



Opotiki District Council

2019/20 Annual Plan



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A message from the Mayor and the Chief Executive

The coming year will see the finalisation of a number of proposals being put forward to the Provincial Growth Fund (PGF). We need to be mindful that the PGF is a potentially short lived opportunity and Ōpōtiki has two of the four catalytic projects that have been identified in the Eastern Bay of Plenty. A harbour enabling an aquaculture and marine industry and our wonderful fertile land providing for horticulture development on the coast, stand poised to see success in the coming year. Commercial projects stand almost ready to be funded, and infrastructure projects of both a physical and social nature are also underway. For Ōpōtiki District Council there are likely to be a number of good problems to deal with in the coming year and beyond. The effects of growth, and people returning to their land and district are likely to drive the need (and the means) for investment. Early in the financial year we should complete the due diligence asked of us (and mostly funded) by the current government on the harbour. Once government make a decision the Council and community can get on with planning and implementing a range of growth projects as the anticipated four year harbour construction gets underway.

Work is ongoing on our sewer upgrade. It has been very pleasing to see the problems of a decade ago slowly becoming distant memories as the performance of the sewer slowly but surely improves. Significant investment has gone into this asset and ratepayers in the town area will see this coming through in their rates.

Early in the financial year we will be bedding in our new waste collection system with new wheeled bins and recycling crates. Waste is an area for future focus by government, and council will need to be ready to respond, as it has had to with the withdrawal of single use plastic bags.

Other projects that are in process are the cycleway proposed extension and the library. We hope to have a funding decision from government on the cycleway early in the new year and we intend to talk to the community about the library once we have re-costed the options. We are looking at ways we can improve the look and feel of the town centre, and are considering improvements of reserves and playgrounds, with an initial focus on the Rose Gardens on Church Street.

The coming year will undoubtedly see some changes around the council table with an election to be held in October.



Mayor John Forbes



CEO Aileen Lawrie

What is the Annual Plan?

The purpose of the Annual Plan (AP) is to:

- Support Council's Long Term Plan (LTP) in providing integrated decision-making and coordination of resources
- Extend the opportunity for the community to participate in Council's decision-making processes relating to costs and funding
- Contribute to Council's accountability to its community
- Detail the annual budget and related funding impacts
- Identify any variances from the funding and financial information in the LTP for the coming year.

Whilst the primary purpose of the AP is to provide a basis for setting the following year's budget and rates, it also provides an opportunity to revisit what Council said it was going to do in the LTP for the coming year.

The LTP provides a long term view of Council's plans and actions. The AP looks at the near term (the following year) plans and actions and provides an opportunity to see if the LTP is still relevant or if there is any need to alter what Council said it was going to do.

For that reason, the AP primarily considers exceptions or variances from the LTP rather than bigger issues such as the role of Council, major priorities, or scope and levels of service.



Two seasons in one day over our beautiful coastline

Key projects planned for the 2019/20 year

The following key projects (as provided for in the LTP) are planned for the 2019/20 financial year:

Wastewater

We've been working on improvements to the Ōpōtiki wastewater network to help reduce the risk of the system failing when we have high rainfall events.

Significant progress has been made on this project and this year work will continue on the rehabilitation and partial replacement of the network. We expect to complete this project within the coming year. The budget also allows for a potential extension of the network around the Factory Road industrial area, should there be sufficient demand for growth. If we have no demand for this, the budget will be carried over into the 2020/21 year period so it is available when needed as growth occurs.

Harbour Development

In December 2018 council secured funding from the Ministry of Business Innovation and Employment towards the cost of around \$1M of work on the harbour. This involves a contribution by Council of \$250k and government funding of \$750k for a range of due diligence tasks that are due to be completed early in the 2019/20 financial year. These include looking for aggregate and rock sources within 50 km of Ōpōtiki to make savings on the cost of the proposed harbour, redesign work by our preferred tenderer to formally incorporate indicative savings that were identified last year into their tender, looking in to different ownership models and incorporating some new commercial opportunities in to the business case. Following completion of that work we again seek a government decision to fund the harbour to allow the tender to be let and preparatory work get underway. Construction is at least a 4 year project. Once we have a positive decision, Council will also be able to turn its mind to other growth projects and begin the planning stages of projects such as the wharf upgrade, Hikutaia sewerage reticulation and shaping the central business district for a harbour outlook.

Stormwater

Council has been looking into the state of the stormwater system in the Ōpōtiki township, including carrying out modelling about the future impacts of Climate change. Studies show that significant impacts can be expected from rainfall alone, within the town. We have a number of projects planned in the course of our 2018-2028 LTP, and further out, to help deal with those expected impacts.

The Ōpōtiki Township Stormwater scheme does not work well when we have high rainfall. There is a lack of capacity in critical assets - things like pumps and pipes. We plan to improve this by increasing storage areas, so water can drain away from homes and businesses quicker and by upgrading main pipes and pump stations.

Toward the end of 2018 we acquired a piece of land at the corner of Wellington and Union Streets to use for stormwater management. Subject to getting consents, we are planning on starting work in the 2019/20 year to turn this piece of land into a stormwater basin. We'll be working with the Bay of Plenty Regional Council on this as they are looking at using the soil taken from the basin to use in a stop bank.

Council Property

The redevelopment of the Ōpōtiki Library is a long held community aspiration. Following several failures to obtain grant funding, Council has resolved to consult the community about the option of proceeding with a loan funded Library redevelopment. Once re-costings are completed public consultation will go ahead to determine how residents feel about this option.

Refurbishment of the ex-plunket building on Church Street will be undertaken this year, with budget allocated for reroofing and some internal works.

This coming year budget is also provided for the redevelopment of the Council pound on Duke Street. A decision is still to be made on the options which include, refurbishment, upgrading, extending, or replacing.

A resource consent is currently being considered for the redevelopment of three properties in the town centre. Subject to the consent being obtained, budget is allocated for the development of a flexible retail space.

Parks and Reserves

Significant enhancement and extension of the existing Motu cycle trail is planned, subject to external funding. Proposals involve the extension of the trail to Waiotahi Beach and around Ōhiwa Harbour through to Kutarere. Work is also underway on an extension to the Pakahi track via the Whakaumu Old Military Track to Tirohanga. It is envisaged that when complete, the trail will provide cyclists, walkers and runners with a 35km loop from Ōpōtiki, including the Dunes Trail.

Preparation works are currently underway on the Church Street Reserve (Rose Garden) renovations. Subject to receiving external funding significant additional investment is planned in the 2019/20 year period to upgrade the Rose Gardens to a destination reserve. Our plans include new public toilets, a substantial playground and additional facilities for community use.

Land Transport

Seal Extensions

Council will continue to seal unsealed roads where a 60% contribution is provided by those requesting the seal extension. A maximum of 2km will be considered for sealing on an annual basis. Council invites applications from those that wish to have their roads sealed and are willing to contribute 60% towards the cost.

Street Upgrades, Footpath & Kerb Maintenance and Street Light Infill

Following receipt of an increase in roading subsidies from the New Zealand Transport Agency (NZTA), budget has been allocated for street upgrades, footpath maintenance and street light infill.

Street upgrades will include new drainage, kerb and channel and footpaths for the streets around the township.

Footpath and kerb maintenance will see repairs undertaken on cracked and displaced footpaths and widening where appropriate. Kerbing repairs will also be undertaken where it is needed.

Finally street light infill will be undertaken where street light spacing does not meet the modern standards and street light pole replacements will continue where Horizon electrical undergrounding is planned and on aging poles.

What's new or changed

This AP covers year two of the 2018-2028 LTP. The 2018-2028 LTP confirmed a long standing Council strategy of consolidation, prudent financial management, affordability and preparing for future growth opportunities. Specifically, the LTP describes how Council intends to invest in the Ōpōtiki Harbour Transformation Project and in wastewater (particularly in the Ōpōtiki township) in support of sustainable growth.

Exceptions to the previously planned work in the LTP are:

Property

The library development project was planned to start in year two of the LTP and be spread over two financial years. This project has been delayed due to failed attempts to obtain external funding. At the end of 2018 Council resolved to consult the community about the option of proceeding with a loan funded library redevelopment. Once re-costings are completed public consultation will go ahead to determine how residents feel about this option.

Parks and Reserves

Budget was allocated in the first year of the LTP for renovation of the Rose Gardens on Church Street. Council resolved at the end of 2018 to seek external funding to increase the investment in this reserve and upgrade the Rose Gardens to a destination reserve, including new public toilets, a substantial playground and additional facilities for community use. Whilst there is no change to budget set aside in the LTP, this decision requires a delay to this project.

Regulation and Safety

An increase in the budget allocated to this activity has been made in order to fund an additional member of staff to respond to growth and enable us to provide increased services to the community. Minor changes have also been made to the expected revenue from fees and charges.

Solid Waste

Changes will be made early in the financial year to the way solid waste is collected. The options were considered and consulted upon as part of the Long Term Plan, but the option Council agreed upon was found to be unfeasible when considered in more detail. The new option that Council has resolved to provide, along with increases in landfill tariffs and the global China plastic crisis, results in changes to budgets.

Stormwater

This year we completed a comprehensive iteration of stormwater modelling looking closely at the effects of climate change in the future and the proposed storage area, pipe and pump station upgrades. Designs for planned improvements to the primary trunk main along Richard St and the Tarawa Creek basin were revised to lower cost options.

Upgrades to pipelines on Goring Street, Potts Avenue and Buchanan Street were completed alongside street upgrades.

Wastewater

We completed a large amount of pipe relining this year across all the townships wastewater mainlines and carried out repairs to 50% of private pipelines. The project has been very successful to date with several smaller storm events showing significant reductions in the inflow of stormwater and infiltration of groundwater. Progress through this second year puts the wastewater rehabilitation project on track toward early completion and under budget.

Ōpōtiki and Te Kaha Water supplies

Costs have increased for both the Ōpōtiki and Te Kaha water supplies, associated with the ratcheting up of water quality and security requirements by Central Government. This will include significant increases in depreciation. However, with optimisation of three waters infrastructure we are not required to fully fund depreciation, which has led to reductions in rates required for Opotiki and Te Kaha.

Planned projects to extend water supply in Te Kaha was also expanded to take advantage of remaining budget attained via subsidy from the Ministry of Health. The Southern Extension project originally planned to be completed at the same time was delayed while Council undertook consultation, however having now attained the necessary approvals Council expects to complete this project in July.

Rating Impacts

The overall increase in rate revenue is 3.78% percent, down from a proposed 6.24% percent increase for year two of the LTP.

To minimise pressure on rates, Council is seeking grant funding wherever possible.

Financial Prudence Benchmarks

Annual Plan disclosure statement for period commencing 1 July 2019

WHAT IS THE PURPOSE OF THIS STATEMENT?

The Financial Prudence benchmarks are produced in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014. Their purpose is to disclose the Council's financial performance in relation to various benchmarks that are also presented by other Councils. The benchmarks in the Annual Plan relate to the financial strategy prepared as part of the 2018-28 Long Term Plan. In the 2019/20 Annual Plan all benchmarks are expected to be met.

Benchmark	Limit	Planned	Met
Rates affordability benchmark			
. Income	\$8.54 m	\$8.43 m	Yes
. Increases	5.20%	3.78%	Yes
Debt affordability benchmark			
Net Interest Expense/Operating Revenue	10%	1%	Yes
Net Interest Expense/Rates Revenue	15%	2%	Yes
Net External Debt/Operating Revenue	2	39	Yes
Balanced budget	100%	201%	Yes
Essential services benchmark	100%	349%	Yes
Debt servicing benchmark	10%	2%	Yes

The full benchmark analysis, including graphs, for each measure for the ten year plan are included in the LTP 2018-2028, under the Financial Prudence section.

Council Organisation

Council Values

Integrity and Honesty

We will not compromise our values and will act in a trustworthy manner at all times.

Ngakau- tapatahi me te Pononga

Kaore matou a marie i a matou uaratanga a, ka mahi i roto i te huatanga matatika i nga wa katoa.

Leadership

We will take an active role in issues that affect our community by providing governance, representation, advocacy, guidance and opinion.

Manakuratanga

Ka kakama matou i roto i nga take e pa ana ki to tatou iwi whanui ma te whakahaere tikanga, ma te kanohi, kai tautoko arahitanga me te whakaaro.

Openness and Accountability

We will conduct our affairs in a way that allows the community to see and understand our actions and achievements and we will accept responsibility for them.

Mahorahora me nga Herenga

Ka whakahaeretia a matou mahi i roto i te ariā kia kitea ai e te iwi whanui a, kia mohiotia a matou mahinga me nga tutukitanga me te whakaae ano mo aua kawenga.

Fairness and Equity

We will act to ensure that all have equal opportunities and that we will be unbiased in the implementation of policies.

Tokeke me te Ture o te Tika

Ka mahi matou ia hua ai ka orite te whiwhi mea angitu o te katoa me ae ate tokeke i roto i iaga whakatinanatanga o uga kaupapa.

Achievements Orientated

We will gain results in a timely, innovative and economic manner.

Whakatutukitanga Whakawaiatanga

Ka whiwhi hua i roto i te auaha me te ngawaritanga.

Relationships

We will acknowledge the special place of Tangata Whenua in our community and respect the different views and values of our community.

Tikanga Tutohungatanga

Ka manako matou i te wahi motuhake o te Tangata Whenua i roto i te iwi whanui a me te whakarite ano i nga kitenga rereketanga, me nga uaratanga o to tatou iwi whanui.

Satisfying Expectations

We will always look to understand our community's expectations and try to achieve a high level of community satisfaction.

Tumanako Manawareka

Ka ahei tonu matou kia mohio ki nga tumanako o to tatou iwi kainga me te whakamatau kia ae ate tairanga teitei o te whakanatanga o te iwi whanui.

