



## **Waipa District Council**

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### **Council Offices:**

Te Awamutu Council Offices

101 Bank Street

Te Awamutu

Cambridge Council Offices

23 Wilson Street

Cambridge

# Annual Plan Statement

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Council's draft Annual Plan 2011/12 was developed in accordance with Part 6 of the Local Government Act 2002. Council is required to prepare and adopt an Annual Plan by 1 July 2011. The Annual Plan will be adopted in accordance with the special consultative procedure under the Local Government Act 2002.

Council's Strategic Planning and Policy Committee, acting under delegated authority from Council, approved the draft Annual Plan on 8 March 2011 and it was open to public submission from 15 March until 15 April 2011. The Strategic Planning and Policy Committee considered submissions from 10 to 12 May and 17 May 2011.

Having considered submissions, the Strategic Planning and Policy Committee recommended the Plan for adoption by Council (including amendments resulting from the consideration of submissions). The Annual Plan was adopted on 28 June 2011 and it will take effect from 1 July 2011.

Please note: Actual results achieved for 2011/12 may vary from the information presented in the adopted 2011/12 Annual Plan. The purpose of this Plan is to encourage community input into Council decision-making. Information relating to future years will be updated in subsequent Long Term and Annual Plans. The achievements in any year will be presented in Council's Annual Report for that year.

# Whakatauki

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Hutia te rito o te harakeke  
Kei whea te tauranga o te kōmako e ko?  
Ki mai koe, ki ahau  
He aha te mea nui o tēnei ao?  
Māku e ki atu  
He tangata, He tangata, He tangata

If you remove the heart of the flax  
Where will the bellbird then rest?  
If you should ask me  
What is the main thing in this world?  
I will say to you  
It is people, it is people, it is people



# Council Mission and Goals

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## Purpose (Mission)

To partner the community in promoting the wellbeing of the Waipa District and its people.

## Vision

Waipa - The Home of Champions.

## Key Goal

Waipa District - The great place to live, work and play.

## Supporting Goals

1. To recognise and foster awareness and the enhancement of the unique cultural, historic, environmental and recreational character and strengths of the District.
2. To ensure prudent stewardship of the natural and physical resources of the District.
3. To provide facilities and services to meet the expectations of residents and ratepayers.
4. To maximise the contribution of Council's assets in promoting the sustainable development of the District.
5. To form strong and productive partnerships with other authorities, community organisations and the private sector to provide the District with development opportunities.
6. To provide services and/or actively support Community Boards and community and welfare organisations in meeting the physical, recreational, employment, cultural and social needs of the residents of the District.
7. To act as an advocate to promote the social, economic, cultural and environmental wellbeing of residents of the District.
8. To encourage the active and positive involvement of residents and ratepayers in Council's decision-making processes.
9. To implement the legal obligations of a territorial authority governing Waipa District.



## Foreword by the Mayor and Chief Executive

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**Alan Livingston**  
Mayor JP



**Garry Dyet**  
Chief Executive

*There are many attributes that shape Waipa's strong and unique identity; we will strive to protect and enhance these as we plan for the future.*

### **Waipa – The Great Place to Live, Work and Play**

Council is pleased to present this Annual Plan for 2011/12, which outlines the services, activities and projects, and their associated costs, that Council proposes to undertake from 1 July 2011 to 30 June 2012.

In June 2009 Council adopted its 10-year Plan, and this Annual Plan is based on year three of that long term plan. The 10-year Plan is based on continued support of the District's vision: Waipa - Home of Champions. It reflects the community's long term aspirations and aims to maintain and improve the wellbeing of residents. The quality of our environment, heritage, facilities and services are what residents identify as making Waipa a favoured place to live.

### **Consolidation and Continued Restraint**

The 10-year Plan was developed in 2008, prior to the onset of the global recession. Since 2008 Council has recognised the challenges of changing economic times and, during 2009/10 and 2010/11, has reviewed and adjusted capital works programmes and operational costs accordingly. This will mean significantly lower cost and debt levels for 2010/11 than were indicated in the 10-year Plan, and this has been carried through in the preparation of this draft Plan.

While there have been signs of national and global recovery, the impacts of the recession are still evident. Growth across the District remains slow, and the likelihood of a sustained major improvement in the short term is low. However, it is positive to note that several major private sector development projects have been completed over the past 12 months. This suggests that optimism in Waipa remains high, and the District appears to be weathering the economic challenges well.

Council remains mindful of the current economic climate, and the impacts on residents and ratepayers. It is against this backdrop that this Annual Plan has been prepared. Additional changes to proposed activities and programmes have been made as Council seeks to further reduce rating pressures, while continuing the work essential to maintaining core community services. Growth provides the revenue required to support the development of new infrastructure, so with limited growth Council's focus is on maintaining existing infrastructure and services.

In addition, ongoing lower funding levels from the New Zealand Transport Agency means reduced activity in some areas of the roading programme.

A review of Council's organisation structure and operations in 2010 has delivered annual operational savings of more than \$4 million. The new structure, which positions the organisation for the future, is supported by an imperative to improve performance, including delivering ongoing operational efficiencies. The focus remains on delivering greater value to ratepayers.

## **Key Projects**

The projects presented in this Annual Plan are required to maintain infrastructural assets, maintain levels of service, ensure community safety and well-being, support future planning, and meet Council's statutory responsibilities.

Key projects/initiatives for the coming year include:

- Consider submissions on the Proposed District Plan
- Reviewing the local electoral system and representation arrangements
- Working with Iwi to prepare Joint Management Agreements
- Developing the 10-year Plan for 2012-22
- Completing the review of the Waste Management Plan
- Ongoing support for the Maungatautari Ecological Island project
- Adoption of a strategic water demand/conservation management plan
- Considering shared services opportunities
- Working with the New Zealand Transport Agency to progress the Cambridge section of the Waikato Expressway.

## **Rating/Financial Overview**

Council activities and projects are funded from a range of sources, such as rates, fees and charges, development contributions, depreciation, loans and financial reserves. In preparing the proposed activities, programmes and projects signalled in this Annual Plan, Council has looked to secure funds from sources other than rates.

This Annual Plan signals total rate revenue of \$39.8 million (including rates charged on Council properties), which represents an average increase of 4.97%. The need for this increase is mainly due to reduced levels of revenue through development contributions and investments, and increased costs associated with insurance, depreciation and loan repayment levels. The proposed capital works programme totals \$20.8 million, with debt levels projected to reach \$34.8 million by 30 June 2012. Overall, the proposed rates requirement, operating and capital works programmes, and projected debt levels for 2011/12 are all substantially lower than the levels signalled in the 10-year Plan.

## **Community Consultation**

Council has based this Annual Plan on year three of the 10-year Plan, but has substantially reviewed its activities in light of continued economic circumstances and community feedback. Like 2010/11 the year ahead is one of consolidation. The focus for 2011/12 is on key areas, with particular emphasis on affordability while maintaining core services and standards of service.

The extensive and diverse range of services provided for in the Annual Plan means that rating impacts will vary from property to property. Rate levels for a range of indicator properties have been provided in the draft Annual Plan so that residents and ratepayers are able to get an indication of the rating levels proposed for 2011/12.

The draft Annual Plan was presented for public consultation and feedback during March and April 2011. A total of 1491 submissions were received and considered by Council, resulting in a number of changes to the draft Annual Plan. A summary of these changes is presented in the appendix to this Plan.



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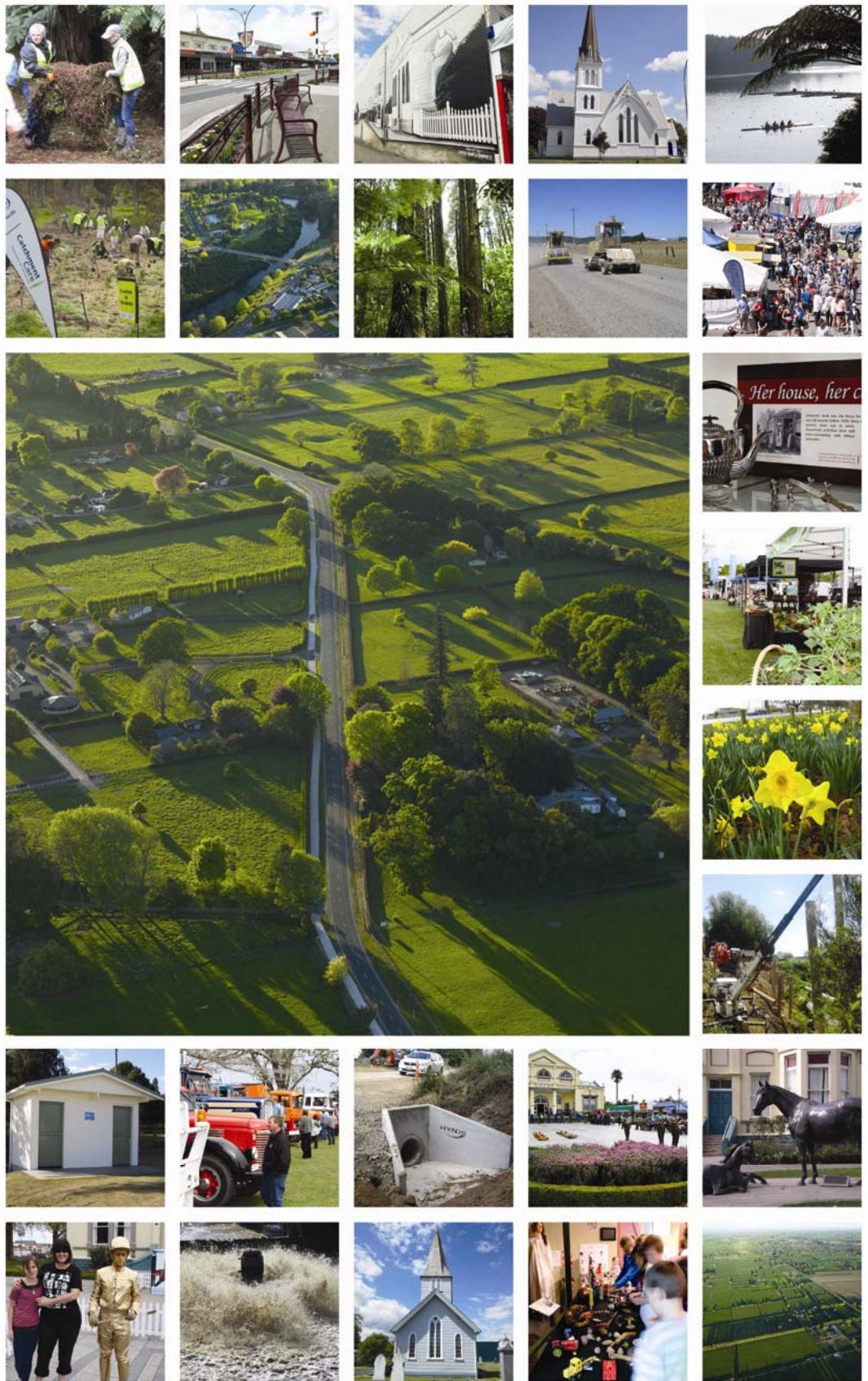
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The Cambridge to Karapiro leg of Te Awa, The Great New Zealand River Ride. Maungatautari Road, Cambridge

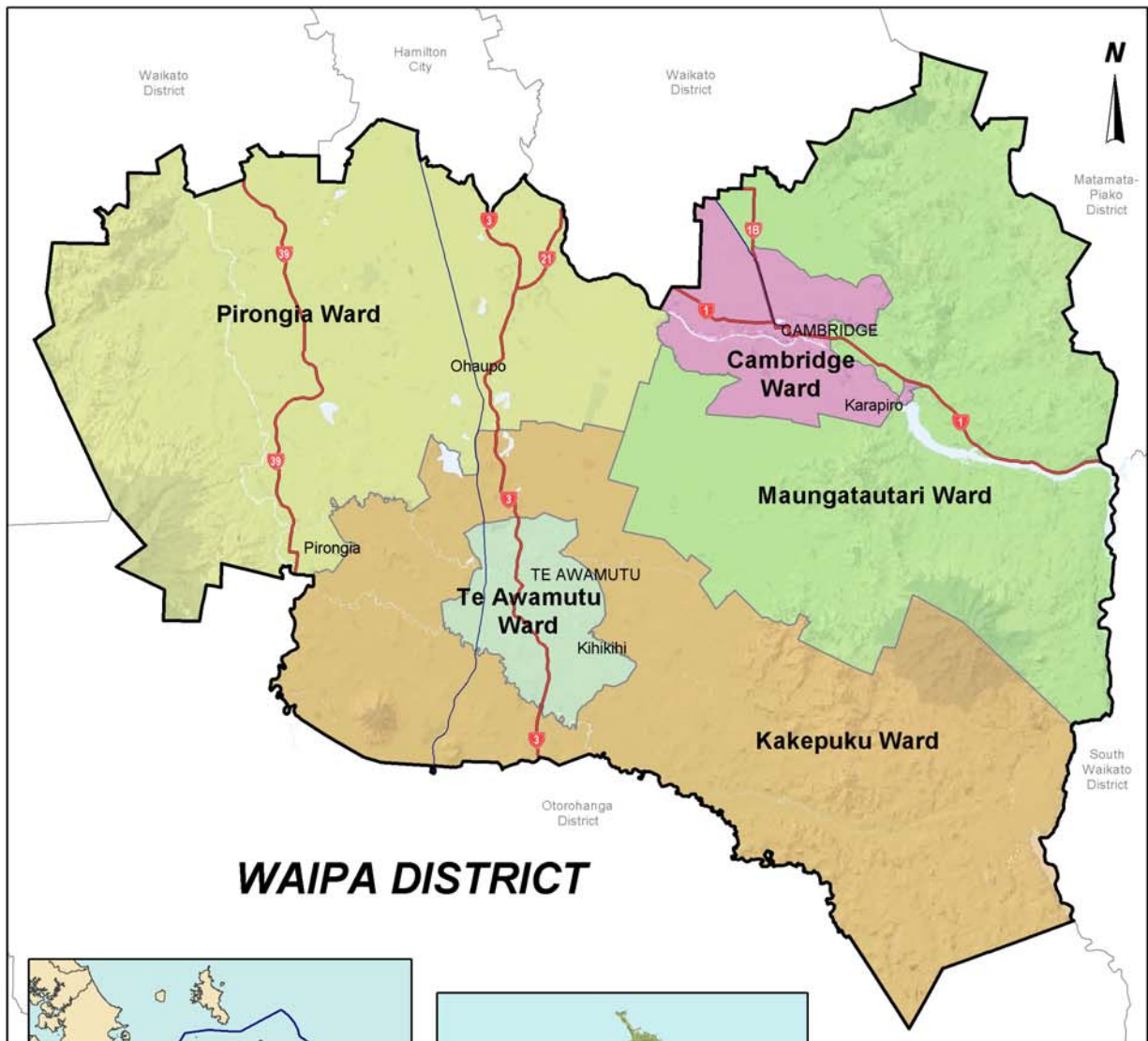


# Section two

## Introduction



# Map of Waipa District



## WAIPA DISTRICT



Waikato Region



Where we are in NZ



CADASTRAL INFORMATION DERIVED FROM LAND INFORMATION NEW ZEALAND'S DIGITAL CORE RECORD SYSTEM (CRS). CROWN COPYRIGHT RESERVED. BASE MAP BY GEOGRAPHIX.

# Waipa Community Profile

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## Base Statistics

Area	147,019 ha		
Population (usually resident)	42,501 <sup>1</sup>	45,800 <sup>2</sup>	46,630 <sup>3</sup>
Households (occupied dwellings)	15,825 <sup>4</sup>		
Businesses	6,999 <sup>5</sup>		
Employees	15,000 <sup>6</sup>		

## Infrastructure (as at 30 December 2010)

Length of roads/streets	1,067.7km (93.2% Sealed)
Length of footpaths	204km
Number of traffic bridges	76
Number of streetlights	2,546
Length of wastewater pipes	244.5km
Length of stormwater pipes	132.2km
Length of water pipes	550.6km

## Amenities (as at 30 December 2010)

Area of parks, reserves, sports fields & playgrounds	3,574 ha
Number of swimming pools	2
Number of public toilets	38
Number of district halls	32
Number of cemeteries	10

<sup>1</sup> Statistics New Zealand 2006 Census figures.

<sup>2</sup> Statistics New Zealand 2006 Census projection figures for 2011.

<sup>3</sup> University of Waikato PSC Medium EDA scenario projection figures for 2011.

<sup>4</sup> Statistics New Zealand 2006 Census figures.

<sup>5</sup> Source: Statistics New Zealand Business Frame, February 2009.

<sup>6</sup> Source: Statistics New Zealand Business Frame, February 2009.

## Rating Data (as at 1 July 2010)

Rating system	Mix of General Rates and Targeted Rates
Number of rateable properties	19,755
Average total rates per property (GST inclusive)	\$2,187
Council debt	\$31m

## Council Data

Number of Wards	5
Number of Elected Members	12 plus the Mayor
Number of Council staff (as at 30 December 2010)	221

## Summary of Changes from 10-year Plan 2009-19

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When Council adopted the 10-year Plan in 2009 it contained the proposed activities, projects and programmes, and their associated budgets, for 2011/12 (year three of the Plan). While the 10-year Plan signals Council's intentions, circumstances change over time and it is appropriate for Council to be able to react to those changes in the best interests of residents and ratepayers, as well as ensuring current and new statutory requirements continue to be met.

The Annual Plan reflects a number of changes to what was signalled in the 10-year Plan. None of the changes are of such significance that an amendment to the 10-year Plan is required. However a summary of changes are listed here for completeness:

- Changes in depreciation due to revaluation of assets
- Reduction in interest costs due to changed timing of capital works in waters
- Reduction in the level of NZTA funding with a consequent reduction in work undertaken
- Reduction in Reserve Contribution projects through reduced revenue
- Overall reduction in staffing levels proposed in the 10-year plan

The net effect of these changes is that a significantly lower increase in the level of rate revenue is proposed in this Annual Plan than was signalled for year three of the 10-year Plan. A full statement of the variations to the 10-year Plan for the net Cost of Service of Significant Activities is included in Section 4 of this Plan.



# Assumptions

The 10-year Plan (2009-19) was prepared based on a set of significant forecasting assumptions, and the expectation that those assumptions would hold true for the period of the Plan. The assumptions used are set out in Sections 2 and 6 of the 10-year Plan.

In preparing this Annual Plan, which is based on year three of the 10-year Plan, the assumptions used in the 10-year Plan have been reviewed. The review has identified that several of the assumptions will require amendments as they are very unlikely to hold true for 2011/12 in their current form. The assumptions and the required amendments are set out below:

Assumption Area	Assumption as per 10-year Plan	Changes for 2011/12 Annual Plan
Projected Growth	That growth in the number of properties would average 2 % per year.	Actual growth in the number of properties for 2010 was 0.5%. A figure of 0.4% has been used in the preparation of the Annual Plan 2011/12.
New Zealand Transport Agency (NZTA) Funding	That NZTA funding would increase to match Council's increased Roding programme.	NZTA have confirmed that funding levels for 2011/12 will remain at the same level as 2010/11. The proposed Roding programme for 2011/12 has been prepared to match the confirmed funding levels.
Inflation	That inflation rates would be consistently applied across all areas as per the rates provided by Business & Economic Research Limited (BERL).	Inflation has been applied to specific areas at rates based on current market conditions.
Interest	That interest on investments and new debt would be 6%.	Interest earned has been forecast at 4%, interest to be paid at 7%.

