

ANNUAL PLAN  
2014 - 2015

LONG TERM PLAN  
YEAR THREE

# NAVIGATING THE FUTURE



# From the Mayor and Chief Executive

**This document is the review of the third year of our 2012-2022 Long Term Plan – Navigating the Future. Whilst the Long Term Plan provides a long-term perspective, this Annual Plan contains the detail of what's planned for the 2014/2015 financial year. Please read in conjunction with our 2012-2022 Long Term Plan.**

Most of what we are setting out to do is simply the progression of the many projects and plans we asked you about in 2012 and started or continued to implement throughout 2013. This is in keeping with our approach of maintaining what we have and ensuring we do not have any significant departures from the Long Term Plan and our financial strategy.

It was encouraging to see so many of you at our public meetings in April. Interest in this process was also reflected in the number of submissions we received (755) and the number of submitters (54) who presented to the Council at the hearings. Thank you to all who participated in this decision-making process.

A key outcome is that the general rate increase for the coming year remains at 1.89% and we are still funding some of those community projects you have identified as a priority.

There are some changes to the 2014/2015 work programme and we have also highlighted future legislative changes that have an impact on what we do and which we need to prepare for in the upcoming 2015-2025 Long Term Plan.

As always we are encouraged by the increasing quality of submissions to the draft plan. Your involvement in this process has been an essential part of our decision-making and planning for the 2014/2015 financial year. We look forward to working for you in the coming year.

  
Allan Sanson  
Mayor

  
Gavin Ion  
Chief Executive



See the Key decisions influencing our Annual Plan



Financial pathway



Our work programme – the major projects and activities planned, our targets, how we'll measure them and their associated budgets (what we do)

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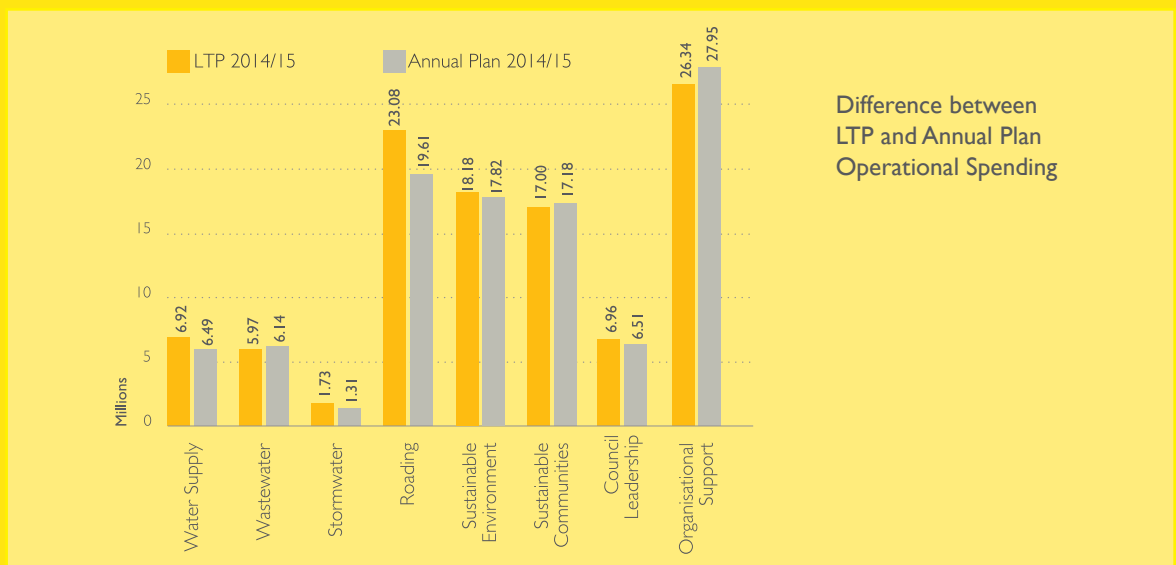
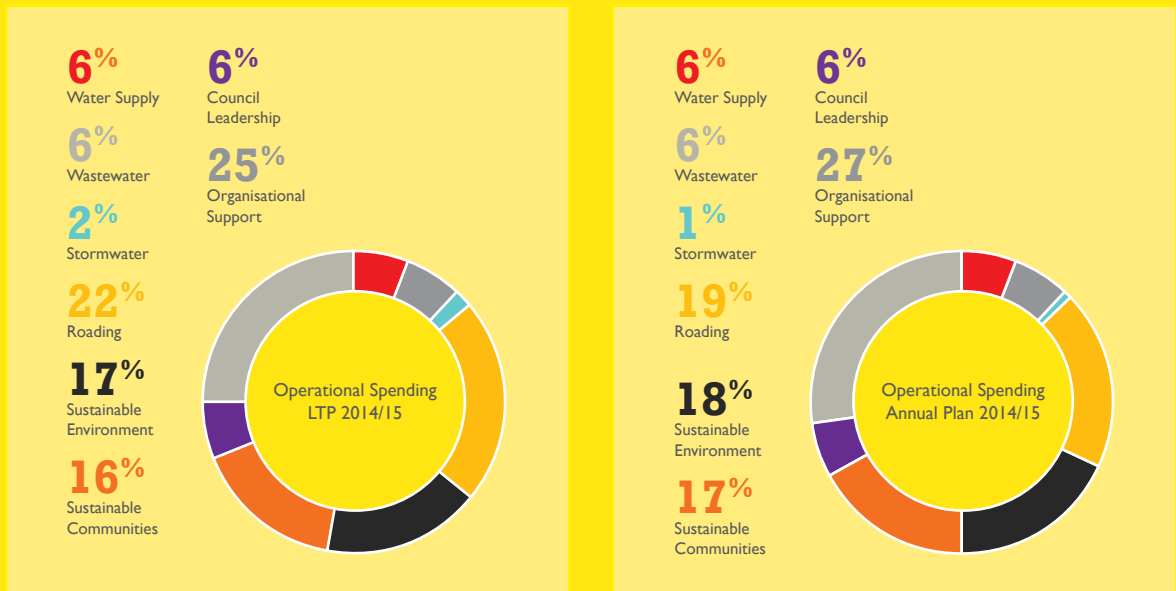
# At a glance

## WHAT'S CHANGED?

There are some significant changes to the 2014/2015 work programme, but the **level of service** to you, the ratepayer, will not change.

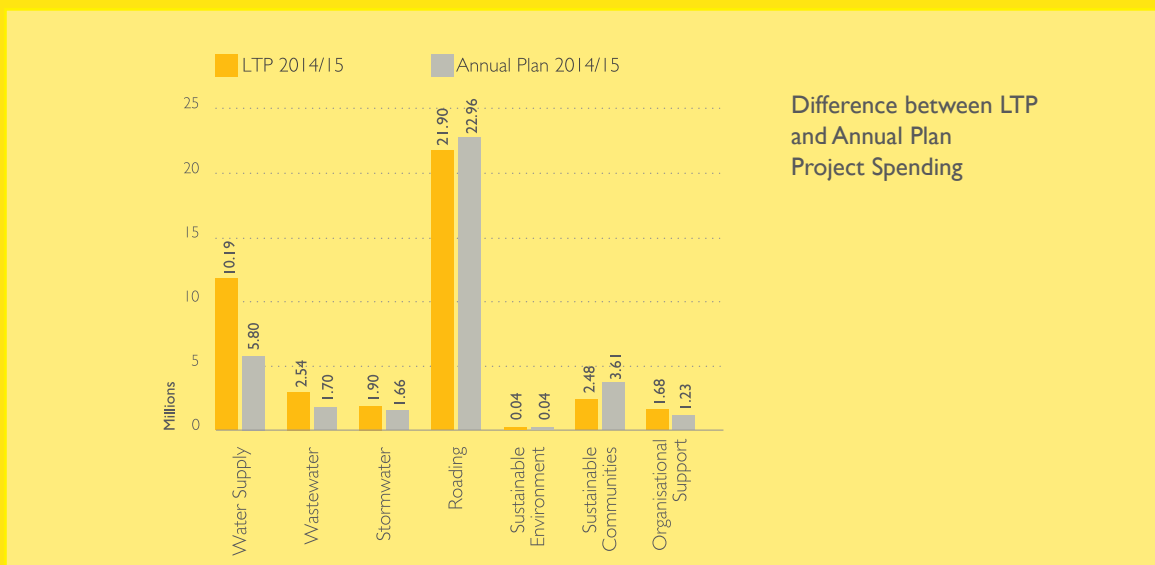
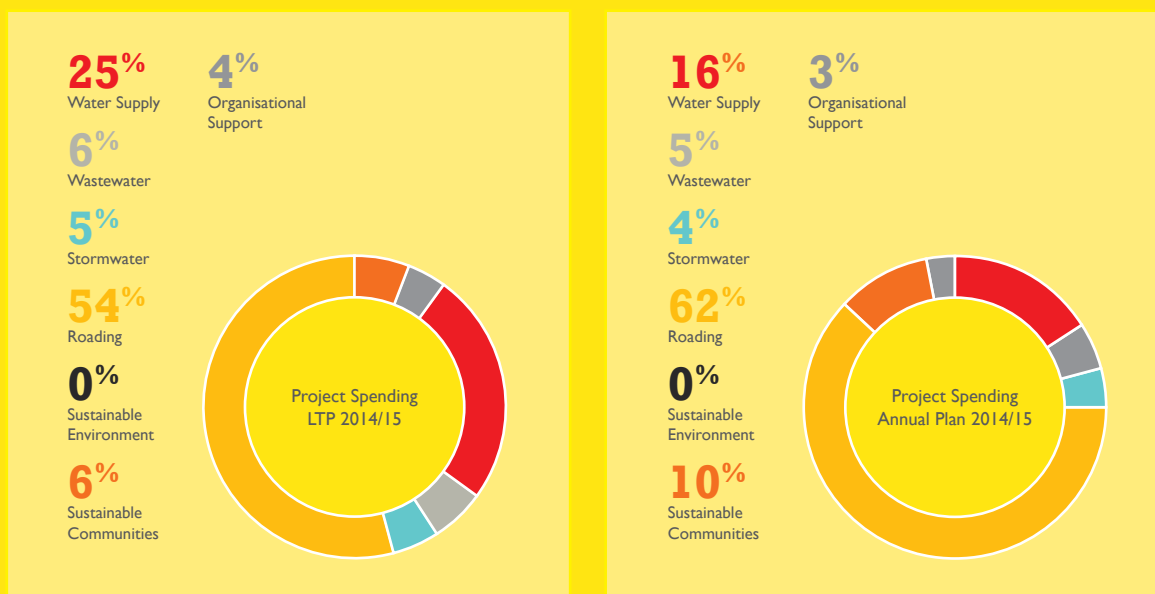
The graphs below provide a summary of the operational budgets that were set in our 2012-2022 LTP and the changes to the budget for 2014/2015:

## OPERATIONAL BUDGET



The graphs below provide a summary of the project budgets that were set in our 2012-2022 LTP and the changes to the budget for 2014/2015:

### PROJECT BUDGET



## PROJECTS FOR THE COMING YEAR

### INFRASTRUCTURE PROJECTS

Listed below are the projects we have said we will undertake in the 2014/2015 financial year and that we programmed in our 2012-2022 Long Term Plan:

#### Hopuhopu

- Design for a replacement reservoir **\$22,000**

#### Ngaruawahia

- Wastewater pump station upgrade **\$63,000**

#### Pokeno

- A culvert upgrade **\$309,000**
- A new road into the Pokeno Industrial Park – part of the Pokeno Structure Plan **\$440,000**
- Land purchase for parks and reserves **\$33,000**
- Helenslee Road work being undertaken in conjunction with residential development – part of the Pokeno Structure Plan **\$933,000**

#### Raglan

- Additional walkways in Wainui Reserve **\$23,000**
- Wastewater pump station upgrade **\$39,000**

#### Tamahere

- Continued construction (second phase) of the Link Road - total project cost is **\$3,200,000** over the

2013/2014 and 2014/2015 financial years. Budget for the 2014/2015 year is **\$380,000**

- Stormwater reticulation works to support the Tamahere Structure Plan **\$121,000**

#### Tuakau

- Reticulation extensions **\$142,000**

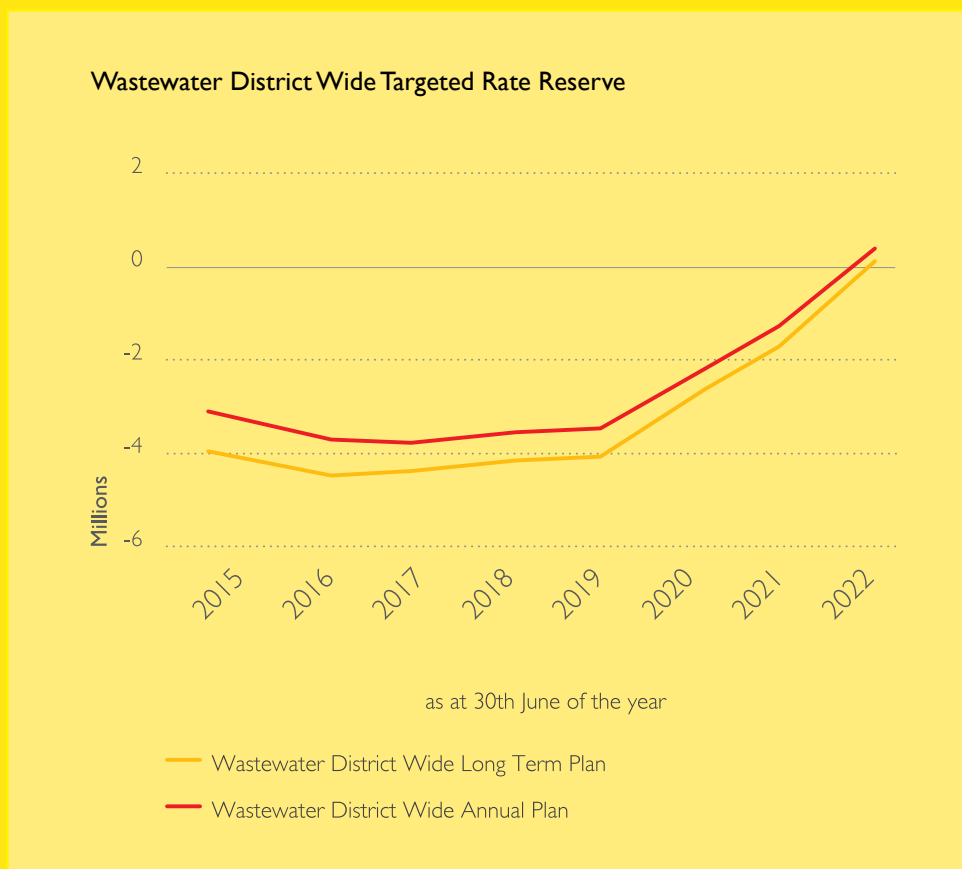
#### Targeted rates

Targeted rates enable the Council to identify specific properties that it considers receive the greatest benefit from, or create the greatest need for, the Council's various activities. Targeted rates may be either a rate based on a property's value, or a set dollar amount per annum.

A number of projects which were signalled in our 2012-2022 LTP have commenced. These now require funding from the communities receiving the benefit of the service.

During the 2011 rates review, the Council decided that wastewater and water services should be paid for in full by the users. This has not always been the case, which has meant that there was a shortfall in the amount the Council received to pay for the costs of running the services. This underfunding has put these reserves, or accounts, in the red and over the next ten years we have committed to get these reserves back in the black.

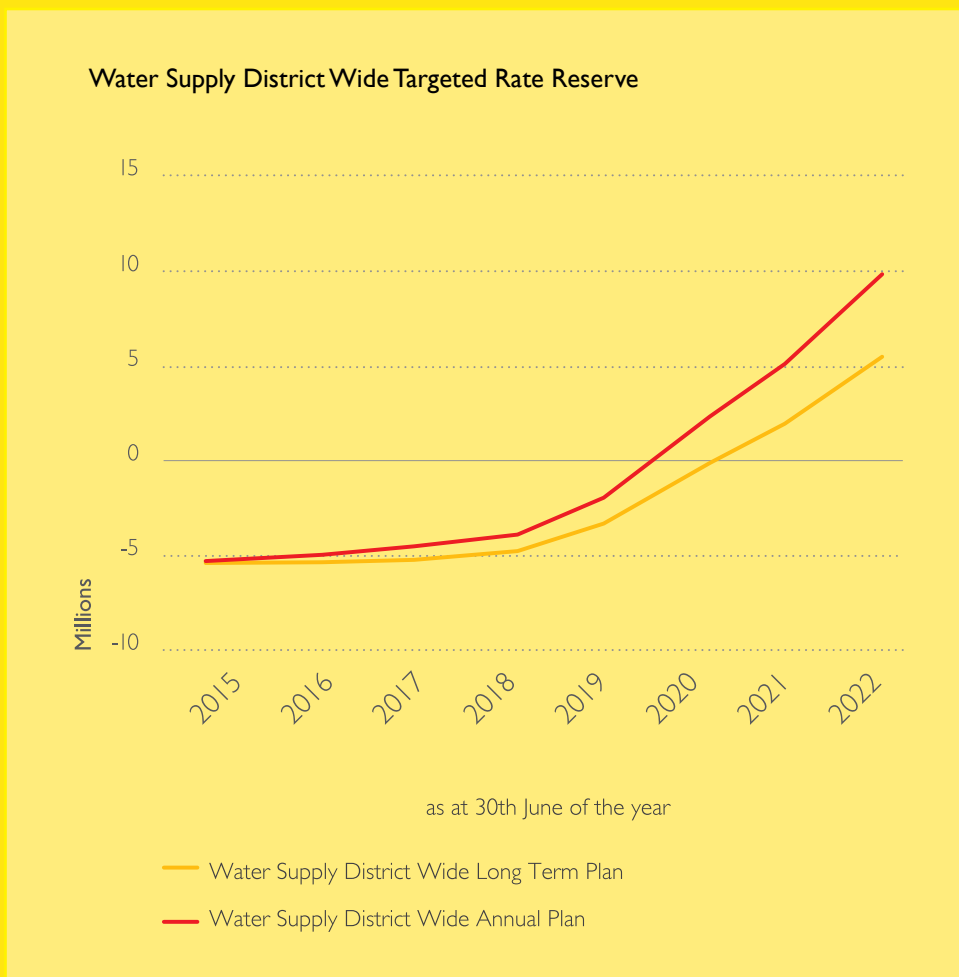
## Wastewater



The graphs above and over the page show the estimated reserve balances for the LTP compared to the revised estimates for the 2014/2015 Annual Plan. For both reserves the revised estimates show a more positive picture than predicted through the LTP.

The Wastewater District Wide Targeted Rate Reserve includes all the wastewater schemes except for Tuakau. For the 2014/2015 draft annual plan the reserve starts with an estimated deficit of \$3,125,570 and enters into credit in 2021. This means that the increase to the wastewater targeted rate for the 2014/2015 financial year will be 10 per cent.

## Water Supply



The Water Supply District Wide Targeted Rate Reserve excludes the southern district, western district and northern district schemes. For the 2014/2015 Annual Plan the reserve starts with an estimated deficit of \$5,107,209 and comes back into credit in 2020. This means that the increase to the water supply targeted rate for the 2014/2015 financial year will also be 10 per cent.



# Key decisions

We asked you to provide the Mayor and Councillors with feedback on proposed changes to the third year of our 2012-2022 Long Term Plan (LTP). And what a great response we got. We received a total of 755 submissions, with 54 submitters wishing to present at the 2014/2015 draft Annual Plan hearings. We also received letters from pupils in Room 7 and 8 at Waipa Primary School, Ngaruawahia.

The Mayor and Councillors would like to take this opportunity to thank you for getting involved and being part of this decision-making process.

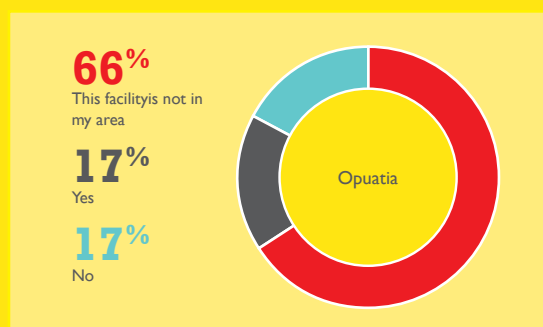
## YOUR RESPONSES

The graphs below show how you responded to the key proposals set out in the summary document. Further detail is provided as to how your responses have guided our decision making.

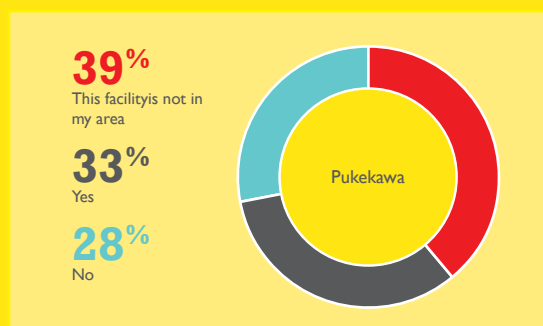
### HALL TARGETED RATES

We received 562 responses from submitters on the proposed increases to the hall targeted rates.

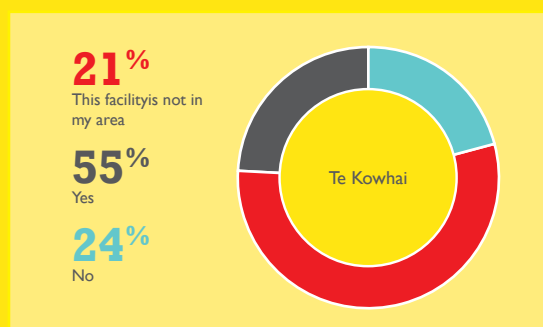
**Opuatia:** increase from \$23 to \$32.



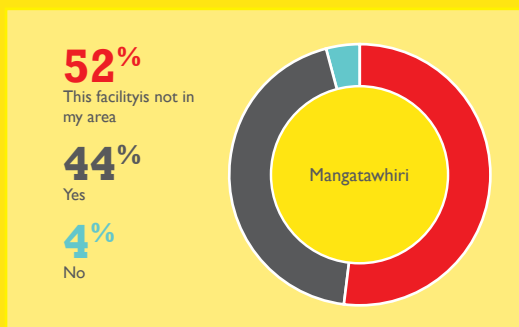
**Pukekawa:** increase from \$23 to \$40.



**Te Kowhai:** increase from \$45 to \$50.

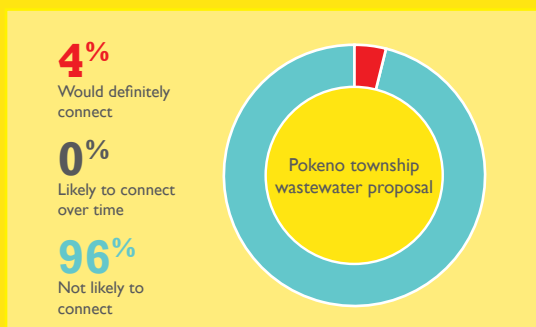


Mangatawhiri: increase from \$57.50 to \$58.50.



These Hall targeted rates will increase.

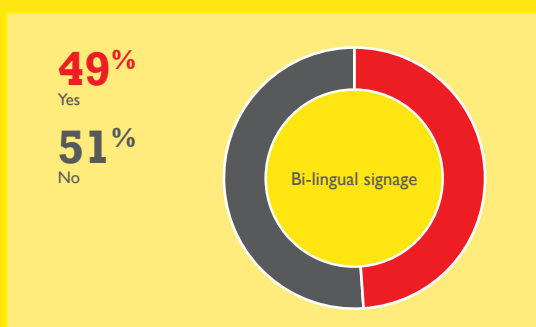
### POKENO TOWNSHIP WASTEWATER PROPOSAL



The majority of submitters who responded to this and indicated that they were not likely to connect (identified in blue on the graph) do not reside in Pokeno. Further discussion will be undertaken with the Pokeno community to help progress the project.

### BI-LINGUAL SIGNAGE POLICY

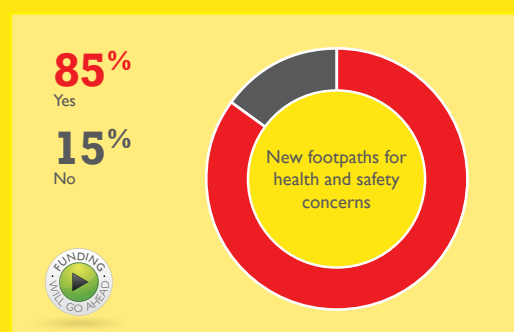
From the submissions received, it appears that there was some confusion around the costs and extent of this proposal. To clarify, bi-lingual signage has been adopted and will be implemented over time so as not to incur any significant additional cost to our communities and will be limited to specific sites for instruction and information.



### COMMUNITY PROJECTS

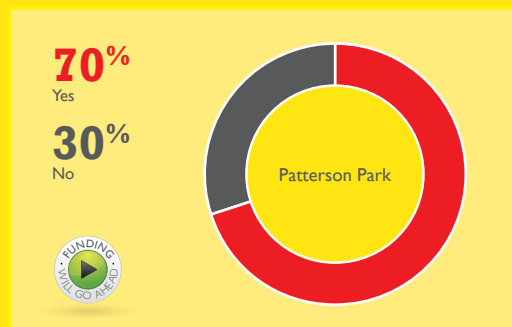
There was resounding support from submitters to allocate funds for priority projects around the district. This was also reflected in the response to further reduce the general rate instead of funding the community projects.

**New footpaths for health and safety concerns - \$200,000:** In addition to the confirmed budget of \$200,000, a further \$200,000 has been allocated for priority footpath work around the district. Staff will work with our communities to identify priority areas.

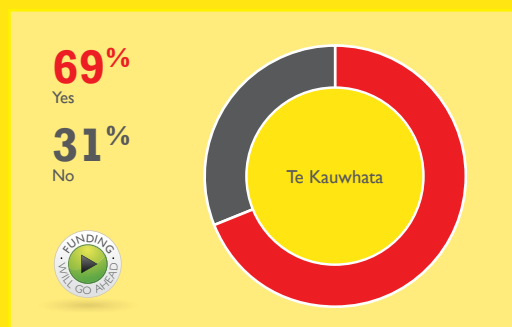


### Toilets

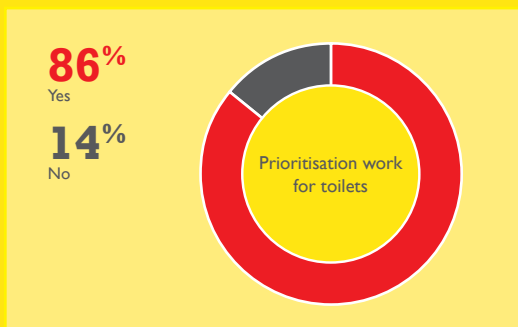
- Patterson Park: \$100,000.



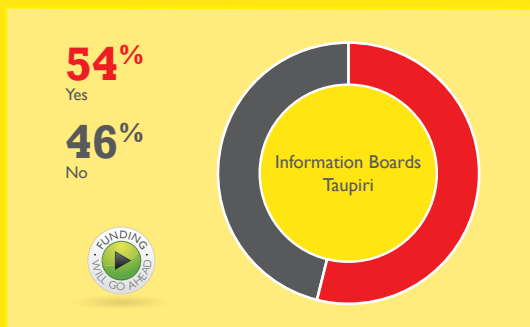
- Te Kauwhata: \$100,000.



Prioritisation work for toilets (district wide): \$50,000.

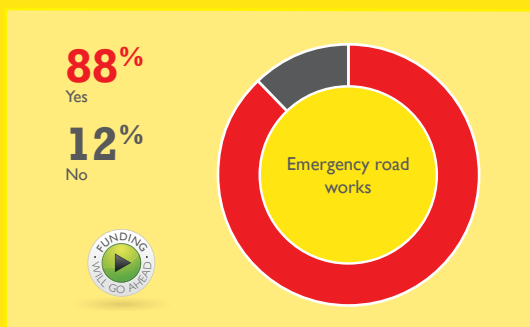


Information Boards Taupiri: \$5,000. Funding for this project will go ahead.

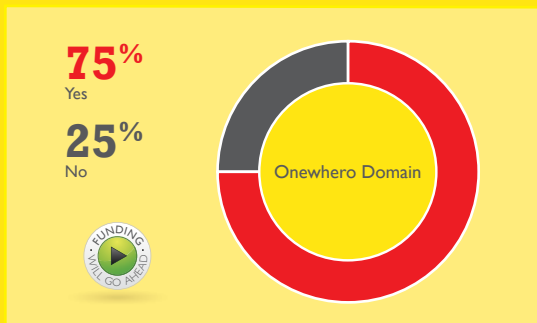


We received a number of submissions from community groups and individuals requesting funding priority be given to toilets around the district. In response to our submitters and in addition to the confirmed budget, another **\$135,000** has been allocated for prioritisation work. This brings the total amount allocated to **\$185,000**.

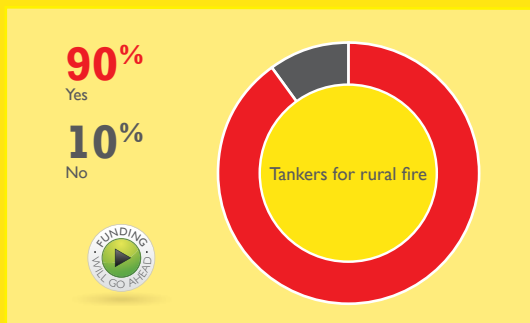
Emergency road works: \$270,000. Funding for this work will go ahead.



Onewhero Domain: \$25,000. Funding for this project will go ahead.