Representation



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Community Board and Council Committees

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Audit and Risk Committee

Member 1: Councillor Arihia Tuoro
(Chairperson)
Member 2: Councillor Ken Young
Ex Officio: Mayor John Forbes
Independent External Member: David Love

Hearings Committee - Dog Control

Member 1: Councillor Ken Young
Member 2: Councillor Haki McRoberts
Member 3: Councillor Shona Browne
Member 4: Councillor Barry Howe
Committee to elect Chairperson at first meeting



David Love – Audit and Risk Committee
External Independent Member

Organisational Structure

Council



Aileen Lawrie - CEO

The chief executive appoints a range of skilled staff to carry out the activities the council undertakes on behalf of the community. This is the organisational arm of local government. Through the chief executive they implement the decisions of Council, provide advice to Council on managing the activities of the organisation effectively and efficiently, plan and provide accurate reports of the financial and service performance of Council and employ and provide leadership.



Bevan Gray - Finance and Corporate Services Group Manager

Cash Receipting, Debtors/Creditors, Financial Reporting, Investments, Insurance, Payroll, Public Debt, Water Billing, Rates, Communications, Customer Services, Creative New Zealand, Governance Support, Property, Library, Tourism, Promotions, Economic Development, Events, i-SITE Information Centre, Sports Co-ordination.



Gerard McCormack - Planning and Regulatory Group Manager

Animal Control, Building Control, Bylaw Compliance, Civil Defence Emergency Management, Environmental Health, Liquor Licensing, Noise Control, Resource Management, Planning.



Ari Erickson - Engineering and Services Group Manager

Consultancy BU, Solid Waste, Rooding, Rural Fire, Sewerage, Stormwater, Water Supply, Parks, Reserves, Airport, Cemetery.

Priorities for Council Action

Economic Growth

- Opōtiki Harbour development
- Provide visitor and business investment information and support and infrastructure that supports investment
- Support the aspirations of Māori to develop their land
- Support local and regional business growth and workforce development
- Promote facilities and activities to increase visitors, including historic precinct development and Motu Trails cycleway.

Quality of Life

- Provide infrastructure e.g. roads, water, stormwater, sewerage, waste management, renewal of Opōtiki Township wastewater reticulation network
- Advocate with and on behalf of Opōtiki communities to central government
- Develop the Technology and Research Centre
- Provide recreation facilities including development of walkways and cycleway
- Support initiatives for development in the Coast ward
- Proactive provision for infrastructure
- Provision of a District Plan that meets our needs going forward
- Community where people feel safe
- Life enrichment.

Environmental Quality

- Complete the District Plan review and implementation
- Maintain and enhance parks and reserves
- Partner with community groups, iwi and hapū, BOPRC and DOC to undertake environmental restoration projects
- Continue to work with partners to maintain, enhance and grow the Motu Trails cycleway.

Strong Community Spirit

- Promote and support community events
- Provide sports fields and facilities for community use e.g. pavilions
- Play our prescribed role in Treaty Settlements, including any legislated joint governance arrangements, and any orders made under the Marine and Coastal Areas Act
- Support programmes to deliver good jobs for local people.

Council Activities

This section explains the Council's significant activities and how they contribute to the district's future. Information is provided about how the Council plans, manages, delivers and funds the activities it is involved in.

Activity Groups



A guide to the groups of activities

Council services have been banded together into groups of activities. An example of this is Stormwater, District Plan, Wastewater; all of these activities come under the group Environmental Sustainability. There are three groups with a total of 12 activities. Each group is introduced and then the activities that make up that group follow.

What we do and why

This section gives a brief description of the activity that the Council provides and discusses the reason for providing the particular service.

Contribution to Community Outcomes

Each activity within the group contributes to specific community outcomes. Look for the icons to see which outcomes relate to a particular activity.

Levels of service

This section specifies what level of service the Council will provide for a particular activity and states how performance will be measured over time by providing Strategic Goals, Performance Measures and specific performance targets. Collectively, these provide an understanding of the levels of service Council intends to provide for groups of activities.

What negative effects will the activities have?

It is the Council's job to consider whether there are any significant negative effects (social, economic, environmental or cultural) for each of the activities it is involved in. For each activity, we list any potential negative effects and how we plan to minimise any effects should they occur.

Key Projects and Programmes

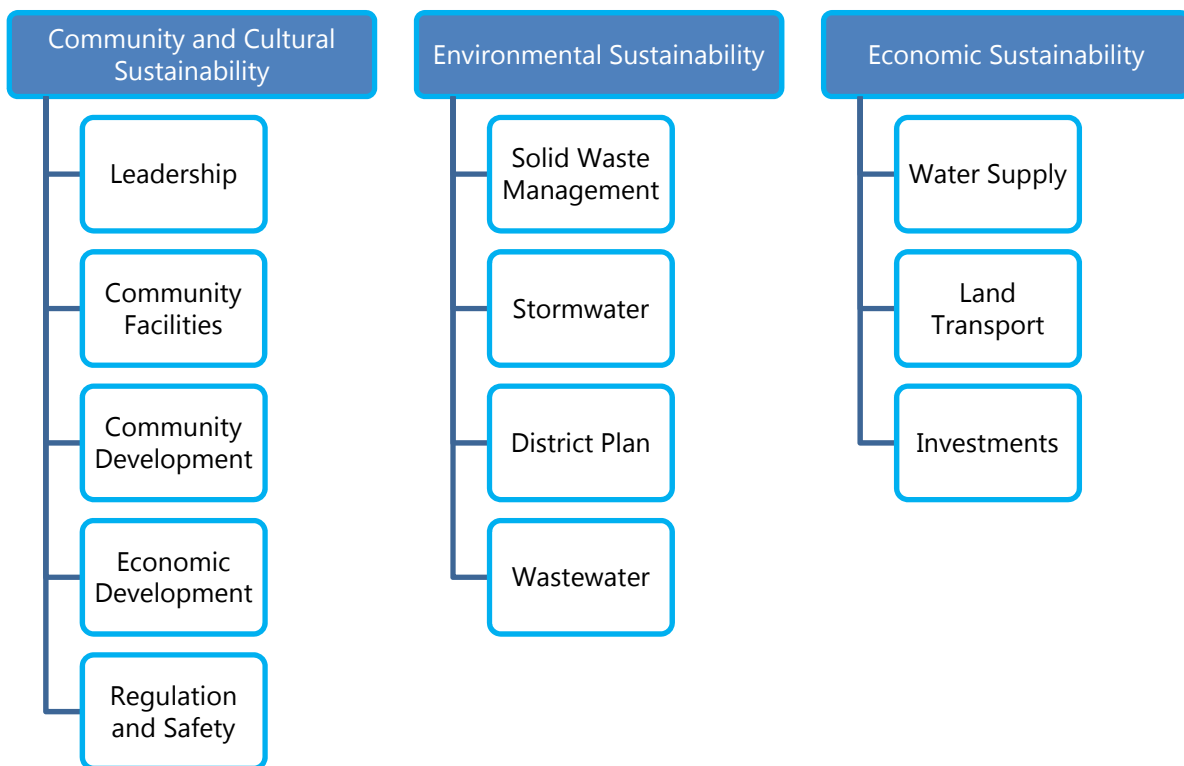
Where applicable the key projects and programmes of work to be provided.

Financial Information

The financial information provided is a set of financial forecasts for the activity. The following is provided:

- Statement of proposed capital expenditure
- Funding Impact Statement.

Council groups of activities



Community and Cultural Sustainability

Why we provide this group of activities:

The group of activities promotes outcomes that help build a strong and cohesive community within the Ōpōtiki District. Council provides a range of services and facilities to our various communities in order to achieve this.

Significant activities in this group:

Leadership, Community Facilities, Community Development, Economic Development, Regulation and Safety.

Leadership

What we do and why



This activity includes the preparation of advice, strategies and policies to inform Council decision making. It includes the development of statutory and non-statutory policies, plans and reports, and the facilitation of community input to decision making.

Council works to maintain and enhance mutually beneficial relationships with Tangata Whenua so that their views are represented both directly and indirectly through Council forums. Engaging with Tangata Whenua provides both parties with an opportunity to identify and address issues of mutual concern and encourages involvement in democracy. Council also encourages and partners with Iwi in special projects.

This significant activity is important to enable Council to discharge its statutory role as well as ensure that it is satisfactorily discharging its governance role by accurately reflecting community needs and desires in decision making processes.

This significant activity includes

Representation, Strategic Planning and Policy Development, Cultural Liaison, Monitoring and Reporting.

Contribution to Community Outcomes		How this activity contributes
	Fair and efficient leadership	To ensure effective and fair community representation and support, and that policies and plans are integrated and wherever possible reflect the views of the wider community and stakeholders.
	A strong and effective community spirit	

What potential negative effects this activity may have

Affected well-being/s	Significant negative effect	Sustainable solution
Social Economic	It may be possible that at times Council decisions can have a negative effect on the well-being of some individuals or groups within the community.	Council has a role to consider the community at large when making decisions that impact on community well-being and seeks to use the guidance provided by the Local Government Act 2002 and its understanding of the Ōpōtiki District community to weigh up the competing demands of different interest groups.

Levels of service

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
Council will provide leadership that is visionary, community focused, efficient and inclusive.	Community satisfaction with Council leadership.	55%	70%	83%	71%
	Decision making in compliance with the Local Government Act 2002.	No successful challenges to Council decision making process	No successful challenges to Council decision making process	No successful challenges to Council decision making process	No successful challenges to Council decision making process
	Level of community satisfaction with the opportunities to participate in decision making.	New target set in 2018-2028 Long Term Plan (LTP)	50%	59%	55%

Funding Impact Statement for 2019/20 for Leadership

	LTP 2018/2019 \$000's	LTP 2019/2020 \$000's	Budget 2019/2020 \$000's
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	968	1,010	1,041
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	2	2	2
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	2	3	2
Total Operating Funding (A)	972	1,015	1,045
Applications of Operating Funding			
Payments to staff and suppliers	791	808	823
Finance costs	-	-	-
Internal charges and overheads applied	181	189	205
Other operating funding applications	-	-	-
Total applications of operating funding (B)	972	997	1,028
Surplus (deficit) of operating funding (A-B)	-	18	17
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
increase (decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	-	-	-
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	-	18	17
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	-	18	17
Surplus (deficit) of capital funding (C-D)	-	(18)	(17)
Funding Balance ((A-B)+(C-D))	-	-	-





Community Facilities

What we do and why

This activity includes the provision of Parks and other recreation/amenity services to the people of the Ōpōtiki District. These services provide lifestyle opportunities to residents and visitors. They provide opportunities for recreation, beautification, conservation of the natural environment and public access. Such facilities promote a range of public good outcomes around health and wellbeing which are becoming increasingly desirable to New Zealanders and visitors alike.

This significant activity includes

Parks and Recreation (Airport, Cemeteries, Public Toilets, Parks and Reserves, Playgrounds, District Library and Cycle Way).

Contribution to Community Outcomes		How this activity contributes
	Development and protection of the natural environment	The Council will provide quality parks and recreation facilities that meet community expectations for outdoor recreation, a pleasant townscape, protection of the environment and access to the coast.
	A strong and effective community spirit	
	History and culture is treasured	Ensure that amenity facilities are maintained to a high standard for the residents and visitors to the Ōpōtiki District.
	Services and facilities meet our needs	Library services that inspire learning and celebration of our culture.

What potential negative effects this activity may have

Affected well-being/s	Significant negative effect	Sustainable solution
Social Economic	<p>Community expectations for growth in services and facilities may exceed Council's programme.</p> <p>Ongoing maintenance and depreciation may cause increased or unexpected costs.</p> <p>Providing access to facilities and services to smaller remote communities within the district could be cost prohibitive.</p>	<p>Consultation to ensure proposals meet community expectations based on accurate assessments of current and future demand for the use of facilities. Council is of the view that it has the capability to provide for increased growth forecast by the planning assumptions that underpin the 2018-2028 LTP.</p> <p>Accurate forecasting and budgeting to accommodate ongoing costs of ownership.</p> <p>Consider alternatives such as partnerships with other agencies and transport.</p>

Level of service

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
Planned development of quality parks and recreation facilities.	Complete planning for the development of key recreation reserves.	New target in 2018-2028 LTP	Development plans complete for Rose Garden reserve, Te Ahiaua (Waiōtahe Domain), Hukuwai Beach, Hukutaia Domain	Development plans complete for Rose Garden reserve, Te Ahiaua (Waiōtahe Domain), Hukuwai Beach, Hukutaia Domain	Development plans complete for Maraetai Bay reserve and Waiōtahe Beach frontage, Orete Point reserves
High quality parks and recreation facilities provided and accessible to the community.	% of community satisfied with the provision of recreation facilities in annual surveys.	69%	80%	70%	80%
Playgrounds comply with NZS 5828 (2015).	% of play equipment compliant with NZS 5828 or relevant standard. N.B The NZS 5828 standard is intended to promote and encourage the provision and use of playgrounds that are well designed, well-constructed, well maintained, innovative and challenging.	84%	70%	84%	70%

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
Public toilets are clean, safe and operational.	Public toilets are compliant, functional and clean.	New target	Customer requests and complaints responded to within 4 hours.	90% of customer requests and complaints responded to within 4 hours.	Customer requests and complaints responded to within 4 hours.
Cemeteries maintained to a high standard; accurate records maintained and accessible.	% of community satisfied with the provision of cemetery services, maintenance and records.	69%	80%	71%	80%
Provision of a comprehensive community library service for the community.	% of the community satisfied with the library facility and service.	76%	80%	74%	80%
	Number of library facilitated programmes per year.	>15	6	>8	6

