



ANNUAL PLAN 2022-23



Annual Plan 2022-23

A MESSAGE FROM THE MAYOR AND COUNCILLORS	3
TE TIRITI O WAITANGI	4

Our Plan

OUR PLAN FOR 2022-23	7
WHOLE OF COUNCIL - FUNDING IMPACT STATEMENT	9

Our Services

GROUPS OF ACTIVITIES	11
COMMUNITY SERVICES	12
WATER	14
TRANSPORT	17
COMMUNITY FACILITIES	20
WASTEWATER	24
SOLID WASTE	27
STORMWATER	30
DEMOCRACY AND PLANNING	32
INVESTMENTS	34
ECONOMIC DEVELOPMENT	37

Our Finances

FINANCES	40
ACCOUNTING POLICIES	48
FUNDING IMPACT STATEMENT	56

“

Together,
we can ensure the Taupō District
continues to remain the vibrant and
attractive heart of the North Island.

”



A MESSAGE FROM THE MAYOR AND COUNCILLORS

Welcome to the Taupō District Council's Annual Plan for the 2022-23 year.

Our Annual Plan sets out what projects we will carry out, the services we will deliver and how we will deliver them over the next 12 months. It reflects year two of our Long-term Plan 2021-31 (LTP), which we consider to be our key contract with the community.

We have prepared this plan amid an adverse and unsettled environment overshadowed by the effects of the global Covid-19 pandemic. There are rising costs for households and businesses, building supplies can be hard to access and many of the contractors we rely on to get work done are very busy. Businesses have also been navigating an unprecedented level of sickness resulting in staffing shortages. This has also been the case for Council, where staffing shortages have had an impact on the work our team has been able to do. As a result, the adoption of our Annual Plan occurred a few weeks later than we anticipated.

In developing the plan, we have acknowledged the challenges our community are facing and recognised that we will need to be more flexible in how and when we deliver our services and new infrastructure. This has led to rethinking and reprioritising our planned projects and activities.

We have adjusted our planning to ease the financial burden while continuing to invest in core infrastructure and delivering a wide array of services to meet the community's needs.

In our Long-term Plan we forecast an average rates increase of 7.35 per cent for the 2022-23 financial year, with increases easing over following years.

That planned increase reflected the growth in the amount of work that we need to do to ensure that our communities have what they need to grow. As we started consultation for this Annual Plan, the forecast increase rose to 8.35 per cent, largely due to a doubling of the cost of carbon credits we must buy to offset our emissions. At the same time, the affordability of the projects in the Long-term Plan has been impacted by severe constraints on resources and supplies, along with high inflation.

After listening to our community, we have been able to find further cost savings and efficiencies across our projects and activities. We still plan to provide the infrastructure and services that we initially signalled, but we have absorbed most of the additional costs associated with inflation through internal cost savings.

As a result, we have managed to reduce the 2022-23 average rates increase to 7.07 per cent. The change in

rates will be different for every property, but using this average helps us to compare the changes from one year to the next.

During hearings and deliberations, Council agreed that we would not bring forward the feasibility study for a second bridge across the Waikato River at this point in time. This will help avoid a significant increase in the operating costs over the coming year. It is important to note that this decision will not adversely affect the timing of construction, which is still planned to occur outside of the current Long-term Plan timeframe.

In reprioritising our capital expenditure for 2022-23, we have planned to spend some extra in selected areas. Examples include an outlay to achieve the full aims of the government-funded Taupō Town Centre Transformation project and bringing forward water infrastructure upgrades to ensure safety of supply.

In this Annual Plan, you will also see we have agreed to remove the Five Mile Bay targeted rate in response to our agreement to align water schemes across the district. In addition, you will find an increase in the Towncentre Taupō management rate paid by CBD businesses, an increase in solid waste rates as a result of increased requirements placed upon us by central government, and a reduction of the Tūrangi Tongariro Community Board rate as a result of its disestablishment in October 2022.

We also continue to provide a high level of services that contribute to community wellbeing – such as our parks and green spaces, our libraries, recreation centres and pools.

Overall, in this plan we have kept a weather eye on the current and future needs of our community and sought to achieve a balance by cutting our financial coat according to our available cloth. Despite current adversities, we are heartened by the abiding can-do spirit of our community and look forward to helping our people embrace emerging opportunities as New Zealand re-opens to the world.

We look forward to working with our communities and key stakeholders over the coming year as we bring this Annual Plan to life. Together, we can ensure the Taupō District continues to remain the vibrant and attractive heart of the North Island.

Naku te rourou nau te rourou ka ora ai te iwi – With your basket and my basket the people will live.

TE TIRITI O WAITANGI

Kei te hāngai tika atu Te Kaunihera a Rohe o Taupō ki ngā ture o Te Tiriti o Waitangi me te mau mōhio ko te honongatahi te pūtake o Te Tiriti. E ai ki tēnei kia mahi tahi tātou ki runga i te whakaponono me te ngākaunui ki te whakamana i tēnei hononga. Kei te mōhio mātou he rerekē ngā takohanga kei waenganui i te Karauna hei kawenga ma te Kaunihera a Rohe o Taupō.

Ka hāngai tika atu Te Kaunihera a Rohe o Taupō ki ngā mātāpono mo te honotahi (ki te mahi tahi i tēnei whakakotahitanga) kia uru tahi (te Māori ki ngā mahi a te Kaunihera), te tiaki (te whakatakoto i ngā tikanga me te tiaki i ngā tāonga o te iwi Māori) ki roto i a mātou whakaritenga mahi, ngā manahau me te whakatakoto kaupapa.

Ka mahitahi Te Kaunihera a Rohe o Taupō ki te iwi, me ngā hapū ki te whakamana i te ture mo ngā whakataunga o Te Tiriti me ētehi atu kaupapa ka puta mai i ēnei mahi.

Kei te mau uara Te Kaunihera a Rohe o Taupō mo to mātou hononga ki te iwi Māori kei roto i to tātou rohe. He roa ake te wā e piritahi pēnei, ka mau pono mātou ki te whakarei me te atawhaitia ki roto i ā mātou mahi me ngā wā ka hui tahi mātou ki ngā hapū, me te iwi Māori.

Ki te mau mārō o tātou honotahi, ka taea te Kaunihera ki te tukutuku ngā hua ki runga ake o ērā ka taea te tuku me ko te Kaunihera anahe.

E rua ngā rēanga e tika ana ki o mātou hononga ki te iwi: ko te rangatira ki te rangatira, me te āpiha ki te āpiha. Ka mau hoki tēnei tikanga ki roto i ngā mahi katoa, kia whakawarea te iwi me ngā hapū i mua i te tīmatatanga o te mahi mo te whakatakoto kaupapa, ehara kei waenganui, kei te mutunga rānei o aua mahi.



THE TREATY OF WAITANGI

Taupō District Council is committed to meeting its statutory Tiriti O Waitangi obligations and acknowledges partnership as the basis of Te Tiriti. This requires both parties to treat and work with each other in good faith and show good will to reflect the partnership relationship. We acknowledge these responsibilities are distinct from the Crown's Treaty obligations and lie within a Taupō District Council context.

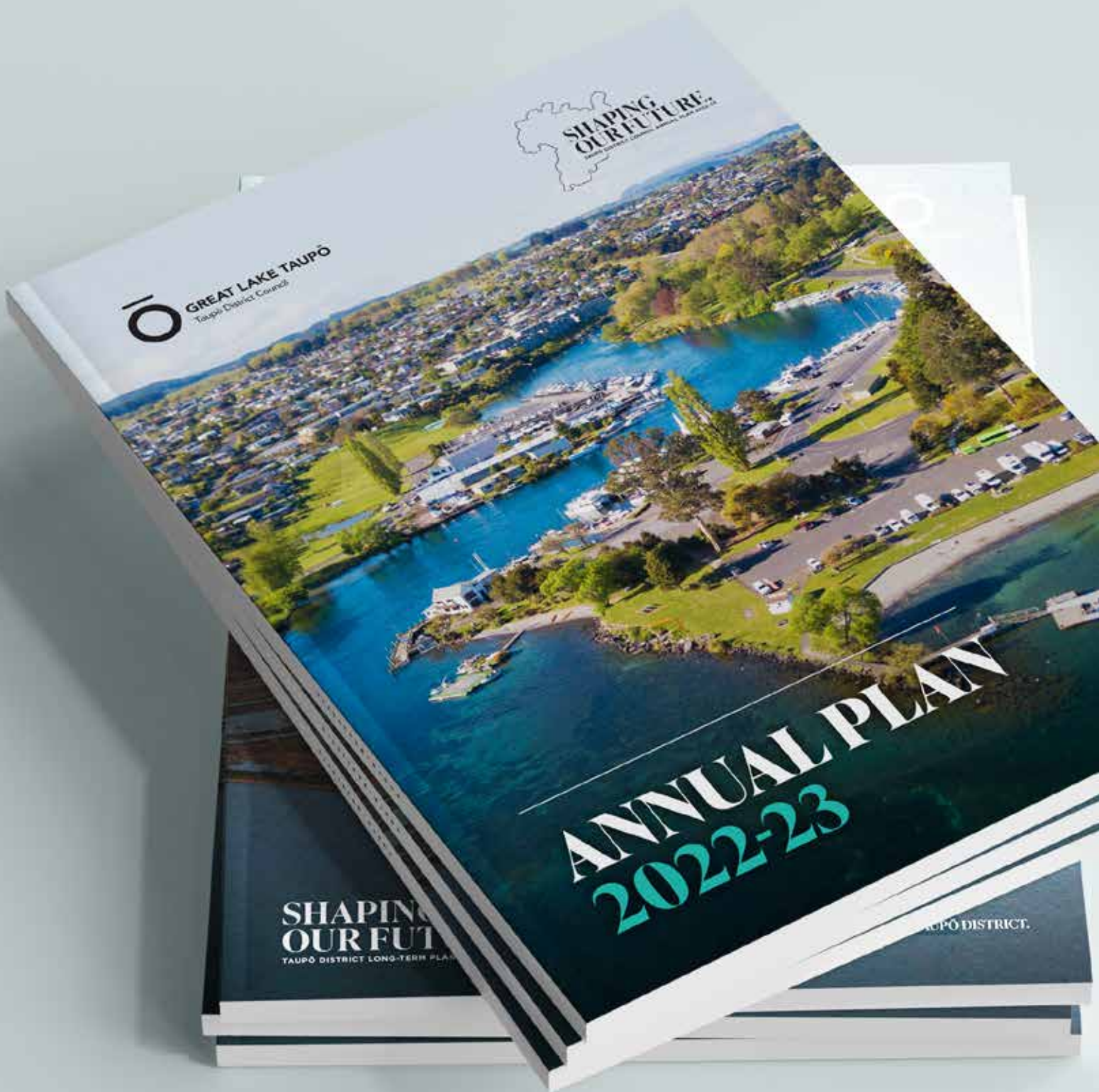
Taupō District Council will give effect to the principles of partnership (the duty to act in good faith in the nature of a partnership), participation (of Māori in council processes), protection (the duty to actively protect the rights and interests of Māori) in our services, activities and planning work.

Taupō District Council will work in partnership with iwi and hapū to give effect to Treaty settlement legislation and any provisions that result from these.

Taupō District Council values our relationships with Māori in our district. We have long standing relationships that we commit to enhance and foster in our day-to-day business; and when we engage hapū, iwi, Māori. Strong strategic partnerships can help the council to deliver outcomes that exceed what it can deliver alone.

Council relationships with our iwi partners operates at two levels: rangatira ki te rangatira (chief-to-chief) and officer-to-officer. This also includes our engagement processes - we will engage iwi partners right from the early stages of projects and planning.





OUR PLAN FOR 2022-23

This Annual Plan continues the implementation of the strategy set out in the Long-term Plan 2021-31 (LTP), with a focus on achieving the following goals for our district;

- Growing resilient economies
- Enhancing healthy and sustainable environments, and
- Enabling connected and safe communities.

Our strategy including financial and infrastructure strategies can be found in the 2021-31 LTP on our website www.taupo.govt.nz

When preparing the Annual Plan 22-23, we assessed the financial information and budgets against year 2 of the LTP. This assessment identified a number of differences as follows:

- The proposed average rates increase for 22-23 is 7.07%, a reduction from the 7.35% shown in the LTP.
- The gross debt forecast for 22-23 is \$193 million versus \$198 million shown in the LTP.
- Significant cost escalations for some capital projects. These have largely been due to the challenging economic conditions arising from the ongoing impacts of Covid-19.
- Deferral of some planned projects with the likelihood of deferring some of the projects which have not started if it is considered financially prudent to do so.
- There has been an increase in Council's investment income (TEL fund and other investments). This is due to changing market conditions that are expected to result in higher than originally forecasted returns.
- There has been an increase in other operating expenses that includes higher maintenance costs, emission scheme credits, electricity costs, and insurance costs.
- Timing changes to capital projects has resulted in lower than forecast debt, and depreciation, while the changing interest rate environment has increased interest costs.

Collectively, these changes represent a material and/or significant change from the path set out in our LTP for 2021-31, including a difference within funding impact statements.

Council has therefore consulted and engaged with the community to inform of proposed changes and gain community feedback. Following consideration of submissions at hearings and deliberations on 23 May 2022, Council:

- Noted a number of cost escalations are due to matters beyond Council's control or influence.
- Has agreed to proceed with Capital Projects as identified in the consultation document.
- Agreed to leave the feasibility study for a second bridge across the Waikato River in the 2025-26 financial year rather than bring it forward to 2022-23. This will help avoid a significant increase in the operating costs for the coming year. However, this will not adversely affect the timing of construction which is still planned outside of the current LTP.
- Confirmed the Fees and Charges for the 2022-23 financial year.
- Accepted an increase of \$18.36 in the Towncentre Taupō Management Rate which now totals \$384.46 for 2022-23.

ANNUAL PLAN DISCLOSURE STATEMENT

ANNUAL PLAN DISCLOSURE STATEMENT FOR YEAR ENDING 30 JUNE 2023

WHAT IS THE PURPOSE OF THIS STATEMENT?

The purpose of this statement is to disclose the council's planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings.

The council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations).

Refer to the regulations for more information, including definitions of some of the terms used in this statement.

