ŌPŌTIKI LOCAL ELECTIONS 2025

Pre-Election Report

He kōrero mā ngā kaipōti me ngā kaitono pōti

Information for voters and potential candidates

Ōpōtiki District Council
STRONG COMMUNITY STRONG FUTURE

Our district

11,200 hectares of native bush and scrubland

A little over 10,000 people live here

13 clean, fast flowing rivers

160 kms of coastline

20 Marae

Over 400 farms and orchards driving the economy

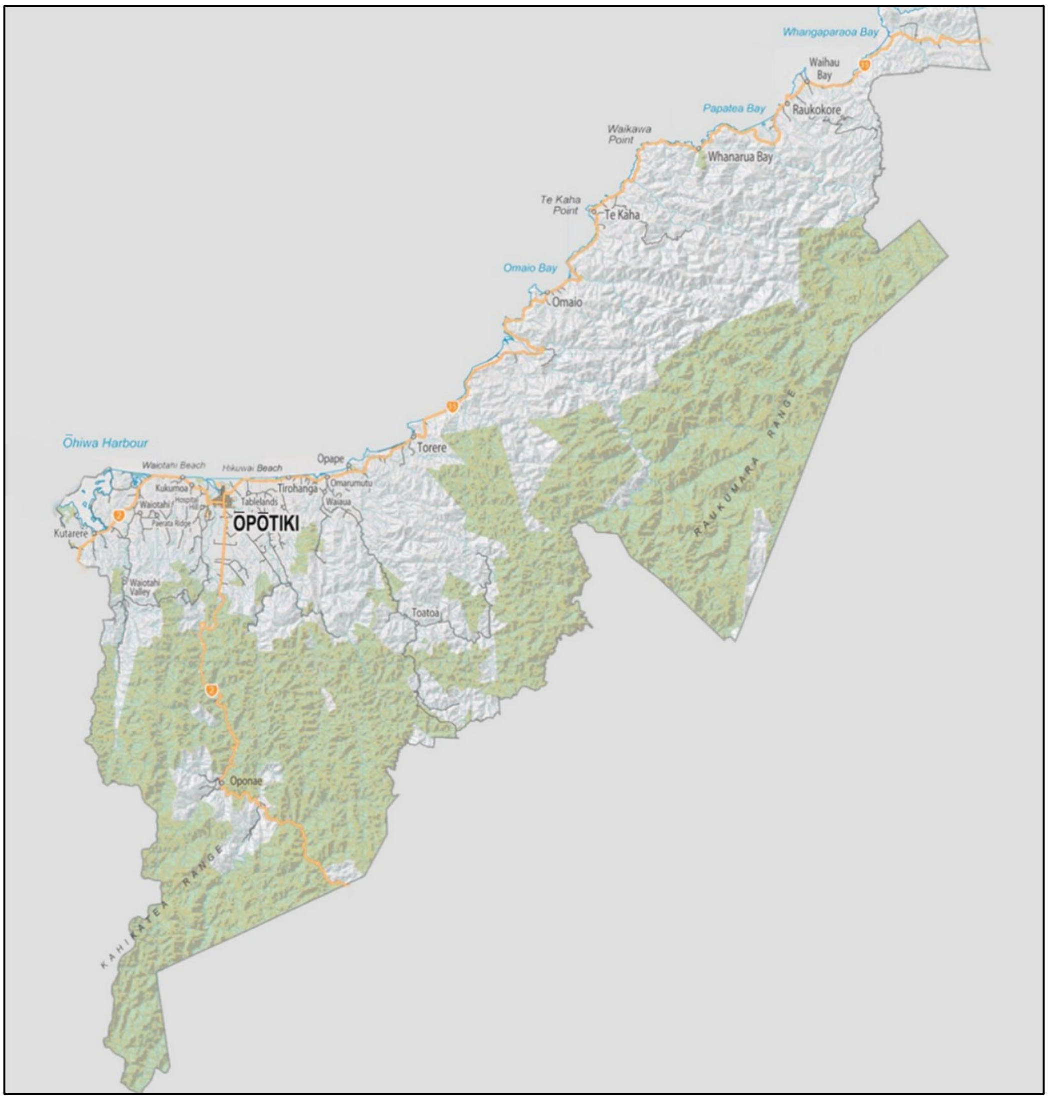


Table of contents

Purpose of this report

This Pre-election Report provides voters and candidates with information about key issues facing Ōpōtiki District Council. Its purpose is to promote public discussion in the lead up to the local body elections.

What it includes

The Pre-election Report has a particular focus on how the Council is performing financially, including the current financial position and key spending issues over the coming years. It provides historic information for the past three years, an overview of the current election year and the Council's planned financial position for the next three years. It also outlines Council's broader financial goals, which are included in its 2024-2034 Long Term Plan. This report also discusses the opportunities and challenges facing Ōpōtiki District Council and summarises some of the major projects Council has planned for the next three years.

How it is prepared

All councils must prepare a Pre-election Report. Section 99A of the Local Government Act 2002 sets out the information that must be included in the report and its timing. It includes information previously published in other Council documents including the 2024-204 Long Term Plan, Annual Plans and Annual Reports. As such the information reflects the policy and service delivery direction of the current Council. As required by law, the report is prepared by the Chief Executive independently of the Mayor and Councillors.

There is no requirement for the pre-election report to be separately audited. However, most of the information contained in this report comes from sources which have already been audited as noted above.

A message from our CEO

Stace Lewer

Nau mai haere mai!

Whether you are thinking about standing for Ōpōtiki District Council or the Coast Community Board at the coming elections, or if you are making sure you are well-informed before you vote, this document is a must-read, a dive into the big challenges and opportunities facing our district.

Local government is changing fast. As a local council, we have important responsibilities to look after our infrastructure and deliver services that help our communities now and in the future. At its core, council work is about the fundamentals – enabling the social connectedness, well-being and prosperity of our communities. Achieving this in an equitable and affordable way is both a challenge and an opportunity. The councillors in the next triennium will need to find this balance in a fast-changing environment. This changing environment includes Government reforms such as Local Water Done Well, new legislation to replace the Resource Management Act 1991, climate change and natural hazards pressures, local government reform, Te Tiriti o Waitangi responsibilities, economic growth from our burgeoning aquaculture industries, and protecting and enhancing our indigenous places and spaces. This is a great opportunity to make a difference and help shape our growing and thriving district for years to come.

