Rates projections. Project updates. Prospective Financial statements.

Our Plan in Action

Information on year two of the 2024-2034 Long Term Plan.

Ōpōtiki District Council

STRONG COMMUNITY STRONG FUTURE

What this document is about

We're putting together our Annual Plan for 2025/26 and want to let you know about our plans. This document lets you know about the major projects, costs, funding, financials and proposed rates for the year. It is also about giving you an early opportunity to tell us what you think is important for us to consider in future rounds of planning.

When putting this document together, we follow Section 95A of the Local Government Act. It says that we must let you know about any significant or material differences between what we're proposing in the Annual Plan and the content of the Long Term Plan for the relevant financial year. Basically, it means we need to let you know if our plans have changed a lot from what we told you we would do previously.

The Act also says if there are significant changes in the financial statements or the Funding Impact Statement, we must let you know about those and give descriptions of any significant new spending proposals, the costs associated with those proposals, and how these costs will be met.

There are no significant or material changes between year two of the adopted Long Term Plan (2024-2034), and the proposed 2025/26 Annual Plan.

What you'll find inside

“Nau mai, haere mai”

Welcome

Tēnā koutou katoa,

It has been both an exciting and difficult few years for Ōpōtiki District and we are on the verge of a significant period of change and adjustment.

On the positive side of the ledger, we’ve almost completed work on our incredible new $100million harbour entrance. Recreational boats are passing through and pedestrians and cyclists can be seen making their way to the end of the seawalls to take in the beautiful views of Te Moana a Toi, the rich Bay of Plenty waters. We have good plans in place to revitalise our town centre and maximise the benefits from our harbour project.

However, on the other side of our ledger, local government is facing an unprecedented raft of legislative change. We must fundamentally change the way some of our services, particularly our three waters, are delivered. Additional changes are in the pipeline, including Resource Management Act changes and even fundamental amendments to our core Local Government Act legislation. As well, we face a range of inflationary pressures that mean it costs more than ever to do the business of council.

There are also a range of additional challenges for Ōpōtiki District Council this year.

Council has made some difficult choices to reduce services in order to reduce costs on ratepayers. Some of these cuts are less visible, such as deferring and delaying revaluations, depreciation and renewals. But over the coming year, we may see the impact of lower levels of service across engineering, parks and reserves, events, and regional development.

We will still deliver a large capital programme including works on three waters, roads, and public toilets. There are also additional transition issues to overcome and in the coming year we move from ‘harbour construction’ to ‘harbour operations’.

Housing continues to be a challenge in the district and we are moving forward with work on our identified growth area in Hukutaia. We are also working on ‘big picture’ planning around key areas of council business this year including our Waste Minimisation and Management Plan and of course the mandated Local Water Done Well project. You can see in these pages a focus on renewal and refurbishment of current infrastructure and careful planning before committing to any new projects.

And finally, we have local government elections later this year. These are always an exciting period of change and vision for the district as new voices are heard and council activities are at the top of everyone’s mind. It really is an exciting time to be in local government and I’d encourage people from all walks of life to put their hands up and help shape the future of our district and community.

Ngā mihi,

David Moore

Our work to date

After significant work by staff and elected members, and thorough consultation with our communities and stakeholders, our 2024-2034 Long Term Plan (LTP) was adopted by Council on 30 October 2024.

When putting together that plan, and the financial strategy it contains, Council was faced with some tough decisions on finding the balance between supporting development in our district and the ability to fund it while also having national pressures such as inflation, cost of living, national housing affordability, and changing/increasing mandates from Central Government to contend with.

During consultation many in the community voiced their support for reducing services, getting back to essentials and deferring and delaying any costs possible like revaluations, depreciation and renewals.

Council listened to those views and were able to reduce the impacts of rates rises further with cuts to community services across engineering, parks and reserves, events, and regional development.

As our 2024-2034 LTP was adopted later than normal, and we are only part way through year one of that plan, Council is not proposing to make any major or significant changes to the strategy in this Annual Plan. Through review of various budgets and works programmes, Council has managed to reduce the overall rate increase from 10.5% to 9.5% for 2025/26.

The 2025/26 Annual Plan continues to embed our 10-year plan strategy with emphasis on affordability for our community, while intentionally and carefully ensuring the district continues to see positive flow-on effects from new economic activity.

Year two of our 10 year plan continues to embed our strategy of balancing affordability with supporting new economic activity.

Major Projects

This section gives you some details of our major projects or pieces of work for 2025/26.