BENCHMARK		PLANNED	MET
Rates affordability benchmark			
• income	Total rates revenue must not exceed 80% of operating revenues.	63.4%	Yes
• increases	LGCI + 2.5% which equals 5.0%	7.1%	No
Debt affordability benchmark			
	Gross external borrowing may not be more than 225% of annual operating income	149.0%	Yes
Balanced budget benchmark	>100%	113.2%	Yes
Essential services benchmark	> 100%	304.2%	Yes
Debt servicing benchmark	< 10%	8.00%	Yes

WHOLE OF COUNCIL - FUNDING IMPACT STATEMENT

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	49,035	52,439	51,015
Targeted rates	27,398	30,370	31,134
Subsidies and grants for operating purposes	3,523	3,359	3,085
Fees and charges	10,317	10,542	10,610
Interest and dividends from investments	1,584	1,705	3,323
Local authorities fuel tax, fines, infringement fees, and other receipts	1,167	1,200	1,220
Total operating funding (A)	93,024	99,615	100,387
Applications of operating funding			
Payments to staff and suppliers	65,075	66,884	68,785
Finance costs	7,358	8,000	9,395
Total applications of operating funding (B)	72,433	74,884	78,180
Surplus (deficit) of operating funding (A – B)	20,591	24,731	22,208
Sources of capital funding			
Subsidies and grants for capital expenditure	3,869	3,687	3,196
Development and financial contributions	8,844	7,199	8,086
Increase (decrease) in debt	12,009	19,392	29,819
Gross proceeds from sale of assets	9,025	4,777	15,811
Total sources of capital funding (C)	33,747	35,055	56,911
Application of capital funding			
Capital expenditure			
• to meet additional demand	3,504	3,248	3,248
• to improve the level of service	36,206	34,924	50,761
• to replace existing assets	20,081	18,387	20,551
Increase (decrease) in reserves	(5,453)	3,227	4,559
Total applications of capital funding (D)	54,338	59,786	79,119
Surplus (deficit) of capital funding (C – D)	(20,591)	(24,731)	(22,208)
Funding balance ((A – B) + (C – D))	-	-	-

OUR SERVICES



GROUPS OF ACTIVITIES

We deliver a range of services on behalf of the community which are reflected in the ten groups of activities:

Community Services

Water

Transport

Community Facilities

Wastewater

Solid waste

Stormwater

Democracy and Planning

Investments

Economic Development

These groups of activities reflect the core services that Council must undertake as required by the Local Government Act 2002. It also reflects the local public services that the community has signalled support for Council to provide.

COMMUNITY SERVICES

WHAT WE DO AND WHY WE DO IT

There are three activities that sit within the community services group of activities:

- Community engagement
- Regulatory services
- Emergency management.

COMMUNITY ENGAGEMENT

The community engagement activity involves working with our communities, developing partnerships and integrating co-governance to ensure people are supported and connected across our business.

Past examples of our community engagement work have included building strong local neighbourhoods through the “Our Neighbourhood, Our Future” programme, working alongside Māori to ensure that they are informed and engaged in decision making, and providing community grants to help achieve community aspirations.

Our focus going forward will build on this work and integrate localism into how we work with our communities. We want to provide opportunities to give smaller communities a voice in what we do while ensuring we are establishing and leveraging relationships regionally and nationally. We will place a particular emphasis on integrating a co-governance approach with iwi into how we work.

Strong and connected communities can help people to feel safe and engaged, which will help to make sure the Taupō district is a great place to live.

REGULATORY SERVICES

The regulatory activity includes:

- Registering, enforcing and ensuring compliance with regulatory functions relating to food premises, liquor outlets, electronic gaming machines.
- Undertaking animal control.
- Enforcing parking time restrictions.
- Processing resource consents and ensuring compliance with the District Plan and resource consent conditions.
- Processing building consent applications, inspecting buildings and enforcing the Building Act 2004.

We undertake the regulatory group of activities to ensure that our residents are safe and protected from nuisance.

EMERGENCY MANAGEMENT

Civil Defence Emergency Management (CDEM) is the key component of the emergency management group of activities. The CDEM role includes ensuring that our local communities and businesses are prepared if an emergency were to happen in our district. This includes undertaking public awareness and educational campaigns, training exercises and local response planning.

COMMUNITY OUTCOMES

The community services group of activities contributes to the following community outcomes:

- Economic- our communities prosper in a thriving local economy with a diverse range of rewarding employment opportunities.
- Environmental- enhancing healthy and sustainable environments, and sharing responsibility for the places we are proud of
- Social- enabling connected and safe communities
- Engagement- Council is connected with its communities, advocating for their social and cultural well-being.



See the **Long-term Plan 2021 – 31** for more information about this group of activities including the levels of service, performance measures and targets.

COMMUNITY SERVICES - FUNDING IMPACT STATEMENT

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	5,459	5,492	6,505
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	3,093	2,894	2,938
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	466	479	396
Total operating funding (A)	9,018	8,865	9,838
Applications of operating funding			
Payments to staff and suppliers	8,812	8,648	9,637
Finance costs	36	39	48
Internal charges and overheads applied	-	-	-
Other operating funding applications	-	-	-
Total applications of operating funding (B)	8,848	8,687	9,685
Surplus (deficit) of operating funding (A – B)	170	178	154
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	86	78	72
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	86	78	72
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	165	165	165
• to replace existing assets	250	388	654
Increase (decrease) in reserves	(159)	(297)	(593)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	256	256	226
Surplus (deficit) of capital funding (C – D)	(170)	(178)	(154)
Funding balance ((A – B) + (C – D))	-	-	0

COMMUNITY SERVICES SCHEDULE OF CAPITAL EXPENDITURE

DESCRIPTION	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Capex			
Increased Level of Service			
Access Steps - Unimogs	7	0	0
Additional CCTV Cameras for NZ Police	20	21	21
Dog Pound Refurbishment	106	144	144
Lone Worker Monitoring System	7	0	0
Mobile Flood Barriers	25	0	0
Increased Level of Service Total	165	165	165
Capex Total	165	165	165
Renewal	250	388	654
Grand Total	414	553	819

WATER

WHAT WE DO AND WHY WE DO IT

We supply treated drinking water to 18 schemes throughout the district. This involves taking water from lakes, rivers and bores and treating it, storing it and then distributing it to our customers. The water supply activity involves maintaining water treatment plants, water storage reservoirs, pump stations, hydrants and water pipes.

We also supply untreated water for irrigation and industrial uses to businesses connected to the Centennial Road untreated water scheme in Taupō.

We are required to ensure that the water we supply complies with the Drinking Water Standards New Zealand (DWSNZ) to make sure our water supply is safe. As well as households, there are many businesses who rely on us to provide a safe, reliable water supply. Without it, there may be significant disruptions to our tourist operations and economic development.

With objectives to support increased investment and provide more consistent and higher quality water services across the country, Central Government is progressing with a reform of Three Waters. This means a change in how drinking water, wastewater and storm water are managed. The management of water services, assets, and existing debt will transfer to four new regional publicly owned water entities. The Government has indicated that it intends to introduce legislation to make this mandatory for Councils with the change to the new water entity anticipated by July 2024. In the meantime, Council remains responsible for meeting timeframes of this Annual Plan to ensure we meet drinking water standards and provide our community with safe water supply.

DISTRICT WIDE FUNDING OF WATER

As part of our 2021-31 long-term planning process, Council agreed to move to district-wide funding of water, to improve affordability for residential consumers. This means that all ratepayers connected to a Council water scheme will pay a district wide rate of \$583.46 for 2022-23.

COMMUNITY OUTCOMES

The water group of activities contributes to the following community outcomes:

- Social- providing safe water to our communities for their health and wellbeing.
- Economy- our communities prosper in a thriving local economy with a diverse range of rewarding employment opportunities.
- Environment- a shared responsibility for places we are proud of.
- Cultural- Considering the integrated and holistic well-being of the water through Te Mana o te Wai may have cultural impacts.



See the **Long-term Plan 2021 – 31** for more information about this group of activities including the levels of service, performance measures and targets.

WATER - FUNDING IMPACT STATEMENT

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	38
Targeted rates	11,584	12,796	12,347
Subsidies and grants for operating purposes	-	-	-
Fees and charges	111	115	299
Internal charges and overheads recovered	236	242	255
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	11,931	13,153	12,940
Applications of operating funding			
Payments to staff and suppliers	5,831	5,888	6,153
Finance costs	2,223	2,549	3,067
Internal charges and overheads applied	59	61	63
Other operating funding applications	-	-	-
Total applications of operating funding (B)	8,113	8,498	9,284
Surplus (deficit) of operating funding (A – B)	3,818	4,655	3,656
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	2,146	1,843	2,044
Increase (decrease) in debt	5,186	11,231	20,531
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	7,332	13,074	22,575
Application of capital funding			
Capital expenditure			
• to meet additional demand	1,250	1,263	1,263
• to improve the level of service	9,159	12,860	21,072
• to replace existing assets	5,779	6,059	7,597
Increase (decrease) in reserves	(5,038)	(2,453)	(3,701)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	11,150	17,729	26,231
Surplus (deficit) of capital funding (C – D)	(3,818)	(4,655)	(3,656)
Funding balance ((A – B) + (C – D))	-	-	(0)

WATER SCHEDULE OF CAPITAL EXPENDITURE

DESCRIPTION	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Capex			
Growth			
Kinloch Low Zone Reservoir Construction	1,200	0	0
Kinloch Low Zone Reservoir Land Purchase	550	0	0
Taupō Water Control Gates Bridge Pipeline Upgrade	200	0	0
Taupō Water Tauhara Ridge Reservoir - land purchase	350	0	0
Taupō Water Tauhara Ridge Reservoir and Airport Connection	0	1,263	1,263
Growth Total	2,300	4,658	1,263
Increased Level of Service			
Atiamuri Water DWSNZ Bore Head Upgrade	20	0	0
Bonshaw Park DWSNZ Project	230	2,142	2,142
Centennial Treated Water DWSNZ Upgrade	0	104	104
Hatepe Water DWSNZ Upgrade	0	725	1,191
Kinloch Water DWSNZ Upgrade	3,700	1,553	5,976
Motuoapa Water DWSNZ Upgrade	0	828	1,993
Omori Water DWSNZ Upgrade	800	2,070	5,092
Taupō Water Low Pressure Project	900	0	0
Taupō Water Decommissioning Programme	86	119	0
Taupō water Napier Road reservoir - Land Purchase	50	0	0
Taupō Water Poihipi Reservoir - Land Purchase	50	0	0
Waihi Village Water Supply	1,220	0	0
Water Loss Strategy Implementation	550	569	569
Water Reservoir Emergency Storage	70	0	0
Whakamaru Water DWSNZ Bore Head Upgrade	25	0	0
Whakamaru Water Network Extension	238	0	0
Whakamoenga Point DWSNZ Project	150	1,314	1,314
Whareroa Water DWSNZ Bore Head Upgrade	20	41	41
Mangakino Reservoir	0	0	250
Motuoapa Network Extension	0	0	900
Waihaha UV Prior Tranche 1 Project. Tendered	0	0	1,000
Whareroa UV Prior Tranche 1 Project. Tendered	0	0	750
Increased Level of Service Total	8,109	9,465	21,322
Capex Total	10,409	14,123	22,585
Renewal	5,779	6,059	7,347
Grand Total	16,188	20,182	29,932

TRANSPORT

WHAT WE DO AND WHY WE DO IT

We provide a comprehensive local transport network which includes local roads, footpaths, street lights, cycle paths, bridges, bus shelters, traffic signals, carparking and signage. We also focus on improving road safety and ensuring people enjoy easy access to different modes of transport, such as walking and cycling.

Public transport in the district is operated by Waikato Regional Council, however we provide funding towards this service to make it more accessible for our residents.

Waka Kotahi is responsible for managing the state highways within the Taupō district, and they also partly fund some of our transport costs.

Our transport network provides for the efficient movement of people and goods which is essential for the economic and social well-being of the community.

COMMUNITY OUTCOMES

The transport activity contributes to the following community outcomes:

- Economy- our communities prosper in a thriving local economy with a diverse range of rewarding employment opportunities.
- Environment- a shared responsibility for places we are proud of.
- Social- our communities feel safe and connected.



See the **Long-term Plan 2021 - 31** for more information about this group of activities including the levels of service, performance measures and targets.

TRANSPORT - FUNDING IMPACT STATEMENT

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	6,158	8,192	8,272
Targeted rates	-	-	-
Subsidies and grants for operating purposes	2,336	2,465	2,515
Fees and charges	171	176	170
Internal charges and overheads recovered	425	526	510
Local authorities fuel tax, fines, infringement fees, and other receipts	450	464	427
Total operating funding (A)	9,540	11,823	11,894
Applications of operating funding			
Payments to staff and suppliers	6,166	6,349	6,458
Finance costs	818	776	1,164
Internal charges and overheads applied	434	535	519
Other operating funding applications	-	-	-
Total applications of operating funding (B)	7,418	7,660	8,141
Surplus (deficit) of operating funding (A – B)	2,122	4,163	3,753
Sources of capital funding			
Subsidies and grants for capital expenditure	3,718	3,587	3,099
Development and financial contributions	1,594	1,328	1,550
Increase (decrease) in debt	(1,544)	(202)	4,091
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	3,768	4,713	8,740
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	6,068	4,960	11,078
• to replace existing assets	3,173	3,700	3,954
Increase (decrease) in reserves	(3,351)	216	(2,539)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	5,890	8,876	12,493
Surplus (deficit) of capital funding (C – D)	(2,122)	(4,163)	(3,753)
Funding balance ((A – B) + (C – D))	-	-	-

TRANSPORT SCHEDULE OF CAPITAL EXPENDITURE

DESCRIPTION	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Capex			
Growth			
Poihipi Road Seal Widening	440	412	412
Whangamata Road Improvements	100	851	851
Growth Total	540	1,263	1,263
Increased Level of Service			
Acacia Bay Cycle Path	600	0	0
Anzac Memorial Drive	425	284	284
Broadlands Road Widening	50	722	722
Bus Infrastructure	60	5	5
Cycle Facilities	150	82	90
Footpath on Lake Terrace	50	464	464
Horomatangi Street Additional Parking	200	0	0
Kiddle Drive and Arrowsmith Ave	1,950	0	0
Lighting Along Footpaths	0	170	170
Mangakino Streets - Upgrade Program	5	41	41
Minor Improvements	228	240	240
New Signs & Road Marking	25	26	26
On Street Parking	40	41	41
Paetiki Suburban Shopping Centre Enhancements	50	0	0
Parking Demand Management	0	222	0
Pedestrian Facilities	200	206	206
RSA Carpark	350	0	0
School Bus Shelters	0	8	8
Seal Extension	550	567	567
Tirohanga Road Improvements	50	309	309
Wairakei Drive and Huka Falls Rd (North)	250	309	321
Wairakei Road and Karetoto Road	255	0	0
Ute for Cycle Skills Instructors and Bikes	40	0	0
Tauhara Ridge Drive Lake Terrace Roundabout	0	0	1,100
Wairenga Road, Mangakino Footpath	0	0	150
Install Bus Shelters and Associated Infrastructure	0	0	20
Tongariro Street, Roberts Street Transformation	0	0	2,200
Huka Falls Footpath Stage 3	0	0	630
Local Road Improvements - Aratiatia Road Bank Works	0	0	20
Tūrangi Kerb & Channel	0	0	2,200
Increased Level of Service Total	5,528	3,697	9,815
Capex Total	6,068	4,960	11,078
Renewal	3,138	3,664	3,954
Grand Total	9,206	8,624	15,031

COMMUNITY FACILITIES

WHAT WE DO AND WHY WE DO IT

We operate and maintain a number of community facilities for both residents and visitors to the district. These facilities are:

- Libraries in Taupō, Tūrangi and Mangakino
- The Taupō Museum and Art Gallery
- The Great Lake Centre, Taupō Events Centre, and community halls
- Parks, reserves, playgrounds, and gardens
- Sportsgrounds
- AC Baths, the Tūrangi Aquatic Centre, and the Mangakino Community Pool
- Community gyms
- Housing for the elderly
- Public toilets, including the Superloo
- Cemeteries

We provide these facilities to ensure that there are sporting, aquatic and recreational opportunities and exercise facilities for the community. These facilities help to provide for the physical and mental well-being of everyone who spends time in the district.