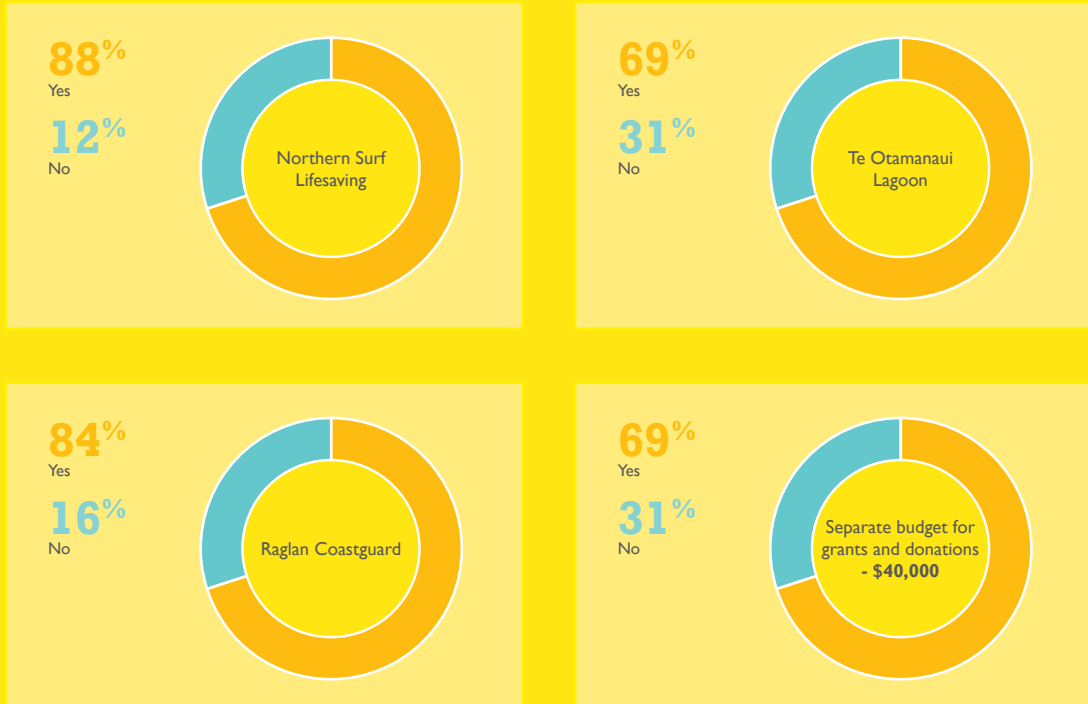
Tankers for rural fire: \$40,000. The majority of submitters support this spending but have also requested additional funding be allocated for training and operational costs. A further **\$20,000** has been allocated for rural fire training and **\$10,000** for rural fire operational costs. Bringing the total amount allocated to **\$70,000**.



A further **\$20,000** has been allocated for rural fire training and **\$10,000** for rural fire operational costs. Bringing the total amount allocated to **\$70,000**.

## GRANTS AND DONATIONS

Submitters were generally supportive of the proposed changes to existing grants and the allocation of a separate budget (\$40,000) for new ones. Refer to the graphics below:

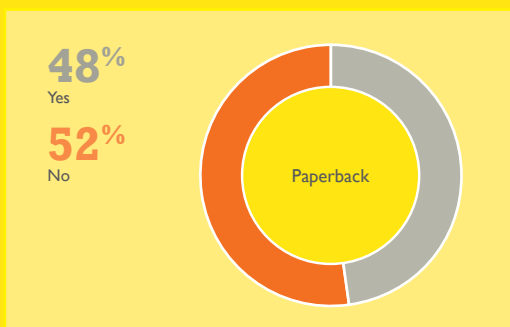
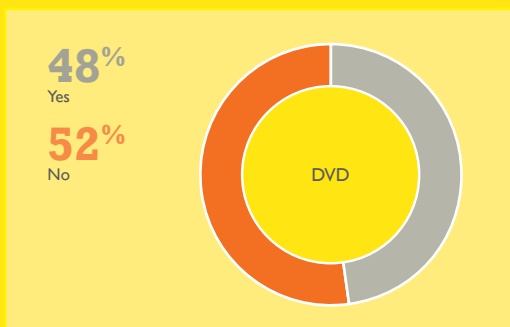
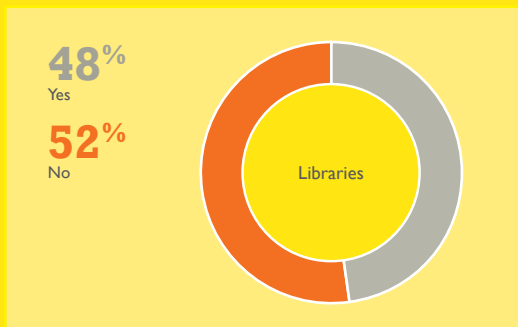


Additional grants and donations:

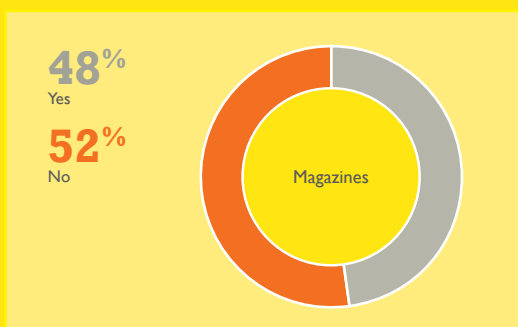
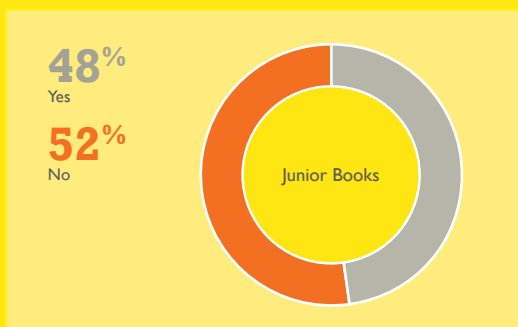
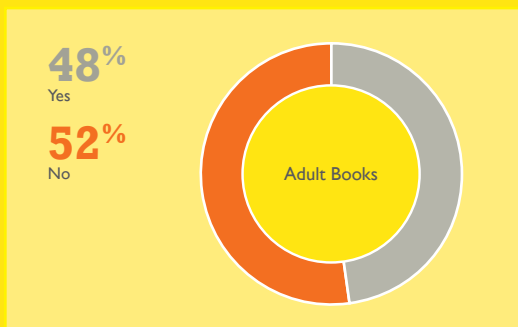
Group/Organisation:	\$
Raglan Community Radio	3,000
Matangi Community Committee	1,059
Raglan Mountain Bike Club	5,000
Glen Afton/Pukemiro Society Incorporated – Mining Memorial	5,000
Te Kauwhata Lions - Cenotaph	5,000
Taupiri Rugby Club	8,000
Turangawaewae Rugby League Sports and Cultural Club	5,000
Tamahere Reserve – planting and restoration	3,000
Puketaha School	5,000
Woodlands - gardening	19,206
Tuakau Museum – increase of existing grant from \$5,000 to \$10,000	5,000

## FEES AND CHARGES

**Libraries:** Based on feedback received from submitters the proposed new fee of \$3 to renew a book has been reduced to \$2. The general feeling was that we should be encouraging young people and adults to read but that a user pays principle should apply. Councillors felt that a reduced fee would be less discouraging for library users.

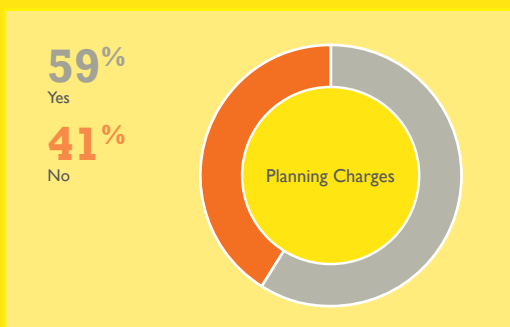


### Books and CDs withdrawn for sale:



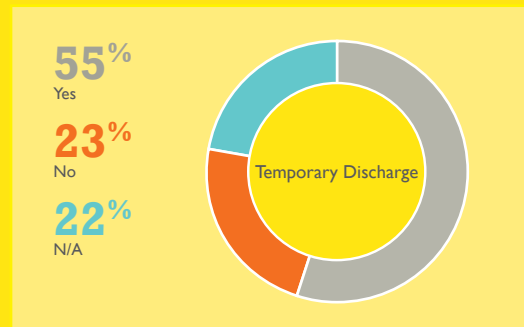
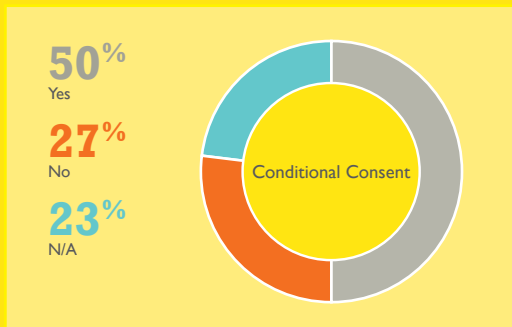
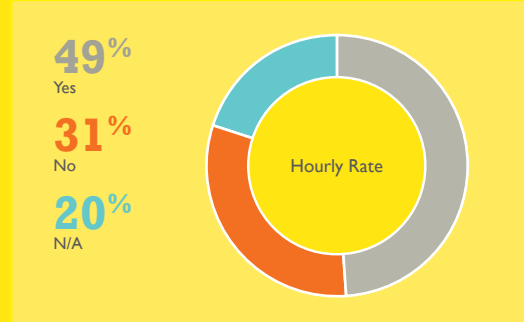
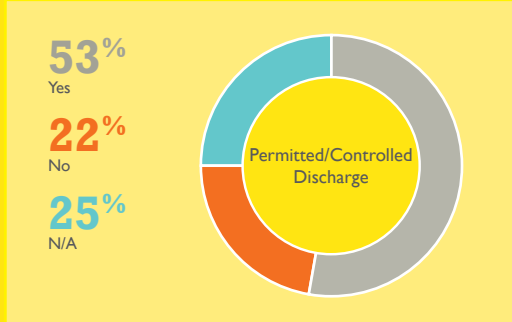
The proposed charges have been adopted.

**Planning charges:** Whilst the proposed increase of \$50 for a change or cancellation of a consent notice was not supported there is a genuine need to recover costs associated with this service. As part of developing the 2015-2025 Long Term Plan, a review of all our fees and charges will be undertaken to ensure that we align with our neighbouring councils. An internal review of the processes associated with issuing 223 and 224 certificates, has reduced the 224 certificate costs from a \$440 set fee to a **\$250** set fee. The proposed charges as set out above have been adopted.

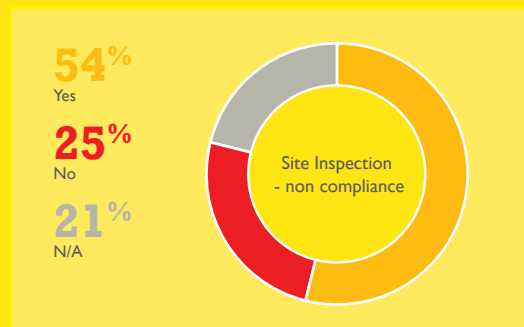
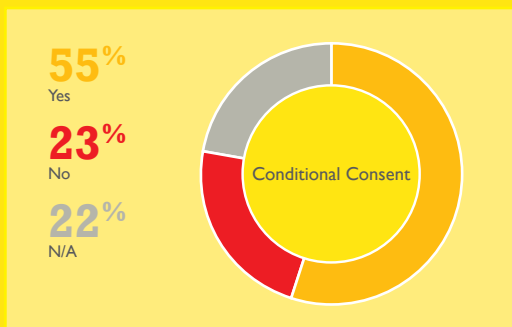
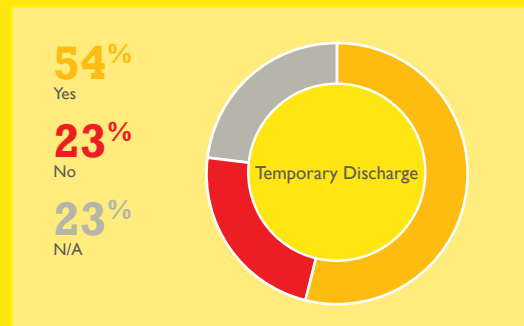
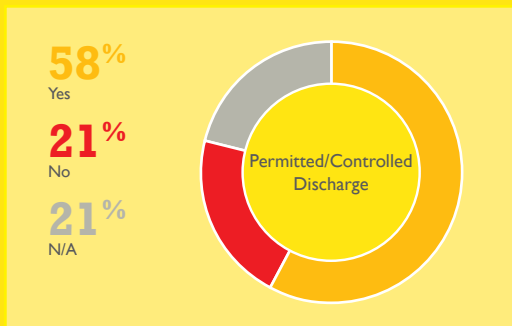


## TRADEWASTE

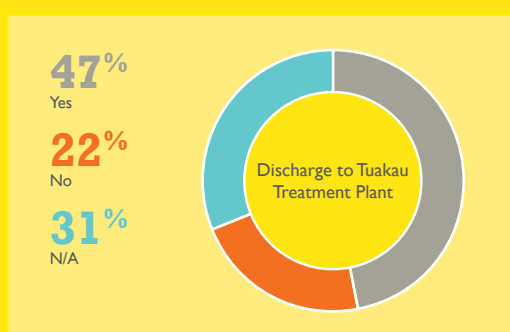
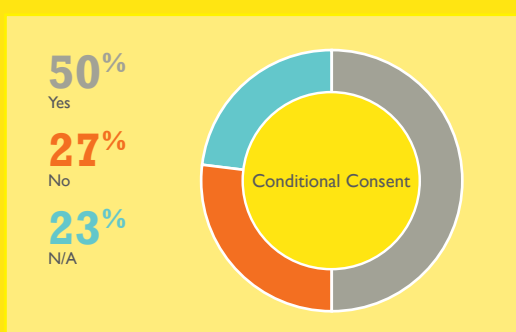
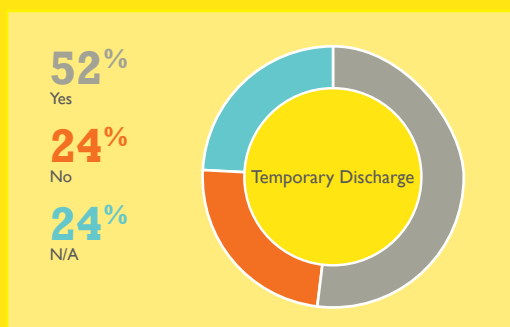
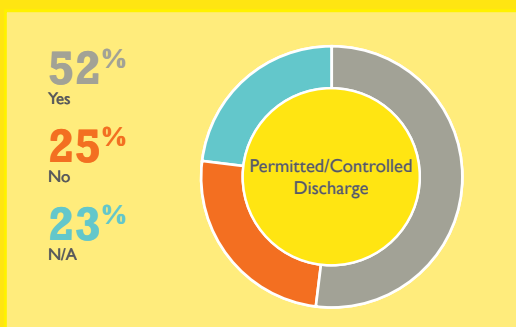
### Application fees



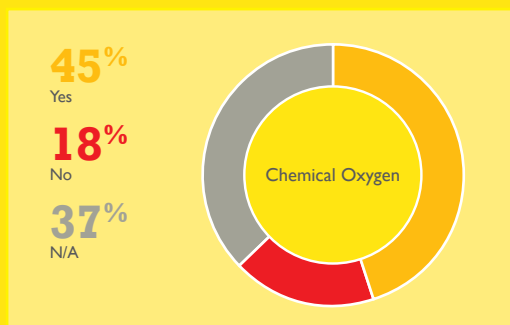
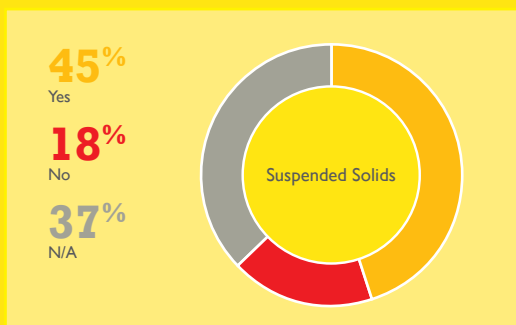
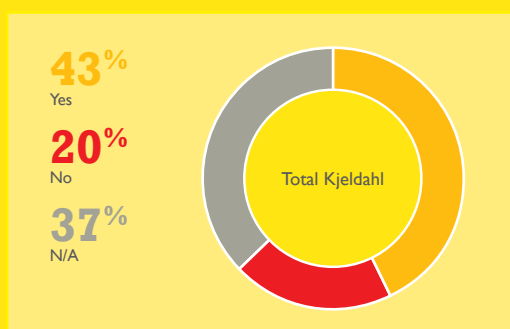
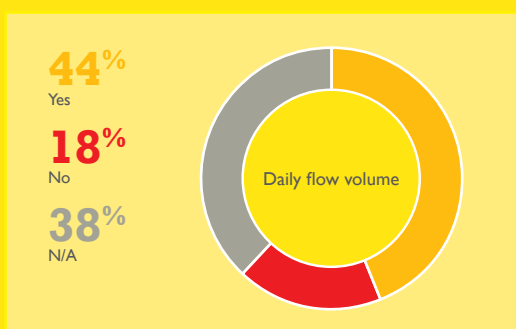
### Discharges – site inspection fees



## Annual charges



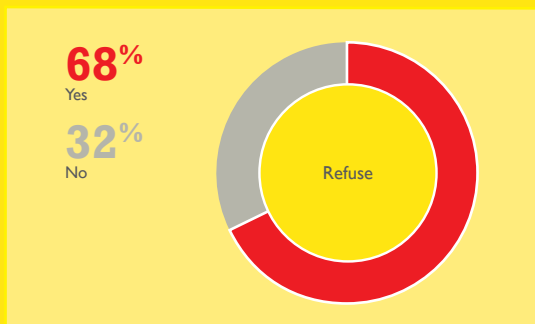
## Quantity charge rates for conditional discharge – Tuakau and Pokeno



Many of our submitters' support the 'user pays' principle and others were not directly impacted by these proposed increases. The proposed charges have been adopted.

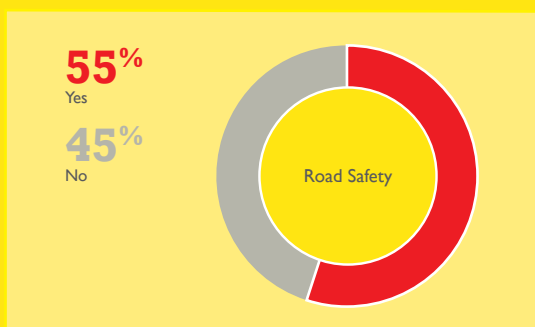
## REFUSE

The proposed charge has been adopted.



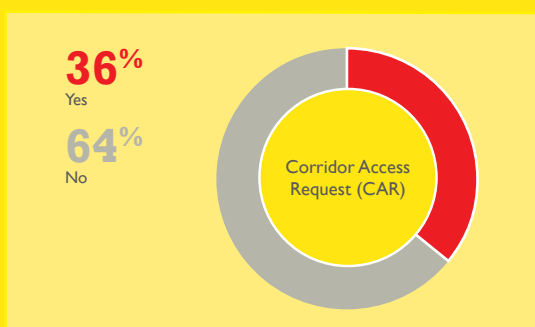
## ROAD SAFETY

The proposed charge has been adopted.



## CORRIDOR ACCESS REQUEST (CAR)

The majority of submitters did not support this proposal. Based on the feedback it appears that submitters did not support the proposed new charge because there was not enough supporting information to help inform their decision. A Corridor Access Request (CAR) is a request, which staff administer and monitor, to dig holes in the ground alongside the roading network. The proposed charge has been adopted.



## COMMUNITY ENGAGEMENT

We received limited, but informative feedback on our summary statement. Using feedback we received, a draft Engagement Strategy will be developed in August where there will be another opportunity for you to share your views.





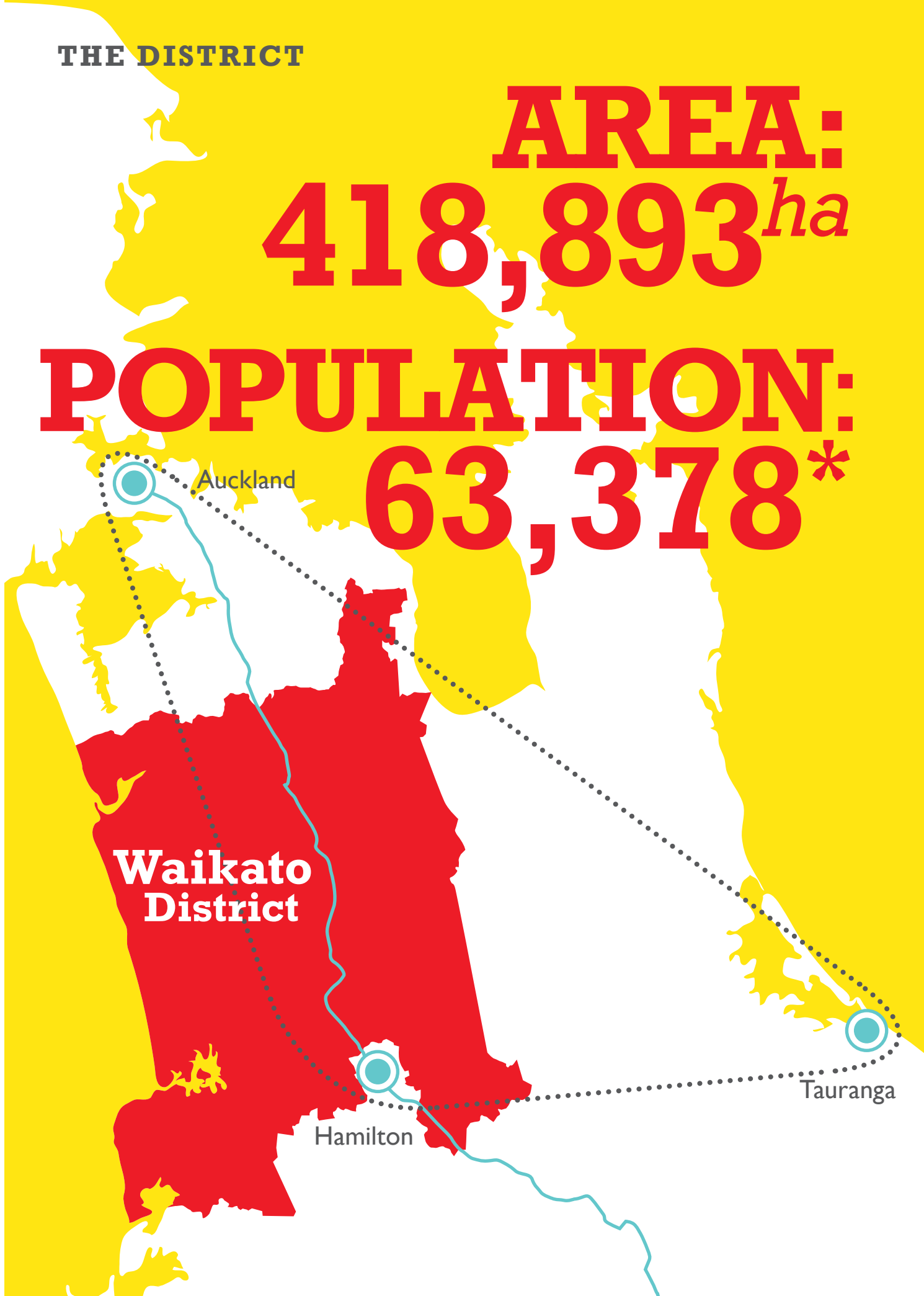
# OUR PEOPLE OUR DISTRICT



# THE DISTRICT

**AREA:**  
**418,893<sup>ha</sup>**

**POPULATION:**  
**63,378\***



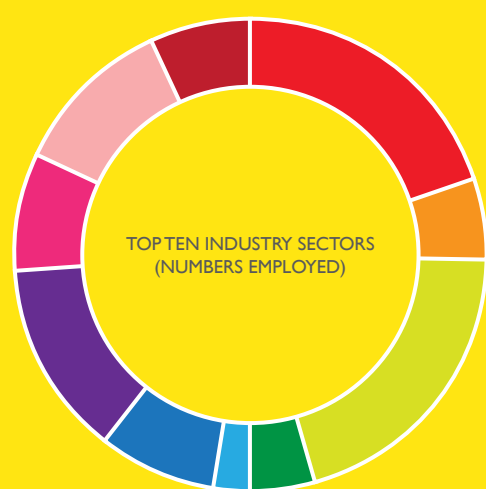
**Waikato  
District**

Auckland

Hamilton

Tauranga

# INDUSTRY:



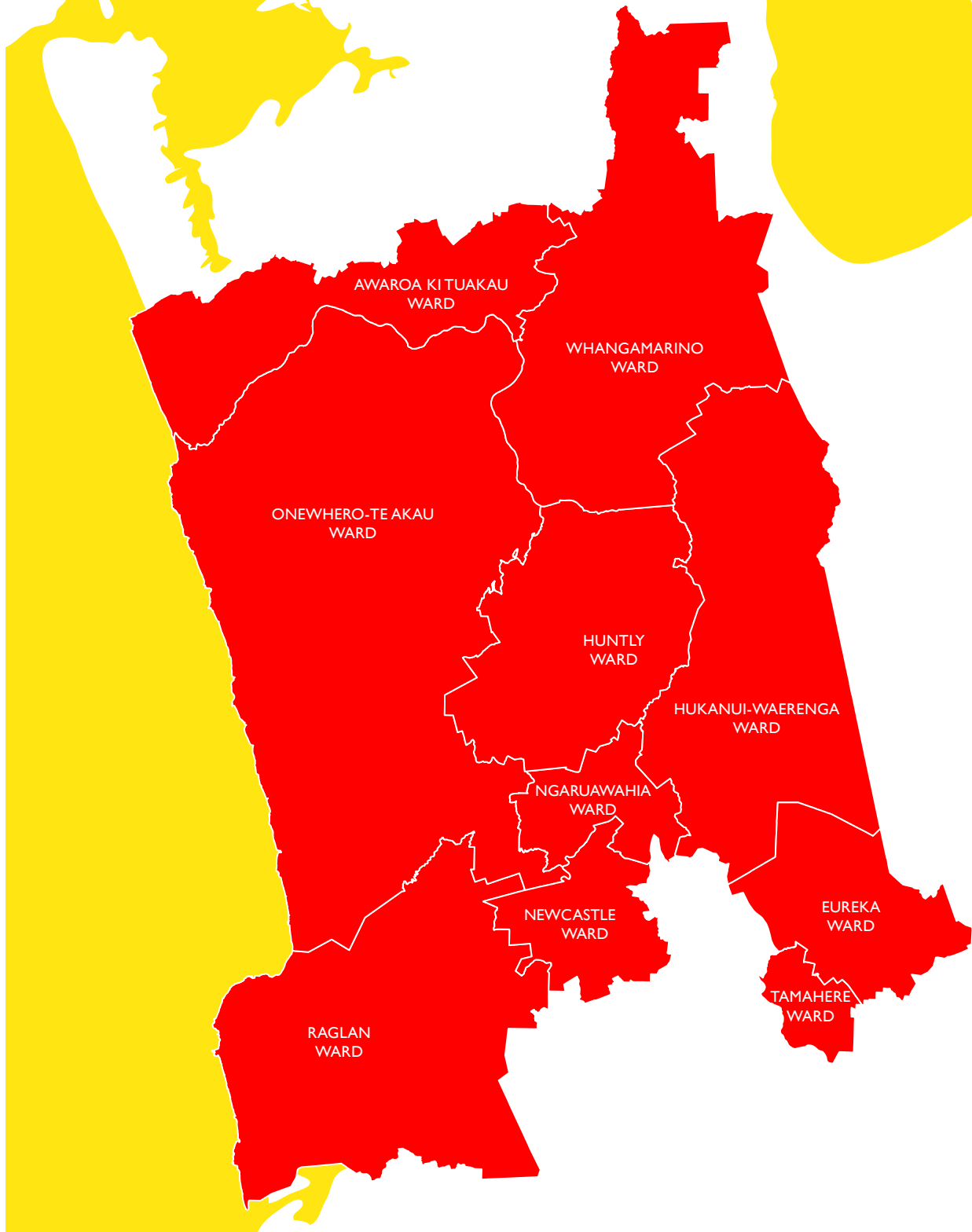
■	<b>DAIRY: 1215</b>	Farming
■	<b>ELECTRICITY: 330</b>	Generation and Supply
■	<b>EDUCATION: 1240</b>	
■	<b>COAL: 260</b>	Mining
■	<b>PROPERTY: 160</b>	
■	<b>FARMING: 480</b>	
■	<b>CONSTRUCTION: 811</b>	
■	<b>PROCESSING: 499</b>	
■	<b>RESEARCH: 670</b>	
■	<b>TRADE: 413</b>	

There are 26 towns, villages and settlements in the Waikato district, each with their own distinctive character and requirements.

