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Funding Impact Statement

HOW MUCH WILL MY RATES COST?

Total rates on each property in Nelson include payment for local authority (city council) and regional council services. Council is a unitary authority combining both of these functions. The final figure is made up of a combination of whichever of the following apply to your rating unit(s):

- General rate, which includes the uniform annual general charge (UAGC)
- Stormwater and flood protection charge
- Wastewater charge or commercial wastewater charge for sewage disposal
- Water annual charge
- Water volumetric rate

If part of scheme:

- Clean Heat Warm Home targeted rate
- Solar hot water targeted rate
- Postponement application charge
- Postponement interest.

DIFFERENTIALS

Some rates are set on a differential basis, which adjust rates upwards or downwards, typically depending on whether more or less Council services are provided, for example commercial, rural or multi-unit properties.

RATES AND CHARGES

The 'funding impact statement' sets out the rates and charges that are planned for the next year.

Unless otherwise stated, rates and charges are shown including GST.

RATING UNITS

The projected number of rating units within Nelson at 30 June 2019 is 22,412.

The projected total capital value of rating units within Nelson at 30 June 2019 is \$15,950,000,000.

The projected total land value of rating units within Nelson at 30 June 2019 is \$7,410,000,000.

RATING OF SEPARATELY USED OR INHABITED PARTS (SUIP) OF A RATING UNIT

Definition

A separately used or inhabited part of a rating unit includes any part separately used or

inhabited by the owner or by any other person or body having the right to use or inhabit that part by virtue of a tenancy, lease, license or other agreement. This definition includes separately used parts, whether or not actually occupied at any particular time, which are used by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner. For the purpose of this definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used' by the owner for this separate purpose. For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one separately used or inhabited part.

The following are considered to be separately used or inhabited parts of a rating unit where the above requirements are met.

- Flats or apartments (including flats that share kitchen or bathroom facilities)
- Separately leased commercial areas of a rating unit
- Where there is multiple use of a single rating unit, such as a shop with a dwelling.

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

- A residential sleep-out or granny flat without independent kitchen facilities
- A hotel room with or without kitchen facilities
- A motel room with or without kitchen facilities
- A bed and breakfast room with or without kitchen facilities
- Individual offices or premises of business partners
- Individually leased carparks
- Storage units
- Properties subject to statutory declarations for unoccupied or second residential units not being used as separate units.

Examples of Rates for 2019/20

To further clarify the rates changes from 2018/19 to those for the 2019/20 rating year a selection of properties has been shown to provide a guide. The following table is GST inclusive.

Examples of Total Impact of General and Targeted Rates on Different Land Uses and Values (GST Inclusive)												
Property Type	2015 Land Value	2018/19 Rates	2019/20 Rates									
			2018 Land Value	% Land Value Increase	General Rate	UAGC	Stormwater/ Flood Protection	Waste water	Water Annual Charge	Total Rates	% increase on 2018/19	\$ increase on 2018/19
Residential (Average LV Change 48.3%)	\$90,000	\$2,018	\$147,000	63.3	\$757	\$435	\$332	\$475	\$202	\$2,201	9.05	\$182
	\$105,000	\$2,127	\$160,000	52.4	\$824	\$435	\$332	\$475	\$202	\$2,268	6.61	\$140
	\$125,000	\$2,272	\$175,000	40.0	\$901	\$435	\$332	\$475	\$202	\$2,345	3.19	\$72
	\$147,000	\$2,432	\$220,000	49.7	\$1,133	\$435	\$332	\$475	\$202	\$2,577	5.93	\$144
	\$210,000	\$2,890	\$315,000	50.0	\$1,622	\$435	\$332	\$475	\$202	\$3,066	6.07	\$176
	\$200,000	\$2,818	\$275,000	37.5	\$1,416	\$435	\$332	\$475	\$202	\$2,860	1.49	\$43
	\$230,000	\$3,036	\$370,000	60.9	\$1,906	\$435	\$332	\$475	\$202	\$3,349	10.32	\$313
	\$255,000	\$3,218	\$400,000	56.9	\$2,060	\$435	\$332	\$475	\$202	\$3,504	8.89	\$286
	\$315,000	\$3,654	\$435,000	38.1	\$2,240	\$435	\$332	\$475	\$202	\$3,684	0.82	\$30
	\$330,000	\$3,763	\$495,000	50.0	\$2,549	\$435	\$332	\$475	\$202	\$3,993	6.11	\$230
\$445,000	\$4,599	\$650,000	46.1	\$3,348	\$435	\$332	\$475	\$202	\$4,791	4.17	\$192	
\$580,000	\$5,581	\$800,000	37.9	\$4,120	\$435	\$332	\$475	\$202	\$5,564	-0.31	-\$17	
Multi Residential (Two flats - Two UAGC & Wastewater Charges)	\$220,000	\$4,169	\$320,000	45.5	\$1,813	\$870	\$332	\$950	\$404	\$4,368	4.78	\$199
	\$800,000	\$8,610	\$1,100,000	37.5	\$6,232	\$870	\$332	\$950	\$202	\$8,585	-0.29	-\$25
Empty Residential Section (Water annual charge included if water meter is installed)	\$82,000	\$1,330	\$113,000	37.8	\$582	\$435	\$332			\$1,349	1.42	\$19
	\$220,000	\$2,531	\$295,000	34.1	\$1,519	\$435	\$332		\$202	\$2,488	-1.70	-\$43
	\$405,000	\$3,876	\$560,000	38.3	\$2,884	\$435	\$332		\$202	\$3,853	-0.60	-\$23
Small Holding (Water annual charge included if water meter installed) (Average LV Change - 35.85)	\$280,000	\$2,566	\$370,000	32.1	\$1,715	\$435	\$332			\$2,482	-3.28	-\$84
	\$385,000	\$3,451	\$520,000	35.1	\$2,410	\$435	\$332		\$202	\$3,379	-2.08	-\$72
Rural (Water annual charge included if water meter installed) (Average LV Change 12.2%)	\$790,000	\$4,150	\$920,000	16.5	\$3,080	\$435				\$3,515	-15.30	-\$635
	\$1,940,000	\$9,783	\$2,140,000	10.3	\$7,164	\$435			\$202	\$7,801	-20.26	-\$1,982
Commercial - Outside Inner City / Stoke - 1 Unit	\$365,000	\$7,719	\$475,000	30.1	\$6,695	\$435	\$332	\$119	\$202	\$7,782	0.81	\$63
Commercial - Outside Inner City / Stoke - 1 Unit	\$355,000	\$8,258	\$495,000	39.4	\$6,976	\$870	\$332	\$238	\$404	\$8,820	6.80	\$562
Commercial - Outside Inner City / Stoke - 1 Unit	\$335,000	\$7,170	\$470,000	40.3	\$6,624	\$435	\$332	\$119	\$202	\$7,711	7.55	\$541
Commercial - Stoke - 1 Unit	\$35,000	\$1,670	\$44,000	25.7	\$797	\$435	\$332	\$119	\$0	\$1,682	0.73	\$12
Commercial - Inner City - 2 Units	\$290,000	\$8,699	\$365,000	25.9	\$6,816	\$870	\$332	\$238	\$202	\$8,457	-2.78	-\$242
Commercial - Inner City - 2 Units	\$330,000	\$9,683	\$415,000	25.8	\$7,750	\$870	\$332	\$238	\$202	\$9,391	-3.02	-\$292
Commercial - Inner City - 1 Unit	\$1,160,000	\$29,582	\$1,450,000	25.0	\$27,078	\$435	\$332	\$119	\$202	\$28,165	-4.79	-\$1,417

This table does not include water charges based on consumption. This is charged at \$2.156 per cubic meter and an average residential ratepayer uses 160 m³ costing \$344.96 (GST Incl)

GENERAL RATE

A general rate set under section 13 of the Local Government (Rating) Act 2002 is based on the ratable value of the land. General rates are set at different rates in the dollar of ratable value for different categories of ratable land. The general rate is 0.51501 cents in the land value dollar (including GST) for the 2019/20 rating year for the base differential category. An explanation of the differential categories, the relative differentials for each category and the amount in the land value dollar for each category is set out at the end of this funding impact statement.

This compares to the previous year's rate of 0.72712 in the land value dollar in the 2018/19 rating year for the base differential category.

UNIFORM ANNUAL GENERAL CHARGE

A uniform annual general charge (UAGC) is set under section 15 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit.

It is assessed:

- As a charge for services which have an equal element of benefit irrespective of property value
- To ensure a minimum charge on all properties
- To reduce the extremes of rates paid by the highest and lowest valued rating units
- In recognition that land valuation-based rating does not necessarily reflect a ratepayer's ability to pay.

Council will collect 14% of rates, excluding Solar Saver and Clean Heat Warm Homes targeted rates and water annual charge and water volumetric rate, through the UAGC.

The UAGC is \$435.22 including GST per separately used or inhabited part of a rating unit for the 2019/20 rating year. The charge for 2019/20 is \$19.28 higher than the charge of \$415.94 for the 2018/19 rating year.

The rates revenue sought from the uniform annual general charge and certain targeted rates set as a fixed amount is 19.68% of the total revenue from all rates sought by Council. This is well within the 30% limit set by Section 21 of the Local Government (Rating) Act 2002.

DIFFERENTIALS

Differentials are adjustments to the rates of particular property types to better reflect the services provided by Council. Commercial properties pay higher rates to reflect additional services such as street cleaning and car parks. Properties classified as rural have a negative differential to reflect the fewer Council services provided to those properties.