COMMUNITY OUTCOMES

The community facilities activity contributes to the following community outcomes:

- Economy- our communities prosper in a thriving local economy with a diverse range of rewarding employment opportunities.
- Environment- a shared responsibility for places we are proud of.
- Engagement- Council is connected with its communities, advocating for their social and cultural well-being.



See the **Long-term Plan 2021 – 31** for more information about this group of activities including the levels of service, performance measures and targets.

COMMUNITY FACILITIES - FUNDING IMPACT STATEMENT

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	19,932	20,490	20,225
Targeted rates	-	-	-
Subsidies and grants for operating purposes	141	149	190
Fees and charges	2,565	2,612	2,342
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	9	9	1
Total operating funding (A)	22,647	23,260	22,758
Applications of operating funding			
Payments to staff and suppliers	16,259	16,500	16,138
Finance costs	1,214	1,203	1,579
Internal charges and overheads applied	409	420	421
Other operating funding applications	-	-	-
Total applications of operating funding (B)	17,882	18,123	18,139
Surplus (deficit) of operating funding (A – B)	4,765	5,137	4,619
Sources of capital funding			
Subsidies and grants for capital expenditure	151	100	97
Development and financial contributions	2,514	2,125	2,378
Increase (decrease) in debt	514	318	3,136
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	3,179	2,543	5,611
Application of capital funding			
Capital expenditure			
• to meet additional demand	2,254	1,985	1,985
• to improve the level of service	3,840	2,675	5,355
• to replace existing assets	3,992	2,499	2,268
Increase (decrease) in reserves	(2,142)	521	621
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	7,944	7,680	10,229
Surplus (deficit) of capital funding (C – D)	(4,765)	(5,137)	(4,619)
Funding balance ((A – B) + (C – D))	-	-	-

COMMUNITY FACILITIES SCHEDULE OF CAPITAL EXPENDITURE

DESCRIPTION	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Capex			
Growth			
PARKS DEVELOPMENT CONTRIBUTION			
New playgrounds on neighbourhood reserves	120	123	123
New neighbourhood reserves	2,134	1,862	1,862
Parks Development Contribution Total	2,254	1,985	1,985
Growth Total	2,254	1,985	1,985
ILOS			
AC BATHS - POOLS			
Floor scrubbing machine	8	0	0
Lifeguard Elevated Poolside Chairs	17	0	0
Mobility Access Hoist	17	0	0
AC Baths - Pools Total	42	0	0
CEMETERIES - DISTRICT			
Cemeteries Interment Infrastructure	31	44	44
Cemeteries - District Total	31	44	44
Community Halls - District			
Turangi Events Centre	250	1,027	1,027
COMMUNITY HALLS - DISTRICT TOTAL	250	1,027	1,027
Housing for the Elderly - District			
HFE Asbestos Removal and Insulation	1,432	0	0
Housing for the Elderly - District Total	1,432	0	0
LIBRARIES - DISTRICT			
Digitisation of local history material	20	21	21
External signage at Taupō Library	8	0	0
Library books	310	318	318
TV screens for Meeting Rooms at Taupō and Turangi Libraries	0	14	14
Libraries - District Total	338	353	353
MUSEUM - TAUPŌ			
Artwork display	25	0	0
Environmental Monitoring Equipment	8	0	0
Shelving for artefacts	10	0	0
Museum - Taupō Total	43	0	0
PARKS & RESERVES - DISTRICT			
Fencing contributions (Fencing Act requirement)	20	21	21
Flag Track system	50	0	0
Kinloch Eastern Toilet	35	0	0
Lone Worker Monitoring System	7	0	0
Mangakino - Fix Boat Ramp	0	125	0
Mangakino Basketball Court	100	0	0
Mangakino footpath and road	38	0	0
Mangakino Recreation Reserve Entrance	7	0	0
New Plant & Equipment	13	0	0
Playground Improvements	250	257	257
Public Art	25	26	26
Taupō Skatepark Repairs	0	330	330
Tongariro Domain Playground Wet Pour upgrade	179	0	0
Turangi Cemetery Toilet	0	51	0
Waikato River Erosion Control	55	154	154
Te Kapua Park Playground Upgrade	0	0	656
Tongariro Street, Roberts Street transformation	0	0	2,200
Parks & Reserves - District Total	779	963	3,643
PROJECT WATERSHED			
Erosion Control - Kuratau Foreshore	71	73	73
Erosion Control - Taupō Bay including Lake Terrace Cliffs	165	46	46
Lakewide Soft Options	100	103	103
Project Watershed Total	336	222	222
PUBLIC CONVENIENCES - DISTRICT			
Mangakino Toilet (new vault toilet)	350	0	0
Public Conveniences - District Total	350	0	0
SPORTSGROUNDS - DISTRICT			
Mangakino Open Space Upgrades	41	0	0
Turangitukua park fencing	140	0	0
Sportsgrounds - District Total	181	0	0
TAUPŌ EVENTS CENTRE - STADIUM			
Accessibility Ramp	15	67	67
TEC/ACB External Digital display board	20	0	0
Taupō Events Centre - Stadium Total	35	67	67
TURANGI TURTLE POOLS			
Sun Shade Covers	6	0	0
Mobility Access Hoist	17	0	0
Turangi Turtle Pools Total	23	0	0
ILOS Total	3,840	2,675	5,355
Capex Total	6,094	4,661	7,340
Renewal	3,992	2,499	2,268
Grand Total	10,086	7,160	9,609

COMMUNITY FACILITIES SCHEDULE OF CAPITAL EXPENDITURE

DESCRIPTION	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Capex			
ILOS			
PROJECT WATERSHED			
Erosion Control - Kuratau Foreshore	71	73	73
Erosion Control - Taupō Bay including Lake Terrace Cliffs	165	46	46
Lakewide Soft Options	100	103	103
Project Watershed Total	336	222	222
PUBLIC CONVENIENCES - DISTRICT			
Mangakino Toilet (new vault toilet)	350	0	0
Public Conveniences - District Total	350	0	0
SPORTSGROUNDS - DISTRICT			
Mangakino Open Space Upgrades	41	0	0
Tūrangitukua Park fencing	140	0	0
Sportsgrounds - District Total	181	0	0
TAUPŌ EVENTS CENTRE - STADIUM			
Accessibility Ramp	15	67	67
TEC/ACB External Digital display board	20	0	0
Taupō Events Centre - Stadium Total	35	67	67
TURANGI TURTLE POOLS			
Sun Shade Covers	6	0	0
Mobility Access Hoist	17	0	0
Tūrangi Turtle Pools Total	23	0	0
ILOS Total	3,840	2,675	5,355
Capex Total	6,094	4,661	7,340
Renewal	3,992	2,499	2,268
Grand total	10,086	7,160	9,609

WASTEWATER

WHAT WE DO AND WHY WE DO IT

We collect and dispose of treated wastewater from residential, commercial and industrial properties located in our urban areas. We operate 12 wastewater schemes across the district and maintain the pipe network, pump stations and treatment plants associated with each network.

The safe treatment and disposal of wastewater is essential to protecting the health of our environment and communities. We are required to obtain resource consents from Waikato Regional Council to ensure that we are treating and disposing of the wastewater in a way that protects our environment.

With objectives to support increased investment and provide more consistent and higher quality water services across the country, Central Government is progressing with a reform of Three Waters. This means a change in how drinking water, wastewater and storm water are managed. The management of water services, assets, and existing debt will transfer to four new regional publicly owned water entities. The Government has indicated that it intends to introduce legislation to make this mandatory for Councils with the change to the new water entity anticipated by July 2024. In the meantime, Council remains responsible for managing and delivering wastewater services to our community.

COMMUNITY OUTCOMES

The wastewater activity contributes to the following community outcomes:

- Economy- our communities prosper in a thriving local economy with a diverse range of rewarding employment opportunities.
- Social- providing safe options for wastewater disposal to ensure our communities are kept healthy and safe.
- Environment- a shared responsibility for places we are proud of.
- Cultural- appropriate management of our wastewater in a culturally sensitive way for our communities.



See the **Long-term Plan 2021 – 31** for more information about this group of activities including the levels of service, performance measures and targets.

WASTEWATER - FUNDING IMPACT STATEMENT

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	-
Targeted rates	14,049	15,619	15,806
Subsidies and grants for operating purposes	-	-	-
Fees and charges	265	275	245
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	14,314	15,894	16,051
Applications of operating funding			
Payments to staff and suppliers	7,337	7,426	8,165
Finance costs	2,098	2,416	2,123
Internal charges and overheads applied	175	181	190
Other operating funding applications	-	-	-
Total applications of operating funding (B)	9,610	10,023	10,478
Surplus (deficit) of operating funding (A – B)	4,704	5,871	5,573
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	2,591	1,903	2,114
Increase (decrease) in debt	8,466	4,951	(1,151)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	11,057	6,854	963
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	12,100	8,539	6,234
• to replace existing assets	5,063	4,319	4,440
Increase (decrease) in reserves	(1,402)	(133)	(4,138)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	15,761	12,725	6,536
Surplus (deficit) of capital funding (C – D)	(4,704)	(5,871)	(5,573)
Funding balance ((A – B) + (C – D))	-	-	-

WASTEWATER SCHEDULE OF CAPITAL EXPENDITURE

DESCRIPTION	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Capex			
Growth			
Taupō Wastewater Control Gate Bridge pipe upgrade	750	1,035	0
Taupō Wastewater Southern Trunk Main Upgrade (stage 1)	800	4,658	2,000
Growth Total	1,550	5,693	2,000
Increased Level of Service			
Atiamuri WWTP Upgrade	50	362	0
Kinloch Wastewater Treatment Plant Balance Tank	9,000	0	0
Taupō Wastewater - Improved WWTP Resilience (overflow risk reduction)	100	0	0
View Road Land Disposal System Expansion	200	0	0
Taupō Wastewater irrigation UV disinfection, effluent filtration and transfer pump station capacity increase	0	2,484	2,484
Tūrangi Wastewater - Waihi Village Wastewater Contribution	1,200	0	0
Motutere WWTP Upgrade and Retic for the Point Community.	0	0	1,500
Botanical Garden Sewer Connection.	0	0	250
Increased Level of Service Total	10,550	2,846	4,234
Capex Total	12,100	8,539	6,234
Renewal	5,063	4,319	4,440
Grand Total	17,163	12,858	10,674

SOLID WASTE

WHAT WE DO AND WHY WE DO IT

We provide a comprehensive solid waste management system for refuse and recyclables. This includes operating the landfill and recovery centre at Broadlands Road and five transfer stations throughout the district. We also collect refuse and recyclables from our urban settlements.

We provide the solid waste activity to ensure that our district looks attractive and prevent harm to our communities and environment from the inappropriate disposal of our waste.

In Taupō, the Broadlands Road landfill is operated with individual “cells”, each with its own liner and reticulation system for leachate.

We also manage three closed landfill sites at Taupō, Mangakino and Tūrangi. Closed landfills have closure consents which requires Council to monitor them to ensure there are no adverse environmental effects from these sites.

HOW IS IT ALL PAID FOR?

- Refuse collection is funded through fees and charges.
- Recycling is funded by targeted rate.
- Disposal is funded through a combination of fees and charges and a targeted rate applied to those areas where the service is available.
- Litter control is funded through the general rate.

COMMUNITY OUTCOMES

The solid waste activity contributes to the following community outcomes:

- Social- providing safe options for solid waste disposal to ensure our communities are kept healthy and well.
- Economy- our communities prosper in a thriving local economy with a diverse range of rewarding employment opportunities.
- Environment- a shared responsibility for places we are proud of.
- Cultural- appropriate management of solid waste in a culturally sensitive way for our communities.



See the **Long-term Plan 2021 - 31** for more information about this group of activities including the levels of service, performance measures and targets.

SOLID WASTE - FUNDING IMPACT STATEMENT

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	762	788	751
Targeted rates	1,512	1,695	2,781
Subsidies and grants for operating purposes	132	144	160
Fees and charges	3,353	3,654	3,923
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	5,759	6,281	7,614
Applications of operating funding			
Payments to staff and suppliers	5,253	5,726	7,101
Finance costs	105	120	126
Internal charges and overheads applied	9	10	10
Other operating funding applications	-	-	-
Total applications of operating funding (B)	5,367	5,856	7,237
Surplus (deficit) of operating funding (A – B)	392	425	377
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	81	635	(298)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	81	635	(298)
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	514	1,080	113
• to replace existing assets	200	162	174
Increase (decrease) in reserves	(241)	(182)	(208)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	473	1,060	79
Surplus (deficit) of capital funding (C – D)	(392)	(425)	(377)
Funding balance ((A – B) + (C – D))	-	-	-

SOLID WASTE SCHEDULE OF CAPITAL EXPENDITURE

DESCRIPTION	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Capex			
Increased Level of Service			
Big Belly, refuse, recycling bins	35	17	17
Gas Flare and Liner cover	25	26	26
Infrared camera for fire prevention Broadlands Rd Landfill	71	0	0
Lined pond provision for fire prevention	118	0	0
New Lined Cell build Broadlands Rd Landfill	25	1,027	0
New street recycling bins	10	10	10
Omori Refuse Transfer Station Upgrade	230	0	0
Concrete pad for greenwaste - Tūrangi Transfer Station	0	0	30
Glass bay extension - Tūrangi Transfer Station	0	0	30
Increased Level of Service Total	514	1,080	113
Capex Total	514	1,080	113
Renewal	200	162	174
Grand Total	714	1,243	287

STORMWATER

WHAT WE DO AND WHY WE DO IT

We dispose of the stormwater that is collected as run-off from our transport networks and dispose of the stormwater in lakes and rivers.