# Community Outcomes

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Community Outcomes represent the goals and aspirations of the community, and they guide the long-term planning activities of Council and other community service delivery agencies.

There are 37 Community Outcome statements for Waipa, and these are grouped under the following four wellbeing areas:

- Vibrant and Creative Waipa
- Economically Secure Waipa
- Environmentally Sustainable Waipa
- Healthy and Active Waipa

Waipa's Community Outcomes and vision are presented in Section 3 of the 10-year Plan, and the 10-year Plan and this Annual Plan have been prepared having regard to the Community Outcomes. Waipa's Community Outcomes will be reviewed in 2013/14.

Council, in partnership with other key agencies, is responsible for monitoring progress towards the achievement of community outcomes, and reporting this to the public. A Waipa State of the District Report was published in 2009, and set out information and trends against a range of indicators. The next report is due for publication in 2012, and the information will be used to assist the preparation of the draft 10-year Plan 2012-22.





# Section three

## Council's Action Plan

# Guide to Significant Activities

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Council's services are delivered within eight significant activity areas, each containing a number of lesser activities, which have been consolidated for the purposes of presentation in this Annual Plan. Significant activity has the same meaning and purpose as the term 'group of activities' as specified in section 10 of the Local Government Act 2002.

For each significant activity this Annual Plan sets out:

- Key Projects for 2011/12
- Any changes for the programme outlined in the 10-year Plan 2009-2019
- The target levels of service and the performance measures by which the actual levels of service can be assessed for the 2011/12 year
- The estimated expenses of achieving and maintaining the proposed levels of service for each activity for the 2011/12 year
- How the expenses are to be met and expected revenue levels, including the sources of funds, e.g. rates, fees and charges

The significant activity groups included in this section are:

- Governance and Strategic Direction
- Environmental Services
- Recreation and Heritage
- Amenity Services
- Transport Management
- Stormwater
- Water Treatment and Supply
- Wastewater Treatment and Disposal

## Further Information

The 10-year Plan 2009-2019 contains a wide range of information relating to the significant activities and should be referred to if more information is required.

For each significant activity a range of targets and measures have been developed to show the standard of performance Council proposes over the next 10 years and the means by which Council intends to measure its performance. The measures, when considered collectively, are intended to provide a general view of the overall performance of Council in each significant activity area and encompass the elements of quality, quantity, cost, timeliness and location (if relevant).

All of Council's activities relate to community outcomes and these outcomes are also shown in each of the significant activity areas detailed in the 10-year Plan. Council is required to monitor progress towards the achievement of community outcomes and the indicators and measures that Council proposes to use for each community outcome are included in Section 4 of the 10-year Plan.

Other information relating to Significant Activities contained in the 10-year Plan includes:

- The activities included in the significant activity.
- The assets required to support the activities and services, any anticipated changes in demand for the service and the implications of such changes to Council's service provision levels.
- The extent of Council involvement in each activity, including any legislative requirements and how the activity contributes to the community outcomes identified by the Waipa community.
- Any possible negative effects that providing the services may have on the wellbeing of the community.
- The timing of key actions or projects in the period 1 July 2009 to 30 June 2019.

Support Services are those activities and areas within Council that support the delivery of services within each of the significant activities. While the costs of Support Services are included within each significant activity, they are also shown separately at the end of this section; this shows the indirect costs that underpin the significant activities.

To reflect the Council's change in organisational structure a small change in significant activities was made since the 2009-19 10 year plan. Development Engineering was previously considered a Support Service, however it is now included as a direct cost in the Environmental Services Significant Activity.

# Governance and Strategic Direction

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## Key Projects for 2011/12

Project	Description
Electoral System and Representation Review	Council's last review of the local electoral system was in August 2008 when Council decided to continue use of the First Past the Post system for the 2010 elections. An opportunity to review the system is available in 2011/12. Council could resolve to make a change for the 2013 and 2016 elections or hold a poll. Council will also review the district's representation arrangements.
Residents Survey	As a part of its performance measurement framework, Council conducts an annual survey of residents to determine levels of satisfaction with Council services.
Preparation of Long Term Plan	A Long Term Plan is required to be adopted by Council by 30 June 2012 to detail its planned operations, performance measures, budget and proposed rates for the period 2012 to 2022.
District Plan Review	A reviewed Waipa District Plan will be notified in 2010/11 as required under the Resource Management Act 1991. The focus of the review in 2011/12 will be the processing and hearing of submissions by Council.
Bylaw Reviews	Under the Local Government Act 2002 a bylaw is required to be reviewed within five years of being adopted and every 10 years thereafter. In the 2011/12 year the Traffic, Refuse Collection and Disposal, Fire Control and Stock Droving Bylaws are scheduled for review.
Joint Management Agreement Developments	Council will develop joint management agreements with Iwi in accordance with legislation giving effect to treaty settlements associated with the Waikato and Waipa rivers.

## Changes from the 10-year Plan 2009-19

The District Plan programme has been increased from the programme identified in the 10 year plan to cater for additional legal expenses which may be encountered in processing and reaching a decision on submissions.

Additional funding has been identified for the preparation of the long term plan to ensure issues such as a review of the development contributions can be adequately undertaken.

An increase in Councils contribution to the implementation of the future proof growth strategy has also been provided for.



## Governance and Strategic Direction: Levels of Service and Measuring Performance

### Governance

Level of service: The Mayor and Councillors set the direction for the activities that Council engages in (as per the Local Government Act 2002)

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
Community leadership is achieved through setting a direction for the district and providing avenues to ensure community views are heard	% of residents (who respond to this question in the annual National Research Bureau (NRB) survey) who are satisfied with Mayor and Councillors	90%*

\* Council aims to meet the target specified and resourcing is allocated on that basis. If the target is exceeded, future targets will be assessed to determine whether or not a change can be supported by the available resources.

Level of service: The Community Board members represent and act as advocates for the interests of their communities

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
Community leadership is achieved through setting a direction for the district and providing avenues to ensure community views are heard	% of residents (who respond to this question in the annual NRB survey) who are satisfied with Community Board members	90%*

\* Council aims to meet the target specified and resourcing is allocated on that basis. If the target is exceeded, future targets will be assessed to determine whether or not a change can be supported by the available resources.

Level of service: Opportunities are provided for the community to have input to proposed activities

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
Community leadership is achieved through setting a direction for the district and providing avenues to ensure community views are heard	% of residents (who respond to this question in the annual NRB survey) who are satisfied with the way Council involves the public in the decisions it makes	70%

## Strategic Direction

Level of service: The District Plan is current and reflects a strong vision for the District

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
The District Plan is a key tool that enables Council to achieve a number of community outcomes across all well-beings	District Plan is reviewed	Plan review process*

\* The District Plan is expected to be notified and submissions processed through to Council having hearings in the first half of the 2011/12 year.

## Grants to Community Organisations

2010/11 Funded		2011/12 Annual Plan
\$		\$
16,500	Pirongia Ward Grants	16,500
30,000	Cambridge Community Board Grants	30,000
30,000	Te Awamutu Community Board Grants	30,000
13,300	Citizens Advice Bureau - Cambridge	13,300
24,500	Citizens Advice Bureau - Te Awamutu	26,500
20,000	Nga Iwi Toopu Support	20,000
6,200	Pirongia Historical Visitors Centre	6,200
3,500	Pirongia Ratepayers Association	3,500
100,000	District Promotions	100,000
15,000	Cambridge Community Arts Council	15,000
15,000	Waipa Community Arts Council	15,000
3,000	Waikato Biodiversity Forum	3,000
12,500	Te Awamutu Safer Community Charitable Trust	12,500
5,000	Cambridge Armistice	5,000
-	Cambridge Safer Community Charitable Trust	5,000
30,000	Rugby World Cup 2010/11	-
<b>324,500</b>	<b>TOTAL</b>	<b>301,500</b>

### NOTES

The Individual grants to these organisations are specified for 2011/12.

A sum has been included in future years, although allocation is confirmed on an annual basis.

The grants to the Community Arts Council are funded externally from Creative New Zealand.

## Governance and Strategic Direction: Operating and Capital Costs and Funding Forecasts

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>REVENUE</b>				
103	Elections	-	-	-
30	Community Grants	30	30	-
133	<b>TOTAL REVENUE</b>	30	30	-
<b>OPERATING EXPENDITURE</b>				
2,489	Council & Committees	2,857	2,957	(100)
183	Cambridge Community Board	186	278	(92)
183	Te Awamutu Community Board	187	272	(85)
192	Elections	1	1	-
355	Community Grants	334	355	(21)
1,845	Strategic Planning	1,828	583	1,245
5,247	<b>TOTAL EXPENDITURE</b>	5,393	4,446	947
<b>(5,114)</b>	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(5,363)</b>	<b>(4,416)</b>	<b>(947)</b>
<b>Funded by:</b>				
4,207	Rates	4,940	4,205	735
907	Loan	423	211	212
5,114	<b>TOTAL FUNDING</b>	5,363	4,416	947
<b>Capital Expenditure:</b>				
14	Capital Expenditure	-	-	-
222	Debt Repayment	294	196	98
236	<b>TOTAL CAPITAL EXPENDITURE</b>	294	196	98
<b>Funded by:</b>				
236	Rates	294	196	98
236	<b>TOTAL FUNDING</b>	294	196	98
<b>4,443</b>	<b>REQUIRED FROM RATES</b>	<b>5,234</b>	<b>4,401</b>	<b>833</b>

\* See 'Variations to 10-Year Plan' in Section 4 - Financial Planning, for explanation as to variances

## Governance and Strategic Direction: Performance Measures

2010/11 Forecast		2011/12 Annual Plan	2011/12 LTCCP
<b>QUANTITY</b>			
19,821	Rateable Properties	19,858	20,238
46,630	Population	47,396	47,396
46,630	Population based on Census Years	46,630	46,630
<b>\$ AVERAGE OPERATING COSTS</b>			
<b>Per resident</b>			
53	Council	61	63
8	Community Boards	8	12
<b>RESOURCES</b>			
224	Permanent staff (number of)	229	233

# Environmental Services

## Key Projects for 2011/12

Project	Description
Building Act Accreditation	The rigorous accreditation process provides the community with certainty that buildings assessed by the Council are safe and compliant. Waipa District Council has been an accredited Building Consent Authority since 2008.
Crime Prevention Camera System	To consider the design, cost and implementation of a Crime Prevention Camera System for incorporation of a project into the Long Term Plan review process in 2011/12.
One Stop Shop for Regulatory Services	The key objective of the one stop shop project is for the Council's Regulatory and Engineering Departments to work closely together to provide a timely, convenient and efficient service to meet our customers' multiple regulatory and service connection needs.
Complete the review of the Code of Practice for Land Development and Subdivision	This project will result in an updated Development and Subdivision Manual that sets out the principles, guidelines, requirements and processes to be followed when land development projects are undertaken in Waipa District.

## Changes from the 10-year Plan 2009-19

The expenses associated with the Council's Development Engineering function now appear as a direct cost in the Environmental Services significant activity area, rather than as an indirect overhead spread across all significant activities. This change reflects Council's organisational restructuring.

Council intends investigating solutions that will assist with crime prevention in the district, however no additional funds are allocated for 2011/12 and the investigation will be undertaken by staff.

## Environmental Services: Levels of Service and Measuring Performance

### Planning Services

Level of service: Council's Resource Management and Land Information Memorandum (LIM) processes are efficient and timely

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
The community is assured that all Resource Management and Land Information Memorandum processes are in accordance with statutory requirements	% of non notified resource consents processed within RMA timeframes.	100%
	% of notified resource consents processed within RMA timeframes.	100%

	% of Land Information Memorandum's (LIMs) processed within the statutory timeframes.	100%
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Level of service: Resource consents that Council issues are monitored to ensure compliance with the relevant conditions

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
The community is assured that all resource consents will be complied with to achieve sustainable outcomes	At least 630 resource consents are monitored for compliance per annum	100%

Level of service: Council's bylaws are regularly monitored for compliance

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
The community is assured that Council bylaws are adhered to that will achieve sustainable outcomes	Complaints received and/or breaches detected are responded to within 5 working days	100%

## Building Services

Level of service: Council's building consents processes are efficient and timely

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
The community is assured that all certified buildings are safe	% of Project Information Memorandums (PIMs) issued within 20 working days	100%
	% of building consents processed within 20 working days	100%

Level of service: Council processes building consents

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
The quality of Council's building consent process is assured	Ensuring Council maintains its building consent authority accreditation	Council maintains its accreditation

## Environmental Safety

Level of service: A 24 hour, 7 day a week service is provided to respond to noise, hazardous substances, fire and animal control complaints

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
The community can feel safe and enjoy the lifestyle of the District and a well-managed environment	Number of complaints regarding service (as reported monthly)	No complaints received

Level of service: Licensed premises, food premises, resource consent/District Plan noise rules and recreational water quality are monitored to ensure public safety is maintained and nuisance minimised

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
The community can feel safe and enjoy the lifestyle of the District and a well-managed environment	% of regular monthly programme of monitoring for sites, premises and consents undertaken to ensure statutory compliance is completed*	100% of monthly monitoring programmes completed

\* Monitoring of food premises is undertaken on an assessed risk basis. Premises assessed as high risk are monitored every four months, medium risk every six months and low risk every 12 months.



## Environmental Services: Operating and Capital Costs and Funding Forecasts

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>REVENUE</b>				
841	Resource Management	976	1,206	(230)
1,149	Building Control	1,329	1,573	(244)
264	Environmental Health	277	294	(17)
380	Animal Control	373	345	28
210	Development Engineering	264	397	(133)
2,844	<b>TOTAL REVENUE</b>	3,219	3,815	(596)
<b>OPERATING EXPENDITURE</b>				
1,726	Resource Management	1,564	2,242	(678)
1,259	Building Control	1,424	1,637	(213)
599	Environmental Health	713	610	103
490	Animal Control	519	558	(39)
731	Development Engineering	835	629	206
4,805	<b>TOTAL EXPENDITURE</b>	5,055	5,676	(621)
<b>(1,961)</b>	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(1,836)</b>	<b>(1,861)</b>	<b>25</b>
<b>Operating Deficit Funded by:</b>				
1,961	Rates	1,836	1,629	207
-	Transfer from Support Services	-	232	(232)
1,961	<b>TOTAL FUNDING</b>	1,836	1,861	(25)
<b>CAPITAL EXPENDITURE</b>				
5	Debt Repayment	-	-	-
5	<b>TOTAL CAPITAL EXPENDITURE</b>	-	-	-
<b>Funded by:</b>				
1	Rates	-	-	-
4	Reserves	-	-	-
5	<b>TOTAL FUNDING</b>	-	-	-
<b>1,962</b>	<b>REQUIRED FROM RATES</b>	<b>1,836</b>	<b>1,861</b>	<b>(25)</b>

\* See 'Variations to 10-Year Plan' in Section 4 - Financial Planning, for explanation as to variances

# Environmental Services: Performance Measures

2010/11 Forecast		2011/12 Annual Plan	2011/12 LTCCP
\$	<b>AVERAGE OPERATING COSTS</b>	\$	\$
	<b>Per Resident</b>		
37	Resource Management	34	48
27	Building Control	31	35
13	Environmental Health	15	13
11	Animal Control	11	12
16	Development Engineering	18	13
104	<b>TOTAL</b>	109	121
\$	<b>Per Rateable Property</b>	\$	\$
87	Resource Management	79	111
64	Building Control	72	81
30	Environmental Health	36	30
25	Animal Control	26	28
37	Development Engineering	42	31
243	<b>TOTAL</b>	255	279

## Recreation and Heritage

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### Key Projects for 2011/12

Project	Description
Park Renewals	Ongoing maintenance and renewal of Parks and Recreation facilities.
Gecks Reserve Development	Establishment of unsealed vehicular access to the lakeside area, development of a boat ramp, parking area, and toilet/changing facilities. This project was deferred from the 2010/11 year to 2011/12.
Maungatautari Ecological Island	Council will continue its support to the Maungatautari Ecological Island project towards maintenance of the fence and creating a pest free environment.
Review the Cambridge Townbelt Reserve Management Plan	This project will update the current Plan in accordance with the requirements of the Reserves Act 1977. The review will have regard to the recently adopted Cambridge Town Concept Plan.

### Changes from the 10-year Plan 2009-19

The capital programme for Park Renewals will be significantly reduced from that identified in the 10-year Plan and the operating programme increased. This reallocation better reflects the operational nature of the Park Renewals programme.

The scope of the Lake Serpentine project has changed and now includes the construction of a car park and toilet which has resulted in the project being a capital expense rather than a project that was of an operational nature.

Ongoing development at Karapiro is dependent on external funding and will continue when funding is confirmed.

## Recreation and Heritage: Levels of Service and Measuring Performance

### District Pools

Level of service: Safe, reliable and accessible swimming pools are available for the community

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
Creating a healthier community through encouraging and supporting increased levels of active recreation	Pools are operated in accordance with NZ Standards for pool water quality	100% compliance
	All weather pools available in Cambridge and Te Awamutu, annual review	All weather pool in Te Awamutu and summer season pool in Cambridge
	% of residents (who respond to this question in the annual NRB survey) who are satisfied with the swimming pools	85%

### District Libraries

Level of service: Full and accessible library services are provided in Cambridge and Te Awamutu

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By providing our communities with free and equitable access to a range of library resources and services	Full library service is available in Cambridge and Te Awamutu (Full Service means items can be issued at any time the Library is open)	Full library service in Cambridge and Te Awamutu
By providing fun recreational facilities and family friendly areas which are affordable and accessible	% of residents (who respond to this question in the annual NRB survey) who are satisfied with the library service	90%

\* Council aims to meet the target specified and resourcing is allocated on that basis. If the target is exceeded, future targets will be assessed to determine whether or not a change can be supported by the available resources.

Level of service: There is a wide range of library stock, including up-to-date material

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By providing our communities with free and equitable access to a range of library resources and services	% of district library collection that meets the Library and Information Association of New Zealand Aotearoa (LIANZA) standard of 3.5 items per resident (reviewed quarterly)	100%

## District Museums

Level of service: The museums provide a range of services including research, education, public programmes and workshops. Artefacts are housed in appropriate conditions to ensure their preservation.

