

Financial Statements

FUNDING OF COUNCIL'S ACTIVITIES 2006/07

Expenditure Year Ended 30 June 2007			Funded By								
	Operating Expenses \$'000	Capital Expenditure \$'000	General Rates \$'000	Targeted Rates \$'000	Fees and Charges \$'000	Subsidies and Grants \$'000	Other Income \$'000	Borrowing (Net) \$'000	Dep'n \$'000	Special Funds \$'000	
Leadership	1,623		1,582				32		9		
Economic Development	804		723				27		4	50	
Community Services	772		537		34	177	20		4		
Parks & Reserves	2,370	514	1,672		37		179	90	459	447	
H ² O Xtreem	2,208	15	917		1,045	68	38	-78	218	15	
Library	1,873	283	1,705		122		37	-11	288	15	
Expressions	887	25	593				18		278	23	
Property	273		-99		108		119		148	-3	
Cemetery	178	14	-9		173		16		1	11	
Emergency Management	476	51	446			8	21		55	-3	
Regulatory Services	1,465	54	237		1,049		172		10	51	
City Planning	824		650		153		316		5	-300	
Land Transport	5,497	4,549	3,330			2,756	412	1,494	2,163	-109	
Water Supply	4,954	864		3,534	1,063		110	-213	966	358	
Wastewater	5,201	2,359		4,850			270	386	1,075	979	
Stormwater	1,957	1,182		1,498			40		1,040	561	
Solid Waste	231		-203				433		1		
Support Services ##		59	-43		167		-210	-12		157	
TOTAL	31,593	9,969	12,038	9,882	3,951	3,009	2,050	1,656	6,724	2,252	
Total Expenditure		41,562	Total Funding								41,562

Operating Expenses (including depreciation) and Revenue for Support Services is transferred to all other Activities

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FUNDING IMPACT STATEMENT	NOTES	Forecast LTCCP Year 1 2006/07 (\$ 000)	Forecast LTCCP Year 2 2007/08 (\$ 000)	Forecast LTCCP Year 3 2008/09 (\$ 000)	Forecast LTCCP Year 4 2009/10 (\$ 000)	Forecast LTCCP Year 5 2010/11 (\$ 000)	Forecast LTCCP Year 6 2011/12 (\$ 000)	Forecast LTCCP Year 7 2012/13 (\$ 000)	Forecast LTCCP Year 8 2013/14 (\$ 000)	Forecast LTCCP Year 9 2014/15 (\$ 000)	Forecast LTCCP Year 10 2015/16 (\$ 000)
EXPENDITURE											
Operating Expenses		31,593	32,721	33,650	34,329	35,334	36,202	37,493	38,508	39,215	39,329
Capital Expenditure		9,969	7,172	7,550	6,870	7,224	8,298	14,043	6,724	7,694	6,983
TOTAL EXPENDITURE		41,562	39,893	41,200	41,199	42,558	44,500	51,536	45,232	46,909	46,312
FUNDING											
General Rates	1	12,038	12,898	13,505	13,833	14,330	14,729	14,771	15,193	15,530	15,327
Targeted Rates	1	9,882	10,675	11,272	11,805	12,422	12,824	13,871	14,149	14,497	14,733
Fees and Charges	2	3,951	4,024	4,149	4,269	4,338	4,446	4,547	4,641	4,719	4,805
Subsidies and Grants	3	3,009	1,929	1,984	1,918	1,985	2,398	2,004	2,023	2,112	2,335
Other Income		2,050	2,083	2,075	2,060	2,117	2,104	2,145	2,173	2,143	2,141
Borrowing (Net)	5	1,656	917	1,202	526	404	814	6,775	(234)	726	48
Depreciation	10	6,724	6,980	6,887	7,053	6,883	6,971	7,149	7,243	7,363	7,373
Special Funds		2,252	387	126	(265)	79	214	274	44	(181)	(450)
TOTAL FUNDING		41,562	39,893	41,200	41,199	42,558	44,500	51,536	45,232	46,909	46,312

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SCHEDULE OF SPECIAL FUNDS Year 1 2006/07	BALANCE 1 July 2006 (\$ 000)	TRANSFERS IN (\$ 000)	INTEREST INCOME (\$ 000)	TRANSFERS OUT (\$ 000)	Balance 30/06/07 (\$ 000)
General Reserve	246	0	18	0	264
Amenities Fund	256	3	19	0	278
Civic Amenities Fund	43	0	3	0	46
Plant Renewal	107	109	7	(117)	106
Reserve Fund Contribution	368	300	21	(447)	242
Salary Contingency	145	0	6	(138)	13
Property Sales	666	0	47	(134)	579
Cash in Lieu Parking Fund Account	20	0	0	(20)	0
Sierra Way Subdivision	82	0	6	0	88
Harcourt Park Maintenance Fund	3	3	0	0	6
Akatarawa Roding Levy	16	16	1	(32)	1
Kaitoke Roding Levy	94	87	10	0	191
Mangaroa Roding Levy	23	28	3	0	54
Katherine Mansfield Levy	16	85	4	0	105
Blue Mountain Levy	104	47	7	(50)	108
Moonshine Hill Levy	8	8	1	0	17
Alexander Road Levy	8	15	1	0	24
Total Special Funds	2,205	701	154	(938)	2,122