# THE DISTRICT

Ward boundaries took effect  
on 12 October 2013

# WARDS: OVERVIEW



# COMMUNITY BOARDS

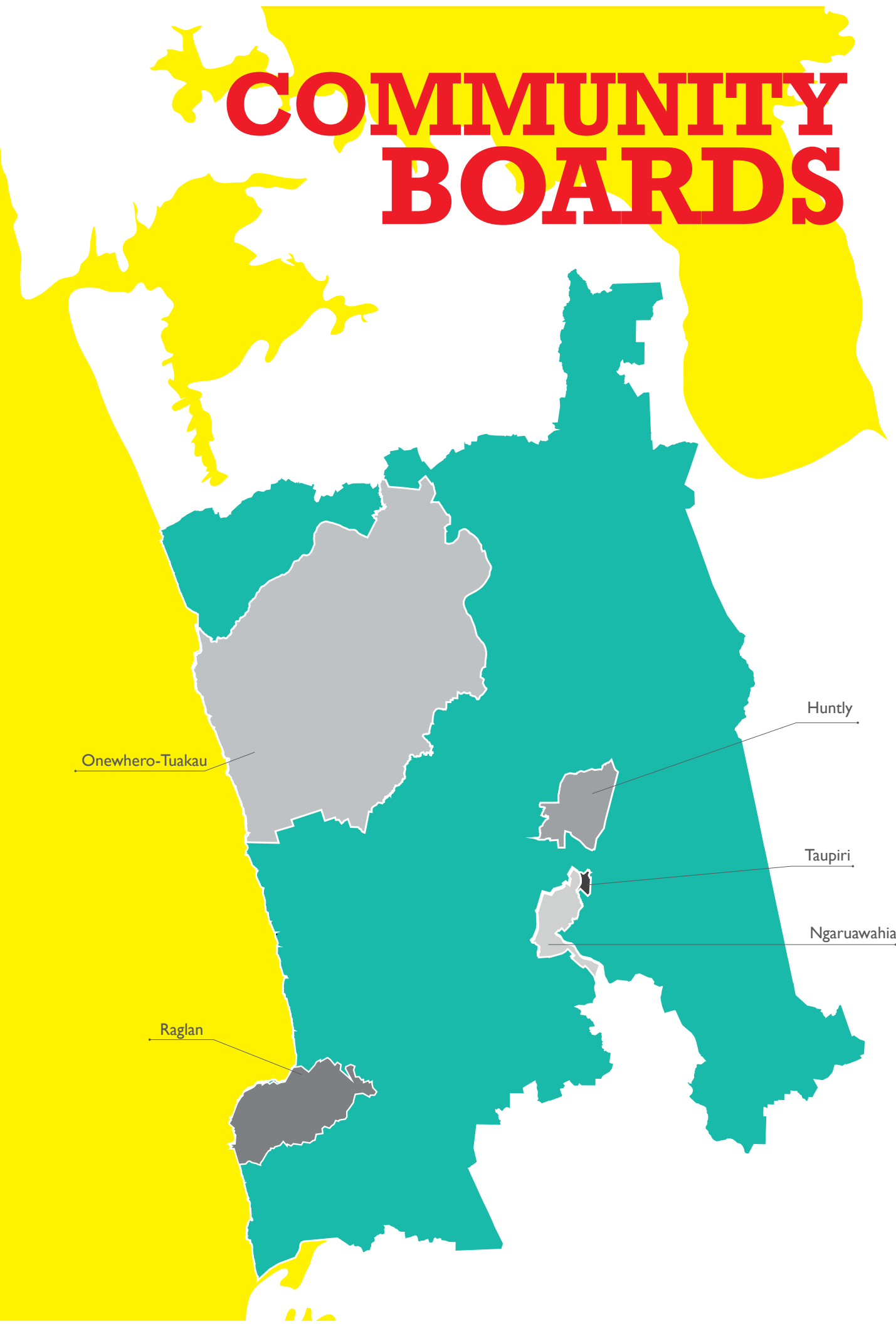
Onewhero-Tuakau

Raglan

Huntly

Taupiri

Ngaruawahia



# Our Community Committees and groups

**We also have a number of voluntary community committees and groups that advocate on behalf of residents and ratepayers in their area, including:**

- Aka Aka
- Eureka
- Glen Afton/Pukemiro
- Glen Massey
- Gordonton
- Horsham Downs
- Matangi
- Meremere
- Newstead
- North Eastern Waikato (which includes the areas of Mangatawhiri, Mangatangi and Maramarua)
- Pokeno
- Pukekawa
- Rangiriri
- Tamahere
- Tuakau and Districts (which includes the areas of Tuakau, Onewhero, Port Waikato)
- Tauwhare
- Te Kauwhata
- Te Kowhai
- Whatawhata

# What to look out for

**This document is the review of the third year of the Long Term Plan 2012 – 2022, and as such, contains initiatives proposed for 2014/15 only.**

## LEGISLATION

### Local Government Act 2002 Amendment Bill 2013

During late 2013 the Government released the Local Government Act 2002 Amendment Bill for public consultation. The Bill implements the Government's decisions regarding a second phase of legislative reform relating to the operation of local government. The first phase of the programme culminated in legislation that was passed in December 2012 which, amongst other things, changed the purpose of local government to focus on meeting the needs of households and business for good quality local infrastructure, local public services and the performance of regulatory functions. The Bill contains a number of new provisions which will improve the operation of local government. Whilst the Council is supportive of a number of changes being proposed in the Bill, we also have concerns with some aspects of the proposed reforms, in particular to changes on development contributions (i.e. the fee that a developer pays the Council for growth-related infrastructure). Such a change could affect the way the Council funds certain services to support growth in the district. The Bill is expected to become law in 2014.

### Resource Management Act (RMA) 1991

The Resource Management Amendment Bill 2013 was passed into law on 3 September 2013. This Bill was introduced in 2012 as the Resource Management Reform Bill 2012.

The next phase of the RMA reforms is intended to make further improvements to the RMA and resource

management more broadly, including how fresh water is managed and used and an independent review of sections 6 and 7 of the Resource Management Act 1991.

#### Key elements of the proposals include:

- Clearer national direction and tools
- Single, local resource management plans that address future environmental and development priorities and cover all local, regional and national issues; replacing the range of planning documents we have today
- Simpler, faster and fewer resource consents
- Maaori interests and values to be considered earlier in resource management planning processes with solutions developed upfront
- Comprehensive management of natural hazards in planning and consenting
- Housing affordability addressed through explicit attention being paid to this issue in plans and changes to consenting arrangements to drive down their cost and improve their timeliness.

## LOCAL INITIATIVES

### Waikato District Development Strategy

The need for an integrated development strategy for our district has its origins in the incorporation of the southern part of the former Franklin District into the Waikato District in 2010. At the time of amalgamation, both Franklin and Waikato District

Council had growth strategies for their respective districts. Franklin District Council also had a separate Rural Development Strategy. Four years have passed since amalgamation and we now want these documents to be consolidated and updated in a single strategy for the new Waikato district. Work on this strategy has started.

## REGIONAL INITIATIVES

### Waikato Mayoral Forum

The Waikato Mayoral Forum is made up of the region's 12 local authorities, represented by the mayors of the 11 territorial Councils and the chair of the Waikato Regional Council. In 2013 our Mayor, Allan Sanson, was elected chair of the Forum.

The Forum provides a collective voice to central government, its agencies, the business community and other interested parties on issues of importance to the Waikato. We take an active part in the forum as we seek to strengthen opportunities for collaboration and regional initiatives, which include:

- The development of a business case for a joint "centre of excellence" in road asset management to help road asset managers make better investment decisions.
- Opportunities for greater cooperation through economies of scale, testing the financial and practical considerations, and pursuing them if a business case is justified.
- The first stage of a draft Waikato Spatial Plan process was completed in February 2014. The Waikato Spatial Plan process has focused on the identification of regional items across the four wellbeings and will guide thinking about the needs of the region for connected planning and policy making. Engagement with the wider community on the issues identified in the draft plan is due to start next year.

- The development of a business-led draft economic strategy for the region is progressing well, following the publication of a strategy discussion paper and workshops with the business sector and other stakeholders. A project governance group made up of business and political leaders is tasked with considering the outcomes of consultation and feedback, and to recommend changes to the strategy discussion paper.

### Auckland Strategic Relationship

What happens in Auckland has, and will have, a direct influence on the future growth and development of our district. We continue to work closely with Auckland Council in terms of planning and collaboration around how each area will develop and grow.

## ON THE HORIZON

### Development contributions

As outlined on page 21, proposed changes to the Local Government Act 2002 (Local Government Act 2002 Amendment Bill (No. 3) regarding the way in which Development Contributions are implemented won't be confirmed until midway through 2014 or after the national elections in 2014. Once the Bill is enacted, the Council may have to reconsider funding of community projects that support growth and development such as new sports grounds and walkways. At this stage it is unknown whether or not the changes will be adopted and we can only signal the potential impacts of this Bill at this stage. Initial estimates of the proposed changes, if the levels of service in the Long Term Plan 2012-2022 remain unchanged, could create a 2.5% general rate increase in addition to the proposed rate increases for this financial year.



### Earthquake-prone buildings

The Building (Earthquake-prone buildings) Amendment Bill was introduced into Parliament in December 2013. The Bill will require the Council to undertake Initial Seismic Assessments (ISAs) of all commercial buildings and residential buildings with two or more stories built before 31 March 2005. It is anticipated that the Act will come into effect mid 2015 and although the finer details and impacts of the legislative changes are unable to be quantified, the Council has set aside **\$100,000** to start work on this in 2014/2015.

### Significance and Engagement Policy

Further changes to the Local Government Act 2002 (Local Government Act 2002 Amendment Bill (No. 3) is intended to give local authorities greater flexibility and clarity around consultation and decision-making processes. The changes remove most of the obligations to use the Special Consultative Procedure (SCP) when consulting under the Local Government Act.

The Significance and Engagement Policy will set rules for engaging with our communities. The Bill requires councils to adopt a significance and engagement policy by 1 December 2014.





# Financial pathway

We continue to focus on affordability and sustainability

Projects we know will be delayed have been factored into the final plan and have impacted on depreciation and loan amounts. Depreciation is lower because the asset has not yet been created, and interest is lower as loans have not yet been raised for those capital projects. While this is a timing difference rather than a saving, it has enabled more projects to proceed without increasing the rates beyond what was proposed for the 2014/2015 year. In the case of the reduction in the New Zealand Transport Agency (NZTA) subsidised programme, the drop in depreciation expense will be a genuine saving rather than a change in timing. This will affect the ability to fund renewal of assets going forward.

We have a low debt level, while still using borrowings to fund growth particularly in Pokeno, where development is progressing well. We have updated our capital works programme to reflect the actual spend to date to reflect the actual growth taking place.

We lowered the proposed general rate increase from the 2.55 per cent indicated in the Long Term Plan, to 1.89 per cent. We have also held the line on increases in targeted rates budgeted for in the Long Term Plan.

While the Consumer Price Index (CPI) is used to measure inflation, councils use the Local Government Cost Index (LGCI) as its measure of inflation. This is because the CPI 'basket' of goods measured each year for price increases/decreases is inappropriate for local government. The tables below show what is included in the CPI and the LGCI.

CONSUMER PRICE INDEX (CPI)	LOCAL GOVERNMENT COST INDEX (LGCI)
Food	Roading/transport (public transport, roads)
Alcohol and tobacco	Property, reserves and parks (maintaining public buildings and assets eg sports grounds, parks, arts, recreation)
Clothing and footwear	Water (includes electricity supply pipes etc. Repairs and maintenance for water, wastewater, stormwater)
Housing and household utilities	Energy (electricity, gas consumption in public buildings, street lighting etc)
Household contents and services	Staff for Council operations
Health	Local government and civil defence
Transport	Pipelines
Communication phones, broadband etc	Earthmoving
Recreation and culture	Private sector salary and wage costs
Education	
Miscellaneous goods and services	

## Development contributions

For 2014/15 the Council is proposing to increase the individual development contribution levies by the consumer price index.

Development contributions (charges include GST) charges for 2014/15

Activity	District Wide Community Facilities	District Wide Roading	Roads and Transport	Stormwater	Wastewater	Water	Total
All areas (if not covered below)	3,467	535	-	-	-	-	<b>4,002</b>
Hopuhopu/Taupiri	3,467	535	-	-	-	4,590	<b>8,592</b>
Huntly	3,467	535	-	61	6,757	2,685	<b>13,505</b>
Lorenzen Bay	3,467	535	15,341	2,035	3,922	1,595	<b>26,895</b>
Ngaruawahia (including Horotiu infill)	3,467	535	-	1,253	-	8,394	<b>13,649</b>
Pokeno	3,467	535	5,888	5,695	8,537	2,060	<b>26,182</b>
Raglan	3,467	535	-	2,035	3,922	1,595	<b>11,554</b>
Southern Districts	3,467	535	-	-	-	4,330	<b>8,332</b>
Tamahere CLZ *	3,467	535	8,582	1,443	-	4,330	<b>18,357</b>
Tamahere Subcatchment A*	3,467	535	38,368	1,443	-	4,330	<b>48,143</b>
Tamahere Subcatchment B	3,467	535	28,209	1,443	-	4,330	<b>37,984</b>
Te Kauwhata and surrounds	3,467	535	6,790	493	7,514	12,390	<b>31,189</b>
Tuakau	3,467	535	-	2,003	11,524	5,840	<b>23,369</b>
Whaanga Coast	3,467	535	-	-	26,302	-	<b>30,304</b>

Development contributions are calculated around the programme of works for growth included in the Long Term Plan. Any works required for industrial growth or residential growth in other areas not covered will be funded in conjunction with developers.

\*The outcome of changes to our district plan could alter these charges

CLZ = Country Living Zone

The country living zone provides low density living at specific locations in rural areas.

## Operational targeted rate movements for water, wastewater, refuse and community facilities

	Huntly		Ngaruawahia				Raglan					
	2013/14 Actual	2014/15 LTP	2014/15 Forecast	2015/16 Forecast	2013/14 Actual	2014/15 LTP	2014/15 Forecast	2015/16 Forecast	2013/14 Actual	2014/15 LTP	2014/15 Forecast	2015/16 Forecast
Water - metered	\$ 111.64	\$ 122.81	\$ 123.15	\$ 133.86	\$ 111.64	\$ 122.81	\$ 123.15	\$ 133.86	\$ 111.64	\$ 122.81	\$ 123.15	\$ 133.86
Water - non-metered	447.82	492.60	492.60	536.94	447.82	492.60	492.60	Note 1	447.82	Note 1	492.60	Note 1
Wastewater	495.44	544.98	544.98	572.23	495.44	544.98	544.98	572.23	651.22	716.34	716.34	752.16
Stormwater	194.26	194.26	194.26	194.26	194.26	194.26	194.26	194.26	194.26	194.26	194.26	194.26
Community facilities	42.00	42.00	42.00	42.00	25.00	25.00	25.00	25.00	25.00	15.00	25.00	25.00
Refuse/recycling	190.54	189.04	196.25	202.14	190.54	189.04	196.25	202.14	99.59	91.79	102.58	105.66
Community board	18.20	18.20	18.20	18.20	18.20	18.20	18.20	18.20	18.20	18.20	18.20	18.20
<b>Total cost - metered</b>	<b>1,052.08</b>	<b>1,111.29</b>	<b>1,118.84</b>	<b>1,162.69</b>	<b>1,035.08</b>	<b>1,094.29</b>	<b>1,101.84</b>	<b>1,145.69</b>	<b>1,099.91</b>	<b>1,158.40</b>	<b>1,179.53</b>	<b>1,229.14</b>
<b>Additional cost</b>	<b>81.31</b>	<b>59.21</b>	<b>66.76</b>	<b>43.85</b>	<b>81.31</b>	<b>59.21</b>	<b>66.76</b>	<b>43.85</b>	<b>109.95</b>	<b>58.49</b>	<b>79.62</b>	<b>49.61</b>
<b>% increase</b>	<b>8%</b>	<b>6%</b>	<b>6%</b>	<b>4%</b>	<b>9%</b>	<b>6%</b>	<b>6%</b>	<b>4%</b>	<b>11%</b>	<b>5%</b>	<b>7%</b>	<b>4%</b>
<b>Total cost - non metered</b>	<b>1,388.26</b>	<b>1,481.08</b>	<b>1,488.29</b>	<b>1,565.77</b>	<b>1,371.26</b>	<b>1,464.08</b>	<b>1,471.29</b>	<b>Note 1</b>	<b>1,436.09</b>	<b>Note 1</b>	<b>1,548.98</b>	<b>Note 1</b>
<b>Additional cost</b>	<b>117.33</b>	<b>92.82</b>	<b>100.03</b>	<b>77.48</b>	<b>117.33</b>	<b>92.82</b>	<b>100.03</b>	<b>Note 1</b>	<b>145.97</b>	<b>Note 1</b>	<b>112.89</b>	<b>Note 1</b>
<b>% increase</b>	<b>9%</b>	<b>7%</b>	<b>7%</b>	<b>5%</b>	<b>9%</b>	<b>7%</b>	<b>7%</b>	<b>Note 1</b>	<b>11%</b>	<b>Note 1</b>	<b>8%</b>	<b>Note 1</b>

N.B. Raglan wastewater includes Whaanga Coast

	Te Kauwhata			Taupiri/Meremere			Tuakau		
	2013/14 Actual	2014/15 LTP	2014/15 Forecast	2013/14 Actual	2014/15 LTP	2014/15 Forecast	2013/14 Actual	2014/15 LTP	2014/15 Forecast
Water - metered	111.64	122.81	123.15	111.64	122.81	123.15	No fixed charge - meter use charge only		
Wastewater	651.22	716.34	716.34	861.91	948.10	948.10	495.78	495.78	495.78
Stormwater	194.26	194.26	194.26	-	-	-	194.26	194.26	194.26
Community facilities	-	-	-	24.00	24.00	24.00	46.13	46.13	46.13
Refuse/recycling	190.54	189.04	196.25	190.54	189.04	196.25	214.39	220.82	220.82
Community board	-	-	-	18.20	18.20	18.20	18.20	18.20	18.20
				Taupiri Only					
<b>Total Cost</b>	<b>1,147.66</b>	<b>1,222.45</b>	<b>1,230.00</b>	<b>1,206.29</b>	<b>1,302.15</b>	<b>1,309.70</b>	<b>968.76</b>	<b>975.19</b>	<b>975.19</b>
<b>Additional Cost</b>	<b>99.23</b>	<b>74.79</b>	<b>82.34</b>	<b>123.47</b>	<b>95.86</b>	<b>103.41</b>	<b>6.25</b>	<b>6.43</b>	<b>6.43</b>
<b>% Increase</b>	<b>9%</b>	<b>7%</b>	<b>7%</b>	<b>11%</b>	<b>8%</b>	<b>9%</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>

	Gordonton			Tamahere			Western Districts		
	2013/14 Actual	2014/15 LTP	2014/15 Forecast	2013/14 Actual	2014/15 LTP	2014/15 Forecast	2013/14 Actual	2014/15 LTP	2014/15 Forecast
Water - metered	162.00	162.00	162.00	339.00	339.00	339.00	229.00	229.00	229.00
Community facilities	26.00	26.00	26.00	70.00	70.00	70.00	-	-	-
Refuse/recycling	190.54	189.04	196.25	190.54	189.04	196.25	190.54	189.04	196.25
<b>Total cost</b>	<b>378.54</b>	<b>377.04</b>	<b>384.25</b>	<b>599.54</b>	<b>598.04</b>	<b>605.25</b>	<b>419.54</b>	<b>418.04</b>	<b>425.25</b>
<b>Additional cost</b>	<b>12.35</b>	<b>-1.50</b>	<b>5.71</b>	<b>12.35</b>	<b>-1.50</b>	<b>5.71</b>	<b>12.35</b>	<b>-1.50</b>	<b>5.71</b>
<b>% increase</b>	<b>3%</b>	<b>0%</b>	<b>2%</b>	<b>2%</b>	<b>0%</b>	<b>1%</b>	<b>3%</b>	<b>0%</b>	<b>1%</b>

Notes:

1. Water meter installation was originally planned for Raglan in 2012/2013 and Ngaruawahia 2014/15. This has been delayed.
2. The 2015/16 numbers include the 2014/15 forecast changes.

*What the Council does through its District Plan, growth strategies and our core activities all contribute to helping our communities grow and develop.*



**ROAD  
INSPECTION**



## What we do

See what major projects are proposed and how they might affect you.

### THIS SECTION

**WATER SUPPLY 32**

**WASTEWATER 35**

**STORMWATER 38**

**ROADING 41**

**SUSTAINABLE ENVIRONMENT 44**

**SUSTAINABLE COMMUNITIES 55**

**COUNCIL LEADERSHIP 66**

**ORGANISATIONAL SUPPORT 68**

In the following pages you'll find further information about our work programme for the third year of our 2012-2022 Long Term Plan – the major projects and activities planned, our targets, how we'll measure them and their associated budgets.

The work that is shown in eight groups of activities, contribute to keeping our district running, providing the services and facilities needed to meet residents' needs. All of the Council's activities contribute to the community's wellbeing and to the community outcomes as a whole. This is in line with the legislated purpose of local government meeting communities' needs, for example ensuring good quality buildings, carrying out regulatory services such as dog control and liquor licensing, maintaining roads and infrastructure such as water and wastewater, and providing facilities like libraries and parks.

We've shown which outcome each group of activities primarily contributes to, and to other groups of activities they might also contribute in a more minor way. We've also shown how our activities relate to, and carry out the three principles – Energy, Economic and People – and contribute to the Council's strategic direction.

The projects planned for the coming year contribute to maintaining our current levels of service. We will monitor and report based on the performance measures in the plan and on the progress of the capital work programme. This section will give you a good indication of the work that will lead to a flourishing district.

# Water supply

## Strategic focus

To maintain our present network, addressing specific health issues and projects that are predominantly growth driven.

Water is one of the most precious assets we have.

Our residents need enough water of a consistent quality, flow and pressure to meet their day-to-day requirements and our role is to collect, treat and supply water to meet those needs. This also includes providing water for the district's fire fighting services in urban areas.

At present we source our water from the Waikato River, treating it at plants at Hopuhopu, Huntly, Ngaruawahia and Te Kauwhata, and distributing it to some of our communities around these townships.

We also buy bulk water from Hamilton City Council for Eureka, Gordonton, Matangi, Newstead, Puketaha, Tamahere and Tauwhare in the south-eastern parts of the district, and Te Kowhai and Stonebridge in the south-western parts of the district. Raglan's water comes from a spring, while Pokeno, Te Akau and Tuakau's water comes from ground bores.

The Three Waters Strategy is a sub-regional strategy developed by the Future Proof partners (Hamilton City Council, Waikato District Council, Waipa District Council, Waikato Regional Council and Taangata Whenua). The Strategy sets out how water,

wastewater and stormwater should be managed over the next 50 years. It aims to support future growth, which is important for the ongoing development and economic security of our district.

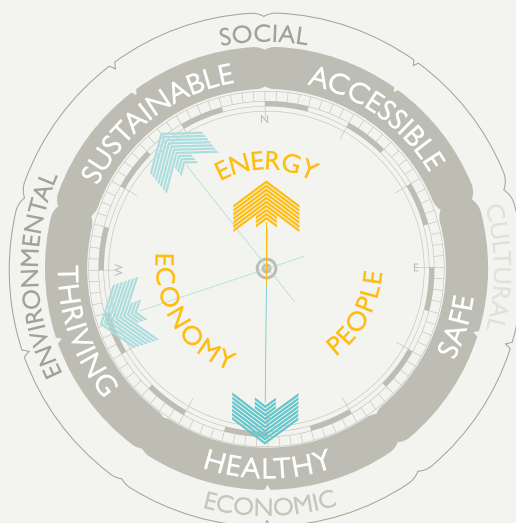
## What's planned

The following is the key project for 2014/2015. The full capital work programme is listed in the financial section.

- Design of replacement reservoirs in Hopuhopu (\$22,000).

## What's changed?

Reticulation extensions for Southern Districts (\$677,000) have been deferred as growth is not progressing as expected.



### Strategic Direction Contributions

● Primary    ● Secondary

### Objective

Healthy and Safe Waikato: The Council's supply of water is reliable and safe to drink. There is a good flow of water for fire fighting in urban areas.

### Proposed level of service

- The drinking water is safe.
- The water is received at a good flow/pressure.
- The water supply is reliable.
- In town, the water supply is good for fire fighting.

### How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
The number of times per annum we find harmful bacteria in our routine water supply reticulation testing.	0		None	
The percentage of network pressure tests that comply with set standards. (200kPA at the boundary).	88%	80%	85%	85%
The percentage of "no water" complaints where customers have been contacted within 2 hours.	94%	100%	100%	100%
Based on the Annual Residents Survey, the percentage of residents that are satisfied with the service they receive from the Council.	78%	>75%	>78%	>80%
The percentage of time that each reservoir is maintained above 40% full.	99.9%	>96%	>97%	>98%
The percentage of hydrants that when tested have the required minimum flow of 25 litres/second at 100kPA.	21%	>50%	>52%	>55%

Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

### How it's funded

**3%**

General rates

**94%**

Fees, charges and targeted rates

**2%**

Internal charges recovered

**1%**

Other

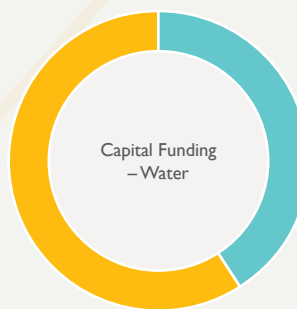


**54%**

Development and financial contributions

**46%**

Increase in debt





# Wastewater

## Strategic focus

Ensure wastewater is suitably collected, treated and disposed of to protect our environment and the public's health

Where there are people, there is waste. If we're to take care of our environment and still continue to progress economically, we have to take care of our community's health. That means dealing with our wastewater efficiently and sustainably.

It's more than just treatment and disposal. It's also about ensuring our wastewater systems are treating our waste to the most appropriate standards and that it is disposed of suitably to protect our environment as well as the public's health.

In a district with many urban, lifestyle and rural communities, there are many aspects to consider. Industries produce 'trade waste' to be disposed of; treatment facilities and pipe networks for larger communities are relatively economic to maintain.

Property owners who have septic tanks onsite should have their tank pumped out every three to five years and the disposal system checked. This is required to ensure the septic tanks continue to efficiently treat domestic wastewater from these households.

We provide wastewater collection, treatment and disposal for Hopuhopu, Horotiu, Huntly, Meremere, Ngaruawahia, Te Kauwhata and Raglan, with smaller facilities at Maramarua, Matangi, Tauwhare Pa and Te Kowhai. We collect wastewater in Tuakau and Pokeno which is then treated at the Watercare treatment plant east of Tuakau.



Strategic Direction Contributions  
 ● Primary ● Secondary

## What's planned

The following is the key project for 2014/2015. The full capital work programme is listed in the financial section.

- Wastewater pump station upgrades in Ngaruawahia (\$63,000) and Raglan (\$39,000).

## What's changed?

Reticulation extensions for Horotiu (\$100,000) and Te Kauwhata (\$443,000) have been deferred as growth is not progressing as expected.

## Objective

Healthy and Safe Waikato: the Council provides reliable, efficient and effective wastewater services

## Proposed level of service

Wastewater does not cause any health risks.

The wastewater system is reliable, efficient and effective.

Harm to the natural environment is minimised.

## How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
The percentage of customer complaints about wastewater overflows responded to within 1 hour.	96%	100%	100%	100%
The number of wastewater odour complaints received reduce each year.	18	< 50 complaints	< 45 complaints	< 40 complaints
The percentage of residents/ratepayers who are satisfied with wastewater services within the district.	91%	>75%	>78%	>80%
The percentage of wastewater consents that achieve at least "High Level of Compliance" from the Waikato Regional Council.	62.5%	>50%	>70%	>80%

Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

## How it's funded

**5%**

General rates

**81%**

Targeted rates

**12%**

Fees and charges

**2%**

Internal charges and overheads recovered



**68%**

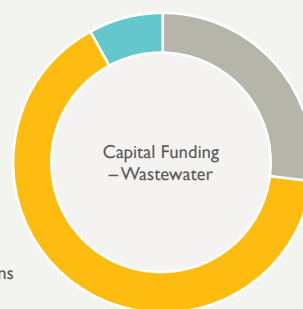
Development and financial contributions

**8%**

Increase in debt

**24%**

Lump sum contributions





# Stormwater

## Strategic focus

To maintain our current stormwater infrastructure to protect our environment from storm damage and runoff, and address any growth-driven projects.

Waikato district's widely diverse make up of rural land and urban development brings its own challenges. We have industries ranging from farming and agriculture, mining and energy production to quarrying. Our urban centres support residential living and businesses. All of these bring their own specific demands including how we collect and dispose of stormwater runoff.

As we experience more growth and development, how we manage this is increasingly important, especially because we have specific objectives to protect and maintain our natural resources and achieve a sustainable district.

The controls and infrastructure we have now, and plan to develop in the future, are designed to reduce the impact of our urban development and sub-division and protect the natural features and waterways we value.

For Waikato district to continue to grow and thrive, we need to attract new business and industry, and provide our town centres with the services and infrastructure to support their development.

Our stormwater infrastructure plays an important part in being sustainable, supporting growth and ensuring a safe and healthy community, by protecting property and land from storm damage and reducing the harmful effects that runoff can have on our harbours and waterways.

Apart from maintaining the stormwater pipe networks, we also monitor stormwater quality. We also collect and dispose of stormwater in Huntly, Meremere, Ngaruawahia, Pokeno, Port Waikato, Te Kauwhata, Te Kowhai, Tuakau and Raglan.

The rural drainage networks, except for Tamahere and Travers Road in Te Kauwhata, are operated and maintained by Waikato Regional Council.

We have comprehensive management plans and discharge monitoring programmes, as well as catchment management plans required under stormwater discharge consents. Business continuity plans and emergency management capabilities are also being improved.



### Strategic Direction Contributions

● Primary    ● Secondary

## What's planned

The following are key projects for 2014/2015. The full capital work programme is listed in the financial section.

- Culvert upgrade in Pokeno (**\$309,000**).
- Stormwater reticulation works to support the Tamahere Structure Plan (**\$121,000**).
- Reticulation extensions for Tuakau (**\$142,000**).



### Objective

Sustainable Waikato: During rain events, the stormwater system minimises disruption to businesses and homes.

### Proposed level of service

The stormwater system is reliable, efficient and effective.  
The stormwater system is environmentally responsible.

### How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
The number of complaints received about stormwater flooding does not increase.	23	Less than 140 complaints per year		
The percentage of residents/ratepayers who are satisfied with stormwater services.	69%	>75%	>78%	>80%
The percentage of complaints about stormwater flooding where the customer has been contacted within six hours.	66%	100%	100%	100%
The percentage of communities that achieve at least a "High Level of Compliance" from the Waikato Regional Council.	100%	80%	85%	90%

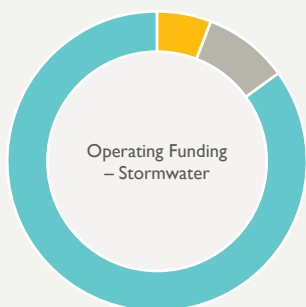
Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

### How it's funded

**7%**  
General rates

**83%**  
Targeted rates

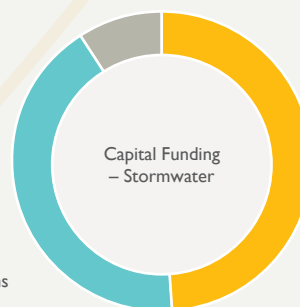
**10%**  
Internal charges and overheads recovered



**49%**  
Development and financial contributions

**42%**  
Increase in debt

**9%**  
Lump sum contributions





# Roading

## Strategic focus

To concentrate on maintaining the current road network and projects which are mostly growth-driven.

Our Roothing team focuses on providing and maintaining our district's roading network. The activities included in this group are:

Passenger transport, road safety, corridor maintenance, network development and maintenance, bridges and footpaths.

Roads (in particular road maintenance) make up a large percentage of the Council's budget. The New Zealand Transport Agency (NZTA) has recently inspected our roads and has categorised the overall condition of our sealed roads as above average.