Key projects and programmes

	LTP 2020	Forecast 2020	Variance 2020	Variance Comment
Growth				
Ōpōtiki - Waiōtahe Beach - Ōhiwa	642,600		(642,600)	Deferred to 2021
Waiotahi Bridge cycleway	1,020,000		(1,020,000)	Deferred to 2021
Wharf Removal and Rebuild	1,275,000	1,275,000	-	
Coastal Reserves Tourism Infrastructure	510,000	510,000	-	
Growth Total	3,447,600	1,785,000	(1,662,600)	
LOS				
Library Relocation Costs	81,600	40,800	(40,800)	Budget carried forward from 2019
Memorial Park - Drainage & Carpark Upgrade	35,700	117,300	81,600	Budget carried forward from 2019
New Information Technology for Public Use	10,200	10,200	-	
Pakowhai Bridge Lighting		20,400	20,400	2018 Budget not spent
Rose Garden Renovation		255,000	255,000	Budget carried forward from 2019
Tirohanga Military Track		198,900	198,900	Budget carried forward from 2019
Trail enhancements	30,600	30,600	-	
Wharf Precinct	510,000	51,000	(459,000)	Deferred to 2021
Tehnology and Research Centre	1,683,000	1,683,000	-	
LOS Total	2,351,100	2,407,200	56,100	
Renewal				
Animal Control - Replacement Building	612,000	612,000	-	
New play equipment		81,600	81,600	Budget carried forward from 2019
Plunket Building refurbishment	51,000	51,000	-	
Pipi beds toilet upgrade		285,600	285,600	Budget carried forward from 2019
Renewal Total	663,000	1,030,200	367,200	
Grand Total	6,461,700	5,222,400	(1,239,300)	

Funding Impact Statement for 2019/20 for Community Facilities

	LTP 2018/2019 \$000's	LTP 2019/2020 \$000's	Budget 2019/2020 \$000's
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	2,121	2,281	2,241
Targeted rates	63	61	52
Subsidies and grants for operating purposes	-	-	-
Fees and charges	389	397	361
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	24	25	25
Total Operating Funding (A)	2,597	2,764	2,679
Applications of Operating Funding			
Payments to staff and suppliers	1,457	1,477	1,444
Finance costs	76	200	117
Internal charges and overheads applied	668	696	816
Other operating funding applications	-	-	-
Total applications of operating funding (B)	2,201	2,373	2,377
Surplus (deficit) of operating funding (A-B)	396	391	302
Sources of capital funding			
Subsidies and grants for capital expenditure	1,197	1,804	679
Development and financial contributions	-	-	-
increase (decrease) in debt	3,111	4,036	4,009
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	4,308	5,840	4,688
Applications of capital funding			
Capital expenditure			
- to meet additional demand	1,727	3,448	1,785
- to improve the level of service	2,265	2,351	2,407
- to replace existing assets	690	663	1,030
Increase (decrease) in reserves	22	(231)	(232)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	4,704	6,231	4,990
Surplus (deficit) of capital funding (C-D)	(396)	(391)	(302)
Funding Balance ((A-B)+(C-D))	-	-	-




Community Development

What we do and why

The Community Development activity is one where Council, in a number of ways, is involved in helping the community help itself. This activity enables the Council to assist the community to work towards community outcomes that on its own it may not be able to achieve. In many ways similar to the Leadership Activity, this is about the Council being connected and partnering with its community and other stakeholders within the community in working towards common objectives.

This significant activity includes

Community Support, including Community Grants and Healthy and Active Communities.

Contribution to Community Outcomes		How this activity contributes
	A strong and effective community spirit	To help assist the development of an inclusive community that provides a healthy, safe and friendly place to live, work and visit.
	History and culture is treasured	
	Services and facilities meet our needs	

What potential negative effects this activity may have

Affected well-being/s	Significant negative effect	Sustainable solution
Social Cultural	Community expectations around funding community development initiatives may not be met.	Pursuing economic development opportunities that will in time provide capacity for community development aspirations.

Levels of service

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
Provide assistance for community support activities.	Grants for the maintenance of the 22 district Urupa will be distributed by 31 December each year.	100%	100%	100%	100%
	Memorandum of understandings and administration agreements for community grants are in place.	New target in 2018-2028 LTP	100%	100%	100%
Enhance community safety.	Continual expansion to CCTV camera system in town.	New target in 2018-2028 LTP	1	2	1

Key projects and programmes

	LTP 2020	Forecast 2020	Variance 2020	Variance Comment
LOS				
CCTV camera and internet expansion	20,440	-	(20,440)	Moved to operational budget
LOS Total	20,440	-	(20,440)	
Grand Total	20,440	0	(20,440)	

Funding Impact Statement for 2019/20 for Community Development

	LTP 2018/2019 \$000's	LTP 2019/2020 \$000's	Budget 2019/2020 \$000's
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	297	282	258
Targeted rates	-	-	-
Subsidies and grants for operating purposes	36	37	37
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	3	3	3
Total Operating Funding (A)	336	322	298
Applications of Operating Funding			
Payments to staff and suppliers	265	271	271
Finance costs	2	3	2
Internal charges and overheads applied	46	48	49
Other operating funding applications	-	-	-
Total applications of operating funding (B)	313	322	322
Surplus (deficit) of operating funding (A-B)	23	-	(24)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
increase (decrease) in debt	-	(4)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	-	(4)	-
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	20	20	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	3	(24)	(24)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	23	(4)	(24)
Surplus (deficit) of capital funding (C-D)	(23)	-	24
Funding Balance ((A-B)+(C-D))	-	-	-

Economic Development





What we do and why

This significant activity looks to support the development and growth of the Ōpōtiki District by investigating and promoting business development; promoting the district as a tourism destination; operation of the i-SITE service in Ōpōtiki Township; and facilitating new events. Key components of this significant activity are the economic growth opportunities associated with Ōpōtiki Harbour Transformation Project and the developing aquaculture industry which is considered central to our future well-being. Economic Development is seen as an essential element to growing a more thriving and cohesive community as it will:

- Impact positively on the overall social, economic and cultural well-being of the Ōpōtiki Community and the Eastern Bay of Plenty
- Promotes investment, industry and employment in the district
- Enhance recreation opportunities and public access to the coast
- Capitalise on opportunities from the aquaculture industry already under development offshore from Ōpōtiki
- Assist in flood mitigation for the Ōpōtiki Township and surrounding area
- Achieve a long standing community aspiration and in doing so take a significant step forward to realising the community's vision for the area.

This significant activity includes

Investigation, promotion and support of new initiatives that contribute growth of the local economy, with a particular focus on tourism and the Ōpōtiki Harbour Transformation Project.

Contribution to Community Outcomes	How this activity contributes
 Development and protection of the natural environment	To create a sustainable economic future by broadening the District's economic and therefore employment base.
 Services and facilities meet our needs	
 Purposeful work and learning opportunities	
 Development supports the community	

What potential negative effects this activity may have

Affected well-being/s	Significant negative effect	Sustainable solution
Economic Environmental	<p>Increasing visitor and population numbers may put pressure on infrastructure, environment and other resources, particularly in summer periods.</p> <p>Capital costs associated with Ōpōtiki Harbour Transformation Project are not sustainable for the Ōpōtiki District alone.</p>	<p>Council is of the view that it has the capability to provide for increased growth forecast by the planning assumptions that underpin the 2018-28 LTP and that it has made adequate provision for investment in infrastructure to cater for expected demand.</p> <p>To partner with Central and Regional Government and potentially the private sector to fund the Harbour Transformation Project.</p>

Levels of service

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
Development of the Ōpōtiki Harbour entrance.	<u>BOPRC Funding</u> Comply with all conditions of Regional Infrastructure Fund Heads of Agreement /Funding Agreement as they fall due or renegotiate deadlines.	Not measurable.	100%	Not measurable. Heads of Agreement complied with to extent possible without government funding confirmed.	100%
	<u>Crown Funding</u> Complete funding agreement with Crown.	Not achieved.	Funding agreement signed	Not achieved. Working towards a revised proposal with MBIE. A funding agreement would follow a positive Crown decision to fund.	N/A

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
	Manage the contract for design and construction of the Ōpōtiki Harbour Development Project.	New target in 2018-2028 LTP	N/A	Not applicable as no target set for the 2018/19 year.	Construction commenced
Investigate and promote investment in a range of economic development opportunities.	Implement Economic Development Strategy.	Achieved	Review strategy and implementation methods 2018	Not achieved. Consideration for future involvement with Toi-EDA Economic Strategy being undertaken.	100%
	Maintain a current database of business contacts.	Achieved	Database revised quarterly	Achieved. Database up-to-date.	Database revised quarterly
	Communicate regularly with business sector.	Achieved	4 bulletins posted per annum	Achieved. Quarterly updates provided to business sector.	4 bulletins posted per annum
Promote the district as a tourism destination; support tourism operators and events.	Increase \$ tourism spend.	New target in 2018-2028 LTP	Increase in \$ tourism spend over last year	Achieved. Based on Ministry of Business Innovation and Employment data from 1 April 2019 we are expecting an increase of 15%.	Increase in \$ tourism spend over last year
	Facilitate community events.	Seven events	Two events per year	> two events	Two events per year
	Maintain a current database of tourism sector.	Database revised quarterly	Database revised quarterly	Database revised quarterly	Database revised quarterly

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
	Communicate regularly with tourism contacts.	4 bulletins posted	4 bulletins posted per annum	4 bulletins posted	4 bulletins posted per annum

Key projects and programmes

	LTP 2020	Forecast 2020	Variance 2020	Variance Comment
Growth				
Harbour Entrance - \$52 mil	17,186,400	17,186,400	-	
Growth Total	17,186,400	17,186,400	-	
LOS				
IBIS software system for i-site	-	6,132	6,132	New national software requirement
LOS Total	-	6,132	6,132	
Grand Total	17,186,400	17,192,532	6,132	

Funding Impact Statement for 2019/20 for Economic Development

	LTP 2018/2019 \$000's	LTP 2019/2020 \$000's	Budget 2019/2020 \$000's
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	718	767	708
Targeted rates	93	99	96
Subsidies and grants for operating purposes	20	20	20
Fees and charges	15	16	16
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	11	11	5
Total Operating Funding (A)	857	913	845
Applications of Operating Funding			
Payments to staff and suppliers	693	705	637
Finance costs	-	35	35
Internal charges and overheads applied	158	167	174
Other operating funding applications	-	-	-
Total applications of operating funding (B)	851	907	846
Surplus (deficit) of operating funding (A-B)	6	6	(1)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	15,345	15,345
Development and financial contributions	-	-	-
increase (decrease) in debt	-	1,633	1,848
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	-	16,978	17,193
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	17,186	17,186
- to improve the level of service	-	-	6
- to replace existing assets	-	-	-
Increase (decrease) in reserves	6	(202)	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	6	16,984	17,192
Surplus (deficit) of capital funding (C-D)	(6)	(6)	1
Funding Balance ((A-B)+(C-D))	-	-	-





Regulation and Safety

What we do and why

This Significant Activity works towards ensuring a healthy and safe environment for residents and visitors to the Ōpōtiki District. It includes a range of functions that are required of Council by legislation and also the administration of a range of bylaws designed to ensure a health and nuisance free District for residents and visitors alike. Further to the legislative requirements behind many of these services, there is a public expectation that the Council will regulate behaviours in public places in a manner that is in the community's best interest. The Regulation and Safety Activity is required to assist in maintaining community safety and to enhance community well-being.

This significant activity includes

- Regulation (Environmental Health, Noise Control, Animal Control, Building Control Services and Liquor Licencing)
- Safety (Emergency Management and Rural Fire)
- District Plan Implementation (issuing of resource consents for land use and subdivision and monitoring of consents for compliance with conditions).

Contribution to Community Outcomes	How this activity contributes
 Development and protection of the natural environment	<p>To ensure that public health and safety is protected and enhanced through the effective and efficient implementation of legislation (Environment Health, Liquor and Noise Control) and fit for purpose bylaws.</p> <p>To protect the interest of public health, safety, infrastructure and ensure the welfare of animals through the delivery of animal (particularly dog) control.</p> <p>To ensure the construction of sustainable buildings and to protect current and future users through the administration of the Building Control Act 2004 and relevant regulations.</p> <p>To ensure that the Council and the Community are prepared for a civil emergency or rural fire event and adequate systems are in place to enable recovery following a civil emergency.</p>
 Services and facilities meet our needs	
 A strong and effective community spirit	
 Development supports the community	

What potential negative effects this activity may have

Affected well-being/s	Significant negative effect	Sustainable solution
Social Economic	Some could consider that the enforcement nature of the activity infringes on the way of life of residents and ratepayers and the experience that the East Coast has to offer visitors.	Council is required to implement legislation as intended by Central Government and will wherever possible take a fit for purpose approach in doing so. The health and safety of the community at large and the protection of public and private property must take priority over individual needs and desires. Council will also continue to explore opportunities for shared service delivery arrangements with other organisations with a view to ensure that fit for purpose solutions are delivered in the most effective and efficient manner. Wherever possible, costs will be recovered from the applicant or the exacerbator.
	That the cost associated with monitoring and enforcement is beyond the community's ability to pay.	

