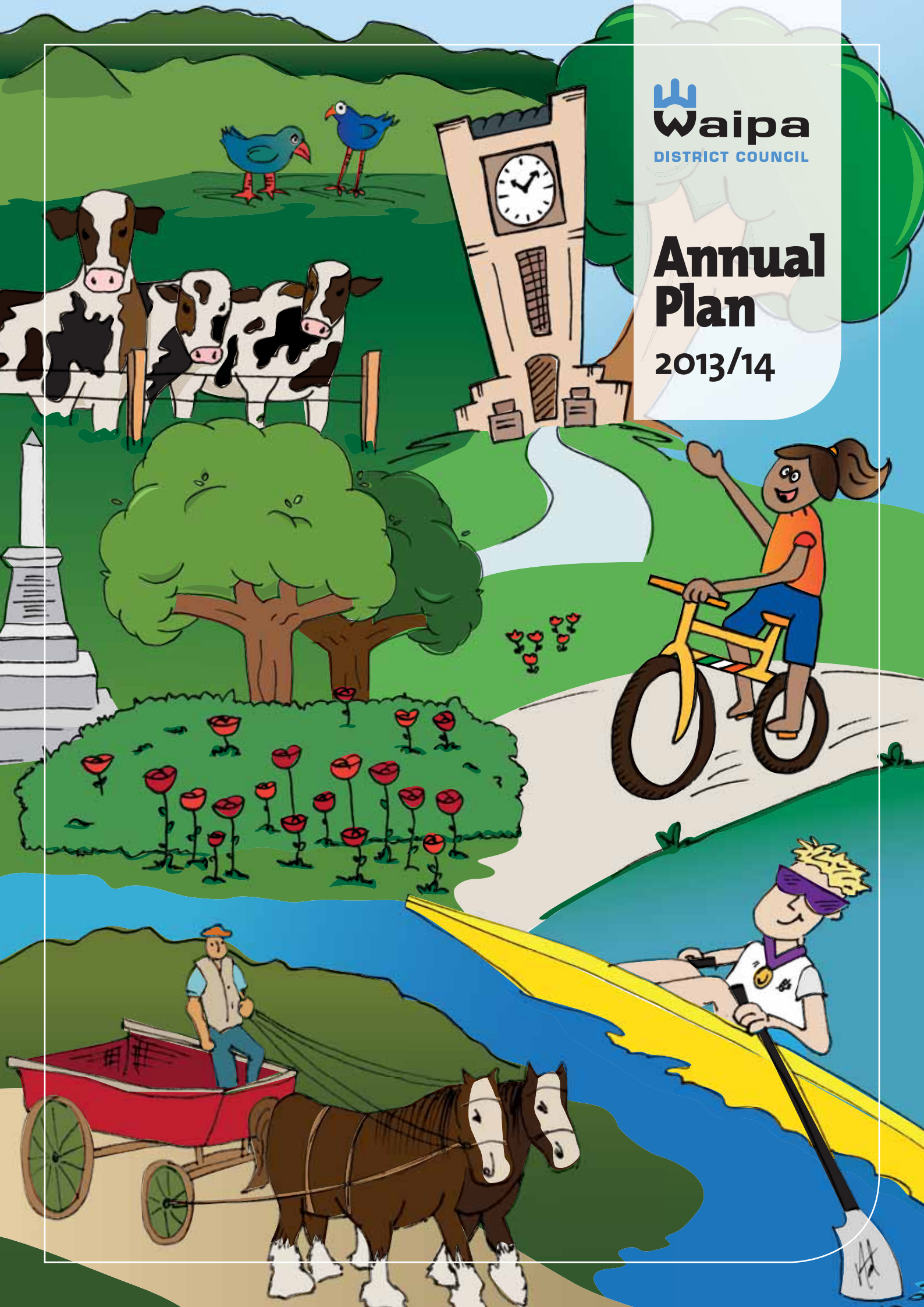


Annual Plan

2013/14



Front cover designed by: Natalie Morrell



TE AWAMUTU - HEAD OFFICE

101 Bank Street, Private Bag 2402, Te Awamutu Ph 07 872 0030

CAMBRIDGE - SERVICE CENTRE

23 Wilson Street, Cambridge Ph 07 823 3800

Whakatauki

*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



Message from the Mayor and Chief Executive

Welcome to our Annual Plan for the 2013/14 year.

As a council, we are committed to our vision for the District - Building our Future Together – and will continue to work with our community to make Waipa a better place. This plan supports our vision and outlines the services, activities and projects, and their associated costs, that we plan to undertake in the next financial year.

Last year we sought feedback from the community before we adopted our 10-Year Plan 2012-22 and this plan is based on the services and activities we signalled in that long term plan.



While the past 12 months has brought with it some challenges, our role as a council is made easier and more satisfying by having such a strong and vibrant district.

We know our residents have high expectations, so we strive to provide a high standard of local infrastructure, services and facilities, and to do this in a way that is cost-effective and complements the District's outstanding recreational, environmental and heritage features.

In developing this plan we were particularly mindful of international economic conditions and their impact on us as a council and our communities. Through the normal review of our activities and services during the 2012/13 year we have been able to realise savings of \$800,000 to offset future rates increases, \$400,000 of which has been applied to reduce the amount of rates revenue required to deliver this plan. While it has been no easy task, with further savings of \$233,200 realised we have been able to limit the proposed increase in total rates revenue for 2013/14 to 2.8 percent, which is 1.9 percent less than the 4.7 percent originally signalled, and we will continue to maintain our current levels of service.

The key drivers for the increase is the requirement to fund a further \$1.3 million in depreciation for our infrastructure assets, rate funded loan payments for our digitisation project and District Plan, election costs, formulating a plan for the future development of Ngahinapouri, our contribution to the Mayoral Forum and marking the district's 150th anniversary. There is also a shift of costs into the 2013/14 year due to moving the district rating valuation forward one year to a different three yearly cycle from the review of the 10-Year Plan and so avoiding any misunderstanding.

With these matters taken into account, effectively we have held our costs at last year's level while continuing to deliver a capital works programme to cater for growth and infrastructure maintenance.

This a pleasing outcome for our community when you consider the key drivers for the increase were things we were required to do under legislation and amounted to a 3.8 percent increase on their own.

Also, this year for the first time our residents were able to make submissions to the draft plan online and it has met our objective of wanting to empower our community to make more convenient and informed submissions.

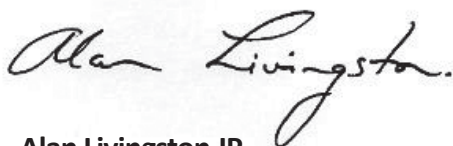
Importantly, the ability to easily determine what effect the plan would have on rates of individual properties via a rates calculator has proven much more transparent than relying on the traditional indicator properties.

Of the 87 submissions received over a \$1 million in additional funding was requested. While we considered every submission carefully there needed be a balance struck between what was requested and what was affordable for our ratepayers so being able to assist some groups and still reduce the rating requirement is a fantastic result.

Our capital works programme will total \$51 million, more than half of which will fund a major upgrade of our infrastructure for water, wastewater and stormwater. Our capital works programme also includes a number of activities at no cost to the ratepayer, and a number of assets planned to be vested in council as a result of development and growth.

In spite of this significant programme of works, our level of borrowing will only increase by \$13.5 million, with our debt level at the end of the 2013/14 year being \$35.8 million. The cost of servicing this debt is 2.5 percent of our rates and fees and charges income, well under the 10 percent limit considered to be financially prudent for this ratio. We believe this is a sensible and manageable level of borrowing for \$1.3 billion worth of assets and our debt to head of population ratio remains one of the lowest in the Waikato region. We will continue to borrow only as required to ensure a sensible and appropriate level of investment in our community and infrastructure assets, and continuing intergenerational equity.

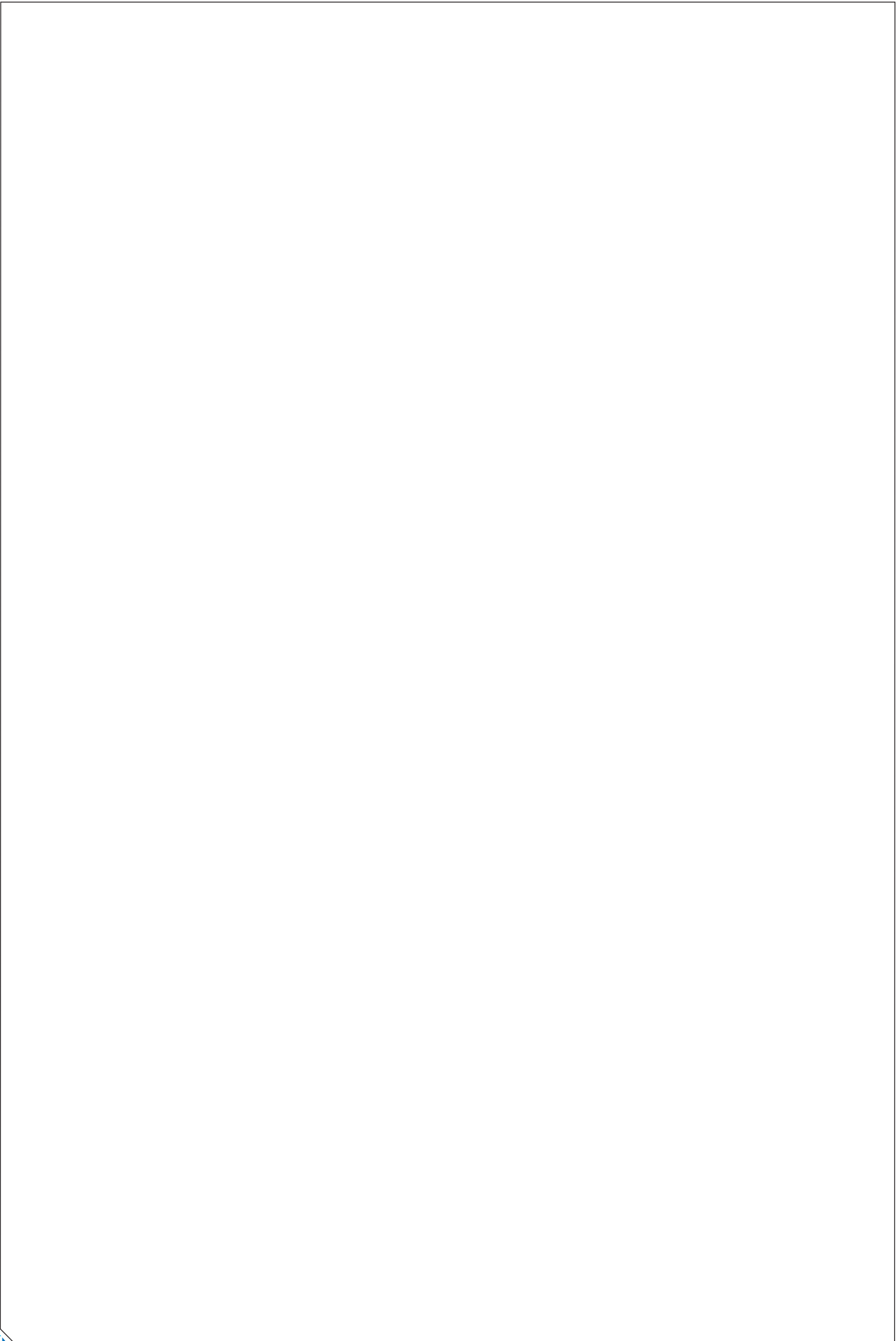
We are also mindful of the changing political environment. Over the next 12 months we will be further reviewing our activities and services to align with the changes to the Local Government Act and the amended purpose statement. We will continue to seek efficiencies in the way we carry out our business and focus on delivering greater value to residents and ratepayers. We will continue to work in partnership with the community and seek input as to the direction, projects and priorities for Waipa.



Alan Livingston JP
WAIPA MAYOR



Garry Dyet JP
CHIEF EXECUTIVE



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Our Vision and Purpose

Our vision

Waipa: Home of Champions - Building the Future Together.

Our purpose

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

Our goals and outcomes for our community are:



Economically progressive

We are focused on growing our prosperity and financial sustainability, now and into the future, providing an attractive and affordable district to live and do business in.



Environmental & cultural champions

We preserve, enhance and showcase the unique environmental and cultural heritage, diversity and history of our district.



Connected with our community

We empower and engage our communities to determine and contribute to desired outcomes, whilst providing them with opportunity, equality and efficient service.



Socially responsible

We act with conscience and integrity to lead the district in valuing and protecting the members of our organisation and community, and enhancing their wellbeing.

Further detail on our community outcomes can be found on page 20 to 23 of the 10-Year Plan.

Waipa District Mayor & Councillors



Dennis Finn
CAMBRIDGE



Alan Livingston JP
MAYOR



Grahame Webber
DEPUTY MAYOR
MAUNGATAUTARI



Hazel Barnes JP
TE AWAMUTU



Sue Milner
CAMBRIDGE



Marcus Gower
TE AWAMUTU



Joe Scaramuzza
CAMBRIDGE



George Simmons
TE AWAMUTU



Barbara Taranaki JP
CAMBRIDGE



Laurie Hoverd
KAKEPUKU



Diane Sharpe QSM JP
PIRONGIA

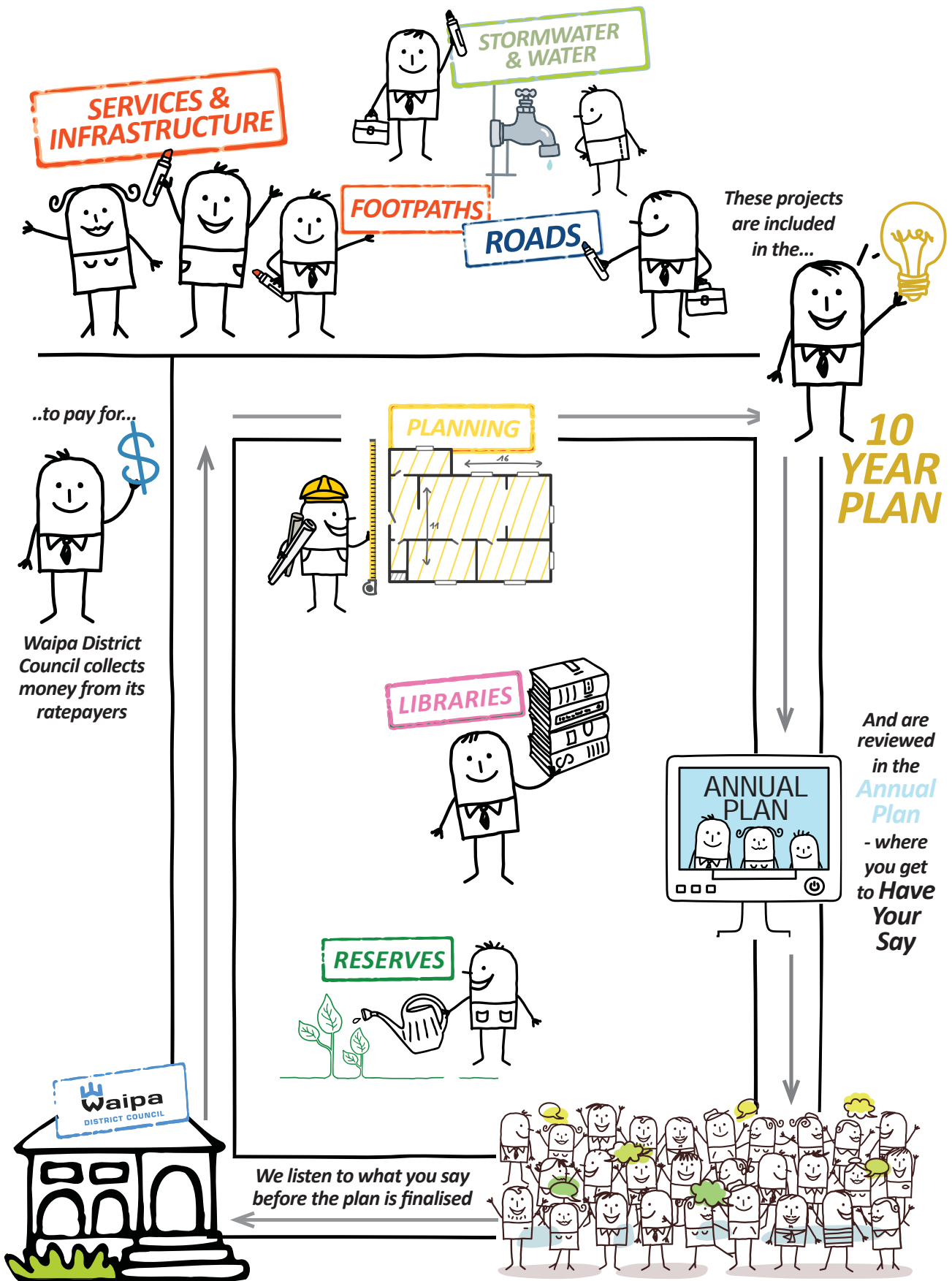


Bruce Thomas
PIRONGIA



Vern Wilson
TE AWAMUTU

What we do



THE BANG FOR YOUR BUCK

Under this Annual Plan the average rates bill for 2013/14 - is \$2472.23 including GST, an increase of \$68.13 for the year. This equates to an extra \$1.31 including GST per week or 19 cents per day.

