease) in Reserve throughout the year (operational transfer)		
	Increase /(Decrease) in Reserve throughout the year (capital transfer)		
16,430	Closing Balance as at 30 June	(17,849)	16,430
961,290	Total special reserves closing balance as at 30 June	938,441	2,940,755

Other reserves

Annual Plan 2016-17 \$	Schedule of reserves for the period ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
Land Management Reserve			
1,028,291	Opening Balance as at 1 July	760,692	779,791
(339,500)	Increase /(Decrease) in Reserve throughout the year (operational transfer)	(339,500)	(274,500)
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
688,791	Closing Balance as at 30 June	421,192	505,291
Awanui River Reserve			
(739,530)	Opening Balance as at 1 July	(590,418)	(1,060,488)
65,622	Increase /(Decrease) in Reserve throughout the year (operational transfer)	134,107	73,099
(61,995)	Increase /(Decrease) in Reserve throughout the year (capital transfer)	(63,001)	(63,001)
(735,903)	Closing Balance as at 30 June	(519,312)	(1,050,390)
Kaihu River Reserve			
41,123	Opening Balance as at 1 July	55,502	42,328
(20,374)	Increase /(Decrease) in Reserve throughout the year (operational transfer)	(10,000)	(7,598)
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
20,749	Closing Balance as at 30 June	45,502	34,730
Whangaroa-Kaeo Rivers Reserve			
(25,122)	Opening Balance as at 1 July	13,791	(101,142)
26,603	Increase /(Decrease) in Reserve throughout the year (operational transfer)	22,800	48,186
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
1,481	Closing Balance as at 30 June	36,591	(52,956)

Whangarei Urban Rivers Reserve			
(9,786,317)	Opening Balance as at 1 July	(9,860,078)	(8,885,521)
388,083	Increase /(Decrease) in Reserve throughout the year (operational transfer)	399,403	334,386
	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
(9,398,234)	Closing Balance as at 30 June	(9,460,675)	(8,551,135)
Kerikeri Waipapa Rivers Reserve			
(1,662,658)	Opening Balance as at 1 July	593,742	(1,518,713)
144,024	Increase /(Decrease) in Reserve throughout the year (operational transfer)	(43,800)	157,861
	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
(1,518,634)	Closing Balance as at 30 June	549,942	(1,360,852)
Infrastructure Facilities Reserve			
(1,047,489)	Opening Balance as at 1 July	(655,009)	(1,036,958)
202,991	Increase /(Decrease) in Reserve throughout the year (operational transfer)	175,200	80,150
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
(844,498)	Closing Balance as at 30 June	(479,809)	(956,808)
Recreational Facilities Reserve			
(2,263,180)	Opening Balance as at 1 July	(963,748)	(1,156,909)
1,188,385	Increase /(Decrease) in Reserve throughout the year (operational transfer)	963,748	1,156,909
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
(1,074,795)	Closing Balance as at 30 June	0	0
Property Reinvestment Fund Reserve			
18,704,528	Opening Balance as at 1 July	23,184,284	9,335,297
272,783	Increase /(Decrease) in Reserve throughout the year (operational transfer)	118,361	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
18,977,311	Closing Balance as at 30 June	23,302,645	9,335,297
Infrastructure Investment Fund Reserve			
6,244,082	Opening Balance as at 1 July	6,025,737	0
0	Increase /(Decrease) in Reserve throughout the year (operational transfer)	0	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	3,039,306	0
6,244,082	Closing Balance as at 30 June	9,065,043	0
Equalisation Fund Reserve			
1,926,456	Opening Balance as at 1 July	1,211,366	1,217,698
(745,725)	Increase /(Decrease) in Reserve throughout the year (operational transfer)	(543,087)	(313,301)
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
1,180,731	Closing Balance as at 30 June	668,279	904,397
Hatea River Reserve			
60,856	Opening Balance as at 1 July	153,934	159,608
5,268	Increase /(Decrease) in Reserve throughout the year (operational transfer)	5,268	2,537
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0

