

TAUPŌ DISTRICT COUNCIL

ANNUAL PLAN

2020/21



GREAT LAKE TAUPŌ
Taupō District Council

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A MESSAGE FROM YOUR MAYOR AND COUNCILLORS

WELCOME TO OUR ANNUAL PLAN FOR THE 2020/21 YEAR.

This 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 three of our Long-term Plan 2018-28, which we consider to be our contract with the community, as well as covering our key deliverables.

We are experiencing unprecedented times, with a worldwide pandemic unlike anything we have seen in the last century. We are proud of how our district has responded to the COVID-19 restrictions over the last two months, helping to break the chain of transmission and ultimately saving thousands of lives.

As a council, we acted swiftly to reduce the immediate impacts on our district. Nearly 60 council staff were deployed to work in the Civil Defence Emergency Operations Centre, helping to deliver over 500 food parcels and house more than 100 people. Council's commercial and community tenants were offered a fee waiver, and we committed to keeping the majority of our fees and charges unchanged, unless an increase was required by legislation. A number of projects were also paused including investigation work into the northern access to the Taupō Town Centre, sealing of the former RSA site on Horomatangi Street and an upgrade of the Tuwharetoa and Ruapehu Street intersection.

We are continuing to lead the recovery for our district, working in partnership with our community and sector leaders to develop the Regenerate Taupō District – Taupō, He Tupu Ururua recovery plan. This will help to identify further opportunities for recovery in the immediate future, alongside longer-term solutions for our economic, social, environmental and cultural wellbeing. This has been a real, united, community effort.

However, we know that there are still significant challenges ahead. Nationally, the economic shock is expected to surpass that of World War Two. How substantial the downturn will be

for our district will become clearer over the coming weeks and months. However, as a tourist destination, with a third of our jobs related to this sector, we are expecting it to be substantial. Our priority is now firmly focused on how we can soften the longer term impacts of COVID-19 on our district.

Prior to the COVID-19 pandemic, we had signalled a general rates increase of 3.02 per cent for the 2020/21 year. This was to cover the cost increases needed to deliver existing services and new projects planned as part of year three of the Long-term Plan 2018-2028. In light of the significant impacts we are expecting to see on our communities as a result of COVID-19, we have now committed to a zero percent general rates rise for this Annual Plan.

To achieve this, we have had to completely rethink this Annual Plan; balancing the need for affordability, with continuing to deliver all the services and projects that are required for our district to grow and prosper. Rates help pay for many of the things we love about our district – our parks and green spaces, our libraries, recreation centres and pools, along with the core infrastructure that make our district tick like roading, water and wastewater services. However, we remain committed to ensuring we are not adding more of a financial burden to our ratepayers, at a time where many people and businesses in our community may be struggling.

While we are committed to this, it would be remiss not to acknowledge how the latest property revaluations across our district – which are required to be reviewed every three years – will change how rates are distributed. This may affect an individual property's share of rates due to these updated market values. Some individual property's rates may go up, while others may go down. This is not about us collecting more or less total rates revenue, rather, the 'slices of pie' are being cut slightly differently to reflect these new property valuations.



“KAUA E RANGIRUATIA TE HĀPAI O TE HOE; E KORE TŌ TĀTOU WAKA E Ū KI UTA.”

DO NOT LIFT THE PADDLE OUT OF UNISON OR OUR CANOE WILL NEVER REACH THE SHORE.

As part of the balancing act to achieve a zero percent general rates rise, we are putting a number of capital projects programmed for the 2020/21 financial year on hold. This includes the Civic Administration Building, Museum upgrade, the Kiddle Drive-Arrowsmith Avenue roundabout and CBD intersection upgrades and will result in savings of nearly \$25 million by cutting the capital programme from \$63 million to \$38.7 million. We will be able to revisit these next year, as part of the Long-term Plan process.

At the same time, we understand the importance of creating a vibrant, thriving district and the critical role investment plays in achieving this. That is why we have applied for more than \$316 million of government funding for key projects that will see investment across transport, water, culture, housing and recreation. This will support economic stimulation and create real jobs in our district. We will know more about what this looks like in the coming weeks and will continue to advocate for government investment.

As part of this revised Annual Plan 2020/21, we have also committed to investing across our district. Of note in Taupō, we will complete the upgrade to the Great Lake shared path and construct the pipeline to connect Acacia Bay to the drinking water network.

In Turangi, we have committed to the Turangi Open Space upgrade which includes community changing facilities at Turangitukua Park. We are also completing significant repairs to Turangi’s kerb and channeling network.

In Mangakino, we will be building community changing facilities, while in Kinloch we will continue with upgrading the drinking water supply along with improvements to the wastewater treatment plant there.

This is, of course, on top of our normal maintenance and renewals programme.

We are also hopeful that the IRONMAN 70.3 World Championships will head to our shores, albeit slightly delayed, in early 2021. This will provide an important boost to our economy and we are continuing to work closely with event organisers in the hope that border restrictions may ease in time for this event.

We know there is a long road ahead, but together, we can ensure the Taupō District continues to be the heartbeat of the North Island.

Kaua e rangiruatia te hāpai o te hoe; e kore tō tātou waka e ū ki uta. Do not lift the paddle out of unison or our canoe will never reach the shore.

OUR LONG-TERM DISTRICT STRATEGY

As your Mayor and Councillors, we want the Taupō District to be the 'Heartbeat of the North Island' not only by its geographical position but by creating world class, authentic and resilient communities that people want to be a part of. We want our district to be known for its charm, to be vibrant, and to also offer a quality experience for both residents and visitors, while creating real value in what we offer and by the way we do things. We will work closely and collaboratively to maximise any opportunities, with Iwi and our other partners to ensure the best possible outcomes are achieved for our communities.

To help guide our strategy we have used a core set of values to underpin our decision making when it comes to the services and activities we carry out as a Council. These are:

WORLD CLASS

The work we do will maintain – and build on – our international reputation as a destination of choice. We will promote an excellent quality of life for our residents while protecting the natural environment that makes our district so special.

AUTHENTIC

We will be open and transparent in the way we carry out our business and offer an experience that is genuine and real.

RESILIENT

Our plans, infrastructure and work programmes will be designed to ensure we are prepared to withstand or recover quickly from, disasters and/or difficult situations. We will be flexible and respond quickly to change.

CHARMING

Our district's reputation will be built on the attractiveness of our towns, the diversity of the experiences we offer, and the friendliness of our people.

VIBRANT

The vibrancy of our district will be created by well-connected communities who work together to create a positive, fun environment people want to call home.

QUALITY

We enable people to prosper by working to keep unemployment low, housing affordable and ensuring whatever we do is the best it can be.

VALUE

We will retain and attract residents and businesses by ensuring the district remains affordable and ensuring the work we do creates a better life for people and their families.

The strategy continues to align with the goals we set ourselves previously of:

- Ensuring that the Taupō District remains a great place to live
- Promoting economic development
- Protecting our water resources and using them wisely
- Maintaining the quality infrastructure that we have and;
- Keeping rates and debt affordable.

The complete strategy including our financial and infrastructure strategy can be found in the Long-term Plan 2018-28.

When preparing this Annual Plan, we assessed the financial information and budgets against year 3 of the LTP.

This assessment identified differences as follows:

- The proposed rates increase for 20/21 is -0.43% versus 3.02% shown in the LTP.
- The gross debt forecast for 20/21 is \$173 million versus \$157 million shown in the LTP.