Our governance structure

COUNCIL GOVERNANCE

Mayor (elected 'at large')

Councillors (7)
- **Urban General Ward (2)**
- **Rural General Ward (2)**
- **Ōpōtiki Māori Ward (2)**
- **Coast Māori Ward (1)**

COUNCIL LEADERSHIP

CEO and 3 person executive leadership team covering:

Service Delivery

Strategy and Development

Business Support

Role and function of elected members

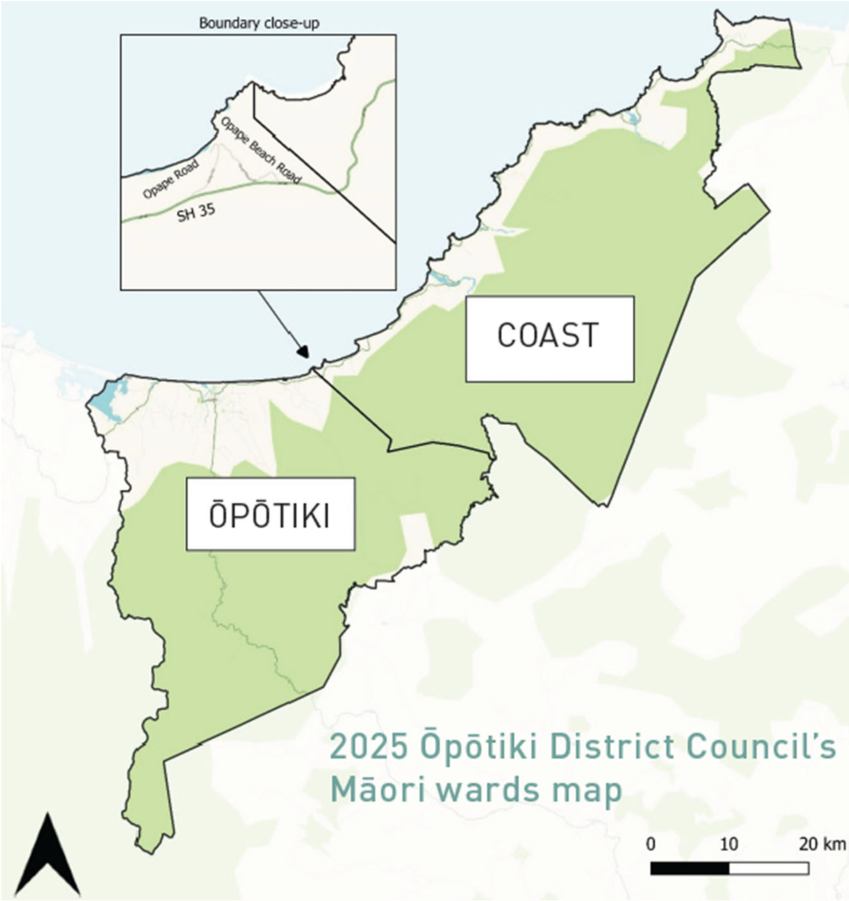
- Setting a vision and strategic direction for council
- Setting objectives and policies for Council
- Making major decisions and approving budgets and major expenditure
- Considering the views of our community
- Employing the chief executive to manage day-to-day council operations
- Monitoring council's performance and raising issues that need to be addressed
- Engaging with and considering views of local communities, including advocating on behalf of others
- The Council employ the Chief Executive, who in turn employs the Council's leadership and staff.

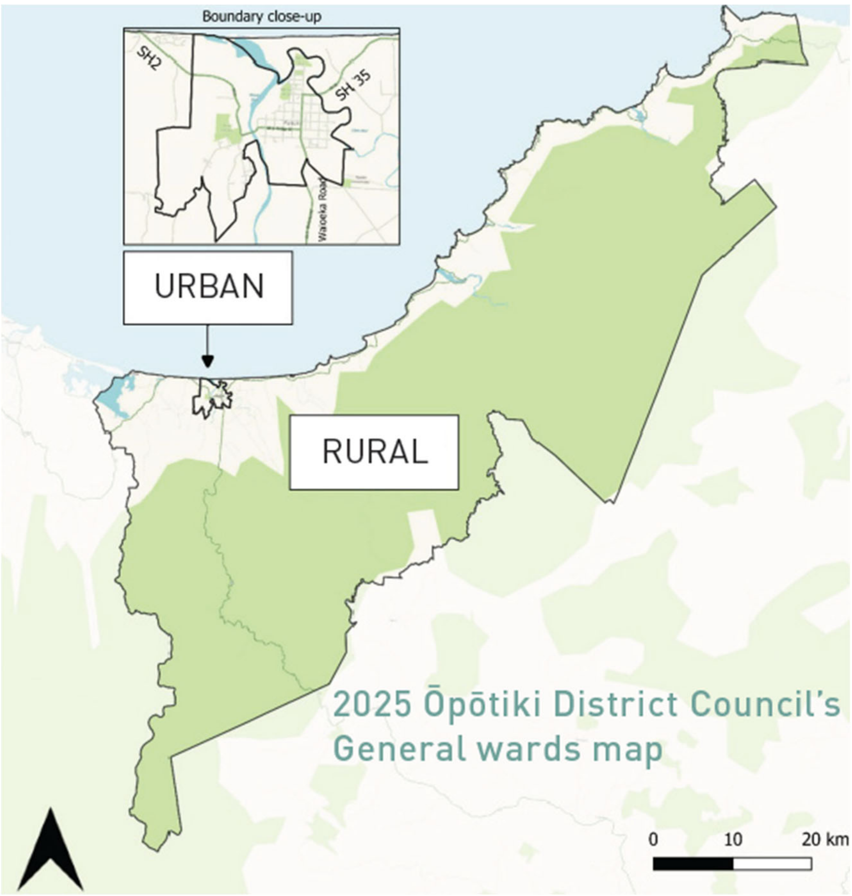
Coast Community Board

The Coast Community Board plays a vital role in local government for our district. The board is a connection between our coast communities and Council, supporting and advocating for coast communities to ensure that the voices are heard in council. The Coast Community Board is administrator of the Coast Initiatives Fund. This grant supports coast projects, community events and facilities to ensure fair representation for all members of the Ōpōtiki community.

Ōpōtiki District Wards

Ōpōtiki District Council has one Mayor and seven elected members (Councillors). Councillors are elected from wards which are geographic subdivisions of the district to ensure balanced and diverse participation. Ōpōtiki has four wards: General Ward (urban), General Ward (rural), Māori Ward (Ōpōtiki), Māori Ward (Coast).


Boundary close-up
Opape Road
Opape Beach Road
SH 35
COAST
ŌPŌTIKI
2025 Ōpōtiki District Council's
Māori wards map
0
10
20 km


Boundary close-up
SH2
SH 35
Waioeka Road
URBAN
RURAL
2025 Ōpōtiki District Council's
General wards map
0
10
20 km

We have challenges but also opportunities

Growth

Enabling growth through having the right infrastructure, like roading and pipes, and administrative things like zoning and building consents, means that new suburbs and housing areas can be developed. This kind of activity in the district generates jobs and economic growth. In addition to building new infrastructure, a portion of the existing infrastructure will be due for replacement. This is a great opportunity, but the provision of infrastructure also involves a lot of cost and that is where the challenge arises.

The early years of our Long-Term Plan (LTP) focuses on drawing back to alleviate short-term cost burdens on ratepayers, while Council focuses on planning ahead.

Economic growth

A key driver of growth in Ōpōtiki is its focus on economic development. The district aims to leverage its existing assets, particularly the new Ōpōtiki Harbour, to stimulate economic activity. The Harbour is expected to play a crucial role in the development of the aquaculture industry, which has long been a focal point of the local economy. The Council envisions this growth will generate significant local employment opportunities, particularly in the marine and aquaculture sectors. As the industry develops, the Council is also planning to invest in supporting infrastructure to ensure that growth can be sustainable and beneficial for the community in the long term.