Operating Costs: $1,295,000

Capital Expenditure: $1,920,000

Wastewater

Wastewater & Stormwater Strategy
The Ōpōtiki township's wastewater scheme is entering a period of significant change. With a new consent on the horizon and growth underway the scheme requires key upgrades to meet the needs of the community into the future.

The Ōpōtiki wastewater network has a long-standing inflow and ground water infiltration issue which has led to poor service in heavy rain. Extensive work has been undertaken since 2018, particularly relining and renewal of older pipe networks with notable success to date.

This rehabilitation/renewal work will continue through the coming year to build on this progress.

Because of the scale of this work and additional public and private development projects, staff will be developing a combined wastewater and stormwater long-term strategy to outline the main drivers of both schemes and allow us to direct funding where it can provide the greatest benefit.

Ōpōtiki Wastewater Treatment Plant
Council's wastewater treatment plant has been in operation since 1995. It has performed well over the years, but its age and the growing wastewater volumes in the township mean it is time for an upgrade.

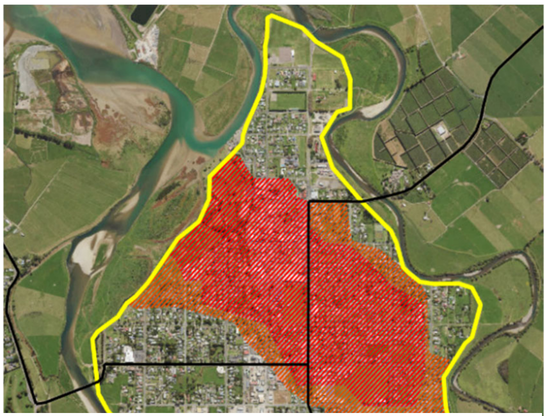
In addition, the primary discharge consent will expire in the middle of this year. A new consent will be submitted along with extensive public and mana whenua engagement.

This is an opportunity for critical upgrades and future-proofing the system. The required spend is likely to be significant but staged to allow for 'load-based trigger points' – making the upgrades as demand requires.

Wastewater Pumpstation 01 and Rising Main Upgrade
In order to cater for future demand, improve levels of service in heavy weather, and to fully utilise the upgrades being put in place at the Wastewater Treatment Plant, Ōpōtiki's primary pump station and rising main also require upgrades.

Wastewater Pump Station 01 is Council's largest pump station, moving wastewater from four of the town's five catchments. While the station still functions well, the concrete is degraded and needs renewal. A full retrofit will deliver longer life, manage higher flows and relieve the network in heavy weather.

In addition, planning and design will begin for a new rising main as part of these works to deliver these higher flows to the wastewater treatment plant.



Stormwater

Wastewater and Stormwater Strategy
The Ōpōtiki Township is surrounded on three sides by the Waioeka and Ōtara rivers. When elevated, these rivers prevent gravity drainage and mean the town is very reliant on pumping to remove the water. This issue is exacerbated by the grid-pattern of roads, often higher than residential land, creating mini-basins across residential areas. When groundwater is at capacity, with nowhere to drain, the township suffers flooding and long-term ponding and the associated issues with inflow and infiltration.

This year, a focus on a combined wastewater and stormwater long-term strategy will help understand the main drivers of both schemes. This will be built on additional investment into our data capture systems and modelling underlying this work.

Operating Costs: $668,000

Capital Expenditure: $1,184,000

Tarawa Creek Stormwater Pump Station Upgrade
The Tarawa Creek Stormwater Pump Station is Council's primary pump station servicing the township's largest residential catchment.

The Tarawa Creek catchment extends from its river outfall at Whitikau Reserve all the way back to Wellington St and Stewart St, about half of the township's area. The catchment follows approximately the same area as Council's primary wastewater catchment (Pump Station 1). It is therefore a critical upgrade to assist in the delivery of improved service in heavy weather events and prevent floor level flooding in extreme events.

Upgrades to the pump station were postponed last year due to construction costs. This year, a market assessment and procurement strategy will be undertaken to identify alternative options to reduce costs for the upgrade.

Wellington St Stormwater Basin and Duke St Stop-bank
The boundary between the rural and urban catchments runs along the southern end of Duke St. For several years there have been concerns that overland flows from the rural catchment areas have exacerbated issues on the residential catchment systems.

To help with these issues, the low-lying area (identified in the district plan as a ponding area) south of Wellington St between Union St and Brabant St was purchased in 2017 to become a stormwater reserve. Detailed design and consenting will be carried out this coming year.