66,124	Closing Balance as at 30 June	159,202	162,145
Investment and Growth Reserve			
3,045,214	Opening Balance as at 1 July	1,535,386	2,611,037
(251,532)	Increase /(Decrease) in Reserve throughout the year (operational transfer)	(1,014,732)	34,832
26,138	Increase /(Decrease) in Reserve throughout the year (capital transfer)	7,304	7,304
2,819,820	Closing Balance as at 30 June	527,958	2,653,173
Whangarei Heads Pest Management Reserve			
0	Opening Balance as at 1 July	20,031	0
0	Increase /(Decrease) in Reserve throughout the year (operational transfer)	(8,933)	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
0	Closing Balance as at 30 June	11,098	0
Emergency Services Reserve			
0	Opening Balance as at 1 July	124,371	0
0	Increase /(Decrease) in Reserve throughout the year (operational transfer)	87,061	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
0	Closing Balance as at 30 June	211,432	0
Whangarei Transport Reserve			
0	Opening Balance as at 1 July	(9,544)	0
0	Increase /(Decrease) in Reserve throughout the year (operational transfer)	9,544	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
0	Closing Balance as at 30 June	0	0
Mid North Bus Reserve			
0	Opening Balance as at 1 July	0	0
0	Increase /(Decrease) in Reserve throughout the year (operational transfer)	106,238	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
0	Closing Balance as at 30 June	106,238	0
Carry Forward Reserve			
0	Opening Balance as at 1 July	0	0
0	Increase /(Decrease) in Reserve throughout the year (operational transfer)	(91,700)	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
0	Closing Balance as at 30 June	(91,700)	0
Kaitia Bus Reserve			
25,704	Opening Balance as at 1 July	24,594	17,200
2,363	Increase /(Decrease) in Reserve throughout the year (operational transfer)	2,363	(665)
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
28,067	Closing Balance as at 30 June	26,957	16,535
16,455,092	Total special reserves closing balance as at 30 June	24,580,583	1,639,427

Equity represents the total value of the council and its assets and is measured by the difference between total assets and liabilities. Public equity is disaggregated and classed into a number of reserves to enable clearer identification of the specified uses of accumulated surpluses.

The components of equity are:

- Retained earnings
- Council created reserves, and
- Asset revaluation reserves

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves can be used to account for revenue and expenditure collected or incurred in relation to specific work programmes. Where council sets and collects a targeted rate for a specific purpose, the funds can only be applied to that purpose. Keeping track of surpluses and deficits of those work programmes in reserves ensures council is accountable and transparent.

Where reserves carry a deficit balance, they are deemed to have undertaken internal borrowing from council's consolidated funds. Conversely, where the reserves carry a surplus, they are deemed to have loaned money to council's consolidated funds.

About council's reserves

Information about council's reserve funds held for a specific purpose is provided in the following table:

Reserve name	Purpose	Activities that may be funded from reserve
Land Management reserve	<p>This reserve was created to set aside Land Management rates collected but not fully used in any given year.</p> <p>Council is proposing to use this reserve to fund operating activities that would ordinarily be funded from the Land Management Rate. Using this reserve in this manner enables council to keep rates affordable while continuing to provide positive operational outcomes. In the three years from 2015/16 to 2017/18 council is proposing to use \$275,000 annually as follows:</p> <ul style="list-style-type: none"> • \$125k towards the Environment Fund • \$20k towards hydrology webcams • \$100k towards Land elevation surveys • \$30k towards increased soil monitoring and ecological surveys • \$65k towards reduction of dairy effluent <p>In 2017/18 council also intends to use the reserve to fund a special project to reduce effluent discharge from dairy farms, and has made \$65,000 available.</p> <p>The use of the reserve will be reviewed at the end of the 2017/18 financial year. While the Land Management reserve maintains a positive balance it can be used to fund emergency events such as remedial storm expenditure on a case-by-case basis. The Chief Executive Officer has delegation to incur expenditure of up to \$500,000 to enable the council to fund agreed expenditure from this reserve. The criteria for acceptable expenditure are as follows:</p> <ol style="list-style-type: none"> 1. Matching of government and district contributions to provide financial assistance for repair work for significant events; 	Civil defence and emergency management, natural hazard management, river management, land and biodiversity, biosecurity