Ōpōtiki District Council's long term strategy emphasises the creation of a resilient and diversified economy, reducing reliance on a single industry or sector and promotes innovation. This diversification is essential for enhancing the district's economic stability and Council's aim to support innovation in industry, making the most of technology and new ideas. The district aims to attract and retain skilled workers by developing a competitive, high-quality living environment. The Council's investment in infrastructure and services, along with embracing new ideas will support this objective, creating conditions that enable businesses to thrive, and attracting new enterprise to the region.

Infrastructure Enhancements

The Council recognises that upgrading and expanding the district's infrastructure is critical to supporting the expected population and economic growth. Key infrastructure projects include upgrading transportation networks, improving water and wastewater systems, and enhancing public amenities such as parks and recreational facilities.

A focus area is the provision of modern and sustainable water and wastewater systems. As the population grows, maintaining a reliable and efficient water supply becomes essential. The Council is planning the renewal and expansion of its water infrastructure to meet future demand and ensure that environmental standards are upheld. These initiatives aim to support both the local community and the growing industries, ensuring that the infrastructure is resilient, efficient, and sustainable.

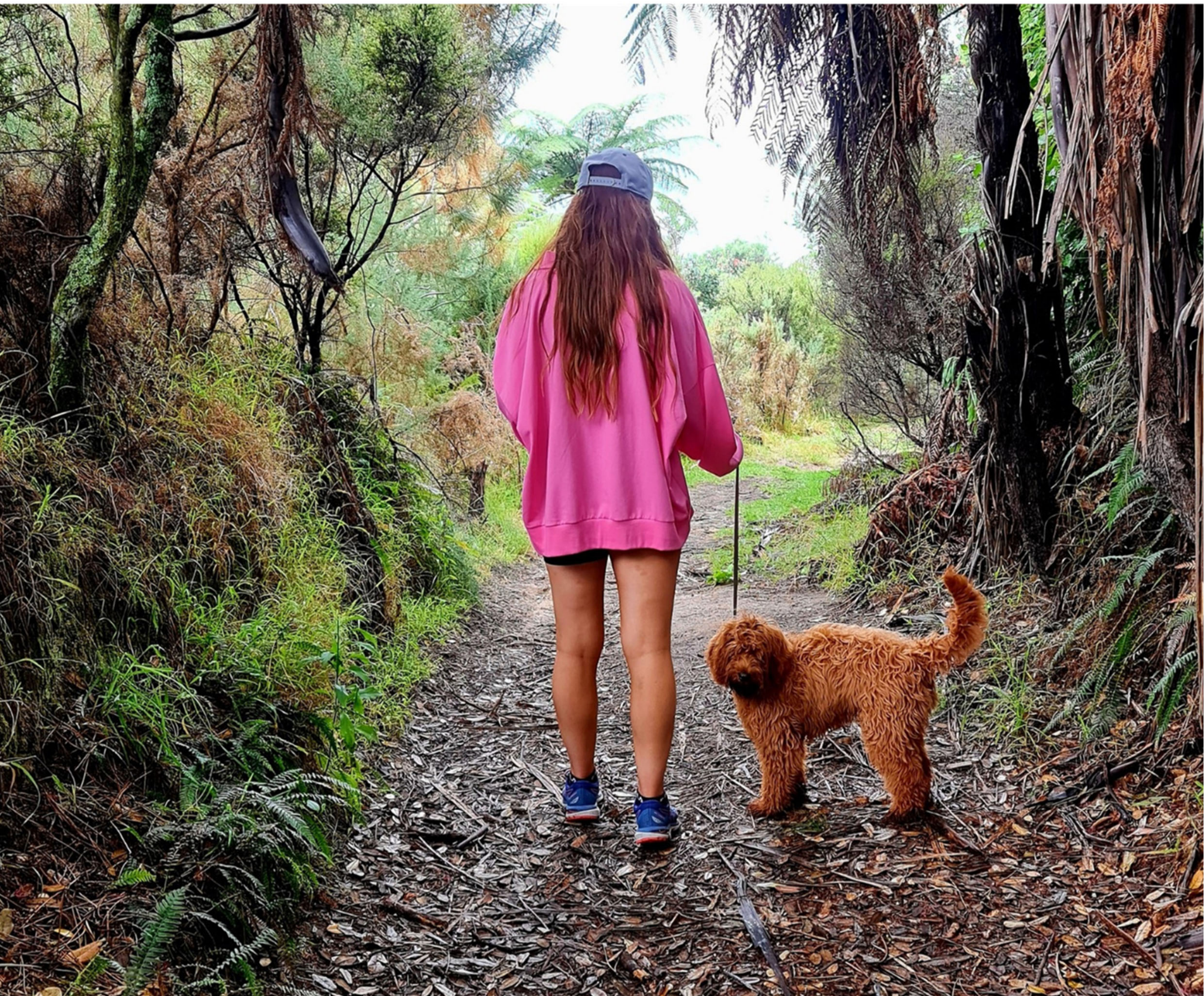
Additionally, the Council is working on enhancing public spaces. This includes improving local parks, recreational areas, and facilities that promote community interaction and well-being. Investing in these spaces not only enhances the quality of life for existing residents but also makes the district a more attractive place to live, work, and visit.

Balancing affordability

Supporting growth needs to be managed carefully because if we under resource, we're cutting off opportunities for Ōpōtiki and whānau who want to live, work, and play here. If we over resource, the community will be paying more than is strictly necessary. This is a balance we and many other councils need to manage. Our community members can see the benefit of growth, more economic activity, and attracting people to the district, but the financial investment required may hurt pockets in a way that is unsustainable.

The affordability challenges facing the Council can be seen in our Financial Strategy later in the report.

Council sets self-imposed caps/limits on our general and targeted rates increases, and although Council stays within these limits for the majority of the 2024-2034 LTP, there are some instances where Council is proposing to breach these limits. Council's other lever, debt, also has limits that need to be managed. You can read more in the Financial Strategy section of this document and in our 2024-2034 Long Term Plan on our website.



Eastern Bay Spatial Plan

Ōpōtiki is experiencing growth and development in key industries. These developments provide work opportunities and an attractive environment for people to remain in the district, return home, or move to the district to take advantage of these opportunities.

Council partnered with Whakatāne and Kawerau District Councils as well as the Bay of Plenty Regional Council to create a high-level, strategic plan for the Eastern Bay of Plenty region. The Eastern Bay Spatial Plan investigates how many dwellings will be required to address residential growth demand over the long term (30 years). It will make it very clear where we want to encourage people to build and develop.

The Spatial Plan projects that if the population of Ōpōtiki continues to grow at a moderate rate of 2600 people over the next 30 years, an additional 1400 houses would be needed. However, considering other factors such as the rising trend of building and resource consents, Council considers that up to 2280 more houses may be needed over the next 30 years. A large-scale solution is needed that can provide safe and affordable housing.