Levels of service

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
Council will provide and maintain a quality service to meet statutory requirements and community expectations.	All liquor licences are processed within 15 working days after the receipt of all reports and information required.	100%	100%	100%	100%
	As per Food Act 2014, food premises are checked and verified as their registrations become due.	New target in 2018-2028 LTP	100%	100%	100%

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
	% of known dogs registered within the District (as recorded on the 1st June)	New target in 2018-2028 LTP	90%	>90%	92%
	All animal control complaints of an aggressive or threatening nature are responded to within 2 hours from receipt of complaint.	New target set in 2018-2028 LTP	100%	<100%	100%
	% of building consents issued within the statutory timeframes.	100%	100%	<100%	100%
	% of customer satisfaction with level of service (as measured by the annual Building Control Authority survey).	N/A	>90%	>90%	>90%
	% of roles identified and staffed for 24 hours operation of the Emergency Coordination Centre.	90%	100%	100%	100%

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
	% of staff identified for roles in the Emergency Operations Centre that are trained to an appropriate level agreed by the Group.	68%	100%	100%	100%
	% of resource consents issued within the statutory timeframes.	100%	100%	100%	100%
Council actively engages with the wider community to increase the level of awareness preparedness and resilience.	Minimum number of council delivered initiatives to promote community resilience and safety.	7 initiatives delivered	4 initiatives delivered	> 4 initiatives delivered	4 initiatives delivered

Key projects and programmes

	LTP 2020	Forecast 2020	Variance 2020	Variance Comment
Renewal				
Civil Defense Renewals	-	20,440	20,440	Budget carried forward from 2019
Renewal Total	-	20,440	20,440	
Grand Total	-	20,440	20,440	

Funding Impact Statement for 2017-18 for Regulation and Safety

	LTP 2018/2019 \$000's	LTP 2019/2020 \$000's	Budget 2019/2020 \$000's
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	568	649	843
Targeted rates	87	86	83
Subsidies and grants for operating purposes	13	13	-
Fees and charges	455	477	569
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	5	5	-
Total Operating Funding (A)	1,128	1,230	1,495
Applications of Operating Funding			
Payments to staff and suppliers	824	907	1,146
Finance costs	1	2	-
Internal charges and overheads applied	287	303	347
Other operating funding applications	-	-	-
Total applications of operating funding (B)	1,112	1,212	1,493
Surplus (deficit) of operating funding (A-B)	16	18	2
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
increase (decrease) in debt	97	(18)	18
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	97	(18)	18
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	93	-	-
- to replace existing assets	20	-	20
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	113	-	20
Surplus (deficit) of capital funding (C-D)	(16)	(18)	(2)
Funding Balance ((A-B)+(C-D))	-	-	-

Environmental Sustainability

Why we provide this group of activities:

The group of activities works towards those community outcomes that promote well-being. Communities have an impact on our natural environment in many ways. This group of activities work towards mitigating and managing those impacts so that future generations can enjoy our districts' pristine natural environment.

Significant activities in this group:

Solid Waste Management, Stormwater, District Plan and Wastewater.

Solid Waste Management

What we do and why

This significant activity provides for the minimisation, collection, management and disposal of solid waste in the Ōpōtiki District. The provision of solid waste services is vital to both environmental and public health.




This significant activity includes

Solid Waste and Recyclables Collection (Kerbside Collection)

Solid Waste Management (Resource Recovery Facilities, Waste Minimisation, Litter Control and the management and monitoring of closed landfills within the district).

Council is responsible under the Waste Minimisation Act 2008 for preparing and implementing a waste management and minimisation plan and for overseeing and promoting effective and efficient waste minimisation and management. The following minimisation and management hierarchy drives Council's philosophical approach to solid waste management and provides context for the resource recovery facilities within the District:

- Reduction
- Reuse
- Recycling
- Recovery
- Treatment
- Disposal

Contribution to Community Outcomes		How this activity contributes
 Development and protection of the natural environment		Ensure the environmentally safe collection and disposal of waste. Minimise the creation of waste within the District.
 Services and facilities meet our needs		
 Development supports the community		

What potential negative effects this activity may have

Affected well-being/s	Significant negative effect	Sustainable solution
Social Economic Environmental	Public health, odour and environmental degradation.	The provision of effective and efficient waste collection and disposal facilities.
	High waste volumes can increase the costs of waste management.	A focus on waste minimisation through waste reduction, reuse and recycling.
	Because of the cost of waste disposal, some community members may resort to fly tipping.	Ensuring a balance between economic incentives for waste reduction and the cost associated with waste disposal through fees and charges.

Levels of service

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
The kerbside collection of bagged refuse and recyclables where the service is provided is efficient and effective.	Number of service complaints per year regarding the quality of the kerbside refuse / recycling collection service. (Note: service conditions outlined on brochure mailed annually)	New target in 2018-2028 LTP	<20	>20	<20

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
Provision of effective waste service for the community.	Customer satisfaction rating of waste transfer stations good or better.	85%	>80%	86%	>80%
Waste minimisation education reduces household waste and increases good recycling practices.	Number of public education activities completed.	9	3	>3	3
Service provided keeps residual waste to minimum quantity.	Residual waste per year does not exceed 120 kg per person per year.	135 kg / person/ year	<120 kg / person / year	>120 kg / person / year	<120 kg / person / year

Key projects and programmes

	LTP 2020	Forecast 2020	Variance 2020	Variance Comment
LOS				
Option 2 - Recycling bins	-	143,080	143,080	Solution amended to bins instead of bags
LOS Total	-	143,080	143,080	
Renewal				
Replace Outside Bins Waihou Bay	20,440	20,440	-	
Renewal Total	20,440	20,440	-	
Grand Total	20,440	163,520	143,080	

Funding Impact Statement for 2019/20 for Solid Waste Management

	LTP 2018/2019 \$000's	LTP 2019/2020 \$000's	Budget 2019/2020 \$000's
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	819	872	913
Targeted rates	262	358	423
Subsidies and grants for operating purposes	35	36	36
Fees and charges	276	282	282
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total Operating Funding (A)	1,392	1,548	1,654
Applications of Operating Funding			
Payments to staff and suppliers	1,104	1,236	1,316
Finance costs	3	4	6
Internal charges and overheads applied	285	298	333
Other operating funding applications	-	-	-
Total applications of operating funding (B)	1,392	1,538	1,655
Surplus (deficit) of operating funding (A-B)	-	10	(1)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
increase (decrease) in debt	107	10	164
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	107	10	164
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	87	-	143
- to replace existing assets	20	20	20
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	107	20	163
Surplus (deficit) of capital funding (C-D)	-	(10)	1
Funding Balance ((A-B)+(C-D))	-	-	-

Stormwater




What we do and why

This Significant Activity provides for the collection and disposal of stormwater predominantly in the urban environment. Stormwater drainage systems are provided in the Ōpōtiki township and the Waiotahi Drifts subdivision with a view to mitigate surface flooding following rainfall. Council is involved in this activity to fulfil its legal obligations for the control of stormwater systems and to ensure the protection of public health and property.

The Local Government Act 2002 empowers Council to be involved in the ownership of stormwater assets and the provision of such services.

This significant activity includes

Stormwater collection and disposal.

Contribution to Community Outcomes	How this activity contributes
 Development and protection of the natural environment	To protect the environment from the adverse effects of stormwater.
 Services and facilities meet our needs	To protect public health and property.
 Development supports the community	Facilities and services that meet the expectations of the community for quality of life.

What potential negative effects this activity may have

Affected well-being/s	Significant negative effect	Sustainable solution
Social Economic Environmental	The discharge of pollutants to stormwater reticulation can be harmful to the natural environment.	Mitigate risk through education, monitoring and where necessary enforcement. Reduce the risk by developing stormwater treatment systems
	Inadequate stormwater systems may lead to the flooding of property and/or surcharge of the wastewater reticulation network both of which represent risk to public health and property.	Reduce the risk by maintaining and developing existing urban drainage systems and undertake catchment modelling to understand future stormwater management needs in line with future development. Ensure buildings have appropriate stormwater design and suitable drainage fittings.

Levels of service

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
The urban stormwater activity is managed to protect people and property from the impacts of flooding.	The number of flooding events that occur in the District. N.B. The Department of Internal Affairs describes a flooding event as an overflow of stormwater from a territorial authority's stormwater system that enters a habitable floor.	0	0	0	0
	For each flooding event, the number of habitable floors affected (expressed per 1000 properties connected to Council's stormwater system).	0	0	0	0
Service requests and complaints are processed as they come in.	Median response time to attend a flooding event, from notification to personnel on site.	0	<4 hrs	<4 hrs	<4 hrs

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
	Number of complaints received about the performance of the stormwater system per 1000 connections to the Council's stormwater system.	26	<20/1000 connections	<20/1000 connections	<20/1000 connections
Stormwater water quality will be managed effectively for 365 days of the year.	Compliance with Council's resource consents for discharge from its stormwater system, measured by the number of:				
	a) abatement notices	0	0	0	0
	b) infringement notices	0	0	0	0
	c) enforcement orders	0	0	0	0
	d) convictions	0	0	0	0
	received by Council in relation to those resource consents.				

Key projects and programmes

	LTP 2020	Forecast 2020	Variance 2020	Variance Comment
LOS				
Comprehensive Discharge Resource Consent Tarawa Creek Pump Station	20,500	57,400 20,500	57,400 -	Budget carried forward from 2018 Project brought forward to align with Regional Council
Wellington/Brabant St Pump Station	15,375	205,000	189,625	timeframes New project to manage critical
Ricardo Scada at Critical Pump Stations		20,500	20,500	assets
LOS Total	35,875	303,400	267,525	
Renewal				
Ōpōtiki Reticulation Replacements	35,875	35,875	-	Critical infrastructure
Replacement of section of 900 gravity main		61,500	61,500	replacement
Renewal Total	35,875	97,375	61,500	
Grand Total	71,750	400,775	329,025	

Funding Impact Statement for 2019/20 for Stormwater

	LTP 2018/2019 \$000's	LTP 2019/2020 \$000's	Budget 2019/2020 \$000's
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	538	613	469
Targeted rates	60	68	52
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total Operating Funding (A)	598	681	521
Applications of Operating Funding			
Payments to staff and suppliers	216	256	274
Finance costs	49	70	22
Internal charges and overheads applied	140	145	161
Other operating funding applications	-	-	-
Total applications of operating funding (B)	405	471	457
Surplus (deficit) of operating funding (A-B)	193	210	64
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
increase (decrease) in debt	2,807	(138)	336
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	2,807	(138)	336
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	2,965	36	303
- to replace existing assets	35	36	97
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	3,000	72	400
Surplus (deficit) of capital funding (C-D)	(193)	(210)	(64)
Funding Balance ((A-B)+(C-D))	-	-	-




District Plan

What we do and why

The purpose of the District Plan significant activity is to provide a framework for managing future growth and land use activities to provide a high quality environment for present and future generations. Council's principal document for the delivery of this significant activity is the District Plan and Council has a statutory responsibility under the Resource Management Act 1991 (RMA). Under this significant activity, Council develops appropriate land use controls for the Ōpōtiki District, fosters good working relationships with Tangata Whenua and other stakeholders, and monitors and enforces rules and policies.

This significant activity includes

District Planning (reviewing and amending the District Plan as appropriate).

Contribution to Community Outcomes	How this activity contributes
 Development and protection of the natural environment	To assist the development of a safe and sustainable environment through the administration of the Ōpōtiki District Plan and the Resource Management Act 1991. To provide a District Plan that responds to and manages growth and development in terms of environmental sustainability.
 Services and facilities meet our needs	
 Development supports the community	

What potential negative effects this activity may have

Affected well-being/s	Significant negative effect	Sustainable solution
Economic	The District Plan could be seen as either a barrier to growth or as enabling environmental degradation. Cost of process could be seen by some as excessive.	Ensure that any amendments to the District Plan balance the need for environmental protection and desirable development. Efficient processes while ensuring purpose of the RMA is met.

Levels of service

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
Review District Plan in accordance with the RMA.	Review and update the District Plan subject to appeal.	Completed	100%	100%	N/A

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
Council develops appropriate controls for the Ōpōtiki District and monitors and enforces provisions.	Review and adopt all Council Bylaws over the next 3 years.	New target in 2018-2028 LTP	33%	33%	33%

Funding Impact Statement for 2019/20 for District Plan

	LTP 2018/2019 \$000's	LTP 2019/2020 \$000's	Budget 2019/2020 \$000's
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	247	254	256
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	35	36	13
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total Operating Funding (A)	282	290	269
Applications of Operating Funding			
Payments to staff and suppliers	214	218	195
Finance costs	-	-	-
Internal charges and overheads applied	68	72	74
Other operating funding applications	-	-	-
Total applications of operating funding (B)	282	290	269
Surplus (deficit) of operating funding (A-B)	-	-	-
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
increase (decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	-	-	-
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	-	-	-
Surplus (deficit) of capital funding (C-D)	-	-	-
Funding Balance ((A-B)+(C-D))	-	-	-

Wastewater

What we do and why




This Significant Activity provides for the environmentally safe collection, treatment and disposal of the District's sewage wastes. Council operates two schemes. One serves the township of Ōpōtiki and the Waiotahi Drifts while the other serves a small subdivision at Waihou Bay. Both schemes discharge primary treated effluent to field soakage systems. All other dwellings in the District are serviced by privately owned septic tank systems.

Council is involved in the Wastewater Significant Activity as the collection, treatment and safe disposal of human and commercial/trade wastes are essential for the protection of public health and environmental outcomes in urban areas.

The Local Government Act 2002 empowers Council to be involved in the ownership of wastewater assets and the provision of services.

This significant activity includes

Reticulation, Treatment and Disposal (Ōpōtiki and Waihou Bay).

Contribution to Community Outcomes	How this activity contributes
 Development and protection of the natural environment	To protect public health and property from sewage overflows.
 Services and facilities meet our needs	To enable economic growth with quality of life benefit.
 Development supports the community	To protect the environment from the adverse effects of wastewater.

What potential negative effects this activity may have

Affected well-being/s	Significant negative effect	Sustainable solution
Social Economic Environmental	Groundwater infiltration & stormwater inflow could overload the treatment and reticulation systems. Limit new connections, creating a barrier to community growth and development And causing adverse effects on the environment and public health	Robust wastewater asset management planning and design avoids adverse effects on the environment. Council's dedication to a sustainable reticulation renewal programme will mitigate groundwater infiltration and stormwater inflow.

Levels of service

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
A reliable removal and treatment service is provided in areas serviced by Council operated sewerage systems.	The total number of complaints received by Council about any of the following:				
	a) sewerage odour	<1	<5	<5	<5
	b) sewerage system faults	13	<10	<10	<10
	c) sewerage system blockages	<3	<5	<5	<5
	d) Council's response to issues with its sewerage system	0	<3	<3	<3
	expressed per 1000 connections to Council's sewerage system.				
	Median response time to attend to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system.	14 minutes	<4 hours	<4 hours	<4 hours
	Median response time to resolve a sewerage overflow resulting from a blockage or other fault in the Council's sewerage system.	75 minutes	<2 days	>2 days	<2 days

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
Sewage is managed without risk to public health.	Number of sewage overflows into habitable buildings due to faults in the wastewater system.	1	0	1	0
	The number of dry weather overflows from Council's sewerage system expressed per 1000 sewerage connections to that sewerage system.	<1	<2	<2	<2
The quality of effluent leaving the treatment plant is of a standard required by consents.	Compliance with Council's resource consents for discharge from its sewerage system, measured by the number of				
	a) abatement notices	0	0	0	0
	b) infringement notices	0	0	0	0
	c) enforcement orders	0	0	0	0
	d) convictions	0	0	0	0
	received by Council in relation to those resource consents.				