We have 2,447 kilometres of local roads in the Waikato district. They service our important rural areas, which make a big contribution to our local economy, so businesses and industries can get their goods and products to their market. Roads are also essential for people getting around the district, to commute to jobs, school and recreational activities.

We have to provide for the increasing number of vehicles on our roads, but this needs to be affordable, as well as meeting people's present requirements and future needs.

While our transport system – roads, public transport and cycleways – make a positive contribution to people's lives and our economic development, there are some negatives. These include the physical

barriers the major roads create such as SH1, SH1b and SH 39, portions of which will become local roads as the new Waikato Expressway is constructed.

As the different sections of the expressway are completed, the existing state highway designation will get revoked on the relevant sections and they will become local roads. The Ngaruawahia section of the expressway opened in 2013.

Most of the sealed roads throughout the district are of a high quality, but there are also roads that don't reach the same standard. Because we don't have the funding to have all roads at this high standard, we need to accept a compromise between the two levels. Community feedback shows most residents want road renewals to stay at the same level, and because we haven't allowed for any seal extensions, we can focus on maintaining the existing roads.

## What's planned

The following are the major projects included in the Plan. The full capital work programme is listed in the financial section.

- Continued construction (second phase) of the Link road in Tamahere - total project cost is **(\$3,200,000)** over the 13/14 and 14/15 financial years. Budget for the 2014/2015 year is **(\$380,000)**.
- Helenslee Road work being undertaken in conjunction with residential development – part of the Pokeno Structure Plan **(\$933,000)**.
- A new road into the Pokeno Industrial Park – part of the Pokeno Structure Plan **(\$440,000)**.



### Strategic Direction Contributions

● Primary ● Secondary

## Objective

Accessible and Safe Waikato: The roading network is well maintained, safe and provides a comfortable means of travel.

## Proposed level of service

The district is easy and safe to get around and the road network is well maintained.

The footpath network is considered to be suitable, accessible, safe and well maintained.

Road markings and signs are maintained to provide clear delineation and direction for road users.

Road users feel safe during their travels.

## How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
Residents are satisfied or very satisfied with the standard of roads overall as measured by the annual satisfaction survey.	75%	65%	65%	65%
Residents are satisfied or very satisfied with the standard of the unsealed roads as measured by the annual satisfaction survey.	37%	28%	28%	28%
Residents are satisfied or very satisfied with footpaths as measured by the annual customer satisfaction survey.	53%	46%	46%	46%
Percentage of urgent trip hazards which are responded to within 24 hours of notification to contractor.	100%	100%	100%	100%
Residents/ratepayers are satisfied or very satisfied with signs and markings on the road network as measured by the annual customer satisfaction survey.	83%	76%	76%	76%
Number of reported injury crashes where road factors were a contributing factor (5 year moving average).	Urban 1 Rural 22		Urban < 10 Rural < 22	
Residents are satisfied or very satisfied with the safety of Waikato district's roads as measured by the annual customer satisfaction survey.	70%		55%	

Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

## How it's funded

**64%**

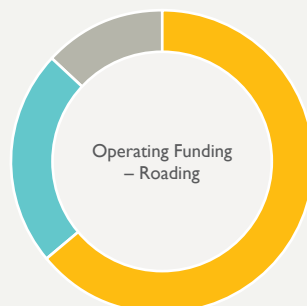
General rates

**24%**

Subsidies for operating purposes

**12%**

Internal charges recovered



**84%**

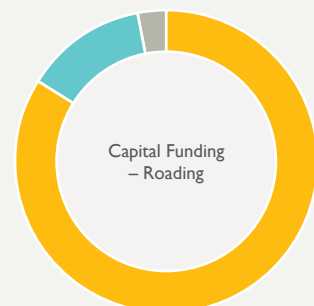
Subsidies and grants for capital expenditure

**13%**

Development and financial contributions

**3%**

Increase in debt





# Sustainable environment

## Strategic focus

To have an integrated approach to providing sustainable, attractive, affordable and safe options for living, in a way that's in tune with what ratepayers want. This needs to result in more streamlined processes that cost less while still providing required results for both community and the Council.

**Sustainable environment** focuses on the preservation of our districts natural and urban environments.

The activities included in this group are:

Animal control, Building quality, Consents, Environmental health and liquor licensing, Monitoring and enforcement, Regulatory support, Strategic and district planning (including development of structure plans, Resource Management Act policy etc.), Waste minimisation and refuse.

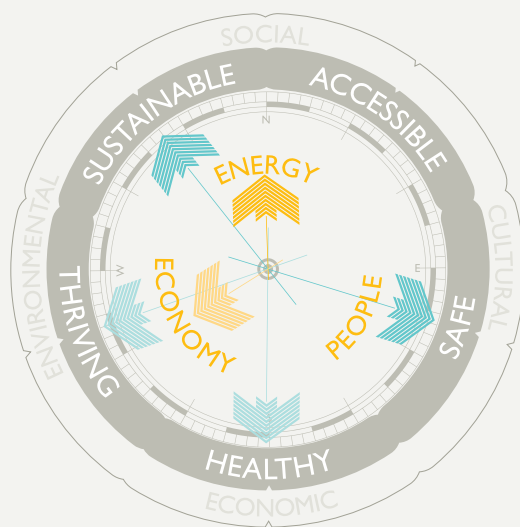
Waikato district's population is predicted to grow significantly by 2061. This means we have to focus even more on looking after our natural and urban environments.

It takes a wide variety of different policies, plans and activities to ensure we have a healthy and safe place to live in. Our District Plan provides us with a guide to urban and rural development so we can manage our environment both now and for the future. It also reflects our Growth Strategy, the Regional Policy Statement and other regional plans and strategies such as Future Proof.

We want our towns to be attractive and safe, and this is reliant on our assessment, administration and monitoring of our building and resource consents, so our development is in line with legislation as well as regional and local policies and plans.

The Christchurch earthquakes have highlighted an important part of our work in assessing buildings for safety. In line with our Earthquake-prone, Dangerous and Insanitary Buildings Policy, we have assessed buildings throughout the district to see if they are earthquake-prone. Owners of these buildings have been notified and we will continue to work with them to ensure appropriate remedies are undertaken.

Population growth, market stability, political confidence and changes within communities will trigger more demands for our services.



**Strategic Direction Contributions**  
 ● Primary ● Secondary

Further legislative requirements might cause further changes as to how we carry out our building consent and monitoring services.

It's our role to minimise and dispose of waste and refuse through refuse collections, recycling, as well as inorganic collections and hazardous waste collection and litter control. Pollution can also be caused by noise, and ensuring this is controlled is essential, particularly in our urban areas.

Animal control, in particular dogs, is a high priority so our communities can feel secure.

We make sure restaurants and cafés comply with health regulations, so food and drink is prepared in clean and healthy conditions. We also carry out liquor licensing through the District Licensing Agency, working with our partners to address issues in the community arising from alcohol consumption.

#### How it's funded

**45%**

General rates

**18%**

Targeted rates

**35%**

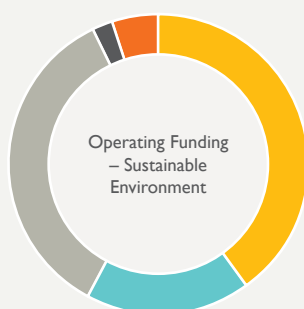
Fees and charges

**2%**

Internal charges and overheads recovered

**5%**

Other operating funding

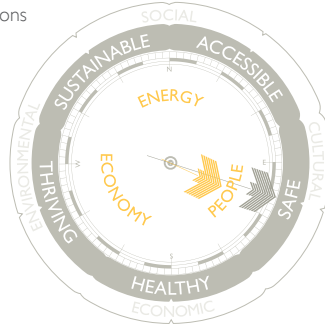


## Sustainable environment

# Animal control

Strategic Direction Contributions

- Primary
- Secondary



Under our Dog Control Policy, we help ensure our community is safe from the nuisance of uncontrolled or dangerous dogs. As part of this service we can seize, impound and euthanise dogs as required, and ensure they are registered. We are also able to remove livestock wandering on roadways, to prevent harm or damage to property. We have facilities for impounded stray dogs and stock and investigate complaints through our Animal control service.

### Objective

Safe Waikato: To feel safe in the community.

### Proposed level of service

Ensuring safety from the increasing number of dog attacks, and from wandering stock on our roads.

### How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
The percentage of residents who indicate that they feel safe from dog intimidation.	68%	75%	75%	80%
All complaints related to aggressive dog behaviour have a response initiated within 30 minutes.	100%	100%	100%	100%
The percentage of complaints regarding stray stock responded to within two hours of notification.	100%	100%	100%	100%
The number of dog owners who appear on the animal control offenders list (for three or more infringements or impounds) does not increase from current levels of 432 owners and reduces over time.	555	432 dog owners		

Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

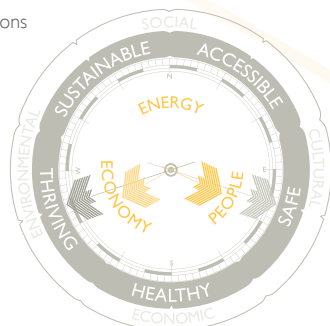


## Sustainable environment

**Building quality**

## Strategic Direction Contributions

- Primary
- Secondary



We have a responsibility for people's safety and wellbeing in the buildings they live and work in. We have the sole responsibility in our district for ensuring buildings in our district comply with legislation, including fencing of swimming pools. We process building consent applications and carry out construction inspections. The Waikato Building Consent Group has been formed with representatives from seven Waikato councils, so that we can have consistency across the region in managing what we do.

**Objective**

Safe Waikato: All building activities are carried out in accordance with legislative standards so that people feel safe.

Thriving Waikato: The Council's processes recognise the need for prompt delivery of services.

**Proposed level of service**

The Council protects the community by enforcing building regulations.

The Council provides a timely consenting process to support building activities within our district.

**How we'll know we are on track**

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
The number of existing buildings which are monitored and audited for compliance each year.	81	at least 250 per annum (60%)		
The percentage of those buildings that provide sleeping care or paid accommodation that are audited for compliance annually.	100%	100%	100%	100%
The number of existing pools which are inspected for fencing compliance within each year.	357	at least 350 per annum		
The percentage of building consent applications which are processed within 20 working days.	99.5%	100%	100%	100%

Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

**What's planned**

The following is the key project for 2014/2015. The full capital work programme is listed in the financial section.

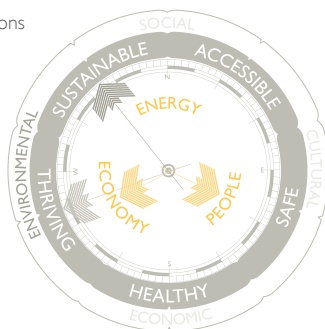
- The Council is to set aside **\$100,000** to start work on the Initial Seismic Assessments (ISAs).

## Sustainable Environment

# Strategic & district planning

Strategic Direction Contributions

- Primary
- Secondary



The Council is responsible for ensuring that long-term development in our district is planned for. To better enable this, the process of developing a district-wide development strategy has started. This strategy will consolidate the former Franklin District Council and the Waikato District Council strategic planning documents and help guide us in decision-making. At the same time, we will continue to work with our partners in implementing the Future Proof Growth and Development Strategy. The review of this strategy will commence in 2014/2015.

To ensure that our district can grow and develop in a sustainable way, we have a District Plan – Council's development rulebook. We have undertaken a number of changes to land use and development rules over the last few years and will continue to undertake these to address specific resource management issues as they arise. We have reached settlement on all appeals related to our Rural and Coastal Policy Subdivision policy review. This review has been one of the more significant ones undertaken by the Council as it is aimed at reducing the fragmentation of our rural land because of lenient subdivision rules.

The implementation of the District Plan is dealt with by our consents team. Our planners provide guidance to developers and the general public on the rules within the District Plan and the requirements for consents as well as process resource consent applications for subdivision and land use.

Over the 2014/15 financial year, we will continue with the development of structure plans for Ngaruawahia and Tuakau. We will be commissioning a number of technical reports to support these plans. We intend to have the Tuakau Structure Plan finalised by the end of 2014 and the Ngaruawahia Structure Plan by the end of 2015.

Both structure plans are budgeted for in this Plan.

### Objective

Thriving and Sustainable Waikato: The Council provides an efficient and punctual service to its customers. Consultation is undertaken to provide involvement of the community in decision making.

Sustainable growth in appropriate locations beneficial to the district is encouraged.

### Proposed level of service

The community has access to up-to-date information and receives assistance with consent applications, regulations and requirements.

Resources controlled by the Council are managed in accordance with the purpose and principles of the Resource Management Act and reflect the will of the community.

Opportunities are provided for involvement in decision making.

Growth is consistent with the intent of the district growth strategy.

### How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
The percentage of resource consent applications that are processed within the statutory timeframes.	99.1%	100%	100%	100%
The percentage of time that people receive assistance with consent applications when requested.	100%	100%	100%	100%
All District Plan changes will be undertaken as per the RMA statutory process.	100%	100%	100%	100%
Consultation undertaken including: Informal consultation, opportunity to submit and present views, public hearing process and written advice of the Council's decision on submission.	100%	100%	100%	100%
The number of consents granted that are inconsistent with our district growth strategy.	0	None	None	None

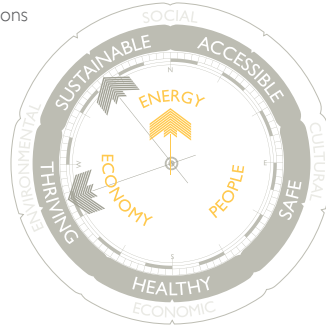
Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

## Sustainable Environment

# Solid waste

Strategic Direction Contributions

- Primary
- Secondary



Our environment sustains us and our way of life, so it's our responsibility to look after it. Part of that is to minimise and manage our solid waste, recycling as much as we can, returning our green waste to the earth and reducing the amount of other waste we put into landfills.

The Council provides the following solid waste services:

- Kerbside refuse collection including recyclables.
- Monitoring of closed landfills.
- Recycle/refuse transfer stations and collection centre.
- Waste education programmes.

The Council does not own any operational landfills. Waste is disposed of at Hampton Downs, which

is operated by Enviro Waste. Closed landfills are monitored at Huntly, Ngaruawahia, Raglan, Te Kauwhata and Tuakau to meet resource consent requirements.

Over the past year, we have reviewed our Waste Minimisation and Management Plan and will be considering a bylaw which would require commercial companies to provide us with data so that we can better identify what goes into the waste stream.

Through the development and review of our 2015 – 2025 Long Term Plan, we will be consulting with the public about our kerbside solid waste and recycling service. We are also continuing our transfer station upgrades.

### Objective

Sustainable Waikato: To provide residents with an ideal quality Refuse and Recycling Collection Service.

### Proposed level of service

Have reliable and efficient refuse and recycling services.

### How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
Percentage of refuse complaints resolved within three working days.	91.4%	100%	100%	100%
Percentage of recycle complaints resolved within three working days.	97%	100%	100%	100%
The number of missed bags in the Council's bag refuse collection is no more than 200 per year	65	<200 per year		

Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

## Sustainable Environment

# Environmental health

Strategic Direction Contributions



Environmental health focuses on keeping the community healthy. Monitoring is a very diverse; from food outlets to ensure they keep high hygiene standards; liquor outlets to ensure they keep to the conditions of their licenses; to hazardous substances and contaminated sites. As with any regulatory activity, any non-compliance is dealt with on a case-by-case basis with measures taken depending on the nature of the non-compliance. Measures available regarding food and liquor outlets range from providing education and advice, to prosecution and seeking closure of the premises in accordance with provisions of the applicable legislation.

General food service businesses now have the ability to voluntarily opt out of the current inspection regime and into a risk-based food control system. The Council has obtained approval as an audit agency and the Environmental Health Officers have been approved to audit the new food control plans operated by those businesses opting into the voluntary programme. Uptake of the voluntary system by food businesses has been relatively slow.

Noise control is also an important part of improving, promoting and protecting public health. We also provide advice on public health aspects of resource consent applications and monitor related compliance conditions. Managing land use information and requirements related to contaminated and potentially contaminated land is also an important aspect of keeping our environment healthy. The Council is continuing to develop its processes and systems in this area.

The Government has also enacted the Sale and Supply of Liquor Act 2012, which provides for more locally based decisions about alcohol. Councils can now, in consultation with the community, develop and implement local alcohol policies. This policy would relate to the sale, supply or consumption of alcohol within the district, and can provide differently for different parts of the district, or apply to only part of the district.

As a result of the new Sale and Supply of Alcohol Act 2012 licensing fees set by legislation have increased. Please see table on page 52.

From 18 December 2013 the Sale and Supply of Alcohol (Fees) Regulations 2013 prescribed the fees payable for applications and services under the Sale and Supply of Alcohol Act 2012. The regulations provide for application and annual fees for on, off and club licences and define a fees framework for determining the fees categories for premises using a defined cost/risk rating system. The regulations provide for the Council to make a bylaw to set its own fees payable within the framework specified and therefore the specified fees are subject to change should the Council determine to make a bylaw. An amount is paid to the Alcohol Regulatory and Licensing Authority (ARLA) from the fees for on, off, club licences and manager's certificates.

## Liquor Licence Fees – 2013 to 2015 (inclusive of GST)

Fee Category for Premises	Application Fee	Annual Fee
<b>Very low</b>		
Total	\$368.00	\$161.00
Waikato District Council	\$350.75	\$143.75
ARLA	\$17.25	\$17.25
<b>Low</b>		
Total	\$609.50	\$391.00
Waikato District Council	\$575.00	\$356.50
ARLA	\$34.50	\$34.50
<b>Medium</b>		
Total	\$816.50	\$632.50
Waikato District Council	\$764.75	\$580.75
ARLA	\$51.75	\$51.75
<b>High</b>		
Total	\$1,023.50	\$1,035.00
Waikato District Council	\$937.25	\$948.75
ARLA	\$86.25	\$86.25
<b>Very High</b>		
Total	\$1,207.50	\$1,437.50
Waikato District Council	\$1,035.00	\$1,265.00
ARLA	\$172.50	\$172.50
<b>Special Licences</b>		
Class 1 – Waikato District Council	\$575.00	-
Class 2 – Waikato District Council	\$207.00	-
Class 3 – Waikato District Council	\$63.25	-
<b>Manager's Certificate/Renewal</b>		
Total	\$316.25	-
Waikato District Council	\$287.50	-
ARLA	\$28.75	-
<b>Other Charges</b>		
Temporary Authority – Waikato District Council	\$296.70	-
Temporary Licence – Waikato District Council	\$296.70	-
Permanent Club Charter – Waikato District Council	\$632.50	-
Extract from Register – Waikato District Council	\$57.50	-

**Objective**

Safe and Thriving Waikato: The community's health and wellbeing is protected.

**Proposed level of service**

Food sold within the district is safe.

Liquor outlets operate responsibly and comply with legal requirements.

Noise complaints are responded to in a timely fashion.

Nuisance complaints are responded to in a timely fashion.

**How we'll know we are on track**

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
Percentage of "at risk" registered food premises inspected per year.	100%	100%	100%	100%
Percentage of "at risk" liquor premises inspected per year.	100%	100%	100%	100%
Percentage of excessive noise complaints responded to within agreed timeframes. (Due to geographical characteristics of the district, response times will vary in different parts of the district).	Not Measured	90%	90%	90%
Percentage of public nuisance complaints responded to within two working days.	Not Measured	95%	95%	95%

Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.





# Sustainable communities

## Strategic focus

To support economic growth, to enrich our communities through employment and improved quality of life, rather than simply encouraging population growth.

**Sustainable communities** is predominantly about addressing those social and economic wellbeings that ensure “communities” are developed rather than just discrete sets of towns and villages. It’s about the provision of leisure options and the protection of enduring communities.

The activities included in this group are:

Community facilities (cemeteries, property, toilets, pensioner housing etc.), Customer Delivery, Economic Development, Emergency Management (civil defence and rural fire), Grants and Donations and Leisure Facilities (aquatic centres, libraries and parks and reserves).

Our communities share many qualities and at the same time have diverse outlooks and characteristics. One of our roles is to help these communities make the most of their strengths and to develop a sense of belonging and pride.

In the broader picture, aiding future economic development and growth is fundamental for the Council. We work closely with the Waikato Enterprise Agency and neighbouring local authorities to help integrate new developments into the community. We are also working actively with a range of businesses looking to develop their activities in our area.

Our growth is mainly focused on Pokeno, Tamahere, Te Kauwhata and Tuakau. We want to make sure we don’t try to have growth in multiple places and find it is unsustainable because of major investment in infrastructure for growth that doesn’t eventuate. However, development won’t go ahead if we don’t have the infrastructure. Investment in infrastructure to support growth is initially funded by the Council, which then recovers the amount from developers through development contributions as development actually happens.



### Strategic Direction Contributions

● Primary    ● Secondary

Many of our parks, reserves and facilities, such as sports grounds, are also funded in part through development contributions. In addition, community and leisure facilities, such as our housing for the elderly, aquatic centres and libraries, parks and reserves, and cemeteries, have an important role in the things that make up the fabric of our towns and villages.

Locally, we provide grants and donations to help individual communities with their own initiatives, helping make activities and projects happen through active support and funding, working with local organisations.

Residents also expect to be safe within their communities and our role covers a wide spectrum, from health and wellbeing to road safety, emergency management, as well as crime prevention. We work with the police and the community to improve safety, including using closed circuit TV cameras through the Camera Trust.

Civil defence and emergency management has taken on a much higher profile in the past two years for the public. For us, emergency management is a

core service and while earthquake risk is under the spotlight now, we also have to think about other risks, such as flooding. We work with the Waikato Regional Council and a number of other councils to ensure we are prepared for emergency response and recovery.

#### What's planned

- Land purchase for parks and reserves in Pokeno (\$33,000).
- Toilets for Raglan (\$11,000).
- Additional walkways in Wainui Reserve, Raglan (\$23,000).

#### What's changed

Budget of \$443,000 for additional walkways in Tamahere was proposed for 2015. However, there have been delays in securing land for this project, so the 2015 budget has been deferred to 2015 - 2025 Long Term Plan.

#### How it's funded

**81%**

General rates

**3%**

Targeted rates

**7%**

Fees and charges

**2%**

Internal charges and overheads recovered

**7%**

Other operating funding



**22%**

Development and financial contributions

**66%**

Development and financial contributions

**7%**

Increase in Debt

**5%**

Lump sum contributions

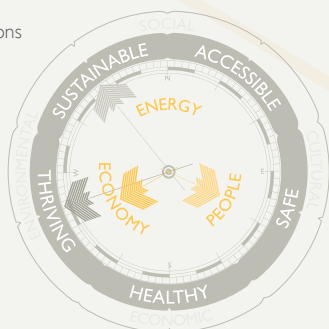


# Sustainable communities

## Economic development

Strategic Direction Contributions

- Primary
- Secondary



Our involvement in economic development is in supporting the growth of our communities, so people's lives are improved through having jobs and access to better incomes and the associated benefits.

We are continually providing infrastructure to support businesses in appropriate locations. Our district has strategic industrial nodes in Horotiu, Huntly, Pokeno and Tuakau, which we are committed to developing. We have developed a web-based economic development prospectus to provide businesses wishing to invest in the Waikato district with information on opportunities available to them. The goal is to ensure our district has longevity by bringing more employment opportunities and making

it easier for businesses to locate here.

In recent times we have worked to identify where current infrastructure already exists and where there are gaps that could potentially curb further development in a particular area. Work has been carried out to identify issues in the District Plan where those objectives, policies and rules can better facilitate growth and development. We will continue to monitor this. Over the coming year we will aim to hold a follow-up economic development summit to update participants of the first summit (held in 2011) of progress, to help shape the direction of our 2015-2025 Long Term Plan.

### Objective

Thriving Waikato: Town and village centres are developed sustainably.

### Proposed level of service

The Council encourages sustainable growth in locations beneficial to the district.

### How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
The percentage of people who have indicated that the Waikato district has processes that encourage the continuity of existing businesses and the establishment of new businesses and industry, as measured through the annual satisfaction survey.	Not measured	New measure	50%	55%
The percentage of people who agree that productive activities in the district are not unduly restricted, as measured through the annual satisfaction survey.	Not measured	New measure	50%	55%
The percentage of people who have indicated that the Waikato district is a district where the community's access to infrastructure, transport and technology meets its needs, as measured through the annual satisfaction survey.	Not measured	New measure	50%	55%

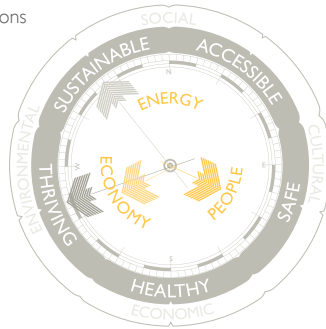
Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

## Sustainable communities

# Grants and donations

## Strategic Direction Contributions

- Primary
- Secondary



Every year we provide grants and donations to various organisations and charities throughout the district which otherwise might not have access to funding for their work.

GRANTS AND DONATIONS	Long Term Plan	Annual Plan
	2014/15	2014/15
Air ambulance	15,000	15,000
Bush Tramway	1,000	1,000
Eco-sourced Waikato in the District	2,000	2,000
FIFA Under 20 World Cup	5,000	5,000
Life Education Trust	5,000	5,000
Northern Surf Lifesaving	29,500	<b>34,500</b>
Raglan Coastguard Grant	6,500	<b>33,346</b>
Raglan Museum	20,000	20,000
Regional Tourism	100,000	100,000
Tamahere Community Committee	4,000	4,000
Te Akau Community Complex Grant	7,000	7,000
Te Kauwhata - rent for premises for DISC*	10,000	10,000
Te Otamanui Lagoon	25,000	<b>50,000</b>
Tuakau & District Museum Society Inc	5,000	<b>10,000</b>
Waikato Coalfields Museum	50,000	50,000
Waikato District Crime Prevention & Technology Trust	10,000	10,000
Waikato District Sports Award	5,000	5,000
	<b>300,000</b>	<b>361,846</b>

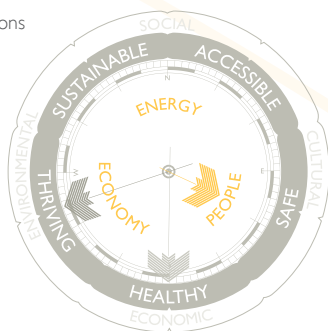
\* District Information Service Centre.

## Sustainable communities

# Leisure facilities

Strategic Direction Contributions

- Primary
- Secondary



We provide many parks and reserves, playgrounds and public facilities, including aquatic centres and libraries, walkways and sportsgrounds, providing the facilities and amenities needed for a healthy and thriving community.

Our open spaces provide for a mix of activities for example walkways, tennis courts, and kayaking, boating and others. We also have some sites with archaeological value such as The Point and Puke-I-Ahua in Ngaruawahia, and Wainui Reserve in Raglan. Some of our esplanade reserves also provide access to rivers, lakes and the foreshore.

We have 25 metre swimming pools located in Huntly, Ngaruawahia and Tuakau, with the Huntly pool converted several years ago to an indoor

facility, which has additional learner and toddler pools and provides a mixture of swimming lanes and recreational use.

We have six libraries in our district with a wide range of fiction and non-fiction books, youth and young children's books, talking books, large print books and magazines. Customers can also hire from our DVD and music collections.

The libraries run reading programmes for primary school children to improve literacy and comprehension.

There is access to Internet and a number of growing digital resources, such as reference databases.

### Objective

Healthy, Safe and Thriving Waikato: The community has access to safe and well maintained recreation and leisure facilities.

Have up-to-date library stock and technology available at libraries.

### Proposed level of service

Local reserves and facilities should be safe and well maintained.

Council pools are healthy and safe.

Libraries provide for modern society.

### How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
The percentage of people who have indicated that our parks and reserves are well maintained as measured through the annual satisfaction survey.	81%	100%	100%	100%
The percentage of respondents who have indicated that they feel safe in our parks and reserves as measured through the annual satisfaction survey.	75%	100%	100%	100%
The number of complaints the Council receives about pool water quality.	1 for the year	1 or less per pool per quarter		
Reliable daily access to free Internet service at all libraries (excluding supplier issues).	100%	100%	100%	100%
Library stock is purchased in accordance with the library's collection development policy and that 50% of the book collection is not more than five years old. (Note: this is based on the action collection being books less than 10 years old. Books older than 10 years are generally reference items, specialist items, local history or core stock that has long term value.)	100%	80%	80%	100%
The percentage of respondents who indicate through the bi-annual library survey that they are satisfied with the service they receive.	98%	>90%	>90%	>90%

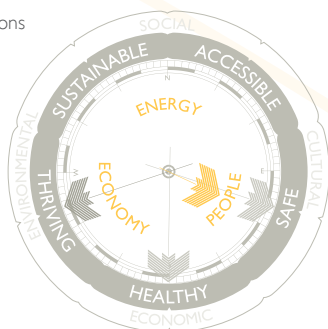
Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

## Sustainable communities

# Community facilities

Strategic Direction Contributions

- Primary
- Secondary



The Council owns and manages property such as libraries, information centres, museum, Council offices and a range of investment properties to serve the community's needs across the district. We own land designated for future roads and potential

use to provide for future growth. Housing for the elderly provides affordable and safe homes in Huntly, Ngaruawahia and Tuakau. Community halls and centres, cemeteries, camping grounds and harbour assets are included.

## Objective

Healthy and Safe Waikato: The community has access to safe and well maintained facilities.

## Proposed level of service

Council facilities should be safe and well maintained.

Public toilets are clean and tidy.

Local cemeteries have a pleasant environment.

## How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
Residents are satisfied or very satisfied with the condition of Council facilities as measured by the annual customer satisfaction survey.	60%	>65%	>65%	>65%
The percentage of customer complaints regarding the condition of public toilets responded to within one working day.	59%	95%	95%	95%
The number of complaints received regarding the condition of our cemeteries.	39	less than 10 complaints/year	less than 7 complaints/year	less than 5 complaints/year

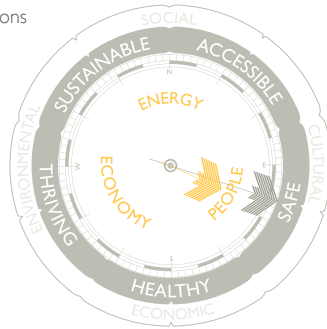
Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

## Sustainable communities

# Emergency management

Strategic Direction Contributions

- Primary
- Secondary



Public safety and emergency management activities are fundamental to the protection of life and property in the community. We have a key role in disaster and emergency response, management and recovery, including rural fire management.