Hukutaia – Housing and Infrastructure

Hukutaia has long been on our radar as a logical next place to accommodate future growth and address the existing housing shortage. The Spatial Plan re-affirmed that Hukutaia is the ideal option as it is resilient in terms of climate change risks (flooding and coastal hazards) and most other land options have development restrictions due to being classed by the Regional Council as highly productive land and / or being costly to service.

Council is not a developer, but Council is doing the groundwork to be able to extend services and to rezone land to encourage and progress development of the Hukutaia Growth Area.

Council is reviewing the urban design elements of the Hukutaia Structure Plan and is undertaking further technical assessments to support an application to rezone the rural land for residential and commercial (mixed-activity) purposes. The rezoning will require a change to the District Plan through a plan change process.

Spaces and Places Strategy

Our Spaces and Places Strategy provides a blueprint for developing places for recreation, play and sport within the district. The strategy has been developed with locals for locals, this is the guiding principle of the strategy. Using this strategy we can apply a clear plan to establish, replenish and enhance the areas we use for sport, recreation and play. Whilst no set decisions have been made the strategy allows for exploring options and making the most of what we have in our district. Embracing new ways of doing things and being innovative in our approach will get the most out of this framework.

Operation of the harbour and wharf

Once the Ōpōtiki Harbour construction phase is complete, the costs shift from construction to operation and maintenance. The maintenance required includes dredging to ensure the channel remains navigable for different types of vessels and during particular seasons or weather events. We know that these costs, on top of rates increases, will place strain on a lot of our community.

As part of the 2024-2034 LTP Council agreed to defer funding the harbour activity from rates until year three of the plan. Instead, loan/debt funding will be used to cover the interim years. This lessons the rating impact on the community for the initial years but does not remove it altogether as Council will need to begin paying back the debt. As this is not sustainable long-term, funding the harbour from rates will commence in year three (2026/27) of the plan.

Capital Works Programme

In our 2024-2034 Long Term Plan Council constrained its works programme to be based on historic levels for years one to three, and further increasing in outer years. This approach will allow more time to carry out higher quality planning and enable the Council to increase its spend in the outer years of the LTP. More detail on this can be seen in the Infrastructure Strategy of the LTP.

Funding of depreciation/renewals

Depreciation for a Council is not like depreciation for a business or a private asset. Councils build assets which have 30-to-100-year lifespans, and we need to make sure that as they are replaced, there is adequate funding to do so based on today's prices.

In previous years, we have chosen not to fully fund depreciation because the rating impact was too great for our community to meet. While affordability remains a significant driving factor of Council's Financial Strategy, significant asset renewals are coming due in the lifespan of the LTP and the approach of previous years will not provide the certainty required.

Council has therefore opted for an approach called 'Long Run Average Renewal' of our assets. This means Council has set its funding level to the long run average cost of renewals over 30 years.

Climate Change

We've all experienced the increasing intensity and frequency of severe weather events over the last three years, and likely we all have whānau in other areas of Aotearoa who have been impacted.

As the local Council, we have a (legislative) responsibility to consider the well-being of the current and future population of the district. That includes taking into consideration the safety of living in certain areas that might be more exposed to risk in severe weather events. As we go into the next 10 years, this will be an area of steady focus for the Ōpōtiki District, like much of the nation.

Te Tiriti Settlements

On 27 May 2023 the signing of Te Whakatōhea deed settlement occurred. Te Whānau a Apanui also initiated a deed of settlement in late 2023 and Ngāi Tai have recently commenced settlement negotiations with the crown. These are historic events for the rohe and Council looks forward to playing a supporting role for our district's iwi.

The aspirations of our local iwi and opportunities enabled by settlement will play a significant role in the development and growth of the Ōpōtiki District over the next 10 years.

Reforms

Councils across Aotearoa are facing a wave of reforms and reviews, including changes underway or in the wings across three waters, resource management, climate change, emergency management, consenting and land use, infrastructure, electoral changes, mana whenua partnership, finances and benchmarking.

These changes require significant time and resource and the involvement and engagement of our communities to make sure we get the direction right, even when timeframes are very tight.

Of particular note:

Local Water Done Well – this is the current government's plan to address New Zealand's long-standing water infrastructure problems and transform the way drinking water, wastewater and stormwater are delivered. It replaces the previous government's Three Waters reforms. We must submit a water service delivery plan to the Government by 3 September 2025, so this project will be a significant focus over the coming years.

Resource Management Systems Reform – the Resource Management Act (RMA) is the main piece of legislation that sets out how we should manage our environment and by its nature it is one of the most complex pieces of legislation in the country. The government is working to replace the RMA with two new pieces of legislation. It will take some time to develop and implement the new system.

Waihau Bay Master Plan

The Waihau Bay Masterplan aims to support a sustainable and vibrant community by celebrating cultural heritage, supporting the fishing community, and protecting the environment. Created by Council alongside Te Whanau-ā-Pararaki, the Waihau Bay Sports Fishing Club, and the local community, the plan addresses challenges like traffic congestion, accessibility, safety, environmental concerns, and the need to enhance visual identity and amenities.

Key improvements include overflow parking for boats and trailers, improvements/upgrades to the boat ramp, safety and resilience improvements along the foreshore, and enhanced recreational spaces. These enhancements will improve the existing facilities and better serve the needs of all users, creating a welcoming environment that preserves the natural surroundings for future generations.

The implementation of the plan depends on funding from various sources, with detailed designs and budgets to be developed in future planning processes.

Our community priorities and strategic goals

We're structured to take on those challenges and achieve our goals

As part of our 2024-2034 Long Term Plan development, our organisation underwent a structure refresh to reshape the way we deliver services. The aim is to make sure we are aligned with Council's new strategic direction, community priorities, and goals, to be more effective in meeting community needs while working within existing budget limitations.

Our structure ensures we're also ready to support new opportunities for our district with clear and logical links between the strategic goals Council has set and our activity and leadership structure.

Our community priorities

Our Community Priorities reflect how we structure our Long Term Plan, the day-to-day mahi we do, and allow us to achieve our strategic direction and goals. Everything we do lines up to achieve them.

WHAKAAROTAU TUATAHI

Strong relationships and partners

We strive to establish, develop and maintain genuine relationships with iwi and hapū, community groups and stakeholders.

This is a priority because:
As a council, we recognise the importance of relationships of purpose and the value in working with partners toward shared outcomes. Our community wants Council to have a meaningful relationship with mana whenua. There is an understanding that strong relationships are essential, in the achievement of all our priorities.

Our strategic goals:

- Build respectful relationships with partners through engagement
- Ensure our service delivery aligns with supporting shared outcomes for our partners
- Align how we deliver services to better support shared outcomes for partners
- Simplify our regulatory processes to enable development and the priorities of iwi
- Influence and advocate as a collective to central government and other stakeholders.

WHAKAAROTAU TUARUA

Investment in our district

We advocate for and attract high-quality investment across our district.

This is a priority because:

Investment in our district will support growth and create sustained well-being for our communities. Council's role is to create relationships and connections to drive opportunities. We recognise increased commercial and business activity drives jobs and well-being for our people. Our community sees the important role investment can make in achieving prosperity.

