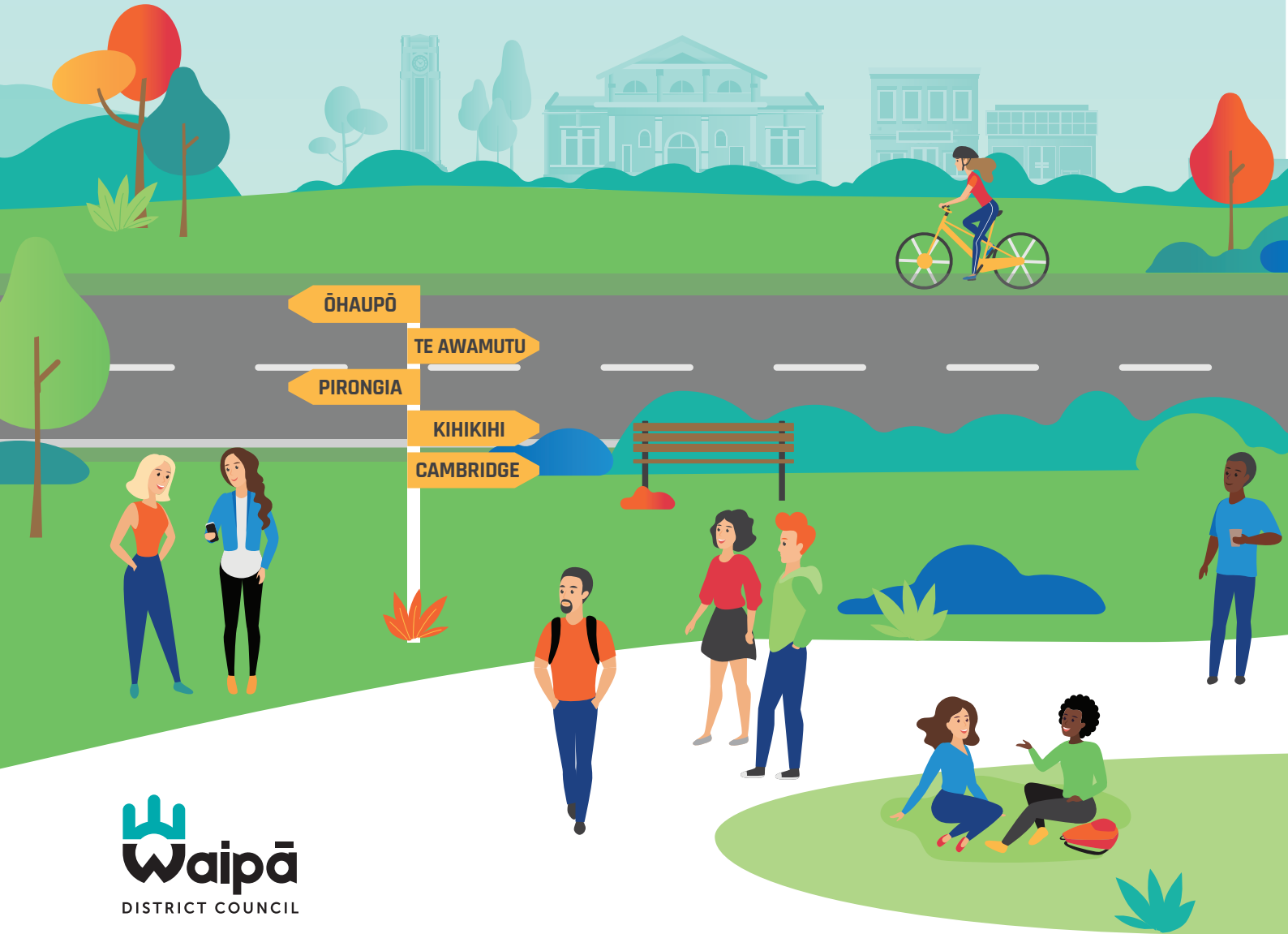


2023/24 ANNUAL PLAN



Message from the Mayor

Tēnā koutou katoa,

Welcome to our Annual Plan which sets our priorities and budget for July 2023 – June 2024.

Your elected members and Council staff have worked hard to create a plan that continues to grow a strong and vibrant district with our vision *Waipā – Home of Champions: Building connected communities* at the forefront of all that we do.

Like all councils across the country, and many businesses and households, Waipā District Council is facing considerable financial challenges. As we set the budget for the coming year, we have needed to factor in cost increases right across our business. This is the result of significant increases in interest rates and inflation and the upwards spiral effect that this has on the costs of supply and staffing. These things are out of Council's control but something we have to respond to.

Our 2021-31 Long-Term Plan had provided for a 3.7 per cent rates increase for this year but we've had to increase this to an average rates increase of 6 per cent. This is not a decision that Council has taken lightly – but is one deemed critical in order for us to keep investing in our growing communities and not cutting back on key services. We remain within the 6.3 per cent rates increase limit that we committed to in the 2021-31 Long-Term Plan.

To build a district we can be proud of takes thoughtful planning, continuous development and carefully considered investment.

Despite the trying times, we have a bright and full year ahead of us. This year we're planning to continue investing in infrastructure growth particularly in Cambridge North, Hautapu, and Picquet Hill, a cost that is directly funded by the development community. We will spend more than \$23m on our community spaces – things like green spaces, libraries and playgrounds. We're spending more than \$10m on making sure our roads are safe to get around and looking to invest \$14m on cycleway projects that connect our people, towns and attractions. More than \$71m is going into meeting storm water, water supply and waste demands.

Some of our high investment projects include our shared pathways in Kihikihi (Te Ara Rimu) and Cambridge. We also have the Te Awamutu War Memorial Park and playground renewal, Leamington Domain master plan development and new playground design, as well as continuing to develop and design Te Ara Wai. These are exciting projects.

Equally exciting is the development of Ahu Ake, our community spatial plan. This is a leading edge and international award-winning approach to Council working with our community to plan our future together. This work will be key to the development of our 2024-34 Long-Term Plan and the long-term plans that will follow that.

We will continue to prioritise the needs of our community while at the same time being ready to respond to the changes around us. With central government reviews on the cards for local government and three waters services, a national election, a tense economic environment, and a continued commitment to climate change...there's definitely no shortage of challenge coming our way. But we are ready for it.

Together we will persevere in building vibrant, healthy and connected communities.

I look forward to navigating these challenges, as well as the opportunities, with you over the next year.



Susan O'Regan
Mayor of Waipā



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What is an Annual Plan?

Every three years we produce a Long Term Plan (LTP) to set the future direction of Council for the district. Outside of those years we produce an Annual Plan which identifies any changes or additions to the projects, activities and financial information included in the LTP. The current LTP was adopted in 2021 and covers the decade 2021-31.

In addition, we produce an Annual Report to review our performance against our LTP and Annual Plans. Together, these three documents:

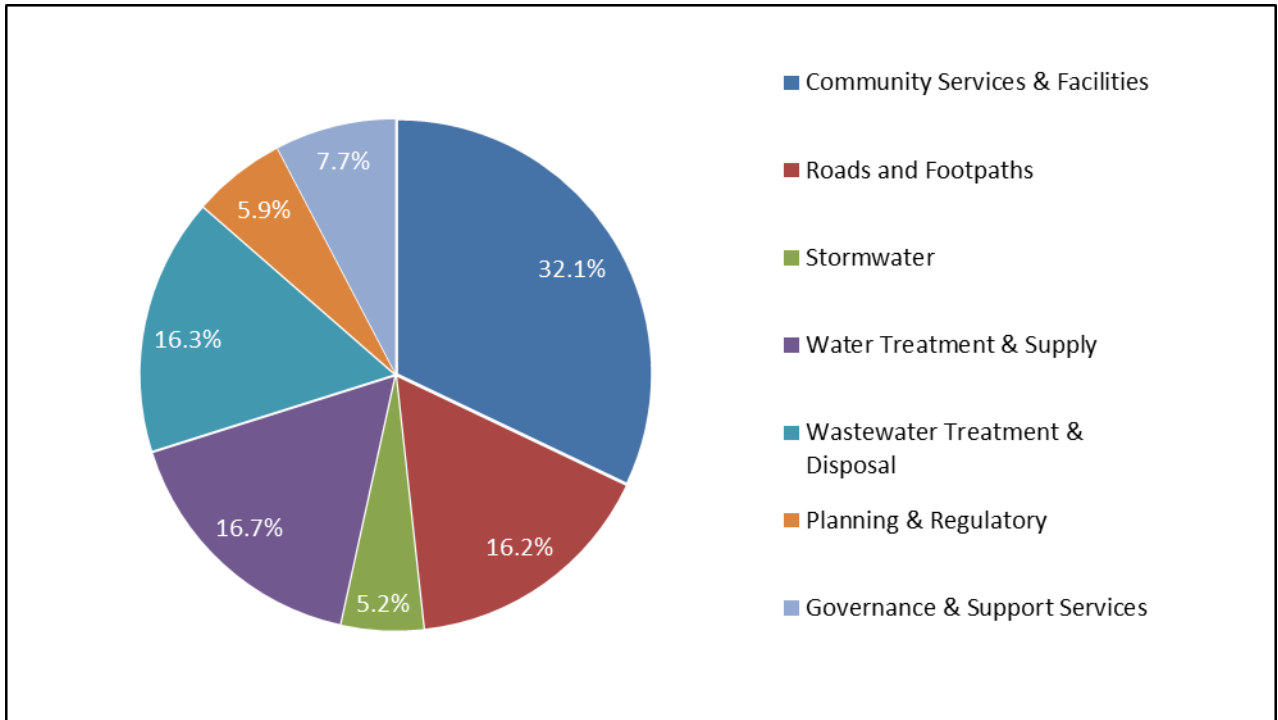
1. Identify Council's priorities
2. Outline Council's programme of work
3. Measure our performance

Rates

In the 2021-31 LTP the expected average annual rates increase for 2023/24 was 3.7% (after growth). However, this Annual Plan provides for an average annual rates increase of 6% which is largely driven by inflationary pressures and higher interest rates. The rates increase remains within the limit set in the 2021-31 LTP which equates to 6.3%.

How will your rates be spent in 2023/24?

The chart below outlines where your rates will be spent in 2023/24 by showing the proportion allocated to each of the Council's activity groups.



It is important to note that there are other funding sources which are used to contribute to the overall running costs of Council and our district. These include development contributions, loans, user fees and charges, external fundraising, and central government funding contributions.

Summary of changes from the 2021-31 Long Term Plan: by group of activities

Our 2021-31 LTP contains our proposed activities, projects and programmes and associated budgets for 2023/24.

This Draft Annual Plan looks at the groups of activities detailed in the LTP and identifies where there are changes from what was originally proposed.

The groups of activities covered in this section are:

- Community services and facilities
- Governance
- Planning and regulatory
- Roads and footpaths
- Stormwater
- Support services
- Wastewater treatment and disposal
- Water treatment and supply

The following is outlined for each group of activities:

- A description of the group's services
- Key projects identified for the 2023/24 year
- Changes from the Long Term Plan 2021-31
- Statement of cost of the service
- Capital expenditure
- Funding Impact Statement

Governance

What we do

To ensure elected members can make the best informed decisions impacting our communities, they need a support network that includes strategic advisors, iwi advisors, engagement specialists and business support.

Key projects for 2023/24

- Strengthening partnerships with iwi.
- Development of Ahu Ake – District wide community spatial plan
- Development of the Long Term Plan 2024-34
- Meaningful engagement with the community around current and future projects and services.

Changes from the Long Term Plan 2021-31

There are no significant or material changes from the programme outlined in the Long Term Plan 2021-31. Minor variations from the Long Term Plan 2021-31 are detailed below.

Operating variances

Expenditure:

- Payments to staff and suppliers have increases in honorarium payable to Councillors of \$87,000. Remuneration for Elected Members is set independently by the Remuneration Authority. Communication and Engagement has an increase of \$223,000 relating to restructure of the Communication team in 2021/22.
- Interest expense has increased due to the higher interest rates.
- Increase in overhead expenditure to align with inflationary and other Council wide cost base increases.
- Other operating funding applications include Community Grants with a removal of the grant (\$682,000) for construction on the Cambridge Museum, which is no longer occurring, offset by an increased grant to the Te Awamutu Safer Community Charitable Trust, a grant to the Waipa Community Trust \$3,500 and increases in operational costs. The grant to the Waikato Biodiversity Forum has been redeployed for the 2023/24 financial year due to the grant being unclaimed in prior years.