Operating Costs: $1,538,000

Capital Expenditure: $552,000

Water Supply

Ōpōtiki Reservoir Investigation
The Ōpōtiki water supply is located adjacent to the township's treatment plant on the high ground between Ōtara Rd and Matchitt Rd. Since construction, the lining of the reservoir has suffered from minor water losses due to hairline failures in the polyethylene.

We have installed monitoring equipment so we have clearer data on flow rates. Once we have a clearer view of the size and scope of the issues, we'll better understand what will be required. However, any assessment, repairs or replacement is likely to require the reservoir to be temporarily decommissioned.

This year we will initiate planning a small back up reservoir to minimise any loss of service pressure for the township. The backup reservoir would add scheme resilience enabling wider windows for repairs and maintenance in the future.

Te Kaha New Water Source and Water Treatment Plant
The Te Kaha water supply scheme currently sources its water from a pair of surface infiltration wells in the bank of the Puremutahuri stream.

Because of the fine silt from the stream bed, the water is often failing compliance with drinking water standards. Council has been seeking a ground water source to replace this historic surface supply.

Two bores are needed to ensure that the primary bore has recovery time and so that there is redundancy is the system.

The first bore commissioned is producing adequate flow-rates for current demand in Te Kaha. However, a second bore collapsed during drilling and has been abandoned.

Different options will need to be considered for the second bore depending on accessibility and proximity to current infrastructure such as the treatment plant and booster stations. An in-depth technical review and cost/benefit assessment will be carried out over the coming year to determine which is the better whole of life option. There will be significant operational and capital cost implications of any option.

Land Transport

Completion of Snell Road (Ōpōtiki Harbour Access Road)

We have completed a majority of works planned for the upgrade of Snell Road to provide access to the new harbour entrance. This work included the construction of the new sealed road, designated carpark areas and cycleway. The next phase is to upgrade the Snell Rd from the intersection with SH35 and tie in with the recently completed works. Depending on funding, we would like to undertake design and possibly carry out construction to widen the road and improve safety.

Improving Road Safety and Resilience

As well as our usual road improvements and maintenance works, we have three specific projects located along Ōhiwa Beach Road (rehabilitation and road raising), Tirohanga Road (Bridge culvert replacement) and Motu Road (turning a ford crossing to culvert crossing). These projects will improve road safety and access resilience for users of the roads and our communities.

Operating Costs: $4,485,000

Capital Expenditure: $2,580,000

Solid Waste

Operating Costs: $2,901,000

Capital Expenditure: $485,000

Waste Minimisation and Management Plan (WMMP)

Council is reviewing its Waste Minimisation and Management Plan (WMMP), with the updated plan to be adopted by the start of the 2025/26 year following public consultation.

As part of this process, Council is undertaking a review of our solid waste services to:

- Ensure solid waste services are efficient, effective, and affordable
- Identify opportunities for regional collaboration or shared services
- Assess whether current delivery models are fit-for-purpose
- Align service delivery with the strategic direction of the updated WMMP.

The new WMMP will help align waste services with our communities' aspirations and ensure we meet our strategic and legislative obligations to reduce waste to landfill. It will guide future investment, education, and infrastructure priorities, supporting a shift toward a more sustainable, circular economy for the district.

Resource Recovery Centres

Ōpōtiki District Council is planning capital works across its Resource Recovery Centres (RRCs) to maintain facilities to a good operational standard and meet our health and safety responsibilities. The focus will be on improving site flow for users and staff, upgrading storage bunkers, and infrastructure needs to make sure the centres are safe, functional, and fit for purpose as demand grows and services evolve.

Operating Costs:
$1,915,000

Capital Expenditure:
$1,008,000

Parks and Reserves

Playgrounds and recreation
The sports field and adjacent netball courts at Memorial Park will benefit from floodlighting upgrades. While many of the columns, power supplies and lighting controls will be reused, if fit for purpose, all the old luminaires will be upgraded to LED technology and funding will be sought from Trust Horizon to complete the work.

Other upgrades this year include aging park infrastructure such as fences, signage and outdoor furniture, and play equipment where required.

Public Toilets
Year 2 of a three-year project, will see Council install services for a new public toilet in the carpark area by the Eastern Pākihikura Harbour seawall, the Snell Road extension end. There are also toilet facilities throughout the district that need attention. Council will upgrade the public toilet block at Waiotahe Beach near the surf club and are planning to refurbish the CBD toilets to ensure that these facilities remain in the town centre.