CATEGORIES OF DIFFERENTIALS BASED ON LAND USE

These differential categories are defined in accordance with the provisions of Schedule Two of the Local Government (Rating) Act 2002. The same definitions are also used to calculate the liability for some other rates. The differential categories are as follows:

General Rate

Residential – all rating units that are used primarily for residential purposes.

Multi Residential – all rating units that contain more than one residential dwelling that are capable of being used primarily for residential purposes.

Commercial – any rating unit which is used primarily for commercial use. Properties that have a portion of residential use shall have a reduced commercial differential.

Inner City Commercial – any rating unit which is used primarily for commercial use that is located within the Inner City Zone, as defined in the Nelson Resource Management Plan. Properties that have a portion of residential use shall have a reduced inner city commercial differential.

Stoke Commercial – any rating unit which is used primarily for commercial use that is located within the Stoke commercial zone, as defined in the Nelson Resource Management Plan. Properties that have a portion of residential use shall have a reduced Stoke commercial differential.

Rural – any rating unit having an area greater than 15 hectares which is used primarily for dairy, fattening and grazing, quarries, forestry or horticultural use and is recorded as rural on the District Valuation Roll.

Small Holding – any rating unit which is primarily used as a small holding and having an area greater than 0.5 hectares but is less than 15 hectares and is recorded as a small holding on the District Valuation Roll.

Rating categories

Council has adopted the following differentials:

- Single residential with non-rateable portion and Multi Residential both have a plus 10% general rate differential
- Rural have a minus 35% general rate differential
- Small holdings have a minus 10% general rate differential

Commercial rates are set to collect 24.1% of the total rates excluding water annual charge and water volumetric rate, Clean Heat Warm Homes and Solar Saver charges. This has decreased from 24.6% in the Annual Plan 2018/19 and the reduction affects the inner city and Stoke commercial properties. 25.522% of this is funded from inner city commercial properties, 1.869% from Stoke commercial properties, while 72.609% is funded from commercial excluding inner city and Stoke commercial properties. This would result in commercial properties paying a total of \$18,212,968 (including water annual charge) in rates for the 2019/20 rating year compared to \$17,608,260 the previous year. The commercial zones of inner city and Stoke are defined in the Nelson Resource Management Plan.

DIFFERENTIAL RATES FOR THE GENERAL RATE

Council's general rate is assessed on a differential basis.

Category 2019/20	Differential %	Cents in the dollar
Residential – single unit	0.0	0.51501
Residential empty section	0.0	0.51501
Single residential unit forming part of a parent valuation, the remainder of which is non-rateable	10.0	0.56651
Multi Residential	10.0	0.56651
Rural	-35.0	0.33476
Small holding	-10.0	0.46351

Category 2019/20	Differential %	Cents in the dollar
Commercial – excluding inner city and Stoke commercial		
100% commercial and industrial (occupied and empty)	173.66	1.40938
25% residential/75% commercial	130.2	1.18555
50% residential/50% commercial	86.8	0.96204
75% residential/25% commercial	43.4	0.73852
Commercial – inner city		
100% commercial and industrial (occupied and empty)	262.6	1.86743
25% residential/75% commercial	197	1.52958
50% residential/50% commercial	131.3	1.19122
75% residential/25% commercial	65.7	0.85337
Commercial – Stoke		
100% commercial and industrial (occupied and empty)	251.6	1.81078
25% residential/75% commercial	188.7	1.48683
50% residential/50% commercial	125.8	1.16289
75% residential/25% commercial	62.9	0.83895

The categories that are to be used for applying the general rate differential and the amount of total revenue (excluding volumetric water) to be collected from each category, for 2019/20, is as follows:

Category	Total Revenue to be collected (\$)
Residential	54,343,977
Multi-residential	3,919,582
Commercial (Inner City, Stoke and other)	18,212,968
Rural	450,388
Small holding	1,803,067

Properties that have more than one use identified above will be placed into a rating category subject to the rating unit's majority use as determined by Council. The neutral base from which differentials are calculated is a residential property with a single dwelling.

Note: Objections to the Rating Information Database under Section 29 of the Local Government (Rating) Act 2002 will be reviewed by Council and Council is the sole determiner of rating categories

STORMWATER AND FLOOD PROTECTION CHARGE

The stormwater and flood protection charge is a uniform targeted rate set under section 16 of the Local Government (Rating) Act 2002 per rating unit and is \$331.50 for the 2019/20 rating year. It recovers the funding required by Council for stormwater and flood protection purposes. It is assessed on all rating units excluding:

- Rural rating units
- Rating units east of the Gentle Annie saddle
- Saxton's Island
- Council's stormwater network

The charge for 2019/20 is \$13.91 higher than the charge of \$317.59 for the 2018/19 rating year.

TARGETED RATES FOR CLEAN HEAT WARM HOMES

The Clean Heat Warm Homes (CHWH) rates are targeted rates under Section 16 of the Local Government (Rating) Act 2002 and are assessed on each separately used or inhabited part of a rating unit that has been provided with home insulation and/or a heater to replace a non-complying solid fuel burner in accordance with agreement of the original ratepayer.

The cost to the community is from funding the interest on the borrowing for the assistance, the administration costs and any rate remissions. The CHWH scheme closed to new applicants from 30 May 2012, but interest costs continue until the last targeted rate is repaid in 2022.

For CHWH agreements dated before 1 July 2011, the targeted rate for each year is based on the agreement entered into with the ratepayer, adjusted for any change in GST.

For CHWH agreements dated on or after 1 July 2011, the targeted rate for each year for 10 years is the total cost of the installed works excluding GST, divided by 10, plus GST at the current rate.

The table below details the loan assistance bands:

Loan Assistance Range	Installation after 30 Sept 2010	Completed prior to 30 Sept 2010
<i>\$1,400 to \$1,599</i>	<i>\$140.00</i>	<i>\$143.11</i>
<i>\$1,600 to \$1,799</i>	<i>\$160.00</i>	<i>\$163.56</i>
<i>\$1,800 to \$1,999</i>	<i>\$180.00</i>	<i>\$184.00</i>
<i>\$2,000 to \$2,199</i>	<i>\$200.00</i>	<i>\$204.44</i>
<i>\$2,200 to \$2,399</i>	<i>\$220.00</i>	<i>\$224.89</i>
<i>\$2,400 to \$2,599</i>	<i>\$240.00</i>	<i>\$245.34</i>
<i>\$2,600 to \$2,799</i>	<i>\$260.00</i>	<i>\$265.78</i>
<i>\$2,800 to \$2,999</i>	<i>\$280.00</i>	<i>\$286.22</i>
<i>\$3,000 to \$3,199</i>	<i>\$300.00</i>	<i>\$306.67</i>
<i>\$3,200 to \$3,399</i>	<i>\$320.00</i>	<i>\$327.11</i>
<i>\$3,400 to \$3,599</i>	<i>\$340.00</i>	<i>\$347.56</i>
<i>\$3,600 to \$3,799</i>	<i>\$360.00</i>	<i>\$368.00</i>
<i>\$3,800 to \$3,999</i>	<i>\$380.00</i>	<i>\$388.44</i>
<i>\$4,000 to \$4,199</i>	<i>\$400.00</i>	<i>\$408.89</i>
<i>\$4,200 to \$4,399</i>	<i>\$420.00</i>	<i>\$429.34</i>
<i>\$4,400 to \$4,599</i>	<i>\$440.00</i>	<i>\$449.78</i>
<i>\$4,600 to \$4,799</i>	<i>\$460.00</i>	<i>\$470.22</i>
<i>\$4,800 to \$4,999</i>	<i>\$480.00</i>	<i>\$490.67</i>

TARGETED RATE FOR SOLAR HOT WATER SYSTEMS

The Solar Saver charge is a targeted rate collected under Section 16 of the Local Government (Rating) Act 2002 on each separately used or inhabited part of a rating unit where the owner has been provided with financial assistance to install a Solar Hot Water System (SHWS).

The targeted rate applying to any participating property is determined on the extent of provision of service by the net cost of the work including GST, after deducting EECA grants, plus the funding cost. The full cost of the works and Council's costs of borrowing and administering the scheme are paid over a 10 year period by the homeowner receiving the service.

Calculation factors:

- 0.14964 (including GST) for agreements entered into prior to 1 July 2011, multiplied by the Net Cost of the Work adjusted for any increased GST
- 0.13847 (including GST) for agreements entered into after 1 July 2011 multiplied by the Net Cost of the Work.

The CHWS scheme closed to new applicants from 30 June 2012.

WASTEWATER CHARGE

A targeted rate is set under Section 16 of the Local Government (Rating) Act 2002 to recover the costs required for Council's wastewater and sewage disposal system. This

charge is assessed to all rating units to which Council’s wastewater and sewage disposal service is connected either directly or through a private drain to a public waste water drain.

The wastewater charge for residential, multiresidential, rural and smallholding properties is \$475.00 per separately used or inhabited part of a rating unit including GST for the 2019/20 rating year compared to the previous year’s rate of \$432.30. The same definition of the differential categories for the general rate is used for the wastewater charge.

The wastewater charge for commercial properties is set at \$118.75 per separately used or inhabited part of a rating unit being 25% of the charge for the residential, multiresidential, rural and smallholding properties. Commercial properties are also assessed wastewater charges based on Council’s Trade Waste Bylaw. These charges are set out in the Commercial Wastewater Charge – Trade Waste Charges section of this Annual Plan 2019-20.

WATER RATES

Nelson’s water rates are targeted rates for water supply set under sections 16 and 19 of the Local Government (Rating) Act 2002 which together recover the funding required by Council to supply water.