Capital expenditure table

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
To Improve Level of Service	-	-	-	-
Total Capital Expenditure to Improve Level of Service	-	-	-	-
TOTAL CAPITAL EXPENDITURE	-	-	-	-

Funding Impact Statement

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	8,235	8,384	9,532	1,149
Targeted rates	1,076	1,085	1,151	66
Subsidies and grants for operating purposes	55	57	60	3
Fees and charges	56	-	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total sources of operating funding (A)	9,422	9,526	10,743	1,217
Applications of operating funding				
Payments to staff and suppliers	4,705	4,486	4,963	477
Finance costs	39	28	83	55
Internal charges and overheads applied	3,653	3,587	4,292	705
Other operating funding applications	1,101	1,794	1,177	(617)
Total applications of operating funding (B)	9,498	9,895	10,515	620
Surplus (deficit) of operating funding (A - B)	(76)	(369)	228	597
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	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	-	-	-	-
Applications of capital funding				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	-	-	-	-
- to replace existing assets	-	-	-	-
Increase (decrease) in reserves	(76)	(369)	228	597
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	(76)	(369)	228	597
Surplus (deficit) of capital funding (C - D)	76	369	(228)	(597)
Funding balance ((A - B) + (C - D))	0	(0)	0	(0)

Grants to Community Organisations as per Community Grants Activity

	2022/23	2023/24	2023/24	2023/24
	Budget	LTP YR 3	Budget	Variance
	\$000	\$000	\$000	\$000
Pirongia Ward Grants	27,600	27,600	27,600	-
Cambridge Community Board Grants	49,600	49,600	49,600	-
Te Awamutu Community Board Grants	49,600	49,600	49,600	-
Cambridge Museum	169,372	855,834	173,776	(682,058)
Citizens Advice Bureau - Cambridge	14,300	14,300	14,300	-
Citizens Advice Bureau - Te Awamutu	26,500	26,500	26,500	-
Pirongia Historical Visitors Centre	8,000	8,000	8,000	-
Pirongia Community Association	5,500	5,500	5,500	-
District Promotions	150,000	150,000	150,000	-
Waikato Biodiversity Forum	-	3,000	-	(3,000)
Te Awamutu Safer Community Charitable Trust	20,000	20,000	40,000	20,000
Cambridge Safer Community Charitable Trust	20,000	20,000	20,000	-
District Wide Creative Communities Scheme Funds	43,092	44,100	47,400	3,300
Community Led Events	30,000	30,000	30,000	-
Category 1 Heritage Buildings	10,000	10,000	10,000	-
Cambridge Community House Trust	-	-	-	-
Temple Cottage Charitable Trust	1,000	1,050	1,000	(50)
Waipa Community Trust	3,500	-	3,500	3,500
Waikato Screen NZ	12,173	-	-	-
TOTAL	640,237	1,315,084	656,776	(658,308)

Planning and Regulatory

What we do

We provide planning and regulatory services to manage the natural and physical resources of the district and promote and protect the health and safety of our communities.

Planning and regulatory activities include:

- Animal control
- Building compliance
- Development engineering
- Environmental health
- Resource consents, enforcement, and land information memoranda

Key projects for 2023/24

- Development of Dog Pound
- Planning for Resource Management Act reform

Key changes from the Long Term Plan 2021-31

There are no significant or material changes from the programme outlined in the Long Term Plan 2021-31. Minor variations from the Long Term Plan 2021-31 are detailed below.

Operating variances

Revenue:

- Increase in revenue for Building Control and Resource Management due to impacts from growth.

Expenditure:

- Increase in costs for Building Control, Resource Management and Development Engineering activities mainly due to impact from growth, timing of development and inflation impacts. These costs have been partially offset by additional revenue budgeted in the 2023/24 financial year.
- Plan Changes for Papakāinga and the Housing Supply Act, although loan-funded, have increased costs by \$259,000.
- Interest expense has increased due to the higher interest rates and higher loans relating to plan change costs in the 2022/23 year.
- Increase in overhead expenditure to align with inflationary and other Council wide cost base increases.

Capital expenditure variances:

- Earlier delays in timing on the construction of the Dog Pound, moved now to the 2023/24 year.

Capital expenditure table

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Level of Service				
Dog Pound Development	616	-	500	500
TOTAL CAPITAL EXPENDITURE	616	-	500	500

Funding Impact Statement

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	4,170	4,061	5,079	1,018
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	1	1	-	(1)
Fees and charges	7,023	6,073	7,270	1,197
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total sources of operating funding (A)	11,194	10,135	12,349	2,214
Applications of operating funding				
Payments to staff and suppliers	8,618	7,268	9,038	1,770
Finance costs	16	22	230	208
Internal charges and overheads applied	3,164	3,169	3,693	524
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	11,798	10,459	12,961	2,502
Surplus (deficit) of operating funding (A - B)	(604)	(324)	(612)	(288)
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	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	-	-	-	-
Applications of capital funding				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	616	-	500	500
- to replace existing assets	-	-	-	-
Increase (decrease) in reserves	(1,220)	(324)	(1,112)	(788)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	(604)	(324)	(612)	(288)
Surplus (deficit) of capital funding (C - D)	604	324	612	288
Funding balance ((A - B) + (C - D))	(0)	0	(0)	(0)

Community Services and Facilities

What we do

We undertake activities to provide for the wellbeing of our communities and make them great places to live, work and play.

Community services and facilities include:

- Parks and reserves
 - Open spaces
 - Playgrounds
 - Public toilets
 - Cemeteries
- Libraries
- Property
 - Community land and buildings
 - Housing for the elderly
- Museum and heritage
- Swimming pools
- Waste management and minimisation

Key projects for 2023/24

- Te Awamutu / Ngā Roto / Pirongia Cycling Connection
- Ngā Roto Reserve Management Plan
- Cambridge Library feasibility study
- Te Awamutu War Memorial Park playground and renewal
- Walton Street public toilet renewal and upgrade
- Cambridge Town Hall upgrades
- Housing for the elderly

Key changes from the Long Term Plan 2021-31

There are no significant or material changes from the programme outlined in the Long Term Plan 2021-31. Minor variations from the Long Term Plan 2021-31 are detailed below.

Te Ara Wai

The project is in early stages so the design and build costs have been deferred to 2024/25.

Play Provision Outside Structure Plan

This is for a destination playground at Leamington but a masterplan for the Leamington Domain is yet to be completed, deferring the build of the playground.

Development of Colgan Street Property

The development had been deferred to 2023/24 due to a plan change requirement to change the land designation from Reserve back to Urban.

Operating variances

Revenue:

- Increase in fees and charges relates mainly to additional rental revenue of \$545,000 and an additional \$754,000 in Waste Disposal Levy.
- Increase of \$42,000 interest revenue allocated to reserves due to a higher interest rate.
- Subsidies and grants for capital expenditure includes \$1 million funding from Central Government under the Better Off Funding provision, offset by recoding of revenue from grant to sale of asset \$3.4 million. There is also a delay in the external funding for the Te Awamutu to Pirongia cycleway, matching the delay in expenditure. The overall decrease in subsidies and grants is \$1 million.
- Gross proceeds from sale of assets has increased significantly, including \$2 million from cemetery land, relating to the timing of land sale, which was originally anticipated to be in the 2021/22 financial year. Current projections show it will be sold in 2023/24.
- Timing adjustments for Asset Sales \$10.2 million due to delay of developments for Colgan Street and Te Rahu Road. The Asset Sales are coded against the Property activity rather than the activity requiring the funds, such as District Museums.

Expenditure:

- Payments to staff and suppliers have increased by \$1.9 million which includes inflationary impacts on salaries, insurance, rates, electricity, and maintenance; and an increase of \$296,000 for planting of forestry trees in the year following harvest which had been delayed by a year due to market conditions.
- The payments to staff and suppliers also include \$157,000 of recycling expenses due to additional costs associated with the monitoring of waste and additional contamination costs, and \$180,000 relating to the Cambridge Town Hall through the change in management structure undertaken in 2021/22.
- Interest expense has increased by \$2 million due to the higher loan balances and interest rates.
- Increase in overhead expenditure of \$295,000 to align with inflationary and other Council wide cost base increases.

Capital expenditure variances:

- Increase of \$2.4 million for the building of Housing for the Elderly in the 2023/24 financial year. The project experienced delays in 2021/22 caused by the COVID-19 disruptions and has been moved to the 2023/24 year.
- Increase of \$826,000 for the Colgan Street development due to a change in timing of the development.
- Te Ara Wai is still in early design phase, so the build costs of \$6.3 million have been deferred to 2024/25.
- Decrease of \$1.6 million for the Play Provision Outside, which is for the destination playground at Leamington. A masterplan for the Leamington Domain is yet to be completed, deferring the build of the playground to 2024/25.

Capital expenditure table

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
To Meet Additional Demand				
Reserves - C1, C2 & C3	9,944	263	263	-
Playground Reserve Land Cambridge North	-	-	426	426
Playground Reserve Land CB Nth LTP Yr3	1,928	-	-	-
CB Nth Land Acquisition and Development	-	622	620	(2)
Total Capital Expenditure to Meet Additional Demand	11,872	885	1,309	424
To Improve Level of Service				
Public Conveniences - New Toilet Blocks	212	55	170	115
Pensioner Housing Upgrades and New Build	2,155	-	2,376	2,376
Karapiro Domain Improvements	687	42	568	526
Cambridge Town Pool Development	-	-	543	543
T1 Land Acquisition and Development Structure Plan Areas	1,715	712	712	-
T8 Land Acquisition and Development Structure Plan Areas	481	-	-	-
Addison Street Development - Property	20	-	20	20
Amenity Reserves Development	97	137	157	20
Cambridge Town Hall Clock Tower Repair	205	-	206	206
Cambridge Town Hall Upgrades	1,748	2,108	2,108	-
Cambridge Water Tower - Upgrade	-	-	100	100
Castleton Park	86	-	543	543
Cambridge Library Feasibility Study	-	-	245	245
Cemetery Capacity Developments	486	350	736	386
Cemetery Structure	-	279	279	-
Colgan St Development - Property	826	-	826	826
Collective Hydro Lakes	51	126	66	(60)
Cycleway TA/Pirongia Section 2	-	-	700	700
Cycling - Te Awamutu/Ngaroto/Pirongia Connection	5,388	3,276	2,462	(814)
Design & Build Te Ara Wai	1,439	6,324	-	(6,324)
District Wide Skateparks	1,278	-	-	-
Erosion Control and Amenity Enhancement	295	482	862	380
Exhibition Planning, Design, Development and Install	-	3,113	3,113	-
Horahora Domain Land Purchase	-	-	400	400
Kihikihi Town Hall	-	-	20	20
Lake Rotopiko Heritage Development	31	28	28	-
Lake Te Koo Utu	499	595	250	(345)
LTP Potential Property Developments & Sales	216	-	-	-
Mangakaware - Restoration & Development	8	8	8	-
Te Awamutu War Memorial Park	-	865	250	(615)
Mt Pirongia - collaboration with DOC	-	53	53	-
Neighbourhood Reserves Development	10	15	15	-
Ngahinapouri Land Acquisition and Development	280	287	-	(287)
Ngaroto - Heritage Restoration	65	44	246	202
Peat Lake Programme	15	13	29	16
Pirongia Town Hall	20	-	-	-
Play Provision Outside Structure Plan	-	1,686	100	(1,586)
Premier Reserves Development	-	34	34	-
Pukemako A & B - Planning & Restoration	21	42	42	-
Resource Recovery Centre	-	327	496	169
Special Purpose Reserves Development	-	21	21	-
Sports Fields Improvements	617	-	-	-
Waipuke Reserve Development	167	117	254	137
Total Capital Expenditure to Improve Level of Service	19,118	21,139	19,038	(2,101)

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
To Replace Existing Assets				
Carpark Renewals	62	26	26	-
Library Books	364	374	374	(0)
District Pools Plant Renewals	603	217	299	82
Pensioner Housing Renewals	308	316	417	101
Cemeteries Renewals	49	19	19	-
Karapiro / Arapuni Lakes Programme	154	-	95	95
Karapiro Domain Carpark Renewals	-	-	65	65
Leamington Domain Facility Maintenance	-	-	39	39
Memorial Park Bridge Replacement			45	45
Parks Plant and Equipment Replacement	328	119	564	445
Parks Renewals	308	318	316	(2)
Parks Structure Renewals	103	-	-	-
Plant Replacement Mighty River Domain	15	34	34	-
Playground Equipment & Safety Surfaces Renewal	421	253	253	-
Public Conveniences Renewals	463	184	334	150
				-
Total Capital Expenditure to Replace Existing Assets	3,178	1,860	2,880	1,020
TOTAL CAPITAL EXPENDITURE	34,168	23,884	23,227	(657)

Funding Impact Statement

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	17,430	17,898	19,647	1,750
Targeted rates	6,629	6,189	7,722	1,534
Subsidies and grants for operating purposes	261	22	403	381
Fees and charges	4,439	4,517	5,889	1,372
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	26	-	42	42
Total sources of operating funding (A)	28,785	28,626	33,705	5,079
Applications of operating funding				
Payments to staff and suppliers	21,031	20,337	22,201	1,864
Finance costs	830	479	2,512	2,033
Internal charges and overheads applied	3,712	4,154	4,450	295
Other operating funding applications	656	298	336	38
Total applications of operating funding (B)	26,229	25,268	29,498	4,230
Surplus (deficit) of operating funding (A - B)	2,556	3,358	4,206	848
Sources of capital funding				
Subsidies and grants for capital expenditure	5,549	3,424	1,938	(1,486)
Development and financial contributions	2,152	2,254	2,708	454
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	9,411	2,013	17,600	15,587
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	17,112	7,691	22,246	14,555
Applications of capital funding				
Capital expenditure				
- to meet additional demand	11,872	885	1,309	424
- to improve the level of service	19,118	21,139	19,038	(2,101)
- to replace existing assets	3,178	1,860	2,880	1,020
Increase (decrease) in reserves	(14,500)	(12,835)	3,225	16,060
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	19,668	11,049	26,452	15,403
Surplus (deficit) of capital funding (C - D)	(2,556)	(3,358)	(4,206)	(848)
Funding balance ((A - B) + (C - D))	-	-	0	-

Roads and Footpaths

What we do

The roads and footpaths group is the primary service provider for the provision of the local transport network.