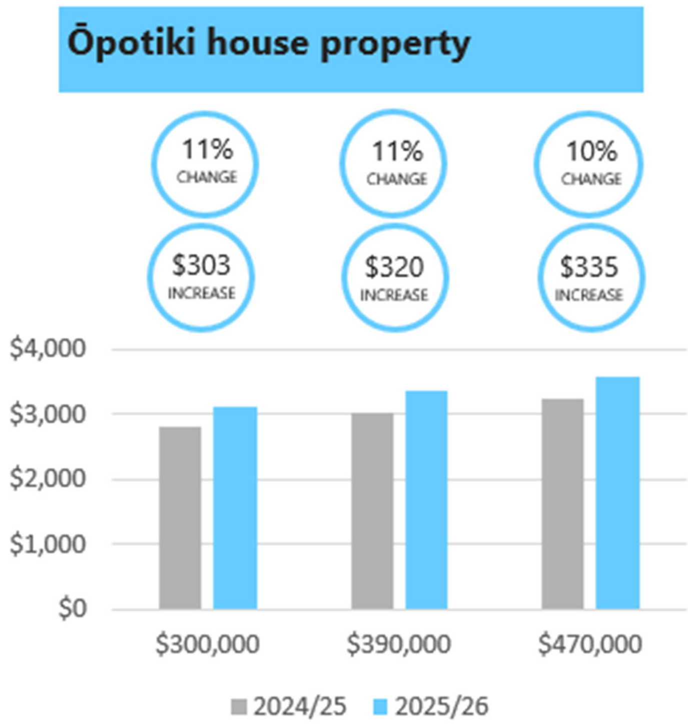
Cycleways
Council will continue to extend the Waiotahe Cycleway towards Waiotahe River to connect with the Bryans Beach and Ōhiwa Harbour cycle trail.

With funding carried forward from Year 1 of our LTP the wharf cycleway will be relocated to the top of the stop bank and the remainder will be used on older cycle trail surfaces and assets.

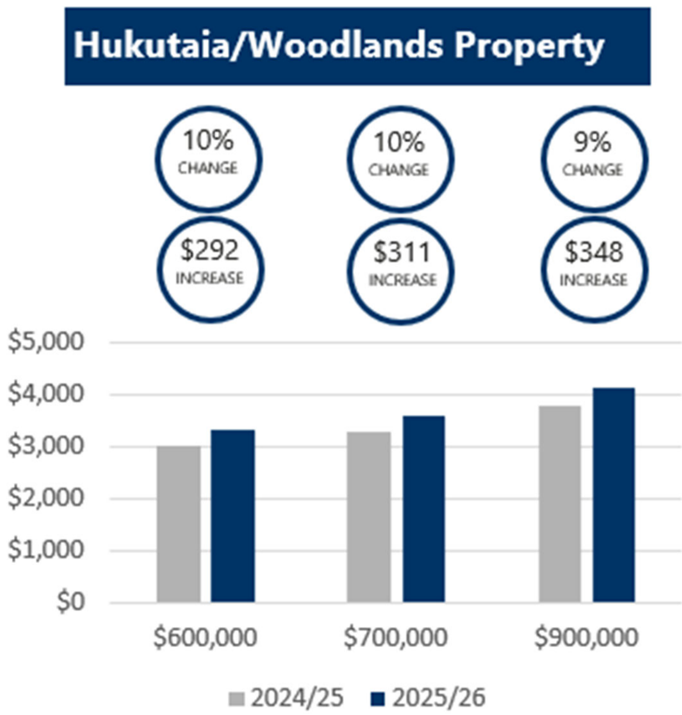
Your rates

The tables on pages 13-16 give an indication of rates across a range of properties of different values and property types. The values are based on the rating valuations completed in 2022. You will be able to see the expected percentage and dollar movement across each property based on what was set last year, and what is proposed to be set this year.