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
The rich heritage of the District is preserved and celebrated	Number of education, holiday and public programmes and events arranged by the museums <sup>7</sup>	190
	Number of exhibition and display changes annually (total for both museums)	10
	Number of visitors to both museums annually	17,000
	Number of unique visits to museum's websites	50,000
	% of residents (who respond to this question in the annual NRB survey) are satisfied with district museums	90%

## Parks and Reserves

Level of service: Provision of appropriate, safe and accessible recreational spaces, playgrounds, facilities and family friendly areas

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By providing a range of fun recreational spaces, playgrounds, facilities and family friendly areas which are affordable, accessible and youth focussed	Parks space available for leisure within urban areas, annual assessment	Actively maintained reserve land of 7.2ha per 1,000 residents
	Compliance with NZ Standards for playgrounds equipment (audited quarterly)	100%
	% of residents (who respond to this question in the annual NRB survey) are satisfied with parks and reserves	90%*

\* Council aims to meet the target specified and resourcing is allocated on that basis. If the target is exceeded, future targets will be assessed to determine whether or not a change can be supported by the available resources.

<sup>7</sup> The target for programmes and events includes classes run under the Learning Experiences Outside the Classroom (LEOTC) contract.

Level of service: Service requests and system failures are responded to in a timely manner

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By being managed effectively and efficiently to maximise resources while meeting the needs of our residents	Response time within agreed number of days: Enquiry response within 3 working days	100%

## Recreation and Heritage: Operating and Capital Costs and Funding Forecasts

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>REVENUE</b>				
459	Mighty River Domain/Gecks Development	463	375	88
108	District Museums	106	114	(8)
201	District Libraries	207	200	7
293	District Pool Te Awamutu	290	550	(260)
1,061	<b>TOTAL REVENUE</b>	1,066	1,239	(173)
<b>OPERATING EXPENDITURE</b>				
3,293	Parks and Reserves	3,479	3,959	(480)
1,371	Mighty River Domain/Gecks Development	1,203	1,400	(197)
760	District Museums	821	801	20
1,348	District Libraries	1,455	1,498	(43)
1,741	District Pool Te Awamutu	1,807	2,029	(222)
312	District Pool Cambridge	316	303	13
239	Heritage	226	1,182	(956)
9,064	<b>TOTAL EXPENDITURE</b>	9,307	11,172	(1,865)
<b>(8,003)</b>	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(8,241)</b>	<b>(9,933)</b>	<b>1,692</b>
<b>Operating Deficit Funded by:</b>				
7,389	Rates	7,718	8,807	(1,089)
103	Reserves	118	455	(337)
469	Non Funded	405	268	137
42	Sponsorship/Donations	-	403	(403)
8,003	<b>TOTAL FUNDING</b>	8,241	9,933	(1,692)
<b>CAPITAL EXPENDITURE</b>				
1,565	Capital Expenditure	1,521	3,448	(1,927)
421	Debt Repayment	337	372	(35)
1,986	<b>TOTAL CAPITAL EXPENDITURE</b>	1,858	3,820	(1,962)
<b>Funded by:</b>				
207	Rates	85	56	29
-	Loan	175	132	43
456	Reserves	1,132	678	454
756	Development Contributions	316	1,089	(773)
567	Sponsorship/Donations	150	1,865	(1,715)
1,986	<b>TOTAL FUNDING</b>	1,858	3,820	(1,962)
<b>7,596</b>	<b>REQUIRED FROM RATES</b>	<b>7,803</b>	<b>8,863</b>	<b>(1,060)</b>

\* See 'Variations to 10-Year Plan' in Section 4 - Financial Planning, for explanation as to variances



## Recreation and Heritage: Capital Expenditure Programme

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000
<b>EXPENDITURE</b>			
756	Growth	316	1,089
809	Levels of Service/Renewal	1,205	2,359
<b>1,565</b>	<b>Total Recreation and Heritage</b>	<b>1,521</b>	<b>3,448</b>

## Recreation and Heritage: Performance Measures

2010/11 Forecast		2011/12 Annual Plan	2011/12 LTCCP
\$	<b>AVERAGE OPERATING COSTS</b>	\$	\$
<b>Per Resident</b>			
100	Parks, Reserves, Karapiro Domain	100	115
37	District Pool Te Awamutu	39	44
7	District Pool Cambridge	7	6
16	District Museums	18	17
29	District Libraries	31	32
5	Heritage	5	25
<b>194</b>	<b>TOTAL</b>	<b>200</b>	<b>239</b>
<b>District Libraries</b>			
2.75	\$ per book issued	2.96	2.93

## Amenity Services

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### Key Projects for 2011/12

Projects	Description
Property Development	This project is to develop and prepare for sale two Council owned properties in Cambridge. It is intended that a large property in Addison Street will be developed and subdivided prior to sale. Another property in Burns Street will require minimal development in order to be ready for sale.
Development of a Waste Management and Minimisation Plan	<p>This project will complete the review of the current Waste Management Plan (adopted in 2005) and result in the adoption and implementation of a Waste Management and Minimisation Plan (WMMP) as required by the Waste Minimisation Act 2008. The willingness of the community to pay through their rates to keep the Cambridge Refuse Transfer Station (RTS) open will be canvassed in the draft WMMP.</p> <p>The RTS has been subsidised by Council (\$28,000) since 2009 to enable it to remain open, and this arrangement is in place until 2012. Council consulted on this arrangement as part of the 10-Year Plan 2009-19. The RTS operators consider that it is uneconomical to have the facility open to the public without the subsidy.</p>
Forestry Harvesting	This project involves the harvesting 34ha's of Council's pine forest on Mt Pirongia. The harvest will be followed by a full replant of all the harvested blocks.

### Changes from the 10-year Plan 2009-19

The Addison and Burns Street property developments were not identified in the current 10-year plan as there was uncertainty as to the outcome of a plan change. The change to the District plan that was approved in 2010 means that Council has decided to undertake these developments in the 2011/12 year. Council can now undertake this project which will release capital funds to be re-directed into other capital projects over the next 5 years.

The forestry harvest was timed for the 2012/13 to 2014/15 years in the 10-Year Plan 2009-19 but it has been brought forward with commencement in the 2010/11 year and the bulk of the harvest in 2011/12.

## Amenity Services: Levels of Service and Measuring Performance

### Cemeteries

Level of service: Plots and berms are available

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By providing a well maintained and culturally appropriate place of remembrance that meets the needs of the community	% of time plots and berms are available on demand for burials and cremations	100%

Level of service: Cemeteries are maintained to a tranquil and pleasing appearance

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By providing a well maintained and culturally appropriate place of remembrance that meets the needs of the community	Number of complaints received regarding the appearance of the cemetery	Less than 3

Level of service: Cemeteries provide for the needs of a wide-range of ethnicities and religious groups

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By providing a well maintained and culturally appropriate place of remembrance that meets the needs of the community	Number of complaints received regarding cultural or religious insensitivity	Less than 3

### Pensioner Housing and District Halls

Level of service: Timely response to service requests and system failures raised by occupiers of Council's facilities

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By being managed effectively and efficiently to maximise resources while meeting the needs of our residents	Service requests and system failures will be responded to within the agreed timeframes:  Emergencies responded to within 2 hours  Minor works responded to within 2 working days  General enquiries responded to within 5 working days	100%

## Public Toilets

Level of service: Public toilets are designed appropriately and are well maintained

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By ensuring the public toilets are accessible, clearly signed and managed effectively and efficiently to meet the needs of residents and visitors	Service requests will be responded to within the agreed timeframes:  Emergencies/cleanliness responded to within 2 hours  Minor works responded to within 5 working days	100%
	% of residents (who respond to this question in the annual NRB survey) who are satisfied with public toilets	90%

## Waste Management

Level of service: All residents have access to a kerbside recycling service

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By helping to reduce our waste and use resources more efficiently	% of households using the kerbside recycling service (as determined in the annual NRB survey)	90%*
	% of urban residents (who respond to this question in the annual NRB survey) who are satisfied with recycling service	90%

Note: The review of Council's Waste Management Plan in 2010/11 is expected to establish waste reduction targets for the District. These targets will be incorporated into the 2012 Council Long Term Plan.

\*Council aims to meet the target specified and resourcing is allocated on that basis. If the target is exceeded, future targets will be assessed to determine whether or not a change can be supported by the available resources.

## Amenity Services: Operating and Capital Costs and Funding Forecasts

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>REVENUE</b>				
132	Cemeteries	138	203	(65)
31	Public Toilets	30	32	(2)
1,370	Properties	1,488	1,265	223
-	Forestry	1,765	-	1,765
59	Rural Fire/Civil Defence	-	7	(7)
104	Waste Management	141	-	141
1,696	<b>TOTAL REVENUE</b>	<b>3,562</b>	<b>1,507</b>	<b>2,055</b>
<b>OPERATING EXPENDITURE</b>				
266	Cemeteries	260	295	(35)
412	Public Toilets	458	520	(62)
3,063	Properties	2,369	3,000	(631)
141	Forestry	1,330	104	1,226
341	Rural Fire/Civil Defence	316	345	(29)
1,373	Waste Management	1,447	1,449	(2)
5,596	<b>TOTAL EXPENDITURE</b>	<b>6,180</b>	<b>5,713</b>	<b>467</b>
<b>(3,900)</b>	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(2,618)</b>	<b>(4,206)</b>	<b>1,588</b>
<b>Operating Deficit Funded by:</b>				
3,180	Rates	3,457	3,962	(505)
114	Loan	78	-	78
332	Reserves	(1,167)	174	(1,341)
274	Non Funded	250	70	180
3,900	<b>TOTAL FUNDING</b>	<b>2,618</b>	<b>4,206</b>	<b>(1,588)</b>
<b>CAPITAL EXPENDITURE</b>				
1,463	Capital Expenditure	614	53	561
554	Debt Repayment	491	308	183
2,017	<b>TOTAL CAPITAL EXPENDITURE</b>	<b>1,105</b>	<b>361</b>	<b>744</b>
<b>Funded by:</b>				
513	Rates	441	267	174
1,342	Loan	38	-	38
92	Reserves	626	94	532
70	External Funding	-	-	-
2,017	<b>TOTAL FUNDING</b>	<b>1,105</b>	<b>361</b>	<b>744</b>
<b>3,693</b>	<b>REQUIRED FROM RATES</b>	<b>3,898</b>	<b>4,229</b>	<b>(331)</b>

\* See 'Variations to 10-Year Plan' in Section 4 - Financial Planning, for explanation as to variances

## Amenity Services: Capital Expenditure Programme

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000
<b>EXPENDITURE</b>			
1,342	Growth	-	-
121	Levels of Service/Renewal	614	53
<b>1,463</b>	<b>Total Amenity Services</b>	<b>614</b>	<b>53</b>

## Amenity Services: Performance Measures

2010/11 Forecast		2011/12 Annual Plan	2011/12 LTCCP
\$	<b>AVERAGE OPERATING COSTS</b>	\$	\$
	<b>Per Resident</b>		
6	Cemeteries	6	6
9	Public Toilets	10	11
7	Public Safety (Rural Fire/Civil Defence)	7	7
29	Waste Management	31	31

# Transport Management

## Key Projects for 2011/12

Project	Description
Renewals	Includes road resealing and rehabilitation. Road renewal work is necessary for the long term integrity of the road and transport network In accordance with the asset management plan.
Safety Improvements	Various improvements to road formation designed to reduce the risk and severity of accidents.
Cambridge North Deferred Residential	Design and construction of roading infrastructure to accommodate development associated with the Cambridge North Deferred Residential zone. This work is dependent on the rate of development. A roundabout is planned for 2011/12 at the intersection of Swayne Road and Norfolk Drive.
Seal Extensions	Approximately 1.2km of unsealed road is scheduled to be sealed on Te Miro Road.

## Changes from the 10-year Plan 2009-19

The 2009-19 10-year Plan was adopted prior to the release of the National Land Transport Programme (NLTP) in 2009. The NLTP reflected the Government's policy direction as expressed in the Government Policy Statement on Transport. This policy has significantly altered funding priorities, for example Roads of National Significance increased in funding priority. Consequently some programmes, such as road reconstruction works and the seal extension program, have been reduced, reflecting substantially lower levels of government funding than envisaged in the 10-year Plan. The programme is also impacted by a revised growth forecast which is lower than anticipated in the 10 -year plan.

## Transport Management: Levels of Service and Measuring Performance

Level of service: Roads are well planned and maintained to ensure they are reliable and efficient

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
To ensure we have a reliable and efficient transport infrastructure we develop forward programmes based on condition, performance and satisfaction levels	% compliance with quality standards (NAASRA) for smoothness *	Urban 78%
		Rural 85%
	Pot holes are repaired within 14 days of notification	100%

	% of residents (who respond to this question in the annual NRB survey) who are satisfied with the levels of road maintenance	80%
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\* The levels of service proposed for 2009-19 are below what has previously been agreed with the community because it is no longer practical or cost effective to achieve them. The changes are not anticipated to significantly impact on the community.

Level of service: Footpaths and cycleways are well maintained to ensure a safe and accessible alternative to vehicle use

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
Encourages people to move away from the use of vehicles and, if used, to use them efficiently	% of residents satisfied with the maintenance of footpaths	80%*

\* Council aims to meet the target specified and resourcing is allocated on that basis. If the target is exceeded, future targets will be assessed to determine whether or not a change can be supported by the available resources.

Level of service: The design and maintenance of the District's roads supports community safety through reducing the injury crash trends

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
We continually monitor the safety of our community in our roading corridor and implement strategies to improve safety	Number of fatal accidents due to road factors	0
	% of residents (who respond to this question in the annual NRB survey) who are satisfied with the safety of the roads	80%

Level of service: Urban street lights are well lit at night

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
We continually monitor the safety of our community in our roading corridor and implement strategies to improve safety	Lights are repaired within 14 days of notification of fault	100%



## Transport Management: Operating and Capital Costs and Funding Forecasts

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>REVENUE</b>				
6,214	NZTA Subsidies	6,424	7,239	(815)
185	Activity Revenue	165	201	(36)
6,399	<b>TOTAL REVENUE</b>	6,589	7,440	(851)
<b>OPERATING EXPENDITURE</b>				
7,162	Depreciation & Amortisation	7,375	6,512	863
6,407	Activity Expenses	6,352	7,874	(1,522)
2,263	Overhead Allocation	2,510	2,846	(336)
824	Finance Costs	962	948	14
16,656	<b>TOTAL EXPENDITURE</b>	17,199	18,180	(981)
<b>(10,257)</b>	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(10,610)</b>	<b>(10,740)</b>	<b>130</b>
<b>Operating Deficit Funded by:</b>				
8,480	Rates	9,221	9,258	(37)
90	Reserves	(120)	-	(120)
667	Development Contributions	682	682	-
1,020	Non Funded	827	800	27
10,257	<b>TOTAL FUNDING</b>	10,610	10,740	(130)
<b>CAPITAL EXPENDITURE</b>				
11,869	Capital Expenditure	9,554	11,126	(1,572)
1,000	Debt Repayment	1,060	1,214	(154)
12,869	<b>TOTAL CAPITAL EXPENDITURE</b>	10,614	12,340	(1,726)
<b>Funded by:</b>				
125	Rates	119	114	5
2,411	Loan	884	2,009	(1,125)
7,331	Reserves	7,348	6,449	899
1,777	Development Contributions	1,973	2,620	(647)
235	Vested Assets	290	1,148	(858)
990	External Funding	-	-	-
12,869	<b>TOTAL FUNDING</b>	10,614	12,340	(1,726)
<b>8,605</b>	<b>REQUIRED FROM RATES</b>	<b>9,340</b>	<b>9,372</b>	<b>(32)</b>

\* See 'Variations to 10-Year Plan' in Section 4 - Financial Planning, for explanation as to variances

## Transport Management: Capital Expenditure Programme

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000
<b>EXPENDITURE</b>			
1,777	Growth	1,973	2,620
9,857	Levels of Service/Renewal	7,291	7,358
235	Vested Assets	290	1,148
<b>11,869</b>	<b>Total Transport Management</b>	<b>9,554</b>	<b>11,126</b>

## Transport Management: Performance Measures

2010/11 Forecast		2011/12 Annual Plan	2011/12 LTCCP
<b>EXPENDITURE</b>			
2,165	\$ Per lane kilometre on maintenance (1)	2,130	2,658
3,745	\$ Per lane kilometre on renewals (2)	3,513	3,658
12	Total length of road reconstructed	11	14
75	Total length of road resurfaced	125	90

(1) NZTA work category. Includes sealed and unsealed pavement, drainage, bridge, environmental, traffic services maintenance and network management.

(2) NZTA work category. Includes unsealed metalling, reseals, drainage renewal, pavement rehabilitation, bridge structural replacement, traffic services renewal and associated improvements.

Note: \$ per lane km based on 1,066.8km x 2 lanes = 2,133.6 lane kilometres

# Stormwater

## Key Projects for 2011/12

Project	Description
District stormwater renewals, upgrades and additional pipe capacity.	Replacement of stormwater pipes district wide (renewals and increasing capacity). Additional capacity is required as the network is ageing and is insufficient to meet anticipated future demand.
Cambridge North Deferred Residential Stormwater Works	Design and installation of stormwater infrastructure to accommodate development associated with the Cambridge North Deferred Residential Zone. This work is dependent on the rate of development.
Cambridge North Deferred Residential Stormwater Swale Land Acquisition	Acquisition of land associated with stormwater infrastructure, including swales, to accommodate development associated with the Cambridge North Deferred Residential Zone. This work is dependent on the rate of development.
Cambridge and Te Awamutu Reticulated Stormwater Modelling	Development of strategic models of these systems to assist in management of stormwater assets. The models will facilitate the development of capital works programmes, including strategic infrastructure upgrades, and assist in determining the effects of development proposals.

## Changes from the 10-year Plan 2009-19

The Cambridge and Te Awamutu Reticulated Stormwater Modelling project was not included in the Long Term Plan but is now included in the 2011/12 Annual Plan. Growth projects such as, Bond Road and Picquet Hill have been deferred to future years.

There are no other significant changes from the programme outlined in the 10-year Plan.

## Stormwater: Levels of Service and Measuring Performance

Level of service: Service requests and system failures are responded to in a timely manner

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By providing reliable, efficient and well planned infrastructure that supports growth while continuing to meet the needs of residents	Response time within agreed number of days:  Minor works within 1 working day  General enquiries within 10 working days	100%

Level of service: The stormwater network is reliable and flooding events are minimised in urban areas

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By providing reliable, efficient and well planned infrastructure that supports growth while continuing to meet the needs of residents	% of residents (who respond to this question in the annual NRB survey) who are satisfied with the stormwater service	80%*

\* Council aims to meet the target specified and resourcing is allocated on that basis. If the target is exceeded, future targets will be assessed to determine whether or not a change can be supported by the available resources.