THE AVERAGE COST PER RATEABLE PROPERTY FOR 2013/14 WILL BE \$6.77 INCL GST PER DAY - FOR THAT WE PROVIDE:



- ROAD MAINTENANCE AND IMPROVEMENT
- STORMWATER MANAGEMENT
- WATER TREATMENT & SUPPLY
- SEWAGE DISPOSAL
- KERBSIDE RECYCLING



- DISTRICT PLANNING AND RESOURCE CONSENT MANAGEMENT
- FUNDING FOR DISTRICT EVENTS AND COMMUNITY GRANTS
- OWNERSHIP OF MIGHTY RIVER DOMAIN AT LAKE KARAPIRO, THE DON ROWLANDS CENTRE AND SHARED OWNERSHIP OF WAIKATO REGIONAL AIRPORT
- RURAL FIRE SERVICE AND CIVIL DEFENCE



- MUSEUMS AND LIBRARIES
- PARKS, SWIMMING POOLS, SPORTS GROUNDS, PLAYGROUNDS AND CEMETERIES
- HALLS & PUBLIC TOILETS
- BUILDING CONTROL FOR SAFER HOUSING



- COMMUNITY ADVOCACY AND COMMUNITY BOARDS
- ECONOMIC DEVELOPMENT
- ENVIRONMENTAL HEALTH SERVICES: NOISE AND ANIMAL CONTROL AND FOOD AND HEALTH LICENSING
- HERITAGE PRESERVATION AND ENVIRONMENTAL PROTECTION

WE PROVIDE ALL OF THIS FOR **\$6.77** INCL GST PER DAY

...AND MORE!

Key Issues

In our 10-Year Plan 2012-22, we forecast a rates increase of 4.7 percent for the 2013/14 year however, we have worked hard over the past 12 months to find savings for the benefit of our ratepayers.

The economic climate continues to be challenging. We have revisited our budgets through our quarterly forecast and annual plan processes and realised \$800,000 of savings, \$400,000 of which has been used to offset the rates increases for the 2013/14 year. Further refinement during public consultation on the draft annual plan has realised further savings of \$233,200 and has allowed us to limit the total increase in rates revenue to 2.8 percent, 1.9 percent less than signalled in the 10-Year Plan.

Let's talk water

Water is a precious resource and we all need to be committed to ensuring it is safe, clean and used wisely.

We have the added responsibility of ensuring there is sufficient water to meet the needs of a growing district.

In order to take the water we provide for our communities we have to apply for resource consents from Waikato Regional Council and they are accompanied by a number of conditions.

In our 10-Year Plan we promoted \$65.11 million worth of water related projects during the 10 years that aim to preserve, enhance and protect our water resources.

In the 2013/14 year we plan to spend \$8.773 million on several water related projects. The biggest of these will be a \$3.2 million investment in a new water reservoir for Te Awamutu, which will help us to secure a minimum of 24 hours treated water storage.

A new reservoir for Cambridge and Pukerimu will follow in later years.

We have also adopted a sub-regional three waters strategy we helped develop with our Future Proof Partners – Waikato Regional, Waikato District and Hamilton City councils. This strategy sets a vision and strategic direction for water, stormwater and wastewater in the sub-region.

What's happening with the Te Awamutu Library?

In our 10-Year Plan 2012-22, we told you about plans to build a new library in Te Awamutu as the current one is not meeting community expectations and is placing significant restrictions on our ability to fully use and promote the library's resources and collections.

In comparison with other public libraries there is a lack of space, user complaints about the size and condition of the building, an inability to adequately cater for school holiday and community programmes and no room to cater for future service developments and growth.

Following consideration of submissions on the proposal the intention to build a new library at a cost of about \$2.6 million on council owned lands on the corner of Mahoe Street and Selwyn Lane in 2014/15 was confirmed. Funding for the project is proposed to be a mix of endowment funds (money gained from our special purpose land and property assets), development contributions (what developers pay the council when developing land) and raising a \$761,000 loan to make up the balance.

Building a new library will also allow us to rationalise our existing office space and enable us to vacate a leased building and save at least \$800,000 over 10 years.

This year there is \$257,300 allocated for the design of the new library building which will also take into account potential further development on the site.

By national standards the current library footprint is only 25 percent of expectation. We want to provide a great environment for our community and for our staff to work in. Waipa residents made over 100,000 visits to the Te Awamutu library in the 2011/12 year, and with an improved environment we are expecting that to increase.

What is happening with the Cambridge pool?

A lot has changed since the council originally included the development of a heated pool complex in the 2009-2019 10-Year Plan.

In mid-2012, the Cambridge Pool community fundraising committee confirmed it was not successful in reaching the target needed for the development to go ahead and council signalled it would go back to the community before any plans for progressing a new facility would be considered. In the meantime, Council decided to explore other management opportunities, and a community trust has been established to run the district's community-based aquatic activities from as early in the 2013/14 year as possible.

There was a plan this year to go back and further consult with the community on the future development of swimming facilities in Cambridge, however the council has decided to delay this project until the economic situation improves. We would expect that this will mean a delay to any construction work from the previously planned 2014/15 and 2015/16 years until 2017/18. In the meantime, the Cambridge pool will be maintained to ensure continuing seasonal use.

We remain committed to further consultation on Cambridge swimming pool facilities before any significant advancement of the project.

Enhancing our heritage

Maintaining and enhancing Waipa's unique cultural, historic and environmental heritage is important to us.

In the 10-Year Plan 2012-22, we sought feedback on establishing a \$70,000 heritage fund as one method of ensuring that the unique environmental and cultural heritage, diversity and history of the District is preserved, enhanced and showcased. Of the submissions received, the majority were in support of such a fund being established.

In 2013/14, the fund will be available to the community to assist with the custodial care of the District's heritage and for land owners to seek assistance in the management of historic buildings, and for the protection and restoration of natural, cultural and archaeological sites whether the feature is in public or private ownership. The assessment criteria and application processes have been developed.

Two funding rounds will be held each year, with applications invited in June and December for award in September and March.

Marking 150 years

While Waipa did not formally become a district until the Local Government Amalgamations in 1989, its origins date back to the early 1860's. At that time increasing numbers of immigrants seeking land for settlement/development created tensions with local Maori, culminating in the New Zealand Land Wars. This was a pivotal time in the history and development of New Zealand.

In 1863/64, colonial troops fought battles with Maori throughout the region. While hostilities ceased in 1864, the Crown punished local Maori by confiscating 1.2 million acres of land throughout the Waikato region. The area of confiscated land extended to the Puniu River, south of Te Awamutu. As a result of the Land Wars, Pirongia, Kihikihi, Ohaupo and Cambridge were established as garrison towns in 1864, and permanent settlement and agricultural development ensued.

The New Zealand Land Wars, and in particular the assault by colonial troops on the Orakau Pa, is hugely significant in our history. The defence of Orakau by 300 Maori, including women and children, is indelibly marked on the New Zealand psyche. As a result the battle site is recognised as a site of national historical significance.

The 150th (sesquicentennial) anniversary marks the end of the Waikato Land Wars and the subsequent establishment of the District. We, along with the Government, recognise that the importance of these events in our history is something worthy of commemoration and celebration for the whole community. A number of groups are planning events, and a committee comprising representatives from across the District has been brought together to coordinate a calendar of activities and events spanning the year. In addition, King Tuhetia has established a committee to coordinate Maori activities and events, and staff are providing support to ensure there is overall coordination of the programmes being developed.

We have already seen strong support from the community for the 150th anniversary commemorations/celebrations, and believe this will grow further in 2013. While groups planning activities and events will take responsibility for those, including sourcing funding, there is an opportunity for us to consider establishing a fund to provide seed funding for community activities and events, as well as supporting a small number of civic events that are likely to eventuate given the significance of the commemorations.

We have included a fund of \$50,000 each year for 2013/14 and 2014/15 to support the commemorations. As the fund would be available across the District it is being funded on a district-wide basis. Such a fund would be subject to a transparent application and allocation process, supported by criteria that ensured the greatest possible benefit to the community from any funding provided.

Planning Ngahinapouri's future

Following an approach by the Ngahinapouri Community, the Council has agreed to develop a structure plan to support the future development of Ngahinapouri village.

We have included \$60,000 in this Annual Plan for the work, which will cover consultation with key stakeholders and identify the locations and areas that best provide for the community's future needs.

The plan will visually show the land uses, their interaction, as well as identifying any potential infrastructure issues, including the realignment design suggested for Reid Road.

Working in partnership with our community – Albert Park grandstand upgrade

We have committed to providing \$700,000 worth of funding to the upgrade of the Albert Park grandstand, which was originally budgeted in the 2012/13 year of our 10-Year Plan.

However, the community-led project was deferred for a year while additional funding was sought. We have carried our allocated funding over to the 2013/14 year should the community group secure the additional funding required for the project to go ahead.

Working together in the Mayoral Forum

All councils in the Waikato region recognise the potential benefits from greater inter-council collaboration, and have come together to explore opportunities for shared services and collective action. A Waikato Mayoral Forum, which comprises the Mayors of the city and district councils and the Chair of the regional council, has been established and is looking at opportunities to improve efficiency and effectiveness of councils, and deliver benefits to communities through better value services. The Forum sees the importance of having a common view on key issues affecting the region, and presenting a united voice when engaging with Government on national policy and infrastructure matters.

The Forum has identified five areas where regional collaboration and shared service opportunities exist. These are:

1. Water and wastewater
2. Road maintenance
3. Planning
4. Economic development
5. Governance and management of shared services

A prioritised programme of work to advance regional collaboration opportunities is currently being developed, and \$66,000 has been included in the Annual Plan to support this work. Future savings through the efficiencies gained are yet to be budgeted.

Bringing forward the district revaluation

Following concerns from some ratepayers regarding rates increases in the 2012/13 year, the council resolved to bring the timing of the district revaluation ahead of the preparation of future 10-Year Plans in an effort to limit rating spikes when its revenue and financing policy was also being reviewed.

Therefore the district revaluation together with the associated cost of \$165,000 has been brought forward a year earlier, commencing in the 2013/14 year.

It will soon be Election time

Every three years an election is held for all local authorities throughout New Zealand. These will be conducted by postal vote on Saturday 12 October 2013.

We have allocated \$90,000 in this Annual Plan to fund this process.

Sealing our district roads

We own and maintain 1058 kilometres of roads. As at 1 July 2011, 93 percent of these, were sealed.

Following consultation with the community on our 10-Year Plan 2012-22, it was agreed to increase the funding available for seal extensions for the first three years of the plan.

A total of \$508,000 has been included in this Annual Plan for seal extensions.

Community Leases Policy review

In reviewing the Cambridge Town Belt Reserve Management Plan in 2012, Council agreed that it was time to review some aspects of the Community Leases Policy. The review has commenced but is unlikely to be complete until mid-way through the 2013 calendar year. If any aspects of the policy are changed these will be by separate communication or consultation process.

Changes to the Local Government Act

In December 2012, Parliament amended the Local Government Act 2002. This brought with it a number of changes, including a change to the purpose statement for all local authorities in New Zealand. It also removed all references to “promoting the social, environmental, economic and cultural wellbeing of communities”.

The new purpose in the Act is for Local Government “to meet the current and future needs of communities for good quality infrastructure, local public services, and the performance of regulatory functions in a way that is most cost effective for households and businesses”.

Further legislative changes are expected in 2013, including the introduction of rating caps, as the Government’s Better Local Government reform programme continues. In addition, the local government elections are scheduled for October 2013, and a new Council will be elected as a result.

We, like other local authorities and local government advisors across the country, are working through the implications of the changes. It has always been our intention that the activities and expenditure signalled in the 10-Year Plan 2012-22 and the Annual Plan 2013/14 are primarily to deliver local public services and for the provision or maintenance of good quality local infrastructure. In our view the new wording in the Act simply reinforces much of the existing approach of local authorities in providing for community needs and expectations and a recent report by the Auditor General confirms this.

It is anticipated that the new Council coming in later in the year will have the opportunity to consider if any further review of services and functions may be required at that stage, with the benefit of any further guidance or developments which may happen in the intervening period.

Summary of Changes from 10-Year Plan 2012-22

When we adopted our 10-Year Plan 2012-22 it contained the proposed activities, projects and programmes and their associated budgets, for 2013/14. While the 10-Year Plan signals our intentions, circumstances change over time and it is appropriate for us to be able to react to those changes in the best interests of the 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 these 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:

- Funding structure plan for Ngahinapouri.
- Retaining wall repairs at Mighty River Domain due to July 2012 storm.
- Additional funding bought forward from 2016/17 to fund installation of a cover over the anaerobic pond and additional aerators at Cambridge Treatment Plant.
- Change in timing of funding contribution to Albert Park grandstand.
- Digitisation project workflow timing and funding changes.
- District rating property valuation being undertaken earlier than planned.
- Change in programme timing for property development and sale of various surplus properties in Cambridge.
- Savings from prior year \$400,000 offset against rates.
- There has been a change in timing and funding of our contribution to the interchange on Victoria Road, Cambridge.
- Change in timing of funding the Cambridge North Stormwater development.
- Implementing some of the recommendations from the Mobility Spaces and Street Accessibility Audit Report.
- Reviewing the Walking and Cycling Strategy.
- Purchase of a new portable toilet for Kihikihi Domain.
- Change in timing of some of the Cambridge and Te Awamutu reservoir upgrades.
- Change in timing for works associated with achieving drinking water compliance at existing water treatment plants.

The net effect of these changes is that a significantly lower level of rate revenue is proposed in this plan than was signalled for 2013/14 in the 10-Year Plan. A full description of the summary of changes and a statement of the variations to the 10-Year Plan for the net cost of service of groups of activities is on page 63.

Community Consultation

The draft Annual Plan was presented for public consultation and feedback during March and April 2013. A total of 87 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 Appendix 1 on page 99 of this plan.

Assumptions

The 10-Year Plan (2012-22) 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 on pages 37-43 of the 10-Year Plan 2012-22.

In preparing this Annual Plan, which is based on 2013/14 of the 10-Year Plan, the assumptions have been reviewed and no changes are required for the coming financial year.

Guide to Groups of Activities

This part of the plan covers all of the services we provide to the community, which have been grouped into activity areas.

The groups of activities covered in this section are:

- Governance.
- Planning and Regulatory.
- Community Services and Facilities.
- Roads and Footpaths.
- Stormwater.
- Wastewater Treatment and Disposal.
- Water Treatment and Supply.
- Support Services.

Here we outline the activities included in each group.

This covers the key actions or projects we intend to carry out, what you can expect from us when we deliver these services and the measures we will use to determine whether we are reaching our goals. The measures, when considered collectively, are intended to provide a general view of the overall performance in each area, and encompass the elements of quality, quantity, cost, timeliness and location (if relevant).

We also outline the estimated costs of achieving and maintaining the proposed levels of service and how they will be paid for.

Although not required by legislation, we have chosen to include the Cost of Service Statements in this plan to show the total cost of each activity. The Cost of Service Statements include non-cash expenses such as depreciation, profit / loss on disposal of assets and internal interest charges.

Support Services assist the delivery of community services within each group of activities. While the costs of Support Services are included within each group, the total indirect costs are also shown separately at the end of this section.

Governance



THERE ARE
12 COUNCILLORS
AND A MAYOR
ELECTED TO REPRESENT
YOUR VIEWS

LOCAL
GOVERNMENT
ELECTIONS ARE HELD
EVERY **THREE** YEARS

THE WAIPA DISTRICT HAS
THREE
SISTER CITIES
BIHORO (JAPAN)
LES QUESNOY (FRANCE)
MOREE (AUSTRALIA)

What we do

Governance includes the work of the elected Council and its committees, the community boards, and the strategic planning and community relationships activities.

Key Projects for 2013/14

- Continuation of the District Plan Review. This could take two to three years to complete as there is a required process to be followed under the Resource Management Act.
- The Local Government Elections in October 2013.
- Preparation of the Annual Plan for 2014/15.
- Undertaking the annual Resident Satisfaction Survey to determine how well our community thinks we are performing.
- Implementing the Economic Development Strategy developed in conjunction with key stakeholders.

Changes from the 10-Year Plan 2012-22

Additional funding has been provided for in the strategic planning area for a structure plan to be prepared for Ngahinapouri, which will help guide the future development of the village. This work was not foreseen at the time of preparation of the 10-Year Plan 2012-2022, and as such this is a new project.

The 2014 year marks the 150th anniversary of the New Zealand Land Wars and the subsequent establishment of the District. Funding of \$50,000 is included in the Annual Plan to support the commemorations.

A Waikato Mayoral Forum, comprising of the Mayors of the city and district councils and the Chair of the Regional Council, has recently been established. A prioritised programme of work to advance regional collaboration opportunities is currently being developed with \$66,000 included in this plan to fund the Mayoral Forum activities.

Levels of Service and Measuring Performance

Council and Community Boards

Rationale – Waipa communities and their interests are represented in decision making.

Level of Service	Performance Measure	Performance Target
Elected members represent and act as advocates for the community.	% of respondents to residents survey who are satisfied with the Mayor and Councillors.	90%
	% of respondents to residents survey who are satisfied with Community Boards.	90%
Opportunities are provided for involvement in decision making.	% of respondents to resident's survey who are satisfied with the way the council involves the public in decision making.	65%

Communications and Marketing

Rationale – Council is communicating effectively with its community.

Level of Service	Performance Measure	Performance Target
Information about our activities is communicated to the community	# of unique hits on our website.	48785
Our staff are culturally aware and culturally sensitive to Māori.	% of staff that have undertaken Tikanga Māori training.	60%

Grants to Community Organisations

We provide grants to some community organisations on an annual basis. The proposed grants for 2013/14 and what they received the previous year are shown below. Organisations such as Sport Waikato, Hamilton and Waikato Tourism, and the Cambridge and Te Awamutu Information Centres are funded by way of service contracts to provide services on our behalf, and the funding of these has been included in the relevant group of activities.