WATER ANNUAL CHARGE

A fixed annual charge set per connection under Section 16 of the Local Government (Rating) Act 2002 on all rating units where a water meter is installed on the property.

The annual rate for 2019/20 is \$201.85 per connection including GST compared with \$197.68 in the previous year.

WATER VOLUMETRIC RATE

A charge for the quantity of water provided set under Section 19 of the Local Government (Rating) Act 2002 according to the following scale. These charges are invoiced separately from the other rates.

The cost per cubic meter is set out in the table below

WATER CHARGES – RESIDENTIAL, COMMERCIAL AND INDUSTRIAL INCLUDING GST

Amount/type	Cost (\$ per m3) 2018/19	Cost (\$ per m3) 2019/20
Usage up to 10,000m ³ per year	2.102	2.156
Usage from 10,001 to 100,000m ³ per year	1.659	1.883
Usage over 100,000m ³ per year	1.310	1.486
Summer irrigation usage over 10,000m ³ per year	1.881	2.019

The water rates represent an average increase of 2.3% for the 2019/20 year for an average water user.

Note: an average residential water user uses 160m³ per annum.

Lump sum contributions will not be invited in respect of any targeted rate.

PAYMENTS, PENALTIES AND DISCOUNTS

Payment methods for rates

Payment for rates can be made by Cash, Cheque, EFTPOS, Direct Debit, Direct Credit, Internet Banking, Telephone Banking and Credit Card (via our website only).

Penalty on unpaid rates (excluding water volumetric rates)

In accordance with Sections 57 and 58 of the Local Government (Rating) Act 2002, a penalty of 10% is added to each instalment or part thereof that is unpaid after the last date for payment. The penalty dates are 20 August 2019, 20 November 2019, 20 February 2020 and 20 May 2020. Previous year's rates that remain unpaid will have a further 10% penalty added on 8 July 2019 and 8 January 2020.

Penalty on unpaid water volumetric rates

In accordance with Sections 57 and 58 of the Local Government (Rating) Act 2002, a penalty of 10% is added to each water account or part thereof that is unpaid after the last date for payment. The penalty is added three working days after the last day for payment.

Penalty remission on full payment of yearly rates

The total annual rates, excluding water volumetric rates, may be paid in one lump sum by 20 November 2019 and any first instalment penalty already incurred will be remitted.

Discount for early payment of rates

In accordance with Section 55 of the Local Government (Rating) Act 2002, a discount of 2% of the total year's rates, excluding water volumetric rates, will be allowed where they are paid in full on or before 20 August 2019.

Commercial Wastewater Charge – Trade Waste Charges

Wastewater charges for commercial properties are set according to Council's Trade Waste Bylaw. The methodology for calculating the charges to commercial producers is complicated, but in summary Council examines the flow rates and effluent strength during the previous three years to calculate charges for the following year.

Two methods are used for commercial properties:

- Method A is applied to the largest trade waste contributor and the charge is calculated on both discharge rates and effluent strength. Charges are highest for the most concentrated and larger volumes.
- Method B applies to all other trade waste contributors, of which there are approximately 2000 in Nelson city. The charge is calculated based on the estimated volume of effluent discharged. The estimate assumes the amount of wastewater is 80% of the volume of incoming water.
- Total trade waste revenue for 2019/20 is estimated to be \$1,498,600

For 2019/20, the GST inclusive trade waste charges are:

- Trade waste A conveying charge \$621.92 per litre per minute
- Trade waste A treatment charge \$1,076.57 per kg BOD* per day
- Trade waste B combined charge \$1.94 per m³
- Wastewater charge \$118.75 per year.

*BOD is the biochemical oxygen demand, or effluent strength.

For the previous year, 2018/19, the GST inclusive trade waste charges were:

- Trade waste A conveying charge \$625.01 per litre per minute
- Trade waste A treatment charge \$1,123.75 per kg BOD* per day
- Trade waste B combined charge \$1.96 per m³
- Wastewater charge \$108.53 per year.

Method A: quality/quantity approach The largest commercial contributor is monitored every three months and the waste stream sampled over four days to measure the discharge rate and effluent strength as BOD, the biochemical oxygen demand. The trade waste charge is then calculated using the conveyance, which is the amount discharged, and treatment rates from the method of charging schedule. These rates are determined annually. The conveyance rate is calculated by dividing the estimated conveyance costs for the coming financial year by the average of the previous three year's average flows. The treatment rate is calculated by dividing the estimated treatment costs for the coming financial year by the average of the previous three year's BOD loadings.

The 2019/20 charges compared with the previous year's charges are:

CONVEYING (\$/ANNUM/LITRE/MINUTE), INCLUDING GST

Year	Total Cost (\$)	Average Flow Rate (litres/minute)	Cost/Litre/Minute (\$)
2018/19	6,476,807	10,363	625.01
2019/20	7,098,629	11,413	621.92

Year	Total Cost (\$)	Average BOD loading (kg/day)	Cost/kg/BOD/day (\$)
2018/19	4,182,416	3,722	1,123.75
2019/20	4,561,926	4,237	1,076.57

TREATMENT (\$/KG BOD/DAY), INCLUDING GST

Method B: quantity approach

For all other commercial premises, the tradewaste charge is simply based on the volume of effluent assessed as being discharged from the premises.

This effluent volume is calculated by multiplying the volume of water supplied into the premises by a correlation factor. The correlation factor is usually set at 0.8 unless another figure is agreed. It is assumed that 80% of the water that is distributed to a commercial property is subsequently discharged as wastewater. The trade waste charge is then calculated using a combined conveyance and treatment rate. This rate is determined annually by dividing the estimated cost of operating the sewerage system for the coming financial year by the average of the previous three year's total effluent volume. Initially, all trade waste ratepayers pay the wastewater rate that is then deducted from the trade waste charges. Any surplus is not refunded. The deficit is the payable trade waste charge.

The 2019/20 charges compared with the previous year's charges are:

CONVEYING AND TREATMENT, INCLUDING GST

Year	Total Cost (\$)	Total effluent volume (m3)	Cost/m3 (\$)
2018/19	10,659,223	5,446,636	1.96
2019/20	11,659,955	5,998,738	1.94

ANNUAL PLAN DISCLOSURE STATEMENT FOR YEAR ENDING 30 JUNE 2018

WHAT IS THE PURPOSE OF THIS STATEMENT?

The purpose of this statement is to disclose Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). *Refer to the regulations for more information, including definitions of some of the terms used in this statement.*

Benchmark	Limit	Planned	Met
Rates affordability benchmark:			
• income	\$105m	\$77m	Yes
• increase	4.3%	4.2%	Yes
Debt affordability benchmark	<150%	78%	Yes
Balanced budget benchmark	>100%	104%	Yes
Essential services benchmark	>100%	154%	Yes
Debt servicing benchmark	<10%	3.4%	Yes

NOTES

1 Rates affordability benchmark

- 1) For this benchmark,—
 - a. the Council's planned rates income for the year is compared with a quantified limit on rates contained in the financial strategy included in the council's Long Term Plan; and
 - b. the Council's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the council's Long Term Plan.
- 2) The Council meets the rates affordability benchmark if—
 - a. its planned rates income for the year equals or is less than each quantified limit on rates; and
 - b. its planned rates increases for the year equal or are less than each quantified limit on rates increases.

2 Debt affordability benchmark

- 1) For this benchmark, the Council's planned borrowing is compared with a quantified limit on borrowing contained in the financial strategy included in the Council's Long Term Plan.
- 2) The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

3 Balanced budget benchmark

- 1) For this benchmark, the Council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).
- 2) The Council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

4 Essential services benchmark

- 1) For this benchmark, the council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.
- 2) The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

5 Debt servicing benchmark

- 1) For this benchmark, the Council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).
- 2) Because Statistics New Zealand projects that the Council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

**NELSON CITY COUNCIL
SUMMARY OF CAPITAL EXPENDITURE OVER \$100,000 IN ANY ONE YEAR**

<i>Project</i>	<i>2018/19 Final Inflated LTP (2018)</i>	<i>2019/20 Final Inflated LTP (2018)</i>	<i>AP Budget 2019/20</i>	<i>Difference from LTP 2019/20</i>
Corporate				
Civic House				
1st Floor Upgrade	588,000	-	800,000	800,000
Airconditioning	395,000	255,500	400,000	144,500
Building modifications	30,000	1,328,600	50,000	(1,278,600)
Capital: Plant & Equipment	180,000	-	50,000	50,000
Civic House Renewal Program	17,000	162,498	174,498	12,000
Rental Properties				
Ex-Four Seasons Demolition (Haven Rd)	-	408,800	-	(408,800)
Policy				
Haven Precinct capital works	-	255,500	558,800	303,300
Administration				
Fleet Vehicles	86,505	143,622	143,622	0
Core Systems enhancement	270,328	275,940	275,940	0
Corporate Projects under \$100,000	969,941	653,683	780,724	127,041
Total Corporate	2,536,774	3,484,143	3,233,584	(250,559)
Economic				
Economic Development				
CBD Enhancements	200,000	204,400	590,000	385,600
Total Economic	200,000	204,400	590,000	385,600
Environmental Management				
Monitoring the Environment				
Other Catchment Upgrades	108,131	110,478	110,478	0
Environmental Management Projects under \$100,000	149,816	191,779	200,819	9,040
Total Environmental Management	257,947	302,257	311,297	9,040
Flood Protection				
Maire Stream: Stage 1	150,000	-	-	0
Inventory of Urban Streams	238,000	102,200	102,200	0
Flood Mitigation	-	161,610	161,610	0
Saxton Creek upgrade	2,795,598	367,920	1,300,000	932,080
Whakatu Drive (Storage World)	604,414	408,800	600,000	191,200
Secondary Flow Paths	50,000	102,200	102,200	0
Saxton Creek Culvert Upgrade	150,000	3,089,506	1,000,000	(2,089,506)
Orphanage Stream / Sunningdale	132,103	-	-	0
Orphanage Stream - bunding and Suffolk Road Culvert	140,000	858,480	918,480	60,000
Vested Assets	166,000	169,652	169,652	0
Flood Protection Projects under \$100,000	486,576	364,420	402,251	37,831
Total Flood Protection	4,912,691	5,624,788	4,756,393	(868,395)
Parks & Active Recreation				
Public Gardens				
Isel park bridge upgrade	60,000	127,750	100,000	(27,750)
Miyazu Garden Pond Relining	-	-	170,000	170,000
Neighbourhood Parks				
Reserve Development Programme	120,000	316,820	136,820	(180,000)
Land Purchase: General Reserve	1,180,000	817,600	817,600	0
Paddys Knob reserve development	20,000	-	180,000	180,000
Landscape reserves				