Level of service: The quality of stormwater discharged from Council infrastructure is monitored and managed

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
Water quality in rivers and lakes is managed through appropriate stormwater practices	Compliance with resource consent conditions (monitored in accordance with resource consent requirements)	100%

## Stormwater: Operating and Capital Costs and Funding Forecasts

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>REVENUE</b>				
3	Activity Revenue	3	3	-
3	TOTAL REVENUE	3	3	-
<b>OPERATING EXPENDITURE</b>				
704	Depreciation & Amortisation	749	779	(30)
1,079	Activity Expenses	710	859	(149)
291	Overhead Allocation	288	506	(218)
37	Finance Costs	34	145	(111)
2,111	TOTAL EXPENDITURE	1,781	2,289	(508)
<b>(2,108)</b>	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(1,778)</b>	<b>(2,286)</b>	<b>508</b>
<b>Operating Deficit Funded by:</b>				
1,664	Rates	1,726	2,236	(510)
57	Reserves	-	-	-
387	Non Funded	52	50	2
2,108	TOTAL FUNDING	1,778	2,286	(508)
<b>CAPITAL EXPENDITURE</b>				
1,298	Capital Expenditure	1,559	2,397	(838)
-	Debt Repayment	-	75	(75)
1,298	TOTAL CAPITAL EXPENDITURE	1,559	2,472	(913)
<b>Funded by:</b>				
660	Reserves	741	780	(39)
276	Development Contributions	650	1,143	(493)
362	Vested Assets	168	549	(381)
1,298	TOTAL FUNDING	1,559	2,472	(913)
<b>1,664</b>	<b>REQUIRED FROM RATES</b>	<b>1,726</b>	<b>2,236</b>	<b>(510)</b>

\* See 'Variations to 10-Year Plan' in Section 4 - Financial Planning, for explanation as to variances

## Stormwater: Capital Expenditure Programme

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000
<b>EXPENDITURE</b>			
276	Growth	650	1,143
660	Levels of Service/Renewal	741	705
362	Vested Assets	168	549
1,298	<b>Total Stormwater</b>	1,559	2,397

## Stormwater: Performance Measures

2010/11 Forecast		2011/12 Annual Plan	2011/12 LTCCP
<b>QUANTITY</b>			
232	Open drains managed	231	232
125	Piped reticulation maintained	125	127
<b>\$ AVERAGE OPERATING COSTS</b>			
1,076	Rural land drainage (per km of drain)	1,252	1,897
14,198	Urban stormwater (per km of drain)	11,588	14,045

# Water Treatment and Supply

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## Key Projects for 2011/12

Project	Description
District Wide Steel Main replacement	Replacement of remaining steel and Concrete Lined Steel (CLS) mains in the district which are in poor condition due to the age of the pipelines.
District Wide Main replacement	Replacement of existing mains and installation of new laterals.
District Wide Rider Main <sup>8</sup> installation	Installation of new rider mains in areas of poor lateral quality and marginal Levels of Service.
Te Tahi Reservoir Renewal	Construction of an additional reservoir for the Te Awamutu water supply scheme.
Te Rore Water Supply Works	Improvements to the supply scheme, following renewal of the resource consent, to transition ownership from Council to the Te Rore Water Supply Society.

## Changes from the 10-year Plan 2009-19

Key projects such as reservoir renewals and treatment plant upgrades have been deferred for the next three years to enable Council to undertake infrastructure planning of these key assets, prepare site development plans, and renew existing Environment Waikato water abstraction and discharge consents. An exception to this is the progression of the Te Tahi reservoir renewal project due to the current supply/demand issues associated with the Te Awamutu scheme and inclusion of additional costs associated with finalising the Te Rore resource consent.

Growth projects (such as Picquet Hill, Bond Road and staging of Cambridge north) have been deferred to future years.

Council will also be preparing strategies for the three water services (stormwater, water supply and wastewater), which has been highlighted as a key action in Council's Waipa 2050 Growth Strategy and Environment Strategy. These will enable effective water conservation and demand management to be implemented.

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<sup>8</sup> These are the secondary distribution lines which forms part of the water reticulation network.

## Water Treatment and Supply: Levels of Service and Measuring Performance

Level of service: A reliable water supply is provided with adequate flow and pressure

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
A reliable and well planned infrastructure supports development and growth while continuing to meet the needs of residents	% of residents (who respond to this question in the annual NRB survey) who are satisfied with the water supply service	90%
	Flow and pressure requirements of the water supply bylaw are complied with	Yes

Level of service: A reliable water supply is provided with adequate flow and pressure

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By ensuring that communities are prepared for emergencies	% of fire hydrants, tested annually*, that meet the NZ Fire Service Code of Practice	90%

Note: Council will test all fire hydrants on a 5-yearly basis, with 1/5<sup>th</sup> being tested on an annual basis.

Level of service: Service requests and system failures are responded to within a timely manner

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
A reliable and well planned infrastructure supports development and growth while continuing to meet the needs of residents	Response time within agreed number of days :  Minor works within 2 working days  General inquiries within 10 working days	100%

Level of service: Conservation measures are implemented to ensure efficient water use is encouraged

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
A reliable and well planned infrastructure supports development and growth while continuing to meet the needs of residents	The completion and implementation of a water supply management plan/water conservation strategy	Management plan adoption



Level of service: The community is protected from drinking water related health issues by providing quality potable water (in agreed areas)

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
A reliable and well planned infrastructure supports development and growth while continuing to meet the needs of residents	% of residents (who respond to this question in the annual NRB survey) who are satisfied with the water supply	90%
	Public Health Risk Management Plans prepared and implemented	N/A

## Water Treatment and Supply: Operating and Capital Costs and Funding Forecasts

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
3,226	Activity Revenue	3,335	3,446	(111)
3,226	<b>TOTAL REVENUE</b>	3,335	3,446	(111)
<b>OPERATING EXPENDITURE</b>				
3,219	Depreciation & Amortisation	3,324	3,176	148
3,693	Activity Expenses	3,681	4,111	(430)
1,122	Overhead Allocation	1,246	1,426	(180)
19	Finance Costs	9	654	(645)
8,053	<b>TOTAL EXPENDITURE</b>	8,260	9,367	(1,107)
(4,827)	<b>OPERATING SURPLUS/(DEFICIT)</b>	(4,925)	(5,921)	996
<b>Operating Deficit Funded by:</b>				
4,490	Rates	4,629	5,661	(1,032)
32	Reserves	33	-	33
305	Non Funded	263	260	3
4,827	<b>TOTAL FUNDING</b>	4,925	5,921	(996)
<b>CAPITAL EXPENDITURE</b>				
1,856	Capital Expenditure	4,282	7,830	(3,548)
-	Debt Repayment	-	478	(478)
1,856	<b>TOTAL CAPITAL EXPENDITURE</b>	4,282	8,308	(4,026)
<b>Funded by:</b>				
-	Loan	-	2,293	(2,293)
1,675	Reserves	3,892	2,946	946
121	Development Contributions	303	2,785	(2,482)
60	Vested Assets	87	284	(197)
1,856	<b>TOTAL FUNDING</b>	4,282	8,308	(4,026)
<b>4,490</b>	<b>REQUIRED FROM RATES</b>	<b>4,629</b>	<b>5,661</b>	<b>(1,032)</b>

\* See 'Variations to 10-Year Plan' in Section 4 - Financial Planning, for explanation as to variances

## Water Treatment and Supply: Capital Expenditure Programme

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000
<b>EXPENDITURE</b>			
121	Growth	303	2,785
1,675	Levels of Service/Renewal	3,892	4,761
60	Vested Assets	87	284
<b>1,856</b>	<b>Total Water Treatment &amp; Supply</b>	<b>4,282</b>	<b>7,830</b>

## Water Treatment and Supply: Performance Measures

2010/11 Forecast		2011/12 Annual Plan	2011/12 LTCCP
<b>QUANTITY</b>			
9.8	Water processed (millions m3)	9.8	10.0
532	Reticulation system (km)	534	534
14,314	Separately rateable property	14,360	14,273
<b>\$ AVERAGE OPERATING COSTS</b>			
563	Per separately rateable property	576	656
0.82	Production (per m3)	0.84	0.94

# Wastewater Treatment and Disposal

## Key Projects for 2011/12

Project	Description
District Sewer Pipe Replacement	Replacement of sewer mains in poor condition.
Factory Road Trunk Main Pipe Upgrade	Upgrade of Factory Road trunk main, pump station and associated works to increase network capacity.
Cambridge North Deferred Residential Zone	Design and installation of wastewater infrastructure to accommodate development associated with the Cambridge North Deferred Residential Zone. This work is dependent on the rate of development.

## Changes from the 10-year Plan 2009-19

Growth projects (such as Picquet Hill, Bond Road and staging of Cambridge north) have been deferred to future years. There are no other significant changes from the programme outlined in the 10-year Plan.

## Wastewater Treatment and Disposal: Levels of Service and Measuring Performance

Level of service: Council responds in a timely manner to service requests and system failures

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By providing a reliable, efficient and well planned infrastructure that supports development and growth while continuing to meet the needs of residents	Service requests and system failures will be responded to within the agreed timeframes:  General enquiries responded to within 10 working days  Minor works responded to in 1 working day	100%

Level of service: Discharges to air, water and land from the wastewater system are managed appropriately to ensure a healthy and safe infrastructure

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By operating in a sustainable and environmentally friendly manner	The number of customer complaints received about odour events* (audited quarterly)	Less than 30 odour complaints per year
	Discharges from treatment plants meet resource consent standards set by Environment Waikato (EW)	100%

\* The levels of service proposed for 2009-19 are below what has previously been agreed with the community because it is no longer practical or cost effective to achieve them. The changes are not anticipated to significantly impact on the community.

Level of service: Council protects the communities from wastewater related issues by providing community reticulated systems

How the activity contributes to community outcomes	How we measure our performance	Performance target 2011/12
By being managed effectively and efficiently to maximise resources while meeting the needs of residents	% of residents who respond to this question in the annual NRB survey) who are satisfied with the wastewater system	90%*

\* Council aims to meet the target specified and resourcing is allocated on that basis. If the target is exceeded, future targets will be assessed to determine whether or not a change can be supported by the available resources.

## Wastewater Treatment and Disposal: Operating and Capital Costs and Funding Forecasts

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>REVENUE</b>				
381	Activity Revenue	475	438	37
381	TOTAL REVENUE	475	438	37
<b>OPERATING EXPENDITURE</b>				
2,677	Depreciation & Amortisation	2,768	2,458	310
2,260	Activity Expenses	2,374	2,476	(102)
787	Overhead Allocation	976	1,070	(94)
387	Finance Costs	291	571	(280)
6,111	TOTAL EXPENDITURE	6,409	6,575	(166)
<b>(5,730)</b>	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(5,934)</b>	<b>(6,137)</b>	<b>203</b>
<b>Operating Deficit Funded by:</b>				
5,610	Rates	5,900	6,057	(157)
(165)	Reserves	(49)	-	(49)
285	Non Funded	83	80	3
5,730	TOTAL FUNDING	5,934	6,137	(203)
<b>CAPITAL EXPENDITURE</b>				
2,062	Capital Expenditure	1,741	4,298	(2,557)
1,339	Debt Repayment	1,329	646	683
3,401	TOTAL CAPITAL EXPENDITURE	3,070	4,944	(1,874)
<b>Funded by:</b>				
-	Loan	-	722	(722)
2,637	Reserves	2,729	2,405	324
431	Development Contributions	213	1,399	(1,186)
333	Vested Assets	128	418	(290)
3,401	TOTAL FUNDING	3,070	4,944	(1,874)
<b>5,610</b>	<b>REQUIRED FROM RATES</b>	<b>5,900</b>	<b>6,057</b>	<b>(157)</b>

\* See 'Variations to 10-Year Plan' in Section 4 - Financial Planning, for explanation as to variances

## Wastewater Treatment and Disposal: Capital Expenditure Programme

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000
<b>EXPENDITURE</b>			
431	Growth	213	1,399
1,298	Levels of Service/Renewal	1,400	2,481
333	Vested Assets	128	418
<hr/>			
2,062	<b>Total Wastewater Treatment &amp; Disposal</b>	1,741	4,298

## Wastewater Treatment and Disposal: Performance Measures

2010/11 Forecast		2011/12 Annual Plan	2011/12 LTCCP
<b>QUANTITY</b>			
232	Reticulation maintained (km)	234	234
3.1	Sewerage volume treated (millions m <sup>3</sup> )	3.1	2.9
11,057	Separately rateable property	11,100	11,343
<hr/>			
<b>\$ AVERAGE OPERATING COSTS</b>		\$	\$
553	Per separately rateable property	578	580
1.97	Processing ( per m <sup>3</sup> treated)	2.07	2.27

## Support Services

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### Key Projects for 2011/12

Projects	Description
Shared Services	Council's executive staff will continue to work with other Councils to find new ways of sharing resources and services to enable greater efficiency gains.
Digitisation	Scanning of property files to improve Council efficiency in dealing with queries and issues that arise regarding them.
Web Strategy	A project is being undertaken to upgrade Council's public internet site, with a view to improving the design and providing a platform that can deliver an increased range of services via the internet.
Regional tourism	The establishment of a Regional Tourism Organisation (the Hamilton & Waikato RTO) to enable better coordination and integrated marketing of the region to potential visitors and achieve increased tourism expenditure, jobs and businesses.
Asset Management Software	To select and implement an Asset Management System appropriate to the requirements of Council. This will provide dedicated asset information storage and data interrogation facilities to inform and support asset management decisions.

### Changes from the 10-year Plan 2009-19

The activity of the digitisation project delayed in the 2010/11 year and consequently has been carried over into the 2011/12 year. The scanning of property files is expected to be completed in the 2012 calendar year.

In 2009 Waipa District Council, along with the other shareholder councils of Hamilton Airport (WRAL), agreed to fund a two-year project for WRAL to undertake regional tourism services and to investigate the establishment of a Regional Tourism Organisation (RTO). As a result of this work it is now proposed that a Hamilton & Waikato RTO be established and that it take the form of a council-controlled organisation (CCO). The RTO will have an annual operating budget of \$1.6 million, with \$820,000 of this to be funded by local councils, with Waipa District Council's share being \$100,000 per annum.

### Support Services: Levels of Service and Measuring Performance

The departments that contribute to support services have their own performance management measures, including operating plans and performance targets. Further work is likely to provide a coordinated organisation-wide approach to quality, efficiency and effectiveness of support.



## Support Services: Operating and Capital Costs and Funding Forecasts

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>REVENUE</b>				
47	Activity Revenue	6	18	(12)
10,062	Internal Recoveries	11,393	12,964	(1,571)
10,109	<b>TOTAL REVENUE</b>	11,399	12,982	(1,583)
<b>OPERATING EXPENDITURE</b>				
4,911	Employee Benefit Expenses	5,320	6,697	(1,377)
847	Depreciation & Amortisation	1,079	889	190
4,713	Activity Expenses	6,804	6,034	770
140	Finance Costs	108	78	30
10,611	<b>TOTAL EXPENDITURE</b>	13,311	13,698	(387)
(502)	<b>OPERATING SURPLUS/(DEFICIT)</b>	(1,912)	(716)	(1,196)
<b>Operating Deficit Funded by:</b>				
362	Loan	1,852	848	1,004
(81)	Rates	-	-	-
-	Transfer to Enviromental Services	-	(232)	232
221	Non Funded	60	100	(40)
502	<b>TOTAL FUNDING</b>	1,912	716	1,196
<b>CAPITAL EXPENDITURE</b>				
1,107	Capital Expenditure	1,576	1,122	454
641	Debt Repayment	192	417	(225)
1,748	<b>TOTAL CAPITAL EXPENDITURE</b>	1,768	1,539	229
<b>Funded by:</b>				
250	Rates	138	245	(107)
287	Loan	591	35	556
1,211	Reserves	1,039	1,259	(220)
1,748	<b>TOTAL FUNDING</b>	1,768	1,539	229
169	<b>REQUIRED FROM RATES</b>	138	13	125

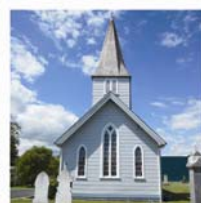
\* See 'Variations to 10-Year Plan' in Section 4 - Financial Planning, for explanation as to variances

## Support Services: Capital Expenditure Programme

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000
<b>EXPENDITURE</b>			
1,107	Levels of Service/Renewal	1,576	1,122
1,107	<b>Total Support Services</b>	1,576	1,122



Replacement and relocation of Ngaroto Road bridge over rail corridor and road alignment, Ngaroto Road, Te Awamutu, September 2010



# Section four

## Financial Planning

# Statement of Prospective Financial Information

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The financial information contained within this Annual Plan is prospective financial information which complies with the FRS42 Financial Reporting Standard. FRS42 sets the principles and specifies minimum disclosures for the preparation and presentation of general purpose prospective financial information. The purpose of this financial information is to enable the public to participate in the decision-making process as to the services to be provided by Council for the financial year 2011/12, and to provide a broad accountability mechanism of Council to the community. The financial information may not be appropriate for purposes other than those described.

In relation to the standard, the financial year 2011/12 is considered to be a 'forecast year' and based on future events, which are expected to occur. The actual results achieved for the period are likely to vary from the information presented and may vary materially depending upon the circumstances that arise during the period.

The 2010/11 financial information provided as a comparative is also forecast information, with those forecasts determined as at 31 March 2011. The actual 2010/11 results are likely to vary from the information presented and may vary materially depending on the circumstances that arise after the effective date of the forecast.

The forecast financial information has been prepared in accordance with Council's current accounting policies which comply with the New Zealand International Financial Reporting Standards.

Council is responsible for the Prospective Financial Statements, including the appropriateness of the underlying assumptions and all other required disclosures, and will be authorising the issue of the Prospective Financial Statements on 28 June 2011.

# Funding of Operating Expenditure

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Section 100 of the Local Government Act 2002 requires Council to fund operating expenditure from operating revenue.

In preparing the Annual Plan there are some instances where Council has resolved that it is financially prudent not to fully fund the operating expenses within the year in which they occur. Where operating expenses are not fully funded, this is shown in the Cost of Services Statement for each Significant Activity. The reasons for each of these are detailed below:

## Infrastructural Assets

The value of assets written off as a result of the renewal of infrastructural assets is not funded in the current or future years. The following Significant Activities are affected:

Transport Management	\$ 827,200
Stormwater	\$ 51,700
Water Treatment and Supply	\$ 103,400
Wastewater Treatment and Disposal	\$ 82,700

These estimates were based on trends relating to asset write-offs over the preceding three years.

## Amenity and Support Services

Council has resolved not to fund depreciation on buildings and improvements where future renewals would be from community sources or through raising new debt. The type of facility is primarily community occupied, has a life in excess of 50 years and renewal would only occur if future generations so decided. The amount of depreciation not funded is \$654,700 with a further amount of \$60,000 not funded relating to Council occupied buildings.

## Water Treatment and Supply

It has also been identified that \$160,000 of depreciation for the Cambridge and Pukerimu water scheme does not require funding. The Pukerimu components were all constructed in the late 1980's and are debt free, having been funded by capital contributions.