We test the contaminants present in our stormwater and have installed Downstream Defenders in many locations in the district to prevent contaminants from entering our lakes and rivers.

Council also disposes of stormwater in order to prevent the run-off from our transport network flooding homes and businesses.

With objectives to support increased investment and provide more consistent and higher quality water services across the country, Central Government is progressing with a reform of Three Waters. This means a change in how drinking water, wastewater and storm water are managed. The management of water services, assets, and existing debt will transfer to four new regional publicly owned water entities. The Government has indicated that it intends to introduce legislation to make this mandatory for Councils with the change to the new water entity anticipated by July 2024. In the meantime, Council remains responsible for managing and delivering storm water services to our community

COMMUNITY OUTCOMES

The stormwater activity contributes to the following community outcomes:

- Economy- our communities prosper in a thriving local economy with a diverse range of rewarding employment opportunities.
- Environment- a shared responsibility for places we are proud of.
- Social- providing options for stormwater disposal to ensure our communities are kept safe, healthy and well.
- Cultural- appropriate management of stormwater in a culturally sensitive way for our communities.



See the **Long-term Plan 2021 - 31** for more information about this group of activities including the levels of service, performance measures and targets.

STORMWATER - FUNDING IMPACT STATEMENT

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	2,105	2,175	2,218
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)	2,105	2,175	2,218
Applications of operating funding			
Payments to staff and suppliers	944	959	1,056
Finance costs	120	113	131
Internal charges and overheads applied	-	-	-
Other operating funding applications	-	-	-
Total applications of operating funding (B)	1,064	1,072	1,187
Surplus (deficit) of operating funding (A – B)	1,041	1,103	1,031
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	211	(379)	(349)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	211	(379)	(349)
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	353	405	383
• to replace existing assets	88	110	110
Increase (decrease) in reserves	811	209	189
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	1,252	724	682
Surplus (deficit) of capital funding (C – D)	(1,041)	(1,103)	(1,031)
Funding balance ((A – B) + (C – D))	-	-	0

STORMWATER SCHEDULE OF CAPITAL EXPENDITURE

DESCRIPTION	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Capex			
Increased Level of Service			
Mangakino Stormwater Flood Mitigation	25	55	55
Mangakino Golf club pond retic	90	0	0
Paenoa Rd Pipe diversion	0	52	0
Redoubt Street Stormwater Improvement Device	0	298	298
Waikato street Stormwater Device	238	0	0
Chad Street Stormwater Gully Footpath	0	0	30
Increased Level of Service Total	353	405	383
Capex Total	353	405	383
Renewal	88	110	110
Grand Total	441	514	493

DEMOCRACY AND PLANNING

WHAT WE DO AND WHY WE DO IT

There are two activities that sit within this group of activities: democracy and planning.

DEMOCRACY

The democracy activity includes:

- Running local government elections in accordance with the Local Electoral Act 2001 requirements.
- Facilitating Council and committee meetings including the preparation of agendas and minutes for these meetings.
- Overseeing the processing of Official Information Requests.
- Acting as the district’s advocate with regional and national governments to ensure that the needs of our communities are considered when policies and plans are being developed.
- Working with a range of other governing bodies, including central government, other councils, such as Waikato Regional Council, our mana whenua iwi and local hapū, district health boards and many others.

We undertake the democracy activity so that the decision making for our local communities is timely, democratic and transparent.

PLANNING

Council plans for the future to ensure that we will be able to anticipate the changing needs of our communities and deliver the infrastructure and services they will need.

We have a range of strategies that help guide our decision making on issues like transport, water supply and urban growth. At the moment we are working on developing strategies for responding to climate change, meeting growing housing needs and planning for investment in sports, recreation and arts.

The development of a housing strategy will articulate the desired housing outcomes for Taupō. The strategy is taking a collaborative approach looking at all tools (regulatory and non-regulatory) available to council, as well as partnership opportunities across the district in areas such as social housing (including housing for the elderly), papakāinga, and affordable housing.

Another aspect of our mahi and planning for the future is the development of our Climate Change Strategy. We

have a lot of work to do in this space, with our initial focus on understanding our emissions profile as an organisation and what we can do to change it. We will be identifying specific actions that will make a difference and we will then look to report on progress. Once that is developed, we will look at what we can do to provide leadership to help our communities to make the changes required to meet the national climate change targets.

One of Council’s key functions is acting as a planning authority under the Resource Management Act 1991. We prepare and maintain the District Plan which sets out where and how land is used across the district. With substantial reform of the Resource Management Act underway we are focusing our efforts on changes to the District Plan targeted at enabling economic development.

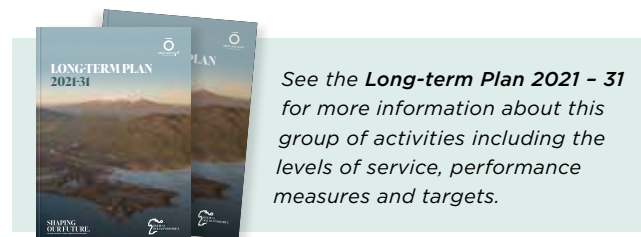
There is also a suite of other policies and plans that are developed and maintained to ensure that Council’s decision making is consistent and integrated, such as reserve management plans and bylaws to control nuisances.

The Long-term Plan and subsequent annual plans bring together the work, right across the Council, that we have identified as important to meet the community’s needs, along with the prudent financial management to ensure it can happen.

COMMUNITY OUTCOMES

The democracy and planning group of activities contributes to the following community outcomes:

- Economy- our communities prosper in a thriving local economy with a diverse range of rewarding employment opportunities.
- Environment- a shared responsibility for places we are proud of.
- Engagement- Council is connected with its communities, advocating for their social and cultural well-being.



See the **Long-term Plan 2021 – 31** for more information about this group of activities including the levels of service, performance measures and targets.

DEMOCRACY AND PLANNING - FUNDING IMPACT STATEMENT

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	10,616	10,666	10,272
Targeted rates	83	86	21
Subsidies and grants for operating purposes	-	-	-
Fees and charges	2	38	5
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	(5)
Total operating funding (A)	10,701	10,790	10,294
Applications of operating funding			
Payments to staff and suppliers	10,699	10,789	10,265
Finance costs	-	-	-
Internal charges and overheads applied	-	-	-
Other operating funding applications	-	-	-
Total applications of operating funding (B)	10,699	10,789	10,265
Surplus (deficit) of operating funding (A – B)	2	1	28
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	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	-	-	-
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	-	-	-
• to replace existing assets	-	56	65
Increase (decrease) in reserves	2	(55)	(37)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	2	1	28
Surplus (deficit) of capital funding (C – D)	(2)	(1)	(28)
Funding balance ((A – B) + (C – D))	-	-	(0)

DEMOCRACY AND PLANNING SCHEDULE OF CAPITAL EXPENDITURE

DESCRIPTION	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Renewal	0	56	65
Grand Total	0	56	65



INVESTMENTS

WHAT WE DO AND WHY WE DO IT

Council holds a number of investments where there is a community, social, physical or economic benefit from holding the investment. The type of investments that we have include property and cash which we invest to generate a return. Many of the investments generate income which can be used on projects and initiatives. These benefit our residents without impacting on rates.

COMMUNITY OUTCOMES

The investment activity contributes to the following community outcomes:

- Economy- our communities prosper in a thriving local economy with a diverse range of rewarding employment opportunities.
- Environment- a shared responsibility for places we are proud of.
- Engagement- Council is connected with its communities, advocating for their social and cultural well-being.



See the **Long-term Plan 2021 - 31** for more information about this group of activities including the levels of service, performance measures and targets.

INVESTMENTS - FUNDING IMPACT STATEMENT

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	(625)	97	(1,076)
Targeted rates	-	-	-
Subsidies and grants for operating purposes	625	-	-
Fees and charges	758	778	676
Internal charges and overheads recovered	608	625	658
Local authorities fuel tax, fines, infringement fees, and other receipts	1,826	1,953	3,724
Total operating funding (A)	3,192	3,453	3,982
Applications of operating funding			
Payments to staff and suppliers	(1,300)	(704)	(399)
Finance costs	742	782	1,152
Internal charges and overheads applied	182	186	220
Other operating funding applications	-	-	-
Total applications of operating funding (B)	(376)	264	972
Surplus (deficit) of operating funding (A – B)	3,568	3,189	3,010
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(984)	2,764	3,753
Gross proceeds from sale of assets	9,025	4,777	15,811
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	8,041	7,541	19,563
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	4,008	4,239	6,322
• to replace existing assets	1,483	1,081	1,276
Increase (decrease) in reserves	6,118	5,410	14,976
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	11,609	10,730	22,574
Surplus (deficit) of capital funding (C – D)	(3,568)	(3,189)	(3,010)
Funding balance ((A – B) + (C – D))	-	-	(0)

INVESTMENTS SCHEDULE OF CAPITAL EXPENDITURE

DESCRIPTION	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Capex			
Increased Level of Service			
Civic Administration Building - Fitout	0	0	800
Customer Experience Improvement programme	30	36	135
Digitisation of paper record books	0	10	10
Fire Detection & Gas Suppression System for Archive Building	119	0	0
Fleet – E-Bike & E-Scooter	10	0	0
Land development	304	495	495
Lone Worker Monitoring System	7	0	0
Motutere Campground DWSNZ Upgrade	0	308	758
Preserving our Information	0	257	0
Core Systems Improvement	155	51	1,000
Technology Hardware Refresh Programme (capex)	80	103	110
Tūrangi Depot Refurbishment	44	258	257
Venture Centre Storage	9	0	0
Waiora House	3,250	2,722	2,722
District Service Centre signage	0	0	35
Increased Level of Service Total	4,008	4,239	6,322
Capex Total	4,008	4,239	6,322
Renewal Total	1,483	1,081	1,276
Grand Total	5,491	5,320	7,598

ECONOMIC DEVELOPMENT

WHAT WE DO AND WHY WE DO IT

As part of the economic development activity, Council undertakes a number of services including:

- An in-house events function that supports event organisers to run both community and commercial events.
- Promotion of the Taupō district as a holiday and visitor destination through Destination Great Lake Taupō (a council controlled organisation), information centres in Taupō and Tūrangi, and an information desk at Mangakino.
- Contracting Amplify, an independent trust, to provide business development services throughout the district.
- Supporting the activities of Towncentre Taupō – a member based organisation focused on enhancing the social and development wellbeing of the Taupō Central Business District by developing a vibrant, well-managed and innovative town centre.

We undertake the economic development activity to support our local economy. We want to ensure that there are employment opportunities available to our residents so that they can remain living here.

COMMUNITY OUTCOMES

The economic development groups of activities contribute to the following community outcomes:

- Economy- our communities prosper in a thriving local economy with a diverse range of rewarding employment opportunities.
- Environment- a shared responsibility for places we are proud of.
- Social- providing diverse options for employment and activities to participate in to ensure our communities are thriving
- Engagement- Council is connected with its communities, advocating for their social and cultural well-being.



See the **Long-term Plan 2021 – 31** for more information about this group of activities including the levels of service, performance measures and targets.

ECONOMIC DEVELOPMENT - FUNDING IMPACT STATEMENT

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	4,628	4,538	3,810
Targeted rates	170	175	179
Subsidies and grants for operating purposes	290	601	220
Fees and charges	-	-	13
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	5,088	5,314	4,222
Applications of operating funding			
Payments to staff and suppliers	5,080	5,307	4,211
Finance costs	1	1	5
Internal charges and overheads applied	-	-	-
Other operating funding applications	-	-	-
Total applications of operating funding (B)	5,081	5,308	4,215
Surplus (deficit) of operating funding (A – B)	7	6	7
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(5)	(5)	34
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(5)	(5)	34
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	-	-	39
• to replace existing assets	53	12	12
Increase (decrease) in reserves	(51)	(11)	(11)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	2	1	40
Surplus (deficit) of capital funding (C – D)	(7)	(6)	(7)
Funding balance ((A – B) + (C – D))	-	-	(0)

ECONOMIC DEVELOPMENT SCHEDULE OF CAPITAL EXPENDITURE

DESCRIPTION	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Capex			
Increased Level of Service			
Barge remedial/upgrade works	0	0	39
Increased Level of Service Total	0	0	39
Capex Total	0	0	39
Renewal	53	12	12
Grand Total	53	12	51



OUR FINANCES

FINANCES

PROSPECTIVE SCHEDULE OF RATES

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Total District			
General rates	50,142	53,591	52,054
Targeted rates	27,633	30,612	31,389
Total rates	77,775	84,203	83,444
Less internal rates	843	867	914
Less rates remission	1,000	1,027	819
Add rates penalties	500	500	438
Rates revenue per statement of comprehensive revenue and expense	76,432	82,809	82,149
% Change total rates	9.81%	8.26%	7.29%
% Change general rates	11.87%	6.88%	3.81%
% Change targeted rates	6.28%	10.78%	13.59%
Number of properties	23,204	23,444	23,325
Growth in property numbers	240	200	167
Number of properties to be rated	23,444	23,644	23,492
Costs to be recovered (GST excl)	77,776	84,203	83,444
All rateable properties included			
Average rates per property	3,318	3,561	3,552
Average property % increase	8.69%	7.35%	7.07%
Average property increase GST excl	265	244	(9)
Average property increase GST incl	305	280	(11)

The projected number of rating units within the district for 30 June 2022 is 24,333

The projected total capital value of rating units within the district for 30 June 2022 is \$19.541 billion

The projected total land value of rating units within the district for 30 June 2022 is \$9.725 billion