It oversees a range of the district's core infrastructure assets and services including:

- Roads and structures
- Footpaths and cycleways
- Signage and traffic facilities
- Street lighting
- Road corridor amenity

Key projects for 2023/24

- Cambridge North infrastructure growth projects
- Cambridge growth cells C1, C2 and C3 infrastructure and land purchase
- Hautapu infrastructure growth projects
- Picquet Hill infrastructure growth projects
- Urban walking and cycling projects
- Sealed road resurfacing
- Pavement rehabilitation
- Victoria Bridge Painting Substructure

Key changes from the Long Term Plan 2021-31

There are no significant or material changes from the programme outlined in the Long Term Plan 2021-31. Minor variations from the Long Term Plan 2021-31 are detailed below.

Cambridge growth development including C1, C2, C3

Due to the accelerated growth of new residential development in this area, budget has either been brought forward from future LTP years or deferred from the 2022/23 year to align with development timing. Additional budget has also been added to reflect additional costs not incorporated in the LTP. The budget for Roads and Footpaths is to install the necessary road service infrastructure.

Hautapu growth development

Hautapu Transportation land purchases were deferred from 2022/23. This growth development was not budgeted in the LTP 2021-31.

Picquet Hill Road Plan Change

Due to delays in development this has been deferred from 2022/23 year and was not included in the LTP budget.

Town Concept Plans and Streetscape Implementation

Due to developer timing, the 2023/24 LTP budget has been deferred to the 2024/25 financial year.

Operating variances:

Revenue:

- Subsidies and grants for operating purposes have increased by \$471,000 from timing of operating projects such as Urban Mobility and \$155,000 from Better Off Funding towards CCTV project work.
- Increase of \$91,000 interest revenue allocated to Roading operating reserves due to a higher interest rate.
- Subsidies and grants for capital expenditure have increases of \$872,000 from timing of projects such as the Victoria Bridge painting substructure work transferred from the 2022/23 year.

Expenditure:

- Increase in payments to staff and suppliers' costs for maintenance work aligning with inflationary impacts with an additional \$150,000 for CCTV Operating Costs funded from the Better Off Funding.
- Increase of \$715,000 in finance costs due to higher interest rates.
- Increase in internal charges and overheads of \$588,000 resulting from the reallocation of overheads and higher costs to align with inflationary increases.

Capital expenditure variances:

- Net increase of \$6.5 million for Cambridge Growth Cells to keep infrastructure investment in line with the timing of developers.
- Increase of \$7.4 million for Hautapu and C10 growth infrastructure to align with the timing of developers.
- Increase of \$2.7 million for the Picquet Hill Plan Change deferred from 2022/23 to this financial year.
- Increase of \$901,000 for Frontier Road Plan Change deferred from 2022/23 to align with the timing of developers.
- Increase of \$1.6 million for T9/T10 New Collector Road and Walkway deferred from 2022/23 to align with development.
- Decrease of \$1.4 million for Town Concept Plans deferred to review the project scope given the consideration of the new location for Te Ara Wai.
- Increase of \$2.5 million for Victoria Bridge painting substructure deferred from 2022/23.

Capital expenditure table

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
To Meet Additional Demand				
Cambridge Growth Cells (C1,C2 and C3) incls Land Purchase	21,813	-	5,130	5,130
Cambridge Growth Cells (C4,C11)	-	-	235	235
Cambridge Growth Cells (C5, C6) Lamb Street	300	-	1,183	1,183
Hautapu Structure Plan and Cycleway	15,427	4,260	11,690	7,430
St Leger and Kihikihi Road	250	320	330	10
Picquet Hill Plan Change Rooding	2,830	-	2,735	2,735
Frontier Road Plan Change	1,609	-	901	901
Urban Upgrades - Development Related	1,000	-	-	-
Hamilton Rd/Cambridge Rd Urbanisation	2,583	2,567	2,647	80
Ngahinapouri SH39 Intersection & N1/N2 Development	316	-	-	-
T9/T10 New Collector Road and Walkway	1,240	958	2,559	1,601
Total Capital Expenditure to Meet Additional Demand	47,368	8,105	27,410	19,305
To Improve Level of Service				
New Footpaths	103	107	171	64
Town Concept Plans and Streetscape Implementation	1,528	1,902	526	(1,376)
Passenger Transport Infrastructure	163	-	-	-
Street Light Improvements	76	160	160	-
Cycle Projects District Wide	785	1,598	2,173	575
Major Improvements	217	-	-	-
Minor Improvements	1,418	1,060	1,135	75
Total Capital Expenditure to Improve Level of Service	4,290	4,827	4,165	(662)
To Replace Existing Assets				
Footpath Renewals	336	399	399	-
Amenity Lighting Renewals	3	3	3	-
Car Park Renewals	57	59	91	32
Drainage Renewals	402	414	414	-
Pavement Rehabilitation	1,859	1,913	2,167	254
Structures Component Renewal	103	320	320	-
Traffic Services Renewals	41	43	43	-
Unsealed Road Metalling	62	64	25	(39)
Sealed Road Resurfacing	4,163	4,292	4,292	-
Bridge Renewals	2,737	-	2,520	2,520
Guardrail Renewals	57	59	59	-
Bus Shelter Renewals	-	11	11	-
Total Capital Expenditure to Replace Existing Assets	9,820	7,577	10,344	2,767
TOTAL CAPITAL EXPENDITURE	61,478	20,509	41,919	21,410

Funding Impact Statement

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	13,112	13,125	13,456	331
Targeted rates	338	353	422	69
Subsidies and grants for operating purposes	3,250	3,204	3,830	626
Fees and charges	1,183	1,374	1,380	6
Internal charges and overheads recovered				-
Local authorities fuel tax, fines, infringement fees, and other receipts	29	-	91	91
Total sources of operating funding (A)	17,912	18,056	19,179	1,123
Applications of operating funding				
Payments to staff and suppliers	9,438	9,320	10,488	1,168
Finance costs	359	334	922	588
Internal charges and overheads applied	1,878	1,843	2,558	715
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	11,675	11,497	13,968	2,471
Surplus (deficit) of operating funding (A - B)	6,237	6,559	5,211	(1,348)
Sources of capital funding				
Subsidies and grants for capital expenditure	6,870	5,607	6,479	872
Development and financial contributions	6,503	7,895	12,168	4,273
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	13,373	13,502	18,647	5,145
Applications of capital funding				
Capital expenditure				
- to meet additional demand	47,368	8,105	27,410	19,305
- to improve the level of service	4,290	4,827	4,165	(662)
- to replace existing assets	9,820	7,577	10,344	2,767
Increase (decrease) in reserves	(41,868)	(448)	(18,061)	(17,613)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	19,611	20,061	23,858	3,797
Surplus (deficit) of capital funding (C - D)	(6,238)	(6,559)	(5,211)	1,348
Funding balance ((A - B) + (C - D))	(0)	0	(0)	(0)

Stormwater

What we do

We are the primary service provider for managing stormwater in urban areas. Council maintains all of Waipā's public rural drains.

Waipā maintains stormwater assets worth \$98 million consisting of 158 kilometres of pipes, 2,944 manholes and other related structures such as open drains, streams, swales, soak systems and retention structures. An appropriately managed system will limit the impacts of flooding and ensure that stormwater discharges to the environment are properly managed.

Key projects for 2023/24

- Cambridge North residential stormwater works
- Cambridge growth cells (C1, C2 and C3) stormwater works
- Hautapu industrial stormwater works
- Asset renewals

Key changes from the Long Term Plan 2021-31

There are no significant or material changes from the programme outlined in the Long Term Plan 2021-31. Minor variations from the Long Term Plan 2021-31 are detailed below.

Cambridge growth development including C1, C2, C3

The timing of the development is different than originally planned. The budget for stormwater is to install the necessary stormwater service infrastructure and is dependent on the developer's requirements. Additional budget has also been added to reflect additional costs not incorporated in the LTP.

Hautapu Industrial Stormwater

Deferred from the 2021/22 year, this project has been delayed so it will be in line with the developer's requirements.

Operating variances:

Revenue:

- Increase of \$12,000 interest revenue allocated to stormwater reserves due to higher interest rate.

Expenditure:

- Decrease of \$149,000 in operating expenditure due to timing of capital work in Cambridge Growth Cells and corresponding operating expenses.
- Decrease of \$576,000 in depreciation due to the timing of the completion of capital works.
- Increase of \$129,000 in internal charges and overhead expenditure from the reallocation of internal charges between Stormwater, Water and Wastewater.

Capital expenditure variances:

- Increase of \$1.1 million for Cambridge North stormwater works, due to the timing of development.
- Increase of \$2.7 million for Cambridge growth cells (C1, C2 and C3) to align with timing of development. This also includes additional budget to reflect the increased cost base of these projects.
- Increase of \$6.6 million for Hautapu Industrial Stormwater as this was delayed from 2021/22.

Capital expenditure table

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
To Meet Additional Demand				
Cambridge Deferred Residential Stormwater Works	1,470	-	1,134	1,134
Cambridge Growth Cells (C1, C2 and C3)	35,503	20,730	23,434	2,704
Hautapu Industrial Stormwater	-	-	6,562	6,562
Bond Road Stormwater Culvert	2,275	-	-	-
Kihikihi Stormwater Works	671	638	466	(172)
Total Capital Expenditure to Meet Additional Demand	39,919	21,368	31,596	10,228
To Improve Level of Service				
Consent, Remedial and Flood Mitigation Work	1,724	205	396	191
Total Capital Expenditure to Improve Level of Service	1,724	205	396	191
To Replace Existing Assets				
Renewals	1,116	1,145	2,010	865
Total Capital Expenditure to Replace Existing Assets	1,116	1,145	2,010	865
TOTAL CAPITAL EXPENDITURE	42,759	22,718	34,002	11,284

Funding Impact Statement

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	336	404	358	(46)
Targeted rates	4,138	4,623	4,046	(577)
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	4	4	4	(0)
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	5	-	12	12
Total sources of operating funding (A)	4,483	5,031	4,420	(611)
Applications of operating funding				
Payments to staff and suppliers	1,762	1,995	1,846	(149)
Finance costs	4	15	-	(15)
Internal charges and overheads applied	716	693	822	129
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	2,482	2,703	2,668	(35)
Surplus (deficit) of operating funding (A - B)	2,001	2,328	1,752	(576)
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	8,844	10,768	8,676	(2,092)
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	8,844	10,768	8,676	(2,092)
Applications of capital funding				
Capital expenditure				
- to meet additional demand	39,919	21,368	31,596	10,228
- to improve the level of service	1,724	205	396	191
- to replace existing assets	1,116	1,145	2,010	865
Increase (decrease) in reserves	(31,914)	(9,622)	(23,574)	(13,952)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	10,845	13,096	10,428	(2,668)
Surplus (deficit) of capital funding (C - D)	(2,000)	(2,328)	(1,752)	576
Funding balance ((A - B) + (C - D))	0	(0)	0	0

Wastewater Treatment and Disposal

What we do

We provide a safe, effective, and reliable system for managing wastewater in urban areas to maintain public health and protect land and waterways from contamination.