# Prospective Statement of Comprehensive Income

For the Year Ending 30 June 2012

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>OPERATING INCOME</b>				
37,025	Rates	39,067	41,099	(2,032)
662	Reserve contributions	302	1,450	(1,148)
2,237	Development contributions	721	5,238	(4,517)
821	Gain on revaluation of investment properties & forestry	879	879	-
990	Vested assets	672	2,399	(1,727)
776	Discovered assets	-	-	-
431	Finance Income	250	650	(400)
18,557	Other revenue	19,509	20,535	(1,026)
61,499	<b>Total Operating Income</b>	61,400	72,250	(10,850)
<b>OPERATING EXPENDITURE</b>				
13,267	Employee benefit expenses	14,443	15,742	(1,299)
16,056	Depreciation & amortisation	16,606	15,166	1,440
25,905	Other expenses	27,376	29,351	(1,975)
2,210	Finance costs	2,298	3,126	(828)
57,438	<b>Total Operating Expenditure</b>	60,723	63,385	(2,662)
4,061	<b>OPERATING SURPLUS</b>	677	8,865	(8,188)
<b>Other Comprehensive Income recognised directly in Equity</b>				
11,445	Property Plant and Equipment Revaluation gains/(losses) taken to equity	78,015	78,015	-
364	Cash flow hedges	321	321	-
11,809	<b>Total Other Comprehensive Income for the year</b>	78,336	78,336	-
15,870	<b>Total Comprehensive Income for the year</b>	79,013	87,201	(8,188)

# Prospective Statement of Changes in Equity

## For the Year Ending 30 June 2012

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
1,069,734	Balance at 1 July 2011	1,085,604	1,149,886	(64,282)
15,870	Total comprehensive income previously reported	79,013	87,201	(8,188)
<b>1,085,604</b>	<b>Balance at 30 June 2012</b>	<b>1,164,617</b>	<b>1,237,087</b>	<b>(72,470)</b>

# Prospective Statement of Financial Position

As at 30 June 2012

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>ASSETS</b>				
<b>Current Assets</b>				
4,828	Cash and cash equivalents	4,443	4,280	163
4,093	Trade and other receivables	3,993	2,060	1,933
8,921	<b>Total Current Assets</b>	8,436	6,340	2,096
<b>Non Current Assets</b>				
1,095,735	Property plant and equipment	1,178,100	1,263,248	(85,148)
687	Intangible Assets	1,190	796	394
1,719	Forestry Assets	1,813	2,211	(398)
2,664	Other financial assets	2,664	2,603	61
15,673	Investment Properties	15,873	29,322	(13,449)
1,116,478	<b>Total Non Current Assets</b>	1,199,640	1,298,180	(98,540)
1,125,399	<b>Total Assets</b>	1,208,076	1,304,520	(96,444)
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
6,390	Trade and other payables	6,590	9,488	(2,898)
70	Provisions	70	78	(8)
931	Employee benefit liabilities	956	957	(1)
-	Borrowings	17,500	19,000	(1,500)
7,391	<b>Total Current Liabilities</b>	25,116	29,523	(4,407)
<b>Non Current Liabilities</b>				
856	Derivative financial instruments	535	392	143
548	Provisions	508	618	(110)
31,000	Borrowings	17,300	36,900	(19,600)
32,404	<b>Total Non Current Liabilities</b>	18,343	37,910	(19,567)
39,795	<b>Total Liabilities</b>	43,459	67,433	(23,974)
<b>EQUITY</b>				
318,243	Retained Earnings	318,662	314,779	3,883
767,361	Other reserves	845,955	922,308	(76,353)
1,085,604	<b>Total Equity</b>	1,164,617	1,237,087	(72,470)



# Prospective Cash Flow Statement

For the Year Ending 30 June 2012

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>Cash Flows from Operating Activities</b>				
37,025	Receipts from rates revenue	39,067	41,099	(2,032)
431	Interest received	250	650	(400)
21,318	Receipts from other revenue	20,633	27,325	(6,692)
(37,509)	Payments to suppliers and employees	(41,345)	(43,880)	2,535
(2,210)	Interest Paid	(2,298)	(3,126)	828
<b>19,055</b>	<b>Net Cash Flow from Operating Activities</b>	<b>16,307</b>	<b>22,068</b>	<b>(5,761)</b>
<b>Cash Flows from Investing Activities</b>				
-	Proceeds from sale of property, plant and equipment	-	1,000	(1,000)
-	Proceeds from sale of investment property	585	-	585
(159)	Purchase of intangible assets	(503)	(64)	(439)
(20,086)	Purchase of property, plant and equipment	(20,574)	(29,839)	9,265
<b>(20,245)</b>	<b>Net Cash Flow from Investing Activities</b>	<b>(20,492)</b>	<b>(28,903)</b>	<b>8,411</b>
<b>Cash Flows from Financing Activities</b>				
10,000	Proceeds from borrowings	12,800	19,800	(7,000)
(10,000)	Repayment of borrowings	(9,000)	(11,000)	2,000
-	<b>Net Cash Flow from Financing Activities</b>	<b>3,800</b>	<b>8,800</b>	<b>(5,000)</b>
(1,190)	<b>Net (decrease)/increase in cash and cash equivalents</b>	(385)	1,965	(2,350)
6,018	Cash and cash equivalents at the beginning of the year	4,828	2,315	2,513
<b>4,828</b>	<b>Cash &amp; cash equivalents at the end of the year</b>	<b>4,443</b>	<b>4,280</b>	<b>163</b>

# Statement of Cost of Services

For the Year Ending 30 June 2012

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>Revenue</b>				
133	Governance & Strategic Direction	30	30	-
2,844	Environmental Services	3,219	3,815	(596)
1,061	Recreation & Heritage	1,066	1,239	(173)
1,696	Amenity Services	3,562	1,507	2,055
6,399	Transport Management	6,589	7,440	(851)
3	Stormwater	3	3	-
3,226	Water Treatment and Supply	3,335	3,446	(111)
381	Wastewater Treatment and Disposal	475	438	37
10,109	Support Services	11,399	12,982	(1,583)
25,852	GROSS REVENUE	29,678	30,900	(1,222)
10,062	Less Internal Charges	11,393	12,964	(1,571)
15,790	<b>NET INCOME</b>	18,285	17,936	349
<b>Expenditure</b>				
5,247	Governance & Strategic Direction	5,393	4,446	947
4,805	Environmental Services	5,055	5,676	(621)
9,064	Recreation & Heritage	9,307	11,172	(1,865)
5,596	Amenity Services	6,180	5,713	467
16,656	Transport Management	17,199	18,180	(981)
2,111	Stormwater	1,781	2,289	(508)
8,053	Water Treatment and Supply	8,260	9,367	(1,107)
6,111	Wastewater Treatment and Disposal	6,409	6,575	(166)
10,611	Support Services	13,311	13,698	(387)
68,254	GROSS EXPENDITURE	72,895	77,116	(4,221)
10,062	Less Internal Charges	11,393	12,964	(1,571)
754	Less rates charged to Council properties	779	767	12
57,438	<b>NET EXPENDITURE</b>	60,723	63,385	(2,662)

# Statement of Borrowing

## For the Year Ending 30 June 2012

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000
<b>Movements in Borrowings</b>			
31,000	Opening Balance	31,000	47,100
-	Net Loans Raised/(Repaid)	3,800	8,800
31,000	Closing Balance	34,800	55,900
-	Current Portion of External Debt	17,500	19,000
31,000	Term Portion of External Debt	17,300	36,900
31,000		34,800	55,900

The above represents the level of external borrowing but this could fluctuate depending on future use of reserves

<b>Policy Compliance</b>			
8.6	Net operating cashflow to interest expense	> 4	7.1
4.2%	Interest expense as % of rates and fees and charges revenue	15%	5.3%
52,813	Dollar rates and fees and charges revenue	000's	57,351
2,210	Interest expense	000's	2,298
19,055	Net cashflow from operating activities	000's	16,307
		22,068	

# Variations to 10-year Plan

	2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>NET COST OF SERVICE OF SIGNIFICANT ACTIVITIES</b>			
<b>GOVERNANCE AND STRATEGIC PLANNING</b>	5,363	4,416	947
Increase in interest due to timing of loans raised for the District Plan. Increase in staffing in Strategic Planning due to organisational restructure, refer note below. Extra costs have also been included for work required for the LTP.			
<b>ENVIRONMENTAL SERVICES</b>	1,836	1,861	(25)
Reduced revenue resulting in reduced costs and transfer of legal fees to Support.			
<b>RECREATION AND HERITAGE</b>	8,241	9,933	(1,692)
Reduction in Reserve Contribution Projects due to reduced revenue. Heritage Programme has been reduced in align with expected external funding.			
<b>AMENITY SERVICES</b>	2,618	4,206	(1,588)
Reduction in professional service costs. Gain on Sale on assets - due to property sales. Net revenue for Forestry due to a change in the timing of harvesting.			
<b>TRANSPORT MANAGEMENT</b>	10,610	10,740	(130)
Reduction in Revenue due to reduced level of NZTA funding, offset by a reduction in work undertaken. Additional depreciation due to revaluation of assets in June 2009. Reduction in interest costs due to timing of capital works.			
<b>STORMWATER</b>	1,778	2,286	(508)
Reduction in interest costs due to timing of capital works. Also savings arising from operation efficiencies due to improved processes and procedures, while maintaining levels of service.			
<b>WATER TREATMENT AND SUPPLY</b>	4,925	5,921	(996)
Increase in depreciation due to revaluation of assets in December 2009. Reduction in interest costs due to timing of capital works. Also savings arising from operation efficiencies due to improved processes and procedures, while maintaining levels of service.			
<b>WASTEWATER TREATMENT AND DISPOSAL</b>	5,934	6,137	(203)
Increase in depreciation due to revaluation of assets in December 2009. Reduction in interest costs due to timing of capital works. Also savings arising from operation efficiencies due to improved processes and procedures, while maintaining levels of service.			
<b>SUPPORT SERVICES</b>	1,912	716	1,196
Movement of staff from Support departments to other activities. Legal costs now reside with Support Services. Digitisation project previously budgeted in prior years.			
	43,217	46,216	(2,999)

**Note:** The organisational restructure in 2009 has resulted in a reduction in staffing costs of \$1m and has involved the transfer of staffing costs away from Support to other activities. This has also impacted on the allocation of overheads to significant activities.

# Capital Expenditure Programme

	Annual Plan 2011/12	Reserves	Loan Funded	Rate Funded	Vested
<b>Amenity Services - Recreation &amp; Heritage</b>					
Reserve Developments	316,000	316,000	-	-	-
Parks Renewals	30,000	-	-	30,000	-
Library Books	214,500	214,500	-	-	-
Lake Serpentine Development	305,000	-	155,000	-	150,000
Mighty River Domain	20,000	-	20,000	-	-
Gecks Recreational Development	635,000	635,000	-	-	-
<b>Total Recreation and Heritage</b>	<b>1,520,500</b>	<b>1,165,500</b>	<b>175,000</b>	<b>30,000</b>	<b>150,000</b>
<b>Amenity Services</b>					
Public Conveniences	52,900	35,900	17,000	-	-
Addison Street Development	540,000	540,000	-	-	-
Cambridge Town Hall - Front Ramp	21,000	-	21,000	-	-
<b>Total Amenity Services</b>	<b>613,900</b>	<b>575,900</b>	<b>38,000</b>	-	-
<b>Transport Management</b>					
Drainage Renewals	217,000	217,000	-	-	-
Pavement Rehab	3,704,900	3,704,900	-	-	-
Structures Component Renewal	92,000	92,000	-	-	-
Traffic Services Renewals	21,500	21,500	-	-	-
Associated Improvements	530,000	261,200	268,800	-	-
Minor Improvements	1,139,000	934,300	204,700	-	-
Unsealed Road Metalling	106,000	106,000	-	-	-
Sealed Road Resurfacing	2,455,000	2,295,000	160,000	-	-
Vested Assets	290,000	-	-	-	290,000
Footpath Renewals	80,600	80,600	-	-	-
Amenity Lighting Renewals	2,000	2,000	-	-	-
Car Park Renewals	49,800	49,800	-	-	-
Seal Extensions	250,000	25,000	225,000	-	-
Cambridge Deferred Residential	591,303	591,303	-	-	-
Town Concept Plans	25,000	-	25,000	-	-
<b>Total Roading and Transportation Projects</b>	<b>9,554,103</b>	<b>8,380,603</b>	<b>883,500</b>	-	<b>290,000</b>
<b>Stormwater</b>					
Vested Assets	167,500	-	-	-	167,500
Renewals	388,000	388,000	-	-	-
Reticulation	487,400	487,400	-	-	-
Cambridge Deferred Residential Works	356,915	356,915	-	-	-
Cambridge Deferred Residential Swale Land	158,900	158,900	-	-	-
<b>Total Stormwater Projects</b>	<b>1,558,715</b>	<b>1,391,215</b>	-	-	<b>167,500</b>

## Capital Expenditure Programme - Continued

	Annual Plan 2011/12	Reserves	Loan Funded	Rate Funded	Vested
<b>Water Treatment &amp; Supply</b>					
Vested Assets	86,600	-	-	-	86,600
Renewals	2,319,800	2,319,800	-	-	-
Reticulation	444,500	444,500	-	-	-
Water Treatment Plant Upgrades	1,181,138	1,181,138	-	-	-
Te Rore Consent Works	250,000	250,000	-	-	-
<b>Total Water Treatment and Supply Projects</b>	<b>4,282,038</b>	<b>4,195,438</b>	-	-	<b>86,600</b>
<b>Wastewater Treatment and Disposal</b>					
Vested Assets	127,500	-	-	-	127,500
Renewals	1,092,200	1,092,200	-	-	-
Reticulation	260,200	260,200	-	-	-
Cambridge North Deferred Residential	260,808	260,808	-	-	-
<b>Total Waste Water Projects</b>	<b>1,740,708</b>	<b>1,613,208</b>	-	-	<b>127,500</b>
<b>Support Services</b>					
Information Technology Hardware Renewal	395,600	395,600	-	-	-
Information Technology Software	503,100	161,900	341,200	-	-
Information Management Projects	186,600	20,000	166,600	-	-
Plant Replacement	475,400	392,600	82,800	-	-
Council Buildings	15,000	15,000	-	-	-
<b>Total Support Services Projects</b>	<b>1,575,700</b>	<b>985,100</b>	<b>590,600</b>	-	-
<b>Total Capital Expenditure</b>	<b>20,845,664</b>	<b>18,306,964</b>	<b>1,687,100</b>	<b>30,000</b>	<b>821,600</b>

# Capital Variations to 10-year Plan

	2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>Amenity Services - Recreation &amp; Heritage</b>			
Reserve Developments	316	1,063	(747)
Mighty River Domain Development at Lake Karapiro/Gecks Development	655	2,023	(1,368)
Lake Serpentine Development	305	-	305
Multiple Projects	244	362	(118)
<b>Amenity Services</b>			
Public Conveniences	53	53	-
Addison Street Development	540	-	540
Cambridge Town Hall - Front Ramp	21	-	21
<b>Transport Management</b>			
Multiple Projects	8,423	8,419	4
Vested Assets	290	1,148	(858)
Road Seal Extension	250	500	(250)
Cambridge Deferred Residential	591	1,059	(468)
<b>Storm water</b>	1,559	2,397	(838)
<b>Water Treatment &amp; Supply</b>			
Multiple Projects	-	1,740	(1,740)
Vested Assets	87	284	(197)
Reticulation	444	390	54
Renewals	2,320	1,911	409
Water Treatment Plant Upgrades	1,181	3,505	(2,324)
Te Rore Consent Works	250	-	250
<b>Wastewater Treatment and Disposal</b>			
Multiple Projects	262	2,169	(1,907)
Vested Assets	127	418	(291)
Reticulation	260	693	(433)
Renewals	1,092	1,018	74
<b>Support Services</b>			
Information Technology	1,086	647	439
Plant Programme	475	475	-
Council Buildings	15	-	15
	<b>20,846</b>	<b>30,274</b>	<b>(9,428)</b>

Refer Section 3 for variance explanations

# Projects Considered But Not Funded

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There were a number of projects that Council considered for inclusion in the 10-year Plan 2009-19 but were not included. Council is continuing to seek alternative funding sources to assist with some of these projects which may proceed if funding is secured. A full list of projects considered by Council but not funded is shown below.

## Project

- Additional Treated Water Storage for Urban Areas
- Back up Connection between Drinking Water Schemes
- Cambridge Third Bridge
- Cambridge Town Hall Refurbishment
- General Carpark Improvements
- District Wide Water Metering (Universal)
- Extra Widening of Roads for Levels of Service (including Cycling)
- Heart of Te Awamutu Projects
  - Churchill Street Carpark Extension
  - Events Centre Third Court Expansion
  - Mahoe Street Upgrade
  - SH3 External Gateways
  - Wellness Centre
- New Museum in Cambridge
- Karapiro Development – Chalets, Sound System and Playground
- Cycleway – Te Awa – This project is to commence in the 2011/12 year which will be funded by Te Awa River Ride Charitable Trust, discussions are currently in progress on this project
- Te Awamutu College Gymnasium
- Te Awamutu Intermediate Hockey Turf
- Albert Park Stadium re-development – The Grandstand Community Trust’s redevelopment project has been approved by Council, with funding of up to \$700,000 to be signalled in the draft 2012-22 Long Term Plan. The nature and extent of Council funding will be finalised in June 2012 when progress with the Trust’s fundraising programme is known.



# Statement of Accounting Policies

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## Reporting Entity

Waipa District Council is a territorial local authority governed by the Local Government Act 2002. Council has no subsidiaries and the financial statements are for the single entity of Waipa District Council, domiciled in New Zealand.

The primary objective of Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, Council has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

## Basis of Preparation

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, infrastructural assets, investment property and forestry. The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of Council is New Zealand dollars.

## Revenue

Revenue is measured at the fair value of consideration received.

### Rates Revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year in which the rates have been set. Rates revenue is recognised when payable.

### Other Revenue

Water billing revenue is recognised on an actual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Council receives government grants from the New Zealand Transport Agency which subsidises part of Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as income. Assets vested in Council are recognised as revenue when control over the asset is obtained.

Interest income is recognised using the effective interest method.

Dividends are recognised when Council's right to receive the payment is established.

### **Development Contributions**

The revenue recognition point for development and financial contributions is at the point that settlement is received, either by payment or negotiated developer agreement.

### **Borrowing Costs**

The Council has elected to defer the adoption of NZ IAS 23 Borrowing Costs (Revised 2007) in accordance with its transitional provisions that are applicable to public benefit entities.

Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

### **Grant Expenditure**

Non discretionary grants are those grants that are awarded if the grant application meets the specified criteria, and are recognised as expenditure when an application that meets the specified criteria for the grant has been received. Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and grants are recognised as expenditure on payment.

### **Leases**

#### **Operating leases**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straightline basis over the lease term.

## Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

## Trade and Other Receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Loans are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return of a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the Statement of Comprehensive Income as a grant.

A provision between the face value and present value of expected future cash flows of the loan is recognised in the Statement of Comprehensive Income as a grant.

A provision for impairment of receivables is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

## Financial Assets

Council classifies its investments in the following categories:

- Financial assets at fair value through profit and loss
- Loans and receivables
- Held-to-maturity investments
- Financial assets at fair value through other comprehensive income

The classification depends on the reason behind acquiring the investment. Council decides how to classify its investments when they are acquired.

Purchases and sales of investments are recorded on the value date. Financial assets are no longer recognised when the right to receive cash flows from the financial assets has expired or has been transferred. The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active, Council establishes fair value through valuation techniques. At each year end Council assesses whether there is evidence that a financial asset or group of financial assets is impaired. Any impairment loss is recognised in the Statement of Comprehensive Income.