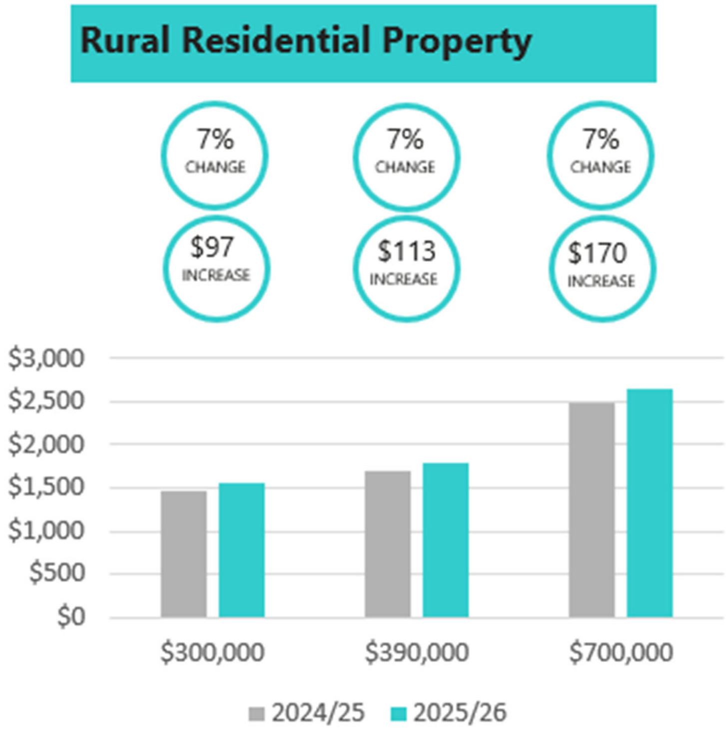
The numbers exclude GST and are indications only. They also don't include Bay of Plenty Regional Council rates as they now bill you directly. If we need to make changes to our proposed budgets before the final Annual Plan is adopted by Council, it may change these examples.



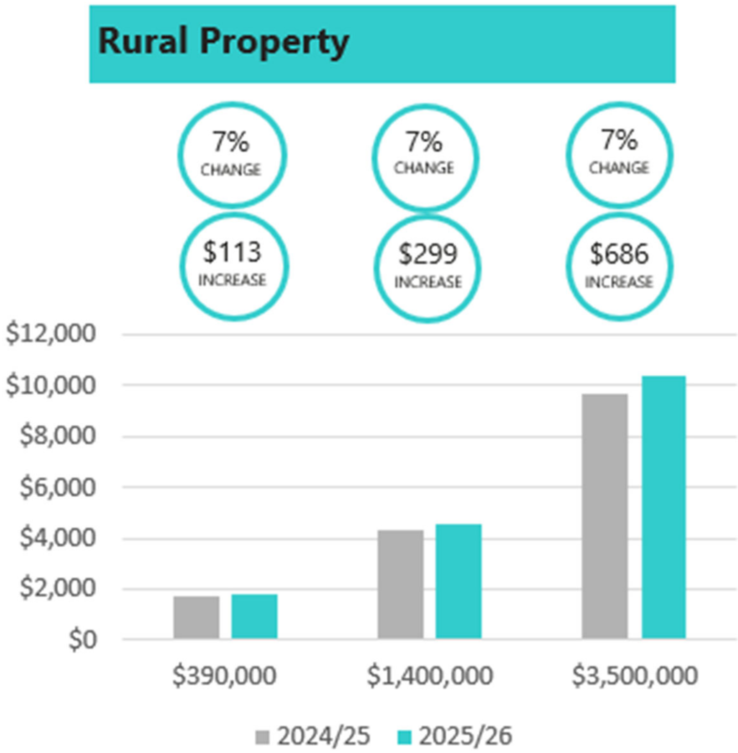
This table shows the expected movement in rates for a property in the Ōpōtiki township that is connected to all the services available.



The Hukutaia/Woodlands property table shows the expected movement in rates for properties in the Hukutaia / Woodlands area that are connected to the water supply and receiving the kerbside collection.