	2012/13 LTP \$	2013/14 Annual Plan \$
Pirongia Ward Grants	16,500	16,500
Cambridge Community Board Grants	30,000	30,000
Te Awamutu Community Board Grants	30,000	30,000
Citizens Advice Bureau - Cambridge**	14,300	14,300
Citizens Advice Bureau - Te Awamutu**	26,500	26,500
Nga Iwi Toopu Support	20,000	20,000
Pirongia Historical Visitors Centre	6,400	7,400
Pirongia Ratepayers Association	5,500	5,500
District Promotions	100,000	100,000
Cambridge Community Arts Council*	15,000	15,000
Te Awamutu & District Community Arts Council*	15,000	15,000
Waikato Biodiversity Forum	3,000	3,000
Te Awamutu Safer Community Charitable Trust	12,500	12,500
Cambridge Safer Community Charitable Trust	10,000	10,000
Waipa 150 Year Commemorations	-	50,000
TOTAL	304,700	355,700

Notes:

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

** The Cambridge Citizens' Advice Bureau has office accommodation provided by Waipa District Council in addition to the grant funding shown above. The Te Awamutu Citizens' Advice Bureau funding is all inclusive.

Statement of Cost of Service

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
REVENUE				
Elections	-	98	98	-
Community Grants	30	30	30	-
Strategic Planning	-	-	52	(52)
TOTAL REVENUE	30	128	180	(52)
OPERATING EXPENDITURE				
Council & Committees	2,726	2,875	2,882	(7)
Cambridge Community Board	186	195	195	-
Te Awamutu Community Board	187	195	195	-
Elections	32	187	192	(5)
Community Grants	324	377	325	52
Strategic Planning	1,841	1,911	1,833	78
Community Relationships	1,101	1,180	1,157	23
TOTAL EXPENDITURE	6,397	6,920	6,779	141
OPERATING NET COST OF SERVICE	(6,367)	(6,792)	(6,599)	(193)
CAPITAL EXPENDITURE AND DEBT REPAYMENT				
Capital Expenditure (excluding Vested)	25	36	34	2
Debt Repayment (Internal)	336	408	373	35
TOTAL CAPITAL EXPENDITURE AND DEBT REPAYMENT	361	444	407	37

Capital Expenditure Table

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Replace Tables in Council Chambers	-	16	16	-
Marketing and Promotion Equipment	22	20	18	2
Sister Cities	3	-	-	-
TOTAL CAPITAL EXPENDITURE	25	36	34	2

Funding Impact Statement

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	2,798	3,163	3,057	106
Targeted rates (other than a targeted rate for water supply)	3,179	3,579	3,458	121
Subsidies and grants for operating purposes	30	30	30	-
Fees, charges, and targeted rates for water supply	-	98	150	(52)
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total sources of operating funding (A)	6,007	6,870	6,695	175
Applications of operating funding				
Payments to staff and suppliers	3,078	3,406	3,357	49
Finance costs	127	101	99	2
Internal charges and overheads applied	2,605	2,767	2,739	28
Other operating funding applications	585	640	579	61
Total applications of operating funding (B)	6,395	6,914	6,774	140
Surplus (deficit) of operating funding (A - B)	(388)	(44)	(79)	35
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Total sources of capital funding (C)	-	-	-	-
Applications of capital funding				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	25	36	34	2
- to replace existing assets	-	-	-	-
Increase (decrease) in reserves	(413)	(80)	(113)	33
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	(388)	(44)	(79)	35
Surplus (deficit) of capital funding (C - D)	388	44	79	(35)
Funding balance ((A - B) + (C - D))	-	-	-	-

Planning and Regulatory

What we do

Resource Management, Building Control, Environmental Health, Animal Control and Development Engineering. We provide these services to manage the natural and physical resources of the district, and promote and protect the health and safety of our communities and the general public.

Key Project for 2013/14

Retaining the building consent authority accreditation we have held since 2008.

Changes from the 10-Year Plan 2012-22

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

Levels of Service and Measuring Performance

Animal Control

Rationale – To manage animal control in the district in a way that promotes animal welfare and community safety.

Level of Service	Performance Measure	Performance Target
Effective animal control services and facilities are available to promote community safety.	# of hours per month that dog micro chipping services are available in Te Awamutu.	4
	# of hours per month that dog micro chipping services are available in Cambridge.	4
A 24 hour service is available to respond to animal control complaints in a timely manner.	% of complaints involving allegation of bite or attack responded to within 1 hour.	95%
	% of complaints not involving allegation of bite or attack responded to within 7 working days.	95%

DID YOU KNOW 

THERE ARE ALMOST

7,000

DOGS REGISTERED IN THE WAIPA DISTRICT

WE PROCESSED

422 PLANNING APPLICATIONS

IN THE 2011/12 YEAR

WE VISIT EVERY FOOD OUTLET IN THE DISTRICT AT LEAST ONCE A YEAR TO ENSURE COMPLIANCE

WE RECEIVE OVER

1,500

NOISE COMPLAINTS A YEAR

Environmental Health

Rationale – To protect and promote the health of communities within the Waipa District.

Level of Service	Performance Measure	Performance Target
Food premises maintain a high level of food safety.	% of premises that hold registration or certificates of inspection as required ¹ .	100%
	% of required monthly inspections or audits completed.	95%
	% of eligible food premises who have moved to food control plans ² .	12%
A 24 hour service is available to respond to noise complaints in a timely manner.	% of excessive noise complaints investigated within 1 hour.	95%
Liquor licensing is managed to minimise alcohol abuse in the community.	# of monitoring operations carried out with other agencies (including the police) per annum.	2
Urban and rural fires are managed to reduce risk to people and property	% of smoke complaints investigated within one hour.	95%

Resource Consents and Monitoring

Rationale – Achievement of community aspirations through the development and implementation of the District Plan.

Level of Service	Performance Measure	Performance Target
We are responsive to the needs of the community.	Public issues are responded to within 4 working days	100%
We process applications in a timely manner.	% of compliance with statutory timeframes (Ministry for the Environment survey).	100%
	% of Land Information Memorandums processed within statutory timeframes.	100%

¹ Certification includes registration of certificate of compliance

² Food control plans and audits will replace the current registration and inspection regime. At present the food service premises (such as takeaways, restaurants and cafes) can voluntarily move to the new system, and the New Zealand Food Safety Authority is encouraging all local authorities to facilitate this as much as possible

Development Engineering

Rationale – Ensuring developers build services/infrastructure which meet current and future community needs.

Level of Service	Performance Measure	Performance Target
We are responsive to enquiries and requests for information.	Enquiries are responded to within 4 working days.	100%

Building Control

Rationale – Ensuring that buildings are safe and fit for purpose.

Level of Service	Performance Measure	Performance Target
All applications are processed within agreed timeframes.	% of buildings consents processed within 20 working days.	100%
	% of Project Information Memorandums processed within 20 working days.	100%
Complaints are investigated and responded to within agreed timeframes.	% of complaints about potentially unsafe buildings and structures investigated and responded to within 5 working days.	100%

Statement of Cost of Service

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
REVENUE				
Fees and Charges:				
Resource Management	619	1,160	1,130	30
Building Control	1,278	1,202	1,200	2
Environmental Health	272	281	281	-
Animal Control	406	432	420	12
Development Engineering	271	280	280	-
TOTAL REVENUE	2,846	3,355	3,311	44
OPERATING EXPENDITURE				
Resource Management	1,365	1,678	1,675	3
Building Control	1,194	1,257	1,417	(160)
Environmental Health	694	721	727	(6)
Animal Control	568	589	586	3
Development Engineering	777	855	864	(9)
TOTAL EXPENDITURE	4,598	5,100	5,269	(169)
OPERATING NET COST OF SERVICE	(1,752)	(1,745)	(1,958)	213
CAPITAL EXPENDITURE				
Capital Expenditure (excluding Vested)	5	-	-	-
TOTAL CAPITAL EXPENDITURE	5	-	-	-

Capital Expenditure Table

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Clegg Hammer Purchase	5	-	-	-
TOTAL CAPITAL EXPENDITURE	5	-	-	-

Funding Impact Statement

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	934	939	1,054	(115)
Targeted rates (other than a targeted rate for water supply)	799	806	905	(99)
Subsidies and grants for operating purposes	-	-	-	-
Fees, charges, and targeted rates for water supply	2,846	3,355	3,311	44
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total sources of operating funding (A)	4,579	5,100	5,270	(170)
Applications of operating funding				
Payments to staff and suppliers	3,429	3,874	3,949	(75)
Finance costs	-	-	-	-
Internal charges and overheads applied	1,169	1,226	1,321	(95)
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	4,598	5,100	5,270	(170)
Surplus (deficit) of operating funding (A - B)	(19)	-	-	-
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Total sources of capital funding (C)	-	-	-	-
Applications of capital funding				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	5	-	-	-
- to replace existing assets	-	-	-	-
Increase (decrease) in reserves	(24)	-	-	-
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	(19)	-	-	-
Surplus (deficit) of capital funding (C - D)	19	-	-	-
Funding balance ((A - B) + (C - D))	-	-	-	-

Community Services and Facilities

What we do

This group of activities provide recreational benefit, and promote the health, safety and social and environmental wellbeing of our communities.

They are:

- Parks & Reserves.
- Lake Karapiro/Mighty River Domain.
- Libraries.
- Museums and Heritage.
- Swimming Pools.
- Public Toilets.
- Community Halls.
- Pensioner Housing.
- Cemeteries.
- Civil Defence Emergency Management and Rural Fire.
- Waste Management and Minimisation.

Key projects for 2013/14

- Renewing pensioner housing at Palmer Street in Te Awamutu, subject to investigation and design work in the 2012/13 year.
- Design for a new library.
- Continuation of the peat lakes programme which is focusing on the council administered lakes (such as Lake Ngaroto and part of Rotopiko).
- Complete engineering assessments of the Cambridge water tower.
- Interpretation of land wars at the Orakau battle site.
- Interpretation of heritage site features to improve visitor experiences.
- Purchase of a new portable toilet for Kihikihi Domain.

Changes from the 10-Year Plan 2012-22

The construction of a toilet block at Maungatautari is not being progressed as indicated in the 10-Year Plan as a visitor centre is being developed by Maungatautari Ecological Island Trust (MEIT). The \$60,000 in the 2013/14 year is for development of car parking at Maungatautari.

The purchase of a new portable toilet for Kihikihi Domain has been included in this Annual Plan. As a consequence the budget has been increased by \$38,000 from what was outlined in the 10-Year Plan to allow this purchase to be undertaken.

Due to a storm in July 2012 repairs need to be made to retaining walls at Lake Karapiro (Mighty River Domain). As a consequence the budget has been increased from what was outlined in the 10-Year Plan to allow these repair works to be undertaken.

DID YOU
KNOW ?

WE HAVE OVER
155,000
ITEMS IN OUR
LIBRARY COLLECTION

THERE ARE OVER
15,000
VISITORS TO OUR
MUSEUMS EACH YEAR

WE OWN AND MAINTAIN
TWO
SWIMMING POOLS

40 PUBLIC TOILETS

18 DISTRICT HALLS

10 CEMETERIES

The Albert Park grandstand which is a community led project was included in year one of the 10-Year Plan however, this was deferred until 2013/14 while additional funding is being sought by a community group. If community funding is not received this project may be deferred to a later year.

Various changes in the timing and cost of developing and selling surplus properties in Cambridge, have been reflected in the budgeted figures.

Levels of Service and Measuring Performance

Public Library

Rationale – To provide opportunities and places for affordable learning and leisure which the community sees as a valuable public service.

Level of Service	Performance Measure	Performance Target	
		CB	TA
The community is satisfied with the service provided.	% of residents who are satisfied with the library service (Community Survey) (3 year average).	95%	90%
		75%	
Our library services and facilities meet the needs of the community.	% of users surveyed who agreed the library offered the resource they were looking for.	75%	
	% of population who are active library members (library card used in past 2 years).	52%	
Library opening hours support learning and recreation	Library opening hours meet the national standards of being open every weekday, Saturdays and 1 or more evenings per week.	Yes	
The library service provides an adequate quantity of recreational and educational material.	Library collection meets the LIANZA ³ standard of 3 items per resident.	Standard met	

Parks and Reserves

Rationale – To enhance the Waipa environment by providing multi-purpose open spaces for opportunities for health and recreation.

Level of Service	Performance Measure	Performance Target	
		CB	TA
The community is satisfied with the service provided.	% of residents who are satisfied with parks and reserves (Community Survey) (3 year average).	95%	
The unique tree heritage of the district is preserved and enhanced.	% of pro-active annual preventative tree maintenance programme ⁴ completed.	>90%	
	Number of street trees planted per annum.	30	

³ Library and Information Association of New Zealand Aotearoa.

⁴ Maintenance Programme defined as: Pruning, thinning, removal of damaged limbs, planting

Level of Service	Performance Measure	Performance Target
A range of parks and reserves are available for use and conveniently located	% of urban residents located within 650m of publically available open space reserves.	100%
	Number of hectares of actively maintained ⁵ recreation land available for public use	306ha
Parks and reserves offer a pleasant environment.	Number of complaints received regarding the cleanliness of parks and reserves.	<5

Cemeteries

Rationale – To ensure the availability of affordable and appropriately located places for burials and remembrance.

Level of Service	Performance Measure	Performance Target
We provide tranquil and aesthetically pleasing environments for remembrance.	% of residents who are satisfied with the cemeteries (Community Survey)	85%

Public Toilets

Rationale – To ensure an affordable network of public toilets is accessible to both the community and visitors to the district.

Level of Service	Performance Measure	Performance Target
The community is satisfied with the service provided.	% of residents who are satisfied with public toilets (Community Survey) (3 year average).	90%
Public toilets are well maintained.	Number of service request calls regarding toilet maintenance.	<60
Public toilets are accessible and conveniently located.	% of toilets that have disabled access.	70%
	% of places of high public use where public toilets are provided ⁶ .	96%

⁵ Actively maintained recreation land includes: Amenity, Neighbourhood, Premier and Sport category land

⁶ High Public Use defined as: Locations used by significant numbers of the public for congregation for long periods of time

Swimming Pools

Rationale – To provide affordable public swimming pools that provide opportunities for the community to increase its water safety skills, health and recreational wellbeing.

Level of Service	Performance Measure	Performance Target	
The community is satisfied with the service provided.	% of residents who are satisfied with the swimming pools (Community Survey) (3 year average).	85%	
Public swimming pools are accessible.	Number of weeks per year that council pools are open	TA	50 weeks
		CB	20 weeks
	Number of occurrences pools are closed for more than 3 hours following an unscheduled closure	4	
Pools are safe and clean.	% of council pools with Poolsafe accreditation ⁷ .	50%	

Community Land and Buildings

Rationale – Provision of venues within communities to support social and recreational interaction.

Level of Service	Performance Measure	Performance Target
Land and buildings are fit for use.	Number of complaints received regarding cleanliness of halls.	<5
Land and building maintenance issues are resolved in a timely manner.	% of responses to emergency ⁸ issues regarding land and buildings within 2 hours.	100%

Pensioner Housing

Rationale – To provide secure and safe affordable housing in a communal environment for aged persons with limited means.

Level of Service	Performance Measure	Performance Target
Pensioner housing is provided at a reduced rate while ensuring no rate payer subsidy.	% of pensioner housing units whose rental fees are at 75% of market rates as per the Pensioner Housing Policy.	67%
Pensioner housing is fit for purpose.	% of tenants who are satisfied with the standard of pensioner housing.	90%
Housing is provided to an appropriate standard.	Response to emergency ⁹ issues regarding pensioner housing within 2 hours.	100%

⁷ Poolsafe Accreditation is a measure of minimum standards for: swimming pool supervision, water quality, lifeguard qualifications & training, and Health & Safety

⁸ Emergency issues defined as Health & Safety/Public Safety issue

⁹ Emergency issues defined as Health & Safety/Pensioner Safety issue

Waste Management and Minimisation

Rationale: Provision of a convenient collection service that diverts recyclable waste from landfill.

Level of Service	Performance Measure	Performance Target
Recycling services are convenient and appropriate	% of residents who are satisfied with the kerbside/roadside recycling services (Community Survey) (3 year average).	85%

Museums

Rationale – To provide opportunities and places for affordable cultural learning and leisure which the community sees as a valuable public service.