ANNUAL PLAN DISCLOSURE STATEMENT

FOR YEAR ENDING 30 JUNE 2021

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			Yes
Income	Total rate revenue must not exceed 80% of operating revenues.	71.6%	
Increases	LCGI + 1.5% which equals 3.70%	-0.43%	
Debt affordability benchmark	Gross external borrowing may not be more than 200% of annual operating income.	179.2%	Yes
Balanced budget benchmark	100%	101.7%	Yes
Essential services benchmark	100%	116.9%	Yes
Debt servicing benchmark	10%	9.4%	Yes





TAUPŌ DISTRICT COUNCIL'S VISION IS

**“TO BE THE MOST
PROSPEROUS AND
LIVEABLE DISTRICT
IN THE NORTH
ISLAND BY 2022.”**

WHOLE OF COUNCIL FUNDING IMPACT STATEMENT

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
SOURCES OF OPERATING FUNDING			
General rates, uniform annual general charge, rates penalties	43,589	44,835	43,505
Targeted rates	25,378	25,453	25,792
Subsidies and grants for operating purposes	2,351	2,463	2,829
Fees and charges	10,916	11,015	8,990
Interest and dividends from investments	3,675	4,241	2,572
Local authorities fuel tax, fines, infringement fees, and other receipts	1,095	1,167	971
Total operating funding (A)	87,004	89,174	84,659
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	57,268	55,916	55,730
Finance costs	8,078	8,749	8,378
Other operating funding applications	-	-	-
Total applications of operating funding (B)	65,346	64,665	64,108
Surplus (deficit) of operating funding (A – B)	21,658	24,509	20,551
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	2,682	1,692	1,943
Development and financial contributions	2,743	2,769	2,784
Increase (decrease) in debt	3,971	12,505	4,426
Gross proceeds from sale of assets	3,814	3,239	8,000
Lump sum contributions	-	-	-
Other dedicated capital funding	-	315	-
Total sources of capital funding (C)	13,210	20,520	17,153
APPLICATION OF CAPITAL FUNDING			
Capital expenditure			
• To meet additional demand	2,995	1,511	2,335
• To improve the level of service	19,487	32,289	22,397
• To replace existing assets	14,587	14,757	13,960
Increase (decrease) in reserves	(2,201)	(3,528)	(988)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	34,868	45,029	37,704
Surplus (deficit) of capital funding (C – D)	(21,658)	(24,509)	(20,551)
Funding balance ((A – B) + (C – D))			

GROUPS OF ACTIVITIES

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

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

COMMUNITY FACILITIES

STORMWATER

DEMOCRACY AND PLANNING

INVESTMENTS

TRANSPORT

SOLID WASTE

WASTEWATER

WATER

ECONOMIC DEVELOPMENT

COMMUNITY OUTCOMES

Community outcomes outline the outcomes the Council wants for the District. Our community outcomes were reviewed in 2011 and are:

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

COMMUNITY SERVICES

WHAT WE DO

The activities in this group are community engagement, regulatory services and emergency management, which contribute to the engagement and environment community outcomes.

WHY DO WE DO COMMUNITY ENGAGEMENT?

We work to develop district neighbourhoods and communities by working directly with and alongside them. We work with community groups, organisations and central government agencies to promote co-operation and collaboration. Council's "Our Neighbourhood, Our Future" programme focuses on regenerating the social and physical aspects of our communities and their neighbourhoods. We will continue this programme, focusing on the contribution of young people as emerging leaders for local decision-making.

We work alongside Māori to inform them about Council issues and engage them in our decision making processes. We also encourage our staff to improve their knowledge of the Māori community and Te Reo Māori and the tikanga of our local iwi where needed.

Community grants are a part of Council's overall support function within the community. The total amount of annual funding for community grants is decided through the Long-term Plan and subsequently distributed in accordance with the Grants and Partnerships Policy. This is done via a partnership agreement or through independent distributing agencies including the Turangi-Tongariro Community Board and Mangakino-Pouākani Representative Group.

We are a World Health Organisation (WHO) accredited safe community which means that we work with our community partners on four key issues – reducing alcohol related harm, intentional and unintentional injury, road safety and crime prevention.

We are an Age Friendly District, which means we work alongside a community steering group who have adopted Age Friendly concepts. We support youth through various

programmes including our Youth Leadership programme (Leader in You), the Youth Awards, and Youth Week.

We engage with groups from our community on a range of issues. This partnership approach is in support of our community outcome engagement – Council is connected with its communities, advocating for their social and cultural well-being. The groups we work with include education and health providers.

We fund this activity through the general rate.

WHY WE DO REGULATORY SERVICES?

Regulatory services are provided to ensure rules and regulations are adhered to for things such as food safety, animal management and safe buildings. This includes:

- Registering, enforcing and ensuring compliance with regulatory functions relating to food premises, liquor outlets, electronic gaming machines, animal control and other bylaws and statutes;
- Enforcing limited time parking spaces in the Taupō CBD;
- Processing resource consent applications and ensuring compliance with the District Plan and consent conditions; and
- Processing building consent applications, inspecting buildings, and monitoring and enforcing the Building Act 2004.

We fund these activities through a mixture of fees and charges, the uniform annual general charge and the general rate.

WHY WE DO EMERGENCY MANAGEMENT?

Civil Defence Emergency Management (CDEM) is a function and responsibility of regional, city and district councils. Our Civil Defence role includes community, organisational and business readiness, including public education and awareness, training and exercises, and local response planning.

We are part of the Waikato CDEM Group, which includes the Waikato Regional Council and all 10 district/city councils, as well as emergency services, welfare agencies and utility providers. We also work in partnership with other councils



“WE WORK TO DEVELOP DISTRICT NEIGHBOURHOODS AND COMMUNITIES BY WORKING DIRECTLY WITH AND ALONGSIDE THEM.”

around us to ensure we have well integrated civil defence planning. If an emergency happens in our district, we need to know that our neighbouring councils are also well prepared to help us and vice-versa. We maintain an Emergency Operating Centre based in Taupō. We also have the ability to set up welfare centres in Taupō, Mangakino and Turangi in the event of an emergency.

In addition to enhancing response capabilities Council looks to:

- **Continue to build a sustainable understanding of hazards and risks within the district;**

- **Reduce risks from hazards;**
- **Increase community preparedness and local ownership;**
- **Enhance capability to recover from emergencies; and**
- **Enhance partnerships with and within the community.**

We fund this activity through the uniform annual general charge.

See the Long-term Plan 2018 – 28 for more information about this group of activities including the levels of service, performance measures and targets.

COMMUNITY SERVICES

FUNDING IMPACT STATEMENT

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
SOURCES OF OPERATING FUNDING			
General rates, uniform annual general charge, rates penalties	4,509	5,034	4,382
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	13	-
Fees and charges	2,731	2,371	2,404
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	428	458	373
Total operating funding (A)	7,668	7,876	7,159
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	7,430	7,653	6,967
Finance costs	46	42	43
Internal charges and overheads applied	-	-	-
Other operating funding applications	-	-	-
Total applications of operating funding (B)	7,476	7,695	7,010
Surplus (deficit) of operating funding (A – B)	192	181	149
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(70)	(68)	(28)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(70)	(68)	(28)
APPLICATION OF CAPITAL FUNDING			
Capital expenditure			
• To meet additional demand	-	-	-
• To improve the level of service	79	-	34
• To replace existing assets	172	105	81
Increase (decrease) in reserves	(129)	8	6
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	122	113	121
Surplus (deficit) of capital funding (C – D)	(192)	(181)	(149)
Funding balance ((A – B) + (C – D))	-	-	-

