

Your assets, your community, your future

OUR PLAN IN ACTION

An information document on year two of the Ōpōtiki District 2018-2028 Long Term Plan



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We're on track



John Forbes, Mayor

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.



Aileen Lawrie, CEO

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.

Tell us what you think

As we are not planning any major exceptions to what we said we would do in year two of the 2018-2028 Long Term Plan we're not formally consulting but you can still let us know:

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?

Check out www.odc.govt.nz/draftannualplan to send us feedback or you can call, write, or email us.

Major projects for 2019/20

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 area, 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 Mōtū 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.

Following receipt of roading subsidies from the New Zealand Transport Agency (NZTA), budget has been allocated for additional road formation, drainage, kerb and channel and footpaths in the Ōpōtiki urban area.

An additional street length (typically a block length of 220m) will help address the lack of roading infrastructure in large parts of Ōpōtiki.



What will Rates be for 2019/20?

*Summary rates excluding GST and Regional Council Rates

Property Type	Capital Value	2018/19 Rates	2019/20 Rates	\$ Increase	% Increase
Ōpōtiki Property	\$ 100,000	\$ 1,625	\$ 1,706	\$ 81	5%
Ōpōtiki Property	\$ 200,000	\$ 1,973	\$ 2,055	\$ 82	4%
Ōpōtiki Property	\$ 300,000	\$ 2,321	\$ 2,404	\$ 83	4%
Hukutaia/Woodlands Property	\$ 200,000	\$ 1,522	\$ 1,576	\$ 54	4%
Hukutaia/Woodlands Property	\$ 300,000	\$ 1,870	\$ 1,926	\$ 56	3%
Hukutaia/Woodlands Property	\$ 500,000	\$ 2,566	\$ 2,624	\$ 58	2%
Ōhiwa Property on water	\$ 300,000	\$ 2,233	\$ 2,266	\$ 33	1%
Ōhiwa Property on water	\$ 500,000	\$ 2,930	\$ 2,965	\$ 36	1%
Rural Residential Property	\$ 100,000	\$ 788	\$ 806	\$ 18	2%
Rural Residential Property	\$ 200,000	\$ 1,136	\$ 1,155	\$ 19	2%
Rural Residential Property	\$ 300,000	\$ 1,484	\$ 1,504	\$ 21	1%
Rural Property	\$ 500,000	\$ 2,180	\$ 2,203	\$ 23	1%
Rural Property	\$ 1,000,000	\$ 3,920	\$ 3,950	\$ 29	1%
Rural Property	\$ 5,000,000	\$ 17,844	\$ 17,925	\$ 80	0%
Te Kaha on water	\$ 100,000	\$ 1,176	\$ 1,121	-\$ 55	-5%
Te Kaha on water	\$ 200,000	\$ 1,525	\$ 1,471	-\$ 54	-4%
Kiwifruit Property	\$ 2,000,000	\$ 7,401	\$ 7,444	\$ 42	1%
Kiwifruit Property	\$ 5,000,000	\$ 17,844	\$ 17,925	\$ 80	0%
Commercial/Industrial Property	\$ 100,000	\$ 2,333	\$ 2,400	\$ 67	3%
Commercial/Industrial Property	\$ 200,000	\$ 2,681	\$ 2,749	\$ 68	3%
Commercial/Industrial Property	\$ 500,000	\$ 3,725	\$ 3,797	\$ 72	2%
Commercial/Industrial Property	\$ 1,000,000	\$ 5,466	\$ 5,544	\$ 78	1%

Forecast funding impact statement

	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	8,406
Targeted rates	2,485	2,786	2,586
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	14,298
Applications of Operating Funding			
Payments to staff and suppliers	11,527	11,994	12,519
Finance costs	297	646	513
Other operating funding applications	-	-	-
Total applications of operating funding (B)	11,824	12,640	13,032
Surplus (deficit) of operating funding (A-B)	2,108	2,040	1,266
Sources of capital funding			
Subsidies and grants for capital expenditure	2,501	18,638	17,754
Development and financial contributions	-	-	-
Increase (decrease) in debt	13,181	10,609	12,158
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	15,682	29,247	29,912
Applications of capital funding			
Capital expenditure			
- to meet additional demand	1,727	20,634	19,624
- to improve the level of service	8,048	3,900	4,771
- to replace existing assets	8,015	6,753	6,773
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	17,790	31,287	31,168
Surplus (deficit) of capital funding (C-D)	(2,108)	(2,040)	(1,256)
Funding Balance ((A-B)+(C-D))	-	-	-

**\$31.2M
CAPITAL
EXPENDITURE**

As budgeted in the LTP.

\$24.7M DEBT

A decrease of \$4M from the \$28.7M forecast in LTP.

**\$15.9M
OPERATIONAL
EXPENDITURE**

Minor change from \$15.3M as forecast in LTP.

**\$14.2M
OPERATING
FUNDING**

Minor change to \$14.7M forecast in LTP.

**3.63%
PROPOSED
TOTAL RATES
INCREASE**

2.61% lower than the 6.24% increase forecast in LTP.

Forecast statement of financial position

	LTP 2018/2019	LTP 2019/2020	Budget 2019/2020
ASSETS			
Current Assets			
Cash and cash equivalents	4,727	4,991	3,951
Debtors and other receivables	4,230	4,374	3,726
Prepayments	51	58	132
Total Current Assets	9,008	9,423	7,809
Non-Current Assets			
Plant, property and equipment	212,918	241,546	238,650
Intangible assets	154	161	137
Investment Property	2,259	2,309	2,551
Other financial assets			
Investment in CCDs and other similar entities	110	110	-
Investment in Associates	91	101	190
Total Non-Current Assets	215,532	244,227	241,528
TOTAL ASSETS	224,540	253,650	249,337
LIABILITIES			
Current Liabilities			
Creditors and other Payables	4,403	4,817	4,534
Employee entitlements	315	326	387
Borrowings	1,500	1,500	-
Total Current Liabilities	6,218	6,643	4,921
Non-Current Liabilities			
Provisions	148	155	156
Borrowings	16,681	27,291	24,716
Total Non-Current Liabilities	16,829	27,446	24,872
TOTAL LIABILITIES	23,047	34,089	29,793
EQUITY			
Retained Earnings	134,775	152,908	152,525
Asset Revaluation Reserves	65,988	65,988	66,075
Council Created Reserves	1,230	670	944
TOTAL EQUITY	201,993	219,566	219,544