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

Key projects for 2023/24

- Cambridge growth cells (CBN, C1, C2 and C3) wastewater works
- Pipe upgrades district wide
- Cambridge Wastewater Treatment Plant
- Asset renewals

Key changes from the Long Term Plan 2021-31

There are no significant or material changes from the programme outlined in the Long Term Plan 2021-31. Minor variations from the Long Term Plan 2021-31 are detailed below.

Cambridge Growth Development including Cambridge North, C1, C2, C3

Infrastructure requirements have changed due to the timing of the development in these growth areas.

Cambridge Wastewater Treatment upgrade

There is a requirement for the new treatment plant to be operational by the end of 2026 which has led to money allocated later in the LTP being brought forward to the 2023/24 year.

Pipe and Pump Upgrades

Delay with the scoping and design work, so budget deferred was from 2021/22 to 2023/24.

Operating variances:

Revenue:

- Reduction of \$50,000 in the anticipated level of Trade waste fees and charges.
- Increase of \$38,000 interest revenue allocated to wastewater reserves due to higher interest rates.

Expenditure:

- Payments to staff and suppliers has increased by \$262,000 mainly due to higher electricity costs.
- Increase of \$925,000 in finance costs due to an increase in interest rates.
- Decrease in internal charges and overheads of \$21,000 from the reallocation of internal charges between Stormwater, Water and Wastewater.

Capital expenditure variances:

- Increase of \$1 million for Cambridge growth cells (C1, C2 and C3) wastewater works due to a change in developer timing.
- Increase of \$8 million for the Cambridge Wastewater Treatment Plant due to the timing of the new treatment plant consent. This has been brought forward from future years.
- Increase in the district wide pump station upgrades resulting from a deferral from the 2021/22 year for \$461,000.
- Increase in the district wide pipe upgrades resulting from a deferral from the 2021/22 year for \$2.1 million.

Capital expenditure table

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
To Meet Additional Demand				
Cambridge North Wastewater Provision	-	-	-	-
Cambridge Growth Cells (C1, C2 and C3)	3,457	-	1,000	1,000
Hautapu Industrial Wastewater	2,910	678	301	(377)
Cambridge Wastewater Treatment Plant Consent & Upgrades	4,415	1,380	9,380	8,000
Te Awamutu Wastewater Treatment Plant Upgrade	218	-	-	-
District Wide Wastewater Pump Station Upgrades	52	-	461	461
District Wide Wastewater Pipe Upgrades	3,500	2,836	4,956	2,120
				-
Total Capital Expenditure to Meet Additional Demand	14,552	4,894	16,098	11,204
To Improve Level of Service				
Te Awamutu Growth Provision (T8)	40	-	399	399
District Wide Wastewater Modelling	37	86	86	0
Total Capital Expenditure to Improve Level of Service	77	86	485	399
To Replace Existing Assets				
Plant and Pumps	1,729	2,010	2,360	350
Total Capital Expenditure to Replace Existing Assets	1,729	2,010	2,360	350
TOTAL CAPITAL EXPENDITURE	16,358	6,990	18,943	11,953

Funding Impact Statement

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	664	664	664	-
Targeted rates	11,477	12,571	13,270	699
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	1,347	1,382	1,332	(50)
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	17	-	38	38
Total sources of operating funding (A)	13,505	14,617	15,304	687
Applications of operating funding				
Payments to staff and suppliers	7,162	7,106	7,368	262
Finance costs	371	272	1,197	925
Internal charges and overheads applied	837	1,068	1,047	(21)
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	8,370	8,446	9,612	1,166
Surplus (deficit) of operating funding (A - B)	5,135	6,171	5,692	(479)
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	4,520	5,224	3,485	(1,739)
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	4,520	5,224	3,485	(1,739)
Applications of capital funding				
Capital expenditure				
- to meet additional demand	14,552	4,894	16,098	11,204
- to improve the level of service	77	86	485	399
- to replace existing assets	1,729	2,010	2,360	350
Increase (decrease) in reserves	(6,703)	4,405	(9,766)	(14,171)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	9,655	11,395	9,177	(2,218)
Surplus (deficit) of capital funding (C - D)	(5,135)	(6,171)	(5,692)	479
Funding balance ((A - B) + (C - D))	(0)	0	0	0

Water Treatment and Supply

What we do

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

Council provides reticulated water supplies to Cambridge, Te Awamutu, Kihikihi, Pirongia, Ōhaupō, Pukerimu and Karāpiro and operate seven water treatments plants. Council is responsible for maintaining water supply assets worth \$198 million including 573km of water pipes plus pump stations, reservoirs, and treatment plants.

Key projects for 2023/24

- Alpha Street Water Treatment Plant
- Te Awamutu CBD rising main
- Cambridge and Te Awamutu Fire and Water LOS upgrades
- Fairview Road water main
- District-wide water main and reservoir renewals

Key changes from the Long Term Plan 2021-31

There are no significant or material changes from the programme outlined in the Long Term Plan 2021-31. Minor variations from the Long Term Plan 2021-31 are detailed below.

Hautapu and Pukerimu water supply

Deferral of the Cambridge to Hautapu pipeline and Pukerimu water supply but the Alpha Street upgrade has been brought forward.

Level of Service upgrades

Timing and cost of Fire and Water LOS upgrades and renewals.

Operating variances

Revenue:

- Increase of \$78,000 interest revenue allocated to water reserves due to higher interest rates.
- Increase in the metered water charges, which is a targeted rate, to cover the higher finance costs allocated to the activity.

Expenditure:

- Increase of \$1.1 million in finance costs due to an increase in interest rates.
- Decrease in internal charges and overheads of \$122,000 from the reallocation of internal charges between Stormwater, Water and Wastewater.

Capital expenditure variances:

- Delays in development have led to the part delay in the Cambridge to Hautapu pipeline, cost of \$1.8 million has been shifted out to future years.
- An upgrade of Alpha Street water treatment plant, \$2.6 million has been brought forward from future years to ensure growth capacity is secured for the Cambridge community.
- Pukerimu water supply \$1.4 million has been delayed. The feasibility study is budgeted for 2023/24.
- Increase of \$2.4 million for district wide watermain renewals due to the timing of the project.
- Decrease of \$1 million for Reservoir Renewal as it was brought forward for use in the 2022/23 year.

Capital expenditure table

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
To Meet Additional Demand				
Dedicated Main Leamington to Hautapu	230	-	16	16
Cambridge North to Hautapu Pipeline	2,158	2,525	685	(1,840)
Hautapu East Water Development (C10)		-	-	-
Cambridge Growth Cells (C1, C2, C3, C4 and C7)	786	-	393	393
Karapiro Water Treatment Plant Upgrade	-	-	-	-
Alpha Street Water Treatment Plant Upgrade	-	298	2,900	2,602
Te Awamutu Internal CBD Rising Main	1,082	2,219	2,844	625
Te Awamutu Growth Cells	177	-	-	-
Pukerimu Water Supply	83	1,833	416	(1,417)
Total Capital Expenditure to Meet Additional Demand	4,516	6,875	7,254	379
To Improve Level of Service				
Parallel Road Water Treatment Plant Upgrade	1,200	-	240	240
Te Awamutu Fire/LOS Service Upgrades	359	-	47	47
Karapiro Rising Main	-	-	26	26
Te Awamutu Active Reticulation Control	-	-	-	-
District Wide Water Modelling	422	57	157	100
Cambridge Fire & Water LOS Upgrades	1,805	1,069	1,085	16
District Wide Zone Identification	248	177	-	(177)
Fairview Rd Water Main	500	1,027	1,581	554
Total Capital Expenditure to Improve Level of Service	4,534	2,330	3,136	806
To Replace Existing Assets				
District Wide Water Main Renewals	4,727	4,341	6,727	2,386
Reservoir Renewals	632	1,512	512	(1,000)
Plant and Pumps	887	644	644	-
Water Connections	349	358	506	148
Total Capital Expenditure to Replace Existing Assets	6,595	6,855	8,389	1,534
TOTAL CAPITAL EXPENDITURE	15,645	16,060	18,779	2,719

Funding Impact Statement

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	560	530	560	30
Targeted rates	12,555	13,010	13,694	684
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	570	585	602	17
Internal charges and overheads recovered				-
Local authorities fuel tax, fines, infringement fees, and other receipts	25	-	78	78
Total sources of operating funding (A)	13,710	14,125	14,934	809
Applications of operating funding				
Payments to staff and suppliers	7,244	7,159	7,181	22
Finance costs	407	373	1,469	1,096
Internal charges and overheads applied	814	1,157	1,035	(122)
Other operating funding applications	5	5	5	-
Total applications of operating funding (B)	8,470	8,694	9,690	996
Surplus (deficit) of operating funding (A - B)	5,240	5,431	5,244	(187)
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	3,521	3,623	2,888	(735)
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	3,521	3,623	2,888	(735)
Applications of capital funding				
Capital expenditure				
- to meet additional demand	4,516	6,875	7,254	379
- to improve the level of service	4,534	2,330	3,136	807
- to replace existing assets	6,595	6,855	8,389	1,534
Increase (decrease) in reserves	(6,884)	(7,006)	(10,647)	(3,641)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	8,761	9,054	8,132	(922)
Surplus (deficit) of capital funding (C - D)	(5,240)	(5,431)	(5,244)	187
Funding balance ((A - B) + (C - D))	(0)	0	0	0

Support Services

What we do

This group provides a range of specialist skills and services to support the organisation to efficiently deliver services.

Support Services includes:

- Customer support
- Financial management
- Human resources
- Information services
- Legal and corporate support
- Business improvement

Key projects for 2023/24

- Renewal and upgrade of plant, i.e. vehicles and tractors
- Digital Roadmap implementation

Key changes from the Long Term Plan 2021-31

There are no significant or material changes from the programme outlined in the Long Term Plan 2021-31. Minor variations from the Long Term Plan 2021-31 relate to Plant and Vehicle Replacements.

Operating variances

Revenue:

- \$269,000 revenue from Department of Internal Affairs for Affordable Waters Reform.
- Support activities are allocated via the internal charges and overheads to the other Group of Activities, the value is higher due to the increases in expenditure as noted below.

Expenditure:

- Payments to staff and suppliers include the following:
 - Increase of employee related expenses of \$2.2 million. This includes annual inflationary increases (aligned with market movement) for staffing resources. It also includes costs resulting from an Executive team structure review undertaken in 2021/22 and other position changes, offset by \$346,000 funding through capital projects.
 - Temporary Staff Office Accommodation \$140,000.
 - Higher Electricity and vehicle costs \$189,000.
 - Insurance expenses \$178,000.
 - Offset by deferred maintenance \$165,500 reallocated to capital projects.
- Increase in finance costs of \$443,000 from increase in loans and interest rates.

Capital expenditure variances:

- Increase of \$274,000 for upgrades to Bank Street building.

- Increase in Plant and Vehicle renewals \$1.5 million, transferring from the 2022/23 year to the 2023/24 year in part due to delays in the availability of supply of vehicles.

Capital expenditure table

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
To Improve Level of Service				
Buildings	1,365	761	1,035	274
Computer Software Upgrades	1,287	1,907	1,907	-
Total to Improve Level of Service	2,652	2,668	2,942	274
To Replace Existing Assets				
Buildings	96	-	94	94
Plant	1,888	406	1,906	1,500
Computer Hardware Renewals	77	79	79	-
Total to Replace Existing Assets	2,061	485	2,079	1,594
TOTAL CAPITAL EXPENDITURE	4,713	3,153	5,021	1,868

Funding Impact Statement

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	352	310	144	(166)
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	269	269
Fees and charges	65	66	57	(9)
Internal charges and overheads recovered	16,343	17,115	22,719	5,604
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total sources of operating funding (A)	16,760	17,491	23,189	5,698
Applications of operating funding				
Payments to staff and suppliers	15,733	15,954	21,222	5,268
Finance costs	198	115	558	443
Internal charges and overheads applied	-	-	-	-
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	15,931	16,069	21,780	5,711
Surplus (deficit) of operating funding (A - B)	829	1,422	1,409	(13)
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	937	232	232	0
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	937	232	232	0
Applications of capital funding				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	2,652	2,668	2,941	273
- to replace existing assets	2,061	485	2,078	1,593
Increase (decrease) in reserves	(2,947)	(1,499)	(3,378)	(1,879)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	1,766	1,654	1,641	(13)
Surplus (deficit) of capital funding (C - D)	(829)	(1,422)	(1,409)	13
Funding balance ((A - B) + (C - D))	0	0	0	(0)

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 (FRS42). FRS42 sets the principles and specifies minimum disclosures for the preparation and presentation of general purpose prospective financial information. The purpose of this financial information is to enable the public to participate in the decision making process as to the services that Council will provide over the financial year 2023/24, 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 2023/24 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.