Project	2018/19 Final Inflated LTP (2018)	2019/20 Final Inflated LTP (2018)	AP Budget 2019/20	Difference from LTP 2019/20
Capital: Grampians	150,000	255,500	50,000	(205,500)
Maitai MTB Hub	20,000	715,400	715,400	0
Retired forestry block conversion programme	-	-	255,500	255,500
Esplanade & Foreshore				
Modellers Pond Solution	-	970,900	-	(970,900)
Poormans walkway (Main rd - Neale ave)	60,000	204,400	304,400	100,000
Walkways				
Tahuna Beach to Great Taste Trail (airport)	808,988	-	320,000	320,000
Pools				
Riverside Pool water heating system renewal	70,000	-	300,000	300,000
Play Facilities				
Renewals: Play Equipment	90,000	204,400	204,400	0
Mako St playground development	150,000	-	-	0
Marina				
Marina Hardstand LOS improvements	227,000	71,540	250,000	178,460
Public boat ramp improvements	285,000	286,160	80,000	(206,160)
New Trailer Boat Storage Yard	45,000	102,200	102,200	0
Marina boat trailer car park improvements	100,000	204,400	84,400	(120,000)
Marina boat storage expansion	-	204,400	204,400	0
Saxton Field				
Renewals: replace hockey turf	605,000	-	-	0
Renewal: Athletic Track	20,000	899,360	899,360	0
Regional Community Facilities				
Water sports building at Marina	600,000	817,600	150,000	(667,600)
Parks & Active Recreation Projects under \$100,000	2,264,458	2,307,610	2,343,579	35,969
Total Parks & Active Recreation	6,875,446	8,506,040	7,668,059	(837,981)
Social				
Managing Heritage & Arts				
Art Works Programme	181,098	82,882	72,882	(10,000)
Nelson Library				
Elma Turner Library Extension/ Relocation	400,000	1,226,400	1,226,400	0
Book Purchases	399,538	408,328	408,328	0
Marsden Valley Cemetry				
New burial area	850,000	-	350,000	350,000
Toilet (Free)				
Growth: Millers Acre Toilet	45,000	260,610	260,610	0
Queens Garden Toilet	-	-	140,000	140,000
Tahunanui Lions Toilet Upgrade	60,000	143,080	143,080	0
Greenmeadows Centre				
Greenmeadows Centre	125,000	-	-	0
Community Housing				
Community Housing Renewals	290,000	296,380	296,380	0
Social Projects under \$100,000	620,716	525,843	579,122	53,279
Total Social	2,971,352	2,943,523	3,476,802	533,279
Solid waste				
Joint Landfill Upgrade	12,000	33,000	33,000	0
Solid Waste Projects under \$100,000	30,000	30,660	30,660	-
Total Solid Waste	42,000	63,660	63,660	-
Stormwater				
Private/Public Drains	58,131	110,478	110,478	0
Montcalm/Arrow/Washington Valley/Hastings	37,915	1,105,099	80,000	(1,025,099)
Wastney Terrace stormwater (private drain program)	-	817,600	517,600	(300,000)
Nile Street East	807,904	-	5,000	5,000
Bisley Avenue	50,000	-	106,600	106,600

Project	2018/19 Final Inflated LTP (2018)	2019/20 Final Inflated LTP (2018)	AP Budget 2019/20	Difference from LTP 2019/20
Nayland Road / Galway	206,000	-	300,000	300,000
Rutherford Stage 1 - Girls College Detention	290,000	1,533,000	100,000	(1,433,000)
Tahunanui Hills Stormwater- Moana Avenue to Rocks Road	100,000	92,649	121,458	28,809
Parere Street Stormwater upgrade	316,000	-	-	0
Vested Assets				
Hill Street North stormwater	-	245,280	245,280	0
Other Vested Assets	1,129,000	1,153,838	1,153,838	0
Stormwater Projects under \$100,000	715,769	818,924	1,102,091	283,167
Total Stormwater	3,710,719	5,876,868	3,842,345	(2,034,523)
Transport				
Subsidised Rooding				
UCP Saltwater Creek Crossing	400,000	-	400,000	400,000
Marsden Valley Ridgeway Upgrade	50,000	102,200	102,200	0
Renewals: Footpaths	800,000	820,053	920,053	100,000
Minor Improvements	525,000	357,700	785,194	427,494
Drainage Renewals	150,000	153,300	399,000	245,700
Sealed Road Pavement Rehabilitation	278,000	349,780	-	(349,780)
Sealed Road Resurfacing	1,170,000	1,195,740	1,304,700	108,960
Railway Reserve/Princes Dr cycle crossing upgrade	104,000	-	430,000	430,000
Maitai shared path to Nelson east programme	50,000	51,100	120,000	68,900
New Footpaths	700,000	715,400	1,069,410	354,010
Toi Toi St upgrade	-	-	125,000	125,000
Sharedzone - Beachville Cres	40,000	183,960	183,960	0
Airport Bridge Replacement	-	255,500	-	(255,500)
Structures component replacement	104,000	334,586	335,500	914
Traffic Services Renewal - Lighting	367,000	375,074	375,074	0
Jenkins Creek shared path widening	180,000	-	-	0
Streetlight conversion to LED	723,000	-	-	0
Maitai shared path to Anzac Park active transport fac	60,000	306,600	339,000	32,400
Tahunanui Cycle Network - SH6 Tahunanui Drive connect	200,000	817,600	817,600	0
Cross Town Links Brook to Central	-	-	150,000	150,000
CCTV at traffic signals	10,000	132,860	-	(132,860)
Waimea Road / Hampden Street intersection upgrade	40,000	255,500	20,000	(235,500)
Westbrook Convergence Bridge deck replacement	448,000	-	398,000	398,000
Seafeld Terrace Road Re-instatement	-	-	1,330,000	1,330,000
Travel demand management improvements	-	255,500	255,500	0
Maitai Valley Road shared path modifications	180,000	-	110,000	110,000
Vested Assets				
Hill Street North improvements	-	684,740	684,740	0
Other Vested Assets	4,120,000	4,210,640	4,210,640	0
Parking and CBD Enhancement				
Renewal: CBD aesthetic elements	150,000	153,300	103,520	(49,780)
Renewals: On and Off St Parking Meter	158,500	529,784	579,784	50,000
Church Street Improvements	400,000	51,100	-	(51,100)
Public Transport				
Integrated Ticketing GRETS	310,000	-	190,000	190,000
Transport Projects under \$100,000	1,164,475	1,560,371	2,069,482	509,111
Total Transport	12,881,975	13,852,388	17,808,357	3,955,969
Wastewater				
Neale Park PS	2,116,729	-	-	0
Renewals Pump Stations	162,197	165,717	165,717	0
Wastewater Pipe Renewals	90,000	868,700	-	(868,700)
Wastewater model calibration	100,000	-	260,000	260,000
Awatea Place Pump Station	300,000	2,044,000	2,010,417	(33,583)
Pump station resilience improvement programme	129,757	55,239	55,239	0