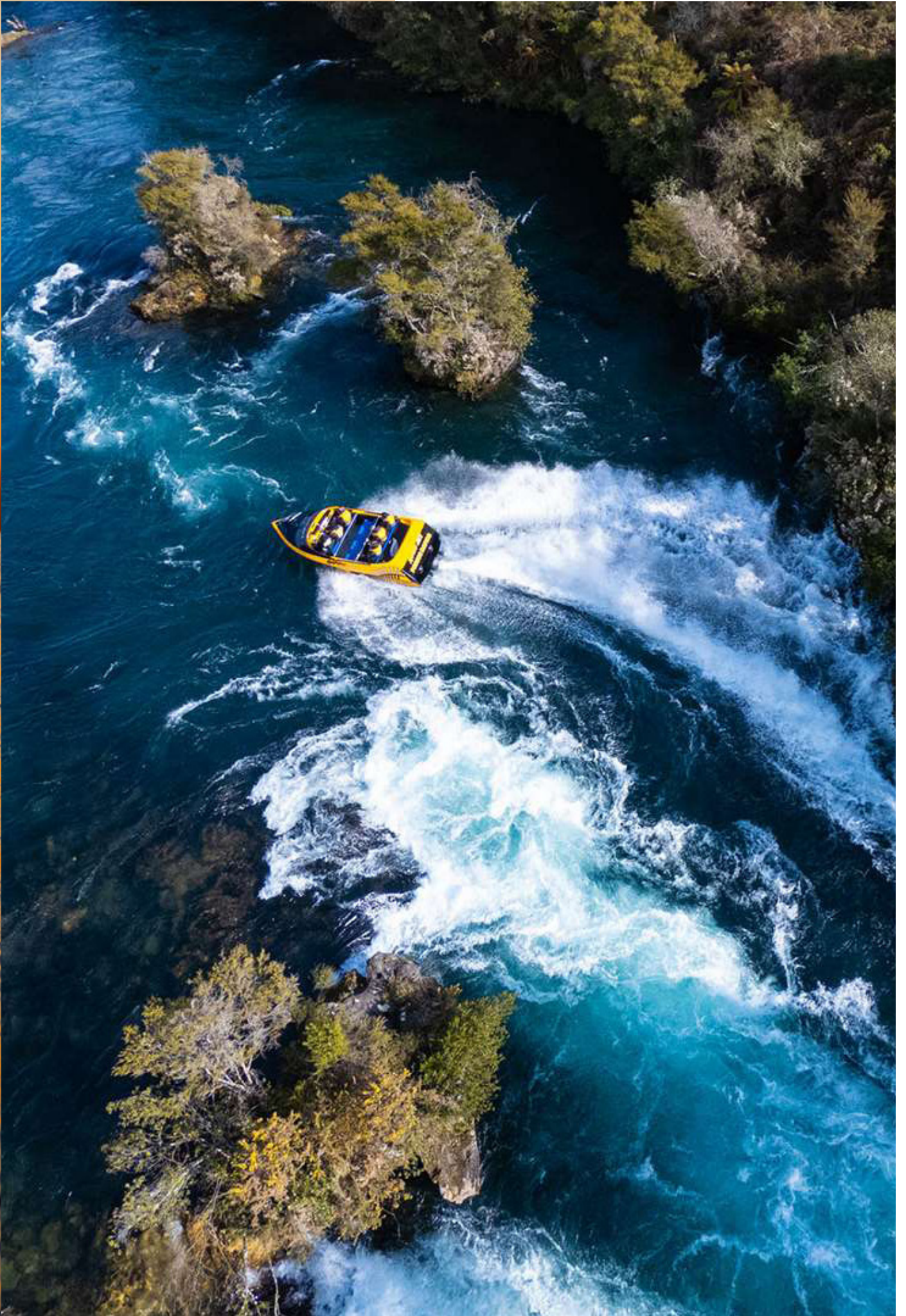


COMMUNITY SERVICES SCHEDULE OF CAPITAL EXPENDITURE

CAPEX

ILOS (Improved level of service)

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
Base set radio - inc battery & power pack & aerial	2	0	0
Generator inverter	0	0	5
Installation of Generator at Taupo Airport	41	0	0
Lights for Unimogs	4	0	0
New cameras to coincide with police 10 year district plan	20	0	20
Wireless receivers from Turangi through to Taupo	12	0	0
Burglar Alarm for Civil Defence Depot at OD Park	0	0	9
ILOS Total	79	0	34
Capex Total	79	0	34
Renewal	172	105	81
Grand Total	251	105	114



WATER

WHAT WE DO AND WHY WE DO IT

Water is essential for life, health, recreation and the environment. In our district water is also essential for economic development, if industry has access to water, they are more likely to develop or start up here. This group of activities contributes to the environment and economy community outcomes.

Council treats, stores and distributes water for residential, commercial and industrial properties in Taupō, Turangi, Mangakino and 15 other settlements in the district. That water is supplied continuously, and we have strict requirements for our water contractors to fix any breaks quickly and cost-effectively. We also supply water for firefighting in urban areas.

The Waikato Regional Council allocates water from our lakes and rivers for household, commercial and industrial uses. Council currently has 27 resource consents to take water from lakes, rivers, bores and other sources in the district.

For water schemes that do not yet meet New Zealand Drinking Water Standards, Council investment is focused on ensuring security of supply so that communities can be confident that the supply of potable water is maintained.

Residential water schemes are funded by fixed targeted rates specific to that particular scheme. Rural water schemes are funded by a targeted rate based on land value; the Rakaunui Rd water scheme is also funded by a land value based targeted rate. All properties other than residential are assessed for water rates on a metered basis. Units of water are provided at no charge up to the threshold at which the level of water usage multiplied by the rate per cubic metre matches the targeted rate. When the threshold is exceeded each cubic metre of water used is charged for at the tariff relevant to that scheme.

In general providing safe drinking water to the community has both public health and environmental benefits. There is however negative effects in providing this service, these include; the risk of contamination; the sustainability of water source; risk of water abstraction volumes getting reduced and difficulty in managing the implementation of demand management plan; cost of providing the service on rate payers, especially smaller communities and the cost of keeping up with drinking water standards requiring significant capital investment.

See the Long-term Plan 2018 – 28 for more information about this group of activities including the levels of service, performance measures and targets.

“IN OUR DISTRICT WATER IS ALSO ESSENTIAL FOR ECONOMIC DEVELOPMENT.”

WATER

FUNDING IMPACT STATEMENT

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
SOURCES OF OPERATING FUNDING			
General rates, uniform annual general charge, rates penalties	-	-	-
Targeted rates	10,647	10,622	10,858
Subsidies and grants for operating purposes	-	-	-
Fees and charges	111	116	111
Interest and dividends from investments	268	283	213
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	11,026	11,021	11,182
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	4,884	4,601	5,211
Finance costs	2,096	2,319	2,148
Internal charges and overheads applied	55	56	53
Other operating funding applications	-	-	-
Total applications of operating funding (B)	7,035	6,976	7,412
Surplus (deficit) of operating funding (A – B)	3,991	4,045	3,770
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	733	771	771
Increase (decrease) in debt	2,830	8,737	7,420
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	3,563	9,508	8,191
APPLICATION OF CAPITAL FUNDING			
Capital expenditure			
• To meet additional demand	-	-	500
• To improve the level of service	3,103	9,113	7,140
• To replace existing assets	3,368	3,290	3,136
Increase (decrease) in reserves	1,084	1,151	1,185
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	7,554	13,553	11,961
Surplus (deficit) of capital funding (C – D)	(3,991)	(4,045)	(3,770)
Funding balance ((A – B) + (C – D))			

WATER SCHEDULE OF CAPITAL EXPENDITURE

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
CAPEX			
Growth			
Taupo water Brentwood reservoir - land purchase	0	0	500
Growth Total	0	0	500
ILOS (Improved level of service)			
Acacia Bay water DWSNZ upgrade	2,100	2,203	2,100
Airport Pump Station Water Safety and Continuity Improvements	0	0	35
Kinloch water DWSNZ upgrade	413	5,672	3,800
Mangakino Reservoir Stormwater Management	0	0	25
Mangakino Security of Supply	150	0	0
Omori water pretreatment	250	0	0
Plant Automatic Shutdown	110	0	0
Taupo water reticulation of Five Mile Bay	20	504	480
Taupo water Tauhara Ridge falling main to Wharewaka East Limited	60	734	700
ILOS Total	3,103	9,113	7,140
Capex Total	3,103	9,113	7,640
Renewal	3,368	3,290	3,136
Grand Total	6,471	12,402	10,776



TRANSPORT

WHAT WE DO

Our transport network provides for the efficient movement of people and goods which is essential for the economic and social wellbeing of the community. This group of activities is funded through the general rate and this group of activities contribute to the economy and environment community outcomes.