Here in the Waikato District we are vulnerable to a wide variety of natural disasters and can also be affected by natural hazards occurring outside our district. We may also be needed to support people from our surrounding districts evacuating into our area.

We have local civil defence plans in place and have been developing business continuity and disaster recovery plans. We are reviewing the way we respond to emergencies and are ensuring we have a structure that will deliver an effective and efficient

response to our communities.

In conjunction with the Waikato Regional Council we have engaged a Civil Defence Emergency Manager who is building our capacity to be ready for managing an emergency. An Emergency Operation Centre is now established and staff are being trained to operate this and to support recovery activity. The role will also be supporting local communities to develop Community Response Plans and be 'emergency ready'.

In the event of a natural disaster the disperse locations of our communities would ensure that only part of the district is likely to be affected rather than the whole district (e.g. a tsunami, would affect Port Waikato and Raglan infrastructure but not Huntly, Ngaruawahia and Pokeno).

### Objective

Safe Waikato: Provide a key role in ensuring the organisation and community are able to respond, effectively manage, and recover from disaster impacts.

### Proposed level of service

Preparedness for emergency response and recovery in the event of an emergency.



### How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
Emergency Operation Centre (EOC) radios are commissioned and functioning on mandated ES bands. Weekly radio test to be performed between the Council's CD radio locations and Waikato Valley Emergency Operating Authority (WVEOA)* headquarters.	75%	100%	100%	100%
Undertake two Waikato district localised exercises involving community centre offices e.g. Raglan, Tuakau, etc.	1 per annum		2 per annum	
Undertake at least two joint training exercises per annum.	1 per annum		2 per annum	

\*The WVEOA has been disestablished. Radio testing is now done between the Council's CD radio locations and Waikato Group Emergency Coordination Centre (GECC).

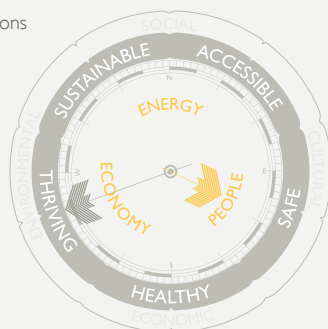
Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

## Sustainable communities

# Customer delivery

## Strategic Direction Contributions

- Primary
- Secondary



Customer delivery is one of the key ways residents can contact us about the issues and questions regarding the services we provide. This includes staff in our libraries and service centres, and our call centre.

Customer Service centres in Huntly, Ngaruawahia, Raglan and Tuakau, provide face-to-face access for, bill payments, rates enquiries, district plan enquiries, submission and consultation documents as well

as general enquiries. A planning enquiry service is regularly available at Ngaruawahia and Tuakau for enquiries regarding building and resource consents.

Our call centre was expanded in 2010 to meet the increased call volumes that resulted from the change to our boundary. We provide an after-hours service to support our customers and our entire web and email enquiries are centralised via Contact Us.

## Objective

Thriving Waikato: Customers are delivered an effective and responsive experience.

## Proposed level of service

Efficient and effective service from customer delivery and call centre teams.

## How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
Residents are satisfied or very satisfied with the overall service received when contacting the Council as measured by the annual satisfaction survey.	66%	75%	75%	80%
Customers who deal with front-line staff are satisfied or very satisfied with the service they receive as measured by the annual satisfaction survey.	80%	90%	90%	90%
Customers who contact the Council by phone are satisfied or very satisfied with the service they receive as measured by the annual satisfaction survey.	66%	90%	90%	90%
Percentage of all calls to the Council's main telephone number which are answered within 20 seconds.	73%	80%	80%	90%
Percentage of all calls to the Council's main telephone number which are abandoned (caller hangs up).	4%	<5%	<5%	<3%

Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

# Our Councillors



**Allan Sanson**  
His Worship the Mayor  
07 824 5878



**Dynes Fulton**  
Deputy Mayor  
Hukanui-Waerenga  
07 856 6481



**Clint Baddeley**  
Raglan  
07 825 8194



**Jacqui Church**  
Awaroa ki Tuakau  
09 232 9998



**Rosemarie Costar**  
Onewhero-Te Akau  
09 232 8517



**Janet Gibb**  
Ngaruawahia  
07 824 6737



**Wally Hayes**  
Tamahere  
07 826 6616



**Shelley Lynch**  
Huntly  
07 828 9682



**Rob McGuire**  
Eureka  
07 824 3696



**Lionel Petersen**  
Awaroa ki Tuakau  
09 236 9189



**Graeme Tait**  
Huntly  
07 828 8864



**Jan Sedgwick**  
Whangamarino  
07 826 3013



**Noel Smith**  
Newcastle  
07 824 8300



**Moera Solomon**  
Ngaruawahia  
07 824 8689 Extn 8437

# Council leadership

## Strategic focus

To be strategic and broad-based in identifying outcomes and exploring new outcomes for communities; being more enquiring and interested in ensuring Council operations are performing to expectations.

**Council leadership** is where the strategic high level relationships with industry, other Councils and government are developed and fostered, to advocate and represent the community as a whole.

The activities included in this group are:

- Committees and Community Boards
- Council Support
- Elections
- Governance
- Maaori Liaison.

Strong leadership is required for the district to progress and prosper. The Council, Community Boards and Community Committees, work in partnership with the community to make the key decisions for the district's long-term future, responding to the differing needs of diverse communities, through plans and strategies, and by facilitating progress against community outcomes.

A vital aspect for the Council is its relationship with Iwi, with the Joint Management Agreement with Waikato-Tainui being an integral part of this. Waikato-Tainui and the Council have a number of common concerns and interests.

The Council leadership group of activities also includes the three-yearly elections, with the organisation providing support through the Electoral Officer and organisation of the election process.

Support is also needed for Council and committee meetings, whether it's organising hearings and meetings with their associated agendas, consultations and open days to address community issues.



Strategic Direction Contributions  
● ● Primary    ● ● Secondary

### What's changed

- A total of **\$15,000** is required to fund an external appointment to the Audit Committee. The Committee provides independent assurance and assistance to the Council on risks, control, compliance framework, and its external accountability responsibilities.
- Regional Initiatives Project – Funding of **\$100,000** is required to assist with collaborative projects involving a number of councils in the Waikato Region. The main project being undertaken is the Waikato Plan which aims to develop a spatial plan for the Waikato region.

### Objective

Thriving Waikato: Communities have an opportunity to influence the decision making process.

### Proposed level of service

Our communities understand the decision making process.

Our communities have an opportunity to be involved in the decision making process.

### How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
Percentage of residents and ratepayers who understand how the Council makes decisions as measured by the annual satisfaction survey.	56%	60%	65%	70%
Percentage of residents and ratepayers who agree that they have had the opportunity to be involved and participate in the way the Council makes decisions as measured by the annual satisfaction survey.	58%	60%	65%	70%

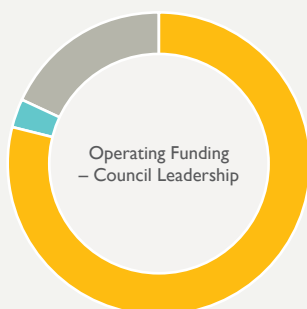
Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

### How it's funded

**83%**  
General rates

**3%**  
Targeted rates

**14%**  
Internal charges and overheads recovered



# Organisational support

## Strategic focus

To put into action the initiatives to take the organisation forward; making services more efficient and cost effective for ratepayer and continually reviewing how we can improve.

**Organisational support** is essentially the Council's 'engine room'. These functions are responsible for the Council having the right people, the right systems, the right processes, and the right information so that our core service delivery areas can excel. For example, so the roading team can deliver its pavement rehabilitation work each year, the organisational support team ensures roading management has the appropriate people, systems, processes, plant and information to do this well.

The activities included in this group are:

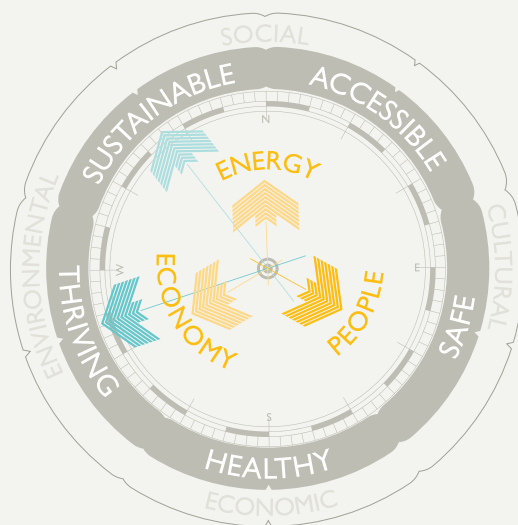
Communications, business improvement, Human Resources, health and safety, Finance and treasury, Rates, Information Management, legal counsel, procurement, corporate property and plant and management, project management and analysis, infrastructure planning, design and operations.

All of these functions support our staff providing services to you, and trying to ensure active communication so that we can understand your issues and concerns.

Our staff make this organisation work. Each and every one works and interacts with the public and with other agencies. We need to be able to manage what we do, well, so the organisation is more streamlined, can provide better information and go beyond what we deliver now so we have real savings and ultimately, you get better value for your rates.

## What's planned

- We will be focussing on honing staff skills in both project management and contract management while implementing several customer focused initiatives.
- We will also be implementing several IT projects with the specific goal of improving organisational efficiency.
- Our investment in Strada is expected to provide a financial return by way of a **\$200,000** dividend for the year.



Strategic Direction Contributions  
 ● Primary ● Secondary

## Objective

Thriving Waikato: Communities feel well-informed and part of consultation.

Sustainable Waikato: The Council does its part in ensuring a sustainable approach to managing property.

## Proposed level of service

Communication and consultation is effective.

Corporate property is energy efficient.

## How we'll know we are on track

	12/13 Actual	LTP Targets		
		Year 1	Year 2	Year 3
Percentage of community who are satisfied with information provided by the Council as measured by the annual satisfaction survey.	69%	>50%	>55%	>60%
Percentage of community who are satisfied with the Council's consultation programme as measured by the annual satisfaction survey.	53%	>50%	>55%	>60%
Reduction in total annual electricity consumption for Council occupied buildings compared to 2011/12 total consumption.	9.37%	2%	4%	5%

Note: The actual percentages for Year 2 (2013/2014) will be reported on in the Annual Report 2013/2014.

## Potential significant negative effects

No potential significant negative effects have been identified within this activity.

## How it's funded

**-1%**

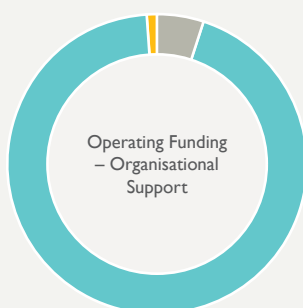
General rates

**96%**

Internal charges and overheads recovered

**5%**

Other operating funding



**100%**

Increase in debt



# Financial Statements

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## Prospective Funding Impact Statement Whole of Council

	Annual Plan 2013/14	LTP 2014/15	Annual Plan 2014/15
	\$'000	\$'000	\$'000
<b>COUNCIL WIDE</b>			
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	46,079	47,393	48,031
Targeted rates (other than targeted rate for water supply)	13,258	13,884	14,188
Subsidies and grants for operating purposes	6,712	7,555	6,971
Fees, charges and targeted rates for water supply	11,716	13,216	12,665
Interest and dividends from investments	292	350	356
Local authorities fuel tax, fines, infringement fees, and other receipts	2,986	3,167	3,424
<b>Total operating funding</b>	<b>81,043</b>	<b>85,565</b>	<b>85,635</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	58,340	55,011	63,863
Finance costs	3,818	5,234	3,411
Other operating funding applications	2,186	9,306	2,211
<b>Total applications of operating funding</b>	<b>64,344</b>	<b>69,551</b>	<b>69,485</b>
<b>Surplus (deficit) of operating funding</b>	<b>16,699</b>	<b>16,014</b>	<b>16,150</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	10,270	9,371	10,595
Development and financial contributions	7,539	7,697	7,749
Increase (decrease) in debt	30,900	18,252	38,500
Gross proceeds from sale of assets	63	77	107
Lump sum contributions	959	999	742
Other dedicated capital funding	-	-	147
<b>Total sources of capital funding</b>	<b>49,731</b>	<b>36,396</b>	<b>57,840</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	18,910	8,435	4,108
- to improve the level of service	11,071	6,053	5,846
- to replace existing assets	26,005	26,242	27,035
Increase (decrease) in reserves	10,444	11,680	37,001
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>66,430</b>	<b>52,410</b>	<b>73,990</b>
<b>Surplus (deficit) of capital funding</b>	<b>(16,699)</b>	<b>(16,014)</b>	<b>(16,150)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Additional Information

Some capital works from prior years will have budget carried forward into 2014/15.

The delay in capital spend will affect the timing of finance costs and external borrowing.

The impact on finance costs and borrowing has been adjusted in the years affected.

### Funding Impact Statement (FIS)

The Council proposes to set the following rates for the financial year commencing 1 July 2014 and ending 30 June 2015.

All amounts (except where otherwise stated) are inclusive of GST

#### General rate

The Council proposes to set a General Rate on the capital value of rateable land within its district. The General Rate required to undertake the work programme outlined in the Annual Plan 2014/15 is proposed to be \$0.0024326 in the dollar of capital value. This work program covers Animal Control, Community and Safety, Corporate and Council Leadership, Environmental Health, Community Liaison, Libraries, Parks and Reserves, Resource Management, Roading, Solid Waste management, Stormwater, Wastewater and Water Supply.

#### Uniform Annual General Charge (UAGC)

The Council proposes to set a UAGC of \$418 per rating unit in the 2014/2015 year.

The Council considered and agreed on a range of services, which a UAGC might fund. The appropriate services are viewed as people-related, rather than property-related, including libraries, parks and reserves, public cemeteries, public swimming pools, public toilets, community centres, community liaison, grants and donations, safer communities, animal control, civil defence and safety, building control, environmental health, resource management planning, environmental consents planning, area offices and democracy/local government.

At \$418, the UAGC will contribute approximately 24 per cent of the total rates revenue expected to be collected by the Council. The legislative maximum for rates revenue collected from the UAGC and targeted rates set on a uniform basis is 30 per cent (LGRA). The Council considered that the amount of the UAGC was fair and equitable and took into account the needs of our diverse community.

### Rating of separately used or inhabited parts of a rating unit

#### Objective

To fairly apportion charges to properties containing multiple residences or multiple uses.

#### Conditions and Criteria

The Council will raise multiple charges against each separately used or inhabited part of a rating unit.

#### Definition

The basis of a unit of separate use or inhabitation is that the part can be separately let and permanently occupied by the owner or any other person having the right to use or inhabit that part by virtue of a lease, tenancy, licence or any other agreement.

For the purpose of this definition, where the use or inhabitation is an accessory one or is ancillary to another property or part thereof, it is not a separately used or inhabited part. For example:

Not separately used or inhabited parts of a rating unit:

- A residential sleep-out or granny flat without independent kitchen facilities.
- A hotel room with or without kitchen facilities.
- Motel rooms with or without kitchen facilities.
- Individual storage garages/sheds/partitioned areas of a warehouse.
- Individual offices/premises of partners in a partnership.

These are separately used or inhabited parts of a rating unit:

- Houses/flats/apartments.
- Flats that share kitchen/bathroom

#### Targeted rates

##### Targeted Community Facilities Rates

The Council proposes to set targeted rates for the purpose of covering the costs of maintenance and operation of community facilities in the respective defined rating areas of Huntly, Ngaruawahia and Raglan. This rate is a fixed amount per rating unit on all rating units within the defined catchment area.

#### Huntly Pool (Rural)

The Council proposes to set a targeted rate for the purpose of covering part of the costs of maintenance and operation of the Huntly Pool. This rate is a fixed amount per rating unit on all rating units within the defined catchment area.

#### Targeted Hall or Community Centres

The Council proposes to set targeted rates for the purpose of covering the costs of maintenance and operation of halls, other facilities and community centres in the respective defined rating areas. This rate is a fixed amount per separately used or inhabited part of a rating unit within the defined hall/community centre area (except for the Te Kohanga and Waikaretu rates which are an amount in dollar of land value). The targeted rates are specific to individual areas.

#### District refuse

The Council proposes to set a targeted rate for the purpose of covering the costs of household refuse collection, recycling and disposal where the refuse collection service is provided (excluding Raglan and Te Mata/Te Uku, Port Waikato, Tuakau and ex-Franklin district). The rate is a fixed amount per separately used or inhabited part of a residential rating unit within the serviced area.

#### Raglan recycling and waste collection

The Council proposes to set a targeted rate for the purpose of covering the costs of recycling and waste minimisation where the service is provided in Raglan. This rate is a fixed amount per separately used or inhabited part of a residential rating unit within the area.

#### Te Mata/Te Uku recycling collection point

The Council proposes to set a targeted rate for the purpose of covering the costs of recycling and waste minimisation collection points for the Te Mata and Te Uku area. This rate is a fixed amount per separately used or inhabited part of a residential rating unit within the area.

#### Ex-Franklin district refuse collection

The Council proposes to set a targeted rate for the purpose of covering the costs of refuse collection in the ex-Franklin District Council area. The rate is a fixed amount per separately used or inhabited part of a residential rating unit within the serviced area.

#### Port Waikato refuse collection

The Council proposes to set a targeted rate for the purpose of covering the costs of refuse collection in the Port Waikato area. The rate is a fixed amount per separately used or inhabited part of a residential rating unit within the serviced area.

#### Tuakau refuse collection

The Council proposes to set a targeted rate for the purpose of covering the costs of refuse collection in the Tuakau area. The rate is a fixed amount per wheelie bin supplied to each rating unit within the serviced area.

#### Tuakau recycling collection

The Council proposes to set a targeted rate for the purpose of covering the costs of recycling and waste minimisation collection points for the Tuakau area. This rate is a fixed amount per separately used or inhabited part of a rating unit within the serviced area.

#### Water Supply

The Council proposes to set targeted rates to fund expenditure on water activities.

#### Non metered targeted rate

This rate is assessed on rating units in the urban centres of Huntly, Ngaruawahia and Raglan without a water meter and is differentiated based on the provision (connected to the supply) or availability/serviceability (rating unit situated within 100 metres of any part of the waterworks) of a water supply service to a rating unit.

The rate is a fixed amount per rating unit or 50 per cent of this fixed amount per rating unit for availability of the service in the main urban centres.

#### Metered – connection charge targeted rate

These rates are assessed on rating units with a water meter and assessed as a fixed amount per rating unit. A rate is proposed to be set for each different set of combinations of areas.

The Council also proposes to set rates per cubic metre of water supplied to rating units (see below).

#### Water by Meter

The Council proposes to set targeted rates to fund expenditure on water activities for metered water supply. The rates are an amount per unit of water (cubic metre) consumed or supplied as measured or controlled by a meter.

## Wastewater

The Council proposes to set targeted rates to fund expenditure on wastewater activities. The Council sets a rate for Zones A, B and C, and a separate rate for Zones D and E.

- Zone A – Huntly, Ngaruawahia, Horotiu and Te Ohaki
- Zone B – Raglan, Te Kauwhata, Rangiriri and Whaanga Coast\*
- Zone C – Maramarua, Matangi, Meremere, Te Kowhai, Taupiri and Tauwhare Pa
- Zone D – Tuakau
- Zone E – Pokeno

\*New charges proposed to come into effect once connected to wastewater

The rates are differentiated by residential or commercial use.

Properties in the residential differential are further differentiated by connection or availability of the service.

For the purposes of this rate:

- residential is defined as any part of a rating unit that is used primarily for residential purposes. This is the base differential.
- availability is defined as any rating unit situated within 30 metres of a public wastewater drain to which it is capable of being effectively connected - set as 50 per cent of the fixed amount for connected properties.
- Commercial (commercial) is defined as any part of a rating unit that is not categorised as residential, commercial (non-rateable) or commercial (assistance for the elderly). The rates are set and assessed as 100 per cent of the residential connected differential for rating units with up to two pans, and 50 per cent of the residential connected rate for the third and subsequent pans for the additional use they make of the wastewater systems.
- Commercial (non-rateable) is defined as organisations classified by the Act as fully non-rateable or organisations that are non-profitable as determined by the Council. The rates are set and assessed as 100 per cent of the residential connected differential for rating units with up

to two pans, and 10 per cent of the connected rate for the third and subsequent pans in accordance with the Council's aim to assist non-profit organisations

- Commercial (assistance for the elderly) is defined as organisations that are supportive of the elderly, including retirement homes, rest homes and Council - owned pensioner flats, as determined by the Council. The rates are set and assessed as 100 per cent of the residential connected differential for rating units with up to two pans and 20 per cent of the connected rate for the third and subsequent pans in accordance with the Council's aim of assisting with the elderly.

## Urban stormwater

The Council proposes to set a targeted rate to fund expenditure on stormwater activities for stormwater catchments in urban centres (Huntly, Ngaruawahia, Raglan, Te Kauwhata and Tuakau) based on the availability of drainage to land as a fixed amount per rating unit.

### Land drainage – Travers Road

The Council proposes to set a targeted rate to fund expenditure on drainage activities based on the degree of benefit received from the Travers Road drainage system. This charge is assessed as an amount per hectare of land. The rate is set on a differential basis.

The differential categories are based on classifications:

- Class A
- Class B
- Class C.

### Tamahere rural stormwater – availability and land drainage

The Council proposes to set a targeted rate to fund expenditure on rural stormwater activities for the Tamahere stormwater rating area based on the availability of drainage to land. This targeted rate is a fixed amount per rating unit across the scheme.

In addition to this targeted rate, ratepayers in the Tamahere stormwater rating area will also be liable for a Land Drainage targeted rate to fund expenditure on drainage activities received from the

Tamahere drainage system. This charge is an amount per hectare of land.

#### Tamahere stormwater infrastructural development (structure plan)

The Council proposes to set a targeted rate to fund extensions to the existing stormwater infrastructure in Tamahere to ensure that the potential for high water flows to cause erosion in the gully system is minimised. This rate is a fixed amount per rating unit across the Tamahere structure plan catchment for a period of 10 years up to and including the rating year 2017/2018.

#### Community board charges

The Council proposes to set a targeted rate for the purpose of covering the direct costs of operating all the community boards within the district. This rate is a fixed amount per rating unit for all rating units within the Onewhero-Tuakau, Huntly, Taupiri, Ngaruawahia and Raglan community boards' catchments.

#### Capital works targeted rates

The Council proposes to set targeted rates for the purpose of funding the capital cost and interest charges of specific capital work. Council initially provided ratepayers with an option on whether to pay for the cost of the capital work by a single payment over 3 instalments in a year or via targeted rates over an expected period of 10 years.

Council annually provides ratepayers with an option to pay off the balance of the rating unit's anticipated liability for targeted rates as at the 30th of June of the preceding financial year.

The targeted rates only apply to those rating units for which liability has not been discharged.

#### Taupiri wastewater contributions

A charge of \$2,531.25 per rating unit (inclusive of GST) was made for the purpose of covering the capital cost of the wastewater system.

For rating units that have not discharged their liability by way of lump sum contribution, the Council will set a targeted rate as:

- a fixed amount per rating unit of \$289.11 (inclusive of GST) (comprising \$225.00 capital per year plus GST and interest on the outstanding portion of the lump sum at the start of each rating year).

#### Rangiriri wastewater contributions

A charge of \$2,812.50 per rating unit was made for the purpose of covering the capital cost of the wastewater system.

For rating units that have not discharged their liability by way of lump sum contribution, the Council will set a targeted rate as:

- a fixed amount per rating unit of \$334.74 (inclusive of GST) (comprising \$250.00 capital per year plus GST and interest on the outstanding portion of the lump sum at the start of each rating year).

#### Te Ohaki Road wastewater contributions

A charge of \$3,220.00 per rating unit was made for the purpose of covering the capital cost of the wastewater system.

For rating units that have not discharged their liability by way of lump sum contribution, the Council will set a targeted rate as:

- a fixed amount per rating unit of \$420.27 (inclusive of GST) (comprising \$280.00 capital per year plus GST and interest on the outstanding portion of the lump sum at the start of each rating year).

#### Tauwhare Pa wastewater contributions

A charge of \$4,637.16 per rating unit was made for the purpose of covering the capital cost of the wastewater system.

For rating units that have not discharged their liability by way of lump sum contribution, the Council will set a targeted rate as:

- a fixed amount per rating unit of \$605.25 (inclusive of GST) (comprising \$403.23 capital per year plus GST and interest on the outstanding portion of the lump sum at the start of each rating year).

#### Lump Sum contributions:

##### Whaanga Coast wastewater contributions

A charge of \$15,390 per rating unit was made for the purpose of covering the capital cost of the wastewater system.

**RATES FOR THE FINANCIAL YEAR**

commencing 1 July 2014 to 30 June 2015 (All figures are inclusive of GST)

**Annual Plan 2013/14**  
\$

**Source**

**Category**

**GENERAL RATES**

0.0023875	General Rate	All rateable land in the district
410.54	Uniform annual general charge (UAGC)	

**TARGETED RATES**

18.20	Community Boards	Huntly ward
18.20		Ngaruawahia ward
18.20		Onewhero-Tuakau ward
18.20		Raglan ward
18.20		Taupiri ward
194.26	Urban Stormwater	Rating units within the urban centre stormwater catchment areas (Huntly, Ngaruawahia, Raglan, Te Kauwhata and Tuakau).
27.91	Tamahere rural stormwater	Rating units within the Tamahere stormwater catchment area.
189.00	Tamahere structure plan stormwater	Rating units within the Tamahere structure plan catchment area
6.32	Tamahere land drainage - Class A	Rating units within the Tamahere land drainage catchment area.
173.58	Travers Road land drainage	Travers Road land drainage - Class A
115.72		Travers Road land drainage - Class B
86.79		Travers Road land drainage - Class C
447.82	Water Supply - Non metered	Connected properties in the urban centres of Huntly, Ngaruawahia and Raglan.
223.91		Serviceable properties in the urban centres of Huntly, Ngaruawahia and Raglan.