## **Financial assets at fair value through profit or loss**

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss. A financial asset falls in this category if acquired principally to sell in the short-term or if designated this way by Council. After initial recognition, they are measured at fair value. These financial assets are classified as current assets if they are held for trading or expected to be realised within twelve months of the year end date.

## **Loans and Receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments not quoted in an active market. They arise when Council provides money, goods or services directly to a debtor with no intention of selling the receivable asset. After initial recognition, they are measured at amortised cost using the effective interest method. They are included in current assets, except for those with maturities greater than twelve months after the year end date, which are classified as non-current assets.

## **Held-to-Maturity Investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council has the intention and ability to hold to maturity. After initial recognition, they are measured at amortised cost using the effective interest method.

## **Financial Assets at Fair Value through Comprehensive Income**

Financial assets at fair value through other comprehensive income are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of the share investment within 12 months of balance date or if the debt instrument is not expected to be realised within 12 months of balance date. The Council includes in this category:

- investments that it intends to hold long-term but which may be realised before maturity; and
- shareholdings that it holds for strategic purposes.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive income, except for impairment losses, which are recognised in the surplus or deficit. On derecognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the surplus or deficit.

## **Assets Held for Sale**

Assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. These assets are not depreciated or amortised.

## Property, Plant and Equipment

Property, plant and equipment consists of:

- Operational assets which include land, buildings, library books, plant and equipment, and motor vehicles.
- Infrastructural assets which are the fixed utility systems. Each asset class includes all items that are required for the network to function, for example sewer reticulation includes reticulation piping and sewer pump stations.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

### Additions

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably. Additions are generally recognised at cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the date of acquisition.

### Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are included in the Statement of Comprehensive Income. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

### Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential with the item will flow to Council and the cost of the item can be measured reliably.

### Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

	Components	Years
Water Treatment	Structures	50 – 100
	Plant	10 – 25
	Pipes	60
Water Reticulation	Pipes	30 – 80
	Fittings	25

	Components	Years
Sewage Treatment	Structures	50 – 100
	Plant	10 – 25
	Pipes	60
Sewerage Reticulation	Pipes	50 – 80
	Manholes	50
Stormwater	Structures	50
	Pipes	50 – 80
	Manholes	50
Formation/carrageway and shoulder		Infinite
Pavement structure		30 – 50
Pavement surface (seal)		10 – 15
Catchpits and culverts		30 – 70
Bridges		20 – 80
Kerb and channel		50
Lighting		10
Footpaths		20 – 50
Buildings – not componentised		40
Building – structure		50 – 80
Building – fit-out		25 – 80
Building – services		40 – 80
Plant/motor vehicles		3 – 10
Furniture, fittings and equipment		3 – 10
Computer equipment		3 – 10
Intangibles		3 – 10
Library Books		7

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

### Revaluation

Those asset classes that are revalued are valued on a three yearly cycle on the basis described below, with the exception of forestry assets and investment properties, which are valued annually. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

## **Operational Land and Buildings**

At fair value as determined from market-based evidence where there is a market, or depreciated replacement cost for specialised assets, by an independent valuer. The most recent valuation was performed by Quotable Value New Zealand (registered valuers) and the valuation is effective as at 1 July 2008.

## **Infrastructural Assets**

At fair value determined on a depreciated replacement cost basis by an independent valuer. The most recent valuation was performed by Opus International Consultants Limited (registered valuers) and the valuation is effective as at 1 January 2010 for the utility assets and 30 June 2009 for roading assets.

## **Land under Roads and Road Reserves**

Valued by Opus International Consultants Limited (registered valuers) using estimates provided by Quotable Value at current market prices (\$/ha) for land use categories through which the roads pass. The valuation is effective as at 1 July 2006. Land under roads is no longer revalued.

## **Accounting for Revaluations**

Revaluations of property, plant and equipment are on a class of asset basis. The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Statement of Comprehensive Income. Any subsequent increase in revaluation that off-sets a previous decrease in value recognised in the Statement of Comprehensive Income will be recognised first in the Statement of Comprehensive Income up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

## **Intangible Assets**

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred.

## **Amortisation**

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the Statement of Comprehensive Income. The useful lives and associated amortisation rates of computer software have been estimated at 3-10 years (33% - 10%).

## **Impairment**

Intangible assets that have an indefinite useful life, or not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of and are tested annually for impairment at each balance date. When there is an indicator of impairment the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

## **Forestry**

Forestry assets are independently revalued annually at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs and silvicultural costs and takes into consideration environmental, operational and market restrictions.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated point of sale costs, and from a change in fair value less estimated point of sale costs, are recognised in the Statement of Comprehensive Income. The costs to maintain the forestry assets are included in the Statement of Comprehensive Income.

## **Investment Property**

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals.

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition investment properties are measured at fair value as determined annually by an independent valuer. Gains and losses on revaluation, acquisition and disposal are recognised in the Statement of Comprehensive Income.

## **Employee Benefits**

Employee benefits expected to be settled within twelve months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave. A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that it is anticipated it will be used by staff to cover those future absences.

## **Trade and Other Payables**

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.



## Provisions

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

## Derivative Financial Instruments

Council uses derivative financial instruments to hedge its exposure to interest rate risks arising from financing activities. In accordance with the treasury management policy Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives financial instruments are recognised initially at fair value. Subsequent to initial recognition, derivative financial instruments are stated at fair value. The gain or loss on re-measurement to fair value is recognised immediately in the Statement of Comprehensive Income. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see Hedging policy).

The fair value of interest rate swaps is the estimated amount that the Council would receive or pay to terminate the swap at the Statement of Financial Position date, taking into account current interest rates and the current credit worthiness of the swap counterparts.

## Hedging

Derivatives are first recognised at fair value on the date a contract is entered into and are subsequently re-measured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Council designates certain derivatives as either: (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (2) hedges of highly probable forecast transactions (cash flow hedges).

At the inception of the transaction Council documents the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. Council documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

### Fair Value Hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Comprehensive Income, together with any changes in the fair value of the assets or liability that are attributable to the hedged risk.

## **Cash Flow Hedge**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Comprehensive Income.

Amounts accumulated in equity are recycled in the Statement of Comprehensive Income in the periods when the hedged item will affect profit or loss (for instance when the forecast sale that is hedged takes place). However, when the forecast transaction that is hedged results in the recognition of the non financial assets (for example inventory) or a non financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the measurement of the initial cost of carrying amount of the asset or liability.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at the time remains in equity and is recognised when the forecast transactions is ultimately recognised in the Statement of Comprehensive Income.

When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Statement of Comprehensive Income.

## **Derivatives that do not qualify for hedge accounting**

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that do not qualify for hedge accounting are recognised immediately in the Statement of Comprehensive Income.

## **Borrowings**

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

## **Equity**

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves, the components are:

- Retained earnings
- Council created reserves
- Revaluation Reserves
- Cash flow hedge reserve

### **Council created reserves**

Council created reserves are a component of equity representing a particular use to which various parts of equity have been assigned. The council may alter them without reference to any third party or the Courts. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

## **Goods and Services Taxation (GST)**

All items in the financial statements are stated exclusive of GST, except for receivables and payables which are stated on a GST inclusive basis.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from the IRD is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

## **Budget Figures**

The budget figures are those approved by Council at the beginning of the year in the Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Council for the preparation of these financial statements.

## **Cost Allocation**

Council has derived the cost of service for each significant activity using the cost allocation system outlined below.

Direct costs are those costs directly attributable and charged to a significant activity. Indirect costs are those costs which cannot be identified in an economically feasible manner with a specific significant activity. Indirect costs are charged to significant activities using appropriate cost drivers such as computer equipment used, staff numbers and floor area.

## **Critical Accounting Estimates and Assumptions**

In preparing these financial statements the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

### **Landfill and aftercare provision**

Note 20 of the Annual Report 2009/10 presents an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

### **Infrastructural assets**

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets. These included:

- The physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly

so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;

- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the assets, then Waipa District Council could be over or under estimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Income. To minimise this risk Waipa District Council's infrastructural assets useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Waipa District Council's asset management planning activities, which gives Waipa District Council further assurance over its useful life estimates.

Experienced independent valuers perform the Council's infrastructural asset revaluations.

## **Income Tax**

The Council is tax exempt for income tax purposes.

# Funding Impact Statement

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This statement sets out the information required by Schedule 10 of the Local Government Act 2002, together with additional information provided to assist ratepayers in understanding the indicative impact of the 2011/12 Annual Plan.

This statement should be read in conjunction with Council's Revenue and Financing Policy (refer to 10-year Plan 2009-19) that sets out Council's policies in respect of each source of funding of operating and capital expenses. Council reviewed the Revenue and Financing Policy in 2009 and took into consideration:

- a. the community outcomes to which each activity primarily contributes;
- b. the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;
- c. the period in or over which those benefits are expected to occur;
- d. the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity;
- e. the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
- f. the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural wellbeing of the community.

The review process mostly confirmed the existing policy with some refinements around the use of the general rate and the targeted ward rate. The proportions of general rate and targeted ward rate may be adjusted annually to refine the overall impact on the community as in f) above. This adjustment has removed the need for the general rate subsidy which has existed for some years.

The revenue and financing mechanisms to be used by Council will be applied to the Annual Plan. The estimated amounts to be produced by each funding mechanism are outlined on the next page.

# Funding Impact Statement Overview

2010/11 Forecast \$000		2011/12 Annual Plan \$000	2011/12 LTCCP \$000	2011/12 Variance \$000
<b>Operating Expenditure</b>				
39,172	Operating Expenses	41,819	45,095	(3,276)
2,210	Finance Costs	2,298	3,126	(828)
41,382	Total Operating Expenditure (excluding Depreciation)	44,117	48,221	(4,104)
<b>Capital Expenditure</b>				
3,361	Growth	3,455	9,036	(5,581)
16,883	Levels of Service/Renewal	16,569	18,839	(2,270)
990	Vested Assets	822	2,399	(1,577)
3,252	Loan Repayments	3,702	3,705	(3)
24,486	Total Capital Expenditure	24,548	33,979	(9,431)
6	Transfers to Reserves	7	137	(130)
65,874	<b>Total Funding Required</b>	68,672	82,337	(13,665)
<b>Sources of Funds</b>				
37,025	Rates	39,067	41,100	(2,033)
2,898	Development Contributions	1,023	6,688	(5,665)
431	Interest Revenue	250	650	(400)
6,214	Subsidies	6,424	7,239	(815)
6,788	Fees & Charges	8,968	7,881	1,087
3,111	Water - Metered Rates	3,217	3,140	77
4,210	Vested Assets /Discovered Assets/ External Funding	1,572	4,675	(3,103)
-	Loans	3,800	8,800	(5,000)
5,197	Transfer from Reserves	4,351	2,164	2,187
65,874	<b>Total Funding Sources</b>	68,672	82,337	(13,665)
<i>GST Exclusive</i>				
<b>Rates</b>				
12,965	<b>General Rate</b>	13,666	13,867	(201)
<b>Targeted Rates:</b>				
11,884	Ward Rate	12,875	12,880	(5)
72	Te Awamutu Events Centre	70	67	3
226	Cambridge Community Sports Hall	228	195	33
159	Capital Works Rate	158	164	(6)
1,656	Stormwater	1,715	2,225	(510)
61	Rural Fire Management	53	73	(20)
5,500	Sewerage	5,641	5,902	(261)
4,277	Water	4,408	5,402	(994)
896	Recycling Rate	946	1,011	(65)
75	Community Centres / District Halls	78	73	5
37,771		39,838	41,859	(2,021)
754	Less Rates Charged to Council Properties	779	767	12
8	Plus Rates Penalties & Remissions	8	8	-
37,025	<b>Total Rates</b>	39,067	41,100	(2,033)

**Note:** Variations to the 10-year Plan are explained on page 72 of this document.

# Rates Information

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Rates requirement figures quoted in the section below are plus GST at the prevailing rate.

## District Wide Funding

The funding of district-wide activities will be from a combination of general rates and targeted ward rates. This combination of general rates and targeted ward rates is referred to as “district wide funding”. Activities funded from district wide funding include governance, animal control, building, environmental health, resource management, development engineering, parks and reserves, Karapiro Domain, libraries, Cambridge pool, Te Awamutu Events Centre, museums, cemeteries, public toilets, property, community buildings, civil defence, litter bins, district halls, roading, stormwater, water supply and sewerage.

## General Rate

Council proposes to set a general rate based on the capital value of each rating unit in the District with no differential being set. The rate for 2011/12 is 0.1003 cents in the dollar, plus GST, on the capital value of each rating unit.

The general rate will fund a portion of the district wide funding.

Amount to be raised: \$13,666,273 plus GST

## Uniform Annual General Charge

Council does not propose to set a uniform annual general charge.

## Targeted Rates

Targeted rates will be set under Sections 16 and 19 of the Local Government (Rating) Act 2002 for the activities listed below. Utilities are not recorded in the District Valuation Roll as being located in any particular ward and will therefore not be assessed for targeted rates.

The targeted rates for water, recycling and the community centre halls are set for every separately used or inhabited part of a rating unit. This includes any portion of a rating unit inhabited or used by a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement.

## District-Wide Activities

Council proposes to set a targeted rate on each rating unit in the District. The targeted rate will be a fixed amount per rating unit. This rate will be set on a differential basis based on location with the categories being the wards of Te Awamutu, Kakepuku, Cambridge, Maungatautari and Pirongia. The rates for the 2011/12 year are shown below:

	Rate (GST excl)	Raising
Te Awamutu Ward	\$ 714.78	\$ 4,280,833
Kakepuku Ward	\$ 668.70	\$ 783,711
Cambridge Ward	\$ 717.39	\$ 5,152,304
Maungatautari Ward	\$ 671.30	\$ 866,654
Pirongia Ward	\$ 648.70	\$ 1,791,697

The targeted ward rate will fund a portion of the district wide funding and fund the public community / group benefit element of activities.

The activities funded from the targeted ward rate include community boards, community grants, libraries, passenger transport, car parks, Cambridge Town Hall (Cambridge ward only) and Kihikihi Memorial and Town Halls (Te Awamutu ward only).

Amount to be raised: \$12,875,199 plus GST

## Te Awamutu Events Centre

Council proposes to set a targeted rate to fund the loan charges for the development of the Te Awamutu Events Centre. The targeted rate is a fixed amount per rating unit. A rate of \$8.70, plus GST, is set for each rating unit in the Te Awamutu and Kakepuku wards as well as the rating units referred to in rolls 04582, 04601, 04603 and 04605.

Amount to be raised: \$70,183 plus GST

## Cambridge Community Sports Hall

Council proposes to set a targeted rate to fund the loan charges for the grant made for the development of the sports hall.

The targeted rate is a fixed amount per rating unit. A rate of \$26.96, plus GST, is set for each rating unit in the Cambridge and Maungatautari wards.

Amount to be raised: \$228,403 plus GST

## Capital Works

Council proposes to set a targeted rate to fund capital costs in connection with improvements and extensions to footpaths, kerbing and channelling of roads and street lighting for each ward as follows.

The capital works rate is based on the capital value of each rating unit in the District. The capital works rate is set on a differential basis based on location, with the categories being the wards of Te Awamutu, Kakepuku, Cambridge, Maungatautari and Pirongia. The rates in cents per dollar of capital value are shown on the following page:



	Rate (GST excl)	Raising
Te Awamutu Ward	0.0020	\$ 47,157
Kakepuku Ward	0.0001	\$ 2,588
Cambridge Ward	0.0026	\$ 95,501
Maungatautari Ward	0.0001	\$ 2,290
Pirongia Ward	0.0003	\$ 10,063

Amount to be raised: \$157,599 plus GST

## Stormwater

Council proposes to set a targeted rate to fund the operating costs and loan charges for stormwater in urban and rural areas of the District. The stormwater rate is based on the capital value of each rating unit in the District. The stormwater rate is set on a differential basis based on location, the categories being urban and rural. Urban is identified as being the urban drainage areas of Cambridge, Te Awamutu, Kihikihi, Ohaupo, Pirongia and Karapiro. Rural is identified as the remaining area of the District not identified in the urban category. The rates for 2011/12 in cents per dollar of capital value are shown in the following table:

	Rate (GST excl)	Raising
Urban	0.0310	\$ 1,432,345
Rural	0.0032	\$ 282,787

Amount to be raised: \$1,715,132 plus GST

## Rural Fire Management

Council proposes to set a targeted rate to fund the costs of rural fire management in rural areas of the District. The rural fire management rate is based on the capital value of each rating unit in the rural category defined in the paragraph entitled "Stormwater" above. The rate for 2011/12 in cents per dollar of capital value is 0.0006, plus GST.

Amount to be raised: \$52,734 plus GST

## Sewerage Charges

Council proposes to set a targeted rate for sewerage disposal costs and loan charges for each rating unit in the areas of the Cambridge sewerage scheme and the Te Awamutu sewerage scheme.

The targeted rate is set on a differential basis based on the provision of service, the categories of service being connected and serviceable. Connected means any rating unit that is connected to the Cambridge sewerage scheme or the Te Awamutu sewerage scheme. Serviceable means any rating unit situated within 30 metres of a public sewerage drain in one of the above Council sewerage scheme areas to which it is capable of being effectively connected but which is not so connected.

The rates for the 2011/12 year are:

	Rate (GST excl)	Raising
Connected (3 or less pans)	\$ 429.57 per pan	\$4,826,165
Connected (4 to 10 pans)	\$ 365.13 per pan	\$ 348,700
Connected (11 to 15 pans)	\$ 300.70 per pan	\$ 98,929
Connected (16 to 20 pans)	\$ 262.03 per pan	\$ 69,439
Connected (21 to 35 pans)	\$ 236.26 per pan	\$ 63,554
Connected (36 to 45 pans)	\$ 206.19 per pan	\$ 50,104
Connected (46 or more pans)	\$ 193.30 per pan	\$ 82,928
Serviceable	\$ 214.78	\$ 101,163

A rating unit used primarily as a residence for one household will be treated as having one pan.

Rating units that are neither connected to the scheme nor serviceable are not liable for this rate.

Amount to be raised: \$5,640,982 plus GST

## Water Charges

- a) Council proposes to set a targeted rate to fund water supply costs and loan charges to non-metered consumers in the areas of the Cambridge water supply and the Te Awamutu water supply.

The targeted rate is set on a differential basis based on the provision of service, the categories of service being connected and serviceable. Connected means every separately used or inhabited part of a rating unit that is connected to the Council water works in the Cambridge water supply area or the Te Awamutu water supply area. Serviceable means any rating unit that is within 100 metres of a supply pipe in either of the above water supply areas and is capable of being effectively connected but which is not so connected. The rates for the 2011/12 year are:

	Rate (GST excl)	Raising
Connected	\$ 394.78	\$ 4,251,414
Serviceable	\$ 197.39	\$ 149,425

Rating units that are metered and those that are neither connected to the scheme, nor serviceable are not liable for this rate.