Project	2018/19 Final Inflated LTP (2018)	2019/20 Final Inflated LTP (2018)	AP Budget 2019/20	Difference from LTP 2019/20
Nelson Regional Sewerage - Growth		511,000	511,000	0
Nelson Regional Sewerage - Renewals	317,000	325,000	325,000	0
Nelson Regional Sewerage - Upgrade	2,010,000	1,615,000	1,615,000	0
NWWTP renewals	150,000	153,300	153,300	0
NWWTP - Resource Consent	-	102,200	102,200	0
Gracefield Sewer Diversion	80,000	165,717	200,000	34,283
St Vincent Street Sewer Renewal	200,000	-	380,000	380,000
Stansell (52) and Princes Drive (274/278) Sewer Renewal	150,000	-	150,000	150,000
Achilles Avenue and Whakatu Lane Sewer Renewal	170,000	-	-	0
Bronte Street and Collingwood Street Sewer Renewal	355,000	-	165,000	165,000
Halifax Street and Halstead Street Sewer Renewal	200,000	-	63,000	63,000
System Performance Improvements	100,000	102,200	102,200	0
Vested Assets				
Hill St sewer upgrade	-	25,550	25,550	0
Elm Street Sewer Upgrades	-	153,300	153,300	0
Other Vested Assets	807,000	824,754	824,754	0
Wastewater Projects under \$100,000	473,008	430,807	558,689	127,882
Total Wastewater	7,910,691	7,542,484	7,820,366	277,882
Water Supply				
Capital: Ridermains	167,603	171,241	171,241	0
Capital: Backflow Prevention	162,197	165,717	165,717	0
Renewals: Water Pipes	29,000	511,000	-	(511,000)
Renewals: Commercial Meters	150,000	153,300	153,300	0
Residential Meters renewals	1,100,000	1,124,200	700,000	(424,200)
Brooklands water renewal	416,262	-	-	0
Capital Roding RC Renewal	210,000	-	30,000	30,000
Maitai Resource consent renewal	190,000	-	50,000	50,000
Capital: Atawhai Trunkmain	10,000	45,035	110,000	64,965
Renewal: Membranes WTP	3,000,000	-	-	0
Water Loss Reduction Programme	216,262	220,956	220,956	0
Natural Hazards Risk Remediation	58,131	110,478	110,478	0
Dam Upgrades	50,000	102,200	102,200	0
Water Treatment Plant Renewals	200,042	204,443	204,443	0
Church St water renewal	200,000	-	-	0
Tui Glen Road water renewal	600,000	-	555,000	555,000
Kakenga Road water renewal	210,000	-	-	0
Hardy St renewal (Trafalgar - Collingwood)	-	-	172,000	172,000
Annesbrook (Manchester - Marie St) water renewal	50,000	1,430,800	800,000	(630,800)
Bolt Road pipe renewal	610,000	-	-	0
Vested Assets				
Suffolk Road (Saxton to Ngawhatu) water upgrade	-	153,300	153,300	0
Suffolk Road to Hill Street Trunk water main	-	357,700	357,700	0
Other Vested Assets	778,000	795,116	795,116	0
Water Supply Projects under \$100,000	797,424	802,750	1,181,112	378,362
Total Water Supply	9,204,921	6,348,236	6,032,563	(315,673)
TOTAL CAPITAL EXPENDITURE	51,504,516	54,748,787	55,603,426	854,639

**NELSON CITY COUNCIL
FORECAST FINANCIAL STATEMENTS
ANNUAL PLAN 2019/20**

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP 2019/20 (\$000)
Revenue				
Rates other than metered water, net of remissions	64,391	67,743	67,856	113
Subsidies and grants	8,905	9,317	10,752	1,435
Fees and charges including metered water	28,381	28,096	31,054	2,958
Other Revenue	20,345	22,779	20,612	(2,167)
Interest received	9	9	9	0
Other gains/losses	49	36	39	3
Total Revenue	122,080	127,980	130,322	2,342
Expenses				
Personnel costs	20,270	21,130	22,358	1,228
Finance costs	5,022	5,503	4,009	(1,495)
Depreciation and amortisation	25,455	26,316	26,814	498
Other expenses	58,240	58,931	60,381	1,450
Total Expenses	108,987	111,880	113,562	1,681
Net Surplus/(Deficit) before Taxation	13,093	16,100	16,761	661
Taxation	0	0	0	0
Net Surplus/(Deficit)	13,093	16,100	16,761	661
Increase in asset revaluation reserves	17,501	44,827	43,854	(973)
Total Other Comprehensive Revenue and Expense	17,501	44,827	43,854	(973)
Total Comprehensive Revenue and Expense	30,594	60,927	60,615	(312)

STATEMENT OF FINANCIAL POSITION				
	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP 2019/20 (\$000)
Current Assets				
Cash and cash equivalents	639	794	2,432	1,638
Inventories	0	0	0	0
Trade and other receivables	12,795	12,993	13,048	55
Other financial assets	1,466	637	2,481	1,844
Taxation	0	0	0	0
Derivative financial instruments	0	0	0	0
Total Current Assets	14,900	14,424	17,961	3,537
Non Current Assets				
Trade and other receivables	0	0	0	0
Investments accounted for using the equity method	36,663	36,663	36,663	0
Investment in subsidiaries	8,200	8,200	8,200	0
Investment properties	1,142	1,167	1,201	34
Other financial assets	4,854	4,814	2,887	(1,927)
Intangible assets	2,256	2,256	2,380	124
Biological assets	4,270	4,351	2,916	(1,435)
Property, plant, and equipment*	1,532,491	1,605,723	1,602,971	(2,752)
Derivative financial instruments	25	25	0	(25)
Total Non Current Assets	1,589,901	1,663,199	1,657,218	(5,981)
Total Assets	1,604,801	1,677,623	1,675,179	(2,444)
Current Liabilities				
Bank overdraft	0	0	0	0
Trade and other payables	12,775	12,979	16,308	3,329
Provisions			267	267
Employee benefit liabilities	2,181	2,222	2,175	(47)
Taxation payable	0	0	0	0
Current portion of borrowings	15,579	37,264	19,321	(17,943)
Derivative financial instruments	40	40	116	76
Total Current Liabilities	30,576	52,506	38,187	(14,318)
Non Current Liabilities				
Trade and other payables	813	754	458	(296)
Provisions	1,652	1,663	1,523	(140)
Employee benefit liabilities	231	244	240	(4)
Derivative financial instruments	5,401	5,401	6,058	657
Non-current portion of borrowings	95,000	85,000	75,000	(10,000)
Total Non-Current Liabilities	103,097	93,062	83,279	(9,783)
Total Liabilities	133,672	145,568	121,466	(24,102)
Net Assets	1,471,129	1,532,055	1,553,712	21,657
Ratepayer's Equity				
Accumulated comprehensive revenue and expense	474,578	535,548	552,360	16,812
Other reserves	996,551	996,507	1,001,352	4,845
Total Ratepayer's Equity	1,471,129	1,532,055	1,553,712	21,657

Opening balances for 2018/19 budget have been derived from 2017/18 Annual Report closing balances plus a forecast for 2018/19, as this represents a more recent and accurate assessment than the 2018/19 Long-term Plan closing balances.

CASH FLOW STATEMENT

	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP 2019/20 (\$000)
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was provided from:				
Receipts from rates revenue	72,754	76,417	76,565	148
Subsidies and grants received	8,905	9,317	10,752	1,435
Receipts from other revenue	25,712	25,939	26,174	235
Development and financial contributions	3,547	3,623	3,499	(124)
Interest Received	9	9	9	0
Dividends Received	3,854	3,619	3,599	(20)
	114,781	118,925	120,598	1,673
Cash was disbursed to:				
Payments to suppliers	58,560	59,046	60,094	1,048
Payments to employees	19,777	20,815	22,318	1,503
Interest Paid	5,022	5,503	4,009	(1,495)
Tax Paid/(refund)	0	0	0	0
	83,359	85,364	86,421	1,056
Net Cash Flows from Operating Activities	31,422	33,560	34,177	617
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was provided from:				
Sale of Investments and properties for resale	0	0	0	0
Repayment of LGFA borrower notes	80	0	160	160
Sale of biological assets	626	0	380	380
Sale of fixed assets	25	26	9,208	9,182
Repayment of community loans and advances	608	1,258	1,231	(27)
	1,339	1,284	10,979	9,695
Cash was disbursed to:				
Investments in LGFA* borrower notes	240	320	80	(240)
Community loans advanced	0	0	0	0
Other investments	0	0	0	0
Purchase of biological assets	248	81	121	40
Purchase of intangible assets	0	0	0	0
Purchase of fixed assets:				
Renewals	17,434	14,623	15,094	471
New works - growth	6,172	5,692	6,437	745
New works - Increased level of service	20,888	25,658	25,299	(359)
	44,982	46,374	47,031	657
Net Cash Flows from Investing Activities	(43,643)	(45,090)	(36,052)	9,038
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash was provided from:				
Proceeds from borrowings	14,856	17,857	1,875	(15,982)
Cash was applied to:				
Repayment of borrowings	2,451	6,172	10,000	3,828
Net Cash Flows from Financing Activities	12,405	11,685	(8,125)	(19,810)
Net Increase/(Decrease) in Cash Held	184	155	(10,000)	(10,155)
Add Opening Cash Balance	455	639	12,432	11,793
Closing Balance	639	794	2,432	1,638
Represented by:				
Cash and Cash Equivalents	639	794	2,432	1,638

The opening cash balance for Budget 2019/20 is based on the 2017/18 Annual Report closing balance plus a forecast for 2018/19 and therefore is not equal to the 2018/19 Long Term Plan closing balance.

* Local Government Funding Agency

**NELSON CITY COUNCIL
FUNDING IMPACT STATEMENT**

	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP 2019/20 (\$000)
Sources of Operating Funding				
General Rates, uniform annual general charges, rates penalties	47,151	49,434	49,364	(70)
Targeted rates including water by meter	25,707	27,077	27,201	124
Subsidies and grants for operating purposes	4,069	3,892	4,063	171
Fees and charges	10,666	10,738	10,124	(614)
Interest and dividends from investments	3,863	3,628	3,608	(20)
Local authorities fuel tax, fines, infringement fees, and other receipts	15,160	15,305	16,259	954
Total Operating Funding	106,616	110,074	110,619	545
Applications of operating funding				
Payments to staff and suppliers	78,510	80,061	82,739	2,678
Finance costs	5,022	5,503	4,009	(1,494)
Other operating funding applications	0	0	0	0
Total applications of operating funding	83,532	85,564	86,748	1,184
Surplus (Deficit) of operating funding	23,084	24,510	23,871	(638)
Sources of capital funding				
Subsidies and grants for capital	4,836	5,425	6,689	1,264
Development and financial contributions	3,547	3,623	3,499	(124)
Increase (decrease) in debt	12,512	11,756	2,294	(9,462)
Gross proceeds from sale of assets	25	26	9,208	9,182
Lump sum contributions	0	0	0	0
Total sources of capital funding	20,920	20,830	21,690	860
Applications of capital funding				
Capital Expenditure				
- to meet additional demand	6,172	5,692	6,437	745
- to improve level of service	20,888	25,658	25,299	(359)
- to replace existing assets	17,434	14,623	15,094	471
Increase (decrease) in reserves	(111)	243	(2)	(245)
Increase (decrease) in investments	(379)	(876)	(1,267)	(391)
Total applications of capital funding	44,004	45,340	45,561	221
Surplus (Deficit) of capital funding	(23,084)	(24,510)	(23,871)	639
Funding balance	0	0	0	0