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

Use of prior year surpluses

Due to the higher costs Council is facing for the 2023/24 year, Council is using \$1,537,000 of prior years' surplus to offset the impact of rate increases. The use of cash surplus of \$740,000 was indicated in the LTP.

Operating projects have been transferred from the 2022/23 year into the 2023/24 year due to timing delays. These projects are funded from cash surplus from the 2022/23 year to the value of \$443,000.

Prospective statement of comprehensive revenue and expense for the year ending 30 June 2024

	2022/23 Budget \$000	2023/24 LTP YR 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
OPERATING INCOME				
Rates	77,074	83,808	83,796	(12)
Fees & charges	24,089	14,003	16,521	2,518
Reserve contributions	2,152	2,254	2,708	454
Development contributions	23,388	27,510	27,216	(294)
Gain on revaluation of investment properties & forestry	450	450	450	-
Vested assets	12,126	12,464	12,464	-
Discovered assets	-	-	-	-
Dividends	20	20	20	-
Finance income	15	15	15	-
Subsidies and Grants	16,928	12,310	11,842	(468)
Other revenue	454	2,699	18,244	15,545
Gain on swap derivative	-	-	-	-
Total Operating Income	156,696	155,533	173,276	17,743
OPERATING EXPENDITURE				
Employee benefit expenses	32,147	30,206	34,834	4,628
Depreciation & amortisation	31,848	34,545	32,437	(2,108)
Other expenses	44,610	45,118	46,962	1,844
Finance costs	2,892	3,895	10,876	6,981
Total Operating Expenditure	111,497	113,764	125,109	11,345
OPERATING SURPLUS	45,199	41,769	48,167	6,398
Other Comprehensive Income recognised directly in Equity				
Property Plant and Equipment				
Revaluation gains/(losses) taken to equity	81,490	29,945	-	(29,945)
Cash flow hedges	1,292	-	-	-
Total Other Comprehensive Income for the year	82,782	29,945	-	(29,945)
Total Comprehensive Income for the year	127,981	71,714	48,167	(23,547)

Rates income should reflect only rates collectable from external parties. The Long Term Plan figure also included rates charged on Waipā District Council owned properties. The budget figures correctly reflect just the rates income from external parties.

Any operating surpluses generally come from non-cash items; we budget for a general funds cash break-even position.

Prospective statement of changes in equity for the year ending 30 June 2024

	2022/23 Budget \$000	2023/24 LTP YR 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Balance at 1 July	1,863,165	2,007,038	2,068,414	61,376
Total comprehensive income previously reported	127,981	71,714	48,167	(23,547)
	1,991,146	2,078,752	2,116,581	37,829
EQUITY				
Retained Earnings	605,987	687,418	725,191	37,773
Other reserves	1,385,159	1,391,334	1,391,390	56
Total Equity	1,991,146	2,078,752	2,116,581	37,829

Prospective statement of financial position as of 30 June 2024

	2022/23 Budget \$000	2023/24 LTP YR 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
ASSETS				
Current Assets				
Cash and cash equivalents	2,615	3,037	5,330	2,293
Trade and other receivables	790	1,958	6,776	4,818
Investment in CCO's	-	-	-	-
Non current assets held for sale	-	-	85	85
Total Current Assets	3,405	4,995	12,191	7,196
Non Current Assets				
Trade and other receivables	13	14	11	(3)
Property plant and equipment	2,217,267	2,356,955	2,346,230	(10,725)
Intangible Assets	2,913	5,881	3,957	(1,924)
Forestry Assets	3,075	2,677	3,428	751
Investments in CCO's	25,323	18,786	37,420	18,634
Investment Properties	19,823	17,256	35,846	18,590
Total Non Current Assets	2,268,414	2,401,569	2,426,892	25,323
Total Assets	2,271,819	2,406,564	2,439,083	32,519
LIABILITIES				
Current Liabilities				
Trade and other payables	12,470	16,617	12,096	(4,521)
Provisions	162	452	128	(324)
Employee benefit liabilities	2,032	1,744	2,751	1,007
Borrowings	37,000	42,000	28,600	(13,400)
Deferred Revenue	-	-	-	-
Derivative financial instruments	-	-	174	174
Total Current Liabilities	51,664	60,813	43,749	(17,064)
Non Current Liabilities				
Trade and other payables	250	-	-	-
Provisions	759	699	553	(146)
Borrowings	228,000	266,300	278,200	11,900
Total Non Current Liabilities	229,009	266,999	278,753	11,754
Total Liabilities	280,673	327,812	322,502	(5,310)
EQUITY				
Retained Earnings	605,987	687,418	725,191	37,773
Other reserves	1,385,159	1,391,334	1,391,390	56
Total Equity	1,991,146	2,078,752	2,116,581	37,829

Prospective statement of cash flow for the year ending 30 June 2024

	2022/23 Budget \$000	2023/24 LTP YR 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Cash Flows from Operating Activities				
Receipts from rates revenue	77,074	83,808	83,796	(12)
Interest received	15	15	15	-
Dividends received	20	20	20	-
Receipts from other revenue	59,902	56,531	58,130	1,599
Payments to suppliers and employees	(77,794)	(75,324)	(81,470)	(6,146)
Interest Paid	(2,892)	(3,895)	(10,876)	(6,981)
Goods and services tax (net)	-	-	-	-
Net Cash Flow from Operating Activities	56,325	61,155	49,615	(11,540)
Cash Flows from Investing Activities				
Proceeds from sale of property, plant and equipment	10,348	2,245	17,832	15,587
Proceeds from sale of investment property	-	-	-	-
Purchase of intangible assets	-	(1,906)	-	1,906
Purchase of property, plant and equipment	(172,988)	(89,173)	(140,226)	(51,053)
Purchase & Development of investment property	-	-	-	-
Investment in Associates	-	-	-	-
Net Cash Flow from Investing Activities	(162,640)	(88,834)	(122,394)	(33,560)
Cash Flows from Financing Activities				
Proceeds from borrowings	105,000	27,400	70,800	43,400
Repayment of borrowings				
Net Cash Flow from Financing Activities	105,000	27,400	70,800	43,400
Net (decrease)/increase in cash and cash equivalents	(1,315)	(279)	(1,979)	(1,700)
Cash and cash equivalents at the beginning of the year	3,930	3,316	7,309	3,993
Cash & cash equivalents at the end of the year	2,615	3,037	5,330	2,293

Statement of borrowing for the year ending 30 June 2024

	2022/23 Budget \$000	2023/24 LTP YR 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Movements in Borrowings				
Opening Balance	160,000	280,900	236,000	(44,900)
Net Loans Raised/(Repaid)	105,000	27,400	70,800	43,400
Closing Balance	265,000	308,300	306,800	(1,500)
Current Portion of External Debt	37,000	42,000	28,600	(13,400)
Term Portion of External Debt	228,000	266,300	278,200	11,900
	265,000	308,300	306,800	(1,500)

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

Operating expenditure variations to Long Term Plan

	2023/24 LTP \$000	2023/24 Annual Plan \$000	2023/24 Variance \$000
Governance	9,843	10,610	767
Increases from additional Honorium for Elected Members, restructure for Communication and Engagement and increase in overheads and interest expense.			
Planning and Regulatory	4,416	5,702	1,286
Costs related to the increased number of resource and building consents received due to growth, along with higher interest expenses. Increased costs for Plan Changes for Papakainga & the Housing Supply Act			
Community Services and Facilities	20,143	10,730	(9,413)
Timing Adjustments for Asset Sales, higher rental revenue and funding from the Better off Funding, offset by higher depreciation, interest expense and increase in overhead expenditure			
Roads and Footpaths	15,032	13,297	(1,735)
Higher revenue for Subsidised projects due to timing, plus funding from the Better Off Funding. Lower depreciation has contributed to the lower net costs			
Stormwater	5,593	4,970	(623)
Decrease in depreciation expenditure from timing of capitalisation of Stormwater assets, offset by higher interest expense.			
Water Treatment and Supply	991	1,149	158
Increase interest expenses offset by higher metered water revenue.			
Wastewater Treatment and Disposal	13,644	14,708	1,064
Higher interest expense from increasing interest rates			
Support Services	18,793	21,038	2,245
Executive Team structure review and higher inflation impacting on expenses such as Salaries, insurance, interest and depreciation.			
	88,455	82,202	(6,253)

Capital expenditure programme

	2022/23	2023/24	2023/24	2023/24
	Budget	LTP YR 3	Budget	Variance
	\$000	\$000	\$000	\$000
Projects				
Governance	-	-	-	-
Planning and Regulatory	616	-	500	500
Community Services and Facilities	34,169	23,884	23,225	(659)
Roads and Footpaths	65,987	25,158	46,565	21,407
Stormwater	45,674	25,708	36,992	11,284
Water Treatment and Supply	18,470	18,959	21,679	2,720
Wastewater Treatment and Disposal	18,234	8,915	20,869	11,954
Support Services	4,712	3,153	5,020	1,867
TOTAL CAPITAL EXPENDITURE	187,862	105,777	154,850	49,073

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

Council reserve funds, movements and balances

	2021/22 Forecast \$000	2022/23 Transfer to Reserve \$000	2022/23 Transfer From Reserve \$000	2022/23 Closing Balance \$000
<i>Council created reserves consist of:</i>				
Property Reserves				
Asset Sales Cambridge	-	-	-	-
Asset Sales Te Awamutu	235	4,018	(757)	3,496
Asset Sales General	-	13,587	(960)	12,628
Endowment Land Cambridge	-	-	-	-
Endowment Land Pirongia	3	0	-	4
Endowment Land Te Awamutu	124	2	-	126
Endowment Land Waipa District	14	0	-	14
Forestry Reserve	-	-	-	-
Pensioner Housing Reserve	1,771	500	(2,271)	0
Reserve Contributions & Development Contributions				
District Wide Stormwater	405	32,267	(31,213)	1,459
District Wide Waste Water	3,406	10,792	(8,923)	5,276
District Wide Water Treatment and Supply	3,035	2,947	(2,370)	3,613
District Wide Rooding	1,675	27,230	(23,909)	4,995
District Wide Reserve Developments	994	2,052	(187)	2,858
District Wide Land Purchase	24	1,419	(1,419)	24
Karapiro Reserve Development	28	64	(63)	28
Te Awamutu Library/Museum	93	2	-	95
Special Funds				
Cemetery Paterangi	5	0	-	5
Project Funding Reserve	5,059	247	(785)	4,520
Reources Funding Reserve	1,167	15	(731)	451
General Insurance Reserve	364	7	-	371
Infrastructure Insurance Reserve	576	10	-	586
Te Awamutu 110kv Compensation Reserve	342	6	-	348
Pavement Levies	113	2	-	115
Road Asset Technical Accord (RATA)	15	0	-	15
Waste Minimisation	581	1,103	(651)	1,033
Separate Balances				
Rooding Reserve	5,037	70,687	(70,672)	5,052
Stormwater Reserve	1,190	40,888	(41,762)	315
Water Supply Reserve	4,315	37,266	(37,633)	3,948
Waste Water Reserve	3,905	36,963	(37,326)	3,542
Depreciation Reserve - Long Term Assets	3,305	1,849	(1,134)	4,020
Depreciation Reserve - Medium Term Assets	592	4,101	(3,973)	720
Asset Revaluation Reserves				
Asset revaluation reserves consist of:				
Operational assets				
Land	240,541	-	-	240,541
Buildings	36,222	-	-	36,222
Intangible	1,240	-	-	1,240
Investments	23,700	450	-	24,150
Infrastructural Assets				
Sewerage System	78,579	-	-	78,579
Water System	85,790	-	-	85,790
Drainage network	74,685	-	-	74,685
Rooding network	790,526	-	-	790,526
Total	1,369,655	288,474	(266,739)	1,391,390

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 Te Awamutu	Proceeds from Te Awamutu 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 Waipā 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	Properties
Pensioner Housing & Own Your Own Housing	Proceeds from pensioner housing and own your own housing revenue to fund the operating and capital expenditure within its own portfolio	Properties
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

Reserve	Purpose	Activity
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
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
Te Awamutu Library/Museum	Proceeds from development contributions to fund growth related expenditure for Te Awamutu Library/Museum	District Libraries / Museums
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
Resources Funding Reserve	Available to help fund increases in future salary market movements.	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
Infrastructure Insurance Reserve	Provision to pay additional contributions that may occur and to help cover the insurance deductible if a major event happens in the Waipā District	Stormwater / Wastewater Treatment & Disposal / Water Treatment & Supply
Te Awamutu 100kv Compensation Reserve	Proceeds from the granting of easement rights for the Waipā Networks 110kv line, held in reserve for appropriate future utilisation with due regard to the source of these funds.	Properties
Pavement Levies	Levies collected from land use consents for future pavement rehabilitation	Roads & Footpaths
Road Asset Technical Accord (RATA)	Funds held in reserve for future works	Roads & Footpaths
Waste minimisation	Net funds from waste minimisation levy held for use on waste minimisation activities	Waste Minimisation
Separate Balances		
Roding Reserve	Funds held in reserve for capital works expenditure	Roads & Footpaths

Reserve	Purpose	Activity
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
Asset Revaluation Reserves		
Operational		
Land	Noncash reserve to record appreciation values arising from asset revaluations	Community Services & Facilities
Buildings	Noncash 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

Financial Disclosure Statements

Annual Plan disclosure statement for year ending 30 June 2024.