Key projects and programmes

	LTP 2020	Forecast 2020	Variance 2020	Variance Comment
LOS				
Factory Rd Wastewater Extension Stage 2	112,750	51,250	(61,500)	Delayed start to project due to lack of demand
LOS Total	112,750	51,250	(61,500)	
Renewal				
Works on Private Laterals	1,025,000	1,025,000	-	
WW Stage 3 - Third Section Reticulation & Design	3,177,500	3,177,500	-	
Wastewater Reticulation Renewals Waihau Bay	2,870	2,870	-	
Wastewater Reticulation Renewals Ōpōtiki	46,125	46,125	-	
Wastewater Treatment Renewals Ōpōtiki	71,750	71,750	-	
Renewal Total	4,323,245	4,323,245	-	
Grand Total	4,435,995	4,374,495	(61,500)	

Funding impact statement for 2019/20 for Wastewater

	LTP 2018/2019 \$000's	LTP 2019/2020 \$000's	Budget 2019/2020 \$000's
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	538	572	533
Targeted rates	814	931	860
Subsidies and grants for operating purposes	-	-	-
Fees and charges	6	6	6
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	1	1	1
Total Operating Funding (A)	1,359	1,510	1,400
Applications of Operating Funding			
Payments to staff and suppliers	459	464	485
Finance costs	97	229	203
Internal charges and overheads applied	347	360	405
Other operating funding applications	-	-	-
Total applications of operating funding (B)	903	1,053	1,093
Surplus (deficit) of operating funding (A-B)	456	457	307
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
increase (decrease) in debt	5,312	3,979	4,067
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	5,312	3,979	4,067
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	50	113	51
- to replace existing assets	5,718	4,323	4,323
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	5,768	4,436	4,374
Surplus (deficit) of capital funding (C-D)	(456)	(457)	(307)
Funding Balance ((A-B)+(C-D))	-	-	-

Economic Sustainability

Why we provide this group of activities:

The group of activities are those that provide infrastructure that enables the community to grow and prosper. The Ōpōtiki District needs reliable infrastructure to support business and industry development. Primary industries, for example, depend on a reliable transport network to get produce to market. The developing aquaculture industry will need a secure and reliable potable water supply for processing its products.

Significant activities in this Group:

Water Supply, Land Transport and Investments.

Water Supply




What we do and why

The Water Supply Significant Activity provides for the environmentally safe collection, treatment and reticulation of potable water supply to certain parts of the community. A reliable and safe water supply is provide to approximately 5,750 of the Ōpōtiki District population in Te Kaha, Ōpōtiki, Hikutaia Waiotahi Drifts and Ōhiwa. Efficient, safe and sustainable water supplies are essential for the social, economic and environmental well-being of the District. Reliable drinking water supports public health outcomes, industry growth and development and community safety by way of providing firefighting capacity in urban areas.

The Local Government Act 2002 empowers Council to be involved in the ownership of wastewater assets and the provision of services.

This significant activity includes

Extraction, treatment and reticulation of potable water.

Contribution to Community Outcomes	How this activity contributes
 <p>Development and protection of the natural environment</p>	<p>Safe drinking water in accordance with NZ Drinking Water Standards.</p>
 <p>Services and facilities meet our needs</p>	<p>Reliable water supplies, minimising supply disruptions through improved maintenance and meeting peak water supply demands.</p>
 <p>Development supports the community</p>	<p>Cost effective operation, maintenance of and improvements to water supply systems including treatment facilities, pumping stations, reservoirs and piped reticulation.</p>

What potential negative effects this activity may have:

Affected well-being/s	Significant negative effect	Sustainable solution
Social Economic Environmental	Growth could exceed the capacity of the water supply infrastructure. Excessive abstraction of raw water at the point of intake has the potential for negative impact on the environment.	Robust water supply asset management planning and design avoids adverse effects on the environment. The Water Supply Asset Management Plan adequately provides for projected growth, particularly through extended reticulation. Robust assessment of effects carried out in support of resource consent to take water. Regional Council monitoring of aquifer.

Levels of service:

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
Council will provide safe drinking water that is pleasant tasting and looking from Council operated supplies.	The total number of complaints received by Council about any of the following:				
	Drinking water clarity	<1	<5	<5	<5
	Drinking water taste	0	<5	<5	<5
	Drinking water odour	0	<5	<5	<5
	Drinking water pressure or flow	<1	<5		<5
	Continuity of supply	0	<5	<5	<5
	Council's response to any of these issues	0	<3	<3	<3
expressed per 1000 connections to Council's networked reticulation system.					

Key Performance Indicator						
<p>The extent to which Council’s drinking water supply complies with: Part 4 of the drinking water standards (bacteria compliance criteria); and Part 5 of the drinking water standards (protozoal compliance criteria).</p>	Location	Criteria	Achieved 2017/18	Target 2018/19	Expected achievement 2018/19	Target 2019/20
	Ōpōtiki	Bacterial	Compliant	100%	100%	100%
	Ōpōtiki	Protozoal	Compliant	100%	100%	100%
	Te Kaha	Bacterial	Compliant	100%	100%	100%
	Te Kaha	Protozoal	Non-compliant	100%	Non-compliant	100%
	Ōhiwa	Bacterial	Compliant	100%	100%	100%
	Ohiwa	Protozoal	Non-compliant	100%	Non-compliant	100%

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
Failures and service requests are responded to promptly.	Fault response times: a) Median response time to attend urgent call-outs	24 minutes	<4 hours	<4 hours	<4 hours
	b) Median response time to resolve urgent call-outs	36 minutes	<1 day	<1 day	<1 day
	c) Median response time to attend non-urgent call-outs	18 minutes	<1 day	<1 day	<1 day
	d) Median response time to resolve non-urgent call-outs	<1 day	<4 days	<4 days	<4 days
Water resources are used efficiently and sustainably.	Average consumption of drinking water per day per resident.	Ōpōtiki - 220L. Te Kaha - 262L. Ohiwa - 136L	<400L	<400L	<400L
	Percentage of real water loss from networked reticulation system.	Ōpōtiki – 7%	<20%	<20%	<20%
		Te Kaha – 8%	<20%	<20%	<20%
		Ōhiwa – 63%			

Key projects and programmes

	LTP 2020	Forecast 2020	Variance 2020	Variance Comment
LOS				
Pressure monitoring equipment & Ricardo Reservoir Replacement		41,000	41,000	Critical asset management equipment
Treatment Plant Relocation	20,500	20,500	-	
		256,250	256,250	Budget for backup project
LOS Total	20,500	317,750	297,250	
Renewal				
Treatment Renewals Te Kaha	18,450	18,450	-	
Reticulation Renewals Te Kaha	20,500	20,500	-	
Treatment Renewals Ōpōtiki	51,250	51,250	-	
Reticulation Renewals Ōpōtiki	61,500	61,500	-	
Ōhiwa Treatment Renewals	1,538	1,538	-	
Renewal Total	153,238	153,238	-	
Grand Total	173,738	470,988	297,250	

Funding Impact Statement for 2019/20 Water Supplies

	LTP 2018/2019 \$000's	LTP 2019/2020 \$000's	Budget 2019/2020 \$000's
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	251	229	195
Targeted rates	1,106	1,183	1,013
Subsidies and grants for operating purposes	-	-	-
Fees and charges	8	8	8
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total Operating Funding (A)	1,365	1,420	1,216
Applications of Operating Funding			
Payments to staff and suppliers	642	645	700
Finance costs	61	85	91
Internal charges and overheads applied	248	257	282
Other operating funding applications	-	-	-
Total applications of operating funding (B)	951	987	1,073
Surplus (deficit) of operating funding (A-B)	414	433	143
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
increase (decrease) in debt	681	(259)	328
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	681	(259)	328
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	945	21	318
- to replace existing assets	150	153	153
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	1,095	174	471
Surplus (deficit) of capital funding (C-D)	(414)	(433)	(143)
Funding Balance ((A-B)+(C-D))	-	-	-

Land Transport





What we do and why

Council provides on-going management, development and maintenance of the District’s Land Transport Network. The Land Transport Network in the Ōpōtiki District enables the safe and efficient movement of people and goods and services that avoids damage to the environment. The Land Transport Network contributes to the social and economic development of the District Community.

An efficient, safe and reliable Land Transport Network is essential for the economic well-being of our District. Roads provide access to properties, the passage of traffic and the transportation of goods and services.

This significant activity includes

Subsidised Roothing, Unsubsidised Roothing.

Contribution to Community Outcomes	How this activity contributes
 Development and protection of the natural environment	The transport network supports the economic and lifestyle needs of the District through provision of access to properties, passage of through traffic, and effective transportation of goods and services.
 Services and facilities meet our needs	
 Development supports the community	
 A strong and effective community spirit	

What potential negative effects this activity may have

Affected well-being/s	Significant negative effect	Sustainable solution
Cultural Social Economic Environmental	<p>Carbon emissions and safety associated with using the transport network.</p> <p>Road standards and capacity could result in delays to the transport of good and services and access to emergency services and daily employment.</p> <p>There may be a gap between community expectations for roading and the subsidised funding from government.</p>	<p>Alternative fuel and product sources need to be considered. Education and safer road corridors.</p> <p>Responding to damages and repairs in a timely and appropriate manner.</p> <p>Consultation with community about choice between rates funding and level of service. Focused advocacy efforts.</p>

Levels of service

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
The surface of the roading network is maintained in good condition and is fit for purpose.	Percentage of requests relating to roads and footpaths that are responded to within timeframes set in Long Term Plan:				
	- Urgent requests within 1 day	100%	95%	>95%	95%
	- Non-urgent requests within 4 days	92%	90%	>90%	90%
	Percentage of sealed road network resurfaced.	5.80%	>5%	>5%	>5%
Traffic services (street lighting, roadside vegetation, road signs, road markings) are visible and accurate.	Percentage of road users satisfied that traffic services on the network are accurate and visible.	81%	85%	80%	85%
Road users find the road environment predictable and the road safe to use.	Percentage of persons who as users rate the safety of the District's roads as good or excellent.	65%	>85%	60%	>85%

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
	The average quality of a ride on a sealed local road network, measured by the smooth travel exposure.	97%	91-95%	91-95%	N//A
	Change from previous year in number of fatalities and serious injury crashes on Council maintained roads.	-2	Target for reducing the number of serious injuries and fatalities = no increase and a general declining trend	No increase and a general declining trend	Target for reducing the number of serious injuries and fatalities = no increase and a general declining trend
Road Corridor users (pedestrians, joggers, disabled persons etc.) are able to use the road corridors in a safe and convenient manner.	The number of users who agree the standard of footpaths is good or excellent.	60%	>70%	63%	>70%
	Percentage of footpaths in Ōpōtiki district that fall within the level of service or service standard for the condition of footpaths as set in plans.	90%	70% of qualifying footpath faults scheduled for repair	70% of qualifying footpath faults scheduled for repair	70% of qualifying footpath faults scheduled for repair

Key projects and programmes

	LTP 2020	Forecast 2020	Variance 2020	Variance Comment
LOS				
New Roads (Harbour access 3km @600k/km)	817,600	817,600	-	
Seal Extension (Subject to council approval)	204,400	204,400	-	
Urban undergrounding share with Horizon	102,200	102,200	-	
LOS Total	1,124,200	1,124,200	-	
Renewal				
Drainage renewals	95,954	95,954	-	
Footpath	51,100	51,100	-	
Minor improvements 2015-18 - Local Roads	209,371	209,371	-	
Sealed road pavement rehabilitation	164,193	164,193	-	
Sealed road resurfacing	406,801	406,801	-	
Structures component replacements	245,880	245,880	-	
Traffic services renewals	45,528	45,528	-	
Urban Kerb & Channel	32,704	32,704	-	
Renewal Total	1,251,531	1,251,531	-	
Grand Total	2,375,731	2,375,731	-	

Funding Impact Statement for 2019/20 for Land Transport

	LTP 2018/2019 \$000's	LTP 2019/2020 \$000's	Budget 2019/2020 \$000's
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	1,635	1,547	1,409
Targeted rates	-	-	-
Subsidies and grants for operating purposes	1,605	1,643	1,643
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	78	80	80
Total Operating Funding (A)	3,318	3,270	3,132
Applications of Operating Funding			
Payments to staff and suppliers	2,288	2,347	2,377
Finance costs	7	19	12
Internal charges and overheads applied	566	585	625
Other operating funding applications	-	-	-
Total applications of operating funding (B)	2,861	2,951	3,014
Surplus (deficit) of operating funding (A-B)	457	319	118
Sources of capital funding			
Subsidies and grants for capital expenditure	1,305	1,489	1,489
Development and financial contributions	-	-	-
increase (decrease) in debt	383	447	644
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	1,688	1,936	2,133
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	1,120	1,124	1,124
- to replace existing assets	1,021	1,252	1,252
Increase (decrease) in reserves	4	(121)	(125)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	2,145	2,255	2,251
Surplus (deficit) of capital funding (C-D)	(457)	(319)	(118)
Funding Balance ((A-B)+(C-D))	-	-	-




Investments

What we do and why:

The Investment Activity provides for Council's ownership stake in Council Controlled Organisation namely BOP LASS Ltd (Bay of Plenty Shared Services) and TOI-EDA (Eastern Bay of Plenty Regional Economic Development Agency). Council has an investment stake in these organisations as by doing so it can leverage outcomes that are important to the Ōpōtiki District that it may not be able to achieve on its own. By having an ownership stake in these organisations Council is partnering with other units of Local Government within the Bay of Plenty Region to achieve common objectives.