Level of Service	Performance Measure	Performance Target
The community is satisfied with the research services provided by the museums.	% of research applicants who were satisfied with the service provided.	90%
Museums exhibitions and events meet visitor expectations.	% visitors surveyed found exhibitions interesting and informative.	75%
Museum (TA) delivers quality “Learning Experiences Outside The Classroom” education programmes to schools.	% of “Learning Experiences Outside The Classroom” school/participants satisfied with delivered programmes.	75%

Statement of Cost of Service

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
REVENUE				
Fees and Charges:				
Mighty River Domain	514	557	532	25
District Museums	103	104	112	(8)
District Libraries	218	242	242	-
District Pool Te Awamutu	298	306	306	-
Cemeteries	153	157	157	-
Public Toilets	31	32	32	-
Properties	760	814	838	(24)
Pensioner Housing & Own your Own Housing	805	748	748	-
Waste Management	144	149	149	-
TOTAL REVENUE	3,026	3,109	3,116	(7)
OPERATING EXPENDITURE				
Parks and Reserves	4,041	4,067	4,097	(30)
Mighty River Domain	1,226	1,156	1,187	(31)
District Museums	800	866	885	(19)
District Libraries	1,493	1,567	1,572	(5)
District Pool Te Awamutu	1,801	1,735	1,821	(86)
District Pool Cambridge	357	288	295	(7)
Heritage	206	264	259	5
Cemeteries	282	267	268	(1)
Public Toilets	515	560	553	7
Properties	2,417	1,285	1,355	(70)
Pensioner Housing & Own your Own Housing	804	791	766	25
Forestry	299	58	58	-
Rural Fire/Civil Defence	338	352	354	(2)
Waste Management	1,724	1,609	1,596	13
National Cycle Centre of Excellence	1,033	70	70	-
TOTAL EXPENDITURE	17,336	14,935	15,136	(201)
OPERATING NET COST OF SERVICE	(14,310)	(11,826)	(12,020)	194
CAPITAL EXPENDITURE AND DEBT REPAYMENT				
Capital Expenditure (excluding Vested)	2,109	6,498	5,559	939
Vested Assets	-	-	1,441	(1,441)
Debt Repayment (Internal)	930	1,017	1,026	(9)
TOTAL CAPITAL EXPENDITURE AND DEBT REPAYMENT	3,039	7,515	8,026	(511)

Capital Expenditure

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Te Awamutu Walk of Fame Extension	105	-	-	-
Parks Renewals	44	46	46	-
Peat Lake Programme	33	650	651	(1)
Heritage Sites	-	4	4	-
Pa Sites	188	49	49	-
Maungatautari Project	-	60	185	(125)
Lake Serpentine - Land Purchase and Development	20	285	-	285
Land Purchase - Lake Ngaroto	-	823	823	-
Cambridge Town Belt	20	21	21	-
Kihikihi Domain Development	80	59	21	38
Karapiro / Arapuni Lakes Programme	60	41	41	-
Playground Equipment & Safety Surfaces Renewal	71	37	37	-
Parks Structure Renewals	8	7	7	-
Cambridge Motor Park - Upgrade Work	30	40	41	(1)
Arnold Street Development - Property	-	-	1,595	(1,595)
Grace Avenue Development - Property	289	657	-	657
Addison Street Development - Property	170	490	-	490
Karapiro Minor Assets (Don Rowlands Centre)	40	10	10	-
Maintain Retaining Walls - Mighty River Domain	47	442	52	390
Replacement of Existing Power Boxes - Mighty River Domain	11	7	6	1
Playground and Rope Courses - Renewal - Mighty River Domain	-	8	8	-
Plant Replacement - Mighty River Domain	27	5	5	-
Purchase of Own Your Own Units	-	134	134	-
Renew Pensioner Housing - Palmer Street	50	823	823	-
Purchase of land for Te Awamutu Western Arterial	400	412	412	-
Cambridge Water Tower - Upgrade	30	36	36	-
Albert Park Grandstand	-	700	-	700
Te Awamutu Library and Museum Complex	-	257	257	-
Library Books Cambridge	128	133	133	-
Library Books Te Awamutu	115	121	121	-
Children's Playground - Mighty River Domain	-	100	-	100
Waipuke Reserve (Gecks) Development	90	41	41	-
Conservation Reserves	20	-	-	-
Public Conveniences	33	-	-	-
TOTAL CAPITAL EXPENDITURE	2,109	6,498	5,559	939

Capital expenditure has been presented in this Funding Impact Statement in accordance with Section 3 of Schedule 10 of the Local Government Act which requires us to show that we have budgeted to meet additional demand, improve levels of service and replace existing assets. As some projects fit more than one of those criteria they have been grouped as to the primary purpose of the expenditure as per the legislation.

The portion of capital expenditure that specifically relates to growth is shown below.

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Growth expenditure to meet additional demand	60	153	153	-

Funding Impact Statement

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	5,329	5,282	5,371	(89)
Targeted rates (other than a targeted rate for water supply)	7,383	7,415	7,519	(104)
Subsidies and grants for operating purposes	11	12	12	-
Fees, charges, and targeted rates for water supply	3,013	3,096	3,104	(8)
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total sources of operating funding (A)	15,736	15,805	16,006	(201)
Applications of operating funding				
Payments to staff and suppliers	11,609	11,543	11,656	(113)
Finance costs	735	614	662	(48)
Internal charges and overheads applied	1,968	2,095	2,132	(37)
Other operating funding applications	1,302	315	309	6
Total applications of operating funding (B)	15,614	14,567	14,759	(192)
Surplus (deficit) of operating funding (A - B)	122	1,238	1,247	(9)
Sources of capital funding				
Subsidies and grants for capital expenditure	217	891	701	190
Development and financial contributions	498	460	460	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Total sources of capital funding (C)	715	1,351	1,161	190
Applications of capital funding				
Capital expenditure				
- to meet additional demand	20	-	-	-
- to improve the level of service	1,603	6,108	5,169	939
- to replace existing assets	486	390	390	-
Increase (decrease) in reserves	(1,272)	(3,909)	(3,151)	(758)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	837	2,589	2,408	181
Surplus (deficit) of capital funding (C - D)	(122)	(1,238)	(1,247)	9
Funding balance ((A - B) + (C - D))	-	-	-	-

Roads and Footpaths

What we do?

This group of activities covers most of our work in the road corridor, including road and footpath construction and maintenance, road safety, cycling and walking, car parks, street lights and passenger transport.

Key Projects for 2013/14

- Sealing part of Fillery Road, Arthur Road and part of Waikoha Road.
- Improving street lighting standards in urban areas.
- Upgrading the Te Awamutu CBD area in relation to the Town Concept Plan.
- Contribute to the New Zealand Transport Agency for a full expressway interchange at Hautapu (Waikato Expressway) as previously agreed.
- Painting the Victoria Bridge substructure to protect its long term integrity.
- Widening the Victoria Bridge footpath to improve the level of service for pedestrians.
- Implementing some of the recommendations from the Mobility Spaces and Street Accessibility Audit Report.
- Reviewing the Walking and Cycling Strategy.

Changes from the 10-Year Plan 2012-22

The New Zealand Transport Agency has included the Te Awamutu Traffic Review project in the National Transport Programme. However, Council considered that it's low priority would mean that NZTA would not fund it. The scope of work is to revisit the options for discouraging heavy commercial vehicles from using Alexandra Street and instead encourage other routes. This was seen as complementary work to the town concept plan aspirations for Te Awamutu. It is proposed that the funds be allocated to extend the town concept plan implementation.

There has been a change in timing and funding of our contribution to the interchange on Victoria Road, Cambridge. Originally this project was budgeted over the first three years of the 10-Year Plan however the New Zealand Transport Authority has since advised our contribution will be payable in the 2013/14 year. NZTA has recently indicated that it is likely they will be contributing a subsidy of 59% to fund this project reducing our net contribution.

Due to an audit that was undertaken in February 2013 of the mobility parking spaces and access routes within the district we have provided additional funding within this plan to start implementing some of those recommendations. As a consequence the budget has been increased from what was outlined in the 10-Year Plan (additional \$100,000) to allow these works to be undertaken.

DID YOU KNOW?

WE OWN AND MAINTAIN
1,080.4Km
OF ROAD AND 93.3%
OF THEM ARE SEALED

THERE ARE
220Km
OF FOOTPATHS
IN THE WAIPA DISTRICT

WE OWN AND MAINTAIN
**73 TRAFFIC BRIDGES &
2686 STREET LIGHTS**

Levels of Service and Measuring Performance

Rationale - Provision of a safe and convenient transport network that connects communities and supports district development.

Level of Service	Performance Measure	Performance Target
The existing network is well maintained.	% of residents who are satisfied with the levels of road maintenance (Community Survey) (3 year average).	80%
	% of residents who are satisfied with the maintenance of footpaths (Community Survey) (3 year average).	80%
We are responsive to roading issues raised by the community.	% of road & footpath issues responded to within 10 working days.	80%
A range of alternative transport options are available and promoted.	Public transport passenger numbers are increasing each year.	2% growth in patronage per year
	% (by length) of urban roads ¹⁰ which have a footpath on at least one side.	78.8%
Rural roads are suitable for volume and type of traffic	% of rural roads ¹¹ (by length) that meet road width standards	49.4%
Parking is provided in appropriate locations	% of residents who are satisfied with the provision of parking in the CBD areas (Community Survey) (3 year average)	75%
Roads are designed and managed to reduce the risk of harm to users	% of residents who are satisfied with the safety of the roads (Community Survey) (3 year average)	80%
	Number of fatal and serious crash numbers on Waipa Local roads ¹² per annum (five year average)	16 ¹³

¹⁰ Urban roads defined as those with a speed limit of 70 kilometres or less.

¹¹ Rural roads defined as those with a speed limit of 80 kilometres or more

¹² Includes all urban and rural roads and excludes State Highways

¹³ This target should read 'less than 16', however, it was incorrectly included in the 10-Year Plan. An amendment to the 10-Year Plan would be required to correct it.

Statement of Cost of Service

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
REVENUE				
Fees, charges and NZTA subsidy	6,516	8,050	7,189	861
TOTAL REVENUE	6,516	8,050	7,189	861
OPERATING EXPENDITURE				
Depreciation and Amortisation	7,806	8,166	8,166	-
Activity Expenses	7,614	7,630	7,643	(13)
Overhead Allocation	1,036	1,091	1,077	14
Finance Costs	943	676	833	(157)
TOTAL EXPENDITURE	17,399	17,563	17,719	(156)
OPERATING NET COST OF SERVICE	(10,883)	(9,513)	(10,530)	1,017
CAPITAL EXPENDITURE AND DEBT REPAYMENT				
Capital Expenditure (excluding Vested)	10,046	14,829	14,103	726
Vested Assets	3,850	1,619	1,619	-
Debt Repayment (Internal)	1,724	1,218	1,238	(20)
TOTAL CAPITAL EXPENDITURE AND DEBT REPAYMENT	15,620	17,666	16,960	706

Capital Expenditure Table

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Non Subsidised Roding Projects				
Footpath Renewals	200	309	309	-
Amenity Lighting Renewals	2	41	41	-
Car Park Renewals	70	52	52	-
Seal Extensions	375	508	508	-
New Footpaths	35	139	139	-
Car Park Improvements	68	77	77	-
Town Concept Plans Implementation	1,039	441	309	132
Cambridge North Capital Projects	65	2,304	2,304	-
St Leger Road	100	-	-	-
Passenger Transport Infrastructure	15	9	16	(7)
Street Light Improvements	100	155	155	-
Urban Upgrades - Development Related	50	52	52	-
Cycling Projects District Wide	-	52	52	-
CBD Accessibility Improvements	-	100	-	100
Subsidised Roding Projects				
Drainage Renewals	625	226	226	-
Pavement Rehabilitation	3,220	3,215	3,215	-
Structures Component Renewal	102	105	105	-
Traffic Services Renewals	-	24	24	-
Associated Improvements	200	284	284	-
Minor Improvements	601	710	658	52
Unsealed Road Metalling	108	111	111	-
Sealed Road Resurfacing	3,000	3,093	3,093	-
Bridge Renewals	-	103	103	-
Guardrail Renewals	51	53	53	-
Te Awamutu Traffic Review Implementation	-	-	258	(258)
Victoria Road, Cambridge - Interchange Contribution	-	1,655	928	727
Bridge Footpath Widening	20	1,011	1,031	(20)
TOTAL CAPITAL EXPENDITURE	10,046	14,829	14,103	726

Capital expenditure has been presented in this Funding Impact Statement in accordance with Section 3 of Schedule 10 of the Local Government Act which requires us to show that we have budgeted to meet additional demand, improve levels of service and replace existing assets. As some projects fit more than one of those criteria they have been grouped as to the primary purpose of the expenditure as per the legislation.

The portion of capital expenditure that specifically relates to growth is shown below.

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Growth Expenditure to meet additional demand	405	2,212	2,347	(135)

Funding Impact Statement

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	5,439	5,647	5,586	61
Targeted rates (other than a targeted rate for water supply)	4,875	4,993	4,944	49
Subsidies and grants for operating purposes	2,365	2,431	2,434	(3)
Fees, charges, and targeted rates for water supply	169	183	174	9
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total sources of operating funding (A)	12,848	13,254	13,138	116
Applications of operating funding				
Payments to staff and suppliers	6,764	6,755	6,765	(10)
Finance costs	943	676	833	(157)
Internal charges and overheads applied	1,036	1,091	1,077	14
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	8,743	8,522	8,675	(153)
Surplus (deficit) of operating funding (A - B)	4,105	4,732	4,463	269
Sources of capital funding				
Subsidies and grants for capital expenditure	3,983	5,436	4,581	855
Development and financial contributions	1,023	881	881	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Total sources of capital funding (C)	5,006	6,317	5,462	855
Applications of capital funding				
Capital expenditure				
- to meet additional demand	215	2,356	2,356	-
- to improve the level of service	2,453	5,140	4,413	727
- to replace existing assets	7,378	7,333	7,334	(1)
Increase (decrease) in reserves	(935)	(3,780)	(4,178)	398
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	9,111	11,049	9,925	1,124
Surplus (deficit) of capital funding (C - D)	(4,105)	(4,732)	(4,463)	(269)
Funding balance ((A - B) + (C - D))	-	-	-	-

Stormwater

What we do?

Typically stormwater is rainfall that runs off roofs, roads and other surfaces and then into gutters and stormwater collection systems such as pipes, culverts, open drains/swales and detention structures.

Key Projects for 2013/14

- Extend the stormwater network within the Cambridge North residential area.
- District wide pipe condition surveys to determine the condition of existing pipe and remaining useful life to ensure we manage our assets effectively.
- Developing a stormwater model to simulate flows within the stormwater network during various rainfall events and determine any additional capacity required.
- Stabilisation of the existing gully at Alpha Street, Cambridge.

Changes from the 10-Year Plan 2012-22

Works originally scheduled for 2012/13 to further develop Cambridge North were not undertaken because residential development did not occur at the rate expected. These works will now be undertaken in the 2013/14 financial year and the associated costs (\$3.5 million) have been moved from the 2012/13 year to reflect this.

Levels of Service and Measuring Performance

Rationale – To manage stormwater to limit unwanted impacts of flooding on the community and its effects in the environment.

Level of Service	Performance Measure		Performance Target
The community is satisfied with the service provided.	% of residents who are satisfied with the stormwater service (Community Survey) (3 year average).		85%
We are responsive during heavy rainfall events.	% of service requests responded to within agreed timeframe	Emergencies within ¹⁴ 24 hour	100%
		Minor works ¹⁵ within 2 working days	75%
		General Enquiries ¹⁶ within 10 working days	88%

¹⁴ Emergencies defined as: A stormwater event that constitutes a significant risk to public safety

¹⁵ Minor works defined as: Contract works, Discharge, Manhole, Blocked Drain, Flooding private property

¹⁶ General Enquiries defined as: Connections, Swale Drains

DID YOU KNOW? 

THERE ARE
139Km
OF STORMWATER
PIPES IN WAIPA

OUR ASSETS ALSO INCLUDE
251Km
OF RURAL DRAINS
AND **SEVEN**
RETENTION DAMS

WE NEED TO HOLD A
RESOURCE CONSENT
FROM WAIKATO REGIONAL
COUNCIL TO MANAGE
STORMWATER

Level of Service	Performance Measure	Performance Target
Stormwater is managed to minimise flooding of properties and roads.	Number of reported incidences of localised flooding on urban roads ¹⁷ .	<5
	% of public open drains inspected annually ¹⁸ .	10%

Statement of Cost of Service

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
OPERATING EXPENDITURE				
Depreciation and Amortisation	791	977	977	-
Activity Expenses	1,267	906	817	89
Overhead Allocation	324	296	310	(14)
Finance Costs	36	41	184	(143)
TOTAL EXPENDITURE	2,418	2,220	2,288	(68)
OPERATING NET COST OF SERVICE	(2,418)	(2,220)	(2,288)	68
CAPITAL EXPENDITURE AND DEBT REPAYMENT				
Capital Expenditure (excluding Vested)	1,783	7,017	3,452	3,565
Vested Assets	150	603	603	-
TOTAL CAPITAL EXPENDITURE AND DEBT REPAYMENT	1,933	7,620	4,055	3,565

Capital Expenditure Table

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Renewals	982	595	780	(185)
Storm Water Modelling	73	339	169	170
Cambridge Deferred Residential SW Culverts	-	500	-	500
T6 St Ledger Road Stormwater Network Upgrades Concept Plan	-	156	156	-
Cambridge Deferred Residential Swale Land Acquisition	159	-	-	-
Cambridge Deferred Residential Stormwater Works	500	5,127	2,047	3,080
Pipe Condition and Assessment	69	300	300	-
TOTAL CAPITAL EXPENDITURE	1,783	7,017	3,452	3,565

Capital expenditure has been presented in this Funding Impact Statement in accordance with Section 3 of Schedule 10 of the Local Government Act which requires us to show that we have budgeted to meet additional demand, improve levels of service and replace existing assets. As some projects fit more than one of those criteria they have been grouped as to the primary purpose of the expenditure as per the legislation.

The portion of capital expenditure that specifically relates to growth is shown below.

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Growth Expenditure to meet additional demand	659	5,783	2,203	3,580

¹⁷ Localised flooding defined as: Surface water covers entire width of carriageway to a depth equal to or greater than 100 millimetres.

¹⁸ Inspection Programme defined as: inspection of open drains to determine compliance with relevant legislation.