	<p>2. Restoration work affecting one or more rivers, following a major flooding event;</p> <p>3. Urgent work to reduce the immediate flood risk;</p> <p>Storm damage repairs within a special rating area under the relevant Flood Management Plans.</p>	
Awanui River reserve	This reserve was created to hold any Targeted Awanui River Management rates collected and unspent in any given year to cover any future funding shortfalls of river works required as part of the Awanui River Flood Management scheme. The deficit balance of this reserve will be repaid from the targeted Awanui river management rates collected from the rate payers within the area of benefit identified in the Awanui flood management plan.	River management
Kaihū River reserve	This reserve was created to hold any Targeted Kaihū River Management rates collected and unspent in any given year to cover any future funding shortfalls of river works required as part of the Kaihū River Flood Management scheme	River management
Kaeo-Whangaroa River reserve	This reserve was created to hold any Targeted Kaeo-Whangaroa River Management rates collected and unspent in any given year to cover any future funding shortfalls of river works required as part of the Kaeo-Whangaroa River Flood Management scheme.	River management
Whangārei Urban Rivers reserve	This reserve was created to hold any Targeted Whangārei Urban Rivers Management rates collected and unspent in any given year to cover any future funding shortfalls of river works required as part of the Whangārei Urban Rivers Management scheme. The deficit balance of this reserve will be repaid from the targeted Whangārei Urban Rivers Management rates collected from residential and commercial ratepayer's in the Whangārei CBD and ratepayer's in the water catchment area (including properties falling in the Waiarohia, Raumanga, Kirikiri and Hātea Rivers catchments).	River management
Kerikeri-Waipapa Rivers reserve	This reserve was created to hold any Targeted Kerikeri-Waipapa River Management rates collected and unspent in any given year to cover any future funding shortfalls of river works required as part of the Kerikeri-Waipapa River Flood Management scheme.	River management
Infrastructure Facilities reserve	This reserve was created to set aside any Targeted Infrastructure rates collected and not fully used in any given year for the purpose of funding future infrastructure projects. The deficit balance of this reserve will be repaid from the Targeted Regional Infrastructure rates collected from ratepayers in all three Northland districts.	Economic development
Recreational Facilities reserve	This reserve was established to set aside any Targeted Regional Recreational Facilities rates collected and not fully used in any given year for the purpose of funding the Events Centre. This reserve represents the internal borrowing associated with \$13M contribution made by council towards the establishment of the Northland Events Centre. The rate was levied from 1 July 2006 and it is expected to continue for approximately 12 years. The deficit balance of this reserve	Economic development

	will be repaid from the Targeted Regional Recreational Facilities rates collected from ratepayer's in all three Northland districts. The Targeted Regional Recreational Facilities rate is set to continue for 2 more years.	
Property Reinvestment Fund reserve	This reserve was established to hold the proceeds of a commercial property sales and acquisitions and includes the proceeds of a special dividend (capital) payment made by the Marsden Maritime Holdings Limited. The funds are general funds and are set aside to be reinvested in income producing assets. The fund invests monies in separate managed funds which has been earmarked to hold the funds pending the identification of approved property investments. The fund targets a reasonable return to produce an income akin to rents and relating capital appreciation of the property market so as to maintain the purchasing power of the capital base.	Economic development
Equalisation Fund reserve	This reserve was created to set aside 50% of council's forestry net income arising in any year. This reserve is intended to provide future funding of councils general operating activities by allowing council to use these funds for any council activity to smooth future rating increases. It is further intended that this fund be used to fund the cost of forestry operations in non-harvesting years. Where a high degree of uncertainty exists around activity expenditure requirements, council has agreed to budget conservatively on the basis that if a budget overrun eventuates, these overruns can be funded from the Forest Equalisation Reserve. Council considers that funding contingent expenditure and one-off spikes in expenditure from this reserve to be fairer on ratepayers as it can be used to reduce the effects of rates increases that are not required to be sustained.	All
Hātea River Maintenance reserve	This reserve was created to set aside a component of the council services rate specifically levied across the Whangārei constituency to ensure funding is immediately available in the event dredging of the Hātea river is required. The funds may be applied to the following: 1. Ongoing maintenance and dredging; 2. Disposal of dredged spoil material; 3. The provision of an annual hydrographic survey of the river. The reserve is to be maintained at a targeted fund of up to \$400,000.	Harbour safety and navigation
Investment and Growth reserve	This reserve was created to set aside the investment income redirected to be made available for activities and projects that contribute towards economic well-being. Council will allocate monies from the reserve to projects in accordance with set criteria.	Economic development
Kaitāia Bus reserve	This reserve is to be created to hold any targeted Kaitāia transport rates collected and unspent in any given year to cover any future funding shortfalls of Kaitāia bus service	Transport
Approved carry forwards reserve	Approved carry forwards are amounts approved to be carried forward from one financial year to the next to enable specific work programmes to be completed. All carry forwards are approved by way of council resolution.	All

Whangārei Heads Pest Management reserve	This reserve was created to hold any targeted Whangārei Heads pest management rates collected and unspent in any given year to cover any future funding shortfalls of this pest management programme.	Land and biodiversity
Infrastructure Investment Fund reserve	This reserve was established to stabilise the impact of irregular large infrastructure projects on council's income and capital requirements. It will help spread the costs of such projects. The fund is also intended to provide more flexibility around when such large capital intensive projects can commence. The fund invests monies which has been earmarked for the approved infrastructure and economic development investments in external managed funds. The funds targets a moderate return, with capital protection and reasonable liquidity paramount in keeping with the Prudent Person rules of the Trustee Act. Low risk diversified income funds have been selected to achieve this.	River management
Whangārei Transport reserve	This reserve is to be created to hold any targeted Whangārei transport rates collected and unspent in any given year to cover any future funding shortfalls of Whangārei transport service.	Transport
Emergency Services reserve	This reserve is to be created to hold any targeted Emergency Services rates collected and unspent in any given year to contribute to any future funding shortfalls of Emergency Services funding.	Community representation and engagement
Mid North Bus reserve	This reserve is to be created to hold any targeted Mid North Bus rates collected and unspent in any given year to cover any future funding shortfalls of Mid North Bus service.	Transport