This significant activity includes:

- **BOP LASS Ltd**
Established in 2007/08 BOP LASS was created to foster shared services between participating Council's. It provides a vehicle to investigate, procure, develop and deliver shared services where a clear benefit (in terms of quality of service or cost) exists for member local authorities.
- **TOI-EDA**
Toi-EDA is the Eastern Bay of Plenty regional Economic Development Agency established by the three territorial authorities (Kawerau, Ōpōtiki and Whakatāne) working together with local Iwi. Toi-EDA has a strong focus on its vision of enhancing the Eastern Bay of Plenty's economic growth and resultant social and economic wealth for its communities.

Contribution to Community Outcomes	How this activity contributes
 Services and facilities meet our needs	Council's investments contribute to the social and economic well-being of the district.
 A strong and distinctive community spirit	
 Fair and efficient leadership	

What potential negative effects this activity may have:

Affected well-being/s	Significant negative effect	Sustainable solution
Social Economic	<p>Other parties with an ownership stake withdraw support.</p> <p>CCOs are perceived as a threat to community autonomy.</p>	<p>Council will continue to be an active member of CCOs at a governance and operational level to ensure they continue to add value to all those with an ownership stake.</p> <p>Council will continue to be an active member of CCOs at a governance and operational level to ensure they continue to be about advancing common objectives.</p>

Levels of service:

Goal	Key Performance Indicator	Achieved 2017/18	Targets 2018/19	Expected achievement 2018/19	Targets 2019/2020
BOPLASS	Investigate new joint procurement initiatives for goods and service for BOPLASS councils.	Achieved	Minimum of 4	>3	Minimum of 4
	Communicate with each shareholding Council through a minimum of one meeting with each Executive Leadership Team.	Achieved	100%	100%	100%
Toi-EDA	Develop and implement a strategy and annual work plan that supports and develops key sectors in the Eastern Bay economy to grow employment and wealth.	Achieved	80%	100%	80%
	Submissions lodged on all regional and EBOP district plans.	Achieved	100%	100%	100%

Funding Impact Statement for 2019/20 for Investments

	LTP 2018/2019 \$000's	LTP 2019/2020 \$000's	Budget 2019/2020 \$000's
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	71	73	72
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total Operating Funding (A)	71	73	72
Applications of Operating Funding			
Payments to staff and suppliers	58	60	59
Finance costs	-	-	-
Internal charges and overheads applied	13	13	13
Other operating funding applications	-	-	-
Total applications of operating funding (B)	71	73	72
Surplus (deficit) of operating funding (A-B)	-	-	-
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
increase (decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	-	-	-
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	-	-	-
Surplus (deficit) of capital funding (C-D)	-	-	-
Funding Balance ((A-B)+(C-D))	-	-	-

Key projects and programmes – Support Activities

	LTP 2020	Forecast 2020	Variance 2020	Variance Comment
LOS				
Additional office space to accommodate new staff		303,960	303,960	Budget carried forward from 2018 and increased to cover rise in cost
Mobile Capture Project		30,660	30,660	Budget carried forward from 2018
New software systems and improvements	30,660	30,660	-	
Property File Digitisation Project	153,300	51,100	(102,200)	Project delayed due to capacity and workload
Sphere Online Services	10,220	40,880	30,660	Budget carried forward from 2018
Online Resource Consent Module			-	
Online building consent program	20,440	20,440	-	
AssetFinda Upgrade		20,440	20,440	Budget carried forward from 2018
Antenno	20,440	20,440	-	
Review of Cloud Services		61,320	61,320	Placeholder to develop cloud services
LOS Total	235,060	579,900	344,840	
Renewal				
Fleet vehicle and plant renewal	264,698	264,698	-	
Hardware and software renewal	40,880	61,320	20,440	Budget carried forward from 2018
Renewal Total	305,578	326,018	20,440	
Grand Total	540,638	905,918	365,280	

Financial Information

This section outlines how Council will finance its activities.

Forecast Financial Statements

Introductions

Prospective Statement of Comprehensive Income

This statement discloses the net surplus or deficit and the components of the net surplus (deficit), arising from activities or events during the year that are significant for the assessment of past and future financial performance.

Prospective Statement of Financial Position

Information about the economic resources controlled by Council and its capacity to modify those resources is useful in assessing Council's ability to generate cash and/or provide services in the future. Information about the financing structure is useful in assessing future borrowing needs and how future surpluses and cash flows may be distributed among those with an interest in the Council. The information is also useful in assessing how successful the Council is likely to be in raising additional finance.

Prospective Statement of Changes in Equity

This financial statement contributes to the objectives of general purpose financial reporting by combining information about net surplus (deficit) with other aspects of the Council's financial performance in order to give a degree of measure of comprehensive income.

Prospective Statement of Cash Flows

This statement reflects Council's cash receipts and cash payments during the year and provides useful information about Council's activities in generating cash through operations to:

- repay debt; or
- re-invest to maintain or expand operating capacity.

It also provides useful information about the cash flows generated from Council's investing and financing activities, both debt and equity.

Prospective Statement of Borrowing

Provides the public debt level and measures it against Council's policy levels.

Prospective Capital Expenditure Programme

This statement summarises Council's capital expenditure by significant activity.

Statement of Accounting Policies

Provides details of policies adhered to in the preparation of financial statements.

Cautionary Note: Prospective financial information is based on assumptions about the future and thus relate to events and actions that have not yet occurred and may not occur. While evidence may be available to support assumptions on which the prospective financial information is based, such evidence is itself generally future orientated and therefore, speculative in nature. Therefore, the actual results achieved for the period of the AP are likely to vary from this document, and the variations may be material.

The prospective financial statements comply with FRS.42: *Prospective Financial Statements*

Disclosures

In some instances capital expenditure projects have been carried forward from year one of the 2018-2028 LTP. These projects have been restated in the 2019/20 Annual Plan to ensure they remain in the work programme. Restating the projects in this manner does not result in any funding impact i.e. there is no additional call on rate, loan of any other funding as a result of the carry forward(s).

Prospective Statement of Comprehensive Income

	LTP 2018/2019	LTP 2019/2020	Budget 2019/2020
Revenue			
General rates and UAGC	8,122	8,483	8,429
Targeted Rates			
Targeted rates for water supply	1,106	1,183	1,013
Other targeted rates	1,379	1,603	1,566
Subsidies and grants	4,210	20,387	19,249
Fees and Charges	1,295	1,335	1,256
Other Revenue	221	275	257
Finance revenue	100	102	102
Total operating revenue	<u>16,433</u>	<u>33,368</u>	<u>31,872</u>
Expenditure			
Depreciation and amortisation expense	2,458	2,659	2,878
Personnel costs	4,658	4,843	5,019
Finance costs	297	646	489
Other expenses	6,870	7,153	7,501
Total operating expenditure	<u>14,283</u>	<u>15,301</u>	<u>15,887</u>
Operating surplus (deficit)	<u>2,150</u>	<u>18,067</u>	<u>15,985</u>
Other comprehensive revenue and expense			
Gain on revaluation of property, plant and equipment	-	-	-
Total other comprehensive revenue and expense	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive revenue and expense	<u>2,150</u>	<u>18,067</u>	<u>15,985</u>

Prospective Statement of Changes in Equity

	LTP 2018/2019	LTP 2019/2020	Budget 2019/2020
Equity balance at 1 July	199,343	201,494	203,095
Comprehensive income for year	2,150	18,067	15,985
Equity Balance 30 June	201,493	219,561	219,080
Components of Equity			
Retained Earnings at 1 July	132,079	134,276	136,350
Transfers to/(from) Retained Earnings	46	560	(274)
Net Surplus/(Deficit)	2,150	18,067	15,985
Retained earnings 30 June	134,275	152,903	152,061
Asset Revaluation Reserves at 1 July	65,988	65,988	66,075
Revaluation Gains	-	-	-
Revaluation Reserves 30 June	65,988	65,988	66,075
Council Created Reserves at 1 July	1,276	1,230	670
Transfers to / (from) reserves	(46)	(560)	274
Council created Reserves 30 June	1,230	670	944
Equity at 30 June	201,493	219,561	219,080

Prospective Statement of Financial Position

	LTP 2018/2019	LTP 2019/2020	Budget 2019/2020
ASSETS			
Current Assets			
Cash and cash equivalents	4,727	4,991	3,938
Debtors and other receivables	4,230	4,374	3,726
Prepayments	51	58	132
Total Current Assets	9,008	9,423	7,796
Non-Current Assets			
Plant, property and equipment	212,918	241,546	237,414
Intangible assets	154	161	137
Investment Property	2,259	2,309	2,551
Other financial assets			
Investment in CCOs and other similar entities	110	110	-
Investment in Associates	91	101	190
Total Non-Current Assets	215,532	244,227	240,292
TOTAL ASSETS	224,540	253,650	248,088
LIABILITIES			
Current Liabilities			
Creditors and other Payables	4,403	4,817	4,521
Employee entitlements	315	326	387
Borrowings	1,500	1,500	-
Total Current Liabilities	6,218	6,643	4,908
Non-Current Liabilities			
Provisions	148	155	156
Borrowings	16,681	27,291	23,944
Total Non-Current Liabilities	16,829	27,446	24,100
TOTAL LIABILITIES	23,047	34,089	29,008
EQUITY			
Retained Earnings	134,275	152,903	152,061
Asset Revaluation Reserves	65,988	65,988	66,075
Council Created Reserves	1,230	670	944
TOTAL EQUITY	201,493	219,561	219,080

Prospective Statement of Cash Flows

	LTP 2018/2019	LTP 2019/2020	Budget 2019/2020
Cash flows from operating activities			
Receipts from rates revenue	10,462	11,119	10,861
Receipts from other revenue	5,726	21,947	20,712
Interest received	100	102	102
Payments to suppliers and employees	(11,257)	(11,580)	(12,103)
Interest paid	(297)	(646)	(489)
Net Cashflow from Operating Activity	4,734	20,942	19,083
Cash flow from investing activities			
Receipts from sale of property, plant and equipment	-	-	-
Receipts from sale of investments	-	-	-
Acquisition of investments	-	-	-
Purchases of property, plant and equipment	(17,789)	(31,287)	(31,127)
	-	-	-
Net Cashflow from Investing Activity	(17,789)	(31,287)	(31,127)
Cash flow from financing activities			
Proceeds from borrowings	13,181	10,609	12,314
Repayment of borrowings	-	-	-
Net Cashflow from Financing Activity	13,181	10,609	12,314
Net Increase (Decrease) in Cash & Cash Equivalents	126	264	270
Add Opening Cash brought forward	4,601	4,727	3,668
Closing Cash & Cash Equivalents	4,727	4,991	3,938

Prospective Capital Expenditure Programme

Capital Expenditure by Activity	Increases in		
	Levels of	Growth	Renewal
	Service		
Community Development	-	-	-
Community Facilities	2,407	1,785	1,030
Economic Development	6	17,186	-
Land Transport	1,124	-	1,252
Regulation & Safety	-	-	20
Solid Waste Management	143	-	20
Stormwater	303	-	97
Support Services	580	-	326
Wastewater	51	-	4,323
Water Supplies	318	-	153
	<u>4,933</u>	<u>18,971</u>	<u>7,222</u>

Prospective Statement of Internal Borrowing

Activity	Opening	Additional	Closing		
	Balance	Funds	Funds	Balance	Interest
	01/07/2019	Borrowed	Repaid	30/06/2020	Paid
Support	373	906	(399)	880	-
Wastewater	6,603	4,374	(307)	10,671	203
Stormwater	814	401	(65)	1,149	22
Solid Waste	175	164	(0)	338	6
Water Supplies	4,405	471	(143)	4,733	91
Land Transport	(2)	-	644	642	12
Regulation & Safety	(3)	20	(2)	15	0
Leadership	-	-	-	-	-
Economic Development	-	1,848	(7)	1,841	35
Community Facilities	2,177	4,130	(121)	6,186	117
Community Development	122	-	(0)	122	2
	<u>14,663</u>	<u>12,314</u>	<u>(400)</u>	<u>26,577</u>	<u>489</u>

Council Reserve Funds

	Activities to which the reserve relates	Purpose	Opening Balance 01/07/2019	Transfer to Reserve	Transfer from Reserve	Closing Balance 30/06/2020
Council Created Reserves						
Cash in Lieu of Reserves	Economic Development	For general purpose funding	165	-	(165)	-
Road Upgrading	Land Transport	For upgrading of roading	116	-	(116)	-
Carpark Contribution	Land Transport	For the upgrade of carparks	5	-	(5)	-
CBD Development	Property	For the development of town CBD	38	258	-	296
Development Contribution	Parks and Reserves	For development of recreational facilities	420	-	(184)	236
Elections	Leadership	For funding triennial elections	17	-	-	17
Library Development	Library	For the Library Development Project	311	-	(311)	-
Coast Community Board	Community Development	For funding CCB projects	103	-	(16)	87
Whakaari Taonga Management	Planning	For the development of reserves	15	-	1	15
Destination Playground	Playgrounds	For development of playgrounds	3	-	(3)	-
General Purpose (Electricity Proceeds)	Economic Development	For general purpose funding	37	-	(37)	-
			1,230	258	(837)	652

Asset Revaluation Reserves	Opening Balance 01/07/2019	Transfer to Reserve	Transfer from Reserve	Closing Balance 30/06/2020
<i>Operational Assets</i>				
Land	-	-	-	-
Buildings	382	-	-	382
Site Improvements	52	-	-	52
<i>Infrastructural Assets</i>				
Roading	42,543	-	-	42,543
Water Systems	4,954	-	-	4,954
Sewerage Systems	7,952	-	-	7,952
Stormwater Systems	6,980	-	-	6,980
Harbour Development	-	-	-	-
<i>Restricted Assets</i>				
Land	2,727	-	-	2,727
Buildings	49	-	-	49
Site Improvements	436	-	-	436
	66,075	-	-	66,075

Accounting Policies

Statement of accounting policies for the 2019/20 Annual Plan

REPORTING ENTITY

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

The Council provides local infrastructure and local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

The Council has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The prospective financial statements of the Council are for the year commencing 1 July 2019.