Our strategic goals:

- Ensure mechanisms which support investment (e.g., spatial plan, district plan, masterplans) are developed, understood, and fit for purpose
- Be well informed and prepared to act on opportunities with a clear understanding of the long term costs and returns from the investment
- Align decisions and actions to support a return on current investments
- Implement processes to enable future investment to contribute to the four well-beings for our district.

WHAKAAROTAU TUATORU

Well-being is valued

We value the well-being, toi ora and engagement of all our communities, now and into the future.

This is a priority because:

Council is committed to making decisions which are informed by our communities through timely engagement and communication. Our overarching role as a council is to ensure the services, facilities, and projects we deliver support and enhance the well-being of our community. This includes visible and informed advocacy of the needs of our district.

Our strategic goals:

- Continue to deliver our core services and provide opportunities for our community to come together
- Ensure our places and spaces support and enhance well-being and toi ora
- Implement mechanisms to support equitable and informed decision making
- Advocate and support others to enhance the well-beings of our district.

WHAKAAROTAU TUAWHA

Our communities are resilient

We support our communities to make informed decisions about resilience and adaptation.

This is a priority because:
Our communities are aware of climate change and want to better understand the risks in order to be prepared, respond, and recover. Council is taking a proactive approach to understand the implications and financial responsibilities and ensuring our communities are not burdened with the impact.

Our strategic goals:

- Have an understanding of the risks facing our communities and work with others to proactively address these risks
- Enable emergency management to be well planned and delivered using a strengths-based model for our communities
- Ensure strategic infrastructure is identified, planned for, and prioritised
- Support our communities to adapt and change as needed through our regulatory and planning processes.

WHAKAAROTAU TUARIMA

Growth is sustained over time

We plan for a district which is future focused and ready for growth.

This is a priority because:
Our district is growing and there is a demand for a range of housing options. We understand the benefit that housing options brings to the district, such as supporting business growth and jobs, and providing security for our whānau. Council wants to enable development to occur within the district, this includes careful planning and development of supporting infrastructure.

Our strategic goals:

- Understand the drivers to support growth and utilise the mechanisms we have within our sphere of influence (e.g. targeted rates, development contributions)
- We work toward limiting land banking through rating mechanisms
- Support and advocate for workforce development and innovation across the district
- Promote our CBD to be a community hub and service centre for our district and beyond
- Ensure our polices and strategies for planning and infrastructure prioritise growth and development in identified areas.

Looking back at some recent achievements

Ōpōtiki Harbour

While work continues on the Ōpōtiki Harbour development, there have been significant milestones in the past two years. In 2023, the channel opened to recreational boaties and in 2024, the seawalls themselves were opened to pedestrians and visitors. The Ōpōtiki wharf has been upgraded to provide an interim loading and unloading space for mussel boats while work on the private marina gets underway.

Work on this award-winning project continues, with final dredging needed to remove more material this year. Work is also required to enable access to the western seawall and the huge restoration works on the dunes and wetlands on the western side of Pākihikura.

Community events and spaces

Ōpōtiki's community spaces and facilities grow in popularity each year. The council's events team have won awards for the innovative and community-led Matariki celebrations. The Ōpōtiki Lantern Festival had record turnout in 2025, with more than 4500 people on site during the day's events. Te Tāhuhu o Te Rangi the Ōpōtiki Library continues to see many people through the doors each day. Council also supports Motu Trails and has extended some cycleways to join these popular trails, including a well-used extension to Te Ahiaua Reserve at the pipi beds. In 2024, the main street of Ōpōtiki got a 'glow-up' with better lighting, pedestrian and seating areas, new paving and raised crossings. New tenants and a Council new-build also work together to make the town centre an attractive place to be.

Many of the recent upgrades to the town centre have been tied together in the vision provided by the town centre revitalisation project.

Strategy development

Given recent growth and change in the district stemming from harbour and related activity, council has been focussed on developing strategies to ensure we share a consistent vision, direction, and ambitions with partners and the community. This includes the Eastern Bay Spatial Plan, Regional Economic Development Strategy, and Spaces and Places strategies. You can read more about these throughout this document and on our website.

Māori wards and Representation review

Following the outcome of the non-binding poll held with the 2022 triennial election, Council resolved on 20 November 2023 to establish one or more Māori wards for the 2025 and 2028 triennial elections. Following this decision, Council undertook a 'representation review' an opportunity to consider how community voices are heard at the Council table and the best way to ensure a diversity of views in decision-making.

Following community consultation, Council adopted the proposal outlined on page 6 of this document, that is, a mayor elected 'at large', three councillors from two Māori wards, and four councillors from two General wards. This will be the first election held under this new ward structure.

Looking to the future with our major projects

Here is a quick snapshot of key projects we've identified across the different areas of Council. These projects are already on our books and more details on each of these is available in our 2024-2034 Long Term Plan. Together these projects will maintain and improve the essential services and infrastructure we need for our communities' welfare now and in the future.

Level of service **Renewal** **Growth**

Water supply

Council is planning a few key water reticulation renewal and upgrade projects. Specifically, for Ōpōtiki Town, this includes general renewals of existing assets as well as initiating incremental renewal of the water main from the Ōpōtiki Township Water Treatment Plant and general renewals of existing assets.

Improvement of the Te Kaha water supply is a focus for Council. The Te Kaha scheme currently sources water from a pair of surface infiltration wells in the bank of the Puremutahuri stream. During wet weather the fine silt from the stream bed makes it more difficult and costly to fully comply with the drinking water standards. Council has been seeking a ground water source to replace this historic surface supply and plans to relocate the water treatment plant.

	2026/27	2027/28	2028/29
	$000s	$000s	$000s
Ōpōtiki Town Reticulation Renewals	$73	$355	$367
Te Kaha Water Treatment Plant	$1,359		
Te Kaha Reticulation Upgrades		$542	$297

Stormwater

As part of the Hukutaia Growth project, funding has been allocated to install stormwater infrastructure to support new development. However, this funding is subject to contributions from developers.

The Portable Pumps and Permanent Sumps project is planned to increase our ability to respond to flooding in the township during wet weather and will enhance the overall performance of the stormwater system.

	2026/27	2027/28	2028/29
	$000s	$000s	$000s
Hukutaia Stormwater Infrastructure – Phase 01			$579
Ōpōtiki Town Portable Pumps & Permanent Sumps	$234	$674	

Wastewater

As part of the Hukutaia Growth project, funding has been allocated to install wastewater infrastructure to unlock new development. However, this funding is subject to contributions from developers.

The Ōpōtiki town Wastewater Treatment Plant (WWTP) is planned to have critical upgrades to ensure that Council is future proofing the system. Completion of upgrades to Ōpōtiki's primary pump station and rising main, along with wastewater reticulation rehabilitation works, will improve levels of service during wet weather.

	2026/27	2027/28	2028/29
	$000s	$000s	$000s
Hukutaia Wastewater Infrastructure – Phase 01		$280	$1,447
Ōpōtiki Town WWTP Upgrade	$1,316	$839	$1,961
Pump station & Rising Main Upgrade	$781	$1,229	$1,273
Ōpōtiki Town Reticulation Rehabilitation	$1,202	$1,246	$1,290

Land Transport

As part of the Hukutaia Growth project, funding has been allocated to make improvements to roading infrastructure to support new development. However, this funding is subject to contributions from NZTA and developers.