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Revenue			
Rates	76,433	82,808	82,149
Subsidies and grants	7,393	7,046	6,281
Development and financial contributions	8,844	7,199	8,086
Fees and charges	10,317	10,542	10,610
Finance revenue	1,584	1,705	3,323
Other revenue	17,883	15,120	19,117
Total revenue	122,454	124,420	129,567
Expenses			
Personnel costs	25,942	26,970	26,824
Depreciation and amortisation expense	25,455	27,573	24,859
Finance costs	7,358	8,000	9,395
Other expenses	39,772	40,001	42,353
Total operating expenses	98,527	102,544	103,431
Surplus/(deficit) before tax	23,927	21,876	26,136
Income tax (expense)/credit	-	-	-
Surplus/(deficit) after tax	23,927	21,876	26,136
Other comprehensive revenue and expense			
Property, plant & equipment revaluations	29,008	27,044	27,044
Total other comprehensive revenue and expense	29,008	27,044	27,044
Total comprehensive revenue and expense	52,935	48,920	53,180
Reconciliation to Summary Funding Impact Statement			
Sources of operational funding			
General rates, uniform annual general charges, rates penalties	49,035	52,439	51,015
Targeted rates	27,398	30,370	31,134
Total rates revenue	76,433	82,809	82,149
Subsidies and grants for operating purposes	3,523	3,359	3,085
Fees and charges	10,317	10,542	10,610
Interest and dividends from investments	1,584	1,705	3,323
Local authorities fuel tax, fines, infringement fees, and other receipts	1,167	1,200	1,220
Total operating funding	93,024	99,615	100,387
Add asset development and other gains / (losses)			
Subsidies and grants for capital expenditure	3,869	3,687	3,196
Development and financial contributions	8,844	7,199	8,086
Other dedicated capital funding	-	-	-
Add vested and first time recognition of assets	5,258	4,529	4,382
Add gain on sale	3,913	2,743	8,507
Add unrealised gains/(losses)	6,909	6,559	4,616
Total asset development and other gains / (losses)	28,793	24,717	28,787
Total revenue	121,817	124,332	129,174
Applications of operating funding			
Payments to staff and suppliers	65,077	66,883	68,785
Finance costs	7,358	8,000	9,395
Total applications of operating funding (B)	72,435	74,883	78,180
Add depreciation expense	25,455	27,573	24,859
Total operating expenses	97,890	102,456	103,038
Surplus/(deficit) after tax	23,927	21,876	26,136
Add other comprehensive revenue and expenses	29,008	27,044	27,044
Total comprehensive revenue and expense	52,935	48,920	53,180

PROSPECTIVE STATEMENT OF CHANGES IN NET ASSETS/EQUITY

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Net assets/equity at beginning of year	1,281,900	1,334,835	1,366,301
Net surplus/(deficits) for the year	23,928	21,875	26,136
Other comprehensive revenue and expenses	29,007	27,044	27,044
Total recognised revenues and expenses for the year	52,935	48,919	53,180
Total equity at end of year	1,334,835	1,383,754	1,419,481
Components of Equity			
Accumulated funds at beginning of year	826,517	856,159	869,018
Net surplus/(deficits) for the year	23,928	21,875	26,136
Transfers to/(from) reserves	5,713	(3,681)	3,660
Accumulated funds at end of year	856,158	874,353	898,814
Council created reserves at beginning of year	118,218	112,505	131,111
Transfers to/(from) reserves	(5,713)	3,681	(3,660)
Council created reserves at end of year	112,505	116,186	127,451
Revaluation reserves at beginning of year	337,164	366,171	366,172
Revaluation surplus/(deficits) for the year	29,008	27,044	27,044
Revaluations reserves at end of year	366,172	393,215	393,216
Total equity at end of year	1,334,835	1,383,754	1,419,481

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
ASSETS			
Current assets			
Cash and cash equivalents	2,914	2,984	4,367
Other financial assets	92,956	96,118	134,985
Trade and other receivables	6,677	6,857	5,473
Inventories	403	414	369
Prepayments	841	841	1,179
Non current assets held for sale	8,176	8,191	6,885
Total current assets	111,967	115,405	153,258
Non-current assets			
Other financial assets	21,109	21,609	20,622
Investment in CCO and other similar entities	9,827	9,827	8,515
Intangible assets	3,519	3,614	5,975
Investment properties	11,144	11,144	13,810
Investments in associates	-	-	-
Biological assets - forestry	6,124	6,039	7,845
Property, plant and equipment	1,391,574	1,450,367	1,439,418
Total non-current assets	1,443,297	1,502,600	1,496,185
Total assets	1,555,264	1,618,005	1,649,443
LIABILITIES			
Current liabilities			
Trade and other payables	12,875	13,220	16,364
Employee benefit liabilities	3,563	3,659	3,442
Derivative financial instruments	-	-	-
Borrowings	43,675	48,068	48,085
Total current liabilities	60,113	64,947	67,891
Non-current liabilities			
Provisions	154	165	160
Derivative financial instruments	25,133	19,109	16,951
Borrowings	135,000	150,000	144,957
Employee benefit liabilities	29	30	4
Total non-current liabilities	160,316	169,304	162,072
Total liabilities	220,429	234,251	229,963
Net assets (assets minus liabilities)	1,334,835	1,383,754	1,419,480
EQUITY			
Accumulated funds	856,159	874,353	898,813
Council created reserves	112,505	116,186	127,451
Revaluation reserves	366,171	393,215	393,216
Total equity	1,334,835	1,383,754	1,419,480

PROSPECTIVE STATEMENT OF CASHFLOWS

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Cash flows from operating activities			
Rates	76,433	82,808	82,149
Subsidies	3,523	3,359	3,085
Interest revenue	1,584	1,705	3,323
Fees and charges	10,317	10,542	10,610
Other revenue	1,167	1,200	1,220
Payments to suppliers	(39,134)	(39,914)	(40,656)
Payments to employees	(25,942)	(26,970)	(26,824)
Interest on public debt	(7,351)	(7,993)	(9,388)
Net cash flow (outflow) from operating activities	20,597	24,737	23,520
Cash flows from investing activities			
Proceeds from sale of property, plant, equipment & biological assets	9,275	5,112	16,146
Development/financial contributions	8,844	7,199	8,086
Capital subsidies	3,869	3,687	3,196
Net decrease in investments	-	-	-
Purchase & development of property, plant & equipment	(59,790)	(56,558)	(74,560)
Net increase in investments	(5,625)	(3,500)	(17,800)
Net cash flow from investing activities	(43,427)	(44,060)	(64,931)
Cash flows from financing activities			
Loans raised	38,228	40,584	58,775
Repayment of public debt	(26,219)	(21,191)	(28,956)
Net cash flow from financing activities	12,009	19,393	29,819
Net increase (decrease) in cash held	(10,821)	70	(11,593)
Add cash at start of year	13,735	2,914	15,960
Cash and cash equivalents at end of year	2,914	2,984	4,367

PROSPECTIVE STATEMENT OF BORROWINGS

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Debt Balances			
Opening debt	166,666	178,675	163,223
New borrowing requirements	38,228	40,584	58,775
Debt repayments	(26,219)	(21,191)	(28,956)
Closing external debt	178,675	198,068	193,042
Debt Servicing Costs			
Interest	7,358	8,000	9,395
Debt repayments	26,219	21,191	28,956
Total external debt servicing costs	33,577	29,191	38,351

PROSPECTIVE WHOLE OF COUNCIL SCHEDULE OF CAPITAL EXPENDITURE

DESCRIPTION	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Capex			
Growth			
Community Facilities	2,254	1,985	1,985
Water	1,250	1,263	1,263
Growth Total	3,504	3,248	3,248
ILOS			
Community Facilities	3,840	2,675	5,355
Community Services	165	165	165
Economic Development	0	0	39
Investments	4,008	4,239	6,322
Solid Waste	514	1,080	113
Stormwater	353	405	383
Transport	6,068	4,960	11,078
Wastewater	12,100	8,539	6,234
Water	9,159	12,860	21,072
ILOS Total	36,206	34,924	50,761
Capex Total	39,710	38,172	54,009
Renewal			
Renewal			
Community Facilities	4,027	2,535	2,268
Community Services	250	388	654
Democracy and Planning	0	56	65
Economic Development	53	12	12
Investments	1,483	1,081	1,276
Solid Waste	200	162	174
Stormwater	88	110	110
Transport	3,138	3,664	3,954
Wastewater	5,063	4,319	4,440
Water	5,779	6,059	7,597
Renewal Total	20,081	18,387	20,551
Renewal Total	20,081	18,387	20,551
Grand Total	59,790	56,558	74,560

PROSPECTIVE SCHEDULE OF RESERVE FUNDS

RESERVE NAME	PROJECTED OPENING BALANCE 01/07/22 (\$000)	EXPECTED DEPOSITS 01/07/22- 30/06/23 (\$000)	EXPECTED WITHDRAWALS 01/07/22 - 30/06/23 (\$000)	EXPECTED BALANCE@ 30/06/23 (\$000)	PURPOSE OF THE FUND
Development Contribution Reserves					
Community Infrastructure - District	916	137	-	1,053	To fund for District Development Contribution capital expenditure, loan repayments & interest for Community Infrastructure
District Wide Parks	831	221	-	1,052	To fund for District Wide Parks Development Contribution capital expenditure, loan repayments & interest
Parks & Reserves Land (Residential)	2,563	2,019	-	4,582	To fund for Residential Parks Reserve Land Development Contribution capital expenditure, loan repayments & interest
Transport & Stormwater - District	2,783	1,550	(2,061)	2,273	To fund for District Wide Transport Development Contribution capital expenditure, loan repayments & interest
Wastewater - Atiamuri	2	-	-	2	To fund for Atiamuri Wastewater Development Contribution capital expenditure, loan repayments & interest
Wastewater - Kinloch	1,876	479	(1,500)	855	To fund for Kinloch Wastewater Development Contribution capital expenditure, loan repayments & interest
Wastewater - Omori	-	-	-	-	To fund for Omori Wastewater Development Contribution capital expenditure, loan repayments & interest
Wastewater - Taupō	4,130	1,635	(3,351)	2,414	To fund for Taupō Wastewater Development Contribution capital expenditure, loan repayments & interest
Water - Kinloch	1,725	350	-	2,076	To fund for Kinloch Water Development Contribution capital expenditure, loan repayments & interest
Water - Mapara Road	390	43	-	434	To fund for Mapara Road Water Development Contribution capital expenditure, loan repayments & interest
Water - Omori/Pukawa/Kuratau	99	7	-	106	To fund for Omori/Pukawa/Kuratau Water Development Contribution capital expenditure, loan repayments & interest
Water - River Road	5	-	-	5	To fund for River Road Water Development Contribution capital expenditure, loan repayments & interest
Water - Taupō	1,596	1,643	(400)	2,839	To fund for Taupō Water Development Contribution capital expenditure, loan repayments & interest
Water - Tūrangi/Tongariro	14	-	-	14	To fund for Tūrangi/Tokaanu Water Development Contribution capital expenditure, loan repayments & interest
Total Development Contribution Reserves	16,931	8,086	(7,312)	17,705	
Depreciation Reserves					
Buildings - District	2,930	3,600	(4,994)	1,536	To fund for renewals, capital expenditure & loan repayments for Buildings - District
Land Subdivision - District	1,614	-	(82)	1,533	To fund for renewals, capital expenditure & loan repayments for Land Subdivision - District
Operational assets - District	1,626	2,904	(4,279)	251	To fund for renewals, capital expenditure & loan repayments for Operational assets - District
Solid Waste - District	1,005	431	(439)	997	To fund for renewals, capital expenditure & loan repayments for District Solid Waste
Transport & Stormwater - District	6,265	8,507	(9,933)	4,839	To fund for renewals, capital expenditure & loan repayments for Transport & Stormwater - District
Wastewater - District	3,161	5,851	(7,366)	1,646	To fund for renewals, capital expenditure & loan repayments for Wastewater - District
Water Supply District	11,450	3,954	(9,411)	5,993	To fund for renewals, capital expenditure & loan repayments for Water - District
Total Depreciation Reserves	28,051	25,248	(36,505)	16,794	

PROSPECTIVE SCHEDULE OF RESERVE FUNDS (CONTINUED)

RESERVE NAME	PROJECTED OPENING BALANCE 01/07/22 (\$000)	EXPECTED DEPOSITS 01/07/22- 30/06/23 (\$000)	EXPECTED WITHDRAWALS 01/07/22 - 30/06/23 (\$000)	EXPECTED BALANCE@ 30/06/23 (\$000)	PURPOSE OF THE FUND
Other Reserves		-			
Disaster Recovery Fund	2,435	310	(13)	2,731	To provide funds for CARFF insurance scheme annually for disaster coverage
District Airport Reserve	67	-	-	67	To provide for heavy periodic maintenance charges on assets such as buildings, roads etc & for future capital works of this nature
Parking	69	-	-	69	For the purchase or development of parking
Forestry	6,339	756	(181)	6,914	To be used in the establishment, maintenance & operation of Councils forestry blocks
Strategic Property Purchase - District	4,317	15,055	(1,999)	17,373	To fund specific strategically based property purchases & associated projects - District
TEL	64,207	1,590	-	65,797	As per Treasury Management Policy
CIP	8,695	-	(8,695)	-	
Total Other Reserves	86,129	17,711	(10,888)	92,952	
Total Reserves	131,111	51,044	(54,704)	127,451	

ACCOUNTING POLICIES

1. STATEMENT OF ACCOUNTING POLICIES

1.1 Reporting entity

Taupō District 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 Council's operations includes the LGA and the Local Government (Rating) Act 2002.

Council has not presented group prospective financial statements because Council believes that the parent prospective statements are more relevant to the users.

The main purpose of prospective financial statements in the Annual Plan is to provide users with information about core services that Council intends to provide to ratepayers, the expected cost of those services and, as a consequence, how much Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries, except to the extent Council obtains distributions from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements presented. The primary objective of Council is to provide goods and services to the community for social benefit, rather than for making financial return. Accordingly, Council has designated itself as a public benefit entity (PBE) for financial reporting purposes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The prospective financial statements of Council have been prepared in accordance with the requirements of the Local Government Act 2002 which includes the requirement to comply with New Zealand generally accepted accounting practice (NZGAAP). The prospective financial statements have also been prepared in accordance with Tier 1 PBE accounting 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 the period ending 30 June 2019; estimates have been restated accordingly if required. The prospective financial statements are prepared using the historical cost basis, except for assets and liabilities, which are recorded at fair value. These are detailed in the specific policies below.

The accounting policies set out below have been applied consistently to all periods presented in these prospective financial statements. 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, interpretations, and amendments issued but not yet effective that have not been early adopted, and which are relevant to Council are:

Amendment to PBE IPSAS 2 Cash Flow Statement

An amendment to PBE IPSAS 2 requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendment is effective for the year ending 30 June 2022, with early adoption permitted. The amendment will result in additional disclosures. The Council will not early adopt this amendment.

PBE IPSAS 40 PBE Combinations

PBE IPSAS 40 replaces PBE IFRS 3 Business Combinations. PBE IFRS 3 excluded from its scope combinations under common control and combinations arising from local authority reorganisations. These are now included within the scope of PBE IPSAS 40, through the inclusion of both acquisition and amalgamation accounting. This new standard is effective for the year ending 30 June 2022 and is applied prospectively. The Council will not early adopt this standard.