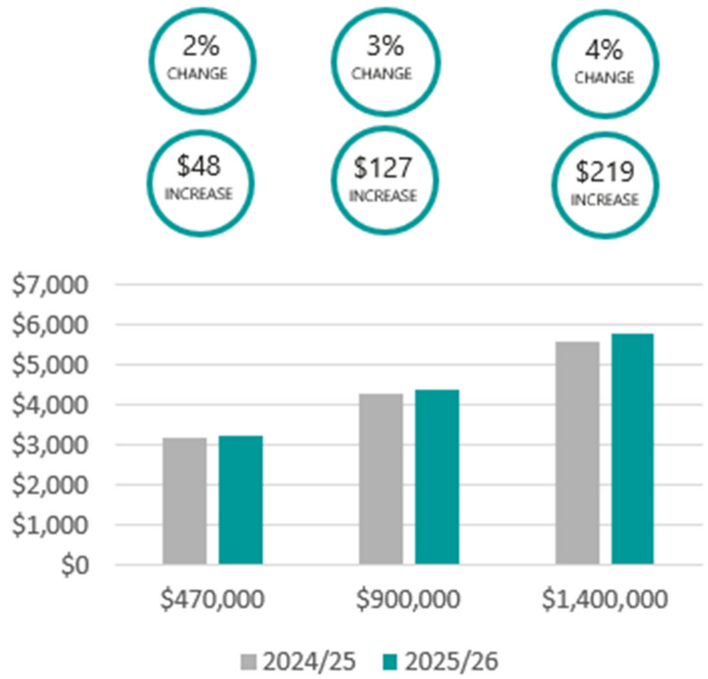


The rural residential table shows the expected movement in rates for all residential properties not in one of the other identified areas and not receiving services paid for through a targeted rate, such as water supply or wastewater. This includes properties on the coast.



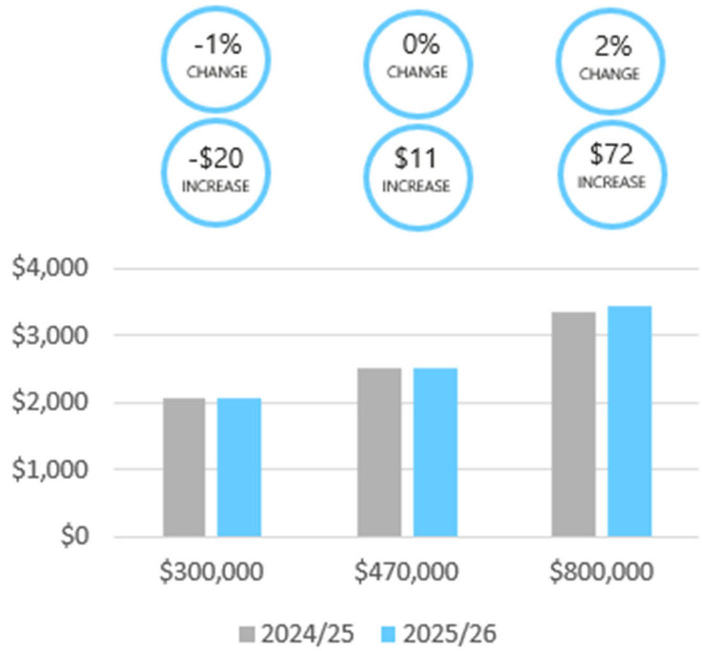
The rural property table shows the expected movement in rates for all rural properties not in one of the other identified categories and not receiving services paid for through a targeted rate, such as water supply or wastewater. This includes properties on the coast.

Ohiwa Property



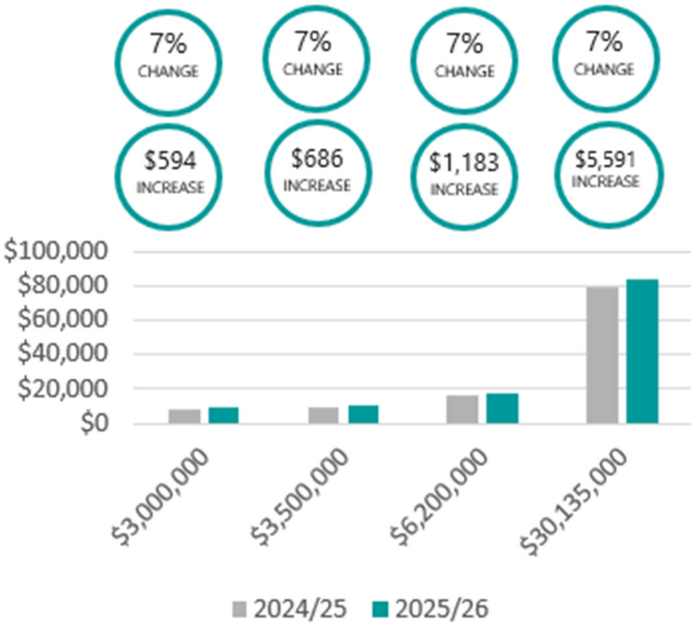
This table shows the expected movement in rates for a property in Ōhiwa that is connected to the water supply.