Funding Impact Statement

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	81	87	90	(3)
Targeted rates (other than a targeted rate for water supply)	1,927	2,085	2,140	(55)
Subsidies and grants for operating purposes	-	-	-	-
Fees, charges, and targeted rates for water supply	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total sources of operating funding (A)	2,008	2,172	2,230	(58)
Applications of operating funding				
Payments to staff and suppliers	832	849	760	89
Finance costs	36	41	184	(143)
Internal charges and overheads applied	324	296	310	(14)
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	1,192	1,186	1,254	(68)
Surplus (deficit) of operating funding (A - B)	816	986	976	10
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	172	213	213	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Total sources of capital funding (C)	172	213	213	-
Applications of capital funding				
Capital expenditure				
- to meet additional demand	659	5,783	2,203	3,580
- to improve the level of service	118	552	397	155
- to replace existing assets	1,006	682	852	(170)
Increase (decrease) in reserves	(795)	(5,818)	(2,263)	(3,555)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	988	1,199	1,189	10
Surplus (deficit) of capital funding (C - D)	(816)	(986)	(976)	(10)
Funding balance ((A - B) + (C - D))	-	-	-	-


Wastewater Treatment and Disposal

What we do?

This activity includes the reticulation network for the collection of sewage and trade waste and its treatment and disposal.

Key Projects for 2013/14

- Renewal of existing wastewater pipes within the district.
- Commencement of the project to replace existing regional consents for the Te Awamutu wastewater treatment plant.
- Commencement of the design of the Cambridge pipe bridge to accommodate increased volumes of wastewater.
- Upgrade of the Te Awamutu south existing pipe to accommodate additional wastewater flows.
- District wide pipe condition surveys to determine condition of existing pipe and remaining useful life.
- Installation of a cover over the anaerobic pond and additional aerators at Cambridge Treatment Plant.

DID YOU KNOW? 

THERE ARE OVER
11,000
PROPERTIES
CONNECTED TO OUR
SEWERAGE SYSTEMS

WE TREAT OVER
3.2 BILLION
LITRES
OF SEWAGE EVERY YEAR

Changes from the 10-Year Plan 2012-22

To improve the quality of effluent from the Cambridge wastewater treatment plant and increased compliance levels associated with the regional council resource consents, we have identified an additional \$1 million will be brought forward from 2016/17 of the 10-Year Plan to fund installation of a cover over the anaerobic pond (\$400,000) and installation of additional aerators at the aerated lagoon (\$600,000). NIWA are undertaking a trial of an enhanced wastewater pond system to support the future development of the Cambridge wastewater treatment plant. If successful the trial will be incorporated into the future upgrade of the plant with the potential to reduce development and operating costs.

The timing of the de-sludging of Cambridge wastewater treatment plant anaerobic pond (\$500,000) has been brought forward to address capacity and treatment issues.

There has been an increase of \$431,200 in the capital works programme due to projects being brought forward from future years in the 10-Year plan. However, the total capital spend over the 10 years has not changed.

Levels of Service and Measuring Performance

Rationale – A reliable wastewater system that supports community health and minimises impacts on the environment.

Level of Service	Performance Measure	Performance Target
The community is satisfied with the service provided.	% of residents who are connected and are satisfied with the wastewater system (Community Survey) (3 year average).	95% ¹⁹

¹⁹ 3 Year average for 2008 to 2010 data not available for 2011 as 2011 National Research Bureau survey did not split response into connected and non-connected.

Level of Service	Performance Measure	Performance Target	
The impact of wastewater treatment and disposal upon the environment is minimised.	Number of times resource consent conditions are breached by Council	CB	0
		TA	0
	Number of odour events triggering customer complaints ²⁰ .	24 or less	
We provide the community with a reliable piped wastewater system (within agreed areas).	Number of reported disruptions to wastewater service ²¹ .	<15	
	% of service requests responded to within agreed timeframe	Emergencies within ²² 24 hours	100%
		Minor works ²³ within 2 working days	85%
		General Enquiries ²⁴ within 10 working days	85%

Statement of Cost of Service

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
REVENUE				
Fees and Charges	468	486	486	-
TOTAL REVENUE	468	486	486	-
OPERATING EXPENDITURE				
Depreciation and Amortisation	2,730	3,120	3,120	-
Activity Expenses	1,940	2,507	1,944	563
Overhead Allocation	932	807	921	(114)
Finance Costs	233	110	127	(17)
TOTAL EXPENDITURE	5,835	6,544	6,112	432
OPERATING NET COST OF SERVICE	(5,367)	(6,058)	(5,626)	(432)
CAPITAL EXPENDITURE AND DEBT REPAYMENT				
Capital Expenditure (excluding Vested)	1,732	4,428	3,140	1,288
Vested Assets	200	4,914	4,915	(1)
Debt Repayment (Internal)	2,280	576	685	(109)
TOTAL CAPITAL EXPENDITURE AND DEBT REPAYMENT	4,212	9,918	8,740	1,178

20 Excludes complaints where the subsequent investigation showed the odour was not caused by our wastewater network.

21 Excludes disruptions where the subsequent investigation showed the event was not caused by our wastewater network. Multiple calls for the same event are classed as one reported disruption.

22 Emergencies defined as: A wastewater event that constitutes a significant risk to public health

23 Minor works defined as: Blocked sewer, Broken sewer, Leaks, contract works, Overflow, Rat problem, manhole

24 General Enquiries defined as: Connections, Service Lines, Trade waste

Capital Expenditure Table

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Renewals	962	775	775	-
Reticulation	37	381	31	350
Plant and Pumps	383	226	145	81
Te Awamutu South Construction Plan (T7)	55	1,047	1,047	-
Cambridge Wastewater Treatment Plant Upgrade	50	1,000	-	1,000
Te Awamutu Wastewater Treatment Plant Upgrade	110	254	364	(110)
Cambridge North Deferred Residential	-	494	494	-
Pipe Condition Assessments & Infiltration Study	102	128	128	-
Cambridge Upgrade Pipe Bridge	33	123	156	(33)
TOTAL CAPITAL EXPENDITURE	1,732	4,428	3,140	1,288

Capital expenditure has been presented in this Funding Impact Statement in accordance with Section 3 of Schedule 10 of the Local Government Act which requires us to show that we have budgeted to meet additional demand, improve levels of service and replace existing assets. As some projects fit more than one of those criteria they have been grouped as to the primary purpose of the expenditure as per the legislation.

The portion of capital expenditure that specifically relates to growth is shown below.

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Growth Expenditure to meet additional demand	181	1,458	1,301	157

Funding Impact Statement

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	302	339	319	20
Targeted rates (other than a targeted rate for water supply)	5,448	5,604	5,658	(54)
Subsidies and grants for operating purposes	-	-	-	-
Fees, charges, and targeted rates for water supply	468	486	486	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total sources of operating funding (A)	6,218	6,429	6,463	(34)
Applications of operating funding				
Payments to staff and suppliers	1,855	2,418	1,855	563
Finance costs	233	110	127	(17)
Internal charges and overheads applied	932	807	921	(114)
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	3,020	3,335	2,903	432
Surplus (deficit) of operating funding (A - B)	3,198	3,094	3,560	(466)
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	258	317	317	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Total sources of capital funding (C)	258	317	317	-
Applications of capital funding				
Capital expenditure				
- to meet additional demand	33	616	649	(33)
- to improve the level of service	285	2,311	1,421	890
- to replace existing assets	1,414	1,501	1,070	431
Increase (decrease) in reserves	1,724	(1,017)	737	(1,754)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	3,456	3,411	3,877	(466)
Surplus (deficit) of capital funding (C - D)	(3,198)	(3,094)	(3,560)	466
Funding balance ((A - B) + (C - D))	-	-	-	-

Water Treatment and Supply

What we do?

This group of activities includes all the services involved in abstracting, treating, storing and distributing water to users through the reticulation network.

Key Projects for 2013/14

- District wide main replacement and upgrade.
- Replacement of existing Pukerimu water pipes.
- Installation of water meters for Council properties and non-residential supplies for water conservation.
- District wide steel main replacement.
- Upgrades of existing treatment plants to adhere to the New Zealand Drinking Water Standards.
- District wide ridermain installation.
- Te Awamutu Reservoir/Water storage.
- Construction of new treatment plant for the Hicks Road, Cambridge to adhere to the New Zealand Drinking Water Standards.
- Water works within the Cambridge North residential area.
- Pipe condition surveys to determine condition of existing pipe and remaining useful life.

DID YOU KNOW?

LAST YEAR WE TREATED
9.4 BILLION LITRES
OF WATER

OUR ASSETS INCLUDE
6 WATER TREATMENT PLANTS

13 PUMP STATIONS

14 RESERVOIRS

585Km OF PIPES

WE ARE REQUIRED TO **GET CONSENTS** FROM WAIKATO REGIONAL COUNCIL **TO TAKE THE WATER** WE PROVIDE TO OUR COMMUNITIES.

Changes from the 10-Year Plan 2012-22

There has been an increase of \$1,488,300 in the capital works programme due to projects being brought forward from future years in the 10-Year plan. However, the total capital spend over the 10 years has not changed.

Levels of Service and Measuring Performance

Rationale - Provide a reliable supply of water sufficient to meet residential and industry needs which supports district development.

Level of Service	Performance Measure	Performance Target
The community is satisfied with the service provided.	% of residents who are satisfied with the water supply (Community Survey) (3 year average).	90%

Level of Service	Performance Measure		Performance Target
We provide the community (within agreed areas) with a reliable supply of drinking water.	% of service requests responded to within timeframes	Emergencies within ²⁵ 24 hours	100%
		Minor works ²⁶ within 2 working days	85%
		General Enquiries ²⁷ within 10 working days	85%
Water provided at agreed pressures within each water supply area.	Number of reported issues with water pressure.		<150
Each water supply has 24hrs worth of storage for emergencies as per NZDWS ²⁸ recommendation.	Number of the 4 water supplies ²⁹ with 24 hours of storage for treated water.		1
Water is safe to drink	% of water quality sample results that comply with Drinking Water Standards New Zealand		80%
Water looks and tastes good	Number of complaints regarding the quality of the water.		<50

Statement of Cost of Service

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
REVENUE				
Fees, charges and targeted rates for water supply	5,277	5,416	5,378	38
TOTAL REVENUE	5,277	5,416	5,378	38
OPERATING EXPENDITURE				
Depreciation and Amortisation	3,245	3,652	3,651	1
Activity Expenses	6,726	3,518	3,742	(224)
Overhead Allocation	890	962	876	86
Finance Costs	8	6	28	(22)
TOTAL EXPENDITURE	10,869	8,138	8,297	(159)
OPERATING NET COST OF SERVICE	(5,592)	(2,722)	(2,919)	197
CAPITAL EXPENDITURE AND DEBT REPAYMENT				
Capital Expenditure (excluding Vested)	3,256	8,773	7,274	1,499
Vested Assets	490	509	509	-
TOTAL CAPITAL EXPENDITURE AND DEBT REPAYMENT	3,746	9,282	7,783	1,499

25 Emergencies defined as: Firefighting availability and total loss of supply

26 Minor works defined as: Broken water main, contract works, leak quality, supply

27 General Enquiries defined as: Connections, Locations, Meters, Requests to buy water, sprinkler ban

28 NZDWS – New Zealand Drinking Water Standards.

29 Water supplies defined as: Cambridge & Karapiro, Te Awamutu & Pirongia, Kihikihi, Pukerimu.

Capital Expenditure Table

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Renewals	694	562	562	-
CB Hicks Rd WTP Upgrade	100	1,314	1,314	-
TA New Reservoir/Water Storage	408	3,199	2,899	300
Cambridge Reservoir Renewals & Upgrades	9	432	390	42
Karapiro Rising Main	55	-	-	-
TA Water Supply Develop New Water Source	43	-	-	-
Te Rore Water Supply Transfer	110	-	-	-
Cambridge Deferred Residential Water	-	213	213	-
District Wide - Water Modelling	187	14	14	-
District Wide Main Replacement & Upgrade	406	369	369	-
District Wide Rider Main Installation	210	218	218	-
District Wide Steel Main Replacement & Upgrades	263	274	274	-
Replacement of Pukerimu Piping	350	468	468	-
TA Water Factory Road Dump Valve	-	83	73	10
Drinking Water Compliance	68	1,459	312	1,147
DW Leak & Condition Investigation	68	70	70	-
DW Reservoirs Investigation & Condition Assessment	200	10	10	-
Water Meters - New and Replacement	85	88	88	-
TOTAL CAPITAL EXPENDITURE	3,256	8,773	7,274	1,499

Capital expenditure has been presented in this Funding Impact Statement in accordance with Section 3 of Schedule 10 of the Local Government Act which requires us to show that we have budgeted to meet additional demand, improve levels of service and replace existing assets. As some projects fit more than one of those criteria they have been grouped as to the primary purpose of the expenditure as per the legislation.

The portion of capital expenditure that specifically relates to growth is shown below.

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Growth Expenditure to meet additional demand	181	505	536	(31)

Funding Impact Statement

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	353	379	385	(6)
Targeted rates (other than a targeted rate for water supply)	3,701	3,703	3,848	(145)
Subsidies and grants for operating purposes	-	-	-	-
Fees, charges, and targeted rates for water supply	5,277	5,416	5,378	38
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total sources of operating funding (A)	9,331	9,498	9,611	(113)
Applications of operating funding				
Payments to staff and suppliers	3,605	3,403	3,626	(223)
Finance costs	8	6	28	(22)
Internal charges and overheads applied	890	962	876	86
Other operating funding applications	7	7	7	-
Total applications of operating funding (B)	4,510	4,378	4,537	(159)
Surplus (deficit) of operating funding (A - B)	4,821	5,120	5,074	46
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	272	209	209	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Total sources of capital funding (C)	272	209	209	-
Applications of capital funding				
Capital expenditure				
- to meet additional demand	107	644	603	41
- to improve the level of service	988	4,897	4,819	78
- to replace existing assets	2,161	3,232	1,852	1,380
Increase (decrease) in reserves	1,837	(3,444)	(1,991)	(1,453)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	5,093	5,329	5,283	46
Surplus (deficit) of capital funding (C - D)	(4,821)	(5,120)	(5,074)	(46)
Funding balance ((A - B) + (C - D))	-	-	-	-

Support Services

This group provides a range of specialist skills and support services, including customer support, financial management, human resources, information services, legal and corporate support, organisational development, and property management.

Key Projects for 2013/14

- Computer software and hardware renewals and upgrades that ensures that our computer systems are up-to-date and reliable.
- Vehicle and other plant renewals to ensure that our plant and vehicles are up-to-date and reliable.
- Scanning Council's 25,000 property files into an electronic format to enhance access and security (digitisation).
- Design a new animal pound in Te Awamutu.
- District Rating Property Valuation.

Changes from the 10-Year Plan 2012-22

Due to the district rating property valuation process being undertaken a year earlier than indicated, the associated costs (\$165,000) have been moved from the 2014/15 year into this financial year.

The timeframe to complete the multi-year digitisation project has been extended over a greater period of time and therefore the associated costs have been reallocated over the appropriate years. The additional time takes into account the throughput capacity of the vendor scanning the documents and our quality and accuracy requirements.

Statement of Cost of Service

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
REVENUE				
Fees and Charges	7	27	28	(1)
TOTAL REVENUE	7	27	28	(1)
OPERATING EXPENDITURE				
Employee Related Expenses	5,084	5,397	5,306	91
Depreciation and Amortisation	1,220	1,273	1,348	(75)
Activity Expenses	4,697	4,254	4,423	(169)
Finance Costs	(20)	50	(16)	66
TOTAL EXPENDITURE	10,981	10,974	11,061	(87)
OPERATING NET COST OF SERVICE	(10,974)	(10,947)	(11,033)	86
CAPITAL EXPENDITURE AND DEBT REPAYMENT				
Capital Expenditure (excluding Vested)	1,887	1,898	1,996	(98)
Debt Repayment	306	337	468	(131)
TOTAL CAPITAL EXPENDITURE AND DEBT REPAYMENT	2,193	2,235	2,464	(229)

Capital Expenditure Table

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Computer Hardware Renewals & Upgrades	583	877	929	(52)
Computer Software Upgrades	321	165	165	-
Plant	796	475	457	18
Buildings	67	227	227	-
Carparks Renewals	-	84	84	-
Web Strategy	120	70	134	(64)
TOTAL CAPITAL EXPENDITURE	1,887	1,898	1,996	(98)

Capital expenditure has been presented in this Funding Impact Statement in accordance with Section 3 of Schedule 10 of the Local Government Act which requires us to show that we have budgeted to meet additional demand, improve levels of service and replace existing assets. As some projects fit more than one of those criteria they have been grouped as to the primary purpose of the expenditure as per the legislation.

The portion of capital expenditure that specifically relates to growth is shown below.

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Growth Expenditure to meet additional demand	-	2	2	-

Funding Impact Statement

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	224	297	314	(17)
Targeted rates (other than a targeted rate for water supply)	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees, charges, and targeted rates for water supply	7	27	28	(1)
Internal charges and overheads recovered	10,047	10,627	10,554	73
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total sources of operating funding (A)	10,278	10,951	10,896	55
Applications of operating funding				
Payments to staff and suppliers	9,770	9,649	9,724	(75)
Finance costs	(20)	50	(16)	66
Internal charges and overheads applied	-	-	-	-
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	9,750	9,699	9,708	(9)
Surplus (deficit) of operating funding (A - B)	528	1,252	1,188	64
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Total sources of capital funding (C)	-	-	-	-
Applications of capital funding				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	632	194	258	(64)
- to replace existing assets	1,255	1,704	1,738	(34)
Increase (decrease) in reserves	(1,359)	(646)	(808)	162
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	528	1,252	1,188	64
Surplus (deficit) of capital funding (C - D)	(528)	(1,252)	(1,188)	(64)
Funding balance ((A - B) + (C - D))	-	-	-	-

Financial Planning

Statement of Prospective Financial Information

The financial information contained within this plan is prospective financial information which complies with the Financial Reporting Standard 42 (FRS). FRS42 sets the principle 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 that we will provide over the financial year 2013/14, and to provide a broad accountability mechanism for Council to the community. The financial information may not be appropriate for purposes other than those described.