Special Funds will be used for :	\$	\$	\$
Reserve Fund Contribution		Plant Renewal	Property Sales
Toilet Replacement	57,000	GIS ArcSDE Server	55,000
Play Equipment Upgrade	98,000	Inwards Messaging System	10,000
Financing of Park Loans	27,960	Vehicle Replacement	41,134
Amenities Replacements	90,110	Handheld Parking Devices	10,866
Resealing Roads	71,110		<u>117,000</u>
Blueprint Maidstone Park	25,000		
Walkways & Signage	48,025	Salary Contingency	138,238
Riverstone Crescent Playground	30,000	Blue Mountain Roding	50,000
	<u>447,205</u>		
			20,206
			31,600

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CALCULATION FACTORS FOR RATES IN 2006/07 YEAR

GENERAL RATE	Base of Valuation	Calculation Factor	Estimated Unit Rate 2006/07 GST incl	Estimated Total Revenue 2006/07	
General Rate	<ul style="list-style-type: none"> Land Use Capital Value [for Hi-Value properties] 	Cents per \$ of rateable capital value		\$12.038 million GST excl.	
		<u>Differential:</u>			
		Standard	100	0.2744	\$13.543 million GST incl.
		Hi-Value	Scale (Refer to Revenue & Financing Policies for more information)	Scale	
Rural 33	73	0.2003			
Business	270	0.7410			

UNIFORM ANNUAL CHARGE	Base of Valuation	Calculation Factor	Estimated Unit Rate 2006/07 GST incl	Estimated Total Revenue 2006/07
Uniform Annual Charge		Upper Hutt City Council does not have a uniform annual charge	0	Nil

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TARGETED RATES	Base of Valuation	Calculation Factor	Estimated Unit Rate 2006/07 GST incl	Estimated Total Revenue 2006/07
Water	<ul style="list-style-type: none"> Provision or Availability of Service 	20% of Revenue [for Fire Protection] <ul style="list-style-type: none"> Cents per \$ of rateable capital value 	0.03187	\$3.533 million GST excl.
		80% of Revenue [for Supply] A. Ordinary Supply of Water <ul style="list-style-type: none"> 'Serviced Property' – uniform annual charge 'Serviceable Property' – 50% of the uniform annual charge 	\$194.60 \$97.30	\$3.975 million GST incl.
		B. Extraordinary Supply of Water <ul style="list-style-type: none"> additional user charge on non-domestic customers for consumption over 260m³ 	\$1.38 per m ³	
Wastewater	<ul style="list-style-type: none"> Provision or Availability of Service 	Pan Charge: A. Residential - 1 pan charge per each separately used or inhabited part of the rating unit	\$336.80	\$4.849 million GST excl.
		B. Non Residential - 1 pan charge for the 1 st pan/urinal per each separately used or inhabited part of the rating unit, plus one charge for every second pan or urinal thereafter	Customised Assessment	\$5.455 million GST incl.
		C. Schools - the lesser of : <ul style="list-style-type: none"> the non-residential assessment or volume of water used per year divided by 260 	Customised Assessment	
Stormwater	<ul style="list-style-type: none"> Where the Land is Situated Land Use 	Cents per \$ of rateable capital value		\$1.498 million GST excl.
		Differential: Non Business 100 Business 140	0.049306 0.069029	\$1.685 million GST incl.
Karapoti Bridge Rate	<ul style="list-style-type: none"> Where the Land is Situated 	Cents per \$ of rateable capital value	0.107766	\$1,935 GST excl. \$2,177 GST incl.

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INDICATIVE RATES 2006/07

Based on Council's knowledge of the Rating Database on 16 June 2006, the spread of rates across the different rating categories follows:

Rating Category	Estimated Spread of Total General Rates
Standard	64.6%
Business	34.2%
Rural	1.1%
Other	0.1%
	100.0%

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TYPICAL RATES ON SAMPLE PROPERTY VALUES 2006/07

Typical rates for specific property examples are shown below, representing average or median value properties for each rating category in Upper Hutt:

Indicative Rates 2006/07	Residential CV \$ 225,000 \$	Rural CV \$480,000 \$	Business CV \$800,000 \$
Leadership	81	126	778
Economic Development	37	58	356
Community Services	27	43	264
Parks & Reserves	86	133	822
H ² O Xstream	47	73	451
Library	87	136	838
Expressions	30	47	292
Emergency Management	23	36	219
Regulatory Services	12	19	117
City Planning	33	52	320
Land Transport	170	265	1,637
Miscellaneous	(16)	(27)	(166)
GENERAL RATES	617	961	5,928
TARGETED RATES ^{1, 2}			
Water - Uniform Charge	194		1,946
Water - Fire Protection	72		255
Stormwater	111		552
Wastewater	337		1,684
TOTAL INDICATIVE RATES (Upper Hutt City) ^{3, 4}	\$1,331	961	10,365

¹ Properties will only be charged on connection or location services

² Based on 10 water charges and 5 pan charges for Business Rates

³ The above rates exclude Greater Wellington Regional Council rates.

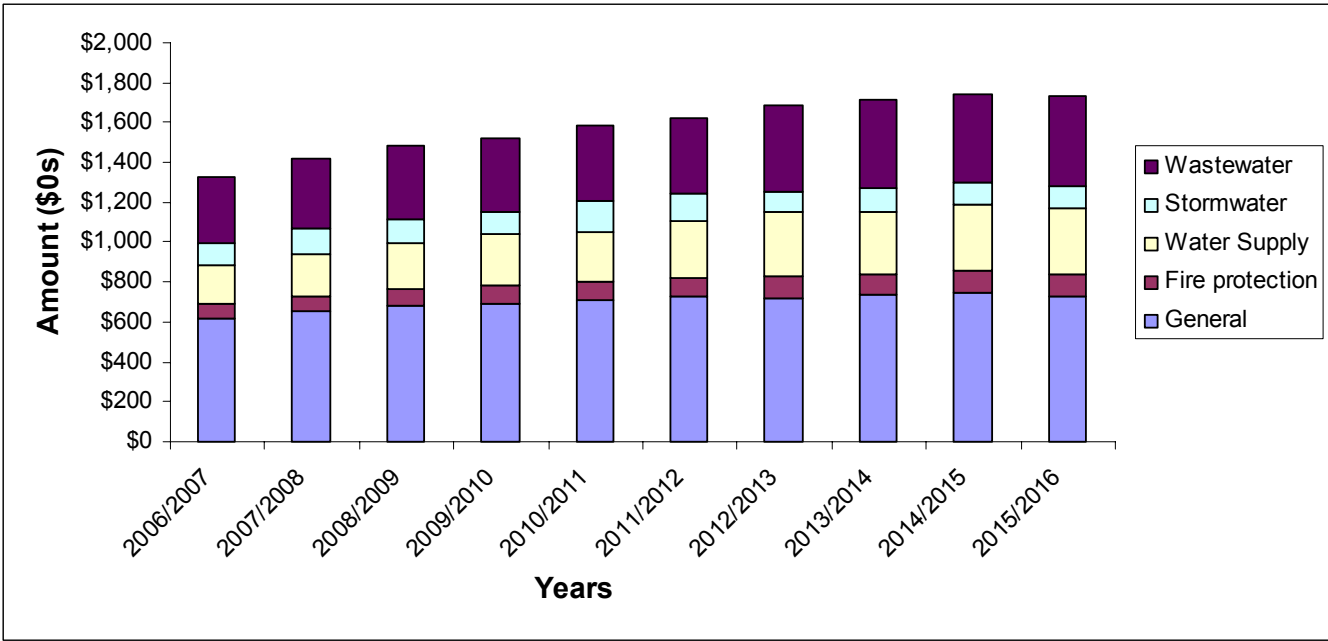
⁴ Based on Council's knowledge of the Rating Database on 16 June 2006.

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TYPICAL RATES ON SAMPLE PROPERTY VALUE 2006/07 - 2015/16

INDICATIVE RATES 2006/2007 - 2015/2016	2006/07 \$	2007/08 \$	2008/09 \$	2009/10 \$	2010/11 \$	2011/12 \$	2012/13 \$	2013/14 \$	2014/15 \$	2015/16 \$
General Rates	617	655	680	691	710	725	721	736	747	731
Water - Uniform Charge	195	212	233	260	257	289	327	316	332	331
Water - Fire Protection	72	76	81	89	88	96	106	104	108	108
Stormwater	111	127	120	114	153	135	99	115	111	112
Wastewater	337	350	366	371	374	374	429	440	442	451
TOTAL INDICATIVE RATES (Upper Hutt City)	1,331	1,420	1,480	1,525	1,582	1,619	1,682	1,711	1,740	1,733
Percentage Change		6.7%	4.3%	2.9%	3.8%	2.4%	3.9%	1.7%	1.7%	(0.4%)

Estimated rates based on a Standard Capital Value of \$225,000 and a 1.0% increase in the rating base, cumulative each year. This table is graphed below.



Indicative Rates 2006/07 - 2015/16