We encourage and support people to use footpaths, cycleways and passenger transport. In particular, we work with Waikato Regional Council and the New Zealand Transport Agency (NZTA), and advocate for district projects, especially those that focus on road safety, or economic development. The district has a disproportionately high number of road traffic crashes that result in death or serious injury, mostly on state highways, which are managed by NZTA.

The subsidy we receive from NZTA is 51 per cent across all activities. Also, we will receive a 100 per cent subsidy for Huka Falls Road (a special purpose road) which will reduce to 51 percent after 2021.

The aging population of Taupō will mean an increase in the use of alternative modes especially the number of mobility

scooters. These will require wider footpaths and appropriate crossing points.

Passenger transport including the Total Mobility Scheme within the district is subsidised by us and administered by Waikato Regional Council. We currently fund two bus services, one which covers Wharewaka to Wairākei Village and the Taupō to Mangakino service. Patronage is now steady each month, with the main users of the service being students and Supergold card users.

In general, providing a safe road and footpath network has both positive and negative benefits/effects.

Negative aspects include emissions, potential runoff and transport related waste from roads, noise of heavy vehicles and traffic crashes which may result in death and injury. Council has a number of mitigation measures in place to address these negative effects.

See the Long-term Plan 2018 – 28 for more information about this group of activities including the levels of service, performance measures and targets.

“OUR TRANSPORT NETWORK PROVIDES FOR THE EFFICIENT MOVEMENT OF PEOPLE AND GOODS WHICH IS ESSENTIAL FOR THE ECONOMIC AND SOCIAL WELLBEING OF THE COMMUNITY.”



TRANSPORT

FUNDING IMPACT STATEMENT

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
SOURCES OF OPERATING FUNDING			
General rates, uniform annual general charge, rates penalties	6,945	7,438	7,284
Targeted rates	-	-	-
Subsidies and grants for operating purposes	2,069	2,178	2,033
Fees and charges	142	148	142
Interest and dividends from investments	425	444	425
Local authorities fuel tax, fines, infringement fees, and other receipts	450	470	350
Total operating funding (A)	10,031	10,678	10,234
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	5,651	5,648	5,258
Finance costs	1,111	990	1,303
Internal charges and overheads applied	425	444	425
Other operating funding applications	-	-	-
Total applications of operating funding (B)	7,187	7,082	6,986
Surplus (deficit) of operating funding (A – B)	2,844	3,596	3,248
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	2,682	1,692	1,605
Development and financial contributions	685	689	689
Increase (decrease) in debt	(119)	(1,844)	(2,665)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	3,248	537	(371)
APPLICATION OF CAPITAL FUNDING			
Capital expenditure			
• To meet additional demand	-	-	-
• To improve the level of service	3,563	1,108	1,077
• To replace existing assets	3,900	3,443	3,439
Increase (decrease) in reserves	(1,371)	(418)	(1,639)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	6,092	4,133	2,877
Surplus (deficit) of capital funding (C – D)	(2,844)	(3,596)	(3,248)
Funding balance ((A – B) + (C – D))	-	-	-

TRANSPORT SCHEDULE OF CAPITAL EXPENDITURE

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
CAPEX			
ILOS (Improved level of service)			
Anzac Memorial Drive	200	0	0
Bus Infrastructure	9	3	0
Cycle facilities	60	65	50
Huka Falls footpath	350	0	0
In Berm Parking - Tuwharetoa Street	307	0	0
Kinloch footpath construction	100	0	0
LED Infill lighting	40	42	0
Mangakino streets - upgrade program	5	42	36
Minor improvements	195	205	197
New signs & road marking	25	26	23
On street parking	50	26	20
Paetiki Suburban Shopping Centre enhancements	50	52	50
Pedestrian facilities	140	146	125
Pedestrian facilities (bus shelters)	6	0	0
Poihipi Road seal widening	250	31	27
Retaining wall construction Wily terrace	1,026	0	100
Seal extension	450	470	450
Tirohanga Road widening	300	0	0
ILOS Total	3,563	1,108	1,077
Capex Total	3,563	1,108	1,077
Renewal	3,900	3,443	3,439
Grand Total	7,463	4,552	4,516



COMMUNITY FACILITIES

WHAT WE DO

Our district offers a wide range of leisure and recreation opportunities and we encourage our residents and visitors to use them. Our strategy is to maintain our community facilities so that we can continue to enjoy them. This group of activities contributes to the engagement, environment and economy community outcomes.

We manage and service parks, reserves, playgrounds, open spaces, multi-purpose sports, entertainment and event venues, as well as pools, gyms and sports grounds throughout the district. This ensures there are sporting, aquatic and recreational opportunities for the community, as well as exercise facilities for the physical and mental well-being of everyone who spends time in the district, including visiting children and their families. We also support the learn-to-swim lessons sponsored by Contact Energy at all our pools.

THE FACILITIES WE OPERATE ARE:

- Libraries in Taupō, Turangi and Mangakino
- Taupō Museum and Art Gallery

- Great Lake Centre, Taupō Events Centre and community halls
- Parks, reserves, playgrounds and gardens
- Sports grounds
- AC Baths, Turangi Turtle Pools, Mangakino Community Pool
- Community gyms
- Housing for the elderly
- Public toilets including the Superloo; and
- Cemeteries.

We fund these activities through a combination of fees and charges and the general rate. The proportion of fees and charges recognises the contribution these activities make toward meeting the recreational, social and cultural needs of current and future generations. A small portion of the funding for cemeteries comes from the uniform annual general charge with the majority coming from fees and charges.

See the Long-term Plan 2018 – 28 for more information about this group of activities including the levels of service, performance measures and targets.



“WE WORK TO DEVELOP DISTRICT NEIGHBOURHOODS AND COMMUNITIES BY WORKING DIRECTLY WITH AND ALONGSIDE THEM.”

COMMUNITY FACILITIES

FUNDING IMPACT STATEMENT

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
SOURCES OF OPERATING FUNDING			
General rates, uniform annual general charge, rates penalties	18,155	18,522	16,956
Targeted rates	-	-	-
Subsidies and grants for operating purposes	152	147	171
Fees and charges	3,207	3,023	2,569
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	14	18	11
Total operating funding (A)	21,528	21,710	19,707
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	14,365	14,327	13,387
Finance costs	1,533	1,476	1,516
Internal charges and overheads applied	437	443	371
Other operating funding applications	-	-	-
Total applications of operating funding (B)	16,335	16,246	15,274
Surplus (deficit) of operating funding (A – B)	5,193	5,464	4,433
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	339
Development and financial contributions	314	326	326
Increase (decrease) in debt	(624)	(4,127)	(1,492)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	315	-
Total sources of capital funding (C)	(310)	(3,486)	(827)
APPLICATION OF CAPITAL FUNDING			
Capital expenditure			
• To meet additional demand	2,845	619	935
• To improve the level of service	4,654	2,855	3,380
• To replace existing assets	2,485	3,035	2,549
Increase (decrease) in reserves	(5,101)	(4,531)	(3,258)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	4,883	1,978	3,606
Surplus (deficit) of capital funding (C – D)	(5,193)	(5,464)	(4,433)
Funding balance ((A – B) + (C – D))	-	-	-