PBE IPSAS 41 Financial Instruments

In March 2019, the External Reporting Board (XRB) issued PBE IPSAS 41 Financial Instruments which supersedes PBE IFRS 9 and PBE IPSAS 29 Financial Instruments: Recognition and Measurement. The main changes under PBE IPSAS 41 are;

- New classification and measurement requirements for how the amount of change in fair value of financial liabilities is accounted for.
- 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 risks.
- Council plans to apply this standard in preparing the financial statements for the year ended June 2022. Council and group has not yet assessed the effects of the new standard.

PBE FRS 48 Service Performance Reporting

In November 2017, the XRB issued a new standard, Service Performance Reporting (PBE FRS 48). There has been no PBE Standard dealing solely with service performance reporting. This Standard establishes new requirements for public benefit entities (PBEs) to select and present service performance information. The new standard is Mandatory for annual periods beginning on or after 1 January 2021, with early application permitted. The Council plans to apply this standard in preparing its 30 June 2022 financial statements. The Council and group has not yet assessed the effects of the new standard.

2.2 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into NZ\$ (the functional currency) using the spot exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

2.3 GOODS AND SERVICES TAX (GST)

Items in the financial statements are stated exclusive of GST except for receivables and payables, which are shown on a GST inclusive basis. Where GST is not recoverable as input tax, it is recognised as part

of the related asset or expense. The net amount of GST recoverable from, or payable to, the 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.

2.4 COST ALLOCATION

The cost of service for each significant activity of Council has been derived using the cost allocation system outlined below: Direct costs, are costs directly attributable to a significant activity, and are charged directly to that significant activity; and Indirect costs are costs which cannot be identified in an economically feasible manner, with a specific significant activity, and are charged to significant activities using appropriate cost drivers such as staff time, computer devices, staff numbers and floor area.

2.5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these prospective financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions 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, judgements and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are:

- Estimating the fair value of land, buildings and infrastructural assets;
- Critical judgements in applying accounting policies
- Classification of property.

Council owns a number of properties, which are maintained primarily to provide housing to pensioners. Receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of the Council's social housing policy. These properties are accounted for as property, plant and equipment.

2.6 REVENUE

Revenue is measured at fair value.

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

Rates revenue

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. Council considers the effect of payment of rates 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 the 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 Council has received an application that satisfies its rates remissions policy.

Rates collected on behalf of Bay of Plenty Regional Council are not recognised in the financial statements, as Council is acting as their agent.

New Zealand Transport Agency roading subsidies

Council receives funding assistance from the 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 subsidies and grants

Other subsidies and 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 such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Vested or donated physical assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when Council obtains control of 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 construction price information provided by the property developer. For long-lived assets that must be used for a specific use (for example, land that must be used as a recreation reserve), Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if Council expects that it will need to return or pass the asset to another party.

Sales of goods

Revenue from the sales of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer. 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.

Entrance fees

Entrance fees are fees charged to users of Council's local facilities, such as pools, museum, and Superloo. Revenue from entrance fees is recognised upon entry to such facilities. Landfill fees for disposing waste at Council's landfill and transfer stations are recognised as the waste is disposed of by users.

Rental revenue

Rental revenue from investment property is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental revenue.

Development and financial contributions

Development and financial contributions are recognised as revenue when Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as Council provides, or is able to provide, the service.

Interest and dividends

Interest revenue is recognised using the effective interest method. Dividends are recognised when the shareholder's right to receive payment is established.

Third party transfer payment agencies

Council collects monies for many organisations. Where collections are processed through Council books, any monies held are shown as trade payables in the statement of financial position. Amounts collected on behalf of third parties are not recognised as revenue, but commissions earned from acting as agent are recognised in revenue.

2.7 BORROWING COSTS

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

2.8 SUPERANNUATION SCHEMES

Defined contribution schemes employer contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

2.9 GRANT EXPENDITURE

Council's awarded grants have no substantive conditions attached.

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 grants has been received.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by Council and the approval has been communicated to the applicant.

2.10 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 expense reduction of rental expense over the lease term.

2.11 INCOME TAX

Local authorities are only subject to income tax on income derived from any Council controlled organisation and as a port operator.

Income tax expense includes components relating to current tax and deferred tax. Current tax is the expected tax payable on the taxable income for the year, and any adjustment to income tax payable in respect of prior years.

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

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

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit or taxable profit. Current and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to items recognised in other comprehensive revenues and expenses or directly in equity.

2.12 EQUITY

Equity is the community's interest in Council as 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; and
- available-for-sale revaluation reserve.

Reserves are a component of equity and represent a particular use to which parts of equity have been assigned. Reserves may be legally restricted or created by Council. Council created reserves are reserves established by Council decision. Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of Council.

Asset revaluation reserves arise from certain asset classes being revalued, with these classes including land, buildings, infrastructural assets and restricted assets. The treatment of revaluation movements is detailed in 2.18 of the policies. Available-for-sale revaluation reserves arise from available-for-sale investments being revalued to current fair value. The treatment of revaluation movements is detailed in 2.16 of the policies.

2.13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand and deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the statement of cash flows, and within borrowings in current liabilities on the statement of financial position.

2.14 RECEIVABLES

Short-term receivables are recorded at the amount due, less any provision for uncollectability. A receivable is considered 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.

2.15 INVENTORY

Inventories are held for distribution or for use in the provision of goods and services. The measurement of inventories depends on whether the inventories are held for commercial or non-commercial (distribution at no charge or nominal charge) distribution or use. Inventories are measured as follows:

- Commercial: measured at the lower of cost and net realisable value; and
- Non-commercial: measured at cost, adjusted for any loss of service potential.

Cost is allocated using the first-in-first-out (FIFO) method, which assumes the inventories that were purchased first are distributed or used first.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition. Any write-down from cost to net realisable value or for the loss of service potential is recognised in the surplus or deficit in the year of the write-down. When sections of land for sale are transferred from non-current assets held for sale, investment property or property, plant and equipment to inventory, the fair value of the land at the date of transfer is its deemed cost.

2.16 FINANCIAL ASSETS

Financial assets (other than shares in subsidiaries) 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. Term deposits and community loans (loans and receivables) Loans made at nil or below market interest rates are initially recognised at the present value of their expected future cash flow, discounted at the current market rate of return for a similar financial instrument. After initial recognition, term deposits and community loans are measured at amortised cost using the effective interest method. Where applicable, interest accrued is added to the investment balance.

At year-end, the assets are assessed for indicators of impairment. Impairment is established when there is evidence that 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.

If the assets are impaired, the amount not expected to be collected is recognised in the surplus or deficit.

Listed bonds (held-to-maturity)

After initial recognition, listed bonds (designated as held-to-maturity) are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the statement of comprehensive revenue and expense.

At year-end, the assets are assessed for indicators of impairment. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments is considered to be objective evidence of impairment.

Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit. Council does not use this category presently.

Listed shares (fair value through surplus or deficit)

This category has two sub-categories: financial assets held for trading (Council does not use this category), and those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term, or if so designated by management. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance date. After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus or deficit. Council's equity investments fall into this category.

Available for sale (fair value through other comprehensive revenue and expense)

Financial assets available for sale 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, or realise, the investment within 12 months of balance date. Council includes in this category:

- investments that it intends to hold long-term but which may be realised before maturity; and
- shareholdings that it holds for strategic purposes.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue, 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 is reclassified from equity to the surplus or deficit. Council's shareholding in Civic Assurance and the holdings of Government and corporate bonds are currently classified as available for sale.

2.17 NON-CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value, less costs to sell.

Any impairment losses for write downs of the asset 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 are not depreciated or amortised while they are classified as held for sale (including those that are part of a disposal group).

2.18 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of:

Operational assets – These include land, buildings, office furniture and fittings, library books, heritage assets, plant and equipment, and motor vehicles.

Restricted assets

Restricted assets are parks and reserves owned by 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 Council. Each asset type includes all items that are required for the network to function, for example, wastewater reticulation includes reticulation piping and pump stations. Land and land under roads (operational and restricted) are measured at fair value, and buildings (restricted and operational) and infrastructural assets (roads, water, wastewater and stormwater) are measured at fair value less



accumulated depreciation. All other asset classes, excluding heritage assets, are measured at cost less accumulated depreciation and impairment losses. Heritage assets are measured at cost.

Revaluation

Land, land under roads and buildings (operational and restricted), and infrastructural assets (roads, water, wastewater and stormwater) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. 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 asset revaluation reserves in equity for that class of asset. Where this would result 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 amount previously expensed, and then recognised in other comprehensive revenue and expense.

Additions

The cost of an item of property, plant or 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 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 its fair value as at the date of acquisition.

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

Additions between valuations are shown at cost, except vested assets. Certain infrastructural assets and land have been vested in Council as part of the subdivision consent process. Vested land reserves are initially recognised at the most recent rating valuation. Vested infrastructural assets are valued based on the actual quantities of infrastructure components vested, and the current "in the ground" cost of providing identical services.

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 disposal are determined by comparing the disposal proceeds with the carrying amount of the asset. These are included in the surplus or deficit. When revalued assets are sold, the amounts included in other reserves in respect of those assets are transferred to accumulated funds.

Depreciation

Depreciation is provided on a straight-line or diminishing value basis on all property, plant and equipment other than land and heritage assets, 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 per the following chart:

CLASS OF ASSET DEPRECIATED	ESTIMATED USEFUL LIFE	DEPRECIATION RATES
Operational assets		
Land	not depreciated	nil
Site value	13 years	7.69%
Structure	20 - 80 years	1.3% - 5%
Roof	20 - 40 years	2.5% - 5%
Services	20 - 45 years	2.5% - 5%
Internal fit-out	15 - 35 years	2.9% - 6.7%
Plant	20 - 30 years	3.3% - 5%
Machinery	2 - 20 years	5% - 50%
Computer equipment	4 years	25%
Office equipment	4 - 10 years	13.33% - 25%
Leased assets	3 - 5 years	20% - 33.3%
Furniture and fittings	2 - 10 years	10% - 50%
Park furniture	2 - 25 years	4% - 50%
Motor vehicles	4 - 10 years	10% - 25%
Library books	6.5 years	15.5%
Infrastructural assets		
Buildings	40 - 75 years	1.3% - 2.5%
Roading network		
Top surface (seal)	3 - 20 years	5% - 33.3%
Pavement (base course)	45 - 65 years	1.5% - 2.2%
Formation	not depreciated	nil
Culverts	50 - 80 years	1.25% - 2%
Footpaths	30 - 80 years	1.3% - 3.3%
Kerbs	60 - 80 years	1.25 - 1.67%
Signs	15 years	6.7%
Streetlights	15 - 30 years	3.3% - 6.7%
Bridges	60 - 100 years	1% - 1.67%
Structures	15 - 50 years	2% - 6.7%
Land under roads	not depreciated	nil
Water system		
Pipes	45 - 120 years	1% - 2.2%
Valves, hydrants	40 years	2.5%
Pump stations	20 - 60 years	1.7% - 10%
Tanks	25 - 80 years	1.3% - 4%
Sewerage system		
Pipes	65 - 120 years	1% - 1.5%
Manholes	80 years	1.3%
Treatment plant	10 - 80 years	1.3% - 20%
Stormwater systems		
Pipes	50 - 120 years	0.83% - 2%
Manholes, cesspits	75 - 100 years	1% - 1.3%
Flood control systems	50 - 100 years	1% - 2%
Solid waste	4 - 24 years	4.166% - 25%

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

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date. Impairment of property, plant and equipment Property, plant and equipment that have a finite useful life are reviewed for impairment at each balance date and 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 its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases in the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit. For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

2.19 FORESTRY ASSETS

Forestry assets are predominantly standing trees which are managed on a sustainable yield basis. Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Gains or losses arising on initial recognition of forestry assets at fair value less cost to sell and from a change in fair value less costs to sell are recognised in the surplus or deficit. Forestry maintenance costs are recognised in the surplus or deficit when incurred

2.20 INTANGIBLE ASSETS

Software acquisition and development

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 attributable to the development of the software for internal use are recognised as an intangible asset. Direct costs 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.

Amortisation

The carrying value of an 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 de-recognised. The amortisation charge for each financial year 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 3-10 years 10.0 per cent - 33.33 per cent
Impairment of intangible assets For further details, refer to the policy for impairment of property, plant and equipment in 2.19. The same approach applies to the impairment of intangible assets.

Carbon Credits

Purchased carbon credits are recognised at cost on acquisition. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

2.21 INVESTMENT PROPERTY

Properties leased to third parties under operating leases and properties held for capital appreciation 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, all investment property is measured at fair value at each reporting date. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

2.22 PAYABLES AND DEFERRED REVENUE

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

2.23 EMPLOYEE ENTITLEMENTS

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the year in which the employee provides 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 and an expense are recognised for bonuses where Council has a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligations can be made. Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the year in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- The present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave, and vested long service leave are classified as a current liability. Non-vested retirement and long service leave expected to be settled within 12 months of balance date are also classified as a current liability. All other employee entitlements are classified as a non-current liability.

2.24 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 assessment of the time value of money and the risk 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".

2.25 BORROWINGS AND OTHER FINANCIAL LIABILITIES

Borrowings are initially recognised at their fair value plus transactions costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Finance leases

A finance lease transfers to the lessee substantially all of the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item and the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty as to whether Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

2.26 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

Derivative financial instruments are used to manage exposure to interest rate risk arising from Council's financing activities. In accordance with its Treasury Policy, Council does not hold or issue derivative financial instruments for trading purposes. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance date. The associated gains or losses are recognised in the surplus or deficit.

2.27 PROSPECTIVE FINANCIAL INFORMATION

The financial information contained in this document is prospective financial information in terms of accounting standard PBE FRS42. The purpose for which it has been prepared is to enable ratepayers, residents and any other interested parties to obtain information about the expected future financial performance, position and cash flow of Council. The actual results achieved for any particular year are also likely to vary from the information presented and may vary materially depending on the circumstances that arise during the period. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

FUNDING IMPACT STATEMENT

1. INTRODUCTION

This Funding Impact Statement details the Rating Policy and the rates funding requirements.

2. WARD BOUNDARIES AND RATING AREAS

Council has one rating area for the whole district. Where services benefit the whole community, these services will be paid from general rates. Where services benefit individuals or identifiable groups in the community, user charges or targeted rates may be assessed. The rating system used by Council is capital value, and the property valuations are produced by Opteon Technologies Limited. The effective date of the valuations is 1 July 2019.