The Council, who is authorised to do so and believe that the assumptions underlying these prospective financial statements are appropriate, has approved the Annual Plan for distribution.

BASIS OF PREPARATION

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

Statement of compliance

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

These prospective financial statements have been prepared in accordance with the reduced disclosure of a Tier 2 PBE accounting entity. The Council qualifies for the Tier 2 exemptions as it does not have debt or equity instruments that are traded in a public market nor hold assets in a fiduciary capacity for a broad group of outsiders; and has total expenses between \$2 million and \$30 million. These prospective financial statements comply with PBE Standards.

The statements comply with PBE FRS 42 Prospective Financial Statements and other applicable Financial Reporting Standards as appropriate for public benefit entities. The prospective financial statements use opening balances from period ending 30 June 2018; estimates have been restated accordingly if required. The prospective financial statements are prepared using the historical cost basis, except for asset and liabilities, which are recorded at fair value. These are detailed in the specific policies below.

Presentation currency and rounding

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

Standards issued and not yet effective, and not early adopted

Standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to the Council are:

2018 Omnibus Amendments to PBE Standards, issued November 2018

The 2018 Omnibus Amendments to PBE Standards include a number of amendments to text and editorial corrections within a number of accounting standards. Those changes relevant to the Council are detailed below:

PBE IPSAS 2 Cashflow Statements: The omnibus amendments provides for additional disclosure to enable users of financial statements to evaluate changes in liabilities arising from financial assets. The amendments to this standard is effective for annual periods beginning on or after 1 January 2021, with early adoption permitted. When the entity first applies this amendment, it is not required to provide comparative information for preceding periods. The Council has not yet assessed the effects of this new standard.

Impairment of Revalued Assets

In April 2017, the XRB issued *Impairment of Revalued Assets* (PBE IPSAS 21), which now scopes in revalued property, plant, and equipment into the impairment accounting standards. Previously, only property, plant, and equipment assets measured at cost were scoped into the impairment accounting standards. The new standard is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted.

The Council plans to apply the new standards in preparing the 30 June 2020 financial statements. The Council has not yet assessed the effects of this new standard.

Interests in other entities

In January 2017, the XRB issued new standards for interests in other entities (PBE IPSAS 34 – 38). These new standards replace the existing standards for interests in other entities (PBE IPSAS 6 – 8). The new standards are effective for annual periods beginning on or after 1 January 2019, with early adoption permitted.

The Council plans to apply the new standards in preparing the 30 June 2020 financial statements. The Council has not yet assessed the effects of this new standard.

Financial instruments

In January 2017, the XRB issued PBE IFRS 9 *Financial Instruments*. PBE IFRS 9 replaces PBE IPSAS 25 *Financial Instruments: Recognition and Measurement*. PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2021, with early adoption permitted.

The main changes are:

- New financial asset classification requirements for the determining whether an asset is measured at fair value or amortised costs.
- A new impairment model for financial assets based on expected losses, which may result in earlier recognition of impairment losses.
- Revised hedge accounting requirements to better reflect the management of risks.

The Council plans to apply this standard in preparing its 30 June 2022 financial statements. The Council has not yet assessed the effects of this new standard.

Employee Benefits

In May 2017, the XRB issued PBE IPSAS 39 *Employee Benefits*. PBE IPSAS 39 replaces PBE IPSAS 25 *Employee Benefits*. PBE IPSAS 39 is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted.

The Council plans to apply this standards in preparing the 30 June 2020 financial statements. The Council has not yet assessed the effects of this new standard.

Service Performance Reporting

The New Zealand Accounting Standards Board (NZASB) has issued PBE FRS 48 Service Performance Reporting effective for periods beginning on or after 1 January 2021, with early application permitted.

The Council plans to apply this standards in preparing the 30 June 2022 financial statements. The Council has not yet assessed the effects of this new standard.

Other changes in accounting policies

There have been no other changes in accounting policies

SIGNIFICANT ACCOUNTING POLICIES

Revenue

Revenue is measured at the fair value.

The specific accounting policies for significant revenue items are explained below:

Exchange Transactions

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

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

Interest and dividends

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the cost of the investment.

Sale of goods

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

Provision of Commercially based Services

Revenue derived through the provision of services to third parties in a commercial manner is recognised in proportion to the stage of completion at balance date.

Other gains and losses

Other gains and losses includes fair value gains and losses on financial instruments at fair value through surplus or deficit, unrealised fair value gains and losses on the revaluation of investment properties and realised gains and losses on the sale of PPE held at cost.

Non-Exchange Transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, Council either receives value from or gives value to another entity without directly giving or receiving approximately equal value in exchange, or where the value given or received is not able to be accurately measured.

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

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

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

Rates revenue

The following policies for rates have been applied:-

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

New Zealand Transport Agency Roding Subsidies

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

Other Grants Received

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

are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Building and Resource Consent Revenue

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

Infringement Fees and Fines

Infringement Fees and Fines mostly relate to fees and fines for use of library books. The fair value is determined based on the probability of collecting fines, which is estimated by considering the collection history of fines over the preceding 2-year period.

Vested or donated physical assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control over the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developers, the fair value is based on the construction price information provided by the property developer.

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

Donated and Bequeathed Financial Assets

Donated and Bequeathed Financial Assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability released to revenue as the conditions are met (e.g. as the funds are spent for the nominated purpose).

Direct charges

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

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

Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Grant Expenditure

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

Discretionary grants are those grants where 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.

Leases

Operating Leases

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

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Receivables

Receivables are recorded at their face value, less any provision for uncollectability.

A receivable is considered to be uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

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 the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories for the purpose of measurement:

- fair value through surplus or deficit;
- loans and receivables;
- held-to-maturity investments; and
- fair value through other comprehensive revenue and expense

The classification of a financial asset depends on the purpose for which the instrument was acquired.

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 or it is part of a portfolio of identified financial instruments that are managed together and for

which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated into a hedge accounting relationship for which hedge accounting is applied.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset.

After initial recognition, financial assets in this category are measured at their fair values with gains or losses on re-measurement recognised in the surplus or deficit.

Currently, the Council does not hold any financial assets in this category.

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 maturities greater than 12 months after the balance date, which are in non-current assets.

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

Loans to community organisations made by the Council at nil, or below-market interest rate 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 the present value of expected cash flows of the loan is recognised in the surplus or deficit as a grant expense.

The loans are subsequently measured at amortised cost using the effective interest method.

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities and there is the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than twelve months after the 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 and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit.

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 the balance date or if the debt is not expected to be realised within 12 months of balance date. The Council includes in this category:

- Investments that the Council intends to hold long-term but which may be realised before maturity; and
- Shareholdings that the Council holds for strategic purposes.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit.

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

Impairment of financial assets

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

Loans and receivables, and held-to-maturity investments

Impairment is established when there is evidence that the Council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are 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. If assets are impaired, the amount not expected to be collected is recognised in the surplus/deficit.

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 objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy and default in payments are considered objective indicators that the asset is impaired.

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 the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

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, not 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 the surplus or deficit.

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

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 (PPE)

Property, plant and equipment consists of:

Operational assets — These include land, buildings, plant, machinery and vehicles, fixtures, fittings and equipment and library collections.

Restricted assets — Restricted assets land and buildings owned by the Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Infrastructure assets — Infrastructure assets 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, sewer reticulation includes reticulation piping and sewer pump stations.

Land (operational and restricted) is measured at fair value, and buildings and infrastructural assets are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

Revaluation

Land, buildings (operational and restricted) and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure their carry amount does not differ materially from fair value.

Revaluation movements are accounted for on a class of asset basis.

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

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 cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at fair value as at the date of acquisition.

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

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

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in 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:

Buildings

- Structure 35 to 85 years (2.86% - 1.18%)
- Roof 40 years (2.5%)
- Services 15 to 50 years (6.67% - 2.0%)
- Internal fit out 15 to 35 years (6.67% - 2.86%)

Plant and machinery 5 to 10 years (10% - 20%)

Fixed plant @ refuse recovery centre 30 years (3.33%)

Motor vehicles 5 years (20%)

Fixtures, fittings and equipment 3 to 5 years (33% - 20%)

Library collections 5 to 10 years (10% - 20%)

Roading network

- Formation – not depreciated
- Sub base – not depreciated
- Basecourse (unsealed) 8 years (12.5%)
- Basecourse (sealed) 120 years (0.83%)
- Top surface seal 15 years (6.67%), hot mix 30 years (3.33%)
- Bridges 100 years (1.0%)
- Cycleways 50 years (2%)

Kerb and footpaths 45 to 60 years (1.66 - 2.22%)

Reticulation 5 to 100 years (1% - 20.0%)

Traffic facilities (roading components) 10 to 30 years (3.33% - 10.0%)

Culverts (roading components) 60 years (1.66%)

Pumps 10 to 20 years (5.0% - 10.0%)

Meters, valves and connections 25 to 50 years (2% - 6.66%)

River protection works 100 years (1.0%)

Open drains associated with the roading infrastructure is not depreciated. The annual maintenance programme set out in the asset management plan will ensure the specific level of service is maintained.

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

Intangible assets

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use by the Council, are recognised as an intangible asset. Direct cost will include the software development, employee costs and appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with development and maintenance of the Council's website is recognised as an expense when incurred.

Easements

Easements are recognised at cost, being the costs directly attributable to bringing the asset to its intended use.

Easements have an indefinite useful life and are not amortised, but are instead tested for impairment annually.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software 3 to 7 years (14% - 33%).

Impairment of property, plant and equipment and intangible assets

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

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

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.

For revalued assets, the impairment loss is recognised in the surplus or deficit.

Value in Use for Non-cash-Generating Assets

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

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

Value in Use for Cash-Generating Assets

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

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

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 its cost, including transaction costs.

After initial recognition, the Council measures all investment property at fair value at each reporting date.

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.

Borrowings

Borrowings are initially recognised at the amount borrowed plus transaction costs. Interest due on borrowings is subsequently accrued and added to the borrowings balance.

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

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 based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on

the unused sick leave entitlement that can be carried forward at balance date, to the extent that the Council anticipates it will be used by staff to cover those future absences.

A liability and an expense are recognised for bonuses where the Council has a contractual obligation or where there is a past practice that has created a constructive obligation.

Presentation of Employee Entitlements

Sick leave and annual leave are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation schemes

Defined contribution schemes

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

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that 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 expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

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
- Council created reserves
- Asset revaluation reserves
- Fair value through other comprehensive revenue and expense reserve

Council Created reserves

Council created 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.

Council created 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.

Also included in council created reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Asset revaluation reserves

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

Fair value through other comprehensive revenue and expense reserves

This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

Good and Service Tax (GST)

All items in the prospective financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then 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

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 appropriate cost drivers such as actual usage, staff numbers and floor area.

Critical accounting estimates and assumptions

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

Critical judgments in applying accounting policies

Management has exercised the following critical judgments in applying accounting policies.

Classification of property

The Council owns land and buildings previously occupied by the Council Depot. A portion of the property was leased and this portion was classified as investment property. The property has been redeveloped and the entire property is now classified as investment property.

Cautionary note

The information in the prospective financial statements is uncertain and the preparation requires the exercise of judgment. Actual financial results achieved for the period covered are likely to vary from the information presented, and the variations may be material. Events and circumstances may not occur as expected or may not have been predicted, or the Council may subsequently take actions that differ from the planned course of action on which the prospective financial statements are based.

The information contained within these prospective financial statements may not be suitable for use in another capacity.

Assumptions underlying prospective financial information

The financial information presented within these policies and documents is prospective financial information in terms of FRS 42: Prospective Financial Information. The purpose for which it has been prepared is to enable the public to participate in the decision making processes as to the services to be provided by the Council over the next financial year and to provide a broad accountability mechanism of the Council to the community.

The reader is referred to a full list of underlying assumptions adopted with the 2018-28 Long Term Plan.

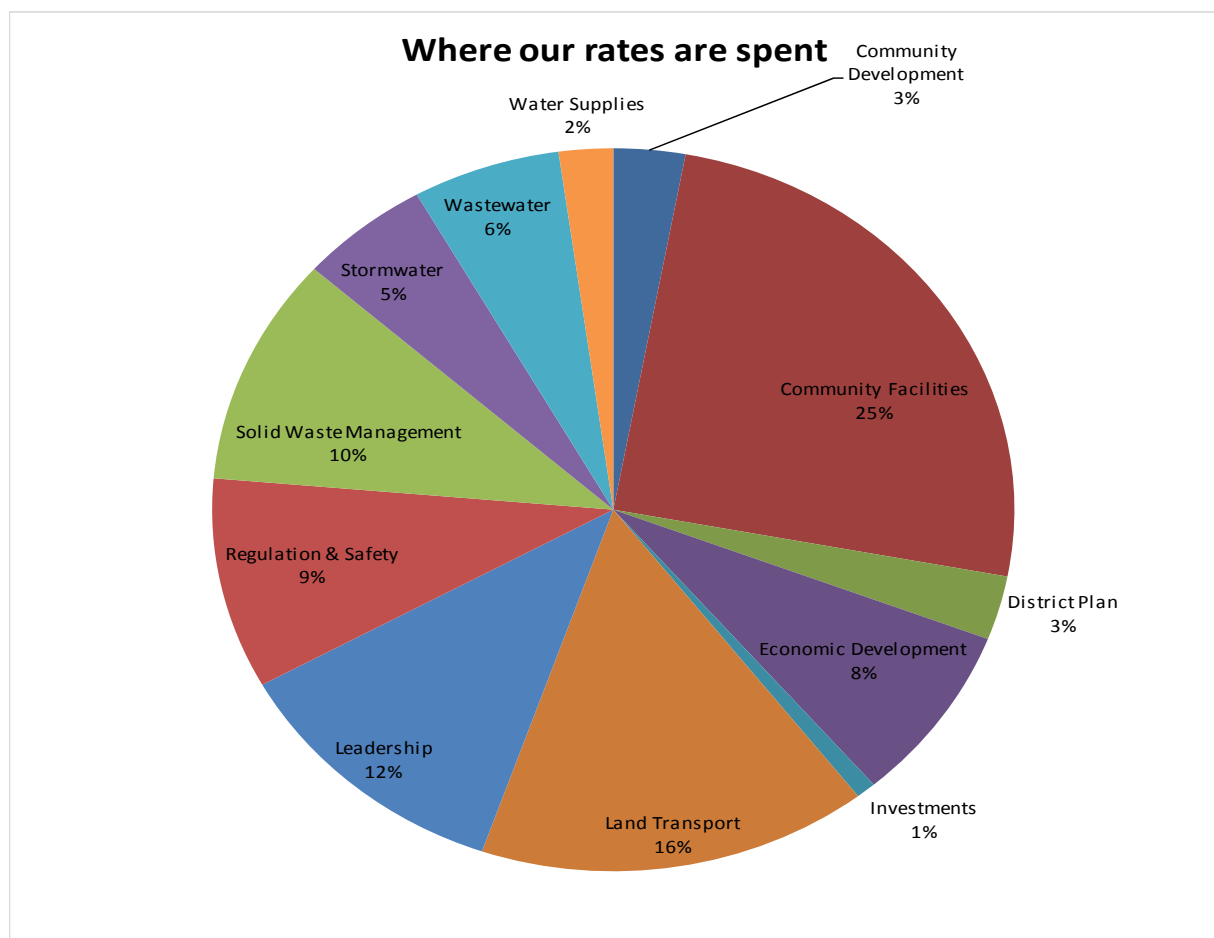
Funding Impact Statement

The funding impact statement provides an overview of how the Council obtains its funding.