COMMUNITY FACILITIES SCHEDULE OF CAPITAL EXPENDITURE

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
CAPEX			
GROWTH			
Parks & Reserves - District			
Great Lake Walkway Upgrade	2,600	364	690
Parks Development Contribution			
New neighbourhood reserves	245	255	245
Growth Total	2,845	619	935
ILOS (Improved level of service)			
AC Baths - Pools			
Private pool upgrade	1,155	0	0
Connect generator to pool pumps	0	78	85
Cemeteries - District			
Cemeteries Interment Infrastructure	8	8	8
Cemetery Improvements	5	26	25
Community Halls - District			
Kinloch Hall redevelopment	0	208	50
Libraries - District			
Library books	310	323	310
Turangi Library entrance to improve wheelchair access	70	0	0
Ultra-Fast Broadband at the Turangi Library	12	0	0
Museum - Taupō			
Environmental control system - Tuwharetoa Gallery	0	10	0
Museum - Construction	0	388	0
Museum - Fitout	0	81	0
Owen Delany Park Venue			
External metered power source - north end of building	5	0	0
Install 3 new doors and vent bricks under grandstand	0	0	18
Parks & Reserves - District			
Accessibility Improvements	10	10	10
Brice St Basketball Court	35	0	0
CBD intersection upgrades	200	208	0
Fencing contributions (Fencing Act requirement)	20	21	20
Improved Playground Softfall Material - bark to rubberised surfaces	20	21	20
Lock Rationalisation	10	0	0
Owen Delany Park and District Sportsgrounds Strategy	35	0	0
Paetiki Suburban Shopping Centre enhancements	50	52	50
Playground Improvements	50	52	50
Public Art	25	130	125
Spa Thermal Park new path construction	40	0	0
Strengthening and reinstalling (different location(new footings)	10	0	0
Taupo Market relocation	75	0	0
Tongariro Playground Refurbishment	465	468	0
Turangi parks equipment rationalisation	450	0	0

COMMUNITY FACILITIES SCHEDULE OF CAPITAL EXPENDITURE

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
CAPEX			
Parks & Reserves - District			
Turangi Tongariro National Park Gateway (Waharoa) - TTCB request	300	0	0
Project Watershed			
Erosion Control - Erosion Protection Soft Options	60	0	0
Erosion Control - Kuratau Foreshore	315	328	315
Erosion Control - Taupo Bay including Lake Terrace Cliffs	0	389	374
Public Conveniences - District			
Public Convenience Reticulation	150	0	0
Turangi new public toilets	500	0	0
Sportsgrounds - District			
Iron roller	19	0	0
Mangakino Open Space Upgrades	0	0	220
Turangi open space upgrades	0	52	1,700
Taupo Events Centre - Stadium			
Upgrade reception area	250	0	0
ILOS Total	4,654	2,855	3,380
Capex Total	7,499	3,474	4,315
Renewal	2,485	3,035	2,549
Grand Total	9,983	6,509	6,863





WASTEWATER

WHAT WE DO AND WHY WE DO IT

Council collects, treats and disposes of wastewater from residential, commercial and industrial properties within designated drainage areas of the district, safeguarding the environment and protecting public health. We provide sufficient capacity to serve communities within current designated drainage areas of the district, on a continuous basis. Our wastewater services support our environment outcome.

Council treats and disposes of wastewater in an environmentally responsible way, meeting Waikato Regional Council consent conditions, including odour control at our treatment facilities. We are also responsible for reducing nitrogen discharge from our wastewater treatment plants into the Lake Taupō catchment by at least 20 per cent of 2005 levels by 2020, as part of the Lake Taupō Protection project.

Fats, oils and grease from commercial kitchens can cause sewer blockages and when they are discharged into the sewer they reduce the performance of the treatment plant. In 2010, Council introduced a Trade Waste Bylaw to control this discharge, which was reviewed in 2016.

We have a proactive approach to maintenance and condition assessment in place. This requires an increase in operational

expenditure to collect data which will enable accurate forecasting of renewal requirements. It is anticipated that this will result in a reduction of blockages in the wastewater network and reduce overflows into Lake Taupō or waterways. We are also moving to enforce the trade waste bylaw more stringently to reduce the likelihood of blockages in the sewer network or mechanical equipment failure.

The wastewater service is funded by a district-wide targeted rate. This rate applies to every rating unit connected or available to be connected to a Council scheme on the basis of one charge per pan or urinal (with the exception of the residence of a single household which is only levied one charge).

In general, providing wastewater services to the community has both public health and environmental benefits. There are however negative effects in providing this service including the risk of overflows due to the concentration of the wastewater within the reticulation system and illegal connections and discharges.

See the Long-term Plan 2018 - 28 for more information about this group of activities including the levels of service, performance measures and targets.

“OUR WASTEWATER SERVICES SUPPORT OUR ENVIRONMENT OUTCOME.”

WASTEWATER

FUNDING IMPACT STATEMENT

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
SOURCES OF OPERATING FUNDING			
General rates, uniform annual general charge, rates penalties	-	-	-
Targeted rates	13,334	13,434	13,516
Subsidies and grants for operating purposes	-	-	-
Fees and charges	740	1,432	265
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	14,074	14,866	13,781
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	6,669	6,928	6,445
Finance costs	2,307	2,383	2,225
Internal charges and overheads applied	159	213	157
Other operating funding applications	-	-	-
Total applications of operating funding (B)	9,135	9,524	8,827
Surplus (deficit) of operating funding (A – B)	4,939	5,342	4,954
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	1,011	983	983
Increase (decrease) in debt	1,978	(2,816)	3,800
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	2,989	(1,833)	4,783
APPLICATION OF CAPITAL FUNDING			
Capital expenditure			
• To meet additional demand	150	892	850
• To improve the level of service	1,887	-	6,460
• To replace existing assets	3,098	3,613	3,520
Increase (decrease) in reserves	2,793	(996)	(1,093)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	7,928	3,509	9,737
Surplus (deficit) of capital funding (C – D)	(3,991)	(4,045)	(3,770)
Funding balance ((A – B) + (C – D))	-	-	-

WASTEWATER SCHEDULE OF CAPITAL EXPENDITURE

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
CAPEX			
Growth			
Taupo wastewater Control gate bridge siphon	50	105	100
Taupo wastewater Southern trunk main upgrade (stage 1)	100	787	750
Growth Total	150	892	850
ILOS (Improved level of service)			
Atiamuri wastewater TP - flow monitoring	0	0	30
Kinloch wastewater treatment plant balance tank	1,700	0	4,000
Taupo wastewater Tekopua WWP Access Improvements	82	0	0
View Road Land Disposal System Expansion	100	0	2,380
Whareroa wastewater Weather Station	5	0	0
Freedom Camping Dump Station	0	0	50
ILOS Total	1,887	0	6,460
Capex Total	2,037	892	7,310
Renewal	3,098	3,613	3,520
Grand Total	5,135	4,504	10,830



SOLID WASTE

WHAT WE DO

We provide a solid waste system for refuse and recyclables. Waste services include a landfill and resource recovery centre at Broadlands Road, five transfer stations, and litter and recycling bins. We manage solid waste to reduce the likelihood of harm to people and the environment, and to retain the districts' attractive appearance for residents and visitors. Solid waste services contribute to the environment and economic community outcomes.

Council adopted a revised Waste Management and Minimisation Plan in June 2018. This review resulted in the following target for Council - "By 2028 increase the quantity of material (tonnes) diverted from landfill from 46 per cent to 51 per cent."

To achieve this target the review of the WMMP will look to implement a number of new actions.