What is the purpose of this statement?

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

The Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the **regulations**). Refer to the regulations for more information, including definitions of some of the terms used in this statement (via <https://www.legislation.govt.nz/>).

Benchmark		Planned	Met
Rates affordability benchmark:			
▪ Income	Rate levels will be limited to a maximum of 65% of total revenue.	48%	Yes
▪ Increases	Annual increases for existing ratepayers will be limited to no more than the forecast Local Government Cost Index for the year plus 2%	6.0%	Yes
Debt affordability benchmark	Quantified limit is set at 250% of total revenue forecasted	177%	Yes
Balanced budget benchmark	100%	104%	Yes
Essential services benchmark	100%	486%	Yes
Debt servicing benchmark	15%	8.3%	Yes

Notes:

1 Rates affordability benchmark

(a) For this benchmark:

- (i) The Council's planned rates income for the year is compared with a quantified limit on rates contained in the financial strategy included in the council's Long Term Plan; and
- (ii) The Council's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the council's Long Term Plan.

(b) The Council meets the rates affordability benchmark if:

- (i) Its planned rates income for the year equals or is less than each quantified limit on rates; and
- (ii) Its planned rates increases for the year equal or are less than each quantified limit on rates increases.

2 Debt affordability benchmark

(a) For this benchmark, the Council's planned borrowing is compared with a quantified limit on borrowing contained in the financial strategy included in the Council's LTP.

- (b) The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

3 Balanced budget benchmark

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

4 Essential services benchmark

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

5 Debt servicing benchmark

- (a) For this benchmark, the Council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).
- (b) Because Statistics New Zealand projects that the Council's population will grow faster than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 15% of its planned revenue.

Statement of accounting policies

Reporting entity

Waipā District Council is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The group consists of the ultimate parent, Waipā District Council, and the Waipā Community Facilities Trust. Council is not presenting group forecast financial statements as the parent statements are considered to be more relevant to users. The main purpose of these statements is to provide users with information about the core services that Council intends to provide ratepayers, the expected cost of those services and the consequent requirement for rate funding.

The primary objective of Council and group is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, Council has designated itself and the group as public benefit entities (PBEs) for financial reporting purposes.

Basis of preparation

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

The financial statements of the Council and group have been prepared in accordance with the requirements of the LGA and the local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements have been prepared in accordance with Tier 1 PBE accounting standards.

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.

Summary of significant accounting policies

Goods and services taxation (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

Income tax

The Council is tax exempt for income tax purposes.

Budget figures

The budget figures have been prepared in accordance with the 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 significant activity using the cost allocation system outlined below.

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

Revenue

Revenue may be derived from either exchange or non-exchange transactions.

Exchange transactions

Exchange transactions are transactions where Council receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another entity in exchange.

Specific accounting policies for major categories of exchange revenue transactions are listed below.

Interest and dividends

Interest income is recognised using the effective interest method.

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

Housing for the Elderly revenue

Rental revenue arising from tenancy agreements is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of revenue and expenditure due to its operating nature.

Other gains and losses

Other gains and losses include fair value gains and losses on financial instruments at fair value through surplus or deficit, unrealised fair value gains and losses on the revaluation of investment properties and realised gains and losses on the sale of Property, Plant and Equipment (PPE) held at cost.

Sales of goods

Revenue from the sale of goods is recognised when a product is sold to the customer.

Non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, Council either receives value from or gives value to another entity without directly giving

or receiving approximately equal value in exchange, or where the value given or received is not able to be accurately measured.

An inflow of resources from a non-exchange transaction, whether this be an asset or revenue, is only recognised if a liability is not also recognised for that particular asset or revenue.

A liability is only recognised to the extent that the present obligations have not been satisfied. A liability in respect of a transferred asset is recognised only when the transferred asset is subject to a condition, such as a condition for the asset to be consumed as specified and/or that future economic benefits or service potential must be returned to the owner.

Specific accounting policies for major categories of non-exchange revenue transactions are listed below.

Rates revenue

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter) and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an actual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rates remissions are recognised as a reduction in rates revenue when the Council has received an application that satisfies its rates remission policy.

Development contributions

Development and financial contributions are recognised as revenue when Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as Council provides or is able to provide the service.

New Zealand Transport Agency roading subsidies

Council receives funding assistance from the Waka Kotahi NZ Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Other grants received

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Direct charges

Rendering of services at a price that is not approximately equal to the value of the service provided by the Council or Group is considered a non-exchange transaction. This includes rendering of services where the price does not allow the Council to fully recover the cost of providing the service (such as resource consents, building consents, water connections, dog licencing, etc.), and where the shortfall is subsidised by income from other activities, such as rates. Generally, there are no conditions attached to such revenue.

Revenue from such services is recognised when the Council or Group issues the invoice or bill for the service. Revenue is recognised at the amount of the invoice or bill, which is the fair value of the cash received or receivable for the service. Revenue is recognised by reference to the stage of completion of the service to the extent that the Council or Group has an obligation to refund the cash received from the service (or to the extent that the customer has the right to withhold payment from the Council or Group for the service) if the service is not completed.

Building and resource consent revenue

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

Entrance fees

Entrance fees are fees charged to users of the Council's local facilities, such as the pools. Revenue from entrance fees is recognised upon entry to such facilities.

Infringement fees and fines

Infringement fees and fines mostly relate to animal infringements and parking infringements and are recognised when the revenue is received. The fair value of this revenue is determined based on the probability of collecting fines, which is estimated by considering the collection history of fines over the preceding 2-year period.

Vested or donated physical assets

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.

The fair value of vested assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is either based on construction price information provided by the property developer or values as per the last revaluation.

For long-lived assets that must be used for a specific purpose (e.g., land must be used as a recreation reserve), Council immediately recognises the fair value of the asset as revenue. A liability is only recognised if Council expects that it will need to return or pass the asset to another party.

Council is required by the New Zealand Local Government Funding Agency Limited (LGFA) Guarantee and Indemnity Deed to disclose in its financial statements (or notes) its annual rates income. That Deed defines annual rates income as an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received by Council from other local authorities for services provided by that Council for which those other Local Authorities rate.

Personnel costs

Employer contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Other expenses

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.

Finance costs

In accordance with PBE IPSAS 5 Borrowing Costs, all borrowing costs are recognised as an expense in the period in which they are incurred.

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 Revenue and Expense as a grant.

A provision between the face value and present value of expected future cash flows of the loan is recognised in the Statement of Comprehensive Revenue and Expense 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.

Other financial assets

Council classifies its investments in the following categories:

- Financial assets at fair value through surplus or deficit;
- Loans and receivables;
- Held-to-maturity investments; and
- Financial assets at fair value through other comprehensive revenue and expense.

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 Revenue and Expense.

Financial assets at fair value through surplus or deficit

This category has two sub-categories: financial assets held for trading, and those designated at fair value through surplus or deficit. 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 their fair values with gains or losses on re-measurement recognised in the surplus or deficit. 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. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit. 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. Gains or losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Financial assets at fair value through other comprehensive revenue and expense

Financial assets at fair value through other comprehensive revenue and expense 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 revenue and expense, 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 revenue and expense 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.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

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, furniture 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 through a non-exchange transaction, it is recognised at its 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 Revenue and Expense. 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.

The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

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:

Table 1: Useful lives and associated depreciation rates of major classes of assets

	Components	Years
Water Treatment	Structures	25 – 80
	Plant	10 – 100
	Pipes	60
Water Reticulation	Pipes	30 – 100
	Fittings	10 – 100
Sewage Treatment	Structures	25 – 100
	Plant	10 – 100
	Pipes	60
Sewerage Reticulation	Pipes	50 – 100
	Fittings	25 – 100
	Manholes	80
Stormwater	Structures	15 – 80
	Pipes	50 – 100
	Manholes	50 – 80
Formation/carriageway and shoulder		Infinite
Pavement structure		12 – 150
Pavement surface (seal)		6 – 65
Catchpits and culverts		50 – 75
Bridges		50 – 115
Kerb and channel		50 – 75
Lighting		20 – 35
Footpaths		15 – 70
Signs		10 – 35
Railings		20 – 35

	Components	Years
Islands		35 – Infinite
Traffic Signals		15 – 50
Buildings – not componentised		0 – 100
Building – structure		35 – 100
Building – fit-out		20 – 40
Building – services		30 – 45
Plant/motor vehicles		15 – 25
Furniture, fittings and equipment		3 – 75
Computer equipment		3 – 10
Intangibles		0 – 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 two-yearly cycle on the basis described below, with the exception of Operational Land and Buildings, which is valued every three years. All other asset classes are carried at depreciated historical cost.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

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 (DRC) 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 Revenue and Expense. Any subsequent increase in revaluation that offsets a previous decrease in value recognised in the Statement of Comprehensive Revenue and Expense will be recognised first in the Statement of Comprehensive Revenue and Expense up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Impairment of property, plant and equipment and intangible assets

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.

Value in use for non-cash-generating assets

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

Impairment of revalued assets

In April 2017 the XRB issued *Impairment of Revalued Assets*, which now scopes in revalued property, plant and equipment into the impairment accounting standards. Previously, only property, plant and equipment assets measured at cost were scoped into the impairment accounting standards.

Council has early adopted this amendment in preparing its 30 June 2017 financial statements. Council is required to assess at each reporting date whether there is any indication that an asset may be impaired. If any indication exists, Council is required to assess the recoverable amount of that asset and recognise an impairment loss if the recoverable amount is less than the carrying amount. Council can therefore impair a revalued asset without having to revalue the entire class of an asset to which the asset belongs.

Intangible assets

Software acquisition and development

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. Staff training costs are recognised in the surplus or deficit when incurred. Costs associated with development and maintenance of the Council's website 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 Revenue and Expense. The useful lives and associated amortisation rates of computer software have been estimated at 3-10 years (33% - 10%).

Impairment of 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 life are reviewed for indicators of impairment and tested annually for impairments each balance date.

Emissions trading scheme

Gains and losses on disposal are determined by comparing the disposal proceeds with the carrying amount of the New Zealand Units (NZU). Gains and losses on disposals are reported in the surplus or deficit. If at the end of any financial year there has been some deforestation (such as harvesting) that is yet to be replanted, a contingent liability will be disclosed until such time as replanting has occurred. After initial recognition, Emission Trading Scheme credits are measured at their fair values with gains or losses on re-measurement recognised in the surplus or deficit. NZUs are not amortised and have an indefinite life.

Forestry assets

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 Revenue and Expense. The costs to maintain the forestry assets are included in the Statement of Comprehensive Revenue and Expense.

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 Revenue and Expense.

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 and is included in "finance costs".

Employee benefit liabilities

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.

Borrowings

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

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.

Derivative 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 Revenue and Expense. 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 Revenue and Expense, 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 Revenue and Expense.

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

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

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 Revenue and Expense.

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 Revenue and Expense.

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. 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.

Revaluation reserves

This reserve relates to the revaluation of property, plant, and equipment to fair value.

Cash flow hedge reserves

This reserve comprises the effective portion of the cumulative net change in the fair value of derivatives designated as cash flows hedges.

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:

- Estimating the landfill 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.