<b>Funding</b>	<b>Basis of Rating</b>	<b>LTP 2014/15 \$</b>	<b>Annual Plan 2014/15 \$</b>	<b>% Change LTP</b>	<b>Estimated Revenue \$'000</b>
Work program as highlighted in the annual plan including Animal control, Community and safety, Corporate and Council leadership, Environmental health, Community liaison, Libraries, Parks and reserves, Resource management, Roding, Solid waste management, Stormwater, Wastewater and Water supply	Uniform rate in the dollar of capital value	0.00246	0.0024326	-1.11%	42,533
People related activities including but not limited to libraries, parks and reserves, public cemeteries, public swimming pools, public toilets, community centres, animal control, area offices and democracy/ local government.	Fixed amount per rating unit	423.07	418	-1.20%	11,126
Direct costs of operating all the community boards within the district	Fixed amount per rating unit	18.20	18.20	0.00%	53
		18.20	18.20	0.00%	45
		18.20	18.20	0.00%	67
		18.20	18.20	0.00%	36
		18.20	18.20	0.00%	4
District wide stormwater activities as per the annual plan.	Fixed amount per rating unit	194.26	194.26	0.00%	1,647
Tamahere rural stormwater activities	Fixed amount per rating unit	13.29	29.11	119.04%	23
Existing stormwater infrastructure	Fixed amount per rating unit	189.00	189.00	0.00%	183
Land drainage activities.	Amount per hectare of land area	3.01	6.59	118.94%	10
Land drainage activities.	Amount per hectare of land area	0.00	181.04	0.00%	2
		0.00	120.70	0.00%	2
		0.00	90.52	0.00%	2
District wide water activities as per the annual plan,	Fixed amount per rating unit	492.60	492.60	0.00%	2,906
	Fixed amount per rating unit	246.30	246.30	0.00%	104

<b>Annual Plan 2013/14</b> <b>\$</b>	<b>Source</b>	<b>Category</b>
111.64		
1.84	Water Supply - Metered	Metered rating units in Huntly, Ngaruawahia, Raglan, Taupiri, Te Akau, Te Kauwhata, Rangiriri, Meremere and Whangamarino
2.18		
162.00		
1.84	Water Supply - Metered	Metered rating units in Gordonton and Tauwhare Pa
339.00		
1.84	Water Supply - Metered	Metered rating units in the Southern Districts catchment area.
229.00		
1.84	Water Supply - Metered	Metered rating units in the Western Districts catchment area.
2.37		
2.94	Water Supply - Metered	Metered rating units in Tuakau, Pokeno, Onewhero and Port Waikato.
495.44	Wastewater - Zones A, B and C	Residential - connected
247.72	Wastewater - Zones A, B and C	Residential - available (not connected but within 30 metres of a public wastewater drain - to which it is capable of effectively being connected)
495.44	Wastewater - Zones A, B and C	Non residential/commercial - Non rateable (Organisations classified by the Act as fully non-rateable or organisations that are non-profitable as determined by the Council) - connected
49.54	Wastewater - Zones A, B and C	Non residential/commercial - Non rateable (Organisations classified by the Act as fully non-rateable or organisations that are non-profitable as determined by the Council) - connected
495.44	Wastewater - Zones A, B and C	Non residential/commercial - Assistance for the elderly (Organisations supportive of the elderly as determined by the Council) - Connected
99.09	Wastewater - Zones A, B and C	Non residential/commercial - Assistance for the elderly (Organisations supportive of the elderly as determined by the Council) - Connected
495.44	Wastewater - Zones A, B and C	Non residential/commercial - Commercial - Connected
247.72	Wastewater - Zones A, B and C	Non residential/commercial - Commercial - Connected
651.22	Wastewater - Zones A, B and C	Residential - connected
325.61	Wastewater - Zones A, B and C	Residential - available (not connected but within 30 metres of a public wastewater drain - to which it is capable of effectively being connected)



Funding	Basis of Rating	LTP 2014/15	Annual Plan 2014/15	% Change LTP	Estimated Revenue	
		\$	\$		\$'000	
	Fixed amount per rating unit to which the service is provided in Huntly, Ngaruawahia, Raglan, Taupiri and Te Akau, Te Kauwhata, Rangiriri, Meremere and Whangamarino.	122.81	123.15	0.28%	291	
	Charge Per cubic metre of water consumed in Huntly, Ngaruawahia, Raglan, Te Akau and Taupiri (as measured by meter).	1.98	1.98	0.00%	1,523	
	Charge Per cubic metre of water consumed in Te Kauwhata, Rangiriri, Meremere and Whangamarino townships (as measured by meter)	2.36	2.36	0.00%	897	
	Fixed amount per rating unit to which the service is provided in the Gordonton and Tauwhare Pa townships.	162.00	162.00	0.00%	11	
	Charge Per cubic metre of water consumed in the Gordonton and Tauwhare Pa townships (as measured by meter).	1.98	1.98	0.00%	14	
District wide water activities as per the annual plan,	Fixed amount per rating unit to which the service is provided in the Southern Districts catchment area.	339.00	339.00	0.00%	840	
	Charge Per cubic metre of water consumed in the Southern Districts catchment area (as measured by meter).	1.98	1.98	0.00%	1,389	
	Fixed amount per rating unit to which the service is provided in the Western Districts catchment area.	229.00	229.00	0.00%	12	
	Charge Per cubic metre of water consumed in the Western Districts catchment area (as measured by meter).	1.98	1.98	0.00%	40	
	Charge per cubic metre of water consumed in the Tuakau, Pokeno, Onewhero and Port Waikato catchment area (as measured by meter) - Up to and including the first 200 cubic metres	2.63	2.84	7.98%	777	
	Charge per cubic metre of water consumed in the Tuakau, Pokeno, Onewhero and Port Waikato catchment area (as measured by meter) - Over 200 cubic metres in a six month period	3.26	3.52	7.98%	493	
	Wastewater activities within the relevant zones	Fixed amount per rating unit situated in Zone A	544.98	544.98	0.00%	2,693
		Fixed amount per rating unit in Zone A	272.49	272.49	0.00%	80
Fixed amount per rating unit for the first two pans situated in Zone A		544.98	544.98	0.00%	-	
Additional fixed amount per pan for the third and any subsequent pans situated in Zone A		54.50	54.50	0.00%	31	
Fixed amount per rating unit for the first two pans situated in Zone A		544.98	544.98	0.00%	-	
Additional fixed amount per pan for the third and any subsequent pans situated in Zone A		109.00	109.00	0.00%	1	
Fixed amount per rating unit for the first two pans situated in Zone A		544.98	544.98	0.00%	-	
Additional fixed amount per pan for the third and any subsequent pans situated in Zone A		272.49	272.49	0.00%	77	
	Fixed amount per rating unit situated in Zone B	716.34	716.34	0.00%	1,646	
	Fixed amount per rating unit in Zone B	358.17	358.17	0.00%	105	

<b>Annual Plan 2013/14</b> <b>\$</b>	<b>Source</b>	<b>Category</b>
651.22	Wastewater - Zones A, B and C	Non residential/commercial - Non rateable (Organisations classified by the Act as fully non-rateable or organisations that are non-profitable as determined by the Council) - connected
65.12	Wastewater - Zones A, B and C	Non residential/commercial - Non rateable (Organisations classified by the Act as fully non-rateable or organisations that are non-profitable as determined by the Council) - connected
651.22	Wastewater - Zones A, B and C	Non residential/commercial - Assistance for the elderly (Organisations supportive of the elderly as determined by the Council) - Connected
130.24	Wastewater - Zones A, B and C	Non residential/commercial - Assistance for the elderly (Organisations supportive of the elderly as determined by the Council) - Connected
651.22	Wastewater - Zones A, B and C	Non residential/commercial - Commercial - Connected
325.61	Wastewater - Zones A, B and C	Non residential/commercial - Commercial - Connected
861.91	Wastewater - Zones A, B and C	Residential - connected
430.96	Wastewater - Zones A, B and C	Residential - available (not connected but within 30 metres of a public wastewater drain - to which it is capable of effectively being connected)
861.91	Wastewater - Zones A, B and C	Non residential/commercial - Non rateable (Organisations classified by the Act as fully non-rateable or organisations that are non-profitable as determined by the Council) - connected
86.19	Wastewater - Zones A, B and C	Non residential/commercial - Non rateable (Organisations classified by the Act as fully non-rateable or organisations that are non-profitable as determined by the Council) - connected
861.91	Wastewater - Zones A, B and C	Non residential/commercial - Assistance for the elderly (Organisations supportive of the elderly as determined by the Council) - Connected
172.38	Wastewater - Zones A, B and C	Non residential/commercial - Assistance for the elderly (Organisations supportive of the elderly as determined by the Council) - Connected
861.91	Wastewater - Zones A, B and C	Non residential/commercial - Commercial - Connected
430.96	Wastewater - Zones A, B and C	Non residential/commercial - Commercial - Connected
495.78	Wastewater - Zones D and E	Residential - connected
247.89	Wastewater - Zones D and E	Residential - available (not connected but within 30 metres of a public wastewater drain - to which it is capable of effectively being connected)
495.78	Wastewater - Zones D and E	Non residential/commercial - Non rateable (Organisations classified by the Act as fully non-rateable or organisations that are non-profitable as determined by the Council) - connected
49.58	Wastewater - Zones D and E	Non residential/commercial - Non rateable (Organisations classified by the Act as fully non-rateable or organisations that are non-profitable as determined by the Council) - connected
495.78	Wastewater - Zones D and E	Non residential/commercial - Assistance for the elderly (Organisations supportive of the elderly as determined by the Council) - Connected
99.16	Wastewater - Zones D and E	Non residential/commercial - Assistance for the elderly (Organisations supportive of the elderly as determined by the Council) - Connected
495.78	Wastewater - Zones D and E	Non residential/commercial - Commercial - Connected
247.89	Wastewater - Zones D and E	Non residential/commercial - Commercial - Connected
633.06	Wastewater - Zones D and E	Residential - connected
316.53	Wastewater - Zones D and E	Residential - available (not connected but within 30 metres of a public wastewater drain - to which it is capable of effectively being connected)

Funding	Basis of Rating	LTP	Annual	% Change	Estimated
		2014/15	Plan	LTP	Revenue
		\$	\$		\$'000
Wastewater activities within the relevant zones	Fixed amount per rating unit for the first two pans situated in Zone B	716.34	716.34	0.00%	-
	Additional fixed amount per pan for the third and any subsequent pans situated in Zone B	71.63	71.63	0.00%	9
	Fixed amount per rating unit for the first two pans situated in Zone B	716.34	716.34	0.00%	-
	Additional fixed amount per pan for the third and any subsequent pans situated in Zone B	143.27	143.27	0.00%	13
	Fixed amount per rating unit for the first two pans situated in Zone B	716.34	716.34	0.00%	-
	Additional fixed amount per pan for the third and any subsequent pans situated in Zone B	358.17	358.17	0.00%	39
	Fixed amount per rating unit situated in Zone C	948.10	948.10	0.00%	455
	Fixed amount per rating unit in Zone C	474.05	474.05	0.00%	-
	Fixed amount per rating unit for the first two pans situated in Zone C	948.10	948.10	0.00%	-
	Additional fixed amount per pan for the third and any subsequent pans situated in Zone C	94.81	94.81	0.00%	1
	Fixed amount per rating unit for the first two pans situated in Zone C	948.10	948.10	0.00%	-
	Additional fixed amount per pan for the third and any subsequent pans situated in Zone C	189.62	189.62	0.00%	-
	Fixed amount per rating unit for the first two pans situated in Zone C	948.10	948.10	0.00%	-
	Additional fixed amount per pan for the third and any subsequent pans situated in Zone C	474.05	474.05	0.00%	-
Wastewater activities within the relevant zones	Fixed amount per rating unit situated in Zone D	495.78	495.78	0.00%	758
	Fixed amount per rating unit in Zone D	247.89	247.89	0.00%	17
	Fixed amount per rating unit for the first two pans situated in Zone D	495.78	495.78	0.00%	-
	Additional fixed amount per pan for the third and any subsequent pans situated in Zone D	49.58	49.58	0.00%	-
	Fixed amount per rating unit for the first two pans situated in Zone D	495.78	495.78	0.00%	-
	Additional fixed amount per pan for the third and any subsequent pans situated in Zone D	99.16	99.16	0.00%	-
	Fixed amount per rating unit for the first two pans situated in Zone D	495.78	495.78	0.00%	-
	Additional fixed amount per pan for the third and any subsequent pans situated in Zone D	247.89	247.89	0.00%	-
Fixed amount per rating unit situated in Zone E	696.37	696.37	0.00%	58	
Fixed amount per rating unit in Zone E	348.19	348.19	0.00%	13	

<b>Annual Plan 2013/14</b>	<b>Source</b>	<b>Category</b>
\$		
633.06	Wastewater - Zones D and E	Non residential/commercial - Non rateable (Organisations classified by the Act as fully non-rateable or organisations that are non-profitable as determined by the Council) - connected
63.31	Wastewater - Zones D and E	Non residential/commercial - Non rateable (Organisations classified by the Act as fully non-rateable or organisations that are non-profitable as determined by the Council) - connected
633.06	Wastewater - Zones D and E	Non residential/commercial - Assistance for the elderly (Organisations supportive of the elderly as determined by the Council) - Connected
126.61	Wastewater - Zones D and E	Non residential/commercial - Assistance for the elderly (Organisations supportive of the elderly as determined by the Council) - Connected
633.06	Wastewater - Zones D and E	Non residential/commercial - Commercial - Connected
316.53	Wastewater - Zones D and E	Non residential/commercial - Commercial - Connected
51.22	Waste management - Recycling collection Tuakau	Residential rating units within serviced areas.
99.59	Waste management - recycling collection Raglan	Residential rating units within serviced areas.
36.07	Waste management - recycling collection Te Mata/Te Uku	Residential rating units within serviced areas.
190.54	Waste management -solid waste collection district wide (includes recycling)	Residential rating units within serviced areas.
18.56	Waste management - solid waste collection ex Franklin rural	Residential rating units within serviced areas.
18.56	Waste management - solid waste collection Port Waikato	Residential rating units within serviced areas.
163.17	Waste management - solid waste collection Tuakau	Rating units within serviced areas
0.000026		Te Kohanga
0.000042		Waikaretu
23.00		Aka Aka
26.00		Eureka
50.00		Glen Murray
26.00		Gordonton
27.00		Horsham Downs
28.74		Karioitahi
23.00	Targeted hall or community centre rates (apply to all rating units within each hall catchment area).	Mangatangi
57.50		Mangatawhiri
24.00		Maramarua
24.00		Matangi
24.00		Meremere
40.89		Naike
24.00		Ohinewai
23.00		Opuatia
26.00		Orini
50.00		Otaua
23.00		Pokeno

<b>Funding</b>	<b>Basis of Rating</b>	<b>LTP 2014/15 \$</b>	<b>Annual Plan 2014/15 \$</b>	<b>% Change LTP</b>	<b>Estimated Revenue \$'000</b>
Wastewater activities within the relevant zones	Fixed amount per rating unit for the first two pans situated in Zone E	696.37	696.37	0.00%	-
	Additional fixed amount per pan for the third and any subsequent pans situated in Zone E	69.64	69.64	0.00%	-
	Fixed amount per rating unit for the first two pans situated in Zone E	696.37	696.37	0.00%	-
	Additional fixed amount per pan for the third and any subsequent pans situated in Zone E	139.27	139.27	0.00%	-
	Fixed amount per rating unit for the first two pans situated in Zone E	696.37	696.37	0.00%	-
	Additional fixed amount per pan for the third and any subsequent pans situated in Zone E	348.19	348.19	0.00%	-
Covers the cost of refuse and recycling collection where the service is provided	Fixed amount per separately used or inhabited part of a rating unit	52.76	52.76	0.00%	90
	Fixed amount per separately used or inhabited part of a rating unit	91.79	102.58	11.76%	189
	Fixed amount per separately used or inhabited part of a rating unit	37.15	37.15	0.00%	26
	Fixed amount per separately used or inhabited part of a rating unit	189.04	196.25	3.81%	2,944
	Fixed amount per separately used or inhabited part of a rating unit	19.11	19.11	0.00%	53
	Fixed amount per separately used or inhabited part of a rating unit	19.11	19.11	0.00%	7
	Fixed amount per wheelie bin.	168.06	168.06	0.00%	291
Covers the cost of maintenance and operation of halls, other facilities and community centres	Uniform rate in the dollar of land value	0.000026	0.000026	0.00%	3
	Uniform rate in the dollar of land value	0.000042	0.000042	0.00%	2
		23.00	23.00	0.00%	4
		26.00	26.00	0.00%	6
		34.50	50.00	44.93%	5
		26.00	26.00	0.00%	14
		27.00	27.00	0.00%	11
		28.74	28.74	0.00%	1
		23.00	23.00	0.00%	2
		57.50	58.50	1.74%	12
	Fixed amount per separately used or inhabited part of a rating unit	24.00	24.00	0.00%	8
		24.00	24.00	0.00%	23
		24.00	24.00	0.00%	4
		40.89	40.89	0.00%	1
		24.00	24.00	0.00%	3
		23.00	32.00	39.13%	3
		26.00	26.00	0.00%	5
	34.50	50.00	44.93%	8	
	23.00	23.00	0.00%	10	

<b>Annual Plan 2013/14</b>	<b>Source</b>	<b>Category</b>
\$		
25.00	Targeted hall or community centre rates (apply to all rating units within each hall catchment area).	Port Waikato
23.00		Pukekawa
38.00		Puketaha
29.00		Ruawaro
70.00		Tamahere
24.00		Taupiri
30.00		Tauwhare
32.00		Te Akau/Waingaro
30.00		Te Hoe
45.00		Te Kowhai
24.00		Te Mata
46.13		Tuakau
46.00		Whangarata
53.00		Whitikahu
42.00		Huntly Community Facilities (urban catchment)
25.00	Ngaruawahia Community Facilities	
25.00	Raglan Community Facilities	
16.00	Huntly pool rural	Based on location of rating unit in catchment area

#### **CAPITAL WORKS TARGETED RATES**

370.82	Rangiriri Capital Wastewater Scheme	Connected properties in scheme area
317.07	Taupiri Capital Wastewater Scheme	Connected properties in scheme area
477.53	Te Ohaki Capital Wastewater Scheme	Connected properties in scheme area
687.69	Tauwhare Pa Capital Wastewater Scheme	Connected properties in scheme area

#### **LUMP SUM CONTRIBUTIONS**

0.00	Whaanga Coast Capital Wastewater Scheme	Connected properties in scheme area
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<b>Funding</b>	<b>Basis of Rating</b>	<b>LTP 2014/15 \$</b>	<b>Annual Plan 2014/15 \$</b>	<b>% Change LTP</b>	<b>Estimated Revenue \$'000</b>
Covers the cost of maintenance and operation of halls, other facilities and community centres	Fixed amount per separately used or inhabited part of a rating unit	20.44	25.00	22.31%	11
		23.00	40.00	73.91%	16
		38.00	38.00	0.00%	12
		29.00	29.00	0.00%	7
		70.00	70.00	0.00%	85
		24.00	24.00	0.00%	12
		26.00	30.00	15.38%	9
		32.00	32.00	0.00%	7
		24.00	30.00	25.00%	4
		42.00	50.00	19.05%	39
		24.00	24.00	0.00%	5
		46.13	46.13	0.00%	77
		46.00	46.00	0.00%	3
53.00	53.00	0.00%	9		
Covers the cost of maintenance and operation of community facilities.	Fixed amount per rating unit.	42.00	42.00	0.00%	126
		25.00	25.00	0.00%	62
		15.00	25.00	66.67%	52
Covers the cost of maintenance and operation of community facilities.	Fixed amount per rating unit	16.00	16.00	0.00%	6
Covers the capital cost and interest charges of the work.	Loan Instalments - Fixed amount per rating unit.	364.58	334.74	-8.18%	3
Covers the capital cost and interest charges of the work.	Loan Instalments - Fixed amount per rating unit.	308.30	289.11	-6.22%	18
Covers the capital cost and interest charges of the work.	Loan Instalments - Fixed amount per rating unit.	482.32	420.27	-12.86%	10
Covers the capital cost and interest charges of the work.	Loan Instalments - Fixed amount per rating unit.	694.60	605.25	-12.86%	20
Covers the capital cost and interest charges of the work.	Loan Instalments - Fixed amount per rating unit.	2,046.68	2,328.51	13.77%	256

Please note property examples below are rounded to the nearest dollar.

### Rural Property Examples

Dairy Farm – Te Kauwhata		124.37 ha 2011 CV
<i>1 dwelling</i>		\$2,550,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	6,088	6,203
UAGC	410.54	418
Hall	-	-
Solid Waste	-	-
Community Board	-	-
Pool	-	-
Stormwater	-	-
Wastewater	-	-
Water Supply	112	123
Capital Works	-	-
<b>TOTAL</b>	<b>6,610</b>	<b>6,744</b>
	Base	6,610
Movement	\$ Increase (Decrease)	134
	% Increase (Decrease)	2%

Dairy Farm – Horotiu		196.0098 ha 2011 CV
<i>4 dwellings</i>		\$8,850,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	21,129	21,529
UAGC	410.54	418
Hall	180	200
Solid Waste	762	785
Community Board	-	-
Pool	-	-
Stormwater	-	-
Wastewater	-	-
Water	-	-
Capital Works	-	-
<b>TOTAL</b>	<b>22,482</b>	<b>22,932</b>
	Base	22,482
Movement	\$ Increase (Decrease)	450
	% Increase (Decrease)	2%

Dairy Farm – Orini		843.4469 ha 2011 CV
<i>7 dwellings</i>		\$21,150,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	50,496	51,449
UAGC	410.54	418
Hall	182	182
Solid Waste	1,334	1,374
Community Board	-	-
Pool	-	-
Stormwater	-	-
Wastewater	-	-
Water	-	-
Capital Works	-	-
<b>TOTAL</b>	<b>52,422</b>	<b>53,423</b>
	Base	52,422
Movement	\$ Increase (Decrease)	1,001
	% Increase (Decrease)	2%

Dairy Farm – Gordonton		116.1524 ha 2011 CV
<i>4 dwellings</i>		\$5,250,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	12,534	12,771
UAGC	410.54	418
Hall	152	152
Solid Waste	762	785
Community Board	-	-
Pool	-	-
Stormwater	-	-
Wastewater	-	-
Water	339	339
Capital Works	-	-
<b>TOTAL</b>	<b>14,198</b>	<b>14,465</b>
	Base	14,198
Movement	\$ Increase (Decrease)	267
	% Increase (Decrease)	2%



Waiuku Horticulture		1,988.9 ha 2011 CV	
<i>1 dwelling</i>		\$695,000	
Rate Type	2013-14 Actual	2014-15 Annual Plan	
General Rate	1,659	1,691	
UAGC	410.54	418	
Hall	-	-	
Solid Waste	19	19	
Community Board	-	-	
Pool	-	-	
Stormwater	-	-	
Wastewater	-	-	
Water	-	-	
Capital Works	-	-	
<b>TOTAL</b>	<b>2,088</b>	<b>2,128</b>	
	Base	2,088	
Movement	\$ Increase (Decrease)	40	
	% Increase (Decrease)	2%	

Grazing Property – Whatawhata		1063.9854 ha 2011 CV	
<i>4 dwellings</i>		\$2,425,000	
Rate Type	2013-14 Actual	2014-15 Annual Plan	
General Rate	5,790	5,899	
UAGC	410.54	418	
Hall	-	-	
Solid Waste	762	785	
Community Board	-	-	
Pool	-	-	
Stormwater	-	-	
Wastewater	-	-	
Water	-	-	
Capital Works	-	-	
<b>TOTAL</b>	<b>6,962</b>	<b>7,102</b>	
	Base	6,962	
Movement	\$ Increase (Decrease)	140	
	% Increase (Decrease)	2%	

Pastoral – Onewhero		151.82 ha 2011 CV	
<i>1 dwelling</i>		\$1,725,000	
Rate Type	2013-14 Actual	2014-15 Annual Plan	
General Rate	4,118	4,196	
UAGC	410.54	418	
Hall	41	41	
Solid Waste	-	-	
Community Board	18	18	
Pool	-	-	
Stormwater	-	-	
Wastewater	-	-	
Water	-	-	
Capital Works	-	-	
<b>TOTAL</b>	<b>4,588</b>	<b>4,673</b>	
	Base	4,588	
Movement	\$ Increase (Decrease)	85	
	% Increase (Decrease)	2%	

Pastoral – Lge Onewhero		450.233 ha 2011 CV	
<i>1 dwelling</i>		\$3,200,000	
Rate Type	2013-14 Actual	2014-15 Annual Plan	
General Rate	7,640	7,784	
UAGC	410.54	418	
Hall	-	-	
Solid Waste	-	-	
Community Board	18	18	
Pool	-	-	
Stormwater	-	-	
Wastewater	-	-	
Water	-	-	
Capital Works	-	-	
<b>TOTAL</b>	<b>8,069</b>	<b>8,221</b>	
	Base	8,069	
Movement	\$ Increase (Decrease)	152	
	% Increase (Decrease)	2%	

### Lifestyle Property Examples

Lifestyle Property – Raglan		12.57 ha 2011 CV
		\$800,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	1,910	1,946
UAGC	410.54	418
Hall	25	25
Solid Waste	-	-
Community Board	18	18
Pool	-	-
Stormwater	194	194
Wastewater	-	-
Water	224	246
Capital Works	-	-
<b>TOTAL</b>	<b>2,782</b>	<b>2,848</b>
	Base	2,782
Movement	\$ Increase (Decrease)	66
	% Increase (Decrease)	2%

Lifestyle Property – Matangi/Tamahere		0.8002 ha 2011 CV
		\$1,375,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	3,283	3,345
UAGC	410.54	418
Hall	24	24
Solid Waste	191	196
Community Board	-	-
Pool	-	-
Tamahere Drainage Stormwater	189	189
Wastewater	-	-
Water	339	339
Capital Works	-	-
<b>TOTAL</b>	<b>4,436</b>	<b>4,512</b>
	Base	4,436
Movement	\$ Increase (Decrease)	76
	% Increase (Decrease)	2%

Lifestyle Property – Pokeno		4.0346 ha 2011 CV
		\$485,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	1,158	1,180
UAGC	410.54	418
Hall	23	23
Solid Waste	19	19
Community Board	-	-
Pool	-	-
Stormwater	-	-
Wastewater	-	-
Water	-	-
Capital Works	-	-
<b>TOTAL</b>	<b>1,610</b>	<b>1,640</b>
	Base	1,610
Movement	\$ Increase (Decrease)	30
	% Increase (Decrease)	2%

East Coast Road Property		23.3858 ha 2011 CV
		\$70,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	167	170
UAGC	410.54	418
Hall	-	-
Solid Waste	-	-
Community Board	-	-
Pool	-	-
Stormwater	-	-
Wastewater	-	-
Water	-	-
Capital Works	-	-
<b>TOTAL</b>	<b>578</b>	<b>588</b>
	Base	578
Movement	\$ Increase (Decrease)	11
	% Increase (Decrease)	2%

## Residential Property Examples

Residential Property – Huntly		0.1105 ha 2011 CV
<i>1 dwelling</i>		\$420,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	1,003	1,022
UAGC	410.54	418
Hall	26	26
Solid Waste	191	196
Community Board	18	18
Pool	16	16
Stormwater	194	194
Wastewater	495	545
Water	448	493
Capital Works	-	-
<b>TOTAL</b>	<b>2,802</b>	<b>2,929</b>
	Base	2,802
Movement	\$ Increase (Decrease)	127
	% Increase (Decrease)	5%

Residential Property – Ngaruawahia		0.0682 ha 2011 CV
<i>1 dwelling</i>		\$230,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	549	559
UAGC	410.54	418
Hall	25	25
Solid Waste	191	196
Community Board	18	18
Pool	-	-
Stormwater	194	194
Wastewater	495	545
Water	448	493
Capital Works	-	-
<b>TOTAL</b>	<b>2,331</b>	<b>2,449</b>
	Base	2,331
Movement	\$ Increase (Decrease)	118
	% Increase (Decrease)	5%

Residential Property – Huntly		0.0358 ha 2011 CV
<i>1 dwelling</i>		\$63,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	150	153
UAGC	410.54	418
Hall	26	26
Solid Waste	191	196
Community Board	18	18
Pool	16	16
Stormwater	194	194
Wastewater	495	545
Water	448	493
Capital Works	-	-
<b>TOTAL</b>	<b>1,949</b>	<b>2,060</b>
	Base	1,949
Movement	\$ Increase (Decrease)	110
	% Increase (Decrease)	6%

Residential – Rangiriri		0.1416 ha 2011 CV
<i>1 dwelling</i>		\$240,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	573	584
UAGC	410.54	418
Hall	-	-
Solid Waste	191	196
Community Board	-	-
Pool	-	-
Stormwater	-	-
Wastewater	651	716
Water	112	123
Capital Works	371	352
<b>TOTAL</b>	<b>2,308</b>	<b>2,390</b>
	Base	2,308
Movement	\$ Increase (Decrease)	83
	% Increase (Decrease)	4%

Residential – Meremere		0.0676 ha 2011 CV
<i>1 dwelling</i>		\$155,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	370	377
UAGC	410.54	418
Hall	24	24
Solid Waste	191	196
Community Board	-	-
Pool	-	-
Stormwater	-	-
Wastewater	862	948
Water	112	123
Capital Works	-	-
<b>TOTAL</b>	<b>1,969</b>	<b>2,087</b>
	Base	1,969
Movement	\$ Increase (Decrease)	118
	% Increase (Decrease)	6%

Residential Property – Raglan		0.1391 ha 2011 CV
<i>1 dwelling</i>		\$940,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	2,244	2,287
UAGC	410.54	418
Hall	25	25
Solid Waste	100	103
Community Board	18	18
Pool	-	-
Stormwater	194	194
Wastewater	651	716
Water	448	493
Capital Works	-	-
<b>TOTAL</b>	<b>4,091</b>	<b>4,254</b>
	Base	4,091
Movement	\$ Increase (Decrease)	163
	% Increase (Decrease)	4%

Port Waikato Property		0.1009 ha 2011 CV
<i>1 dwelling</i>		\$285,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	680	693
UAGC	410.54	418
Hall	25	25
Solid Waste	19	19
Community Board	18	18
Pool	-	-
Stormwater	-	-
Wastewater	-	-
Water	-	-
Capital Works	-	-
<b>TOTAL</b>	<b>1,153</b>	<b>1,174</b>
	Base	1,153
Movement	\$ Increase (Decrease)	21
	% Increase (Decrease)	2%

Residential Property – Raglan		0.0979 ha 2011 CV
<i>1 dwelling</i>		\$193,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	461	469
UAGC	410.54	418
Hall	25	25
Solid Waste	100	103
Community Board	18	18
Pool	-	-
Stormwater	194	194
Wastewater	651	716
Water	448	493
Capital Works	-	-
<b>TOTAL</b>	<b>2,307</b>	<b>2,436</b>
	Base	2,307
Movement	\$ Increase (Decrease)	129
	% Increase (Decrease)	6%

Residential Property – Matangi		0.0684 ha 2011 CV
<i>1 dwelling</i>		\$245,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	585	596
UAGC	410.54	418
Hall	24	24
Solid Waste	191	196
Community Board	-	-
Pool	-	-
Stormwater	-	-
Wastewater	862	948
Water	339	339
Capital Works	-	-
<b>TOTAL</b>	<b>2,411</b>	<b>2,522</b>
	Base	2,411
Movement	\$ Increase (Decrease)	111
	% Increase (Decrease)	5%

Port Waikato Property		0.0911 ha 2011 CV
<i>1 dwelling</i>		\$305,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	728	742
UAGC	410.54	418
Hall	25	25
Solid Waste	19	19
Community Board	18	18
Pool	-	-
Stormwater	-	-
Wastewater	-	-
Water	-	-
Capital Works	-	-
<b>TOTAL</b>	<b>1,200</b>	<b>1,223</b>
	Base	1,200
Movement	\$ Increase (Decrease)	22
	% Increase (Decrease)	2%

Tuakau Avg Value		0.689 ha 2011 CV
<i>1 dwelling</i>		\$265,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	633	645
UAGC	410.54	418
Hall	46	46
Solid Waste (incls Recycling)	214	221
Community Board	18	18
Pool	-	-
Stormwater	194	194
Wastewater	496	496
Water	-	-
Capital Works	-	-
<b>TOTAL</b>	<b>2,012</b>	<b>2,038</b>
	Base	2,012
Movement	\$ Increase (Decrease)	27
	% Increase (Decrease)	1%

Tuakau High Value		3.9114 ha 2011 CV
<i>1 dwelling</i>		\$520,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	1,242	1,265
UAGC	410.54	418
Hall	46	46
Solid Waste (incls Recycling)	214	221
Community Board	18	18
Pool	-	-
Stormwater	194	194
Wastewater	-	-
Water	-	-
Capital Works	-	-
<b>TOTAL</b>	<b>2,125</b>	<b>2,163</b>
	Base	2,125
Movement	\$ Increase (Decrease)	38
	% Increase (Decrease)	2%

Residential – Taupiri		0.1378 ha 2011 CV
<i>1 dwelling</i>		\$218,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	520	530
UAGC	410.54	418
Hall	24	24
Solid Waste	191	196
Community Board	18	18
Pool	-	-
Stormwater	-	-
Wastewater	862	948
Water	112	123
Capital Works	317	300
TOTAL	2,454	2,558
	Base	2,454
Movement	\$ Increase (Decrease)	104
	% Increase (Decrease)	4%

Te Kauwhata		0.082 ha 2011 CV
<i>1 dwelling</i>		\$500,000
Rate Type	2013-14 Actual	2014-15 Annual Plan
General Rate	1,194	1,216
UAGC	410.54	418
Hall	-	-
Solid Waste	191	196
Community Board	-	-
Pool	-	-
Stormwater	194	194
Wastewater	651	716
Water	112	123
Capital Works	-	-
TOTAL	2,752	2,864
	Base	2,752
Movement	\$ Increase (Decrease)	112
	% Increase (Decrease)	4%

### Commercial Property Examples

Industrial – Horotiu		9.359 ha 2011 CV	
<i>1 Com Bldg</i>		\$4,900,000	
Rate Type	2013-14 Actual	2014-15 Annual Plan	
General Rate	11,699	11,920	
UAGC	410.54	418	
Hall	25	25	
Solid Waste	-	-	
Community Board	18	18	
Pool	-	-	
Stormwater	-	-	
Wastewater	2,477	2,725	
Water	112	123	
Capital Works	-	-	
<b>TOTAL</b>	<b>14,741</b>	<b>15,230</b>	
	Base	14,741	
Movement	\$ Increase (Decrease)	488	
	% Increase (Decrease)	3%	