- E-waste recycling
- Waste reduction educational support for district marae
- Waste minimisation grants to support community waste minimisation activities
- Increase the number of warranted litter offices within Council's existing staff
- Investigate ways to reduce construction and demolition waste going to landfill
- Support local schools to divert food waste
- Work with the local farming sector to provide waste reduction options

- Education support for local event organisers
- Implementation of a targeted litter reduction programme; and
- Support and facilitate the reduction of single use plastic bags.

The Broadlands Road landfill is operated with individual "cells", each with its own liner and reticulation system for leachate. When a cell is full, it is capped with soil so that decomposition does not cause adverse environmental effects (bad smells, methane, uncontrolled toxic leachate, etc.).

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

Refuse collection is funded through fees and charges, while 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.

See the Long-term Plan 2018 - 28 for more information about this group of activities including the levels of service, performance measures and targets.

“SOLID WASTE SERVICES CONTRIBUTE TO THE ENVIRONMENT AND ECONOMIC COMMUNITY OUTCOMES.”

SOLID WASTE

FUNDING IMPACT STATEMENT

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
SOURCES OF OPERATING FUNDING			
General rates, uniform annual general charge, rates penalties	704	825	666
Targeted rates	1,151	1,146	1,165
Subsidies and grants for operating purposes	130	125	130
Fees and charges	2,976	2,866	2,873
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	4,961	4,962	4,834
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	4,388	4,389	4,327
Finance costs	173	175	140
Internal charges and overheads applied	9	9	9
Other operating funding applications	-	-	-
Total applications of operating funding (B)	4,570	4,573	4,476
Surplus (deficit) of operating funding (A – B)	391	389	358
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(415)	(305)	(350)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(415)	(305)	(350)
APPLICATION OF CAPITAL FUNDING			
Capital expenditure			
• To meet additional demand	-	-	50
• To improve the level of service	32	62	10
• To replace existing assets	136	125	121
Increase (decrease) in reserves	(192)	(103)	(173)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	(24)	84	8
Surplus (deficit) of capital funding (C – D)	(391)	(389)	(358)
Funding balance ((A – B) + (C – D))	-	-	-

SOLID WASTE SCHEDULE OF CAPITAL EXPENDITURE

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
CAPEX			
Growth	-	-	50
Mangakino concrete pad	0	21	20
Turangi building extension	0	31	30
Growth Total	(192)	(103)	(173)
ILOS (Improved level of service)	-	-	-
Mangakino kiosk & electrical	12	0	0
New street recycling bins	10	10	10
Turangi glass bays	10	0	0
ILOS Total	32	10	10
Capex Total	32	62	60
Renewal	136	125	121
Grand Total	168	188	181

STORMWATER

WHAT WE DO AND WHY WE DO IT

Council provides a stormwater system to manage the surface water runoff from the district's urban catchments. Waikato Regional Council increasingly require Council to improve the quality of the stormwater particularly where it goes into lakes and rivers (as it does in the Taupō district) to reduce the adverse effects on the environment.

Council owns and maintains a number of gullies that transport stormwater to the lake, which need to be maintained to avoid sedimentation and enable stormwater quality to improve as it passes through the gullies. We monitor stormwater quality, testing for pollution for a range of contaminants, because we are committed to improving the quality of stormwater going into Lake Taupō. We also seek to minimise erosion damage from stormwater to roads, reserves, gullies and outfalls.

The discharge quality of stormwater is governed by the framework set down in the conditions of our comprehensive stormwater discharge consent.

Maintenance programmes are mainly reactive in nature although additional planting is planned to further protect gully walls from erosion. Other proactive measures include the removal of silt around lake outfalls which occurs with high lake levels.

A coordinated CCTV programme will continue to assess at least 10 per cent of the underground network per year. This will enable Council to match age with condition and to develop an accurate forecast of the renewal required for the underground network. This programme of work complements the programme of work we are proposing for overland flow paths and improving the quality of stormwater discharges.

We fund this activity through the general rate. This group of activities primarily contributes to the environment community outcome.

See the Long-term Plan 2018 – 28 for more information about this group of activities including the levels of service, performance measures and targets.

“WE ARE COMMITTED TO IMPROVING THE QUALITY OF STORMWATER GOING INTO LAKE TAUPŌ.”



STORMWATER FUNDING IMPACT STATEMENT

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
SOURCES OF OPERATING FUNDING			
General rates, uniform annual general charge, rates penalties	1,833	1,931	1,893
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	1,833	1,931	1,893
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	782	785	791
Finance costs	86	76	100
Internal charges and overheads applied	-	-	-
Other operating funding applications	-	-	-
Total applications of operating funding (B)	868	861	891
Surplus (deficit) of operating funding (A – B)	965	1,070	1,002
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	326	528	668
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	326	528	668
APPLICATION OF CAPITAL FUNDING			
Capital expenditure	-	-	-
• To meet additional demand	205	598	735
• To improve the level of service	151	169	281
• To replace existing assets	935	831	654
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	1,291	1,598	1,670
Surplus (deficit) of capital funding (C – D)	(965)	(1,070)	(1,002)
Funding balance ((A – B) + (C – D))	-	-	-

STORMWATER SCHEDULE OF CAPITAL EXPENDITURE

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
CAPEX			
ILOS (Improved level of service)			
Brentwood gully culvert	10	276	263
Brentwood Gully Lakeshore eroison control contribution	0	115	110
Enviropod protection	5	5	5
Hawaii reserve detention pond	0	10	10
Overland flow paths / flood model	20	21	0
Paenoa Road pipe diversion single barrel to south gully	0	26	25
Turanga Place improvement device	0	144	137
Two Mile Bay (Boat Ramp) improvement device	170	0	185
ILOS Total	205	598	735
Capex Total	205	598	735
Renewal	151	169	281
Grand Total	356	767	1,016



DEMOCRACY AND PLANNING

WHAT WE DO AND WHY WE DO IT

DEMOCRACY

Council provides democratic local decision-making and actions by, and on behalf of, our district's many communities. We are focused on meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Democracy contributes to the engagement and community wellbeing outcomes.

Council acts 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. We have a major programme of engagement with residents and ratepayers that includes a wide range of committee work and a communications programme.

Council works collaboratively with a wide range of other governing bodies, including central government, other

councils (such as Waikato Regional Council), our three mana whenua iwi and local hapū, district health boards, and many others.

Ngāti Tūwharetoa has now completed its comprehensive settlement and has been effected in March 2019 with transfer of significant assets into their control. Council continues to develop its relationships with both iwi and their hapū through central government tools, as highlighted by the Joint Management Agreements entered into with Raukawa and Te Arawa recently and also with Ngāti Tūwharetoa in 2009. This was also highlighted by the commitments made by Council to the Office of Treaty Settlements, Te Kotahitanga o Ngāti Tūwharetoa and key hapū around the rohe involved in the Ngāti Tūwharetoa Claims Settlement Act. These milestones focus us toward achieving stronger collaboration in our district.

Council meetings are webcast, with Council agendas available prior to meetings, to promote transparency and accountability of decision-making.

We fund the democracy activity through the uniform annual general charge. The funding for the Turangi-Tongariro Community Board is primarily through a targeted rate from the Turangi-Tongariro Ward with some funding from the general rate.

PLANNING

A major role for Council is planning for the district's future to meet the needs of our communities. Council uses a wide range of strategic and spatial planning tools to achieve these goals and meet its various obligations under the legislation such as the Local Government Act and the Resource Management Act.

We plan for and manage the effects of population change, economic trends and land use change through Long-term Planning, and spatial planning (structure plans, district planning), and policy work for all the other services of Council. We use two major planning processes to establish and advocate for the long-term wellbeing of the District: the Long-term Plan, and the District Plan.

In addition to planning for the future, we also control a wide range of activities such as how reserves are used and when and how people can connect to Council services. Through this variety of policies, plans and bylaws we help to guide the day-to-day management of many activities to provide a safe and enjoyable environment.