Te Kaha on water



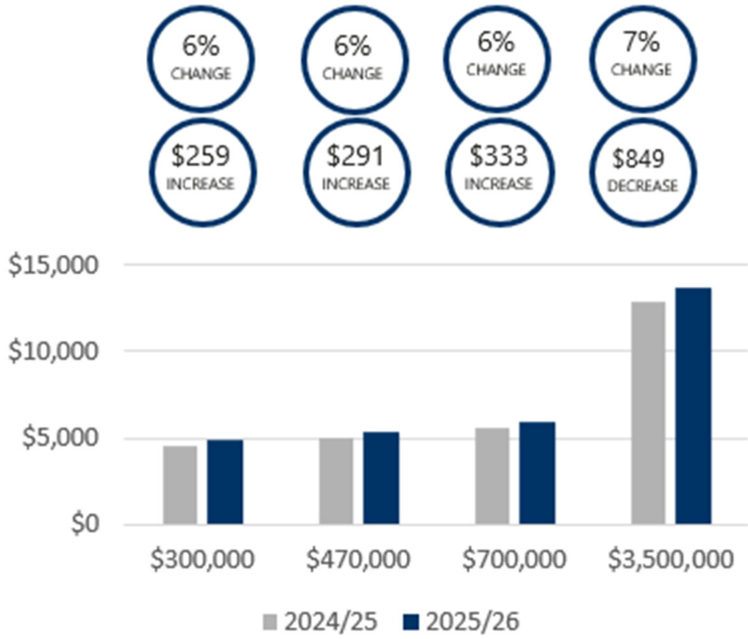
This table shows the expected movement in rates for a property in Te Kaha that is connected to the water supply.

Kiwifruit Property



This table shows the expected movement for commercial and industrial properties.

Commercial & Industrial



This table shows the expected movement for commercial and industrial properties.

Financials

In this section read more about our financials and any differences from what we said they might be in the 2024-2034 Long Term Plan.

Forecast Funding Impact Statement

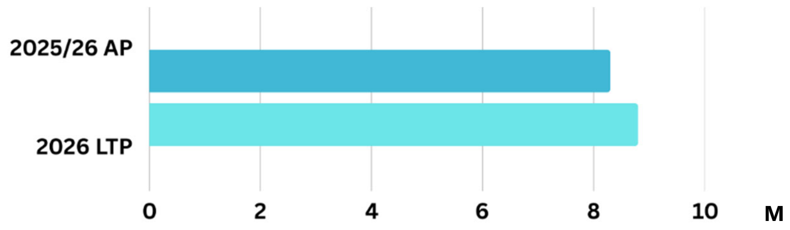
(whole of Council)

	LTP 2024-25	LTP 2025-26	Annual Plan 2025-26
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	12,351	13,642	13,511
Targeted Rates	3,332	3,697	4,173
Subsidies and grants for operating purposes	3,398	3,628	3,482
Fees and charges	2,874	2,944	2,443
Interest and dividends from investments	-	-	90
Local authorities fuel tax, fines, infringement fees, and other receipts	105	107	50
Total - Sources of operating funding (A)	**22,060**	**24,018**	**23,748**
Applications of operating funding			
Payments to staff and suppliers	20,843	21,758	21,819
Finance costs	951	1,149	927
Other operating funding applications	-	-	-
Total - Applications of operating funding (B)	**21,793**	**22,907**	**22,747**
Surplus / (deficit) of operating funding (A-B)	**266**	**1,111**	**1,002**
Sources of capital funding			
Subsidies and grants for capital expenditure	4,012	2,385	2,385
Development and financial contributions	84	557	557
Increase (decrease) in debt	7,116	4,737	4,339
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total - Sources of capital funding (C)	**11,212**	**7,680**	**7,281**
Applications of capital funding			
Capital Expenditure			
• to meet additional demand	1,050	515	515
• to improve the level of service	5,951	4,423	3,916
• to replace existing assets	4,478	3,852	3,852
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	-	-	-
Total - Applications of capital funding (D)	**11,479**	**8,791**	**8,283**
Surplus / (deficit) of capital funding (C-D)	**(266)**	**(1,111)**	**(1,002)**
Funding balance ((A-B) + (C-D))	**0**	**(0)**	**(0)**

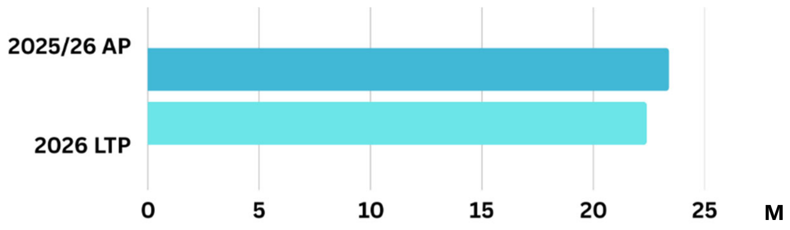
Forecast Statement of Financial Position