Council roading projects are generally subsidised with an NZTA funding rate of 75%. Our subsidised roading programme includes roadside drainage renewals, sealed road pavement rehabilitation, sealed road resurfacing and unsealed road metalling.

	2026/27	2027/28	2028/29
	$000s	$000s	$000s
Hukutaia Growth – Minor Rd Improvements	$160	$163	$167
Drainage Renewals	$139	$149	$156
Sealed Road Pavement Rehabilitation	$668	$408	$654
Sealed Road Resurfacing	$795	$1,044	$920
Unsealed Road Metalling	$200	$211	$217

Solid Waste

Council has planned various upgrades and renewal works across all three Resource Recovery Centres to maintain facilities to a good operational standard and meet our health and safety responsibilities.

	2026/27	2027/28	2028/29
	$000s	$000s	$000s
Ōpōtiki Town RRC upgrades	$164	$63	
Ōpōtiki Town RRC renewals	$495	$429	$365
Te Kaha RRC upgrades	$101		
Te Kaha RRC renewals	$75	$38	$39
Waihau Bay RRC upgrades	$80	$55	$56
Waihau Bay RRC renewals	$48	$60	$306

Parks and Reserves

Hukutaia Domain is a key project with $400,000 allocated over two years to develop and expand this area. Other key projects include a new playground for Waiotahe drifts and a few renewals or upgrades for public toilet facilities throughout the district.

	2026/27	2027/28	2028/29
	$000s	$000s	$000s
Hukutaia Domain Expansion	$200	$200	
Waiotahe Drifts Playground		$261	
Toilet Renewals			$160
Toilet Upgrades		$313	

Cycleways

Council plan to complete the extension of Waiotahe Cycleway towards Waiotahe River to connect with the Bryans Beach and Ōhiwa Harbour cycle trail.

	2026/27	2027/28	2028/29
	$000s	$000s	$000s
Ōhiwa/Waiotahe Cycleway	$54	$1,087	$1,110

Financials

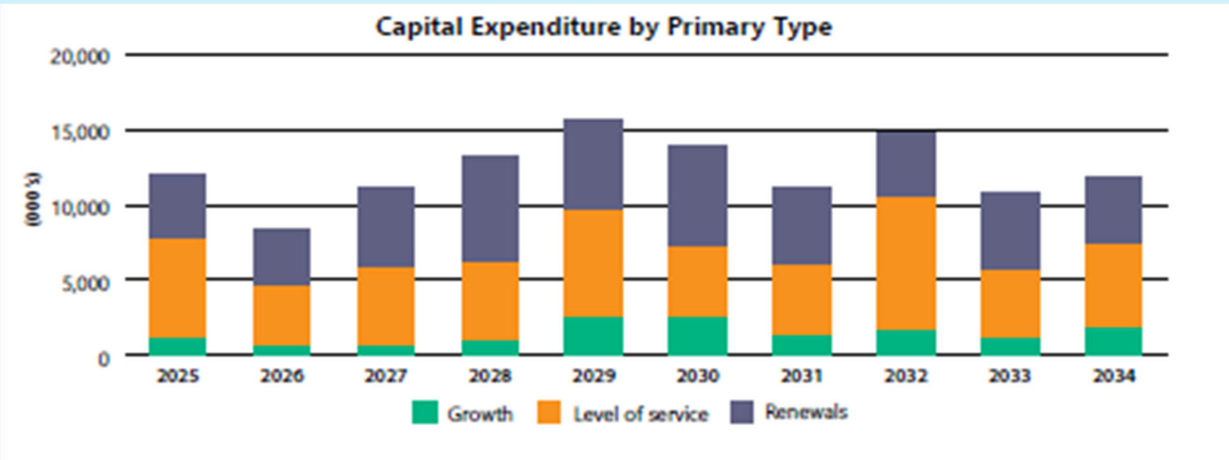
Council is a large and complex business. Each of Council's activities are made up of several services that our communities receive. The cost of doing business is driven by several factors, including the level of service, the growth in population, and the assets required to deliver the services to the community.

To ensure financial sustainability and affordability, it is important Council continues to have a very good understanding of its expenditure. It needs to be clear as to what it is spending money on and why.

There are two types of expenditure: operational expenditure and capital expenditure. Operational expenditure is spent in enacting the 'business as usual', every-day mahi, and includes the costs incurred in delivering levels of services for the community. Capital expenditure is money spent buying, renewing, or upgrading assets, such as equipment, buildings, and pipes. Council's spending is generally for one or more of the following purposes:

- Maintaining existing service levels – the 'business as usual' cost to deliver services including maintenance and operations
- Increasing service levels – additional cost to improve services.
- Adding capacity for growth – extending a service for new households or other growth.

Council's top priority, while facing the key priorities and challenges in its 2024-2034 Long Term Plan, is to keep costs low for the community while also ensuring the district is adequately and appropriately positioned for the future. The focus in the LTP was on pulling back, reducing services, and minimising spend as much as possible to mitigate the cost burden on ratepayers.
This is intended to help the organisation better prepare for expected growth and future capital expenditure requirements.



Our key financial principles

1. Council's Financial Strategy aligns with and enables Council to deliver the Community Priorities. In particular:

Community Priority One: Strong Relationships and Partners:
Council will develop and engage in meaningful and strategic partnerships. We understand that intentional and strong relationships improve everyone's ability in working towards goals, and that through these relationships, Council will be enabled to better serve the community.

Community Priority Two: We advocate for and attract high-quality investment across our district
Council recognises that increased commercial and business activity drives jobs and well-being for our people. We will ensure mechanisms, such as those set out in our 2024-2034 LTP, support investment capacity and Council's ability to act on opportunities that will enhance well-being, without creating overwhelming affordability concerns for our communities.

Community Priority Three: We support the well-being, toi ora and engagement of all our communities, now and into the future.
The overarching role of Council is to ensure the services, facilities, and projects we deliver support and enhance the well-being of our community. Prudent and strategic financial considerations and decision-making is fundamental to this.

Community Priority Four: We support our communities to make informed decisions about resilience and adaptation:
Council will take a proactive approach to understand the implications and financial responsibilities of climate adaptation and resilience, and a proactive approach to ensuring our communities are not burdened with the impact.

Community Priority Five: We plan for a district which is future focused and ready for growth
Council aims to enable development within the district as we understand such growth supports businesses, jobs, and opportunities for our rohe. This includes careful financial planning and development of supporting infrastructure.

2. Affordability for our community is the key pillar of consideration. Council is committed to enacting purposeful alternative funding mechanisms wherever possible and being prudent in order to maintain affordability, within realistic means.

3. Council is 'facing the facts' – Council will be proactive and no nonsense about the realities required to keep costs affordable for our communities while also delivering desired levels of service as much as possible.

4. Council's approach to funding is communicated transparently with the community, through documents such as the Financial Strategy, the Revenue and Financing Policy, and other supporting documents.