Commercial – Ngaruawahia		0.2929 ha 2011 CV	
<i>1 Com Bldg</i>		\$1,550,000	
Rate Type	2013-14 Actual	2014-15 Annual Plan	
General Rate	3,701	3,771	
UAGC	410.54	418	
Hall	25	25	
Solid Waste	-	-	
Community Board	18	18	
Pool	-	-	
Stormwater	194	194	
Wastewater	1,239	1,362	
Water	447	493	
Capital Works	-	-	
<b>TOTAL</b>	<b>6,034</b>	<b>6,282</b>	
	Base	6,034	
Movement	\$ Increase (Decrease)	248	
	% Increase (Decrease)	4%	

Industrial – Raglan		0.1222 ha 2011 CV	
<i>1 Com Bldg</i>		\$580,000	
Rate Type	2013-14 Actual	2014-15 Annual Plan	
General Rate	1,385	1,411	
UAGC	410.54	418	
Hall	25	25	
Solid Waste	-	-	
Community Board	18	18	
Pool	-	-	
Stormwater	194	194	
Wastewater	651	716	
Water	-	-	
Capital Works	-	-	
<b>TOTAL</b>	<b>2,684</b>	<b>2,783</b>	
	Base	2,684	
Movement	\$ Increase (Decrease)	99	
	% Increase (Decrease)	4%	

Tuakau Business		0.1209 ha 2011 CV	
<i>1 dwelling</i>		\$265,000	
Rate Type	2013-14 Actual	2014-15 Annual Plan	
General Rate	633	645	
UAGC	410.54	418	
Hall	46	46	
Solid Waste (includes recycling)	378	389	
Community Board	18	18	
Pool	-	-	
Stormwater	194	194	
Wastewater	496	496	
Water	-	-	
Capital Works	-	-	
<b>TOTAL</b>	<b>2,175</b>	<b>2,207</b>	
	Base	2,175	
Movement	\$ Increase (Decrease)	31	
	% Increase (Decrease)	1%	

<b>Funding Impact Statement</b>		Annual Plan	LTP	Annual Plan
		2013/14	2014/15	2014/15
		\$'000	\$'000	\$'000
<b>WATER SUPPLY</b>	<b>Sources of operating funding</b>			
	General rates, uniform annual general charges, rates penalties	193	141	231
	Targeted rates (other than a targeted rate for water supply)	3,337	3,084	3,622
	Subsidies and grants for operating purposes	-	-	-
	Fees, charges and targeted rates for water supply	4,027	5,298	4,478
	Internal charges and overheads recovered	331	302	220
	Local authorities fuel tax, fines, infringement fees and other receipts	46	48	48
	<b>Total operating funding</b>	<b>7,934</b>	<b>8,873</b>	<b>8,599</b>
	<b>Applications of operating funding</b>			
	Payments to staff and suppliers	3,243	3,492	3,364
Finance costs	-	-	-	
Internal charges and overheads applied	2,720	3,387	3,088	
Other operating funding applications	43	43	36	
<b>Total applications of operating funding</b>	<b>6,006</b>	<b>6,922</b>	<b>6,488</b>	
<b>Surplus (deficit) of operating funding</b>	<b>1,928</b>	<b>1,951</b>	<b>2,111</b>	
	<b>Sources of capital funding</b>			
	Subsidies and grants for capital expenditure	-	-	-
	Development and financial contributions	1,797	1,800	1,852
	Increase (decrease) in debt	2,369	2,949	1,585
	Gross proceeds from sale of assets	-	-	-
	Lump sum contributions	-	-	-
	Other dedicated capital funding	-	-	-
	<b>Total sources of capital funding</b>	<b>4,166</b>	<b>4,749</b>	<b>3,437</b>
	<b>Applications of capital funding</b>			
	Capital expenditure			
	- to meet additional demand	3,778	3,183	438
	- to improve the level of service	2,464	2,815	1,451
	- to replace existing assets	2,126	4,192	3,906
	Increase (decrease) in reserves	(2,274)	(3,490)	(247)
	Increase (decrease) of investments	-	-	-
	<b>Total applications of capital funding</b>	<b>6,094</b>	<b>6,700</b>	<b>5,548</b>
	<b>Surplus (deficit) of capital funding</b>	<b>(1,928)</b>	<b>(1,951)</b>	<b>(2,111)</b>
	<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Additional information:</b>			
	Depreciation and amortisation	1,976	2,302	2,197



**Capital Projects**

		LTP 2014/15 \$'000	Annual Plan 2014/15 \$'000
<b>WATER SUPPLY</b>	<b>Growth</b>		
	Horotiu water supply reticulation extensions	53	53
	Huntly water supply connection extensions	16	16
	Huntly water supply reservoir extensions	609	-
	Mid Waikato water supply connection extensions	30	30
	Ngaruawahia water supply connection extensions	9	9
	Northern Waikato water supply connection extensions	-	51
	Raglan water supply connection extensions	14	14
	Southern Districts water supply connection extensions	100	101
	Southern Districts water supply pump station extensions	197	-
	Southern Districts water supply reservoir renewals	1,476	162
	Southern Districts water supply reticulation extensions	677	-
	Western Districts water supply connection extensions	2	2
	<b>TOTAL FOR GROWTH</b>	<b>3,183</b>	<b>438</b>
<b>Level of Service</b>			
District Wide water supply reservoir upgrades	63	63	
Hopuhopu water supply reservoir renewals	234	235	
Huntly water supply connection upgrades	861	867	
Huntly water supply reservoir extensions	1,236	-	
Huntly water supply treatment plant upgrades	50	50	
Mid Waikato water supply reservoir upgrades	-	50	
Mid Waikato water supply reservoir upgrades	50	-	
Ngaruawahia water supply connection upgrades	148	148	
Southern Districts water supply pump station extensions	99	-	
Southern Districts water supply reservoir upgrades	38	-	
Tuakau water supply reservoir upgrades	38	38	
<b>TOTAL FOR LEVEL OF SERVICE</b>	<b>2,817</b>	<b>1,451</b>	

**Capital Projects**

		LTP 2014/15 \$'000	Annual Plan 2014/15 \$'000
<b>WATER SUPPLY</b> continued	<b>Renewal</b>		
	District Wide water supply reticulation emergency work	69	-
	District Wide water supply reticulation renewals	-	1,441
	District Wide water supply treatment plant emergency work	63	-
	District Wide water supply treatment plant renewals	-	82
	Hopuhopu water supply reservoir renewals	2,103	2,116
	Huntly water supply connection renewals	10	10
	Huntly water supply reticulation renewals	535	-
	Huntly water supply treatment plant renewals	63	63
	Mid Waikato water supply connection renewals	23	23
	Mid Waikato water supply reticulation emergency work	25	-
	Ngaruawahia water supply connection renewals	10	10
	Ngaruawahia water supply reticulation renewals	172	-
	Onewhero water supply treatment plant renewals	185	-
	Raglan water supply connection renewals	2	2
	Raglan water supply reticulation renewals	329	-
	Southern Districts water supply connection renewals	47	47
	Southern Districts water supply pump station extensions	99	-
	Southern Districts water supply pump station renewals	25	-
	Southern Districts water supply reticulation emergency work	16	-
	Taupiri water supply connection renewals	8	8
	Te Kauwhata water supply treatment plant emergency work	13	-
	Tuakau water supply connection renewals	90	91
	Tuakau water supply reticulation emergency work	19	-
	Tuakau water supply reticulation renewals	262	-
	Tuakau water supply treatment plant emergency work	6	-
	Tuakau water supply treatment plant renewals	13	13
	Western Districts water supply reticulation emergency work	8	-
	<b>TOTAL FOR RENEWAL</b>	<b>4,195</b>	<b>3,906</b>

**Funding Impact Statement**

		Annual Plan 2013/14	LTP 2014/15	Annual Plan 2014/15
		\$'000	\$'000	\$'000
<b>WASTEWATER</b>	<b>Sources of operating funding</b>			
	General rates, uniform annual general charges, rates penalties	244	131	317
	Targeted rates (other than a targeted rate for water supply)	4,750	5,429	5,212
	Subsidies and grants for operating purposes	-	-	-
	Fees, charges and targeted rates for water supply	854	855	784
	Internal charges and overheads recovered	102	115	98
	Local authorities fuel tax, fines, infringement fees, and other receipts	28	29	-
	<b>Total operating funding</b>	<b>5,978</b>	<b>6,559</b>	<b>6,411</b>
	<b>Applications of operating funding</b>			
	Payments to staff and suppliers	2,168	2,413	2,643
	Finance costs	-	-	-
	Internal charges and overheads applied	2,526	3,501	3,413
	Other operating funding applications	104	58	83
	<b>Total applications of operating funding</b>	<b>4,798</b>	<b>5,972</b>	<b>6,139</b>
	<b>Surplus (deficit) of operating funding</b>	<b>1,180</b>	<b>587</b>	<b>272</b>
	<b>Sources of capital funding</b>			
	Subsidies and grants for capital expenditure	-	-	-
	Development and financial contributions	1,647	1,699	1,699
	Increase (decrease) in debt	5,984	205	207
Gross proceeds from sale of assets	-	-	-	
Lump sum contributions	655	693	583	
Other dedicated capital funding	-	-	-	
<b>Total sources of capital funding</b>	<b>8,286</b>	<b>2,597</b>	<b>2,489</b>	
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	6,896	870	20	
- to improve the level of service	6,335	320	322	
- to replace existing assets	1,468	1,353	1,360	
Increase (decrease) in reserves	(5,233)	641	1,059	
Increase (decrease) of investments	-	-	-	
<b>Total applications of capital funding</b>	<b>9,466</b>	<b>3,184</b>	<b>2,761</b>	
<b>Surplus (deficit) of capital funding</b>	<b>(1,180)</b>	<b>(587)</b>	<b>(272)</b>	
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Additional information:</b>				
Depreciation and amortisation	1,905	2,614	2,282	

<b>Capital Projects</b>		LTP 2014/15 \$'000	Annual Plan 2014/15 \$'000
<b>WASTEWATER</b>	<b>Growth</b>		
	Horotiu wastewater reticulation extensions	100	-
	Raglan wastewater reticulation upgrades	20	20
	Te Kauwhata wastewater pump station extensions	308	-
	Te Kauwhata wastewater reticulation extensions	443	-
	<b>TOTAL FOR GROWTH</b>	<b>871</b>	<b>20</b>
	<b>Level of Service</b>		
	District Wide wastewater treatment plant planning and manage	13	13
	Huntly wastewater reticulation upgrades	125	126
	Ngaruawahia wastewater pump station upgrades	63	63
	Raglan wastewater pump station upgrades	39	39
	Raglan wastewater reticulation upgrades	80	81
	<b>TOTAL FOR LEVEL OF SERVICE</b>	<b>320</b>	<b>322</b>
	<b>Renewal</b>		
District Wide wastewater pump station emergency work	13	-	
District Wide wastewater pump station renewals	125	139	
District Wide wastewater pump station upgrades	188	189	
District Wide wastewater reticulation emergency work	75	-	
District Wide wastewater reticulation renewals	-	929	
District Wide wastewater treatment plant emergency work	25	-	
District Wide wastewater treatment plant renewals	-	25	
Hopuhopu wastewater reticulation renewals	56	-	
Huntly wastewater reticulation renewals	628	38	
Huntly wastewater treatment plant renewals	40	40	
Tuakau wastewater reticulation renewals	203	-	
<b>TOTAL FOR RENEWAL</b>	<b>1,353</b>	<b>1,360</b>	

**Funding Impact Statement**

		Annual Plan 2013/14	LTP 2014/15	Annual Plan 2014/15
		\$'000	\$'000	\$'000
<b>STORMWATER</b>	<b>Sources of operating funding</b>			
	General rates, uniform annual general charges, rates penalties	91	70	118
	Targeted rates (other than a targeted rate for water supply)	1,464	1,570	1,466
	Subsidies and grants for operating purposes	-	-	-
	Fees, charges and targeted rates for water supply	-	-	-
	Internal charges and overheads recovered	127	165	174
	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
	<b>Total operating funding</b>	<b>1,682</b>	<b>1,805</b>	<b>1,758</b>
	<b>Applications of operating funding</b>			
	Payments to staff and suppliers	414	674	697
	Finance costs	-	-	-
	Internal charges and overheads applied	958	1,057	606
	Other operating funding applications	5	-	5
	<b>Total applications of operating funding</b>	<b>1,377</b>	<b>1,731</b>	<b>1,308</b>
	<b>Surplus (deficit) of operating funding</b>	<b>305</b>	<b>74</b>	<b>450</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	
Development and financial contributions	877	902	902	
Increase (decrease) in debt	746	1,019	776	
Gross proceeds from sale of assets	-	-	-	
Lump sum contributions	154	159	159	
Other dedicated capital funding	-	-	-	
<b>Total sources of capital funding</b>	<b>1,777</b>	<b>2,080</b>	<b>1,837</b>	
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	1,412	512	515	
- to improve the level of service	877	1,227	987	
- to replace existing assets	151	157	155	
Increase (decrease) in reserves	(358)	258	630	
Increase (decrease) of investments	-	-	-	
<b>Total applications of capital funding</b>	<b>2,082</b>	<b>2,154</b>	<b>2,287</b>	
<b>Surplus (deficit) of capital funding</b>	<b>(305)</b>	<b>(74)</b>	<b>(450)</b>	
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Additional information:</b>				
Depreciation and amortisation	459	517	426	

**Capital Projects**

		LTP 2014/15 \$'000	Annual Plan 2014/15 \$'000
<b>STORMWATER</b>	<b>Growth</b>		
	Pokeno stormwater reticulation upgrades	308	309
	Pokeno stormwater treatment plant extensions	13	13
	Tamahere stormwater structure plan work	50	51
	Tuakau stormwater reticulation extensions	141	142
	<b>TOTAL FOR GROWTH</b>	<b>512</b>	<b>515</b>
	<b>Level of Service</b>		
	Huntly stormwater reticulation upgrades	554	557
	Pokeno stormwater treatment plant extensions	1	-
	Port Waikato stormwater reticulation upgrades	246	-
	Raglan stormwater reticulation extensions	357	359
	Tamahere stormwater structure plan work	69	70
	<b>TOTAL FOR LEVEL OF SERVICE</b>	<b>1,227</b>	<b>986</b>
<b>Renewal</b>			
District Wide stormwater reticulation emergency work	75	-	
District Wide stormwater reticulation renewals	-	155	
Huntly stormwater reticulation emergency work	31	-	
Ngaruawahia stormwater reticulation emergency work	25	-	
Te Kauwhata stormwater reticulation emergency work	25	-	
<b>TOTAL FOR RENEWAL</b>	<b>156</b>	<b>155</b>	

**Funding Impact Statement**

	Annual Plan 2013/14	LTP 2014/15	Annual Plan 2014/15
	\$'000	\$'000	\$'000
<b>ROADING</b>			
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	17,855	19,955	18,731
Targeted rates (other than a targeted rate for water supply)	-	-	-
Subsidies and grants for operating purposes	6,696	7,533	6,971
Fees, charges and targeted rates for water supply	-	-	40
Internal charges and overheads recovered	5,583	4,631	3,473
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding</b>	<b>30,134</b>	<b>32,119</b>	<b>29,215</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	15,766	10,244	15,371
Finance costs	-	-	-
Internal charges and overheads applied	5,279	5,460	4,243
Other operating funding applications	102	7,379	-
<b>Total applications of operating funding</b>	<b>21,147</b>	<b>23,083</b>	<b>19,614</b>
<b>Surplus (deficit) of operating funding</b>	<b>8,987</b>	<b>9,036</b>	<b>9,601</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	10,270	9,371	10,013
Development and financial contributions	1,523	1,560	1,560
Increase (decrease) in debt	1,501	482	289
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>13,294</b>	<b>11,413</b>	<b>11,862</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	5,700	3,360	3,068
- to improve the level of service	565	477	992
- to replace existing assets	19,063	18,065	18,898
Increase (decrease) in reserves	(3,047)	(1,453)	(1,495)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding</b>	<b>22,281</b>	<b>20,449</b>	<b>21,463</b>
<b>Surplus (deficit) of capital funding</b>	<b>(8,987)</b>	<b>(9,036)</b>	<b>(9,601)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Additional information:</b>			
Depreciation and amortisation	11,588	12,039	11,926

<b>Capital Projects</b>		LTP 2014/15 \$'000	Annual Plan 2014/15 \$'000
<b>ROADING</b>	<b>Growth</b>		
	Chip Sealing	291	244
	Area Wide Pavement Treatment	363	381
	NZTA Minor Safety	131	131
	Tamahere Structure Plan - Implementation	183	380
	Te Kauwhata Structure Plan	690	690
	Level Crossing Road - Pokeno Structure Plan	422	422
	Train Station Property	532	-
	Helenslee Collector I - Pokeno Structure Plan	-	675
	Helenslee Road - Pokeno Structure Plan	747	145
	<b>TOTAL FOR GROWTH</b>	<b>3,359</b>	<b>3,068</b>
	<b>Level of Service</b>		
	Emergency Works (funded by Disaster Recovery)	-	437
	New Footpaths (Community Specified)	-	400
	Rural Seal Extension Land Purchases	-	24
	Tamahere Structure Plan - Implementation	252	-
	Level Crossing Road - Pokeno Structure Plan	18	18
	Train Station Property	168	-
	Helenslee Collector I - Pokeno Structure Plan	-	28
	Helenslee Road - Pokeno Structure Plan	39	85
	<b>TOTAL FOR LEVEL OF SERVICE</b>	<b>477</b>	<b>992</b>
	<b>Renewal</b>		
	Total Station Survey Equipment	65	65
	Austrad Guideline Manuals	3	3
	Thin Asphalt Surfacing	159	159
	Chip Sealing	4,538	4,627
	Drainage Renewals - District Wide	603	681
	Area Wide Pavement Treatment	6,891	7,232
	Bridge Renewals	1,227	1,332
	Retaining Wall Renewals	42	50
	Traffic Services Capital - East	-	256
	Traffic Services General	424	-
	Traffic Services Capital - West	-	238
	NZTA Minor Safety	2,493	2,492
	Emergency Works (funded by Disaster Recovery)	-	138
	Reconstruction Subsidised 63%	20	-
	Minor Maintenance Upgrade Works	20	20
	Footpaths	100	100
	Kerb and Channel	25	25
	Rural Seal Extension Land Purchases	-	25
	Lorenson Bay Structure Plan, District Wide	1,455	1,455
	<b>TOTAL FOR RENEWAL</b>	<b>18,065</b>	<b>18,898</b>



**Funding Impact Statement**

	Annual Plan 2013/14	LTP 2014/15	Annual Plan 2014/15	
	\$'000	\$'000	\$'000	
<b>SUSTAINABLE ENVIRONMENT</b>	<b>Sources of operating funding</b>			
	General rates, uniform annual general charges, rates penalties	5,774	6,275	6,834
	Targeted rates (other than a targeted rate for water supply)	2,944	3,072	3,131
	Subsidies and grants for operating purposes	-	-	-
	Fees, charges and targeted rates for water supply	5,377	5,551	5,860
	Internal charges and overheads recovered	1,854	1,706	401
	Local authorities fuel tax, fines, infringement fees, and other receipts	544	648	777
	<b>Total operating funding</b>	<b>16,493</b>	<b>17,252</b>	<b>17,003</b>
	<b>Applications of operating funding</b>			
	Payments to staff and suppliers	12,270	13,333	13,110
Finance costs	-	-	-	
Internal charges and overheads applied	4,636	4,844	4,689	
Other operating funding applications	18	-	23	
<b>Total applications of operating funding</b>	<b>16,924</b>	<b>18,177</b>	<b>17,822</b>	
<b>Surplus (deficit) of operating funding</b>	<b>(431)</b>	<b>(925)</b>	<b>(819)</b>	
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	
Development and financial contributions	-	-	-	
Increase (decrease) in debt	-	-	-	
Gross proceeds from sale of assets	-	-	-	
Lump sum contributions	-	-	-	
<b>Total sources of capital funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	-	-	
- to improve the level of service	64	18	18	
- to replace existing assets	228	18	18	
Increase (decrease) in reserves	(723)	(961)	(855)	
Increase (decrease) of investments	-	-	-	
<b>Total applications of capital funding</b>	<b>(431)</b>	<b>(925)</b>	<b>(819)</b>	
<b>Surplus (deficit) of capital funding</b>	<b>431</b>	<b>925</b>	<b>819</b>	
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Additional information:</b>				
Depreciation and amortisation	21	22	20	

**Capital Projects**

	LTP 2014/15	Annual Plan 2014/15	
	\$'000	\$'000	
<b>SUSTAINABLE ENVIRONMENT</b>	<b>Level of Service</b>		
	Te Kauwhata transfer station capital work	18	18
	<b>TOTAL FOR LEVEL OF SERVICE</b>	<b>18</b>	<b>18</b>
	<b>Renewal</b>		
	Te Kauwhata transfer station capital work	18	18
	<b>TOTAL FOR RENEWAL</b>	<b>18</b>	<b>18</b>

**Funding Impact Statement**

	Annual Plan 2013/14	LTP 2014/15	Annual Plan 2014/15
	\$'000	\$'000	\$'000
<b>SUSTAINABLE COMMUNITIES</b>			
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	15,135	15,928	16,314
Targeted rates (other than a targeted rate for water supply)	570	536	578
Subsidies and grants for operating purposes	16	22	-
Fees, charges and targeted rates for water supply	1,448	1,502	1,493
Internal charges and overheads recovered	463	588	395
Local authorities fuel tax, fines, infringement fees, and other receipts	1,303	1,340	1,312
<b>Total operating funding</b>	<b>18,935</b>	<b>19,916</b>	<b>20,092</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	11,466	11,764	11,666
Finance costs	-	-	-
Internal charges and overheads applied	4,569	4,693	4,966
Other operating funding applications	563	539	548
<b>Total applications of operating funding</b>	<b>16,598</b>	<b>16,996</b>	<b>17,180</b>
<b>Surplus (deficit) of operating funding</b>	<b>2,337</b>	<b>2,920</b>	<b>2,912</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	583
Development and financial contributions	1,696	1,735	1,735
Increase (decrease) in debt	591	175	174
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	150	147	-
Other dedicated capital funding	-	-	147
<b>Total sources of capital funding</b>	<b>2,437</b>	<b>2,057</b>	<b>2,639</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	1,124	510	67
- to improve the level of service	702	684	2,000
- to replace existing assets	1,249	1,290	1,547
Increase (decrease) in reserves	1,699	2,493	1,937
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding</b>	<b>4,774</b>	<b>4,977</b>	<b>5,551</b>
<b>Surplus (deficit) of capital funding</b>	<b>(2,337)</b>	<b>(2,920)</b>	<b>(2,912)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Additional information:</b>			
Depreciation and amortisation	2,701	2,565	2,470

<b>Capital Projects</b>		LTP	Annual Plan
		2014/15	2014/15
		\$'000	\$'000
<b>SUSTAINABLE COMMUNITIES</b>	<b>Growth</b>		
	Pokeno parks and reserves	33	33
	Raglan toilets	11	11
	Tamahere walkways	443	-
	Wainui Reserve walkways	23	23
	<b>TOTAL FOR GROWTH</b>	<b>510</b>	<b>67</b>
	<b>Level of Service</b>		
	District Wide boat ramps	59	59
	District Wide community centres	55	54
	District Wide toilets	0	185
	Huntly cemetery	0	151
	Huntly pensioner housing	11	11
	Huntly skate park	6	6
	Lake Kainui	12	12
	Lake Waikare	41	41
	Library books	26	26
	Maramarua toilets	164	163
	Meremere community centre	0	953
	Meremere skate park	176	176
	Onewhero parks and reserves	0	27
	Port Waikato neighbourhood parks	6	6
	Raglan neighbourhood parks	12	12
	Tuakau neighbourhood parks	70	71
	Wainui Reserve parks and reserves	47	47
	<b>TOTAL FOR LEVEL OF SERVICE</b>	<b>685</b>	<b>2,000</b>
	<b>Renewal</b>		
CDs and audio books	11	11	
District Wide boat ramps	23	24	
District Wide neighbourhood parks	12	12	
District Wide park furniture	23	24	
District Wide parks and reserves	35	35	
District Wide playgrounds	88	89	

<b>Capital Projects</b>		LTP 2014/15 \$'000	Annual Plan 2014/15 \$'000
<b>SUSTAINABLE COMMUNITIES</b> continued	DVDs	11	11
	Glen Murray playgrounds	2	2
	Gordonton playgrounds	35	35
	Huntly boat ramp	23	24
	Huntly community centre	-	85
	Huntly playgrounds	35	35
	Huntly skate park	6	6
	Lake Rotokauri lake	26	26
	Libraries eBook readers	16	16
	Library books	295	293
	Mercer parks and reserves	6	6
	Ngaruawahia aquatic centre	55	54
	Ngaruawahia community centre	-	7
	Ngaruawahia heritage	59	59
	Ngaruawahia toilets	-	100
	Otaua parks and reserves	10	10
	Pokeno cemetery	8	8
	Port Waikato neighbourhood parks	12	12
	Port Waikato parks and reserves	3	3
	Puni neighbourhood parks	12	12
	Raglan neighbourhood parks	12	12
	Raglan playgrounds	35	-
	Taupiri boat ramp	23	23
	Te Kauwhata toilets	109	208
	Tuakau aquatic centre	24	24
	Tuakau community centre	7	7
	Tuakau parks and reserves	18	18
	Tuakau pensioner housing	27	27
	Tuakau playgrounds	59	59
	Tuakau sports ground	53	53
	Wainui Reserve farm reserve	22	22
	Whatawhata sports ground	6	6
Woodlands heritage	89	89	
<b>TOTAL FOR RENEWAL</b>	<b>1,290</b>	<b>1,547</b>	

**Funding Impact Statement**

	Annual Plan 2013/14	LTP 2014/15	Annual Plan 2014/15
	\$'000	\$'000	\$'000
<b>COUNCIL LEADERSHIP</b>			
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	6,042	5,942	5,841
Targeted rates (other than a targeted rate for water supply)	193	193	179
Subsidies and grants for operating purposes	-	-	-
Fees, charges and targeted rates for water supply	-	-	-
Internal charges and overheads recovered	1,306	1,326	1,006
Local authorities fuel tax, fines, infringement fees, and other receipts	139	42	31
<b>Total operating funding</b>	<b>7,680</b>	<b>7,503</b>	<b>7,057</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	2,452	2,161	2,385
Finance costs	-	-	-
Internal charges and overheads applied	4,708	4,799	4,123
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>7,160</b>	<b>6,960</b>	<b>6,508</b>
<b>Surplus (deficit) of operating funding</b>	<b>520</b>	<b>543</b>	<b>549</b>
<b>Sources of capital funding</b>			
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	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	520	543	549
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding</b>	<b>520</b>	<b>543</b>	<b>549</b>
<b>Surplus (deficit) of capital funding</b>	<b>(520)</b>	<b>(543)</b>	<b>(549)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Additional information:</b>			
Depreciation and amortisation	-	-	-

## Funding Impact Statement

	Annual Plan 2013/14	LTP 2014/15	Annual Plan 2014/15
	\$'000	\$'000	\$'000
<b>ORGANISATIONAL SUPPORT</b>			
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	745	(1,049)	(355)
Targeted rates (other than a targeted rate for water supply)	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees, charges and targeted rates for water supply	10	10	10
Internal charges and overheads recovered	25,422	27,798	27,761
Local authorities fuel tax, fines, infringement fees, and other receipts	1,218	1,409	1,612
<b>Total operating funding</b>	<b>27,395</b>	<b>28,168</b>	<b>29,028</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	14,910	14,094	17,156
Finance costs	3,818	5,234	3,411
Internal charges and overheads applied	5,445	5,726	5,871
Other operating funding applications	1,351	1,287	1,516
<b>Total applications of operating funding</b>	<b>25,524</b>	<b>26,341</b>	<b>27,954</b>
<b>Surplus (deficit) of operating funding</b>	<b>1,871</b>	<b>1,827</b>	<b>1,074</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	19,709	18,252	35,469
Gross proceeds from sale of assets	63	77	107
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>19,772</b>	<b>18,329</b>	<b>35,576</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	64	513	76
- to replace existing assets	1,719	1,166	1,151
Increase (decrease) in reserves	19,860	18,477	35,423
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding</b>	<b>21,643</b>	<b>20,156</b>	<b>36,650</b>
<b>Surplus (deficit) of capital funding</b>	<b>(1,871)</b>	<b>(1,827)</b>	<b>(1,074)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Additional information:</b>			
Depreciation and amortisation	1,828	1,982	1,617

**Capital Projects**

		LTP 2014/15 \$'000	Annual Plan 2014/15 \$'000
<b>ORGANISATIONAL SUPPORT</b>	<b>Level of Service</b>		
	Fleet replacement asset management plan	76	76
	Ngaruawahia library	436	-
	<b>TOTAL FOR LEVEL OF SERVICE</b>	<b>512</b>	<b>76</b>
	<b>Renewal</b>		
	Backup system	33	32
	District Wide furniture	27	27
	Electronic notice board at all offices	9	9
	Fleet replacement asset management plan	349	-
	Fleet replacement asset management plan	-	346
	Information management graphical imaging systems	47	47
	Laptops replace	38	38
	Laser printer new	9	9
	Laser printers replace	15	15
	Library server replace	58	57
	Microsoft office and exchange upgrade	147	146
	Ngaruawahia council office	55	48
	Plotter replace	32	31
	Purchase and installation of works and assets system	55	54
	Purchase new servers	87	87
	Standard workstations new	38	38
	Standard workstations replace	82	82
	Thin clients new	2	2
	Thin clients replace	29	29
	Wide area network upgrade	55	54
	<b>TOTAL FOR RENEWAL</b>	<b>1,167</b>	<b>1,151</b>