Reconciliation between the surplus in the Statement of Comprehensive Revenue and Expense and Surplus (Deficit) of operating funding in the Funding Impact Statement

	Budget 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP 2019/20 (\$000)
Surplus/(Deficit) of operating funding from Funding Impact Statement	23,084	24,510	23,871	(638)
Subsidies and grants for capital expenditure	4,836	5,425	6,689	1,264
Development and financial contributions	3,547	3,623	3,499	(124)
Vested Assets	7,000	8,774	8,774	0
Gains on sale	0	0	0	0
Depreciation	(25,455)	(26,316)	(26,814)	(498)
Other non-cash income	81	84	741	657
other non-cash expenditure	0	0	0	0
Net Surplus (Deficit) before taxation in Statement of Comprehensive Revenue and Expense	13,093	16,100	16,761	661

TRANSPORT	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP (\$000)
FUNDING IMPACT STATEMENT				
Sources of Operating Funding				
General Rates, uniform annual general charges, rates penalties	11,025	11,304	10,521	(783)
Targeted rates	0	0	0	0
Subsidies and grants for operating purposes	3,345	3,129	3,345	216
Fees and charges	1,432	1,456	1,456	0
Internal charges and overheads recovered	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	1,829	1,852	1,800	(52)
Total Operating Funding	17,631	17,741	17,122	(619)
Applications of operating funding				
Payments to staff and suppliers	12,120	12,091	12,629	538
Finance costs	0	0	0	0
Internal charges and overheads applied *	824	799	782	(17)
Other operating funding applications	0	0	0	0
Total applications of operating funding	12,944	12,890	13,411	521
Surplus (Deficit) of operating funding	4,687	4,851	3,711	(1,140)
Sources of capital funding				
Subsidies and grants for capital	3,985	3,938	5,679	1,741
Development and financial contributions	313	318	318	0
Increase (decrease) in debt	(249)	(176)	3,179	3,355
Gross proceeds from sale of assets	25	26	26	0
Lump sum contributions	0	0	0	0
Total sources of capital funding	4,074	4,106	9,202	5,096
Applications of capital funding				
Capital Expenditure				
- to meet additional demand	602	300	1,134	834
- to improve level of service	4,112	4,300	6,707	2,407
- to replace existing assets	4,047	4,357	5,072	715
Increase (decrease) in reserves	0	0	0	0
Increase (decrease) in investments	0	0	0	0
Total applications of capital funding	8,761	8,957	12,913	3,956
Surplus (Deficit) of capital funding	(4,687)	(4,851)	(3,711)	1,140
Funding balance	0	0	0	0

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP (\$000)
Surplus/(Deficit) of operating funding from Funding Impact Statement	4,687	4,851	3,711	(1,140)
Subsidies and grants for capital expenditure	3,985	3,938	5,679	1,741
Development and financial contributions	313	318	318	0
Vested Assets	4,120	4,895	4,895	0
Gains on sale	0	0	0	0
Depreciation	(7,018)	(7,303)	(7,631)	(328)
Other non-cash income/expenditure	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	6,087	6,699	6,972	273

WATER	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP (\$000)
FUNDING IMPACT STATEMENT				
Sources of Operating Funding				
General Rates, uniform annual general charges, rates penalties	0	0	0	0
Targeted rates	12,096	12,526	12,441	(85)
Subsidies and grants for operating purposes	0	0	0	0
Fees and charges	33	33	45	12
Internal charges and overheads recovered	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	8	9	39	30
Total Operating Funding	12,137	12,568	12,525	(43)
Applications of operating funding				
Payments to staff and suppliers	6,445	6,692	6,721	29
Finance costs	0	0	0	0
Internal charges and overheads applied *	1,461	1,541	1,421	(120)
Other operating funding applications	0	0	0	0
Total applications of operating funding	7,906	8,233	8,142	(91)
Surplus (Deficit) of operating funding	4,231	4,335	4,383	48
Sources of capital funding				
Subsidies and grants for capital	0	0	0	0
Development and financial contributions	398	407	407	0
Increase (decrease) in debt	3,772	300	(64)	(364)
Gross proceeds from sale of assets	0	0	0	0
Lump sum contributions	0	0	0	0
Total sources of capital funding	4,170	707	343	(364)
Applications of capital funding				
Capital Expenditure				
- to meet additional demand	0	0	0	0
- to improve level of service	917	1,164	1,344	180
- to replace existing assets	7,484	3,878	3,382	(496)
Increase (decrease) in reserves	0	0	0	0
Increase (decrease) in investments	0	0	0	0
Total applications of capital funding	8,401	5,042	4,726	(316)
Surplus (Deficit) of capital funding	(4,231)	(4,335)	(4,383)	(48)
Funding balance	0	0	0	0

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP (\$000)
Surplus/(Deficit) of operating funding from Funding Impact Statement	4,231	4,335	4,383	48
Subsidies and grants for capital expenditure	0	0	0	0
Development and financial contributions	398	407	407	0
Vested Assets	778	1,306	1,306	0
Gains on sale	0	0	0	0
Depreciation	(4,231)	(4,335)	(4,383)	(48)
Other non-cash income/expenditure	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	1,176	1,713	1,713	0

WASTEWATER	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP (\$000)
FUNDING IMPACT STATEMENT				
Sources of Operating Funding				
General Rates, uniform annual general charges, rates penalties	0	0	0	0
Targeted rates	7,794	8,313	8,640	327
Subsidies and grants for operating purposes	0	0	0	0
Fees and charges	2,337	2,403	2,403	0
Internal charges and overheads recovered	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	1,379	1,458	2,965	1,507
Total Operating Funding	11,510	12,174	14,008	1,834
Applications of operating funding				
Payments to staff and suppliers	7,021	7,476	8,724	1,248
Finance costs	310	399	0	(399)
Internal charges and overheads applied *	126	147	399	252
Other operating funding applications	0	0	0	0
Total applications of operating funding	7,457	8,022	9,123	1,101
Surplus (Deficit) of operating funding	4,053	4,152	4,885	733
Sources of capital funding				
Subsidies and grants for capital	0	0	0	0
Development and financial contributions	664	679	679	0
Increase (decrease) in debt	2,356	1,707	1,253	(454)
Gross proceeds from sale of assets	0	0	0	0
Lump sum contributions	0	0	0	0
Total sources of capital funding	3,020	2,386	1,932	(454)
Applications of capital funding				
Capital Expenditure				
- to meet additional demand	111	687	726	39
- to improve level of service	4,765	4,084	4,079	(5)
- to replace existing assets	2,197	1,767	2,012	245
Increase (decrease) in reserves	0	0	0	0
Increase (decrease) in investments	0	0	0	0
Total applications of capital funding	7,073	6,538	6,817	279
Surplus (Deficit) of capital funding	(4,053)	(4,152)	(4,885)	(733)
Funding balance	0	0	0	0

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP (\$000)
Surplus/(Deficit) of operating funding from Funding Impact Statement	4,053	4,152	4,885	733
Subsidies and grants for capital expenditure	0	0	0	0
Development and financial contributions	664	679	679	0
Vested Assets	807	1,004	1,004	0
Gains on sale	0	0	0	0
Depreciation	(4,605)	(4,716)	(4,935)	(219)
Other non-cash income/expenditure	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	919	1,119	1,633	514

STORMWATER	Long-term Plan 2018/19	Long-term Plan 2019/20	Annual Plan 2019/20	Difference to LTP
FUNDING IMPACT STATEMENT	(\$000)	(\$000)	(\$000)	(\$000)
Sources of Operating Funding				
General Rates, uniform annual general charges, rates penalties	0	0	0	0
Targeted rates	4,151	4,370	4,448	78
Subsidies and grants for operating purposes	0	0	0	0
Fees and charges	0	0	0	0
Internal charges and overheads recovered	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0
Total Operating Funding	4,151	4,370	4,448	78
Applications of operating funding				
Payments to staff and suppliers	1,344	1,479	1,483	4
Finance costs	0	0	0	0
Internal charges and overheads applied *	579	581	491	(90)
Other operating funding applications	0	0	0	0
Total applications of operating funding	1,923	2,060	1,974	(86)
Surplus (Deficit) of operating funding	2,228	2,310	2,474	164
Sources of capital funding				
Subsidies and grants for capital	0	0	0	0
Development and financial contributions	372	380	380	0
Increase (decrease) in debt	(18)	1,787	(411)	(2,198)
Gross proceeds from sale of assets	0	0	0	0
Lump sum contributions	0	0	0	0
Total sources of capital funding	354	2,167	(31)	(2,198)
Applications of capital funding				
Capital Expenditure				
- to meet additional demand	0	58	60	2
- to improve level of service	2,504	4,350	2,277	(2,073)
- to replace existing assets	78	69	106	37
Increase (decrease) in reserves	0	0	0	0
Increase (decrease) in investments	0	0	0	0
Total applications of capital funding	2,582	4,477	2,443	(2,034)
Surplus (Deficit) of capital funding	(2,228)	(2,310)	(2,474)	(164)
Funding balance	0	0	0	0