The Council has set out the sources of its funding in the Revenue and Financing Policy. Each property in the district pays toward the provision of facilities and services for the community by way of rates.

All rateable properties pay a **Uniform Annual General Charge** which is the same amount for all properties. They also pay **General Rates** which are calculated on the capital value of the property.

Where services are provided to some areas of the district and not others, or where Council believes there is a greater benefit to some properties, a **Targeted Rate** is applied to those properties that have access to or benefit from a particular service. More information on the sources of the Ōpōtiki District Council's funding is provided in the following information.



Funding Impact Statement for 2019/20 (Whole of Council)

	LTP 2018/2019	LTP 2019/2020	Budget 2019/2020
Sources of Operating Funding			
General rates, uniform annual general charge, rates penalties	8,122	8,483	8,429
Targeted rates	2,485	2,786	2,579
Subsidies and grants for operating purposes	1,709	1,749	1,736
Fees and charges	1,295	1,335	1,256
Interest and dividends from investments	100	102	102
Local authorities fuel tax, fines, infringement fees, and other receipts	221	225	207
Total Operating Funding (A)	13,932	14,680	14,309
Applications of Operating Funding			
Payments to staff and suppliers	11,527	11,994	12,521
Finance costs	297	646	489
Other operating funding applications	-	-	-
Total applications of operating funding (B)	11,824	12,640	13,010
Surplus (deficit) of operating funding (A-B)	2,108	2,040	1,299
Sources of capital funding			
Subsidies and grants for capital expenditure	2,501	18,638	17,513
Development and financial contributions	-	-	-
Increase (decrease) in debt	13,181	10,609	12,314
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	15,682	29,247	29,827
Applications of capital funding			
Capital expenditure			
- to meet additional demand	1,727	20,634	18,971
- to improve the level of service	8,048	3,900	4,933
- to replace existing assets	8,015	6,753	7,222
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	17,790	31,287	31,126
Surplus (deficit) of capital funding (C-D)	(2,108)	(2,040)	(1,299)
Funding Balance ((A-B)+(C-D))	-	-	-

The following rates (including GST) are proposed to be set and assessed within the District for the 2019/20 year:

District Wide Rates

1 General Rates

A general rate set under section 13 of the Local Government (Rating) Act 2002 for the purposes of providing all or some of the cost of the Council activities set out in this 2019/20 Annual Plan.

For the 2019/20 year this rate will be 0.4027 cents per dollar (including GST) based on the rateable capital value of all land within the district.

2 Uniform Annual General Charge

A rate set under section 15 of the Local Government (Rating) Act 2002 per rating unit within the district. This rate is for the purpose of providing some of the cost the Council activities set out in this 2019/20 Annual Plan.

For the 2019/20 year this rate will be \$500.22 (including GST).

Definitions:

Separately Used or Inhabited Parts of a Rating Unit

A separately used or inhabited part of a rating unit is defined as:

Any part of a rating unit that is, or is able to be, separately used or inhabited by the owner or by any other person or body having the right to use or inhabit that part by virtue of a tenancy, licence or other agreement.

Examples of separately used or inhabited parts of a rating unit:

- For residential rating units, each self-contained household unit is considered a separately used or inhabited part. Each situation is assessed on its merits, but factors considered in determining whether an area is self-contained would include the provision of independent facilities such as cooking/kitchen or bathroom, and its own separate entrance
- Residential properties, where a separate area is used for the purpose of operating a business, such as a medical or dental practice. The business area is considered a separately used or inhabited part.

These examples are not considered inclusive of all situations.

Targeted Rates

Lump sum payments will not be invited for targeted rates. These are generally done by Councils to fund capital projects, and come with a long list of complexities that would require ongoing management. We would however consider these in the future should there be a request from the community.

3 Communities of Interest

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for specific groups of ratepayers that receive a greater benefit from certain activities. The rate is set differentially on all rateable rating units as follows:

(a) **Residential Communities of Interest**

This targets a charge for certain activities to the Ōpōtiki Town Ward plus all rating units less than 0.5 hectares outside the Ōpōtiki Town Ward on the seaward side of the area commencing from Ōhiwa Harbour at the intersection of Ruatuna Road and State Highway 2 and following State Highway 2, Waiotahi Valley Road, Gabriels Gully Road, Browns Road, Verralls Road, Paerata Ridge Road, Old Creamery Road, Crooked Road, Dip Road, Armstrong Road, McGregor Road, line from intersection of McGregor and Woodlands Road to intersection of State Highway 2 and Clarks Cross Road, Stump Road, line bisecting Tablelands and Tirohanga Road to Te Wakanui Road, Te Wakanui Road concluding at intersection with State Highway 35. The activities include litter control, playgrounds, compliance, economic development, animal control, and stormwater.

For the 2019/20 year this rate will be \$39.57 per rating unit.

(b) **Rural Communities of Interest**

This targets a charge for certain activities in the rural areas of the district excluding properties included in the residential communities of interest, and commercial/industrial communities of interest. The activities include rural stormwater, cycleway, economic development, compliance, and rural litter control.

For the 2019/20 year this rate will be \$25.48 per rating unit.

(c) **Commercial/Industrial Communities of Interest**

This targets a charge for certain activities to rating units where the land use is commercial or industrial. The activities include cycleway, litter control, stormwater, economic development, compliance, property, tourism, and health.

For the 2019/20 year this rate will be \$832.88 per rating unit.

4 Water Supply Rates

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for water supply operations of a fixed amount per separately used or inhabited part of a rating unit or per rating unit as set out below. The purpose of this rate is to fund water supplies for Ōpōtiki/Hikutaia, Te Kaha and Ōhiwa.

The purpose of this rate is to fund the maintenance, operation and capital upgrades of water supplies and treatment in those parts of the districts where these systems are provided.

The rate is subject to differentials as follows:

- (a) A charge per separately used or inhabited part of a rating unit connected in the Ōpōtiki/Hikutaia, Te Kaha and Ōhiwa communities.
- (b) A half-charge per rating unit which is serviceable in the above locations.

For this rate:

- "Connected" means a rating unit to which water is supplied.
- "Serviceable" means a rating unit to which water is not being supplied, but the property is situated within 100 metres of the water supply.

For the 2019/20 year these rates will be:

	WATER RATES	
	Connected	Serviceable
Ōpōtiki/Hikutaia	247.95	123.98
Te Kaha	348.90	174.45
Ōhiwa	861.70	430.85

5 Metered Water Rate

A targeted rate under Section 19 of the Local Government (Rating) Act 2002 per cubic metre of water supplied, to any property that is connected to one of the water supplies in Ōpōtiki, Te Kaha or Ōhiwa Districts.

	METERED WATER
	Connected
Ōpōtiki/Hikutaia	65.5 cents per cubic metre
Te Kaha	\$1.15 per cubic metre
Ōhiwa	\$1.15 per cubic metre

6 Sewerage Rates

A targeted rate set under Section 19 of the Local Government (Rating) Act 2002 for the Council's sewage disposal function of fixed amounts in relation to which the Council's sewage disposal service is provided or available as follows:

The purpose of this rate is to fund the maintenance, operation and capital upgrades of sewerage collection, and treatment and disposal systems in those parts of the district where these systems are provided.

- (a) A charge per separately used or inhabited part of a rating unit connected.
- (b) A charge per within the separately used or inhabited part of a rating unit, where there are multiple connections.
- (c) A charge per rating unit which is serviceable but not connected.

For this rate:

- "Connected" means the rating unit is connected to a public sewerage system
- "Serviceable" means the rating unit is not connected to a public drain, but the property is situated within 30 metres of such a drain
- A rating unit used primarily as a residence for one household is treated as not having more than one pan
- For multiple connections each pan will be rated at 80 percent of the full charge.

For the 2019/20 year these rates will be:

	SEWERAGE	RATES (GST INCL)	
	Connected	Serviceable	Multi-connection
Ōpōtiki	547.60	273.80	438.08 per pan
Waihou Bay	481.24	240.63	

(d) Waioeka Wastewater Extension Charge

A targeted rate set under Section 16 of the Local Government (Rating) Act 2002 for each rating unit connected to the wastewater extension to Factory Road, Ōpōtiki of \$23,285.78 per rating unit.

7 Refuse Collection Rate

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the purposes of funding collection of household refuse in the Ōpōtiki district.

The collection area is:

- Within the Ōpōtiki Ward with the exception of Dip Road, Crooked Road and State Highway 2 west of Baird Road
- Within the Waiotahi/Waioeka Ward for the Waiotahi Drifts Subdivision, Appleton Road, State Highway 2 between Waiotahi Drifts and Paerata Ridge Road, Whakaari Road and Paerata Ridge Road up to but excluding Thompson Road, Otara Road to Factory Road, Factory Road, Stoney Creek Road and Waioeka Road/State Highway 2 to rural number 126.

The rate is subject to differentials as follows:

- (a) A full charge of \$222.04 on each separately used or inhabited part of a rating unit (that is used or inhabited) within the collection area.
- (b) A half-charge of \$111.02 on each separate rating unit where the property is not used or inhabited within the collection area.

8 Due dates for payment of rates

Instalment No	Period	Invoice Date	Date for last day of payment (before penalties apply)
1	Jul – Sept 2019	1 July 2019	23 August 2019
2	Oct – Dec 2019	1 October 2019	22 November 2019
3	Jan – Mar 2020	1 January 2020	21 February 2020
4	Apr – June 2020	1 April 2020	22 May 2020

9 Additional charges (penalties)

An additional charge of 10% is to be added to all rates levied in respect of the 2019-20 financial year and which, although due, remain unpaid on the following dates:

- Instalment No 1 23 August 2019
- Instalment No 2 22 November 2019

Instalment No 3 21 February 2020

Instalment No 4 22 May 2020

Rating Base information as at 30 June 2018

Number of rating units – 5,636

Capital Value of all rating units - \$1,943,236,850

Land Value of all rating units - \$988,183,050

The rating base information disclosed is based on the rating base information as at the end of the preceding year.

Scheduled Rates

The following schedule details the rates for 2019/20 (excl GST).

Description	Land Liable	Differential	Factor of Liability	Rate Value (Excl GST)	Amount Sought
District Wide Rates					
General	All rateable property	Uniform	Capital Value	0.3502 cents in the dollar	\$ 6,869,481
Uniform Annual General Charge	All rateable property	Uniform	Fixed amount per rating	\$ 434.97	\$ 2,070,040

Targeted Rates

Opotiki/Hikutaia Water	Service available	Service available/connected	Amount per SUJP	\$215.61 Connected	\$ 492,787
			Amount per rating unit	\$107.81 Available	
Te Kaha Water	Service available	Service available/connected	Amount per SUJP	\$303.39 Connected	\$ 107,369
			Amount per rating unit	\$151.7 Available	
Ohiwa Water	Service available	Service available/connected	Amount per SUJP	\$749.3 Connected	\$ 16,110
			Amount per rating unit	\$374.65 Available	
Opotiki Sewerage	Service available	Service available/connected	Amount per SUJP	\$476.17 Connected	\$ 808,639
			Amount per rating unit	\$238.085 Available	
			Amount per pan	\$380.94 Multiple	
Waihau Bay Sewerage	Service available	Service available/connected	Amount per SUJP	\$418.47 Connected	\$ 10,671
			Amount per rating unit	\$209.24 Available	
Waioeaka Wastewater Extension	Service available	Service	Amount per rating unit	\$20248.5 Connected	\$ 40,497
Refuse Collection	Service available	Service available/connected	Amount per SUJP	\$193.08 Collected	\$ 422,848
			Amount per rating unit	\$96.54 Available	

Communities of Interest Rates

Residential	Residential property	Uniform	Amount per rating unit	\$ 34.41	\$ 72,300
Rural	Rural property	Uniform	Amount per rating unit	\$ 22.16	\$ 53,974
Commercial	Commercial/Industri	Uniform	Amount per rating unit	\$ 724.24	\$ 157,161

Metered Water Rates

Opotiki/Hikutaia	Service connected	Uniform	Amount per cubic metre	\$ 0.57	\$ 285,000
Ohiwa	Service connected	Uniform	Amount per cubic metre	\$ 1.00	\$ 5,000
Te Kaha	Service connected	Uniform	Amount per cubic metre	\$ 1.00	\$ 62,500

Rating Examples

Excludes GST and BOPRC Rates.