## STATEMENT OF PROSPECTIVE COMPREHENSIVE REVENUE AND EXPENSE

A forecast for the year ending 30 June 2015

	Annual Plan 2013/14	LTP 2014/15	Annual Plan 2014/15
	\$'000	\$'000	\$'000
<b>Revenue</b>			
Rates income - excluding targeted water supply rates	60,146	62,129	62,961
Finance income	192	350	157
Development and financial contributions	7,326	7,526	7,526
Subsidies and grants	16,982	16,926	16,984
Other revenue	15,166	33,550	34,059
<b>Total revenue</b>	<b>99,812</b>	<b>120,481</b>	<b>121,687</b>
<b>Expenses</b>			
Depreciation and amortisation expense	20,478	22,041	20,938
Personnel costs	24,313	25,243	25,179
Finance costs	3,818	5,234	3,411
Other expenditure	36,204	39,059	40,911
<b>Total operating expenses</b>	<b>84,813</b>	<b>91,577</b>	<b>90,439</b>
<b>Surplus (deficit) before tax</b>	<b>14,999</b>	<b>28,904</b>	<b>31,248</b>
<b>Other comprehensive revenue and expense</b>			
Gain (loss) on property revaluations	50,824	50,868	48,541
<b>Total other comprehensive revenue</b>	<b>50,824</b>	<b>50,868</b>	<b>48,541</b>
<b>Total comprehensive revenue and expense</b>	<b>65,823</b>	<b>79,772</b>	<b>79,789</b>



**STATEMENT RECONCILING PROSPECTIVE STATEMENT OF COMPREHENSIVE  
REVENUE AND EXPENSE  
WITH PROSPECTIVE WHOLE OF COUNCIL FUNDING IMPACT STATEMENT**

	Annual Plan 2013/14	LTP 2014/15	Annual Plan 2014/15
	\$'000	\$'000	\$'000
Total prospective comprehensive revenue and expense wholly attributable to Waikato District Council	65,823	79,772	79,789
Surplus (deficit) of operating funding per prospective whole of council funding impact statement	16,700	16,014	16,150
Difference	49,123	63,758	63,639
<b>The difference is due to:</b>			
Capital income	18,768	18,067	19,233
Vested assets	-	16,848	16,816
Revaluation of assets	50,823	50,868	48,541
Gain (loss) on sale of assets	10	16	(13)
Depreciation and amortisation	(20,478)	(22,041)	(20,938)
Total explained difference	49,123	63,758	63,639

**PROSPECTIVE CASH FLOW STATEMENT**

A forecast for the year ending 30 June 2015

	Annual Plan 2013/14	LTP 2014/15	Annual Plan 2014/15
	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>			
Receipts from rates revenue	60,015	62,032	62,848
Subsidies received	17,183	16,969	17,166
Contributions received	7,643	7,509	7,853
Receipts from other revenue	15,066	16,624	16,912
Interest received	192	150	157
Dividends received	50	100	100
Payments to suppliers	(36,492)	(38,853)	(41,092)
Payments to employees	(24,182)	(25,150)	(25,025)
Interest paid	(3,818)	(5,234)	(3,411)
Goods and services tax (net)	-	-	-
<b>Net cash from operating activities</b>	<b>35,657</b>	<b>34,149</b>	<b>35,508</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment	63	77	107
Community loans repayments received	-	-	-
Purchase of intangible assets	(701)	(403)	(374)
Purchase of property, plant and equipment	(66,337)	(52,438)	(73,741)
Community loans granted	-	-	-
Acquisition of investments	-	-	-
<b>Net cash from investing activities</b>	<b>(66,975)</b>	<b>(52,764)</b>	<b>(74,008)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	31,483	18,500	38,758
Repayment of borrowings	(583)	(248)	(258)
Payment of finance leases	-	-	-
<b>Net cash from financing activities</b>	<b>30,900</b>	<b>18,252</b>	<b>38,500</b>
<b>Net (decrease) increase in cash, cash equivalents and bank overdrafts</b>	<b>(418)</b>	<b>(363)</b>	<b>-</b>
Cash, cash equivalents and bank overdrafts at the beginning of the year	848	1,690	426
<b>Cash, cash equivalents and bank overdrafts at 30 June</b>	<b>430</b>	<b>1,328</b>	<b>426</b>

## STATEMENT OF PROSPECTIVE FINANCIAL POSITION

A forecast for the year ending 30 June 2015

	Annual Plan 2013/14	LTP 2014/15	Annual Plan 2014/15	
	\$'000	\$'000	\$'000	
<b>ASSETS</b>	<b>Current assets</b>			
	Cash and cash equivalents	430	1,328	426
	Debtors and other receivables	14,597	18,182	17,172
	Non-current assets held for sale	622	-	384
	Biological assets - cattle	75	59	88
	Other financial assets	98	103	60
	Prepayments	169	231	265
	Total current assets	15,991	19,903	18,395
	<b>Non-current assets</b>			
	Property, plant and equipment	1,591,465	1,740,640	1,660,785
Intangible assets	2,558	1,834	1,081	
Investment property	440	535	445	
Other financial assets	8,909	9,384	8,900	
Total non-current assets	1,603,372	1,752,393	1,671,211	
Total Assets	1,619,363	1,772,296	1,689,606	
<b>LIABILITIES</b>	<b>Current liabilities</b>			
	Creditors and other payables	16,961	20,481	15,705
	Employee entitlements	2,873	2,922	3,292
	Provisions	246	122	214
	Borrowings	256	3,000	12,295
	Total current liabilities	20,336	26,525	31,506
	<b>Non-current liabilities</b>			
	Provisions	1,496	1,201	1,572
	Employee entitlements	207	201	173
	Derivative financial instruments	2,476	1,559	1,055
Borrowings	88,936	107,395	72,913	
Total non-current liabilities	93,115	110,356	75,713	
Total liabilities	113,451	136,881	107,219	
Net assets	1,505,912	1,635,415	1,582,387	
<b>NET ASSETS/EQUITY</b>	Accumulated funds	934,904	977,164	947,306
	Other reserves	571,008	658,251	635,081
	Total net assets/equity	1,505,912	1,635,415	1,582,387

## PROSPECTIVE STATEMENT OF RESERVE FUNDS

### A forecast for the year ending 30 June 2015

Reserves showing as negative have a debit balance and are mainly for development contribution and structure plan reserves. These reserves are in place to monitor the income and costs associated with development and growth. Often Council must incur the cost of works for base infrastructure before development contributions are received. Essentially the negative balance for a reserve is the amount borrowed internally to fund the work ahead of income being received. A negative reserve is used instead of a loan because the amount borrowed is repaid by income received rather than from a loan repayment regime. Like a loan, interest is charged and is added to the reserve balance for repayment from contributions received over time.

Reserve	Purpose	Related activities	Transfers into fund		Transfers out of fund		Balance 30 June 2015 \$'000
			Balance 1 July 2014 \$'000	2014/15 \$'000	2014/15 \$'000	2014/15 \$'000	
Conservation Fund	To fund expenditure items for conservation purposes.	Sustainable Environment	363	92	(70)	385	
Raglan Harbour reserve	Council took over assets from the Raglan Harbour Board. Any income or expenditure on these properties is kept separate from general funds.	Sustainable Communities	142	392	(483)	51	
Housing for the elderly	Income from housing for the elderly is put aside for use on the properties involved.	Sustainable Communities	22	211	(242)	(9)	
Plant reserve	Reserve used for control of expenditure and sale proceeds for vehicle and other plant running and maintenance costs.	Organisational Support	8	304	(166)	146	
Lake Hakanoa Caravan Park reserve	Income and expenditure for the Lake Hakanoa Caravan Park at Huntly is kept separate. The operation is self funding.	Sustainable Communities	8	120	(126)	2	
Raglan Kopua Holiday Park reserve	Income and expenditure for Kopua Holiday Park at Raglan is kept separate. The camp operation is self funding.	Sustainable Communities	346	739	(722)	363	
Wainui Reserve farm	Income and expenditure for Wainui Reserve farm operations is kept separate. The farm operation is self funding and surpluses are used towards projects at Wainui Reserve.	Sustainable Communities	190	117	(138)	169	
Hillary Commission grants	These funds are committed to a club development programme for the future.	Sustainable Communities	22	-	-	22	
Creative NZ grant	The balance from Creative Communities New Zealand to be re-distributed as grants to suitable candidates.	Sustainable Communities	14	-	-	14	
Disaster recovery fund	Fund set aside for use in the event of a disaster.	Organisational Support	1,155	459	(437)	1,177	
Hillary Commission loans	Remaining funds and interest credits built up from Council's contribution to match Hillary Commission loans used in the past to assist sporting organisations. All loans have been repaid.	Sustainable Communities	48	2	-	50	
North Waikato development reserve	Remaining funds with interest credits from the Department of Corrections for use to assist the local community.	Sustainable Communities	293	14	-	307	
Hamilton East property proceeds	Proceeds from the sale of the Hamilton East property held separate for property related purposes.	Organisational Support	2,282	-	-	2,282	
Hakarimata Restoration Trust	A restricted reserve for Hakarimata Hills Reserve Trust to record all trust operations.	Sustainable Environment	13	1	-	14	

Ex FDC community partnership loans reserve	Reserve taken over from the former Franklin District Council to fund loans for community initiatives.	128	6	-	134
Ex FDC development fund (ex shares sold)	Reserve representing the share of the Auckland Airport shares received by the former Franklin District Council and transferred to Waikato District Council on part amalgamation in 2010.	574	-	-	574
Ex FDC LTCCP contribution reserve	Reserve created on amalgamation of part of the Franklin District Council with Waikato District Council to assist with operational funding.	4,271	-	(1,116)	3,155
Ex FDC landfill aftercare contribution	Reserve created on amalgamation of part of the Franklin District Council with Waikato District Council to assist with aftercare costs for closed landfills transferred.	404	19	(52)	371
Structure plan non-growth reserve	Reserve to provide funding for the non-growth element of Structure Plan development.	974	448	(112)	1,310
Waste minimisation reserve	To manage waste minimisation grants and qualifying expenditure.	152	207	(680)	(321)
Huntly College jubilee award	A restricted reserve for the interest income to be used as educational sponsorship.	14	1	-	15
Francis Paki Trust	A restricted reserve in memory of Francis Paki of Huntly. Interest income to be used as sponsorship for educational purposes.	1	-	-	1
Mungall Scholarship Trust	A restricted reserve in memory of Agnes Simpson Mungall. Interest income to be used for educational sponsorship.	1	-	-	1
Sundry reserves	Sundry reserves for township development and other operational purposes.	1,630	602	(340)	1,892
Targeted rate reserves - operational	Reserves to monitor operational costs in relation to special rates and user pays.	(1,337)	14,450	(15,223)	(2,110)
Replacement funds	Reserves where amounts equivalent to funded depreciation are held for use on capital renewals work.	14,505	17,768	(19,070)	13,203
Revaluation reserves	Non cash reserves representing the increases or decreases in the value of infrastructural assets that are periodically revalued.	583,392	48,541	-	631,933
Capital rates and contributions	Reserves for Structure Plans, Development Contributions, Financial Contributions and Capital Targeted rates.	(20,529)	8,855	(8,376)	(20,050)
		589,086	93,348	(47,353)	635,081

## STATEMENT OF PROSPECTIVE CHANGES IN NET ASSETS/EQUITY

A forecast for the year ending 30 June 2015

	Annual Plan 2013/14	LTP 2014/15	Annual Plan 2014/15
	\$'000	\$'000	\$'000
<b>Balance at beginning of year</b>			
Accumulated funds	907,080	942,075	913,512
<b>Other reserves</b>			
Asset revaluation	546,323	638,830	583,359
Restricted	29	33	29
Council created	13,157	12,656	20,616
Special rates and user pays	(3,208)	(4,796)	(1,337)
Capital replacement fund	3,538	4,205	14,505
Development contribution	(26,880)	(37,444)	(28,118)
Fair value through other comprehensive revenue and expense	50	84	33
Total net assets/equity at beginning of year	1,440,089	1,555,643	1,502,599
<b>Comprehensive revenue and expense for the year</b>			
Accumulated funds	14,999	28,904	31,247
<b>Other reserves</b>			
Asset revaluation	50,824	50,868	48,541
Revaluation (landfill)	-	-	-
Fair value through other comprehensive revenue and expense	-	-	-
Total comprehensive revenue and expense for the year	65,823	79,772	79,788
<b>Transfers to (from) accumulated funds</b>			
Accumulated funds	12,825	6,185	2,547
<b>Other reserves</b>			
Asset revaluation	-	-	-
Restricted	1	2	1
Council created	(421)	(1,198)	(1,237)
Special rates and user pays	38	(576)	(773)
Capital replacement fund	(44)	(382)	(1,302)
Development contribution	(12,399)	(4,031)	764
Total transfers to (from) accumulated funds	-	-	-
<b>Net assets/equity at end of year</b>			
Accumulated funds	934,904	977,164	947,306
<b>Other reserves</b>			
Asset revaluation	597,147	689,698	631,900
Restricted	30	35	30
Council created	12,735	11,458	19,379
Special rates and user pays	(3,170)	(5,372)	(2,110)
Capital replacement fund	3,494	3,823	13,203
Development contribution	(39,278)	(41,475)	(27,354)
Fair value through other comprehensive revenue and expense	50	84	33
Total net assets/equity at end of year	1,505,912	1,635,415	1,582,387



# Statement of Accounting Policies

For the year ending  
30 June 2015

## Reporting Entity

Waikato District Council (the Council) is a territorial authority governed by the Local Government Act 2002 (LGA 2002) and is domiciled in New Zealand.

The Waikato District Council Group (the Group) consists of the ultimate parent Waikato District Council (the Council), its 100% owned subsidiary Strada Corporation Limited (Strada) and the Waikato District Community Wellbeing Trust. Strada is a 50% party to a Joint Venture Agreement, Waikato Quarries Limited. All the companies in which Council has an interest, directly or through Strada, are incorporated and domiciled in New Zealand.

The primary objective of the Council and the Group is to provide goods and services for the community or social benefit rather than making a financial return. Accordingly, the Council has designated itself and the Group as Public Benefit Entities (PBE) for the purposes of New Zealand equivalents to International Public Sector Accounting Standards (PBE IPSAS).

The prospective financial statements are for the year ending 30 June 2015. They were authorised for issue by the Council on 24 June 2014. The Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures. The prospective financial statements, once approved by the Council as part of its adoption of the Annual Plan (the plan), will not be updated except if unforeseen circumstances would result in significant changes in these statements.

## Basis of Preparation

### Statement of compliance

The Council's prospective financial statements have been prepared in accordance with the requirements of LGA 2002 which includes the requirement to comply with New Zealand Generally Accepted



Accounting Practice (NZ GAAP). These prospective financial statements are the first set presented in accordance with PBE Standards (which apply to periods beginning on or after 1 July 2014).

These prospective financial statements (with the exception of the Funding Impact Statement) have been prepared in accordance with NZ GAAP as it relates to prospective financial statements, and other applicable financial reporting standards, as appropriate for PBE standards. The prospective financial statements incorporated in the plan have been prepared in compliance with Public Benefit Entity Financial Reporting Standard 42 (PBE FRS 42): *Prospective Financial Statements*.

Included in this plan are two types of financial information –

1. The usual NZ GAAP regulated statements of financial position, comprehensive revenue and expense and the like; and
2. A funding impact statement (FIS).

The key difference between these two types of information is that FISs are not required by NZ GAAP.

The FIS is intended to make the sources and applications of the Council funds more transparent to its stakeholders than might be the case if only the usual NZ GAAP financial statements were provided. The FIS format is prescribed by the Local Government (Financial Reporting) Regulations 2011 and is required by the Local Government Act 2002. The legislation requires the Council's annual plan to contain the whole of council FIS; however, the Council has elected to also provide a FIS for each group of activities to ensure the plan gives a complete view of the Council's prospective position.

#### Measurement base

The prospective financial statements have been prepared on a historical cost basis, modified by the

revaluation of land and buildings, certain infrastructural assets, investment properties, and certain financial instruments (including derivative instruments).

The actual results for the 2012/2013 financial year and the Annual Plan financial performance and cash flows for the 2013/2014 financial year, as modified by known changes, have been used to arrive at the opening balances for the plan as at 1 July 2014.

#### Functional and presentation currency

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency for the Council is New Zealand dollars.

#### Changes in accounting policies

The accounting policies set out below have been applied consistently with prior financial statements.

Although this is the first set of statements presented in accordance with PBE Standards this does not constitute a change in accounting policy per PBE FRS 46 *First-time adoption of PBE standards by entities previously applying NZ IFRS*.

### Significant Accounting Policies

#### Basis of consolidation

The Council has not consolidated the prospective financial statements to include its subsidiaries Strada and the Waikato District Community Wellbeing Trust as a group because the Council believes that consolidation does not enhance an understanding of the Council's core activities and services.

#### Revenue

Revenue is measured at the fair value of the consideration received or receivable.

- Rates are set annually by a resolution from the Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.
- Water billing revenue is recognised on an accrual basis. Unbilled usage, because there are unread meters at year-end, is accrued on an average usage basis.
- The Council receives government grants from the New Zealand Transport Agency (NZTA), which subsidises part of the Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.
- Revenue from the sale of goods is recognised when a product is sold to the customer. Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.
- Rental income from investment properties is recognised as revenue on a straight-line basis over the term of the lease.
- Traffic and parking infringement income is recognised when the infringement notice is issued.
- 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 the Council are recognised as income when control over the asset is obtained.
- Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development contributions and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.
- Interest income is recognised using the effective interest method.
- Dividends receivable are recognised when the right to receive the payment has been established.

#### **Construction contracts**

Contract revenue and contract costs are recognised

as revenue and expense respectively by reference to the stage of completion of the contract at balance date. The stage of completion is measured by reference to the contract costs incurred up to balance date as a percentage of total estimated costs for each contract.

Contract costs include all costs directly related to specific contracts and costs that are specifically chargeable to the customer under the terms of the contract.

An expected deficit on construction contracts is recognised immediately as an expense in surplus or deficit.

Where the outcome of a contract cannot be reliably estimated, contract costs are recognised as an expense as incurred. When it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.

Construction work in progress is stated at the aggregate of contract costs incurred to date plus recognised surpluses less recognised deficits and progress billings. If there are contracts where progress billings exceed the aggregate costs incurred plus surpluses less deficits, the net amounts are presented as a liability.

#### **Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred, in accordance with the provisions applicable to public benefit entities under PBE IPSAS 5 *Borrowing costs*.

#### **Grant expenditure**

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria; they are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the Council's decision.

#### **Foreign currency transactions**

Foreign currency transactions are translated into

the functional currency using the spot exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in surplus or deficit.

### **Income tax**

Income tax is recognised and disclosed in accordance with PBE IAS 12 Income taxes.

Income tax expense is the aggregate of current period movements in relation to both current and deferred tax.

Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the group expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surpluses will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Current and deferred tax is recognised against surplus or deficit for the period, except to the extent that it

relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly to equity.

### **Leases**

#### *Finance leases*

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments. The finance charge is apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is included in surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

#### *Operating leases*

An operating lease is a lease other than a finance lease. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term..

### **Cash and cash equivalents**

Cash and cash equivalents include cash on 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 that are repayable on demand and form an integral part of the Council's cash management are shown within borrowings in current liabilities in the statement of financial position.

### **Debtors and other receivables**

Debtors 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.

### **Inventory**

Inventory held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at cost, using the first-in-first-out (FIFO) basis, adjusted when applicable, for any loss of service potential. Where inventory is acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

Inventory held for use in the production of goods and services on a commercial basis, such as raw material stocks and trading stocks, is valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the FIFO method.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in surplus or deficit in the period of the write-down.

Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

### **Other financial assets**

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in surplus or deficit.

The Council classifies its financial assets into the following categories:

- Loans and receivables
- Held to maturity investments
- Fair value through surplus or deficit
- Fair value through other comprehensive revenue and expense.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of financial assets at initial recognition.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition they are measured at

amortised cost using the effective interest method less impairment. Gains or losses when the asset is impaired or derecognised are recognised in surplus or deficit.

Loans to community organisations made by the Council at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The loans 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 surplus or deficit as a grant.

#### *Held to maturity investments*

Held to maturity investments are non-derivative financial assets with fixed or determinable payments, with fixed maturities and with a positive intention and ability to hold to maturity. They are included in current assets, except for those with maturities greater than 12 months after balance date which are included in non-current assets.

After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. Gains and losses when the asset is impaired or de-recognised are recognised in surplus or deficit.

#### *Financial assets at fair value through surplus or deficit*

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. The Council's derivatives are categorised as held for trading unless they are designated into hedge accounting relationship for which hedge accounting is applied. Assets in this category are classified as current assets. After initial recognition, financial assets in this category are measured at their fair values with gains or losses on re-measurement recognised in 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 investment within 12 months of balance date. They comprise the following:

- 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 surplus or deficit.

On de-recognition the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to surplus or deficit.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. The Council's investments in the Waikato Regional Airport Limited and Local Authority Shared Services are classified as financial assets at fair value through other comprehensive revenue and expense and are stated at cost. The Council's investment in its subsidiary is also held at cost.

### **Impairment of financial assets**

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in surplus or deficit.

#### *Loans and other receivables*

Impairment is established when there is objective evidence that the Council and the group will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor/issuer will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired.

The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate.

For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in surplus or deficit. When the receivable

is uncollectible, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due).

For community loans, impairment losses are recognised directly against the instrument's carrying amount.

#### *Financial assets at fair value through other comprehensive revenue and expense*

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered an indicator of impairment.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to surplus or deficit.

Impairment losses recognised in surplus or deficit on equity investments are not reversed through surplus or deficit.

### **Derivative financial instruments**

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

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date. The associated gains or losses of derivatives are recognised in surplus or deficit. The portion of the fair value of a non-hedge accounted interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as non-current.

### **Non-current assets held for sale**

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current 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 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.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

### **Property, plant and equipment**

Property, plant and equipment consist of:

- **Operational assets:** These include land, buildings, improvements, landfill post closure, library books, plant and equipment, furniture, computers and motor vehicles.
- **Restricted assets:** These are parks and reserves owned by the Council which provide a benefit or service to the community, and can only be disposed of after following a rigorous legal and public consultation process.
- **Infrastructure assets:** These are the fixed utility systems owned by the Council. Each asset class includes all items that are required for the network to function. For example, wastewater reticulation includes reticulation piping and wastewater pump stations.

The Council's pensioner housing and other non-commercial rental properties, which are held for service delivery objectives rather than for rental income or capital appreciation, are accounted for as property, plant and equipment.

Property, plant and equipment are 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, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and the Group and the cost of the item can be measured reliably. Only assets with a life of over one year and value of over \$2,000 are capitalised. Subsequent expenditure on an asset which restores or increases

the service potential of the asset beyond the current economic benefit of that asset is capitalised. The costs of day-to-day servicing of property, plant and equipment are recognised in surplus or deficit as they are incurred.

Property, plant and equipment are recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition

#### *Assets under construction (work in progress)*

Assets under construction are recognised at cost less impairment and not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated.

#### *Disposals*

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in surplus or deficit. When revalued assets are sold, the amounts included in the asset revaluation reserves in respect of those assets are transferred to accumulated funds.

#### *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:

	Useful Life (Years)	Depreciation Rate
Audio-Visual Materials and Electronic Games – Libraries	5	20%
Buildings	20 – 100	1% - 5%
Vehicles / Moveable Plant	4 – 20	5% - 25%
Library Books	8	12.5%
Computers	4 – 7	14% - 25%
Office Equipment	3 – 10	10% - 33%
Furniture and Fixtures	10	10%
Water Treatment	2 – 100	1% - 50%
Water Reticulation	2 – 100	1% - 50%
Wastewater	8 – 100	1% - 12.5%
Urban Stormwater	2 – 100	1% - 50%
Roading Pavement – sealed	2 – 100	1% - 50%
Pavement (basecourse)		
- sealed	20 – 105	0.95% - 5%
- unsealed metal	20 – 105	0.95% - 5%
Surface Water Channel	20 – 80	1.25% - 5%
Culverts	80	1.25%
Guardrails/Barriers	40 – 80	1.25% - 2.5%
Footpaths	15 – 80	1.25% - 6.7%
Street Lighting	20	5%
Bridges	20 – 100	1% - 5%
Signs	20	5%

The residual value, depreciation method and useful life of an asset are reviewed, and adjusted if applicable, at each balance date.

#### Revaluation

Land, buildings (operational and restricted); parks and reserves; and infrastructural assets (except land under roads) are revalued on a regular basis to ensure that their carrying amounts do not differ materially from fair value, and at least every three years. All other asset classes are stated at depreciated historical cost.

The carrying values of the revalued assets are assessed at each balance date to ensure that they do not differ materially from the assets' fair value. If there

is a material difference, 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 for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in surplus or deficit will be recognised first in surplus or deficit up to the amount previously expensed, with any remainder recognised in other comprehensive revenue and expense.

Opening asset value at 1 July 2014 was calculated using 30 June 2013 actual assets restated at 30 June 2014, using appropriate BERL factors. In addition, new assets per the 2013/14 Annual Plan were added at cost.

Details of the latest revaluation are as below:

#### *Operational and restricted land and buildings:*

Land, buildings and properties valued by their components have been valued at fair value as determined by an independent valuer from market-based evidence. The most recent valuation was performed by Chris Coakley of QV Valuations a division of Quotable Value Limited and dated 30 June 2012.

#### *Parks and Reserves*

Parks and reserves assets have been valued at fair value as determined on a depreciated cost basis by an independent valuer. The most recent valuation was performed by Manjit Devgun and John Vessey of Opus International Consultants Limited and is dated 30 June 2012.

#### *Infrastructural assets classes: water, wastewater, stormwater and refuse transfer stations*

Utilities and solid waste assets have been valued at fair value determined on an optimised depreciated replacement cost basis by an independent valuer. The most recent valuation was performed by David Jeffrey of GHD Limited and is dated 30 June 2011.

#### *Infrastructural asset classes: roading and bridges*

Road and bridge assets have also been valued at fair value as determined using the optimised depreciated

replacement cost basis by an independent valuer. The most recent valuation was performed by Gregg Morrow, John Vessey and Gemma Mathieson of Opus International Consultants Limited. The valuation is effective at 30 June 2013.

#### *Land under roads*

Land under roads was valued by both the former Franklin District Council (FDC) and Waikato District Council (WDC) before the transition by each to NZ Equivalent International Financial Reporting Standard (NZIFRS). On transition to NZIFRS both councils elected to use the revaluation amounts for land under roads as the deemed cost. Following the merger of part of the former FDC and WDC, land under roads is stated at deemed cost and is not revalued.

### **Intangible assets**

#### *Software acquisition and development*

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads. Staff training costs and costs associated with maintaining computer software are recognised as an expense when incurred. This asset class, which is amortised on a straight-line basis, has a useful life of 3 to 7 years and the amortisation rates are between 14% and 33%.

#### *Consents*

Consent costs for capital works are recognised at cost, and amortised over the life of the consents - between ten and thirty-five years. The amortisation charge for each period is recognised in surplus or deficit.

### **Impairment of property, plant and equipment and intangible assets**

Intangible assets having an indefinite useful life, or which are not yet available for use, are not subject to amortisation and are tested annually for impairment.

Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. Where 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.

Value in use for non-cash generating assets is the present value of its remaining service potential.

The value in use for cash-generating assets and cash generating units is the present value of expected future cash flows from the continued use and eventual disposal of the asset.

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 in other comprehensive revenue and expense and accumulated 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 surplus or deficit.

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

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in surplus or deficit.

### **Biological assets**

Cattle on the Council's reserve are revalued annually at fair value less estimated cost to sell. Fair value is determined based on market price at balance date.

Gains or losses from a change in fair value less estimated costs to sell are recognised in surplus or deficit. The costs incurred in relation to the cattle are included in surplus or deficit.

### **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 or for capital appreciation.



Investment property is measured initially at cost, including transaction costs. After initial recognition, all investment properties are measured at fair value as determined annually by an independent valuer. Gains or losses arising from a change in the fair value of investment property are recognised in surplus or deficit.

### Creditors and other payables

Short-term creditors and other payables are recorded at their face value.

### Employee entitlements

#### *Short-term employee entitlements*

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service 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, retiring and long service leave entitlements expected to be settled within 12 months, 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 will be used by staff to cover those future absences.

#### *Long-term employee entitlements*

Entitlements that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculation is based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlement information; and
- The present value of the estimated future cash flows
- The inflation factor is based on the expected long-term increase in remuneration for employees.

#### *Presentation of employee entitlements*

Employee entitlements expected to be settled within 12 months of balance date are classified as current liabilities. All other employee entitlements are classified as non-current liabilities.

### Superannuation schemes

#### *Defined contribution schemes*

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in surplus or deficit when incurred.

### Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the expenditure 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'.

Provision has been made for future environmental obligations in respect of closed landfills and contract completion costs.

### Borrowings

Borrowing is initially recognised at fair value net of transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council or the Group has an unconditional right to defer settlement of the liability at least 12 months after the balance date.

### Equity

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- Accumulated funds
- Other reserves
  - asset revaluation
  - restricted
  - council-created
  - special rates and user pays
  - capital replacement fund
  - development contribution
  - fair value through other comprehensive revenue and expense.

#### *Asset revaluation reserves*

These reserves relate to the revaluation of property, plant and equipment to fair value.

#### *Restricted reserves*

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves are those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

#### *Council-created reserves*

Council-created reserves are reserves established by the Council decisions. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

#### *Fair value through other comprehensive income*

This reserve comprises the cumulative net change in the fair value of financial instruments at fair value through other comprehensive revenue and expense.

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

All items in the financial statements are stated exclusive of GST except for Trade Payables and receivables, which are presented on a GST-inclusive basis. When GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

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, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### **Cost allocation policy**

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

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs which cannot be identified in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using cost drivers such as actual usage, staff numbers and floor area.

### **Cautionary Note for Prospective Financial Statements**

The purpose for the preparation of the prospective financial statements is to enable ratepayers, residents and any other interested parties to obtain information about the expected future financial performance, position and cash flows of the Council for the year ending 30 June 2015. The information contained in these statements may not be appropriate for purposes other than that as previously described.

The preparation of prospective financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may vary from these estimates and the variations may be material.

**Significant forecasting assumptions**

Significant forecasting assumptions and risks underlying the financial estimates are identified in the Council's *Long Term Plan 2012-2022 Volume Two pp18-32*.

There have been no material changes to those assumptions in compiling the Annual Plan for 2014-2015.

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