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Long-term Plan 2018/19	Long-term Plan 2019/20	Annual Plan 2019/20	Difference to LTP
	(\$000)	(\$000)	(\$000)	(\$000)
Surplus/(Deficit) of operating funding from Funding Impact Statement	2,228	2,310	2,474	164
Subsidies and grants for capital expenditure	0	0	0	0
Development and financial contributions	372	380	380	0
Vested Assets	1,129	1,399	1,399	0
Gains on sale	0	0	0	0
Depreciation	(2,228)	(2,310)	(2,474)	(164)
Other non-cash income/expenditure	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	1,501	1,779	1,779	0

FLOOD PROTECTION	Long-term Plan 2018/19	Long-term Plan 2019/20	Annual Plan 2019/20	Difference to LTP
FUNDING IMPACT STATEMENT	(\$000)	(\$000)	(\$000)	(\$000)
Sources of Operating Funding				
General Rates, uniform annual general charges, rates penalties	0	0	0	0
Targeted rates	1,654	1,863	1,660	(203)
Subsidies and grants for operating purposes	0	0	0	0
Fees and charges	0	0	0	0
Internal charges and overheads recovered	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0
Total Operating Funding	1,654	1,863	1,660	(203)
Applications of operating funding				
Payments to staff and suppliers	289	279	411	132
Finance costs	0	0	0	0
Internal charges and overheads applied *	767	924	752	(172)
Other operating funding applications	0	0	0	0
Total applications of operating funding	1,056	1,203	1,163	(40)
Surplus (Deficit) of operating funding	598	660	497	(163)
Sources of capital funding				
Subsidies and grants for capital	0	0	0	0
Development and financial contributions	0	0	0	0
Increase (decrease) in debt	4,133	4,795	4,090	(705)
Gross proceeds from sale of assets	0	0	0	0
Lump sum contributions	0	0	0	0
Total sources of capital funding	4,133	4,795	4,090	(705)
Applications of capital funding				
Capital Expenditure				
- to meet additional demand	0	0	0	0
- to improve level of service	4,731	5,455	4,587	(868)
- to replace existing assets	0	0	0	0
Increase (decrease) in reserves	0	0	0	0
Increase (decrease) in investments	0	0	0	0
Total applications of capital funding	4,731	5,455	4,587	(868)
Surplus (Deficit) of capital funding	(598)	(660)	(497)	163
Funding balance	0	0	0	0

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Long-term Plan 2018/19	Long-term Plan 2019/20	Annual Plan 2019/20	Difference to LTP
	(\$000)	(\$000)	(\$000)	(\$000)
Surplus/(Deficit) of operating funding from Funding Impact Statement	598	660	497	(163)
Subsidies and grants for capital expenditure	0	0	0	0
Development and financial contributions	0	0	0	0
Vested Assets	166	170	170	0
Gains on sale	0	0	0	0
Depreciation	(598)	(660)	(497)	163
Other non-cash income/expenditure	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	166	170	170	0

SOLID WASTE	Long-term Plan 2018/19	Long-term Plan 2019/20	Annual Plan 2019/20	Difference to LTP
FUNDING IMPACT STATEMENT	(\$000)	(\$000)	(\$000)	(\$000)
Sources of Operating Funding				
General Rates, uniform annual general charges, rates penalties	0	0	0	0
Targeted rates	0	0	0	0
Subsidies and grants for operating purposes	193	198	198	0
Fees and charges	3,795	3,628	2,823	(805)
Internal charges and overheads recovered	2,250	2,269	2,264	(5)
Local authorities fuel tax, fines, infringement fees, and other receipts	2,271	2,403	2,429	26
Total Operating Funding	8,509	8,498	7,714	(784)
Applications of operating funding				
Payments to staff and suppliers	5,771	5,741	5,126	(615)
Finance costs	0	0	0	0
Internal charges and overheads applied *	2,296	2,310	2,250	(60)
Other operating funding applications	0	0	0	0
Total applications of operating funding	8,067	8,051	7,376	(675)
Surplus (Deficit) of operating funding	442	447	338	(109)
Sources of capital funding				
Subsidies and grants for capital	0	0	0	0
Development and financial contributions	0	0	0	0
Increase (decrease) in debt	(334)	(338)	(274)	64
Gross proceeds from sale of assets	0	0	0	0
Lump sum contributions	0	0	0	0
Total sources of capital funding	(334)	(338)	(274)	64
Applications of capital funding				
Capital Expenditure				
- to meet additional demand	33	7	7	(0)
- to improve level of service	42	31	31	0
- to replace existing assets	30	26	26	(0)
Increase (decrease) in reserves	3	45	0	(45)
Increase (decrease) in investments	0	0	0	0
Total applications of capital funding	108	109	63	(46)
Surplus (Deficit) of capital funding	(442)	(447)	(338)	109
Funding balance	0	0	0	0

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Long-term Plan 2018/19	Long-term Plan 2019/20	Annual Plan 2019/20	Difference to LTP
	(\$000)	(\$000)	(\$000)	(\$000)
Surplus/(Deficit) of operating funding from Funding Impact Statement	442	447	338	(109)
Subsidies and grants for capital expenditure	0	0	0	0
Development and financial contributions	0	0	0	0
Vested Assets	0	0	0	0
Gains on sale	0	0	0	0
Depreciation	(332)	(337)	(228)	109
Other non-cash income/expenditure	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	110	110	110	0

ENVIRONMENTAL MANAGEMENT	Long-term Plan 2018/19	Long-term Plan 2019/20	Annual Plan 2019/20	Difference to LTP
FUNDING IMPACT STATEMENT	(\$000)	(\$000)	(\$000)	(\$000)
Sources of Operating Funding				
General Rates, uniform annual general charges, rates penalties	7,853	8,176	8,583	407
Targeted rates	12	5	12	7
Subsidies and grants for operating purposes	55	31	35	4
Fees and charges	224	228	228	0
Internal charges and overheads recovered	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	4,384	4,475	4,318	(157)
Total Operating Funding	12,528	12,915	13,176	261
Applications of operating funding				
Payments to staff and suppliers	12,209	12,593	12,836	243
Finance costs	0	0	0	0
Internal charges and overheads applied *	285	278	292	14
Other operating funding applications	0	0	0	0
Total applications of operating funding	12,494	12,871	13,128	257
Surplus (Deficit) of operating funding	34	44	48	4
Sources of capital funding				
Subsidies and grants for capital	0	0	0	0
Development and financial contributions	0	0	0	0
Increase (decrease) in debt	(215)	(155)	(102)	53
Gross proceeds from sale of assets	0	0	0	0
Lump sum contributions	0	0	0	0
Total sources of capital funding	(215)	(155)	(102)	53
Applications of capital funding				
Capital Expenditure				
- to meet additional demand	39	39	36	(3)
- to improve level of service	175	177	162	(15)
- to replace existing assets	44	87	114	27
Increase (decrease) in reserves	0	0	0	0
Increase (decrease) in investments	(439)	(414)	(366)	48
Total applications of capital funding	(181)	(111)	(54)	57
Surplus (Deficit) of capital funding	(34)	(44)	(48)	(4)
Funding balance	0	0	0	0

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Long-term Plan 2018/19	Long-term Plan 2019/20	Annual Plan 2019/20	Difference to LTP
	(\$000)	(\$000)	(\$000)	(\$000)
Surplus/(Deficit) of operating funding from Funding Impact Statement	34	44	48	4
Subsidies and grants for capital expenditure	0	0	0	0
Development and financial contributions	0	0	0	0
Vested Assets	0	0	0	0
Gains on sale	0	0	0	0
Depreciation	(34)	(44)	(48)	(4)
Other non-cash income/expenditure	27	11	11	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	27	11	11	0

SOCIAL	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP (\$000)
FUNDING IMPACT STATEMENT				
Sources of Operating Funding				
General Rates, uniform annual general charges, rates penalties	12,872	13,317	13,710	393
Targeted rates	0	0	0	0
Subsidies and grants for operating purposes	171	174	174	0
Fees and charges	621	733	889	156
Internal charges and overheads recovered	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	1,708	1,733	1,304	(429)
Total Operating Funding	15,372	15,957	16,077	120
Applications of operating funding				
Payments to staff and suppliers	12,502	12,989	13,276	287
Finance costs	0	0	0	0
Internal charges and overheads applied *	1,652	1,669	1,680	11
Other operating funding applications	0	0	0	0
Total applications of operating funding	14,154	14,658	14,956	298
Surplus (Deficit) of operating funding	1,218	1,299	1,121	(178)
Sources of capital funding				
Subsidies and grants for capital	23	23	23	0
Development and financial contributions	0	0	0	0
Increase (decrease) in debt	1,571	782	(6,890)	(7,672)
Gross proceeds from sale of assets	0	0	8,383	8,383
Lump sum contributions	0	0	0	0
Total sources of capital funding	1,594	805	1,516	711
Applications of capital funding				
Capital Expenditure				
- to meet additional demand	1,512	921	1,257	336
- to improve level of service	690	1,450	1,568	118
- to replace existing assets	770	573	652	79
Increase (decrease) in reserves	0	0	0	0
Increase (decrease) in investments	(160)	(840)	(840)	0
Total applications of capital funding	2,812	2,104	2,637	533
Surplus (Deficit) of capital funding	(1,218)	(1,299)	(1,121)	178
Funding balance	0	0	0	0