As at 30 June	LTP 2025 $000	LTP 2026 $000	Annual Plan 2026 $000
Current Assets			
Cash & Cash Equivalents	4,504	4,504	2,446
Debtors & Other Receivables	3,175	3,234	3,053
Prepayments	199	202	310
Available for Sale Assets	51	52	38
Total Current Assets	**7,928**	**7,993**	**5,848**
Non Current Assets			
Investment in CCOs and Other Entities	211	211	286
Investment in Associate	33	33	33
Investment Property	4,769	4,859	5,518
Property Plant & Equipment	348,164	363,246	379,196
Intangible Assets	36	36	188
Total Non Current Assets	**353,212**	**368,385**	**385,220**
Current Liabilities			
Creditors & Other Payables	6,820	6,963	5,290
Employee Benefit Current	555	567	518
Total Current Liabilities	**7,375**	**7,529**	**5,808**
Non Current Liabilities			
Borrowings	17,647	22,384	23,405
Provisions	59	61	53
Total Non Current Liabilities	**17,706**	**22,445**	**23,458**
Net Assets	**336,059**	**346,404**	**361,802**
Represented by Equity			
Ratepayers equity	150,820	149,414	150,268
Special funds reserves	2,562	2,562	2,963
Revaluation reserves	182,677	194,427	208,571
Total Equity	**336,059**	**346,404**	**361,802**

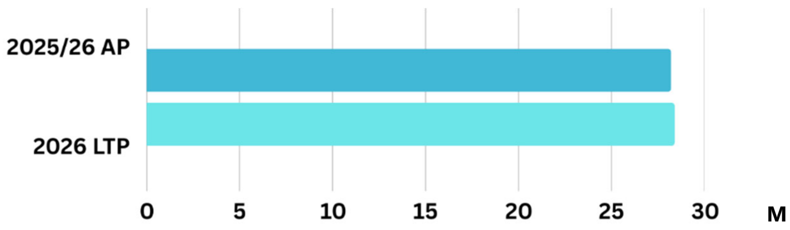
Capital expenditure $8.3M



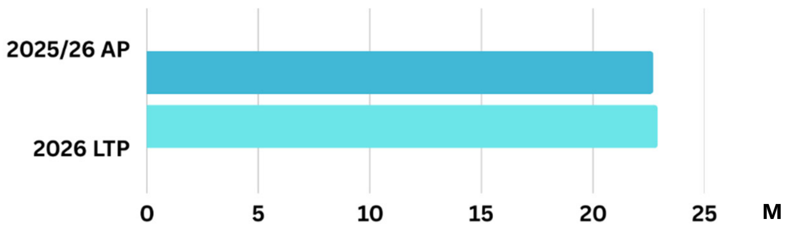
Debt $23.4M



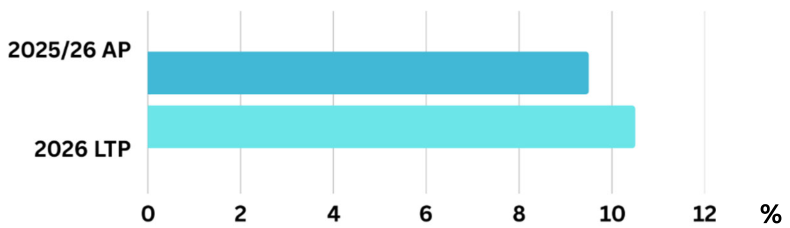
Operational expenditure $28.2M



Operating funding $22.7M



Proposed total rates increase 9.5%



Tell us what you think

As we're not planning any major changes to what we said we would do in year two of the 2024-2034 Long Term Plan, we're not doing a time-consuming and expensive special consultative procedure. But we still want you to let us know what you think is important.

- **Are there projects you would like us to consider in the next rounds of planning?**
- **Are there things we could do better?**
- **Are there things you would like us to do more or less of in the future?**

Ways to give us your feedback

Online connect.odc.govt.nz
Email info@odc.govt.nz
Post PO Box 44, Ōpōtiki 3162
Drop off Main office, 108 St John St or Te Tāhuhu o Te Rangi, 101 Church Street, Ōpōtiki
Drop in Keep an eye on our socials and Antenno for details of drop in sessions.

Our front and back cover photos were taken at beautiful Ōhiwa in Ōpōtiki by Esther Wilson

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