In relation to the FRS42, the financial year 2013/14 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 depending upon the circumstances that arise during the period.

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

We are responsible for the Prospective Financial Statements, including the appropriateness of the underlying assumptions and all other required disclosures.

Funding of Operating Expenditure

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

The reasons for not fully funding selected operating expenses are detailed below:

Use of Prior Year Surpluses

Following concerns raised by some ratepayers about the higher than expected rates increases for the 2012/13 year council made the following resolution at its meeting on 28 August 2012:

That the Chief Executive be instructed to investigate and report on options, and the associated implications, to achieve net rate savings of \$800,000 in the 2013/14 year, through \$400,000 of savings in the current 2012/13 financial year and \$400,000 in the 2013/14 financial year (being Year 2 of Council's 10-Year Plan 2012-22), such report to be made in the first instance to the Finance and Corporate Committee prior to consideration by Council;

The September 2012 forecast review identified potential net savings of \$757,200. The savings in general terms are from activities that are funded from general and targeted ward rates. Because of this, the savings made can be applied for the benefit of all ratepayers across the District.

Most of the savings found in the 2012/13 year are one-off in nature and therefore the benefit of reduced cost is forecast for the current year only, savings or additional revenue this year cannot be assumed to be repeated in future years.

Staff recommended spreading the benefit of the \$800,000 over 3 years to smooth the impact of rates increases each year, rather than having a one off rate saving in 2013/14.

At the Council meeting on 27th November 2012 it was resolved that:

The Chief Executive be instructed to ensure that \$800,000 of savings from the 2012/13 and 2013/14 financial years be applied in the amounts of \$400,000 in 2013/14 and \$200,000 in each of the 2014/15 and 2015/16 years to smooth out the impact on rate increases, and that these changes be effected as part of the relevant Annual Plan and 10-Year Plan processes.

The \$400,000 for the 2013/14 year has been used to fund 2013/14 district wide operating expenditure.

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 group of activities are affected:

Roads and Footpaths	\$876,400
Stormwater	\$57,100
Water Treatment and Supply	\$114,300
Wastewater Treatment and Disposal	\$88,300

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

Community Services and Facilities and Support Services

We do not fund depreciation on buildings and improvements where future renewals would be from community sources or through raising new debt. This 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 in 2013/14 is \$612,100.

Forestry

We have an investment in Forestry and generate income from logging sales and expenditure to maintain and manage the forest. The income and expenditure do not necessarily match each year, with some years having high sales and other years no sales. To ensure that there is no flow on impact to ratepayers this activity is managed through a reserve account which over a number of years should show a surplus.

Pensioner Housing

We have an investment in residential housing and generate income from rent and expenditure to maintain and manage the properties. The income and expenditure do not necessarily match each year and to ensure that there is no flow on impact to ratepayers this activity is managed through a reserve account to ensure that any rents collected are used for the benefit of the property and there is no need for rates funding.

Operating Surplus

Council's operating surplus reflected on page 56 is the result of income funding asset development, and various non-cash items such as revaluation gains, being included in the Statement of Comprehensive Income in line with accounting requirements. Council only sets rates and fees and charges income to the levels needed to meet its operating costs.

Prospective Statement of Comprehensive Income for the Year Ending 30 June 2014

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
OPERATING INCOME				
Rates	41,338	42,738	43,378	(640)
Reserve contributions	498	460	460	-
Development contributions	1,725	1,620	1,620	-
Gain on revaluation of investment properties & forestry	490	429	429	-
Vested assets	4,690	7,645	9,086	(1,441)
Discovered assets	650	-	-	-
Finance Income	890	161	161	-
Subsidies and grants	6,725	8,799	7,758	1,041
Other revenue	12,106	12,986	12,348	638
Total Operating Income	69,112	74,838	75,240	(402)
OPERATING EXPENDITURE				
Employee benefit expenses	14,752	16,024	16,029	(5)
Depreciation & amortisation	17,137	18,589	18,664	(75)
Other expenses	31,006	24,688	24,629	59
Finance costs	2,062	1,596	1,915	(319)
Total Operating Expenditure	64,957	60,897	61,237	(340)
OPERATING SURPLUS	4,155	13,941	14,003	(62)
Other Comprehensive Income recognised directly in Equity				
Property Plant and Equipment				
Revaluation gains/(losses) taken to equity	66,302	92,177	92,177	-
Cash flow hedges	734	378	378	-
Total Other Comprehensive Income for the year	67,036	92,555	92,555	-
Total Comprehensive Income for the year	71,191	106,496	106,558	(62)

Any operating surpluses generally come from non-cash items, we budget for a general funds cash breakeven position. The Statement of Comprehensive Income also includes significant infrastructural revaluations which are also non-cash items.

Prospective Statement of Changes in Equity for the Year Ending 30 June 2014

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Balance at 1 July	1,100,753	1,171,944	1,224,736	(52,792)
Total comprehensive income previously reported	71,191	106,496	106,558	(62)
	1,171,944	1,278,440	1,331,294	(52,854)

Prospective Statement of Financial Position as at 30 June 2014

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
ASSETS				
Current Assets				
Cash and cash equivalents	4,900	1,863	2,317	(454)
Trade and other receivables	3,452	3,544	2,976	568
Total Current Assets	8,352	5,407	5,293	114
Non Current Assets				
Property plant and equipment	1,174,344	1,297,467	1,352,320	(54,853)
Intangible Assets	1,253	1,270	1,271	(1)
Forestry Assets	1,210	1,275	1,717	(442)
Other financial assets	2,836	2,836	2,764	72
Investment Properties	17,171	16,474	12,894	3,580
Total Non Current Assets	1,196,814	1,319,322	1,370,966	(51,644)
Total Assets	1,205,166	1,324,729	1,376,259	(51,530)
LIABILITIES				
Current Liabilities				
Trade and other payables	7,358	7,286	6,969	317
Provisions	96	98	82	16
Employee benefit liabilities	1,144	1,179	1,128	51
Borrowings	16,300	6,300	6,000	300
Total Current Liabilities	24,898	14,863	14,179	684
Non Current Liabilities				
Derivative financial instruments	1,568	1,190	642	548
Provisions	756	736	644	92
Borrowings	6,000	29,500	29,500	-
Total Non Current Liabilities	8,324	31,426	30,786	640
Total Liabilities	33,222	46,289	44,965	1,324
EQUITY				
Retained Earnings	333,566	350,494	337,294	13,200
Other reserves	838,378	927,946	994,000	(66,054)
Total Equity	1,171,944	1,278,440	1,331,294	(52,854)

Prospective Statement of Cash Flow for the Year Ending 30 June 2014

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Cash Flows from Operating Activities				
Receipts from rates revenue	41,338	42,738	43,378	(640)
Interest received	890	161	161	-
Receipts from other revenue	20,896	23,473	21,794	1,679
Payments to suppliers and employees	(40,526)	(40,356)	(40,294)	(62)
Interest Paid	(2,062)	(1,596)	(1,915)	319
Net Cash Flow from Operating Activities	20,536	24,420	23,124	1,296
Cash Flows from Investing Activities				
Proceeds from sale of property, plant and equipment	-	-	409	(409)
Proceeds from sale of investment property	-	2,740	3,665	(925)
Purchase of intangible assets	(441)	(235)	(299)	64
Purchase of property, plant and equipment	(20,104)	(42,315)	(33,642)	(8,673)
Purchase & Development of investment property	(459)	(1,147)	(1,595)	448
Net Cash Flow from Investing Activities	(21,004)	(40,957)	(31,462)	(9,495)
Cash Flows from Financing Activities				
Proceeds from borrowings	6,000	29,500	23,500	6,000
Repayment of borrowings	(15,000)	(16,000)	(16,000)	-
Net Cash Flow from Financing Activities	(9,000)	13,500	7,500	6,000
Net (decrease)/increase in cash and cash equivalents	(9,468)	(3,037)	(838)	(2,199)
Cash and cash equivalents at the beginning of the year	14,368	4,900	3,155	1,745
Cash & cash equivalents at the end of the year	4,900	1,863	2,317	(454)

Statement of Borrowing for the Year Ending 30 June 2014

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000
Movements in Borrowings			
Opening Balance	31,300	22,300	28,000
Net Loans Raised/(Repaid)	(9,000)	13,500	7,500
Closing Balance	22,300	35,800	35,500
Current Portion of External Debt	16,300	6,300	6,000
Term Portion of External Debt	6,000	29,500	29,500
	22,300	35,800	35,500
The above represents the level of external borrowing but this could fluctuate depending on future use of reserves			
Policy Compliance			
Net operating cashflow to interest expense	>4	9.8	14.7
Interest expense as % of rates and fees and charges revenue	10%	3.4%	2.5%
Dollar rates and fees and charges revenue	000's	59,807	63,308
Interest expense	000's	2,062	1,596
Net cashflow from operating activities excluding external funding	000's	20,199	23,529

Variations to the 10-Year Plan

Net Cost of Service of Significant Activities	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Governance	6,792	6,599	193
Increase in cost due to the inclusion of the Ngahinapouri Structure Plan, 150th celebrations and costs associated with the Waikato Mayoral Forum project.			
Planning and Regulatory	1,745	1,958	(213)
Slight increase in revenue for Building Control and Animal Control. A reduction in employee related expenses for Building Control.			
Community Services and Facilities	11,826	12,020	(194)
Reduction in costs mainly due to decrease in salary costs. Reduced expenditure on Swimming Pools. Increase revenue at Mighty River Domain.			
Roads and Footpaths	9,513	10,530	(1,017)
Subsidy from NZTA for the Victoria Street Interchange.			
Stormwater	2,220	2,288	(68)
Reallocation of salaries in the Water Services Department as well as additional maintenance costs for Mangapiko Stream. Reduction in interest costs due to the change in timing of capital work.			
Wastewater Treatment and Disposal	6,058	5,626	432
Reallocation of salaries in the Water Services Department. Additional costs for desludging the Cambridge Wastewater Treatment Plant.			
Water Treatment and Supply	2,722	2,919	(197)
Reallocation of salaries in the Water Services Department. Additional water revenue.			
Support Services	320	479	(159)
Digitisation project, \$293k deferred to 2013/14. Reduced costs in salaries, insurance and bank line fees. An additional \$165k has been included for the district revaluation, this has been brought forward by one year.			
	41,196	42,419	(1,223)

Capital Expenditure Programme

	2012/13 Forecast \$000	2013/14 Annual Plan \$000	2013/14 LTP \$000	2013/14 Variance \$000
Projects				
Governance	25	36	34	2
Planning and Regulatory	5	-	-	-
Community Services and Facilities	2,109	6,498	7,000	(502)
Roads and Footpaths	13,896	16,448	15,722	726
Stormwater	1,933	7,620	4,055	3,565
Wastewater Treatment and Disposal	1,932	9,343	8,055	1,288
Water Treatment and Supply	3,746	9,282	7,783	1,499
Support Services	1,887	1,898	1,996	(98)
TOTAL CAPITAL EXPENDITURE	25,533	51,125	44,645	6,480

Note: Refer to the group of activity section in this plan which outlines the individual projects in detail and the variations to the 10-Year Plan.

Council Reserve Funds, Movements and Balances

	2012/13 Forecast \$000	2013/14 Transfer to Reserve \$000	2013/214 Transfer From Reserve \$000	2013/14 Closing Balance \$000
<i>Council created reserves consist of:</i>				
Property Reserves				
Asset Sales Cambridge	515	517	(657)	375
Asset Sales General	285	8	(293)	-
Endowment Land Cambridge	1,839	2,055	(531)	3,363
Endowment Land Pirongia	18	-	-	18
Endowment Land Te Awamutu	766	23	(232)	557
Endowment Land Waipa District	966	29	-	995
Forestry Reserve	64	-	(58)	6
Residential Housing Reserve	210	748	(746)	212
Reserve Contributions & Development Contributions				
Cambridge North	957	520	(648)	829
District Wide Stormwater	175	15	(104)	86
District Wide Waste Water	187	163	(345)	5
District Wide Water Treatment and Supply	183	124	(105)	202
District Wide Roading	-	881	(881)	-
District Wide Reserve Developments	204	180	(180)	204
District Wide Land Purchase	1,289	177	(59)	1,407
Te Awamutu Library/Museum	-	293	-	293
Karapiro Reserve Development	-	13	(13)	-
Special Funds				
Cemetery Paterangi	4	-	-	4
Project Funding Reserve	870	43	(400)	513
General Insurance Reserve	50	50	-	100
LAPP Insurance Reserve	106	88	-	194
Separate Balances				
Roading Reserve	136	26,199	(26,199)	136
Stormwater Reserve	151	8,714	(8,807)	58
Water Supply Reserve	6,516	10,000	(13,214)	3,302
Waste Water Reserve	2,014	13,232	(13,292)	1,954
Depreciation Reserve - Long Term Assets	233	478	(410)	301
Depreciation Reserve - Medium Term Assets	624	419	(406)	637
Asset Revaluation Reserves				
Operational assets				
Land	87,253	10,090	-	97,343
Buildings	15,445	3,998	-	19,443
Infrastructural Assets				
Sewerage System	25,107	21,453	-	46,560
Water System	44,702	26,527	-	71,229
Drainage network	27,241	3,067	-	30,308
Roading network	620,268	27,044	-	647,312
Total	838,378	157,148	(67,580)	927,946

Council Reserves

The table below sets out the purpose of the reserves held by Council and the related activities for these reserves.

Reserve	Purpose	Activity
Property Reserves		
Asset Sales Cambridge	Proceeds from Cambridge asset sales held in reserve to fund future asset purchases	Properties
Asset Sales General	Proceeds from district wide asset sales held in reserve to fund future asset purchases	Properties
Endowment Land Cambridge	Proceeds from sale of Cambridge endowment land held in reserve for endowment purposes	Properties
Endowment Land Pirongia	Proceeds from sale of Pirongia endowment land held in reserve for endowment purposes	Properties
Endowment Land Te Awamutu	Proceeds from sale of Te Awamutu endowment land held in reserve for endowment purposes	Properties
Endowment Land Waipa District	Proceeds from sale of District Wide endowment land held in reserve for endowment purposes	Properties
Forestry Reserve	Proceeds from forestry harvesting to fund future forestry activities	Forestry
Residential Housing Reserve	Proceeds from residential housing rental revenue to fund the operating and capital expenditure	Pensioner Housing & Own Your Own Housing
Reserve Contributions & Development Contributions		
Cambridge North	Proceeds from development contributions to fund growth related expenditure	Roads & Footpaths / Stormwater / Wastewater Treatment & Disposal / Water Treatment & Supply
District Wide Stormwater	Proceeds from development contributions to fund growth related expenditure	Stormwater
District Wide Wastewater	Proceeds from development contributions to fund growth related expenditure	Wastewater Treatment & Disposal
District Wide Water Treatment & Supply	Proceeds from development contributions to fund growth related expenditure	Water Treatment & Supply
District Wide Roding	Proceeds from development contributions to fund growth related expenditure	Roads & Footpaths

Reserve	Purpose	Activity
District Wide Reserve Developments	Proceeds from development contributions to fund growth related expenditure	Parks & Reserves
District Wide Land Purchase	Proceeds from development contributions to fund growth related expenditure	Parks & Reserves
Cambridge Pool	Proceeds from development contributions to fund growth related expenditure for Cambridge Pool	District Pool Cambridge
Te Awamutu Library/Museum	Proceeds from development contributions to fund growth related expenditure for Te Awamutu Library/ Museum	District Libraries / Museums
Karapiro Reserve Development	Proceeds from development contributions to fund growth related expenditure for Mighty River Domain	Mighty River Domain
Special Funds		
Cemetery Paterangi	Proceeds held in reserve to fund future capital works	Cemeteries
Project Funding Reserve	Funding for specific projects to be completed in the following year	All activities
General Insurance Reserve	Provision to pay call-ups and to fund increase in deductibles of claims as well as to help to pay future premium increases	All activities
LAPP Insurance Reserve	Provision to pay additional contributions that may occur and to help cover the increase in the LAPP deductible if a major event happens in the Waipa District	Stormwater / Wastewater Treatment & Disposal / Water Treatment & Supply
Separate Balances		
Roading Reserve	Funds held in reserve for capital works expenditure	Roads & Footpaths
Stormwater Reserve	Funds held in reserve for capital works expenditure	Stormwater
Water Supply Reserve	Funds held in reserve for capital works expenditure	Water Treatment & Supply
Wastewater Reserve	Funds held in reserve for operating and capital works expenditure	Wastewater Treatment & Disposal
Depreciation Reserve Long Term Assets	Funds held in reserve for capital works expenditure	Community Services & Facilities
Depreciation Reserve Medium Term Assets	Funds held in reserve for capital works expenditure	Community Services & Facilities

Reserve	Purpose	Activity
Asset Revaluation Reserves		
Operational		
Land	Non cash reserve to record appreciation values arising from asset revaluations	Community Services & Facilities
Buildings	Non cash reserve to record appreciation values arising from asset revaluations	Community Services & Facilities
Infrastructural Assets		
Sewerage System	Non cash reserve to record appreciation values arising from asset revaluations	Wastewater Treatment & Disposal
Water System	Non cash reserve to record appreciation values arising from asset revaluations	Water Treatment & Supply
Drainage network	Non cash reserve to record appreciation values arising from asset revaluations	Stormwater
Roading Network	Non cash reserve to record appreciation values arising from asset revaluations	Roads & Footpaths

Statement of Accounting Policies

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.

Basis of Preparation

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002: Section 111, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice.

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice. They comply with Financial Reporting Standard 42, 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 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.