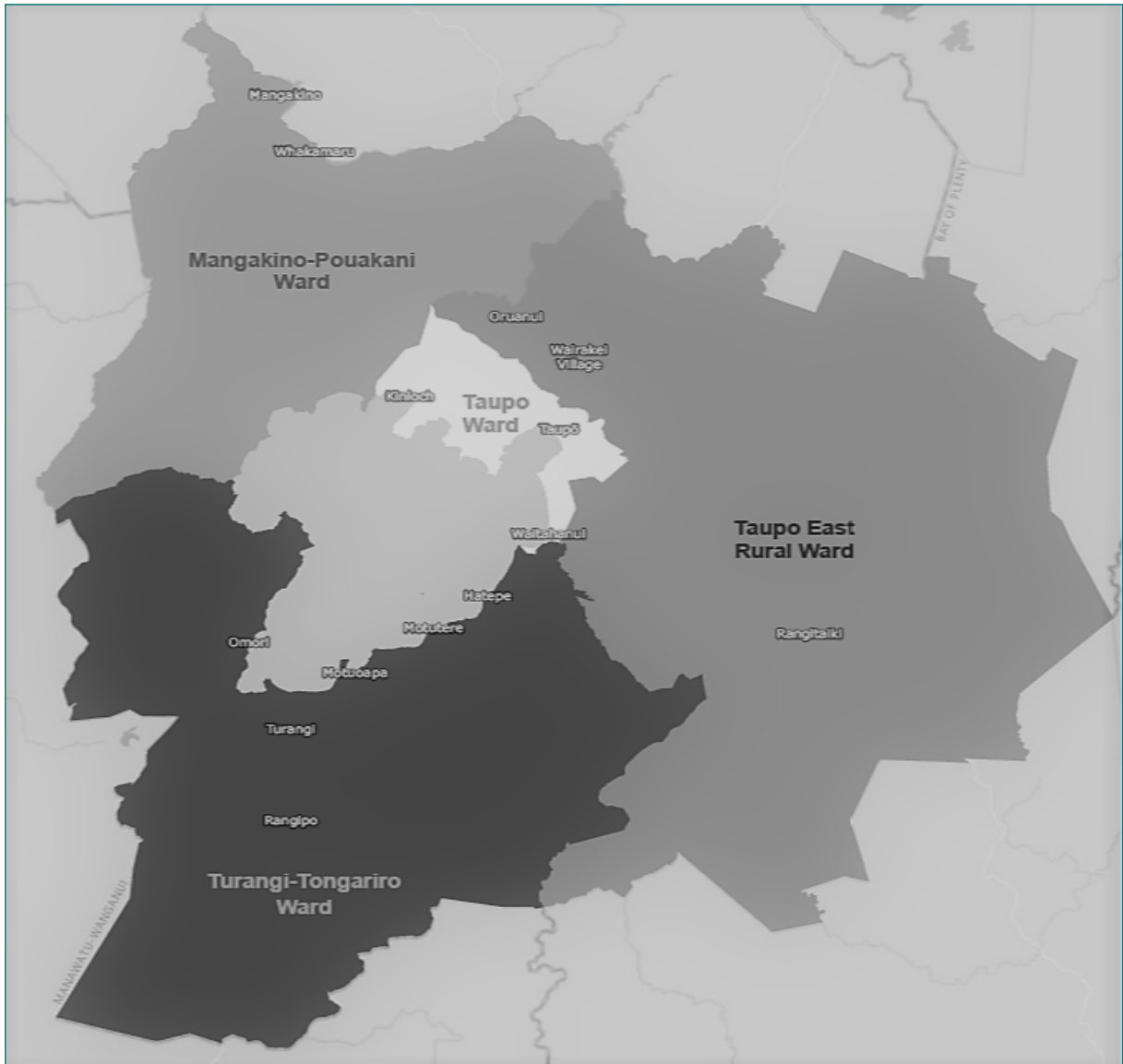


Figure 1 Taupō District and Wards

3. CATEGORIES OF RATEABLE LAND

The Council adopts the following as its definitions of categories of rateable land. These categories are used as described elsewhere in this policy, and as required, for setting some of the targeted rates. The categories are defined using the use to which the land is put (clause 1 of schedule 2 of the Local Government (Rating) Act 2002) or the zoning of the land under the Council's Operative District Plan (clause 2 or 3 of schedule 2 of the Local Government (Rating) Act 2002). The categories are:

- Residential – all residential rating units used for one or more household units.
- Rural – all rating units used predominantly for agricultural, horticultural, forestry or farming purposes.
- Utilities assets and utility networks – all utility service rating units.
- Electricity Generators – all rating units used for the purposes of generating electricity
- Industrial/Commercial – all rating units used for industrial, commercial, or retail purposes; all vacant rating units zoned commercial or industrial under the District Plan; all rating units used for office or administrative purposes
- Accommodation – all accommodation complexes including rating units within accommodation complexes used to provide visitor accommodation, including (without limitation) motels, hotels, timeshares, serviced apartments, holiday parks, camping grounds and backpacker lodges.
- Other – All other rating units not falling within the other differential categories.

3.1 It should be noted that:

- (a) Vacant land – the differential classification will be determined by the underlying zone classification of the rating unit.
- (b) Targeted rates are a source of funding as outlined in this document. Lump sum contributions are not invited in respect of any of the targeted rates.
- (c) Separately used or inhabited part (SUIP) – this refers to separate parts of a rating unit; whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner as an independent residence/household; or in the case of a rating unit used for commercial or industrial business, the availability for use of part or parts of the rating unit for independent trading operations. In a residential situation a separately used or inhabited part will only be classified if all of the following apply - separate kitchen including a bench top and sink, separate living facilities, separate toilet and bathroom facilities and separate access (including access through a common area such as a lobby, stairwell, hallway or foyer etc.). In a business situation a separately used or inhabited part will be classified where the property has been set up to accommodate, or is accommodating separate lessees, tenants or the like for separate premises within the same rating unit. A rating unit with one use or part is one separately used or inhabited part.
- (d) Where separate parts of a rating unit fit within more than one category of rateable land (3 above) for setting rates or where separate parts of a rating unit qualify for a rates remission a rating division may be created to accurately assess rates and/or apply remission. It should be noted that a rating division will not be created to allow the avoidance of rates for rating units that operate in an open-market commercial environment. i.e. pockets of unproductive Māori Freehold land on farming or forestry blocks.
- (e) Rates payments will be allocated to the oldest debt outstanding first.

3.2 Targeted Rates Based on Land Use

Council will target rates based on land use to assess:

- District Refuse Disposal Rate (1 and 2 below)
- Sewage Disposal Rate (3 below)

The following categories will apply:

- 1 All industrial, commercial, accommodation, utilities assets and utility networks, and electricity generator rating units (assessed twice the charge per separately used or inhabited part of a rating unit).
- 2 All residential, rural and other rating units (assessed with one charge per separately used or inhabited part of a rating unit).
- 3 Schools – per pan or urinal

3.3 Targeted Rates Based on Location

Council will use targeted rates based on location to assess rates for:

- Tūrangi-Tongariro Community Board Rate (see 1 below).
- Towncentre Taupō Management Rate (2 below).
- Whareroa Refuse Rate (3 below).
- Five Mile Bay Water Capital Works Rate (4 below)

The following categories will apply:

- 1 Tūrangi/Tongariro Ward – (assessed on each separately used or inhabited part of a rating unit) see figure 1 of this document
- 2 Industrial/Commercial rating units within the defined central business district of Taupō town (assessed on each separately used or inhabited part of a rating unit). See figure 5 in this document.
- 3 All rating units in the Whareroa area. (see figure 4 in this document)
- 4 All rating units in the Five Mile Bay area. See figure 2 in this document

3.4 Targeted Rates Based on Availability of Service

Council will use targeted rates based on availability of service to assess rates for:

- Water supply (1, 4, and 6 below)
- Sewage disposal (2, 3, and 5 below)

The following categories will apply:

- 1 connected – each separately used or inhabited part of a rating unit that is connected to a Council operated water scheme
- 2 connected – each rating unit or residence/household that is connected to a Council sewerage drain
- 3 connected per pan or urinal – each rating unit with more than one pan or urinal (with the exception of rating units used as a single residence/household)
- 4 serviceable (available to be connected) – any separately used or inhabited part of a rating unit that is not connected to an accessible Council operated water scheme but is within 100 metres of any part of the waterworks
- 5 serviceable (available to be connected) – any rating unit that is not connected to an accessible Council operated sewage scheme but is within 30 metres of such a drain
- 6 metered water supply – rating units with a water meter

3.5 Targeted Rates Based on Location and Availability of Service

Council will use location and the availability of service to assess rates for:

- Whakamaru fire protection rate.

The following category will apply:

Assessed on defined rating units within the Whakamaru Village that are not connected to the Council water supply but have access to Council water hydrants for firefighting purposes (see figure 3 in this document)

4. GENERAL AND TARGETED RATES

The Council adopts the following rates under the Local Government (Rating) Act 2002, on rating units in the district.

4.1 General Rate

A General Rate set under section 13 of the Local Government (Rating) Act 2002 on every rateable rating unit in the district and calculated on the capital value of each rating unit.

The General Rate is used to fund activities and services including: community engagement, community grants, building compliance and development, district plan compliance, health and liquor, parking, transport, parks, reserves and sports grounds, swimming pools (AC Baths, Tūrangi Turtle Pools, Mangakino Pool), Taupō Events Centre, Great Lake Centre, Libraries, Taupō Museum and Art Gallery, community halls, public toilets (including the Superloo), housing for the elderly, litter control, stormwater, planning for the future, Tūrangi Tongariro Community Board, investments, Council property, destination marketing and economic development.

Valuation basis for general rates

Council uses capital value as the basis for general rates.

RATING UNIT CATEGORY	RATE PER \$ OF CV 2021/22 GST INCL	RATE PER \$ OF CV 2022/23 GST INCL
Residential	0.0025754/\$	0.0026425/\$
Rural	0.0025754/\$	0.0026425/\$
Utility Assets and Networks	0.0025754/\$	0.0026425/\$
Electricity Generators	0.0025754/\$	0.0026425/\$
Industrial/Commercial	0.0046357/\$	0.0047565/\$
Accommodation	0.0046357/\$	0.0047565/\$
Other	0.0025754/\$	0.0026425/\$

4.2 Differentials

Council applies differential factors greater than 1.0 to some categories of rateable land when assessing the general rate to recognise that there are differences in the level of service and therefore the benefits each differential rating category derives from the various services provided by Council. In some cases, costs to provide some services are higher for some rating categories and this is considered when setting differentials and applying them to rating categories. Rating units are categorised based on land use or the zoning of the land.

Council uses a 1.8 differential for Industrial/Commercial, and Accommodation property categories. All other categories of rating unit will pay the standard rate (differential = 1).

PROPERTY CATEGORIES	DIFFERENTIAL FACTORS
Residential	1.000
Rural	1.000
Utility Assets and Networks	1.000
Electricity Generators	1.000
Industrial/Commercial	1.800
Accommodation	1.800
Other	1.000

4.3 Uniform Annual General Charge

A Uniform Annual General Charge set under section 15 of the Local Government (Rating) Act 2002 on every separately used or inhabited part of a rating unit in the district (as defined in section 3.1.b of this document). For the avoidance of doubt, where a rating unit is divided into separate parts for rating purposes, each separate part is treated as if it were a separate rating unit for the application of this Uniform Annual General Charge. The Uniform Annual General Charge will be used to fund leadership, governance, advocacy, emergency management, animal control and cemeteries.

PER SUIP	2021/22 GST INCL	2022/23 GST INCL
Uniform Annual General Charge	\$250.00	\$250.00

4.4 Sewage Disposal

A targeted rate to fund sewage disposal, as outlined in the Groups of Activities – Wastewater section of this document, set under section 16 of the Local Government (Rating) Act 2002, assessed on every rating unit connected or available to be connected (serviceable) to an accessible Council scheme on the basis of one charge per pan or urinal (with the exception of the residence of a single household – which shall be assessed only one charge) for connected rating units and per rating unit for serviceable rating units. For the avoidance of doubt the words ‘a single household’ do not restrict the charge to one pan/urinal in the situation where a rating unit has separately used or inhabited parts (as defined in section 3.1.b of this document). In such a situation each separately used or inhabited part is regarded as a single residence/household, and the pan charge applied will be at the cumulative per pan rate multiplied by the number of separate households. The sewage disposal rate, including for Schools, is assessed based on the use to which the land is put, including that the number of pans is a proxy for land use. Serviceable – rating units within 30 meters of an accessible sewerage drain.

Targeted Sewer Disposal charges per rating unit are:

RATING UNIT CONNECTED	FACTOR OF LIABILITY	2021/22 GST INCL (PER PAN)	2022/23 GST INCL (PER PAN)
1 pan/urinal	per pan/urinal	\$780.02	\$865.72
2 pans/urinal	per pan/urinal	\$585.02	\$649.29
3 or more pan/urinals	per pan/urinal	\$390.01	\$432.86
Schools	per pan/urinal	\$195.01	\$216.43
RATING UNIT SERVICEABLE - WITHIN 30 METERS OF AN ACCESSIBLE SEWERAGE DRAIN	FACTOR OF LIABILITY	2021/22 GST INCL	2022/23 GST INCL
Available to be connected	per rating unit	\$390.01	\$432.86

4.5 Water Supply – District Wide

Water Schemes with fixed charge targeted rates

A fixed targeted rate to fund water supply, as outlined in the Groups of Activities – Water section of this document, set under section 16 of the Local Government (Rating) Act, assessed on each separately used or inhabited part (as defined in section 3.1.b of this document) of a rating unit, and being a rating unit which is connected, or is available to be connected, to an accessible Council scheme. A full charge will be made for each connected separately used or inhabited part of the rating unit and a half charge for serviceable separately used or inhabited parts of a rating unit (those within 100 metres of any part of the water scheme).

The water schemes are: Taupō, Kinloch, Whakaroa, Bonshaw Park, Whakamoenga Point, River Road, Mangakino, Tirohanga, Tūrangi, Motuoapa, Tokaanu, Hatepe, Omori/Kuratau/Pukawa, Whakamaru, Atiamuri, Rakaunui Road, Waihaha, Whareroa, Centennial Drive.

The water schemes and targeted water charges on any separate part of a rating unit described above are:

WATER SCHEME	2021/22 GST INCL	2021/22 GST INCL	2022/23 GST INCL	2022/23 GST INCL
	Serviceable	Connected	Serviceable	Connected
District wide water supply rate	\$268.23	\$536.46	\$291.73	\$583.46

4.6 Metered Water Supply

Note: Water meter charges will be invoiced separately from rates invoices at various times throughout the year (depending on the water scheme).

Targeted rates for metered water supply, set under section 19 of the Local Government (Rating) Act 2002, and assessed on the volume of water supplied to every rating unit with a water meter (excluding meters read for monitoring purposes only). These metered water charges apply for supply over and above the equivalent supply allocation provided under the fixed targeted rate, where the equivalent supply allocation is the amount of the fixed targeted rate, divided by the rate per m³ for the relevant water scheme that the property is connected to, as shown below. It is only when this threshold is exceeded that water meter charges at the rates set below will be applied.