Amount to be raised: \$4,400,839 plus GST

- b) Council proposes to set a targeted rate for the supply of water to metered water consumers.

The targeted rate includes a flat charge and a charge based on the cubic metres of water consumed and is set on a differential basis based on the provision of service, the categories of service being potable and raw water. The rates for the 2011/12 year are:

	Rate (GST excl)	Rate (GST excl)
Potable Water	\$ 206.09	0.7548 per cu mtr
Raw Water	\$ 206.09	0.1887 per cu mtr

Amount to be raised: \$3,217,100 plus GST

- c) Council proposes to set a targeted rate to fund the Arohena rural water supply loan costs for Waipa ratepayers within the Arohena rural water supply area.

These costs are collected on behalf of Otorohanga District Council, who administers the Arohena rural water supply. The Arohena water rate is based on the capital value of each rating unit located within the Arohena rural water supply area. The rate for 2011/12 in cents per dollar of capital value is 0.0100 plus GST.

Amount to be raised: \$6,488 plus GST

## Recycling Charges

Council proposes to set a targeted rate to fund the provision of a kerbside recycling service to each household in the District.

The targeted rate is a fixed amount per separately used or inhabited part of a rating unit. A rate of \$53.04, plus GST, is set for every separately used or inhabited part of a rating unit.

Amount to be raised: \$ 946,190 plus GST

## Community Centre Charges

Council proposes to set a targeted rate on each rating unit in the Community Centre areas. The charge is set on a differential basis based on location and will be charged to rating units within the Community Centre areas as follows:

The targeted rate is a fixed amount per separately used or inhabited part of a rating unit.

Hall charge per separately used or inhabited part of a rating unit	Rate (GST excl)	Raising
Kaipaki Hall	\$26.96	\$6,793
Koromatua Hall	\$17.74	\$4,311
Ohaupo Hall	\$11.57	\$4,221

Hall charge per separately used or inhabited part of a rating unit	Rate (GST excl)	Raising
Ngahinapouri Hall	\$17.74	\$5,464
Fencourt Hall	\$12.43	\$4,066
Hautapu Hall	\$17.74	\$6,901
Paterangi Hall	\$24.83	\$4,270
Pukeatua Hall	\$18.52	\$2,982
Parawera Hall	\$16.17	\$1,472
Rukuhia Hall	\$22.70	\$6,060
Te Miro Hall	\$24.26	\$3,809
Maungatautari Hall	\$32.39	\$4,049
Rangiaowhia Hall	\$12.39	\$1,425
Monovale Hall	\$15.17	\$2,413
Karapiro Hall	\$23.26	\$7,002
Horahora Hall	\$23.43	\$3,000
Pirongia Sports and Recreation Centre	\$ 8.87	\$9,686

The rate is to fund part of the costs of the community centre halls.

Amount to be raised \$77,924 plus GST

## Early Payment of Rates

Sections 55 and 56 of the Local Government (Rating) Act 2002 empower Council's to accept early payment of rates.

Council proposes to accept payment in full of all rates assessed in each year on or before the due date for the first instalment of the year. Any payment of rates on this basis will be given a discount of 5%. This discount is not applicable to the targeted rate for the supply of water to metered water consumers.

## Rates Payable by Instalments

Rates are payable by four equal instalments due on the 21<sup>st</sup> day of August, November, February and May each year. Where the due date falls on a weekend or public holiday, the due date is extended until the next working day.

## Penalties on Rates Not Paid by the Due Date

A penalty of 10% will be added to all instalments or part thereof remaining unpaid six days after the expiration of the date on which that instalment is required to be paid.

Additional penalties of 10% will be added to any unpaid rates relating to a previous year or years that are still unpaid on 6 July and 6 January during the current rating year.

**Effect of Rates**

The following tables show how a representative selection of properties will be affected by the proposed 2011/12 rates outlined in this Annual Plan. The examples are indicative only and the effect on individual properties will be influenced by a combination of the rates movement and changes in valuation. The examples are shown GST exclusive.

# Rates Breakdown – Indicator Properties

The indicator properties are shown exclusive of GST.

	<b>2011/12</b>	<b>2010/11</b>
<b>Capital Value Rates</b>	Cents / \$ of CV	Cents / \$ of CV
<i>General</i>	0.1003	0.0957
<i>Stormwater (Urban)</i>	0.032	0.0308
<b>Fixed Targeted Rates</b>	\$	\$
<i>Sewerage</i>	429.57	421.30
<i>Water</i>	394.78	384.90
<i>Targeted Wards</i>	648.70 - 717.39	619.60 - 664.90
<i>Cambridge Community Sports Hall</i>	26.96	26.70
<i>Recycling</i>	53.04	50.70

All rates indicated are GST exclusive.

	<b>2011/12</b>			<b>2010/11</b>		
	<i>Cambridge</i> \$400k	<i>Te Awamutu</i> \$370k	<i>Kihikihi</i> \$245k	<i>Cambridge</i> \$400k	<i>Te Awamutu</i> \$370k	<i>Kihikihi</i> \$245k
<b>Fixed Targeted Rates</b>	1,622	1,600	1,601	1,548	1,529	1,529
<b>Capital Value Rates</b>	536	494	327	517	475	315
<b>Total Rates</b>	2,158	2,094	1,928	2,065	2,004	1,844
<b>\$ Incr per week</b>	1.77	1.73	1.61	1.96	1.58	1.50
<b>Percentage Increase</b>	4.5%	4.5%	4.6%	5.2%	4.3%	4.4%
	<i>Pirongia</i> \$325k	<i>Ohaupo</i> \$190k		<i>Pirongia</i> \$325k	<i>Ohaupo</i> \$190k	
<b>Fixed Targeted Rates</b>	719	713		671	665	
<b>Capital Value Rates</b>	428	250		412	241	
<b>Equivalent Metered Water at 250cm</b>	395	395		385	385	
<b>Total Rates</b>	1,542	1,358		1,468	1,291	
<b>\$ Incr per week</b>	1.42	1.30		1.79	1.67	
<b>Percentage Increase</b>	5.0%	5.2%		6.8%	7.2%	
	<i>Maungatautari</i> \$3.3m	<i>Kakepuku</i> \$4.545m	<i>Te Pahu</i> \$3.110m	<i>Maungatautari</i> \$3.3m	<i>Kakepuku</i> \$4.545m	<i>Te Pahu</i> \$3.110m
<b>Fixed Targeted Rates</b>	775	721	732	700	670	684
<b>Capital Value Rates</b>	3,439	4,738	3,248	3,345	4,518	3,098
<b>Total Rates</b>	4,214	5,459	3,980	4,045	5,188	3,782
<b>\$ Incr per week</b>	3.27	5.21	3.76	5.13	6.25	4.71
<b>Percentage Increase</b>	4.2%	5.2%	5.2%	7.1%	6.7%	6.9%



True Colours exhibition, Te Awamutu Museum



# Section five

## Council Controlled Organisations



# Council Controlled Organisations

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Council is a shareholder in three organisations that are classified as Council-controlled organisations as defined by the Local Government Act 2002. The organisations are Waikato Regional Airport Limited (WRAL), New Zealand Government Insurance Corporation (NZLGIC) and Local Authority Shared Services Limited (LASS).

The 10-year Plan 2009-19 contains more detailed information on these organisations. While there is no requirement to include information in the Annual Plan, a short summary is included here.

WRAL (Hamilton International Airport) is jointly owned by five local authorities: Hamilton City Council, and Waikato, Matamata-Piako, Otorohanga and Waipa District Councils. Waipa District Council's shareholding is 15.625%.

NZLGIC (New Zealand Local Government Insurance Corporation) is jointly owned by New Zealand City, District and Regional Councils. It provides a range of products and services to prevent loss and manage risk. Waipa District Council's shareholding is 0.3%.

LASS (Local Authority Shared Services Limited) has been developed as a joint initiative between the thirteen councils of the Waikato Region. The councils have continued to work together to develop shared service initiatives under the LASS. The company was incorporated in December 2005, with members of the Board (Directors) appointed by member councils.

The objective of LASS is to provide a vehicle that enables the promulgation and improvement of shared service opportunities across the Region. The benefits intended to be realised by this joint initiative are:

- Improved level and quality of service
- Coordinated approach to the provision of services
- Reductions in the cost of services
- Opportunity to develop new initiatives
- Opportunity for all councils irrespective of location or size to benefit from joint initiatives
- Leverage provided from economy of scales resulting from a single entity representing councils leveraging procurement opportunities.

The LASS governance structure enables the Directors appointed by the shareholders to decide on the future direction of those services that will be promoted under its auspices. Any such services will be operated as a stand alone business unit with an advisory group appointed by the shareholders participating in that service to provide direction but answerable to the Directors.

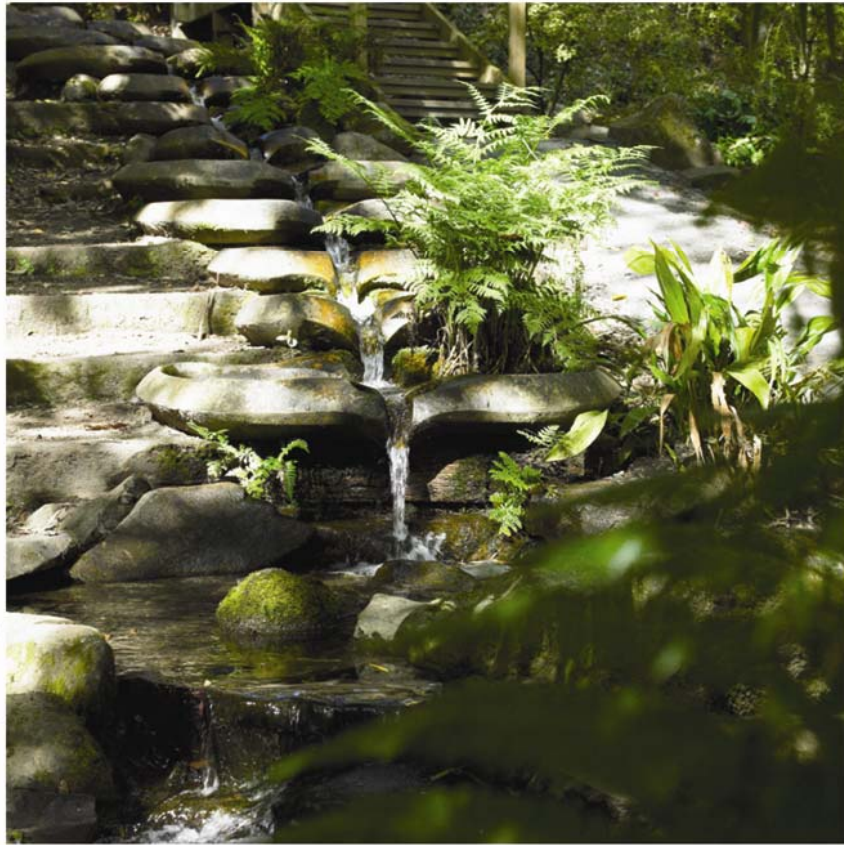
The Statement of Intent provides a declaration of the activities and intentions of the LASS. At this time LASS is operating under the 2010/11 statement. The Local Government Act 2002 requires that a new statement be developed annually to encapsulate the direction that LASS will take in the new financial year. The statement defines the directors' accountabilities to the shareholders for the companies' corporate performance, as intended by Schedule 8 of the Local Government Act 2002.



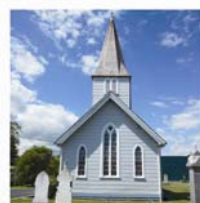
Any services that are to be initiated under the umbrella of this company will only do so if a business case shows that they provide benefit to the shareholders in terms of improved level of service and/or reduced cost. Each business case has to be presented to the Directors for approval prior to the service being considered for acceptance into the LASS framework.

There are two shared services currently operating. The Shared Valuation Database Service provides valuation data services to councils and has been set up to ensure that valuation data is both accurate and current. The Waikato Regional Transport Model has been developed to collect information on traffic type and flows which will be used to develop a transport model for the Waikato region.





Lake Te Ko Utu, Cambridge



# Section six

## Organisational Snapshot

# Our Elected Representatives

## Waipa District Mayor



ALAN LIVINGSTON JP

## Cambridge Ward Councillors



DENNIS FINN



SUE MILNER



JOE SCARAMUZZA



BARBARA TARANAKI JP

## Te Awamutu Ward Councillors



HAZEL BARNES JP



MARCUS GOWER



GEORGE SIMMONS



VERN WILSON

## Pirongia Ward Councillors



DIANE SHARPE JP



BRUCE THOMAS

## Maungatautari Ward Councillor



GRAHAME WEBBER  
Deputy Mayor

## Kakepuku Ward Councillor



LAURIE HOVERD

# Council Committees

Waipa District Council has twelve standing committees; these committees and their membership are outlined in this section. The table below outlines the committees elected Councillors are members of. Where committee membership includes external representatives these are outlined in the sections below the table.

	Executive Committee	Chief Executive Performance Committee	Strategic Planning & Policy Committee	Regulatory Committee	Service delivery Committee	Finance & Corporate Committee	Pirongia Ward Consultative Committee	Maungatautari Reserve Committee	Iwi Consultative Committee	Pirongia Reserve Committee	District Promotions Committee	Mighty River Domain and Karapiro Reserves Committee
Mayor Alan Livingston JP *	C	C	X	X	X	X	C	X	X	C	C	X
Deputy Mayor Grahame Webber*	X	X	X		C			C	X		X	X
Cr Hazel Barnes JP			X		X							
Cr Marcus Gower			X			X						
Cr Laurie Hoverd *	X	X	C			X		X	X		X	
Cr Vern Wilson			X			X						
Cr Dennis Finn			X			X						C
Cr Joe Scaramuzza	X		X			C			X			
Cr Diane Sharpe JP *	X		X	C	X		X		X	X		
Cr George Simmons			X		X							
Cr Barbara Taranaki JP *			X	X	X							
Cr Bruce Thomas *			X	X		X	X			X		
Cr Sue Milner			X	X	X							

\* = Members who are Resource Management Act commissioners are denoted with an asterisk.

C = Chairperson

## Executive Committee

The purpose of this Committee is to consider and make decisions on urgent matters that arise between Council meetings or matters referred by Council. It comprises the Mayor, Deputy Mayor and chairpersons of the Strategic Planning and Policy, Finance and Corporate, Service Delivery and Regulatory Committees.

## Chief Executive Performance Management Committee

The purpose of this Committee is to conduct the reviews of the performance of Council’s Chief Executive and make recommendations to Council.

## Strategic Planning and Policy Committee

The purpose of this Committee is to oversee the development and review of Council’s strategic and resource management plans and strategies; to oversee the development of and review of community plans, policies and bylaws; to engage with and seek feedback from community stakeholders and partners in the process. It comprises the entire Council and one iwi representative being, Gaylene Roberts.

## Regulatory Committee

The purpose of this Committee is to conduct hearings and exercise Council’s statutory responsibilities for resource management, animal, building and health controls, liquor licensing and any other matter of a regulatory nature. It comprises the Mayor, four Councillors and one iwi representative, being Gaylene Roberts (for resource management hearings).

## Service Delivery Committee

The purpose of this Committee is to oversee the development of Council’s strategies, plans and projects in relation to the road corridor, four waters, waste management, community facilities and the capital expenditure programme, and to monitor and report on their implementation. To consider regional integration of services.

## Finance and Corporate Committee

The purpose of this committee is to oversee Council’s corporate and governance functions and duties specifically in relation to financial and non-financial reporting, financial policies and treasury matters, and property management.

## Pirongia Ward Consultative Committee

The purpose of this Committee is to allocate funds from the Pirongia Ward minor community works budget, to consider and approve applications for community grant funding; to approve projects for reserve development funding, and to consider draft Annual Plans and draft 10-year Plans. In addition to the previously indicated Councillors there is one representative from each of the following Ratepayer/Resident Associations:

John Turnwald	Ohaupo
John Wood	Pirongia
Alan Rawlings	Te Pahu



## Maungatautari Reserve Committee

The purpose of this Committee is to facilitate communication between Reserve stakeholders, advise Council on reserve management issues, oversee the activities of the Maungatautari Ecological Island Trust, and oversee the preparation of an updated Reserve Management Plan.

In addition to the previously indicated Councillor, the committee comprises five tangata whenua representatives, two landowner representatives, and a representative from each of the Department of Conservation, Maungatautari Ecological Island Trust, and Environment Waikato as noted below.

Ted Tauroa	Ngati Koroki Kahukura Trust
Carlson Wirihana	Ngati Koroki Kahukura Trust
Rose Smith	Parawera Marae
Wiremu Karaka (Clarke)	Ngati Haua
Albert Andree-Wiltens	MEI Trust
Matt Cook	Department of Conservation
Cr Stuart Kneebone	Environment Waikato
Kataraina Hodge	Landowner
TBC	Landowner

## Iwi Consultative Committee

The purpose of this Committee is to facilitate communications between Council and tangata whenua. The Committee will consider any matter impacting on the interests of tangata whenua and advise Council on Treaty of Waitangi implications for policies and activities of Council.

In addition to the previously indicated Councillors, it comprises Council's Chief Executive, the Chairperson of Ngā Iwi Toopu o Waipa, members appointed through Ngā Iwi Toopu o Waipa to represent the hapū of the Waipa District, and a Kaumatua representative as noted below. Council has resolved that iwi representatives appointed to the Policy and Regulatory Committees should also be Iwi Consultative Committee members as of right.

Garry Dyet	Chief Executive (notwithstanding clause 31 (4)(b) Schedule 7 LGA 2002)
Gaylene Roberts (C)	Nga Iwi Toopu o Waipa
Charlie Maikuku	Kaumatua
Wiremu Karaka (Clarke)	Ngati Haua
Jenny Charman	Purekireki
Harold Maniapoto	Puniu
Valerie Ingley	Puniu (proxy)
Doris Walters	Te Kopua

Rose Tuineau	Maungatautari
Louise Doyle	Takepuku and Ngati Ngawaero (proxy)
George Searancke	Ngati Ngawaero
Kataraina Hodge	Wharepuhunga
Rangiua Thompson	Kaniwhaniwha

## Pirongia Reserves Committee

The purpose of this Committee is to oversee the management and development of three Pirongia reserves (Sections 1, 167 and 550) as authorised by the Department of Conservation. In addition to the previously indicated Councillors, the committee comprises two persons nominated by the Pirongia Residents and Ratepayers Association, one person nominated by Purekireki Marae, and one person nominated by Te Kauhanganui o Waikato as noted below.

John Wood	Pirongia Representative
Stuart Henderson	Pirongia Representative
Sally Uerata	Purekireki Marae
Tom Roa	Te Kauhanganui o Waikato

## District Promotions Committee

The purpose of this Committee is to consider and approve, in accordance with specific criteria, applications for financial assistance for the promotion and sponsorship of significant events within the Waipa District.

## Mighty River Domain and Karapiro Reserves Committee

The purpose of this Committee is to monitor implementation of the Karapiro Domain Strategic Plan and Reserve Management Plan, and to ensure effective communication between Council, Tangata Whenua and other key stakeholders. In addition to the previously indicated Councillors, the Committee includes key stakeholder and community representatives as noted below.