Advocacy and leadership are essential for Council to ensure that the special qualities and particular needs of our district are considered when national and regional plans are being developed. We contribute to regional planning and coordination, and work with a wide range of community partners to advocate for our communities.

This activity is funded through the general rate. This group of activities contributes to the environment, economic and engagement community outcomes.

See the Long-term Plan 2018 - 28 for more information about this group of activities including the levels of service, performance measures and targets.

**“DEMOCRACY CONTRIBUTES TO
THE ENGAGEMENT AND COMMUNITY
WELLBEING OUTCOMES.”**

DEMOCRACY AND PLANNING

FUNDING IMPACT STATEMENT

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
SOURCES OF OPERATING FUNDING			
General rates, uniform annual general charge, rates penalties	8,363	7,898	8,522
Targeted rates	83	83	83
Subsidies and grants for operating purposes	-	-	-
Fees and charges	93	1	1
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	8,539	7,982	8,606
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	9,020	7,969	8,601
Finance costs	-	-	-
Internal charges and overheads applied	-	-	-
Other operating funding applications	-	-	-
Total applications of operating funding (B)	9,020	7,969	8,601
Surplus (deficit) of operating funding (A – B)	(481)	13	5
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	50	-	-
Increase (decrease) in reserves	(531)	13	5
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	(481)	13	5
Surplus (deficit) of capital funding (C – D)	481	(13)	(5)
Funding balance ((A – B) + (C – D))	-	-	-

DEMOCRACY AND PLANNING SCHEDULE OF CAPITAL EXPENDITURE

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
Renewal	50	0	0
Grand Total	50	0	0





INVESTMENTS

WHAT WE DO AND WHY WE DO IT

Council generates income through investments and development of a range of assets that it owns. Income generated from investment assets is an important income stream for Council as it offsets some of the costs of providing services. Income from the sale of some investments is also used to pay off Council debt.

We aim to generate commercial returns from residential and commercial land property, the TEL fund, forestry and our general reserve funds. Most of the costs associated with the property component of this activity (including motor camps, residential and commercial land and property) are covered by those who use the properties and are recovered through fees and charges. Where there are costs to maintain

these properties, we use the general rate. This group of activities contributes to the economic community outcome.

Taupō District Council and the Crown, represented by the Ministry of Transport, own the Taupō Airport Authority equally. The Taupō Airport Authority is a Council-controlled organisation as defined by the Local Government Act 2002. Taupō District Council, under agreement with the Crown, manages the Taupō Airport Authority. A Committee of Council provides the governance of the airport operations. The committee consists of Council and business representatives.

See the Long-term Plan 2018 - 28 for more information about this group of activities including the levels of service, performance measures and targets.

An aerial photograph of a river with a wooden boardwalk on the left. A person is walking a dog on the boardwalk. The river has a complex, winding path with various shades of brown, yellow, and blue. The text is overlaid in the center of the image.

**“COUNCIL GENERATES
INCOME THROUGH
INVESTMENTS AND
DEVELOPMENT OF A
RANGE OF ASSETS
THAT IT OWNS.”**

INVESTMENTS

FUNDING IMPACT STATEMENT

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
SOURCES OF OPERATING FUNDING			
General rates, uniform annual general charge, rates penalties	(922)	(867)	(310)
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	918	1,057	626
Interest and dividends from investments	566	660	580
Local authorities fuel tax, fines, infringement fees, and other receipts	3,878	4,462	2,809
Total operating funding (A)	4,440	5,312	3,705
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	(64)	(567)	(13)
Finance costs	723	1,269	901
Internal charges and overheads applied	174	222	202
Other operating funding applications	-	-	-
Total applications of operating funding (B)	833	924	1,090
Surplus (deficit) of operating funding (A – B)	3,607	4,388	2,615
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	15
Increase (decrease) in debt	71	12,419	(2,921)
Gross proceeds from sale of assets	3,814	3,239	8,000
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	3,885	15,658	5,094
APPLICATION OF CAPITAL FUNDING			
Capital expenditure			
• To meet additional demand	-	-	-
• To improve the level of service	5,965	18,552	3,562
• To replace existing assets	1,223	929	831
Increase (decrease) in reserves	304	565	3,316
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	7,492	20,046	7,709
Surplus (deficit) of capital funding (C – D)	(3,607)	(4,388)	(2,615)
Funding balance ((A – B) + (C – D))	-	-	-

INVESTMENTS SCHEDULE OF CAPITAL EXPENDITURE

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
CAPEX			
ILOS (Improved level of service)			
Child & Youth Friendly Centre	0	468	0
Civic Administration Building Tuwharetoa Street	1,092	16,337	0
Commercial and residential land development	604	953	500
New software and technology projects	685	273	117
Tech One ERP Software Implementation	3,583	521	2,108
Technology One ECM implementation	0	0	836
ILOS Total	5,965	18,552	3,562
Capex Total	5,965	18,552	3,562
Renewal	1,223	929	831
Grand Total	7,189	19,482	4,392





ECONOMIC DEVELOPMENT

WHAT WE DO AND WHY WE DO IT

The economic base of the Taupō District is intrinsically linked with the unique characteristics of Lake Taupō and its surrounding geography. Tourism, forestry, energy generation (hydro and geothermal) and agriculture therefore largely drive the Taupō economy. There is significant potential for investment to gain added value from these industries. This group of activities contributes to the economy and engagement community outcomes.

Council have signalled that economic development is to be a key focus for the district so that we can continue to live in a thriving and vibrant place where others want to live, invest, work and play.

We invest in economic development within our district so that we can focus on meeting the current and future needs of the community. A growing district can provide services more cost-effectively than a declining one – and without a growing economy there is a risk that our industries will shrink, our businesses will struggle, and people will move out of the district due to a lack of employment opportunities. We fund these activities through the general rate. As a Council we undertake leadership (including partnership and facilitation), spatial planning and infrastructure, quality regulation, services (including three waters), business and industry development and social and community services. Specifically:

- An in-house events function that supports event organisers to run both commercial and community events. This support includes advice, relationship management, promotion, equipment, venues, hosting, funding and monitoring. Council also provides infrastructure, services and regulatory functions to enable events. Supporting events provides

economic impact, gives the district a positive profile, creates vibrancy and diversity, delivers social benefits and provides opportunities for business.

- Promoting Taupō as a holiday and visitor destination through a Council-controlled organisation, Destination Great Lake Taupō (DGLT), and i-SITES in Taupō, Turangi and an information desk in Mangakino. Tourism is estimated to be worth over \$600 million to our economy annually and accounts for a significant proportion of employment within the district. DGLT's key activities are destination management, destination consumer marketing, business events marketing, trade marketing and special interest marketing.
- Contracting Enterprise Great Lake Taupō (EGLT), an independent trust, to provide business development services throughout the district. Their mandate is to enrich our community through the creation of wealth and jobs for our region and their services include district-wide business growth support, entrepreneur and youth development, and new business attraction.
- Supporting the activities of Town Centre Taupō – a member-based organisation focused on enhancing and developing the social and economic wellbeing of the Taupō Central Business District by developing a vibrant, well-managed and innovative town centre. We also provide funding of \$20,000 per annum to assist Town Centre Taupō as they now provide services on our behalf.

See the Long-term Plan 2018 – 28 for more information about this group of activities including the levels of service, performance measures and targets.

“WE INVEST IN ECONOMIC DEVELOPMENT WITHIN OUR DISTRICT SO THAT WE CAN FOCUS ON MEETING THE CURRENT AND FUTURE NEEDS OF THE COMMUNITY.”