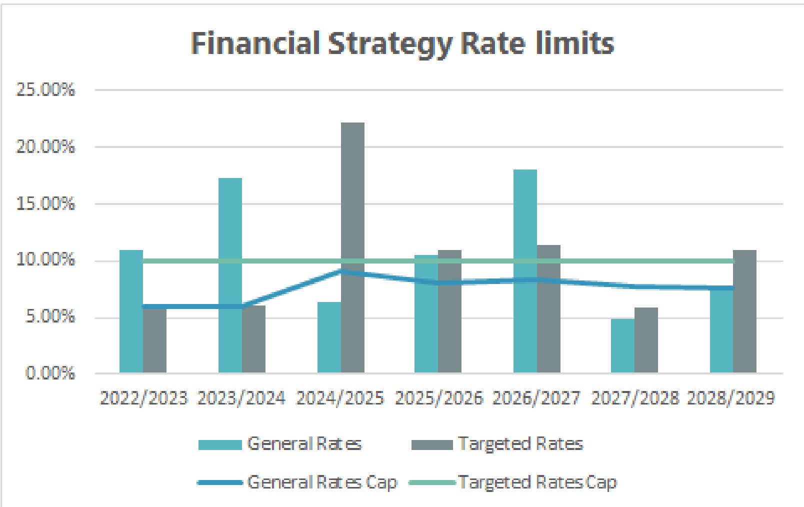
Financial Strategy

Council's financial strategy sets out self-imposed limits on rate increases.

The general rate increases is above this limit in Years 2 and 3 of the Long Term Plan. The rationale for each breach is provided below:

- Year 2: As discussed above, Council is facing a significant challenge funding renewal of infrastructure assets. These breaches are required for Council to ensure the renewals programme is being prudently and appropriately funded for, without significant peaks or unrealistic lows of rates increases.
- Year 3: Funding of the harbour operation/maintenance activity from rates is expected to commence during this year. This is driving the proposed breach in year 2027.

The targeted rate increase is above this limit in Years 1, 2, 3 and 5 of the LTP as a result of Council's new direction to redistribute target rate funded activities away from the general rate funding allocation. The initial level of shift in allocation accounts for the breach in Year 1 and is forecast to trickle into Years 2 and 3 (2027). This shift in direction was consulted on through the Revenue and Financing Policy. The breach in Year 5 reflects the decision to delay the rate funding of the Harbour activity in the earlier years.

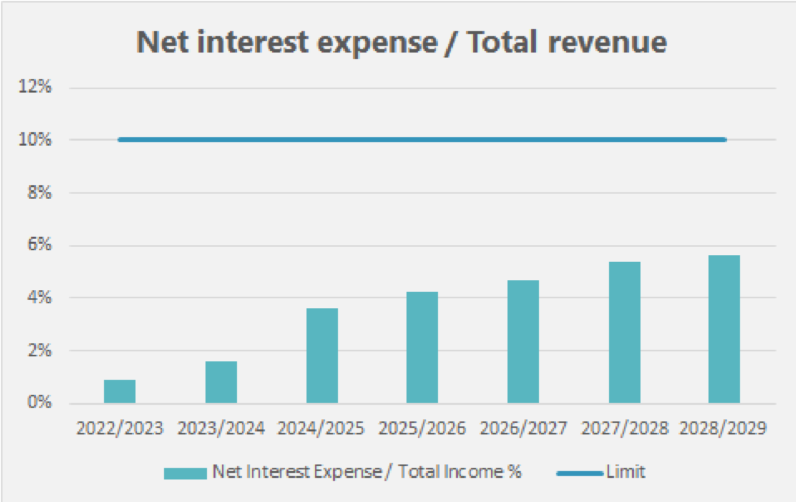


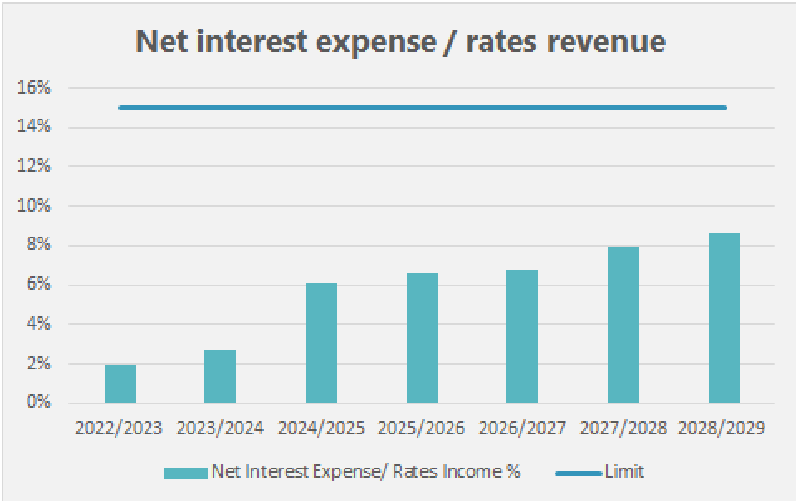
Debt servicing

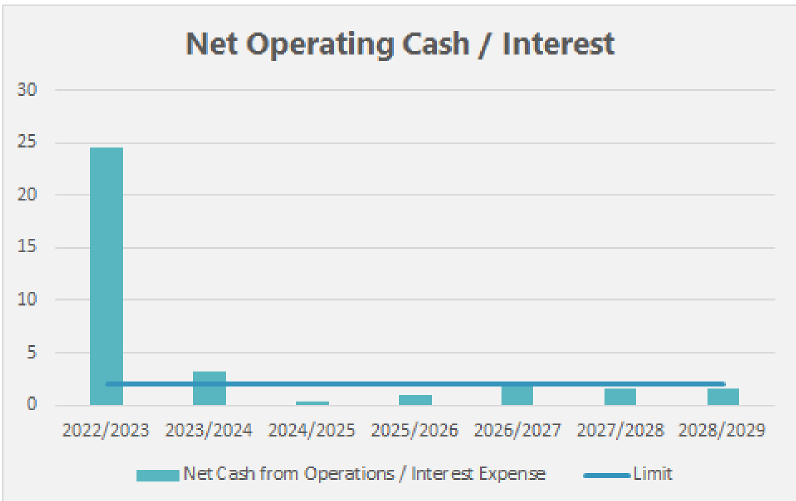
Council intends to increase borrowing over the life of the 2024-2034 LTP in order to fund the major projects. The debt financing of these projects will ensure equitable rating impacts on current and future generations as most of these assets have very long lives.

Council recognises the need to manage its finances sustainably and affordably and has established borrowing parameters to ensure investment priorities are carefully considered and within the community's financial reach. These limits are derived from Council's existing treasury and liability management policy.

Note that the projected budgeted figures shown here are taken from the current long term plan and do not include any adjustments as a result of the proposed three-waters reform. These reforms will have a significant impact on Council's debt profile and balance sheet as the current LTP forecasts significant loan funded capital expenditure in these activities.







Funding Impact Statement

The Local Government (Rating) Act 2002 and the Local Government Act 2002 requires each Council to prepare a funding impact statement disclosing the revenue and financing mechanisms it intends to use. This statement is prepared in a different format to most other financial statements and essentially sets out, in a single statement, the sources of operating and capital funding for all of Councils activities.