In September 2011, the External Reporting Board issued a position paper and consultation papers proposing a new external reporting framework for public benefit entities. The papers proposed that accounting standards for public benefit entities would be based on International Public Sector Accounting Standards, modified as necessary. The proposals in these papers do not provide certainty about any specific requirements of future accounting standards. Therefore, the accounting policies on which the forecast information for 2013/14 has been prepared are based on the current New Zealand equivalents to International Financial Reporting Standards.

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 New Zealand International Accounting Standard 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.

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 straight-line 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 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 other 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 de-recognition, 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
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/carriageway and shoulder		Infinite
Pavement structure		30 – 50
Pavement surface (seal)		10 – 15
Catch-pits 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 yearly cycle on the basis described below, with the exception of Land, Buildings, Plant and Equipment, which is valued every three years. 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.

Infrastructural assets

At fair value determined on a depreciated replacement cost basis by an independent valuer.

Land under roads and Road reserves

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 offsets 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 percent – 10 percent).

Impairment of property, plant and equipment and intangible assets

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. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

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 transaction 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 is included as part of receivables or payables in the Statement of Financial Position. The net GST paid to, or received from the Inland Revenue Department 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 have been prepared in accordance with New Zealand Generally Accepted Accounting Practices, 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 group of activities using the cost allocation system outlined below.

Direct costs are those costs directly attributable and charged to a group of activities. Indirect costs are those costs which cannot be identified in an economically feasible manner with a specific group of activities. 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

Council has the responsibility under the resource consents to provide ongoing maintenance and monitoring of the landfills after the sites are closed. The landfill provision is estimated taking into account existing technology and is discounted using a weighted average cost of capital.

Infrastructural assets

There are a number of assumptions and estimates used when performing Depreciated Replacement Cost valuations over infrastructural assets. These include:

- 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 New Zealand 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

The funding impact statement, has been prepared in accordance with schedule 10 of the Local Government Act 2002, as well as sections 13 to 19 of the Local Government (Rating) Act 2002 and sets out:

- The revenue and financing mechanisms used;
- An indicative level or amount of funding for each mechanism;
- A summary of the total rates requirement; and
- The application of funding methods to Council activities.

This statement should be read in conjunction with our Revenue & Financing Policy (refer to 10-Year Plan 2012-22) that sets out our policies in respect of each source of funding for operating and capital expenses. We reviewed the Revenue and Financing Policy in 2011 and took into consideration:

- The community outcomes to which each activity primarily contributes;
- The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;
- The period in or over which those benefits are expected to occur;
- The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity;
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
- 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 Consolidated Funding Impact Statement includes petrol tax, rates penalties and rates remissions which are not directly attributable to a specific activity.

Statement of Cost of Service

	2012/13 LTP \$000	2013/14 LTP \$000	2013/14 Annual Plan \$000
REVENUE			
Governance	30	180	128
Planning and Regulatory	3,186	3,311	3,355
Community Services and Facilities	3,027	3,116	3,109
Roads and Footpaths	6,264	7,189	8,050
Wastewater Treatment and Disposal	468	486	486
Water Treatment and Supply	5,277	5,378	5,416
Support Services*	10,176	10,582	10,654
GROSS REVENUE	28,428	30,242	31,198
Less Internal Charges	10,149	10,554	10,627
NET REVENUE	18,279	19,688	20,571
OPERATING EXPENDITURE			
Governance	5,984	6,779	6,920
Planning and Regulatory	4,913	5,269	5,100
Community Services and Facilities	17,147	15,136	14,935
Roads and Footpaths	17,216	17,719	17,563
Stormwater	2,051	2,288	2,220
Wastewater Treatment and Disposal	5,790	6,112	6,544
Water Treatment and Supply	8,363	8,297	8,138
Support Services	11,084	11,061	10,974
GROSS EXPENDITURE	72,548	72,661	72,394
Less Internal Charges	10,149	10,554	10,627
Less rates charged to Council properties	828	870	870
NET EXPENDITURE	61,571	61,237	60,897
NET COST OF SERVICE - OPERATING	(43,292)	(41,549)	(40,326)
CAPITAL EXPENDITURE AND DEBT REPAYMENT			
Capital Expenditure (excluding Vested)	24,273	35,558	43,480
Vested Assets	2,960	9,086	7,645
Debt Repayment	3,000	-	-
TOTAL CAPITAL EXPENDITURE AND DEBT REPAYMENT	30,233	44,644	51,125

*This includes internal charges

Capital Expenditure

Capital expenditure has been presented in this Funding Impact Statement in accordance with Section 3 of Schedule 10 of the Local Government Act which requires us to show that we have budgeted to meet additional demand, improve levels of service and replace existing assets. As some projects fit more than one of those criteria they have been grouped as to the primary purpose of the expenditure as per the legislation.

The portion of capital expenditure that specifically relates to growth is shown below.

	2012/13 LTP \$000	2013/14 LTP \$000	2013/14 Annual Plan \$000
Growth Expenditure to meet additional demand	4,820	6,542	10,113

Funding Impact Statement

	2012/13 LTP \$000	2013/14 LTP \$000	2013/14 Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	14,288	15,081	14,908
Targeted rates (other than a targeted rate for water supply)	26,912	28,297	27,830
Subsidies and grants for operating purposes	2,406	2,476	2,473
Fees, charges, and targeted rates for water supply	12,142	12,630	12,661
Interest and dividends from investments	303	161	161
Local authorities fuel tax, fines, infringement fees, and other receipts	325	325	325
Total sources of operating funding (A)	56,376	58,970	58,358
Applications of operating funding			
Payments to staff and suppliers	38,670	39,647	39,642
Finance costs	2,162	1,915	1,596
Other operating funding applications	1,888	895	962
Total applications of operating funding (B)	42,720	42,457	42,200
Surplus (deficit) of operating funding (A - B)	13,656	16,513	16,158
Sources of capital funding			
Subsidies and grants for capital expenditure	4,126	5,282	6,327
Development and financial contributions	1,703	2,080	2,080
Increase (decrease) in debt	(3,000)	7,500	13,500
Gross proceeds from sale of assets	2,854	4,074	2,740
Lump sum contributions	-	-	-
Total sources of capital funding (C)	5,683	18,936	24,647
Applications of capital funding			
Capital expenditure			
- to meet additional demand	4,143	5,811	9,399
- to improve the level of service	8,146	16,512	19,238
- to replace existing assets	11,984	13,235	14,843
Increase (decrease) in reserves	(4,934)	(109)	(2,675)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	19,339	35,449	40,805
Surplus (deficit) of capital funding (C - D)	(13,656)	(16,513)	(16,158)
Funding balance ((A - B) + (C - D))	-	-	-

Rates Information

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, Mighty River 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

We are proposing 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 2013/14 is 0.1287 cents in the dollar on the capital value of each rating unit.

The General Rate will fund a portion of the district-wide funding.

Amount to be raised: \$15,692,743 plus GST.

Uniform Annual General Charge

We do 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 rate 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.

Targeted Ward Rates

We are proposing to set a targeted ward 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, being the wards of Te Awamutu, Kakepuku, Cambridge, Maungatautari and Pirongia. The rates for the 2013/14 year are:

Ward	Rate (GST excl)	Raising
Cambridge	832.92	6,049,482
Kakepuku	768.17	916,427
Maungatautari	765.46	1,005,814
Pirongia	745.04	2,098,778
Te Awamutu	903.76	5,500,283

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

The activities funded from the targeted ward rate include community boards, community grants, libraries, Cambridge pool, Te Awamutu Events Centre, museums, Cambridge Refuse Centre, passenger transport, National Cycling Centre of Excellence, Cambridge Town Hall (Cambridge ward only) and Kihikihi Memorial and Town Halls (Te Awamutu ward only).

Amount to be raised: \$15,570,784 plus GST.

Te Awamutu Events Centre

We are proposing 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 rating rolls 04582, 04601, 04603 and 04605.

Amount to be raised: \$72,220 plus GST.

Cambridge Community Sports Hall

We are proposing 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 \$23.48 plus GST is set for each rating unit in the Cambridge and Maungatautari wards.

Amount to be raised: \$201,380 plus GST.

Capital Works

We are proposing 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 for 2013/14 in cents per dollar of capital value are shown in the following table:

Ward	Rate (GST excl)	Raising
Cambridge	0.0023	80,396
Kakepuku	0.0001	2,415
Maungatautari	0.0001	2,419
Pirongia	0.0004	10,217
Te Awamutu	0.0022	48,345

Amount to be raised: \$143,792 plus GST.

Stormwater

We are proposing 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 2013/14 in cents per dollar of capital value are shown in the following table:

	Rate (GST excl)	Raising
Urban	0.0376	1,689,683
Rural	0.0043	320,413

Amount to be raised: \$2,010,096 plus GST.

Rural Fire Management

We are proposing 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 2013/14 in cents per dollar of capital value is 0.0010 plus GST.

Amount to be raised: \$78,200 plus GST.

Sewerage Charges

We are proposing 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 or 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 2013/14 year are:

	Rate (GST excl)	Raising
Connected (3 or less pans)	396.96	4,556,235
Connected (4 to 10 pans)	337.42	331,346
Connected (11-15 pans)	277.87	94,476
Connected (16-20 pans)	242.15	64,170
Connected (21-35 pans)	218.33	65,717
Connected (36-45 pans)	190.54	46,301
Connected (46 or more pans)	178.63	80,384
Serviceable	198.48	74,430

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: \$5,313,059 plus GST.

Water Charges

- a) We are proposing 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 and Te Awamutu water supply areas. 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 2013/14 year are:

	Rate (GST excl)	Raising
Connected	296.12	3,264,467
Serviceable	148.06	106,603

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: \$3,371,070 plus GST.

- b) We are proposing 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, for all metered consumers other than rating units subject to a separate water supply contract. The differential categories of service being potable and raw water. The rates for the 2013/14 year are:

	Rate (GST excl)	Rate (GST excl) 0m ³ to 250m ³	Rate (GST excl) over 250m ³
Potable Water	107.42	0.7548 per m ³	1.1000 per m ³
Raw Water	107.42	0.1887 per m ³	0.1887 per m ³

Amount to be raised: \$5,312,200 plus GST.

- c) We are proposing 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 2013/14 in cents per dollar of capital value is 0.0117 plus GST.

Amount to be raised: \$6,500 plus GST.

Recycling Charges

We are proposing 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: \$975,990 plus GST.

Community Centre Charges

We are proposing to set a targeted rate on each rating unit in the defined Community Centre areas. The targeted rate is a fixed amount per separately used or inhabited part of a rating unit. 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:

	Rate (GST excl)	Raising
Fencourt Hall	12.43	4,153
Hautapu Hall	17.74	6,972
Horahora Hall	23.43	3,140
Kaipaki Hall	36.96	9,277
Karapiro Hall	23.26	7,164
Koromatua Hall	17.74	4,382
Maungatautari Hall	32.39	4,405
Monavale	20.17	3,510
Ngahinapouri Hall	17.74	5,446
Ohaupo Hall	11.57	4,314
Parawera Hall	16.17	1,779
Paterangi Hall	24.83	4,569
Pirongia Sports Centre	8.87	10,316
Pukeatua Hall	18.52	3,241
Rangiaohia Hall	12.39	1,549
Rukuhia hall	22.70	6,196
Te Miro Hall	24.26	4,027
Whitehall Hall	21.74	1,717

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

Amount to be raised: \$86,157 plus GST.

Early Payment of Rates

Sections 55 and 56 of the Local Government Rating Act 2002 empower us to accept early payment of rates. We are proposing 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. No discount will be given to any payment of rates received on this basis.

Rates Payable by Instalments

Rates are payable by four equal instalments due on the 21st 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 percent 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 percent 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.

Rates Breakdown Indicator Properties

The indicator properties are shown exclusive of GST.

CAMBRIDGE WARD RESIDENTIAL Rating Valuation	2012/13		2013/14		2012/13		2013/14	
	\$	\$	\$	\$	\$	\$	\$	
Fixed Targeted Rates	1,577	1,603	1,577	1,603	1,577	1,603	1,577	1,603
Capital Value Rates	365	379	600	624	1,329	1,383	1,329	1,383
Total Rates	1,942	1,982	2,177	2,227	2,906	2,986	2,906	2,986
\$ incr per week	-0.02	0.77	0.38	0.95	2.05	1.51	2.05	1.51
Percentage Increase	0.0%	2.0%	0.9%	2.3%	3.8%	2.7%	3.8%	2.7%

CAMBRIDGE RURAL RESIDENTIAL Rating Valuation	2012/13		2013/14		2012/13		2013/14	
	\$	\$	\$	\$	\$	\$	\$	
Fixed Targeted Rates	836	856	906	927	908	930	908	930
Capital Value Rates	477	491	848	873	1,756	1,806	1,756	1,806
Total Rates	1,313	1,347	1,754	1,800	2,664	2,736	2,664	2,736
\$ incr per week	2.72	0.66	3.89	0.88	-8.51	1.39	-8.51	1.39
Percentage Increase	12.1%	2.6%	13.0%	2.6%	-14.2%	2.7%	-14.2%	2.7%

CAMBRIDGE COMMERCIAL/INDUSTRIAL Rating Valuation	2012/13		2013/14		2012/13		2013/14	
	\$	\$	\$	\$	\$	\$	\$	
Fixed Targeted Rates	1,225	1,253	1,615	1,650	2,491	2,544	2,491	2,544
Capital Value Rates	381	396	908	944	2,594	2,698	2,594	2,698
EQV Metered Water at 250cm	300	296	300	296	300	296	300	296
Total Rates	1,906	1,945	2,823	2,890	5,385	5,538	5,385	5,538
\$ incr per week	0.82	0.76	0.40	1.31	3.40	2.94	3.40	2.94
Percentage Increase	2.3%	2.1%	0.7%	2.4%	3.4%	2.8%	3.4%	2.8%

TE AWAMUTU WARD RESIDENTIAL Rating Valuation	2012/13		2013/14		2012/13		2013/14	
	\$	\$	\$	\$	\$	\$	\$	
Fixed Targeted Rates	1,627	1,659	1,627	1,659	1,627	1,659	1,627	1,659
Capital Value Rates	380	396	541	564	961	1,002	961	1,002
Total Rates	2,007	2,055	2,168	2,223	2,588	2,661	2,588	2,661
\$ incr per week	1.52	0.92	1.41	1.06	2.56	1.41	2.56	1.41
Percentage Increase	4.1%	2.4%	3.5%	2.5%	5.4%	2.8%	5.4%	2.8%

TE AWAMUTU RURAL RESIDENTIAL Rating Valuation	2012/13		2013/14		2012/13		2013/14	
	\$	\$	\$	\$	\$	\$	\$	
Fixed Targeted Rates	937	966	937	966	937	966	937	966
Capital Value Rates	475	490	844	871	1,748	1,804	1,748	1,804
Total Rates	1,412	1,456	1,781	1,837	2,685	2,770	2,685	2,770
\$ incr per week	4.36	0.84	5.95	1.06	7.61	1.63	7.61	1.63
Percentage Increase	19.1%	3.1%	21.0%	3.1%	17.3%	3.1%	17.3%	3.1%

TE AWAMUTU COMMERCIAL/INDUSTRIAL Rating Valuation	2012/13		2013/14		2012/13		2013/14	
	\$	\$	\$	\$	\$	\$	\$	
Fixed Targeted Rates	1,575	1,606	1,964	2,003	2,841	2,896	2,841	2,896
Capital Value Rates	379	396	905	943	2,583	2,696	2,583	2,696
Total Rates	1,954	2,002	2,869	2,946	5,424	5,592	5,424	5,592
\$ incr per week	1.66	0.91	2.77	1.49	5.38	3.21	5.38	3.21
Percentage Increase	4.6%	2.4%	5.3%	2.7%	5.4%	3.1%	5.4%	3.1%

PIRONGIA WARD RURAL Rating Valuation	2012/13		2013/14		2012/13		2013/14		2012/13		2013/14	
		\$		\$		\$		\$		\$		\$
		\$400,000		\$		\$2,525,000		\$		\$5,200,000		\$
Fixed Targeted Rates	790	821	837	869	819	851						
Capital Value Rates	521	538	3,289	3,393	6,773	6,988						
Total Rates	1,311	1,359	4,126	4,262	7,592	7,839						
\$ incr per week	2.84	0.92	2.02	2.62	9.98	4.75						
Percentage Increase	12.7%	3.6%	2.6%	3.3%	7.3%	3.3%						

PIRONGIA VILLAGE Rating Valuation	2012/13		2013/14		2012/13		2013/14		2012/13		2013/14	
		\$		\$		\$		\$		\$		\$
		\$285,000		\$		\$440,000		\$		\$815,000		\$
Fixed Targeted Rates	784	816	785	816	785	816						
Capital Value Rates	456	475	703	733	1,303	1,358						
EQV Metered Water at 250cm	300	296	300	296	300	296						
Total Rates	1,540	1,587	1,788	1,845	2,388	2,470						
\$ incr per week	-0.03	0.89	0.43	1.10	2.97	1.59						
Percentage Increase	0.0%	3.0%	1.3%	3.2%	6.9%	3.5%						

OHAUPO VILLAGE Rating Valuation	2012/13		2013/14		2012/13		2013/14		2012/13		2013/14	
		\$		\$		\$		\$		\$		\$
		\$345,000		\$		\$465,000		\$		\$540,000		\$
Fixed Targeted Rates	779	810	779	810	779	810						
Capital Value Rates	450	464	744	775	863	900						
EQV Metered Water at 250cm	300	296	300	296	300	296						
Total Rates	1,529	1,570	1,823	1,881	1,942	2,006						
\$ incr per week	1.35	0.79	1.96	1.13	1.35	1.23						
Percentage Increase	4.8%	2.7%	6.0%	3.2%	3.8%	3.3%						

NGAHINAPOURI Rating Valuation	2012/13		2013/14		2012/13		2013/14		2012/13		2013/14	
		\$		\$		\$		\$		\$		\$
		\$310,000		\$		\$935,000		\$		\$3,050,000		\$
Fixed Targeted Rates	785	816	785	816	855	887						
Capital Value Rates	404	417	1,218	1,256	3,976	4,099						
Total Rates	1,189	1,233	2,003	2,072	4,831	4,986						
\$ incr per week	2.50	0.84	5.11	1.32	-6.66	2.98						
Percentage Increase	12.3%	3.7%	15.3%	3.4%	-6.7%	3.2%						

KAKEPUKU WARD Rating Valuation	2012/13		2013/14		2012/13		2013/14		2012/13		2013/14	
		\$		\$		\$		\$		\$		\$
		\$1,130,000		\$		\$4,105,000		\$		\$6,275,000		\$
Fixed Targeted Rates	798	830	903	936	929	963						
Capital Value Rates	1,469	1,516	5,337	5,506	8,159	8,417						
Total Rates	2,267	2,346	6,240	6,442	9,088	9,380						
\$ incr per week	-2.09	1.50	-0.26	3.89	-6.70	5.61						
Percentage Increase	-4.6%	3.4%	-0.2%	3.2%	-3.7%	3.2%						

MAUNGATAUTARI WARD Rating Valuation	2012/13		2013/14		2012/13		2013/14		2012/13		2013/14	
		\$		\$		\$		\$		\$		\$
		\$480,000		\$		\$2,075,000		\$		\$5,160,000		\$
Fixed Targeted Rates	838	866	839	867	931	960						
Capital Value Rates	624	644	2,697	2,783	6,708	6,921						
Total Rates	1,462	1,510	3,536	3,650	7,639	7,881						
\$ incr per week	3.19	0.92	-13.03	2.19	-2.04	4.66						
Percentage Increase	12.8%	3.3%	-16.1%	3.2%	-1.4%	3.2%						

Organisational Snapshot

Council Controlled Organisations

The Local Government Act 2002 requires the council to include in the 10-Year Plan information on those organisations in which it is a stakeholder. In particular, the council must include:

- Its significant policies and objectives regarding ownership and control of the organisation.
- The nature and scope of the activities to be provided by the organisation.
- The key performance targets and other measures by which performance may be judged.