All reserves displaying a deficit balance at 1 July 2017 have an associated targeted rate that will generate income over a certain time period in order to return the reserve to a credit balance.

Community Investment Fund

Annual Plan 2016-2017 \$	Community Investment Fund	Annual Plan 2017-2018 \$	LTP Year 3 2017-2018 \$
12,164,852	Forecasted Opening Balance	12,469,000	13,000,852
836,000	Interest earned on funds	864,000	977,000
(332,144)	Transfer of investment income to operating (reduced dividend expectation)	(221,000)	0
0	Transfer of Investment income to the Investment and Growth Reserve	(643,000)	0
12,668,708	Forecasted Closing Balance	12,469,000	13,977,852

Investment and Growth Reserve

Annual Plan 2016-2017 \$	Investment and Growth Reserve	Annual Plan 2017-2018 \$	LTP Year 3 2017-2018 \$
3,045,214	Forecasted Opening Balance	1,535,386	2,611,037
1,700,000	Northland Regional Council Investment Income transferred to Reserve	1,700,000	1,700,000
0	Community Investment Fund Investment Income transferred to Reserve	642,690	0
(1,094,020)	Payment to Northland Inc. Limited as Operational funding	(1,115,900)	(1,120,745)
(104,192)	Payment to Northland Inc. Limited for Tourism	(106,276)	(106,738)
(200,000)	Payment to fund Feasibility Studies	(200,000)	(200,000)
(410,500)	Payment to fund Regional Promotion	(410,500)	(429,832)
(250,000)	Payments to fund Projects	(1,650,000)	0
(18,247)	Payments to Independent Investment Advisor	(18,704)	(19,501)
151,566	Interest earned on Reserve and other deposits	151,262	218,951
2,819,820	Forecasted Closing Balance	527,958	2,653,172

Financial prudence

There is an expectation that Northland Regional council will act with financial prudence. To measure the level of prudence a number of measures have been developed for the sector.

Northland Regional Council measures financial prudence using the following measures:

Affordability		2017-18 Annual Plan	
<i>Benchmark</i>		Target	
Rates Benchmark*	i) Total Rates as % of Total Revenue	<65%	57%
	ii) Total Rates increase as %	<5%	1.6% #
Debt Benchmark	Net Debt as % of Total Revenue	<175%	-142%
<i>Indicator</i>			
Rates indicator**		\$	261.03
Sustainability			
<i>Benchmark</i>		Target	
a)	Balanced budget benchmark***	>1	1.00
b)	Essential services benchmark****	>1	0.51
c)	Net Interest as a % of Revenue	<10%	-8.3%
d)	Liquidity	>110%	579%
Predictability			
<i>Benchmark</i>			
Operations control benchmark***** (result to be published in the annual report)		N/A	

*	Rates income complies with the limits set in the councils financial strategy
**	Rates Revenue per rating unit/SUIP
***	Revenue, excluding income from development contributions and financial contributions, revaluations and vested assets, exceeds operating expenditure
****	NRC has invested heavily in Flood Control Infrastructure over the last 5 years. It is expected that capital investment will be low over the next few years.
#	Increase calculated using change from 2016-17 Annual Plan to 2017-18 Annual plan



Contact us:

Main Office

36 Water Street, Whangārei.
Private Bag 9021, Whangārei
Mail Centre, Whangārei 0148.

Ōpua Office

Unit 10, Ōpua Marine Park,
Ōpua 0200.
T: 09 402 7516 | F: 09 402 7510

Kaitiāia Office

192 Commerce Street,
Kaitiāia 0410.
T: 09 408 6600 | F: 09 408 6601

Dargaville Office

42 Hokianga Road,
Dargaville 0310.
T: 09 439 3300 | F: 09 439 3301

Telephone: 09 470 1200 **Facsimile:** 09 470 1202

Email: mailroom@nrc.govt.nz

Freephone: 0800 002 004

24/7 Environmental Hotline: 0800 504 639

Website: www.nrc.govt.nz

Facebook: www.facebook.com/NorthlandRegionalCouncil

Twitter: www.twitter.com/NRCExpress