Council installs water meters to various properties throughout the District that are used to measure consumption for future planning purposes, to identify any leaks or where excessive water use is suspected; these meters are read for monitoring purposes only.

The rates per cubic metre are:

WATER SUPPLY	2021/22 GST INCL CENTS/ M3	2022/23 GST INCL CENTS/ M3
Taupō (includes Taupō township, Waitahanui, Wairakei Village, Acacia Bay, Five Mile Bay and the wider Mapara area).	227	227
Kinloch	173	173
Whakaroa	229	229
Bonshaw Park	291	291
Whakamoenga Point	161	161
River Road	194	194
Mangakino	178	178
Tirohanga	93	93
Tūrangi	69	69
Motuoapa	110	110
Tokaanu	131	131
Hatepe	259	259
Omori/Kuratau/ Pukawa	148	148
Whareroa		227
Whakamaru	152	152
Atiamuri	178	178
Rakaunui Road	63	63
Centennial Drive (untreated)	51	51
Waihaha	93	93

4.7 Five Mile Bay Water Capital Works Rate

Note: After consultation with the community through the 2022-23 Annual Plan the costs for new infrastructure to provide Council supplied water to the existing and long-established community of Five Mile Bay, which previously was not able to connect, will be funded from the District Wide Water Targeted Rate.

Council resolved to remove the Five Mile Bay Water Capital Works targeted rate which was introduced for the 2021-22 rating year and rates assessed for the one year that the Five Mile Bay Capital Works Rate was set will be credited.

A fixed targeted rate assessed on each rating unit to fund 50% of the capital works costs of the infrastructure required to supply water as outlined in the Groups of Activities - Water section of this document (whether connected or not) within the defined Five Mile Bay area (see figure 2 below), set under Section 16 of the Local Government (Rating) Act 2002.

	2021/22 GST INCL	2022/23 GST INCL
Five Mile Bay Water Capital Works Rate	\$112.75	0



4.8

Figure 2 Five Mile Bay Capital Works Rate

4.9 District Refuse Disposal Charge

A targeted rate to fund district refuse disposal, solid waste operations and waste minimisation initiatives, as outlined in the Groups of Activities – Solid waste section of this document, set under section 16 of the Local Government (Rating) Act 2002 and assessed on each separately used or inhabited part (SUIP - as defined in section 3.1.b of this document) of each rateable rating unit in the district on the basis that properties categorised as residential, rural or other shall be assessed with one charge per SUIP, and industrial/commercial, accommodation, electricity generator and utility asset and network rating units shall be assessed with twice the charge per SUIP. For the avoidance of doubt, where a rating unit is divided into separate parts for rating purposes, each separate part is treated as if it were a separate rating unit for the application of this District Refuse Disposal Charge.

The targeted District Refuse Disposal Charge is:

	2021/22 GST INCL	2022/23 GST INCL
Accommodation, Industrial/Commercial, Electricity Generators, Utility Assets & Networks	\$128.06	\$234.24
Residential, Rural or Other	\$64.03	\$117.12

4.10 Whakamaru Fire Protection Rate

A targeted Whakamaru Fire Protection Rate, as outlined in the Groups of Activities – Water section of this document, set under section 16 of the Local Government (Rating) Act 2002. Defined rating units within the Whakamaru village that are not connected to the Council water supply but have access to Council water hydrants for firefighting purposes; assessed as a fixed amount per rating unit. (see figure 3 below)

The targeted Whakamaru Fire Protection Rate is:

	2021/22 GST INCL	2022/23 GST INCL
Whakamaru Fire Protection	\$167.71	\$181.13

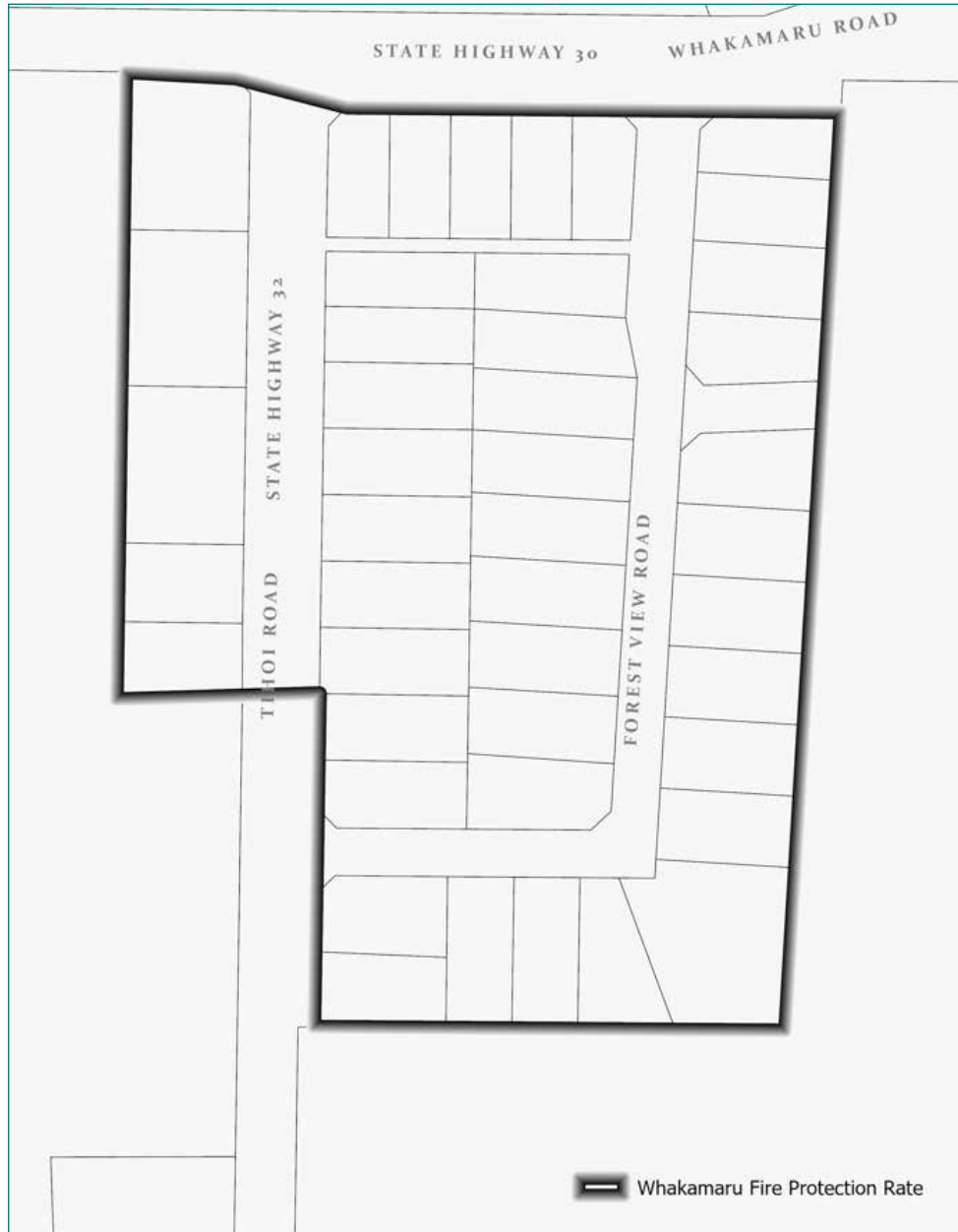


Figure 3 Whakamaru Fire Protection area

4.11 Whareroa Refuse Rate

A targeted Whareroa Refuse Rate, to fund the 24-hr turnstile access to the Whareroa refuse station, as outlined in the Groups of Activities - Solid waste section of this document, set under section 16 of the Local Government (Rating) Act 2002, assessed on all rating units in the Whareroa rating area (see Figure 4 below) as a fixed amount per rating unit.

The targeted Whareroa Refuse Rate is:

	2021/22 GST INCL	2022/23 GST INCL
Whareroa Refuse Rate	\$90.90	\$90.90



Figure 4 Whareroa Refuse area

4.12 Towncentre Taupō Management Rate

A targeted Towncentre Taupō Management Rate, to fund services to enhance and develop the social and economic wellbeing of the Taupō central business district, as outlined in the Groups of Activities - Economic Development section of this document, set under section 16 of the Local Government (Rating) Act 2002, assessed on each separately used or inhabited part (as defined in section 3.1.b of this document) of industrial/commercial rating units within the defined Taupō Town Centre boundary (see Figure 5 below).

The targeted Towncentre Taupō Management Rate is:

	2021/22 GST INCL	2022/23 GST INCL
Towncentre Taupō Management	\$366.79	\$384.46



Figure 5 Taupō Town Centre

4.13 Tūrangi Tongariro Community Board Rate

Note: The Tūrangi Tongariro Community Board will be disestablished in October 2022. Therefore, the Tūrangi Tongariro Community Board Rate assessed for this rating year from 1 July 2022 to 30 June 2023 and collected in four equal instalments due on 22 August 2022, 21 November 2022, 20 February 2023 and 22 May 2023 will fund the Board for part of the year from July 2022 to October 2022.

A targeted Tūrangi Tongariro Community Board Rate, as outlined in the Groups of Activities - Democracy and planning section of this document, set under section 16 of the Local Government (Rating) Act 2002, assessed on each separately used or inhabited part (as defined in section 3.1.b of this document) of all rating units within the Tūrangi-Tongariro ward (as highlighted in figure 1 of this document)

	2021/22 GST INCL	2022/23 GST INCL
Tūrangi Tongariro Community Board Rate	\$17.83	\$4.56

Examples of rates per type of property

Sample properties

CAPITAL VALUE	UAGC	GENERAL RATES	WATER RATES	SEWAGE RATE	REFUSE RATE	TAUPŌ TOWN CENTRE	TURANGI COMMUNITY BOARD	TOTAL PROPOSED RATES 2022/23	TOTAL RATES 2021/22	\$ CHANGE	% CHANGE	
Residential properties - Taupō												
410,000	250	1,083	583	866	117	0	0	2,900	2,686	213	7.9%	
585,000	250	1,546	583	866	117	0	0	3,362	3,137	225	7.2%	
730,000	250	1,929	583	866	117	0	0	3,745	3,511	235	6.7%	
1,000,000	250	2,643	583	866	117	0	0	4,459	4,206	253	6.0%	
Residential properties - Turangi												
272,000	250	719	583	866	117	0	5	2,540	2,349	191	8.1%	
302,000	250	798	583	866	117	0	5	2,619	2,426	193	7.9%	
334,000	250	883	583	866	117	0	5	2,703	2,509	195	7.8%	
610,000	250	1,612	583	866	117	0	5	3,433	3,219	213	6.6%	
Residential properties - Mangakino												
225,000	250	595	583	866	117	0	0	2,411	2,210	201	9.1%	
282,000	250	745	583	866	117	0	0	2,561	2,357	205	8.7%	
333,000	250	880	583	866	117	117	0	0	2,696	2,488	208	
460,000	250	1,216	583	866	117	0	0	3,032	2,815	217	7.7%	
Residential properties - Kinloch												
425,000	250	1,123	583	866	117	117	0	0	2,939	2,725	214	
520,000	250	1,374	583	866	117	0	0	3,190	2,970	221	7.4%	
750,000	250	1,982	583	866	117	0	0	3,798	3,562	236	6.6%	
1,010,000	250	2,669	583	866	117	0	0	4,485	4,232	254	6.0%	
Industrial Commercial properties												
585,000	250	2,783	583	866	234	0	0	4,716	4,406	310	7.0%	
930,000	250	4,424	583	866	234	384	0	6,741	6,373	369	5.8%	
1,465,000	250	6,968	583	1,299	234	384	0	9,719	9,243	476	5.2%	
3,450,000	250	16,410	583	1,299	234	384	0	19,161	18,445	716	3.9%	
Rural properties												
835,000	250	2,206	0	0	117	0	0	2,574	2,464	109	4.4%	
1,330,000	250	3,515	0	0	117	0	0	3,882	3,739	142	3.8%	
5,950,000	250	15,723	0	0	117	0	0	16,090	15,638	452	2.9%	
9,190,000	1,000	24,285	0	0	468	0	0	25,753	24,795	958	3.9%	

SCHEDULE TO FUNDING IMPACT STATEMENT

	LTP 2021/22 (\$000)	LTP 2022/23 (\$000)	ANNUAL PLAN 2022/23 (\$000)
Revenue			
General rate	39,550	42,837	43,171
Targeted rates			
Uniform annual general charge	8,985	9,101	7,406
Lake protection			-
Water	11,580	12,792	12,343
Sewage disposal	14,049	15,619	15,806
Refuse disposal	1,496	1,680	2,766
Whareroa refuse collection rate	16	16	16
Tūrangi Tongariro Community Board rate	83	86	21
Taupō Town Centre management rate	170	175	179
Waitahanui sewer loan	-	-	-
Whakamaru fire protection	4	4	4
Rates penalties	500	500	438
Fees and charges	10,317	10,542	10,913
Other revenue	1,167	1,200	1,220
Operating subsidies	3,523	3,359	3,085
Interest	1,584	1,705	3,323
Capital contributions			
Development contributions	8,844	7,199	8,086
Other gains & losses	11,458	9,391	13,212
Vested assets	5,258	4,529	4,382
Capital subsidy	3,869	3,687	3,196
Other Capital Funding	-	-	-
Total operating revenue	122,453	124,419	129,567
Operating expenditure			
Operating expenses	65,712	66,972	69,177
Interest expense	7,358	8,000	9,395
Depreciation	25,455	27,573	24,859
Total operating expenses	98,525	102,545	103,431
Operating surplus/(deficit) before asset development and other gains/(losses) and tax	23,928	21,874	26,136
Other expenses			
Capital expenditure	59,790	56,558	74,560
Debt repayments	26,219	21,191	28,956
Transfers to special reserves	24,959	21,315	25,898
Recognition of vested assets	5,258	4,529	4,382
Capex Other Funding	-	-	-
Depreciation not funded	(6,290)	(3,969)	(4,144)
Total net cost	86,008	77,750	103,516
Funded by:			
General rates	-	-	-
Loans raised	38,228	40,584	58,775
Development, financial & other contributions	-	-	-
NZTA and other subsidies	3,718	3,587	2,664
Capex Other Funding	151	100	532
Transfers from reserves	43,911	33,479	41,545
Total net funding	86,008	77,750	103,516



SHAPING OUR FUTURE.

TAUPŌ DISTRICT COUNCIL ANNUAL PLAN 2022-23