We are a shareholder in four organisations that are classified as council controlled organisations as defined by the Local Government Act 2002. The organisations are:

- Waikato Regional Airport Limited, also known as Hamilton International Airport.
- Local Government Funding Agency Limited.
- New Zealand Local Government Insurance Corporation, also known as Civic Assurance.
- Local Authority Shared Services Limited.

Further detail on each of these organisations can be found in our 10-Year Plan 2012-22.

Council Committees

There are currently 12 standing committees in the Waipa District; these committees and their membership are outlined in this section.

The full council meets 11 times a year, with other committee meetings held as needed.

Executive Committee

Considers and makes decisions based on urgent matters that arise between Council meetings or matters referred by Council.

Mayor Alan Livingston (chair), Deputy Mayor Grahame Webber, Cr Laurie Hoverd, Cr Joe Scaramuzza, Cr Diane Sharpe.

Chief Executive Performance Management Committee

Conducts the reviews of the performance of the Chief Executive and makes recommendations to Council.

Mayor Alan Livingston (chair), Deputy Mayor Grahame Webber, Cr Laurie Hoverd.

Strategic Planning and Policy Committee

Oversees the development and review of our strategic and resource management plans and strategies, including any public consultation process. Oversee development and review of community plans, policies and bylaws.

Cr Laurie Hoverd (chair), Mayor Alan Livingston, Deputy Mayor Grahame Webber, Cr Hazel Barnes, Cr Marcus Gower, Cr Vern Wilson, Cr Dennis Finn, Cr Joe Scaramuzza, Cr Diane Sharpe, Cr George Simmons, Cr Barbara Taranaki, Cr Bruce Thomas, Cr Sue Milner, Gaylene Roberts (Ngā Iwi Toopu o Waipa).

Regulatory Committee

Conducts hearings and exercises statutory responsibilities for resource management, animal, building and health controls, liquor licensing and any other regulatory matter.

Cr Diane Sharpe (chair), Mayor Alan Livingston, Cr Barbara Taranaki, Cr Bruce Thomas, Cr Sue Milner, Gaylene Roberts (Ngā Iwi Toopu o Waipa).

Service Delivery Committee

Oversees the development of strategies, plans and projects in relation to the road corridor, three waters, waste management, community facilities and the capital expenditure programme. Considers the regional integration of services.

Deputy Mayor Grahame Webber (chair), Mayor Alan Livingston, Cr Hazel Barnes, Cr Diane Sharpe, Cr George Simmons, Cr Barbara Taranaki, Cr Sue Milner.

Finance and Corporate Committee

Oversees corporate and Council's governance functions and duties specifically in relation to financial and non-financial reporting, financial policies and treasury matters, and property management.

Cr Joe Scaramuzza (chair), Mayor Alan Livingston, Cr Marcus Gower, Cr Laurie Hoverd, Cr Vern Wilson, Cr Dennis Finn, Cr Bruce Thomas.

Pirongia Ward Consultative Committee

Allocates 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 plans.

Mayor Alan Livingston (chair), Cr Diane Sharpe, Cr Bruce Thomas, John Turnwald (Ohaupo) John Wood (Pirongia) Alan Rawlings (Te Pahu).

Maungatautari Reserve Committee

Facilitates communication between Reserve stakeholders, advises on reserve management issues, oversees the activities of the Maungatautari Ecological Island Trust and oversees the preparation of an updated Reserve Management Plan.

Deputy Mayor Grahame Webber (chair), Mayor Alan Livingston, Cr Laurie Hoverd, Ted Tauroa (Ngati Koroki Kahukura Trust), Carlson Wirihana (Ngati Koroki Kahukura Trust), Rose Smith (Parawera Marae), Vacant (Ngati Haua), to be appointed (Maungatautari Ecological Island Trust), Matt Cook (Department Of Conservation), Cr Stuart Kneebone (Waikato Regional Council), Kataraina Hodge (Landowner).

Iwi Consultative Committee

Facilitates communications between Council and tangata whenua. Will consider any matter impacting on the interests of tangata whenua and advise on Treaty of Waitangi implications for policies and activities.

Mayor Alan Livingston (chair), Deputy Mayor Grahame Webber, Cr Laurie Hoverd, Cr Joe Scaramuzza, Cr Diane Sharpe, Garry Dyet (CE Waipa District Council), Gaylene Roberts (Ngā Iwi Toopu o Waipa), Charlie Maikuku (Kaumatua), Vacant (Ngati Haua), Jenny Charman (Pirongia), Harold Maniapoto (Puniu), Vacant (Puniu – Proxy), Doris Walters (Te Kopua), Hinerangi Kara (Maungatautari), Louise Doyle (Kakepuku), George Searancke (Ngati Ngawaero), Kataraina Hodge (Wharepuhunga), Brenda Riki (Kaniwhaniwha).

Pirongia Reserves Management Committee

Oversees the management and development of three Pirongia reserves (sections 1,167 and 550) as authorised by the Department Of Conservation.

Mayor Alan Livingston (chair), Cr Diane Sharpe, Cr Bruce Thomas, Sabina Owen (Pirongia Rep), Claire St Pierre (Pirongia Rep), Sally Uerata (Purekireki Marae), Haupai Puke (Te Kauhanganui o Waikato).

District Promotions Committee

Consider and approve, in accordance with specific criteria, applications for financial assistance for the promotion and sponsorship of significant events within the district.

Mayor Alan Livingston (chair), Deputy Mayor Grahame Webber, Cr Laurie Hoverd.

Mighty River Domain and Karapiro Reserves Committee

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.

Cr Dennis Finn (chair), Mayor Alan Livingston, Deputy Mayor Grahame Webber, Simon Peterson (Rowing NZ), Leroy Leach (Mighty River Power), Cr Russell Rimmington (Waikato Regional Council), Mokoroa Gillett (Ngati Haa), Johnson Raumati (Ngati Koroki Kahukura Trust), Alison Storey (Community Rep), Mike Rodger (Community Rep).

Community Boards

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.

Te Awamutu Community Board

Represents and acts as an advocate for community interests. Overview of service delivery throughout Te Awamutu and surrounding areas. Performs such functions as are delegated to it by Council.

Dean Taylor (chair), Bernard Westerbaan, Kellie Ellis, Richard Hurrell, Colin Pinkerton, Cr Hazel Barnes, Cr Laurie Hoverd.

The Te Awamutu Community Board has the following Committees:

Te Awamutu Alive

Which maintains an overview of promotional activities for the Te Awamutu area and liaise with local interest groups involved in promoting the Te Awamutu area.

Reserves Landscape

The Committee maintains an overview of reserve development and management proposals for the Te Awamutu area including liaising with local interest groups.

Cambridge Community Board

Acts in exactly the same way the Te Awamutu Community Board does, except it services Cambridge and surrounding areas.

John Bishop (chair), Elwyn Andree-Wiltens, Mike Petit, Philip Coles, Richard Wright, Cr Sue Milner, Cr Grahame Webber.

The Cambridge Community Board has the following Committees:

Sister Cities

Whose purpose 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

Whose purpose is to initiate and progress Christmas and/or other lighting projects in Cambridge.

Reserve Landscape

Plans and organises, with Council's approval and in conjunction with staff, the facilitation of the development and renewal of the Cambridge greenbelt reserve management plan.

ANZAC

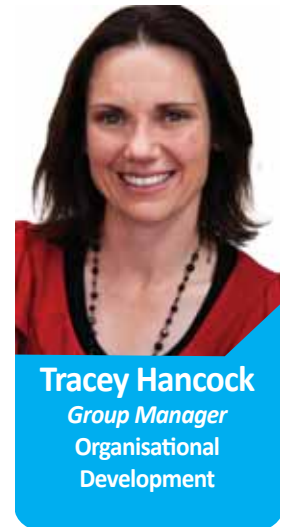
The purpose of this Committee is to organise the annual ANZAC Day commemorations in Cambridge.

Management Structure

Waipa district is 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.



→ Human Resources
Rachael Seavill



Community Relationships
Wayne Green

Strategy
Gary Knighton

Planning & Regulatory
Wayne Allan

Development Engineering
Bill Mitchelmore

Water Services
Lorraine Kendrick

Road Corridor
Dawn Inglis

Community Facilities
Tony Roxburgh

Finance
Kumaren Perumal

Information Services
Mark Hogan

Legal & Corporate Support
Jennie McFarlane

Property Services
Jim Mylchreest

Glossary

Action Plan	A plan identifying a series of actions to be taken to achieve defined outcomes.
Activity	Services provided by or on behalf of council.
Amortisation	The reduction of the value of an asset by prorating its cost over a period of years.
Annual Plan	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.
Annual Report	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.
Asset	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.
Asset Management Plans	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.
Capital Expenditure	Money spent to build or buy a new asset, or to improve the standard of any existing asset.
Choosing Futures Waikato	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.
Community	A group of individuals and organisations that are linked together by some common factor, interest, identity or administrative boundary.
Community Boards	Pass on community concerns and make recommendations to the elected council and its committees.
Community Outcomes	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.
Community Wellbeing	The overall wellbeing (quality of life) of the community taking into account economic, cultural, social and environmental wellbeing.
Council Controlled Organisations (CCOs)	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.
Development Contributions	Payment from developers to help fund new infrastructure required by growth (as set out in the Local Government Act 2002).

District Plan	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.
Equity	The market value of assets less any liabilities.
Funding Impact Statement	A financial statement that discloses the revenue and financial mechanisms that council proposes to use.
Future Proof	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.
General Rate	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.
Governance	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.
Group of Activity	Related activities grouped together (commonly referred to as a significant activity).
Hapū	A cluster of related whānau (extended family), descended from a single ancestor that has collective decision-making rights over its territory.
Hearing	A meeting at which members of the public speak to elected representatives and/or staff about an issue.
Indicator	A measure or combination of measures, either qualitative or quantitative, against which performance or progress can be assessed.
Interest	Interest on bank accounts, overdrafts and debt.
Iwi	Larger than the hapū – a cluster of related hapū, descended from a single ancestor, varying in size.
Levels of Service (LOS)	The extent of a service provided by council.
Local Authority	A regional, district or city council.
Local Government Act 2002	The legislation that defines the powers and responsibilities of local government organisations (regional, city and district councils).
Long Term Plan	Refer to 10-Year Plan
Long Term Vision	The long term vision describes what Waipa will be like in the future.
Monitoring and Reporting Community Outcomes (MARCO)	MARCO, as part of the Choosing Futures Waikato process, is a working group to develop a framework for measuring and reporting on community outcomes.
Ngā Iwi Toopu o Waipa	A representative group of local tangata whenua, made up of mandated hapū representatives appointed by relevant Marae committees.
Operating Costs	These are costs to run council services on a day-by-day basis and range from maintenance of infrastructure to staff salaries.
Partnership	This refers to the council's relationship with groups within the community to achieve outcomes. This does not refer to a legal partnership.
Passenger Transport	Can also be referred to as public transport – includes buses.

Rates	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.
Resource Management Act 1991	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.
Renewals	Activities required to upgrade, refurbish or replace current facilities or assets, with facilities or assets of equivalent capability or service potential.
Revenue	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.
Significance	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.
Significant Activity	One or more related activities provided by, or on behalf of, a local authority or Council Controlled Organisation.
Strategic Plan	An explanation of the overall direction and emphasis that councils' activities and programmes will take to realise the long-term vision.
Strategy	A plan of action designed to guide progress towards the long-term vision.
Submission	Formal feedback or proposal from an individual or group on an issue.
Sustainability	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.
Tangata Whenua	Māori people who belong to a particular area by ancestral connection.
Targeted Rate	A rate that is levied to fund a particular service or facility.
Te Kauhanganui o Waikato	Kauhanganui is made up of marae representatives from throughout the wider region of Tainui with emphasis on those hapu 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.
Territorial Local Authority (TLA)	A city council or district council, as listed in the Local Government Act 2002.
Ward	An administrative and electoral area of the District. There are five wards in our District – Cambridge; Te Awamutu; Pirongia; Maungatautari; and Kakepuku.
Waipa 2050	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.
Wellbeings	The four wellbeings refer to the social, economic, environmental and cultural wellbeing of communities in the present and for the future.

Vested Assets	An existing right to the immediate or future possession of property, resources, cash, stock and goodwill.
10-Year Plan	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.

Appendix 1

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 on 1 -2 May and 7 May 2013.

Rating levels

The proposed increase in rate revenue for 2013/14 included in the draft Annual Plan was 3.0%. After consideration of submissions, the required rate revenue decreased by \$77,000, an increase of 2.8% from the 2012/13 year. There has also been a change in the capital works programme to \$51.125 million, an increase of \$3.1 million over the level of capital proposed in the draft Annual Plan.

Summary of significant financial changes:

Since preparing the draft Annual Plan 2013/14 and the consideration of submissions, the following changes have been made to the financials:

CHANGE	2013/14 Budget	Funding Sources
Takepuku Mountain Conservation Project - Grant	6,000	Rates
Cambridge Information Centre	5,000	Rates
Te Awamutu Community Public Relations Organisation	5,000	Rates
Pirongia Heritage & Information Centre - Grant	1,000	Rates
Capital Projects deferred from 12/13 to 13/14	1,768,000	Reserve / Loan
Capital Projects brought forward from future years	1,208,500	Reserve / Loan
Disability Access Improvements	100,000	Rates
Operating Projects deferred from 12/13 to 13/14	78,000	Reserve / Loan
Kihikihi Domain - Portable Toilet	38,000	Rates
Savings in operational expenses incl insurance, maintenance and depreciation	(103,200)	Rates
Borrowing Costs including Principal Repayments	(130,000)	Rates
Total Rates required (exclusive of GST)	\$43.5m	

Commercial recycling

A proposal to provide a recycling service to commercial areas was included in the draft Annual Plan. However, Council considered that there was insufficient support expressed for the proposal to proceed. Council will investigate other ways of encouraging recycling in commercial areas.

Summary of Submissions to the draft Annual Plan

Council received 87 submissions to its draft Annual Plan 2013/14. Of those submissions made 247 matters were raised, a summary of these are below:

Matter/Issue:	# Issues:	Support	Oppose	Unknown
Governance	11	0	0	11
• 150 th Anniversary Commemorations	40	18	22	0
• Mayoral Forum	7	5	1	1
Planning & Regulatory	4	1	0	3
• Animal Control	2	0	0	2
Community Services & Facilities	20	2	1	17
• Libraries	18	4	1	13
• Swimming Pools	4	0	0	4
• Proposed Commercial Recycling	45	27	16	2
• Heritage	6	4	0	2
Roads & Footpaths	17	1	0	16
• Hall Street	5	0	0	0
• Ngahinapouri Structure Plan (Reid Road)	14	12	0	2
Wastewater Treatment & Supply	5	1	0	8
• Te Awamutu Wastewater Treatment Plant	1	1	0	0
Water Treatment & Supply	9	1	0	8
Stormwater	5	1	0	4
Sustainable District	2	0	0	2
Financials	6	1	0	5
• Early Rates Discount	1	0	0	1
• Rates Increase	4	0	1	3
• Depreciation/Borrowing	5	0	0	5
• Targeted Rate	1	0	0	1
• Capital Expenditure	1	0	0	1
• Grants	10	0	0	10
• District Revaluation	4	0	2	2



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