- Estimating the fair value of land, buildings, and infrastructural assets – there are a number of assumptions and estimates used when performing Depreciated Replacement Cost valuations over land, buildings and infrastructural assets. These include:
 - The physical deterioration and condition of an asset, for example 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.
- 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 Council could be over or underestimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Revenue and Expense. To minimise this risk 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 Council’s asset management planning activities, which gives Council further assurance over its useful life estimates.
- Experienced independent valuers perform Council’s land, buildings and infrastructural asset revaluations.
- Land is valued as vacant and incorporates the influences of size, contour, quality, location, zoning, designation and current and potential usage.
- Assumption of an open market “willing buyer willing seller” scenario. This is effectively the price an informed purchaser would have to pay to acquire a similar property.
- Where there is a designation held against the land, adjustments have been made to reflect that designation.
- All buildings have been valued on either a fair market basis or depreciated replacement cost approach.
- Where the fair value of an asset can be determined by reference to the price in an active market for the same asset or a similar asset, the fair value of the asset is determined using this information. Where fair value of the asset is not able to be reliably determined using market-based evidence, depreciated replacement cost is considered to be the most appropriate basis for determination of the fair value.
- The highest and best use of the property is considered when formulating which approach to undertake the building valuation. Where market-based evidence exists, structures have been valued on a market basis in relation to market-based net rates per square metre.

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 2021](#) that sets out our policies in respect of each source of funding for operating and capital expenses.

In relation to the New Zealand Financial Reporting Standard No 42, the financial year 2023/24 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.

Note: Section 23 of the Local Government (Rating) Act 2002 (LGRA) requires rates to be set in accordance with the Funding Impact Statement and the relevant provisions of the Long Term Plan 2021-2031 (LTP) for that financial year. The LTP contains the Revenue and Financing Policy which specifies certain proportions of costs for various activities to be funded by general rate, targeted rates, and fees and charges.

Consolidated funding impact statement

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	40,862	45,977	43,490	(2,487)
Targeted rates	36,212	37,831	40,306	2,475
Subsidies and grants for operating purposes	3,567	3,278	3,425	146
Fees and charges	14,687	14,001	16,521	2,520
Interest and dividends from investments	35	35	35	-
Local authorities fuel tax, fines, infringement fees, and other receipts	412	412	412	-
Total sources of operating funding (A)	95,775	101,534	104,189	2,655
Applications of operating funding				
Payments to staff and suppliers	72,662	70,999	78,124	7,125
Finance costs	2,892	3,895	10,876	6,981
Other operating funding applications	1,762	2,097	1,515	(583)
Total applications of operating funding (B)	77,316	76,991	90,515	13,523
Surplus (deficit) of operating funding (A - B)	18,459	24,543	13,675	(10,868)
Sources of capital funding				
Subsidies and grants for capital expenditure	12,419	9,031	8,417	(614)
Development and financial contributions	25,540	29,764	29,924	160
Increase (decrease) in debt	105,000	27,400	70,800	43,400
Gross proceeds from sale of assets	10,348	2,245	17,832	15,587
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	153,307	68,440	126,973	58,533
Applications of capital funding				
Capital expenditure				
- to meet additional demand	118,267	42,127	83,667	41,540
- to improve the level of service	32,971	31,255	30,661	(595)
- to replace existing assets	24,499	19,932	28,062	8,130
Increase (decrease) in reserves	(3,971)	(331)	(1,741)	(1,410)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	171,766	92,983	140,648	47,665
Surplus (deficit) of capital funding (C - D)	(18,459)	(24,543)	(13,675)	10,868
Funding balance ((A - B) + (C - D))	-	-	-	-

Reconciliation between the funding impact statement and statement of comprehensive revenue and expense

The funding impact statement is prepared in compliance with the requirements of clause 20, of schedule 10 of the Local Government Act 2002. Unlike the statement of comprehensive revenue and expense, the funding impact statement is not required to comply with generally accepted accounting standards (GAAP). The funding impact statement is intended to show in a transparent manner, how all sources of funding received by us are applied. It does not include “non-cash” that is classified as income on the statement of comprehensive revenue and expense (as required by GAAP) such as assets that are vested to us through the subdivision process, or unrealised gains on assets. The statement of comprehensive revenue and expense also requires “non-cash” expenses such as depreciation, amortisation and unrealised losses of assets to be reflected, whereas these are excluded from the funding impact statement. The reconciliation below identifies the differences between these two statements.

	2022/23 Budget \$000	2023/24 LTP Yr 3 \$000	2023/24 Budget \$000	2023/24 Variance \$000
Total prospective revenue and expense wholly attributable to District Council	127,981	71,714	48,167	(23,547)
Surplus (deficit) of operating funding per prospective whole of Council funding impact statement	18,459	24,543	13,675	(10,869)
Difference	109,522	47,171	34,492	(12,678)
The difference is due to:				
Capital income	48,391	41,049	56,174	15,125
Vested assets	12,126	12,464	12,464	-
Revaluation of assets	83,232	30,395	450	(29,945)
Gain (loss) on sale/disposal of assets	(2,379)	(2,192)	(2,159)	33
Depreciation and amortisation	(31,848)	(34,545)	(32,437)	2,108
Total explained difference	109,522	47,171	34,492	(12,679)

Rates Information

The projected number of rating units within the district at 30 June 2023 is 23,763.

The projected total capital value of rating units within the district at 30 June 2023 is \$34,029,181,395.

The projected total land value of rating units within the district at 30 June 2023 is \$19,838,689,000.

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

District-wide funding

The funding of district wide activities will be from a combination of general rates and uniform annual general charge (UAGC). This combination of general rates and UAGC 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, heritage, cemeteries, public toilets, property, rural halls, town halls, community buildings, civil defence, litter bins, recycling, roading, stormwater, water supply and sewerage.

Definition of a separately used or inhabited part of a rating unit (SUIP)

A separately used or inhabited part of a rating unit means:

- a) Any part of a rating unit that is separately used, or occupied, or capable of being separately used or occupied by the ratepayer; and
- b) Any part of a rating unit that is separately used or occupied or is capable of being separately used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, license, or other agreement.

This is on the basis that where a rating unit is configured for the purpose of separate habitation or use, even if it is not currently occupied, this constitutes a separate use of the rating unit by the owner. Examples include:

- Each separate shop or business activity on a rating unit;
- Each occupied or intended to be occupied dwelling, flat or additional rentable unit.

For the purpose of Recycling rates, Community Hall rates and Community Centre rates, "SUIPs" means only those SUIPs, as defined above, used principally for residential purposes.

General rate

A general rate is set under section 13 of the Local Government (Rating) Act 2002 based on the capital value of each rating unit in the district with no differential being set. The rate for 2023/24 is 0.0999 cents in the dollar on the capital value of each rating unit.

The general rate will fund 65.4 percent of the district wide funding.

Amount to be raised: \$33,995,115 inclusive of GST.

Uniform annual general charge (UAGC)

A uniform annual general charge is set under section 15 of the Local Government (Rating) Act 2002 at \$700.00 inclusive of GST per separately used or inhabited part of a rating unit.

The uniform annual general charge will fund a portion of the district wide funding.

Amount to be raised: \$17,957,100 inclusive of GST.

Targeted rates

Targeted rates are set under sections 16 and 19 of the Local Government (Rating) Act 2002 for the activities listed below. Council will not invite lump sum contributions in respect of any of these targeted rates.

Targeted area rate

A targeted area rate is set on each rating unit in the district. The targeted area rate will be a fixed amount per rating unit. This rate will be set on a differential basis based on location of the rating unit, being the areas of Te Awamutu, Kakepuku, Cambridge, Maungatautari and Pirongia.

Rate for the 2023/24 year is shown in the following table:

Area	\$ Rate (GST inclusive)	\$ Raising
Cambridge	401.21	3,648,617
Kakepuku	221.73	295,790
Maungatautari	321.75	493,560
Pirongia	194.59	658,887
Te Awamutu	299.15	2,108,106

The targeted area rate will fund the public community/group benefit element of activities.

The activities funded from the targeted area rate include community boards, community grants, libraries, Swimming Pools, District Museum, Cambridge Town Hall (Cambridge area only) community properties (Cambridge and Te Awamutu Areas), passenger transport, Cambridge Refuse Centre grant, and National Cycling Centre of Excellence.

Amount to be raised: \$7,204,961 inclusive of GST.

Cambridge community sports hall

A targeted rate is set to fund the loan charges for the grant made for the development of the sports hall located at the Cambridge High School. The rate is set on land in the Cambridge and Maungatautari areas only.

The targeted rate is a fixed amount of \$13.52 inclusive of GST per rating unit.

Amount to be raised: \$143,827 inclusive of GST.

Urban Town Halls

A targeted rate is set to fund the maintenance costs for the Pirongia Memorial Hall and the Kihikihi Town Hall and part of the maintenance costs of the Cambridge Town Hall. The rate is set on land in the Cambridge and Te Awamutu areas, and in the Pirongia township being roll number 4,605.

The targeted rate is a fixed amount of \$8.22 inclusive of GST per rating unit.

Amount to be raised: \$136,682 inclusive of GST.

Capital works

A targeted rate is set to fund capital costs in connection with improvements and extensions to footpaths, kerbing and channelling of roads and street lighting as follows. The rate is set on land in the Cambridge and Te Awamutu areas only.

The capital works rate is based on the capital value of the rating unit. The capital works rate is set on a differential basis based on location of the rating unit, with the categories being the areas of Te Awamutu and Cambridge. The rates in cents per dollar of capital value are shown in the following table:

Area	Rate in cents per dollar (GST inclusive)	\$ Raising
Cambridge	0.0007	89,342
Te Awamutu	0.0008	51,402

Amount to be raised: \$140,744 inclusive of GST.

Stormwater

A targeted rate is set to fund the operating costs and loan charges for stormwater. 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 of the rating unit, the categories being urban and rural. Urban is defined as being the urban drainage areas of Cambridge, Te Awamutu, Kihikihi, Ohaupo, Pirongia and Karāpiro, as shown on Drainage Maps on www.waipadc.govt.nz. Rural is defined as the remaining area of the district not defined as urban. The rates for 2023/24 in cents per dollar of capital value are shown in the following table:

	Rate in cents per dollar (GST inclusive)	\$ Raising
Urban	0.0247	3,958,806
Rural	0.0040	694,254

Amount to be raised: \$4,653,059 inclusive of GST.

Sewerage rates

A targeted rate is set 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. For connected rating units, the rate is calculated based on the number of pans and urinals at the rating unit, with the charge being the same dollar rate based on the total number of pans. For example, if the rating unit has 17 pans, all pans will be calculated at \$555.59 per pan.

For serviceable rating units, the rate is an amount per rating unit.

The rates for the 2023/24 year are:

	\$ Rate per pan or urinal (GST inclusive)	\$ Raising
Connected (3 or less pans)	910.80	12,919,232
Connected (4 to 10 pans)	774.19	959,209
Connected (11-15 pans)	637.56	296,465
Connected (16-20 pans)	555.59	131,118
Connected (21-35 pans)	500.94	255,479
Connected (36-45 pans)	437.19	55,085
Connected (46 or more pans)	409.86	522,981
	\$ Rate per rating unit (GST inclusive)	\$ Raising
Serviceable	455.40	121,136

A rating unit used primarily as a residence for one household will be treated as having no more than one pan or urinal. Rating units that are neither connected to the scheme nor serviceable are not liable for this rate.

Amount to be raised: \$15,260,707 inclusive of GST.

Water rates

Serviceable connections

A targeted rate is set to fund water supply costs and loan charges to serviceable rating units.

The targeted rate is set for serviceable rating units and is a fixed amount per separately used or inhabited part of a rating unit. Serviceable means within 100 metres of a supply pipe and capable of being effectively connected but not so connected. The rate for the 2023/24 year is:

	\$ Rate per Suip (GST inclusive)	\$ Raising
Serviceable	139.32	26,053

Rating units that are not serviceable are not liable for this rate.

Amount to be raised: \$26,053 inclusive of GST.

Metered Connections

Targeted rates are set for the supply of water and to fund loan charges to rating units with metered connections:

- a) An amount per separately used or inhabited part of a rating unit; and
- b) A charge based on the amount (in cubic metres) of water supplied.

In both cases the rate is set for all metered rating units other than rating units subject to a separate water supply contract. The amount of the consumption-based component of the rate depends on the service provided, namely potable or raw water supply. The rates for the 2023/24 year are:

	\$ Rate per SUIP (Incl GST)	Consumption \$ Rate (GST incl)
Potable Water	150.65	1.8141 per m ³
Raw Water	150.65	0.4535 per m ³

Amount to be raised: \$15,716,112 inclusive of GST.

Arohena rural water supply area

A targeted rate is set to fund the Arohena rural water supply loan costs for Waipā ratepayers within the Arohena rural water supply area (administered by the Ōtorohanga District Council).

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 2023/24 in cents per dollar of capital value is 0.0069 inclusive of GST.

Amount to be raised: \$5,635 inclusive of GST.