Simon Petersen	Rowing New Zealand
Leroy Leach	Mighty River Power
Cr Russell Rimmington	Environment Waikato
Mokoroa Gillett	Ngati Haua
Johnson Raumati	Ngati Koroki Kahukura Trust
Alison Storey	Community Representative
Mike Rodger	Community Representative



# Community Boards

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There are two Community Boards – Cambridge, which serves the Cambridge and Maungatautari Wards, and Te Awamutu which serves the Te Awamutu and Kakepuku Wards. The Community Boards are not Council committees, they are separate statutory authorities established under Part 4 of the Local Government Act 2002. Their purpose is to:

- Represent and act as an advocate for the interests of its community;
- Consider and report on all matters referred to it by the Council or any matter of interest or concern to the Community Board;
- Overview service delivery throughout the community area;
- Prepare an annual submission to Council for expenditure within the community; and
- Perform such functions as are delegated to it by Council.

The Community Boards comprise members elected by the communities they serve and appointments made by Council.

## Te Awamutu Community Board

Dean Taylor	Chairperson
Bernard Westerbaan	
Kellie Ellis	
Richard Hurrell	
Colin Pinkerton	
Cr Hazel Barnes JP	Council Appointed
Cr Laurie Hoverd	Council Appointed

The Te Awamutu Community Board has the following committees:

### Te Awamutu Alive

The purpose of this Committee is to maintain an overview of promotional activities for the Te Awamutu area and liaise with local interest groups who are involved in promoting the Te Awamutu area.

### Reserves Landscape

The purpose of this Committee is maintain an overview of Council's reserve development and management proposals for the Te Awamutu area including liaising with local interest groups.

## Cambridge Community Board

John Bishop	Chairperson
Elwyn Andree-Wiltens	
Mike Petit	
Philip Coles	
Richard Wright	
Cr Sue Milner	Council Appointed
Cr Grahame Webber	Council Appointed

The Cambridge Community Board has the following committees:

### **Sister Cities**

The purpose of this Committee is to positively promote friendly exchanges and to encourage mutually beneficial understanding in the fields of economic development, tourism, culture, education, science, technology and sport with our sister cities, Bihoro in Japan and Le Quesnoy in France.

### **Light Up Cambridge**

The purpose of this Committee is to initiate and progress Christmas and/or other lighting projects in Cambridge.

### **Reserve Landscape**

The purpose of this Committee is to plan and organise, with the approval of Council and in conjunction with Council staff, the facilitation of the development and renewal of the Cambridge greenbelt reserve management plan.

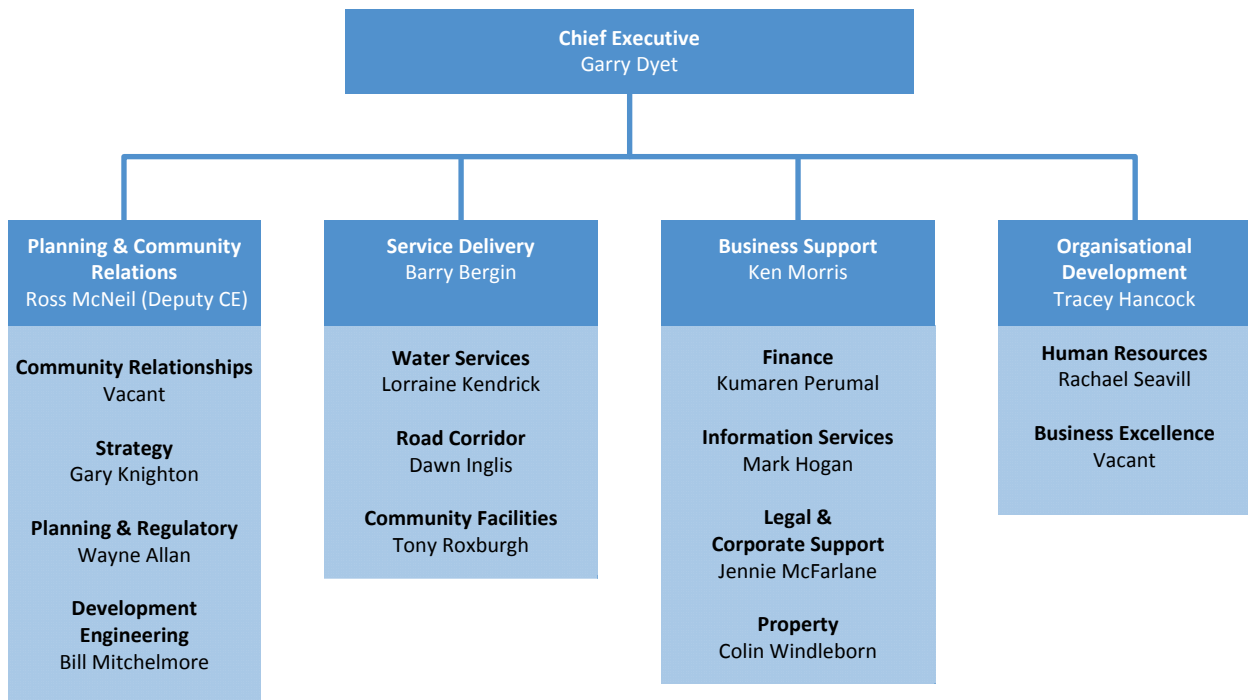
### **ANZAC**

The purpose of this Committee is to organise the annual ANZAC Day commemorations in Cambridge.

# Management Structure

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Council is supported by an organisation, led by Chief Executive Garry Dyet and four Group Managers who comprise the Executive Team. The Group Managers each head an operational Group (refer figure below). The Group departments are each headed by a separate Manager.





Cambridge Middle School dance group AAC performing at the Justin William's Concert, Victoria Square Cambridge, November 2010



# Glossary

## Glossary

<b>Action Plan</b>	A plan identifying a series of actions to be taken to achieve defined outcomes.
<b>Activity</b>	Services provided by or on behalf of council.
<b>Activity Groups</b>	Related activities grouped together (commonly referred to as a significant activity).
<b>Amortisation</b>	The reduction of the value of an asset by prorating its cost over a period of years.
<b>Annual Plan</b>	Contains details of council's action plan for the next financial year, the budget and the level of rates required to fund that spending. It also contains details of any variation from the financial statements and funding impact statement that are included in council's current 10-year Plan.
<b>Annual Report</b>	Report prepared once a year to assess council's performance against its objectives, activities, performance targets and budgets as outlined in the 10-year Plan.
<b>Asset</b>	A resource; council's asset ownership extends over land, buildings, plant, equipment, forestry and infrastructure such as roads, bridges, footpaths, sewerage schemes, water supply and stormwater reticulation.
<b>Asset Management Plans</b>	A plan for the management of one or more assets that combine multidisciplinary management techniques (including technical and financial) over the lifecycle of the asset in the most cost-effective manner to provide a specified level of service.
<b>Capital Contributions</b>	Revenue or subsidies received to fund capital expenditure.
<b>Capital Expenditure</b>	Money spent to build or buy a new asset, or to improve the standard of any existing asset.
<b>Choosing Futures Waikato</b>	A collaborative process, involving all the councils in the Waikato region and other key community stakeholders, to identify regional issues and work towards achieving community outcomes.
<b>Community</b>	A group of individuals and organisations that are linked together by some common factor, interest, identity or administrative boundary.
<b>Community Boards</b>	Pass on community concerns and make recommendations to the elected council and its committees.
<b>Community Outcomes</b>	Statements describing what local communities believe are important for their current and future social, economic, environmental and cultural wellbeing. These outcomes are used to inform the setting of priorities in Waipa District's long-term plan.
<b>Community Wellbeing</b>	The overall wellbeing (quality of life) of the community taking into account economic, cultural, social and environmental wellbeing.

<b>Council Controlled Organisations (CCOs)</b>	An company or entity in which one or more local authorities has a shareholding of 50 per cent or more, voting rights of 50 per cent or more, or the right to appoint 50 per cent or more of the directors. Section 6(4) of the Local Government Act 2002 details entities which are exceptions.
<b>Development Contributions</b>	Payment from developers to help fund new infrastructure required by growth (as set out in the Local Government Act 2002).
<b>District Plan</b>	Required by the Resource Management Act 1991, it defines how resources and development will be managed by the District. The Plan is based on economic, cultural, social and environmental wellbeing.
<b>Equity</b>	The market value of assets less any liabilities.
<b>Funding Impact Statement</b>	A financial statement that discloses the revenue and financial mechanisms that council proposes to use.
<b>Future Proof</b>	The term used to refer to the growth strategy that is being prepared for the sub-region. Included in the sub-region are the following territorial authorities – Waipa District Council, Waikato District Council, Environment Waikato and Hamilton City Council.
<b>General Rate</b>	A charge calculated using the rateable value of property that is paid to council to fund its general services but not services funded by targeted rates, fees or charges.
<b>Governance</b>	Is how council engages with the community, oversees the effective and responsible management of resources, delivers services, and sets the strategic direction for the District.
<b>Hapū</b>	A cluster of related whānau (extended family), descended from a single ancestor that has collective decision-making rights over its territory.
<b>Hearing</b>	A meeting at which members of the public speak to elected representatives and/or staff about an issue.
<b>Indicator</b>	A measure or combination of measures, either qualitative or quantitative, against which performance or progress can be assessed.
<b>Interest</b>	Interest on bank accounts, overdrafts and debt.
<b>Iwi</b>	Larger than the hapū – a cluster of related hapū, descended from a single ancestor, varying in size.
<b>Land Transport New Zealand Subsidy</b>	A subsidy provided by the New Zealand Transport Agency for road projects or maintenance.
<b>Levels of Service (LOS)</b>	The extent of a service provided by council.
<b>Local Authority</b>	A regional, district or city council.
<b>Local Government Act 2002</b>	The legislation that defines the powers and responsibilities of local government organisations (regional, city and district councils).
<b>Long Term Council Community Plan (LTCCP)</b>	Refer to 10-year Plan

<b>Long Term Vision</b>	The long term vision describes what Waipa will be like in the future.
<b>Monitoring and Reporting Community Outcomes (MARCO)</b>	MARCO, as part of the Choosing Futures Waikato process, is a working group to develop a framework for measuring and reporting on community outcomes.
<b>Ngā Iwi Toopu o Waipa</b>	A representative group of local tangata whenua, made up of mandated hapū representatives appointed by relevant Marae committees.
<b>Operating Costs</b>	These are costs to run council services on a day-by-day basis and range from maintenance of infrastructure to staff salaries.
<b>Partnership</b>	This refers to the council's relationship with groups within the community to achieve outcomes. This does not refer to a legal partnership.
<b>Passenger Transport</b>	Can also be referred to as public transport – includes buses.
<b>Performance Indicator</b>	A qualitative or quantitative measure of service or activity used to compare actual outcome against a standard or other target. Performance indicators commonly relate to statutory limits, safety, responsiveness, cost, comfort, asset performance, reliability, efficiency, environmental protection and customer satisfaction.
<b>Performance Monitoring</b>	Continuous or periodic qualitative and quantitative assessments of the actual performance compared with specific objectives, targets or standards.
<b>Rates</b>	Rates are what each property owner pays for the services provided by councils. The charge is set in accordance with the Local Government (Rating) Act 2002.
<b>Resource Management Act 1991</b>	Legislation setting out local government's responsibilities to promote the sustainable management of natural and physical resources. The Act includes a range of regulatory and other responsibilities for councils, including requirements for state of the environment monitoring and reporting.
<b>Renewals</b>	Activities required to upgrade, refurbish or replace current facilities or assets, with facilities or assets of equivalent capability or service potential.
<b>Revenue</b>	Revenue received by council to fund the services it provides. Revenue sources include – rates; fees and charges for using a particular service; penalties and fines; and grants and subsidies.
<b>Significance</b>	The degree of importance that council has given to an issue, proposal, decision or any other matter that is likely to impact on the District's wellbeing.
<b>Significant Activity</b>	One or more related activities provided by, or on behalf of, a local authority or Council Controlled Organisation.
<b>Special Consultative Procedure</b>	A process required by the Local Government Act 2002. The Act sets out a series of steps that council must taken when consulting on particular types of decisions.



<b>Strategic Plan</b>	An explanation of the overall direction and emphasis that councils' activities and programmes will take to realise the long-term vision.
<b>Strategy</b>	A plan of action designed to guide progress towards the long-term vision.
<b>Submission</b>	Formal feedback or proposal from an individual or group on an issue.
<b>Sustainability</b>	Using our resources in such a way that we meet the needs of the present generation without compromising the ability of future generations to meet their own needs.
<b>Tangata Whenua</b>	Māori people who belong to a particular area by ancestral connection.
<b>Targeted Rate</b>	A rate that is levied to fund a particular service or facility.
<b>Te Kauhanganui o Waikato</b>	Kauhanganui is made up of marae representatives from throughout the wider region of Tainui with emphasis on those who faced raupatu (land confiscation). Each marae is represented by three delegates, one Marae representative, one Kaumatua (elder) and one rangatahi (youth), who are appointed for a set term.
<b>Territorial Local Authority (TLA)</b>	A city council or district council, as listed in the Local Government Act 2002.
<b>Ward</b>	An administrative and electoral area of the District. There are five wards in our District – Cambridge; Te Awamutu; Pirongia; Maungatautari; and Kakepuku.
<b>Waipa 2050</b>	Waipa 2050 is a project through which a review of the Waipa District growth strategy will be reviewed. The work will focus on looking at growth in the District and how to best manage it. Also included in this work is the development of town concept plans for Cambridge, Te Awamutu/Kihikihi, Pirongia and Ohaupo.
<b>Wellbeings</b>	The four wellbeings refer to the social, economic, environmental and cultural wellbeing of communities in the present and for the future.
<b>Vested Assets</b>	An existing right to the immediate or future possession of property, resources, cash, stock and goodwill.
<b>10-year Plan</b>	A strategic plan, covering at least 10 years, that describes a local authority's activities and the community outcomes of the authority's district or region. A council's 10-year Plan is the basis for its accountability to the community.



Entrance to the Mighty River Domain, Lake Karapiro, Maungatautari Road, Cambridge



# Appendix

## Changes Made From the Draft Annual Plan

The following summarises the key decisions and associated financial impacts and changes in relation to the Annual Plan following the submission hearings and deliberations held on 10-12 and 17 May 2011.

### Rating levels

The proposed increase in rate revenue for 2011/12 included in the draft Annual Plan was 4.98%. After consideration of submissions, the required rate revenue decreased by \$4,000, an increase of 4.97% from the 2010/11 year. There has also been a change in the capital works programme to \$20.8 million, an increase of \$300,000 over that proposed in the draft Annual Plan.

Overall, the proposed rates requirement, operating and capital works programmes, and projected debt levels for 2011/12 are all substantially lower than the levels signalled in the 10-year Plan.

### Summary of Significant Financial Changes

Since preparing the Draft Annual Plan 2011/12 and the consideration of submissions, the following changes have been made to the financials:

Change	2011/12 Budget	Funding Sources
Te Awamutu Citizen Advice Bureau – increased Grant	2,000	Rates
Cambridge Safer Community Trust – Grant	5,000	Rates
Town Concept Plans	25,000	Loan
Capital Projects deferred from 10/11 to 11/12	1,101,000	Reserve/Loan
Operating Projects deferred from 10/11 to 11/12	544,400	Reserve/Loan
Higher Roding Capital Costs due to rising Fuel Costs	160,000	Loan
Te Awamutu Playground	50,000	Reserve
Western Arterial Properties – Net Operating Costs	30,250	Rates
Borrowing costs including Principal Repayments	(259,250)	Rates
Additional Insurance Costs	107,000	Rates
Additional Insurance Costs – Loan funded	100,000	Loan
Higher Operating Costs due to rising Fuel Costs	172,000	Rates
Funding change for Capital projects, from Rates to Loan	61,000	Loan
Forestry Harvesting Net Revenue	(578,400)	Reserve
Wastewater – Factory Road not required	(1,050,000)	Reserve/Loan
<b>Total Rates Required includes rates on Council Properties (exclusive of GST)</b>	<b>\$39.8m</b>	

## **National Cycling Centre**

Funding for this project was considered by the Strategic Planning and Policy Committee in light of the submissions received. The Committee agreed in principle to a grant of \$1m to the Home of Cycling Trust to support the establishment of a National Cycling Centre, subject to the following conditions:

1. Receipt and consideration of the due diligence report commissioned by the Waikato Regional Council.
2. Before any funds are made available to the Home of Cycling Trust the Council needs to be satisfied that any rate requirement levied by Waikato Regional Council for the benefit of the Home of Cycling Trust does not differentiate Waipa District ratepayers from other ratepayers in the Waikato Region.
3. The net cost of borrowing to service the grant does not impact on existing Waipa District ratepayers.
4. The property is rateable.

The Waikato Regional Council is unlikely to approve a regional rate before September 2011, and therefore any funding from Waipa District Council cannot be released until this decision has been made. If the project proceeds, the timing of the provision of Waipa District Council's funding will need to be confirmed. However, it is likely that the Home of Cycling will not require the bulk of this funding before 30 June 2012.

## **Additional Insurance Cost**

Provision was made in the Draft Annual Plan for significantly increased insurance costs in the wake of the September 2010 Canterbury earthquake. Subsequently it became apparent that this increase was insufficient in light of the February 2011 Christchurch earthquake. Council contributions to the Local Authority Protection Programme (LAPP) will increase four-fold for the 2011/12 year. Material damage policy premiums have also increased substantially in response to greatly increased reinsurance premiums.

## **Forestry Harvesting**

A forestry harvest of Council's Mt Pirongia forest timed for the 2012/13 to 2014/15 years in the 10-Year Plan 2009-19 has been brought forward with commencement in the 2010/11 year and the bulk of the harvest in 2011/12. The revenue and costs associated with the 2011/12 part of the harvest have now been included in the Annual Plan. The surplus proceeds of the harvest are retained in a forestry reserve account to fund the ongoing cost of forestry management.

## Summary of Submissions to the Draft Annual Plan

Council received 1,491 submissions to its draft Annual Plan 2011/12. Of those submissions made 1,973 matters were raised, a summary of the top 10 matters are below:

Matter Raised	Number of matters	Support	Oppose	Unknown
Velodrome	1,350	1,167	159	24
Cambridge Pool	132	33	93	6
Te Awamutu Museum	96	7	84	5
Rates	48	1	39	8
Speed Bump	38	38	0	0
New Projects	37	1	30	6
Regional Tourism Organisation	32	17	9	6
Transport	25	14	0	11
Passenger Rail	21	6	6	9
Maungatautari	14	8	5	1

Other matters raised were in relation to:

- Pedestrian walkway
- Heart of Te Awamutu
- Kihikihi Domain
- Water
- Widening of roads
- Grants
- Stormwater
- Water treatment & supply
- Waste management
- Road naming
- Road sealing
- Reserves
- Financials
- Community halls
- Te Awamutu College Gymnasium
- Cycleway
- Debt
- Wastewater treatment & disposal
- Cats