The form of this statement has been prescribed in legislation. This format is intended to provide a more readily understandable picture of what Council is spending money on, and how those expenditures are funded, namely, the sources of funding used, the amounts of funds expected to be produced from each source and how the funds are to be applied.

Ōpōtiki District Council - Whole of Council Funding Impact Statement for 30 June	**2023 Annual Report 2022/23**	**2024 Annual Report 2023/24**	**2025 Annual Plan / LTP 2024/25**	**2026 Annual Plan 2025/26**	**2027 LTP (forecast) 2026/27**	**2028 LTP (forecast) 2027/28**	**2029 LTP (forecast) 2028/29**
Sources of operating funding							
General rates, uniform annual general charge, rates penalties	9,473	11,130	12,351	13,642	16,106	16,895	18,145
Targeted rates	3,441	3,685	3,332	3,697	4,118	4,362	4,838
Subsidies and grants for operating purposes	3,457	3,824	3,398	3,628	2,967	3,016	3,109
Fees and charges	1,752	1,708	2,874	2,944	3,433	3,516	3,597
Interest and dividends from investments	83	117	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	244	187	105	107	110	134	137
Total operating funding (A)	**18,450**	**20,651**	**22,060**	**24,018**	**26,733**	**27,923**	**29,826**
Applications of operating funding							
Payment to staff and suppliers	17,342	19,354	20,843	21,758	22,783	23,443	24,604
Finance costs	330	523	951	1,149	1,361	1,690	1,982
Other operating funding applications	-	-	-	-	-	-	-
Total applications of operating funding (B)	**17,672**	**19,877**	**21,793**	**22,907**	**24,144**	**25,133**	**26,586**
Surplus (deficit) of operating funding (A - B)	**778**	**774**	**266**	**1,111**	**2,589**	**2,789**	**3,240**
Sources of capital funding							
Subsidies and grants for capital expenditure	5,719	4,229	4,012	2,385	1,665	2,651	2,781
Development and financial contributions	53	50	84	557	468	810	2,535
Increase (decrease) in debt	2,500	3,000	7,116	4,737	5,711	6,459	5,809
Gross proceeds from sale of assets	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-
Total sources of capital funding (C)	**8,272**	**7,279**	**11,212**	**7,680**	**7,844**	**9,921**	**11,125**
Application of capital funding							
Capital expenditure							
- to meet additional demand	489	2,612	1,050	515	620	838	2,477
- to improve the level of service	3,146	1,996	5,951	4,423	4,810	4,650	5,623
- to replace existing assets	9,143	3,338	4,478	3,852	5,003	7,222	6,266
Increase (decrease) in reserves	688	319	-	-	-	-	-
Increase (decrease) in investments	(4,416)	(212)	-	-	-	-	-
Total applications of capital funding (D)	**9,050**	**8,053**	**11,479**	**8,791**	**10,433**	**12,710**	**14,365**
Surplus (deficit) of capital funding (C - D)	**(778)**	**(774)**	**(266)**	**(1,111)**	**(2,589)**	**(2,789)**	**(3,240)**
Funding balance ((A - B) + (C - D))	-	-	-	-	-	-	-

Summary Balance Sheet

Council remains in a conservative and strong financial position. Debt remains very low initially and is forecast to increase as significant capital works are undertaken.

As at 30 June	Annual Report 2022/23 000's	Annual Report 2023/24 000's	Annual Plan / LTP 2024/25 000's	Annual Plan 2025/26 000's	LTP (forecast) 2026/27 000's	LTP (forecast) 2027/28 000's	LTP (forecast) 2028/29 000's
ASSETS							
Current Assets							
Cash & Cash Equivalents	3,091	2,446	4,504	4,504	4,504	4,504	4,504
Debtors & Other Receivables	3,458	3,718	3,175	3,234	3,297	3,357	3,417
Prepayments	135	310	199	202	206	210	214
Inventory	51	37	-	-	-	-	-
Available for Sale Assets	-	-	51	52	53	54	55
Total Current Assets	**6,735**	**6,511**	**7,928**	**7,993**	**8,060**	**8,125**	**8,189**
Non-Current Assets							
Investment Property	4,769	5,367	4,769	4,859	4,953	5,043	5,133
Investment in Associate	33	33	33	33	33	33	33
- Investments in CCO's and Other Similar Entities	211	286	211	211	211	211	211
Property, Plant & Equipment	343,319	357,334	348,164	363,246	370,177	377,432	401,844
Intangible Assets	36	188	36	36	37	38	38
Total Non-Current Assets	**348,368**	**363,208**	**353,212**	**368,385**	**375,410**	**382,756**	**407,259**
TOTAL ASSETS	**355,103**	**369,719**	**361,141**	**376,378**	**383,471**	**390,881**	**415,448**
LIABILITIES							
Current Liabilities							
Trade Payables and Deferred Revenue	7,103	5,881	6,820	6,963	7,111	7,253	7,396
Borrowings	-	6,000	-	-	-	-	-
Employee Benefit Liabilities	555	518	555	567	579	590	602
Provisions	9	9	-	-	-	-	-
Total Current Liabilities	**7,667**	**12,408**	**7,375**	**7,529**	**7,690**	**7,843**	**7,998**
Non-Current Liabilities							
Borrowings	9,500	6,500	17,647	22,384	28,095	34,554	40,363
Provisions	51	44	59	61	62	63	64
Total Non-Current Liabilities	**9,551**	**6,544**	**17,706**	**22,445**	**28,157**	**34,617**	**40,427**
TOTAL LIABILITIES	**17,218**	**18,952**	**25,082**	**29,974**	**35,847**	**42,461**	**48,425**
NET ASSETS (assets minus liabilities)	**337,885**	**350,767**	**336,059**	**346,404**	**347,624**	**348,420**	**367,023**
EQUITY							
Retained Earnings	153,007	152,140	150,820	149,414	148,547	149,031	151,618
Asset Revaluation Reserves	182,379	195,809	182,677	194,427	196,515	196,827	212,843
Council Created Reserves	2,499	2,818	2,562	2,562	2,562	2,562	2,562
TOTAL EQUITY	**337,885**	**350,767**	**336,059**	**346,404**	**347,624**	**348,420**	**367,023**

Getting Involved

If you are thinking about becoming a representative of Council, or as part of the Coast Community Board, keep an eye out for details of candidate events we will be hosting. Councillors are the decision makers in local government and as a Councillor you will need to attend council meetings and workshops and be the connection to our community. The Coast Community Board represents the coast community within the council and advocates on their behalf.

2025 Local Government Elections Key Dates

Friday 4 July 2025
Nominations open
Electoral roll is open for inspection

Friday 1 August 2025
Nominations close (12 noon)
Electoral roll is closed

From Tuesday 9 September 2025
Delivery of voting documents

Saturday 11 October 2025
Election day
Voting closes 12 noon

Friday 17 October 2025
Official results announced

PŌTI 2025
NGA PŌTITANGA Ā-ROHE

VOTE 2025
LOCAL ELECTIONS