Recycling rate

A targeted rate is set to fund the provision of a kerbside refuse recycling service to each household in the district.

The targeted rate is a fixed amount of \$125.00 inclusive of GST per separately used or inhabited part of a rating unit (SUIP).

Amount to be raised: \$2,893,198 inclusive of GST.

Community hall rates

Council has a number of community halls which have a targeted rate set for each hall. The targeted rates are to fund part of the costs of the relevant community hall.

These rates are a fixed amount per separately used or inhabited part of a rating unit (SUIP), and will be charged to every rating unit within the relevant community hall areas on which there is at least one residential household.

The plans showing the boundaries of the various community hall areas can be found at www.waipadc.govt.nz.

The following table shows the details for the various community hall targeted rates:

	\$ Rate per Suip (GST inclusive)	\$ Raising
Fencourt Hall	16.00	7,038
Hautapu Hall	20.40	11,731
Horahora Hall	26.95	4,150
Karapiro Hall	26.75	10,165
Koromatua Hall	46.00	13,938
Maungatautari Hall	37.25	6,854
Monavale	30.00	6,631
Ngahinapouri Hall	30.00	11,552
Ohaupo Hall	13.30	6,305
Parawera Hall	18.60	2,399
Paterangi Hall	28.55	5,967
Pukeatua Hall	21.30	4,175
Rangioawhia Hall	14.25	1,895
Rukuhia Hall	26.10	8,509
Te Miro Hall	27.90	5,468
Te Rore Hall	13.80	690
Whitehall Hall	30.00	3,301

Community Centres Rates

Council has a number of community centres which have a targeted rate set for each community centre. The targeted rates are to fund part of the costs of the relevant community centre.

These rates are a fixed amount per separately used or inhabited part of a rating unit SUIP and will be charged to every rating unit within the relevant community centre area on which there is at least one residential household.

The plans showing the boundaries of the various community centres areas can be found at www.waipadc.govt.nz.

The following table shows the details for the various community centres targeted rates:

	\$ Rate per Suip (GST inclusive)	\$ Raising
Kaipaki	39.70	12,664
Ohaupo	38.80	39,654
Pirongia	17.35	16,833

Early payment of rates

Sections 55 and 56 of the Local Government (Rating) Act 2002 empower us to accept early payment of rates. Council accepts 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 (other than rates for metered water supply) are payable by four equal instalments with the due dates and penalty dates as set out in the table below:

Instalment	Due Date	Penalty Added
Instalment 1	21 August 2023	28 August 2023
Instalment 2	21 November 2023	28 November 2023
Instalment 3	21 February 2024	28 February 2024
Instalment 4	21 May 2024	28 May 2024

Water Rates payable by instalment

Invoices for the supply of water via metered connections are payable in four instalments. The location where the water is supplied within the District will determine the month of meter reading, invoice date, due date and the penalty date. The due dates and penalty dates are per the following table.

Location	Invoiced during month of	Due date	Penalty added
Te Awamutu/Pirongia	July	31 August 2023	7 September 2023
	October	30 November 2023	7 December 2023
	January	1 March 2024	8 March 2024
	April	31 May 2024	7 June 2024
Kihikihi	July	31 August 2023	7 September 2023
	October	30 November 2023	7 December 2023
	January	1 March 2024	8 March 2024
	April	31 May 2024	7 June 2024
Cambridge	August	2 October 2023	9 October 2023
	November	8 January 2024	15 January 2024
	February	2 April 2024	9 April 2024
	May	27 June 2024	5 July 2024
Pukerimu/Ohaupo	September	31 October 2023	7 November 2023
	December	30 January 2024	7 February 2024
	March	30 April 2024	7 May 2024
	June	31 July 2024	7 August 2024

Penalties on rates not paid by the due date

Sections 57 and 58 of the Local Government (Rating) Act 2002 enables penalties to be imposed. A penalty of 10 percent will be added to all instalments or part thereof remaining unpaid on the relevant date in the "Penalty Added" column of the table above under the heading "Rates payable by instalment". This penalty does not apply to invoices for metered water supply.

An additional penalty of 10 percent will be added to any rates assessed in any previous year that are still unpaid on 7th July 2023. The penalty will be added on 10th July 2023.

A further additional penalty of 10 percent will be added to rates from the previous years that are still unpaid after 8th January 2024. The penalty will be added on 9th January 2024.

Penalties on metered water supply not paid by the due date

Sections 57 and 58 of the Local Government Rating Act 2002 enables penalties to be imposed. A penalty of 10 percent will be added to all instalments or part thereof remaining unpaid on the relevant date in the "Penalty Added" column of the table above under the heading "Water Rates payable by instalment".

Rates breakdown – Indicator Properties

A rates calculator is provided on Council's website which enables the proposed rates changes to be seen on individual properties.

The indicator properties are shown GST INCLUSIVE and include an estimate for metered water where applicable.

Cambridge Ward (Residential) Rating Valuation,	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
	\$645,000		\$1,000,000		\$2,330,000	
	\$	\$	\$	\$	\$	\$
Fixed Targeted Rates	1,271	1,451	1,271	1,451	1,271	1,451
Estimate for Metered Water	290	310	230	247	533	570
UAGC	751	700	751	700	751	700
Capital Value Rates	741	816	1,180	1,261	2,747	2,928
Total Rates	3,053	3,277	3,431	3,659	5,301	5,649
\$ incr per week		4.32		4.37		6.67
Percentage Increase		7.4%		6.6%		6.5%
Property Valuation increase		46.6%		42.9%		42.9%

Rural Residential Cambridge Rating Valuation,	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
	\$860,000		\$1,380,000		\$2,840,000	
	\$	\$	\$	\$	\$	\$
Fixed Targeted Rates	336	415	336	415	481	560
UAGC	751	700	751	700	751	700
Capital Value Rates	742	908	1,177	1,452	2,381	2,979
Total Rates	1,829	2,023	2,264	2,567	3,612	4,239
\$ incr per week		3.72		5.82		12.05
Percentage Increase		10.6%		13.4%		17.4%
Property Valuation increase		55.9%		57.7%		60.5%

Commercial / Industrial Cambridge Rating Valuation,	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
	\$550,000		\$1,350,000		\$3,450,000	
	\$	\$	\$	\$	\$	\$
Fixed Targeted Rates	1,147	1,326	1,147	1,326	5,160	5,834
Estimate for Metered Water	467	501	363	388	473	506
UAGC	751	700	751	700	751	700
Capital Value Rates	590	697	1,651	1,700	3,926	4,331
Total Rates	2,955	3,224	3,912	4,114	10,310	11,371
\$ incr per week		5.18		3.88		20.40
Percentage Increase		9.1%		5.2%		10.3%
Property Valuation increase		57.1%		37.8%		48.1%

Te Awamutu Ward (Residential) Rating Valuation,	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
	\$690,000		\$800,000		\$1,330,000	
	\$	\$	\$	\$	\$	\$
Fixed Targeted Rates	1,208	1,335	1,208	1,335	1,208	1,335
Estimate for Metered Water	504	539	257	276	351	376
UAGC	751	700	751	700	751	700
Capital Value Rates	760	873	945	1,011	1,688	1,676
Total Rates	3,222	3,447	3,161	3,322	3,997	4,087
\$ incr per week		4.33		3.09		1.71
Percentage Increase		7.0%		5.1%		2.2%
Property Valuation increase		53.3%		42.9%		33.0%

Rural Residential Te Awamutu Rating Valuation,	2022/23 \$837,000 \$	2023/24 \$	2022/23 \$1,330,000 \$	2023/24 \$	2022/23 \$2,290,000 \$	2023/24 \$
Fixed Targeted Rates	273	299	405	424	397	424
UAGC	751	700	751	700	751	700
Capital Value Rates	768	885	1,198	1,401	2,325	2,678
Total Rates	1,792	1,884	2,354	2,525	3,473	3,802
\$ incr per week		1.76		3.28		6.33
Percentage Increase		5.1%		7.2%		9.5%
Property Valuation increase		46.8%		48.6%		47.8%

Commercial / Industrial Te Awamutu Rating Valuation,	2022/23 \$405,000 \$	2023/24 \$	2022/23 \$1,400,000 \$	2023/24 \$	2022/23 \$3,960,000 \$	2023/24 \$
Fixed Targeted Rates	1,084	1,210	1,894	2,121	4,408	4,944
Estimate for Metered Water	443	474	325	348	602	644
UAGC	751	700	751	700	2,253	2,100
Capital Value Rates	439	516	1,553	1,764	4,355	4,974
Total Rates	2,716	2,900	4,524	4,933	11,618	12,662
\$ incr per week		3.53		7.87		20.08
Percentage Increase		6.8%		9.0%		9.0%
Property Valuation increase		55.8%		52.2%		53.5%

Pirongia Ward - Rural Rating Valuation,	2022/23 \$1,080,000 \$	2023/24 \$	2022/23 \$3,450,000 \$	2023/24 \$	2022/23 \$7,360,000 \$	2023/24 \$
Fixed Targeted Rates	322	346	420	445	700	726
UAGC	751	700	1,502	1,400	2,253	2,100
Capital Value Rates	897	1,122	3,856	3,585	7,231	7,647
Total Rates	1,970	2,168	5,778	5,430	10,183	10,473
\$ incr per week		3.81		-6.71		5.57
Percentage Increase		10.1%		-6.0%		2.8%
Property Valuation increase		61.2%		19.8%		36.3%

Pirongia Village Rating Valuation,	2022/23 \$750,000 \$	2023/24 \$	2022/23 \$980,000 \$	2023/24 \$	2022/23 \$1,220,000 \$	2023/24 \$
Fixed Targeted Rates	319	337	319	337	319	337
Estimate for Metered Water	349	374	317	339	337	361
UAGC	751	700	751	700	751	700
Capital Value Rates	873	943	1,159	1,229	1,394	1,528
Total Rates	2,292	2,354	2,545	2,605	2,800	2,926
\$ incr per week		1.18		1.16		2.42
Percentage Increase		2.7%		2.4%		4.5%
Property Valuation increase		44.2%		42.0%		47.0%

Ohaupo Village Rating Valuation,	2022/23 \$700,000 \$	2023/24 \$	2022/23 \$950,000 \$	2023/24 \$	2022/23 \$1,410,000 \$	2023/24 \$
Fixed Targeted Rates	348	372	348	372	348	372
Estimate for Metered Water	485	519	689	737	368	394
UAGC	751	700	751	700	751	700
Capital Value Rates	683	872	844	1,184	1,461	1,757
Total Rates	2,267	2,463	2,631	2,993	2,927	3,223
\$ incr per week		3.78		6.94		5.68
Percentage Increase		8.7%		13.7%		10.1%
Property Valuation increase		37.3%		50.8%		62.1%

Ngahinapouri Village Rating Valuation,	2022/23 \$740,000 \$	2023/24 \$	2022/23 \$1,030,000 \$	2023/24 \$	2022/23 \$2,310,000 \$	2023/24 \$
Fixed Targeted Rates	326	350	326	350	172	195
UAGC	751	700	751	700	751	700
Capital Value Rates	683	769	977	1,070	2,102	2,400
Total Rates	1,759	1,819	2,054	2,120	3,025	3,295
\$ incr per week		1.14		1.27		5.19
Percentage Increase		3.4%		3.2%		8.9%
Property Valuation increase		45.1%		41.1%		47.1%

Kakepuku Ward Rating Valuation,	2022/23 \$1,690,000 \$	2023/24 \$	2022/23 \$5,500,000 \$	2023/24 \$	2022/23 \$8,860,000 \$	2023/24 \$
Fixed Targeted Rates	319	347	319	347	443	472
UAGC	751	700	751	700	1,502	1,400
Capital Value Rates	1,875	1,756	6,200	5,766	8,837	9,206
Total Rates	2,945	2,803	7,270	6,813	10,783	11,078
\$ incr per week		-2.74		-8.79		5.66
Percentage Increase		-4.8%		-6.3%		2.7%
Property Valuation increase		20.7%		19.9%		34.2%

Maungatautari Ward Rating Valuation,	2022/23 \$1,303,000 \$	2023/24 \$	2022/23 \$3,520,000 \$	2023/24 \$	2022/23 \$7,430,000 \$	2023/24 \$
Fixed Targeted Rates	512	585	425	498	544	617
UAGC	1,502	1,400	751	700	1,502	1,400
Capital Value Rates	1,374	1,354	3,481	3,657	7,123	7,720
Total Rates	3,388	3,339	4,658	4,855	9,170	9,737
\$ incr per week		-0.94		3.79		10.91
Percentage Increase		-1.4%		4.2%		6.2%
Property Valuation increase		27.0%		35.4%		39.7%



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