

WELCOME AND INTRODUCTION

Tauranga City is quite possibly the best place to live in New Zealand.

Which is why 'managed growth' and 'financial sustainability' are such important elements of the Council's, and the City's, future.

When we went out with our draft Ten Year Plan we made it clear that we, the Council, faced huge funding challenges over the next ten years because of the impacts of speedy growth, historical under investment in infrastructure and the impact of the floods of May 2005.

The bow wave of proposed expenditure, causing the possibility of a serious downgrade in our credit rating plus a tagged audit on our finances, meant that we needed to firmly address these issues in this Ten Year Plan.

The Council had two options really – cut expenditure and increase the funding stream.

As a city that is growing fast, cutting back on expenditure has been difficult but we have achieved savings of over \$400 million, over ten years, in both operational and capital expenditure from what was originally proposed. The Council kept in their commitment to focus on the essentials: roading, stormwater, wastewater and infrastructure expenditure that is reasonable and sensible. However we still kept in the plan some projects that signal our commitment to a prosperous future – for example the Sports and Exhibition Centre and the Mount Hot Pools re-development.

As to finding new funding streams – this was difficult since one of the main sources of our funding, development contributions, are seriously affected by the recession –

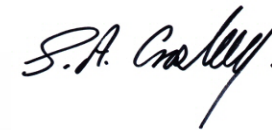
although we anticipate they will come back up to pre 2008 levels in around three-four years.

Therefore we did agree to a rates revenue increase in the first three years of the plan. This increase amounts to an increase in the 'average' rate of \$150, \$150, and \$240 – which, for some households, will be a significant amount. We trust that those households that do find this a serious burden would ensure they have availed themselves of the government's rates rebate scheme which currently can offer up to \$530 payment for rates in those households with incomes under \$28,000 per year.

The decisions for this Council were sometimes incredibly tough ones to make. Each of us around the Council table have all had our say in its development – and while we have not always agreed - we have made this a truly representative Plan for the future of Tauranga.

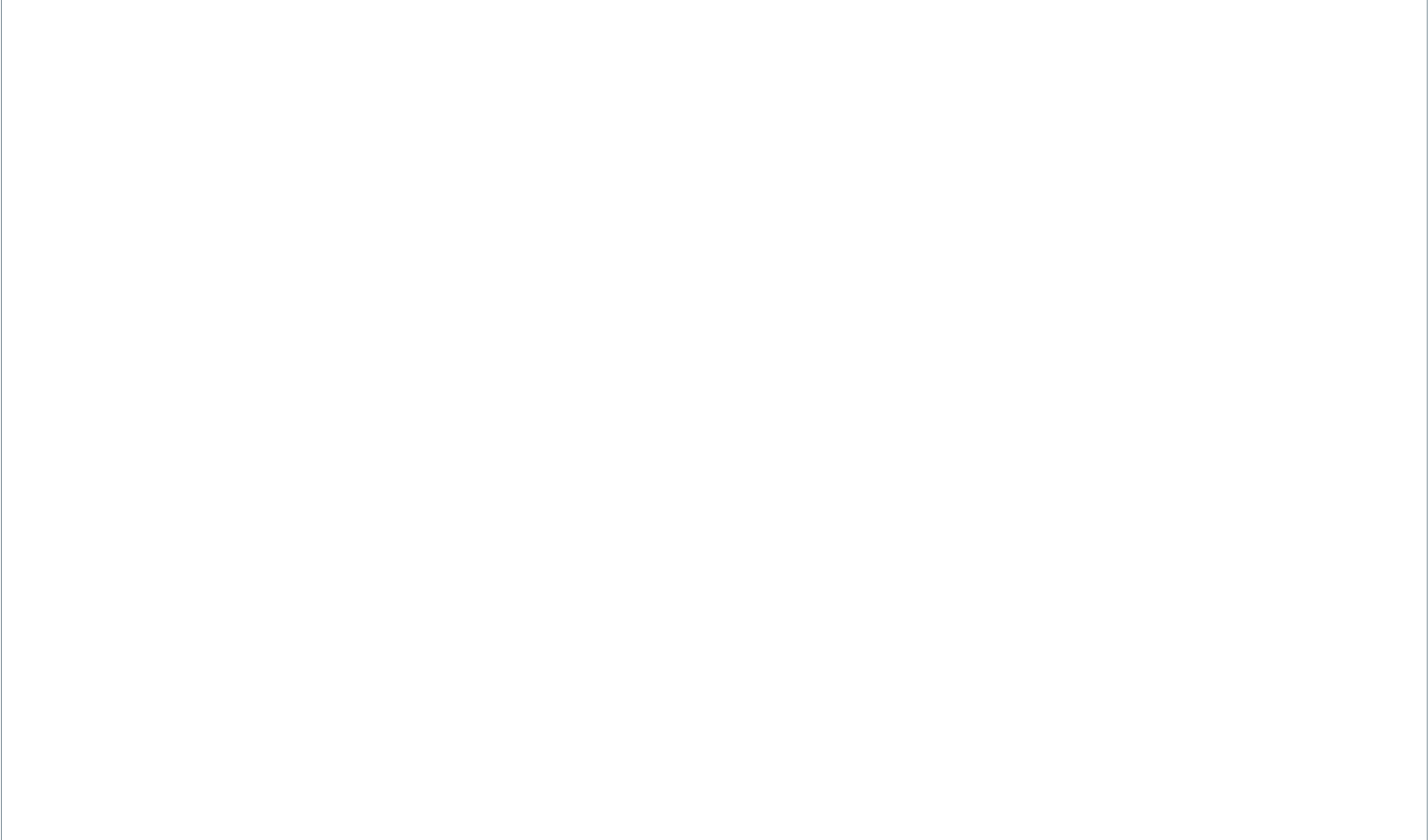
We think this is a responsible Ten Year Plan for Tauranga. It provides:

- a blueprint for the future and
- a prudent and sustainable financial approach.



Mayor Stuart Crosby & the Councillors
Tauranga City Council





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OUR COUNCIL

Information on Tauranga City Council including your elected members, organisational structure, committee structures, financial summary and some general useful information.

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Information on all the known big issues that Tauranga City Council is facing and Council's approach to dealing with them.

Outlines information on the Major Projects for Tauranga City over the next 10 years. Also identifies projects not in the Ten Year Plan.

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Details the assumptions the Council has made that underpin the projected financial and non-financial plans in this document.

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**WASTE MANAGEMENT PLAN AND
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Summaries of Council's Waste Management Plan and Council's Water and Sanitary Services Assessment.

GLOSSARY

A glossary of terms relating to the Ten Year Plan document.