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP (\$000)
Surplus/(Deficit) of operating funding from Funding Impact Statement	1,218	1,299	1,121	(178)
Subsidies and grants for capital expenditure	23	23	23	0
Development and financial contributions	0	0	0	0
Vested Assets	0	0	0	0
Gains on sale	0	0	0	0
Depreciation	(1,351)	(1,362)	(1,250)	112
Other non-cash income/expenditure	0	0	702	702
Net Surplus (Deficit) before taxation in Cost of Service Statement	(110)	(40)	596	636

PARKS AND ACTIVE RECREATION	Long-term Plan 2018/19	Long-term Plan 2019/20	Annual Plan 2019/20	Difference to LTP
FUNDING IMPACT STATEMENT	(\$000)	(\$000)	(\$000)	(\$000)
Sources of Operating Funding				
General Rates, uniform annual general charges, rates penalties	12,643	13,188	13,237	49
Targeted rates	0	0	0	0
Subsidies and grants for operating purposes	0	51	0	(51)
Fees and charges	2,224	2,259	2,284	25
Internal charges and overheads recovered	449	459	459	0
Local authorities fuel tax, fines, infringement fees, and other receipts	1,844	1,401	1,577	176
Total Operating Funding	17,160	17,358	17,557	199
Applications of operating funding				
Payments to staff and suppliers	11,466	10,861	11,061	200
Finance costs	0	0	0	0
Internal charges and overheads applied *	2,817	2,786	2,524	(262)
Other operating funding applications	0	0	0	0
Total applications of operating funding	14,283	13,647	13,585	(62)
Surplus (Deficit) of operating funding	2,877	3,711	3,972	261
Sources of capital funding				
Subsidies and grants for capital	828	1,464	987	(477)
Development and financial contributions	1,800	1,840	1,716	(124)
Increase (decrease) in debt	1,254	1,690	993	(697)
Gross proceeds from sale of assets	0	0	0	0
Lump sum contributions	0	0	0	0
Total sources of capital funding	3,882	4,994	3,696	(1,298)
Applications of capital funding				
Capital Expenditure	0	0	0	0
- to meet additional demand	2,951	2,884	2,053	(831)
- to improve level of service	1,858	2,373	2,648	275
- to replace existing assets	2,066	3,249	2,967	(282)
Increase (decrease) in reserves	(116)	199	0	(199)
Increase (decrease) in investments	0	0	0	0
Total applications of capital funding	6,759	8,705	7,668	(1,037)
Surplus (Deficit) of capital funding	(2,877)	(3,711)	(3,972)	(261)
Funding balance	0	0	0	0

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Long-term Plan 2018/19	Long-term Plan 2019/20	Annual Plan 2019/20	Difference to LTP
	(\$000)	(\$000)	(\$000)	(\$000)
Surplus/(Deficit) of operating funding from Funding Impact Statement	2,877	3,711	3,972	261
Subsidies and grants for capital expenditure	828	1,464	987	(477)
Development and financial contributions	1,800	1,840	1,716	(124)
Vested Assets	0	0	0	0
Gains on sale	0	0	0	0
Depreciation	(3,183)	(3,313)	(3,488)	(175)
Other non-cash income/expenditure	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	2,322	3,702	3,187	(515)

ECONOMIC	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP (\$000)
FUNDING IMPACT STATEMENT				
Sources of Operating Funding				
General Rates, uniform annual general charges, rates penalties	1,720	1,798	1,793	(5)
Targeted rates	0	0	0	0
Subsidies and grants for operating purposes	300	305	305	0
Fees and charges	0	0	0	0
Internal charges and overheads recovered	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0
Total Operating Funding	2,020	2,103	2,098	(5)
Applications of operating funding				
Payments to staff and suppliers	2,006	2,081	2,073	(8)
Finance costs	0	0	0	0
Internal charges and overheads applied *	14	22	25	3
Other operating funding applications	0	0	0	0
Total applications of operating funding	2,020	2,103	2,098	(5)
Surplus (Deficit) of operating funding	0	0	0	0
Sources of capital funding				
Subsidies and grants for capital	0	0	0	0
Development and financial contributions	0	0	0	0
Increase (decrease) in debt	200	204	590	386
Gross proceeds from sale of assets	0	0	0	0
Lump sum contributions	0	0	0	0
Total sources of capital funding	200	204	590	386
Applications of capital funding				
Capital Expenditure				
- to meet additional demand	0	0	0	0
- to improve level of service	200	204	590	386
- to replace existing assets	0	0	0	0
Increase (decrease) in reserves	0	0	0	0
Increase (decrease) in investments	0	0	0	0
Total applications of capital funding	200	204	590	386
Surplus (Deficit) of capital funding	0	0	0	0
Funding balance	0	0	0	0

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP (\$000)
Surplus/(Deficit) of operating funding from Funding Impact Statement	0	0	0	0
Subsidies and grants for capital expenditure	0	0	0	0
Development and financial contributions	0	0	0	0
Vested Assets	0	0	0	0
Gains on sale	0	0	0	0
Depreciation	0	0	0	0
Other non-cash income/expenditure	0	0	0	0
Net Surplus (Deficit) before taxation in Cost of Service Statement	0	0	0	0

CORPORATE	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP (\$000)
FUNDING IMPACT STATEMENT				
Sources of Operating Funding				
General Rates, uniform annual general charges, rates penalties	1,036	1,651	1,518	(133)
Targeted rates	0	0	0	0
Subsidies and grants for operating purposes	5	5	6	1
Fees and charges	0	0	0	0
Internal charges and overheads recovered	8,894	9,075	8,598	(477)
Local authorities fuel tax, fines, infringement fees, and other receipts	5,602	5,602	5,432	(170)
Total Operating Funding	15,537	16,333	15,554	(779)
Applications of operating funding				
Payments to staff and suppliers	7,335	7,778	8,398	620
Finance costs	4,712	5,105	4,009	(1,096)
Internal charges and overheads applied *	772	746	705	(41)
Other operating funding applications	0	0	0	0
Total applications of operating funding	12,819	13,629	13,112	(517)
Surplus (Deficit) of operating funding	2,718	2,704	2,442	(262)
Sources of capital funding				
Subsidies and grants for capital	0	0	0	0
Development and financial contributions	0	0	0	0
Increase (decrease) in debt	12,276	12,607	2,109	(10,498)
Gross proceeds from sale of assets	0	0	800	800
Lump sum contributions	0	0	0	0
Total sources of capital funding	12,276	12,607	2,909	(9,698)
Applications of capital funding				
Capital Expenditure				
- to meet additional demand	924	796	1,164	368
- to improve level of service	894	2,070	1,306	(764)
- to replace existing assets	718	617	763	146
Increase (decrease) in reserves	0	0	0	0
Increase (decrease) in investments	12,458	11,828	2,118	(9,710)
Total applications of capital funding	14,994	15,311	5,351	(9,960)
Surplus (Deficit) of capital funding	(2,718)	(2,704)	(2,442)	262
Funding balance	0	0	0	0

RECONCILIATION BETWEEN THE NET SURPLUS/(DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT AND THE NET SURPLUS/(DEFICIT) IN THE COST OF SERVICE STATEMENT

	Long-term Plan 2018/19 (\$000)	Long-term Plan 2019/20 (\$000)	Annual Plan 2019/20 (\$000)	Difference to LTP (\$000)
Surplus/(Deficit) of operating funding from Funding Impact Statement	2,718	2,704	2,442	(262)
Subsidies and grants for capital expenditure	0	0	0	0
Development and financial contributions	0	0	0	0
Vested Assets	0	0	0	0
Gains on sale	0	0	0	0
Depreciation	(1,875)	(1,936)	(1,879)	57
Other non-cash income/expenditure	0	0	28	28
Net Surplus (Deficit) before taxation in Cost of Service Statement	843	768	591	(177)

FINANCIAL RESERVES ESTIMATES

The Local Government Act 2002 requires that councils provide a summary of the restricted reserves it holds.

Name	Activity	Purpose	Projected Balance July 2019	Deposits	Withdrawals	Balance June 2028
Nelson Institute Funds	Nelson Library	Bequest to Nelson Institute	8,978	224		9,202
L C Voller Bequest (ETL)	Nelson Library	Youth Section of Elma Turner Library	23,701	593		24,294
Subdivisions Reserve	Reserve Contributions	Financial Contributions for Reserves	967,650	67,094		1,034,744
Nelson 2000 Trust	Esplanade Reserves	Wakefield Quay Development	168,722	4,218		172,940
Insurance Reserve	Investment Management	To fund Insurance claim excess	1,038,186	25,955		1,064,141
Health & Safety Reserve	Admin and Meeting Support	OSH Compliance	29,843			29,843
Parking Reserve	Car parks	Self funded activity balance	-	250,885	250,885	-
Roading Contributions	Roading	Financial Contribution for capital works	111,380			111,380
Walker bequest	Parks		9,720	243		9,963
Dog Control Reserve	Dog Control	Self funded activity balance	43,303	2,598		45,901
Sport & Rec Grants Reserve	Physical Activity Fund	Ex Hillary Commission fund for Sport and Recreation	13,428			13,428
Art Council Loan Fund	Physical Activity Fund	Ex Sport & Rec Grants	10,250	256		10,506
Events Contestable Fund Reserve	Economic Development	Unspent allocation held for eligible events	(206,838)	140,371		(66,467)
Pensioner Housing Reserve	Community Housing	Future development of social housing	241,056	8,245,455		8,486,511
Founders Park Reserve	Founders	Founders development	172,895		190	172,705
Forestry Fund	Forestry	Self funded activity balance	1,913,319	250,253		2,163,572
Landfill	Solid Waste	Share of development of new landfill when required	4,412,625	110,316		4,522,941
Solid Waste	Solid Waste	Self funded activity balance	1,594,298		40,478	1,553,820