ECONOMIC DEVELOPMENT FUNDING IMPACT STATEMENT

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
SOURCES OF OPERATING FUNDING			
General rates, uniform annual general charge, rates penalties	4,003	4,030	4,112
Targeted rates	163	169	170
Subsidies and grants for operating purposes	-	-	495
Fees and charges	-	-	-
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	4,166	4,199	4,777
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	4,145	4,183	4,757
Finance costs	3	2	2
Internal charges and overheads applied	-	-	-
Other operating funding applications	-	-	-
Total applications of operating funding (B)	4,148	4,185	4,759
Surplus (deficit) of operating funding (A – B)	18	14	18
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(6)	(6)	(6)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(6)	(6)	(6)
APPLICATION OF CAPITAL FUNDING			
Capital expenditure			
• To meet additional demand	-	-	-
• To improve the level of service	-	-	-
• To replace existing assets	4	49	4
Increase (decrease) in reserves	8	(41)	8
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	12	8	12
Surplus (deficit) of capital funding (C – D)	(18)	(14)	(18)
Funding balance ((A – B) + (C – D))	-	-	-

ECONOMIC DEVELOPMENT SCHEDULE OF CAPITAL EXPENDITURE

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
Renewal	4	49	4
Grand Total	4	49	4



FINANCES

PROSPECTIVE SCHEDULE OF RATES

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
TOTAL DISTRICT			
General rates	44,820	46,030	44,820
Targeted rates	25,646	25,736	26,005
Total rates	70,466	71,766	70,825
Less internal rates	834	943	793
Less rates remission	1,015	885	985
Add rates penalties	350	350	250
Rates revenue per statement of comprehensive revenue and expense	68,967	70,288	69,297
% Change total rates	5.21%	3.75%	0.51%
% Change general rates	5.37%	4.09%	0.00%
% Change targeted rates	4.95%	3.15%	1.40%
Number of properties	22,644	22,779	22,986
Growth in property numbers	342	161	218
Number of properties to be rated	22,986	22,940	23,204
Costs to be recovered (GST excl)	70,466	71,766	70,825
ALL RATEABLE PROPERTIES INCLUDED			
Average rates per property	\$3,065.5 9	\$3,128.4 2	\$3,052.2 6
Average property % increase	3.65%	3.02%	-0.43%
Average property increase GST excl	108	92	(13)
Average property increase GST incl	124	105	(15)

The projected number of rating units within the district for 30 June 2020 is 23,204.
The projected total capital value of rating units within the district for 30 June 2020 is \$18.506 billion.
The projected total land value of rating units within the district for 30 June 2020 is \$9.290 billion.

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
REVENUE			
Rates	68,966	70,289	69,297
Subsidies and grants	5,033	4,155	4,773
Development and financial contributions	2,743	2,769	2,784
Fees and charges	10,916	11,015	8,990
Finance revenue	3,675	4,241	2,572
Other revenue	8,218	9,802	8,341
Total revenue	99,551	102,271	96,757
EXPENSES			
Personnel costs	22,303	22,723	22,426
Depreciation and amortisation expense	24,242	25,179	23,442
Finance costs	8,078	8,749	8,378
Other expenses	34,964	33,196	33,305
Total operating expenses	89,587	89,847	87,551
Surplus/(deficit) before tax	9,964	12,424	9,206
Income tax (expense)/credit	-	-	-
Surplus/(deficit) after tax	9,964	12,424	9,206
Other comprehensive revenue and expense			
Property, plant & equipment revaluations	20,034	17,693	17,693
Total other comprehensive revenue and expense	20,034	17,693	17,693
Total comprehensive revenue and expense	29,998	30,117	26,899
RECONCILIATION TO SUMMARY FUNDING IMPACT STATEMENT			
SOURCES OF OPERATIONAL FUNDING			
General rates, uniform annual general charges, rates penalties	43,589	44,835	43,505
Targeted rates	25,378	25,453	25,792
Total rates revenue	68,967	70,288	69,297
Subsidies and grants for operating purposes	2,351	2,463	2,829
Fees and charges	10,916	11,015	8,990
Interest and dividends from investments	3,675	4,241	2,572
Local authorities fuel tax, fines, infringement fees, and other receipts	1,095	1,167	971
Total operating funding	87,004	89,174	84,659
ADD ASSET DEVELOPMENT AND OTHER GAINS / (LOSSES)			
Subsidies and grants for capital expenditure	2,682	1,692	1,943
Development and financial contributions	2,743	2,769	2,784
Other dedicated capital funding		315	
Add vested and first time recognition of assets	5,560	5,850	4,901
Add gain on sale	921	1,935	1,935
Add unrealised gains/(losses)	642	535	535
Total asset development and other gains / (losses)	12,548	13,096	12,098
Total revenue	99,552	102,270	96,757
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	57,268	55,918	55,731
Finance costs	8,078	8,749	8,378
Total applications of operating funding (B)	65,346	64,667	64,109
Add depreciation expense	24,242	25,179	23,442
Less loss on sale of asset	-	-	-
Total operating expenses	89,588	89,846	87,551
Surplus/(deficit) after tax	9,964	12,424	9,206
Add other comprehensive revenue and expenses	20,034	17,693	17,693
Total comprehensive revenue and expense	29,998	30,117	26,899

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
ASSETS			
Current assets			
Cash and cash equivalents	4,114	4,026	4,568
Other financial assets	45,248	42,052	88,912
Trade and other receivables	6,275	5,499	5,548
Inventories	720	1,513	686
Prepayments	1,076	929	951
Non current assets held for sale	15,307	11,196	7,495
Total current assets	72,740	65,215	108,160
Non-current assets			
Other financial assets	68,763	62,761	21,231
Investment in CCO and other similar entities	3,332	5,960	5,832
Intangible assets	739	752	1,738
Investment properties	8,838	10,666	9,143
Investments in associates	-	-	-
Biological assets - forestry	6,395	5,115	6,705
Property plant and equipment	1,183,152	1,218,265	1,332,824
Total non-current assets	1,271,219	1,303,519	1,377,473
Total assets	1,343,959	1,368,734	1,485,633
LIABILITIES			
Current liabilities			
Trade and other payables	10,030	10,337	12,697
Employee benefit liabilities	2,668	2,333	2,717
Borrowings	21,145	32,119	42,544
Total current liabilities	33,843	44,789	57,958
Non-current liabilities			
Provisions	106	110	114
Derivative financial instruments	24,083	22,443	35,672
Borrowings	125,036	125,142	130,863
Employee benefit liabilities	395	391	345
Total non-current liabilities	149,620	148,086	166,994
Total liabilities	183,463	192,875	224,952
Net assets (assets minus liabilities)	1,160,496	1,175,859	1,260,681
EQUITY			
Accumulated funds	827,056	824,141	823,831
Council created reserves	113,499	110,289	118,218
Revaluation reserves	219,941	241,429	318,632
Total equity	1,160,496	1,175,859	1,260,681

PROSPECTIVE STATEMENT OF CHANGES IN NET ASSETS/EQUITY

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
Net assets/equity at beginning of year	1,130,498	1,145,741	1,233,781
Net surplus/(deficits) for the year	9,964	12,425	9,207
Other comprehensive revenue and expenses	20,034	17,693	17,693
Total recognised revenues and expenses for the year	29,998	30,118	26,900
Total equity at end of year	1,160,496	1,175,859	1,260,681
COMPONENTS OF EQUITY			
Accumulated funds at beginning of year	809,268	805,616	810,995
Net surplus/(deficits) for the year	9,964	12,425	9,207
Transfers to/(from) reserves	7,824	6,100	3,628
Accumulated funds at end of year	827,056	824,141	823,830
Council created reserves at beginning of year	121,324	116,389	121,846
Transfers to/(from) reserves	(7,824)	(6,100)	(3,627)
Council created reserves at end of year	113,500	110,289	118,219
Revaluation reserves at beginning of year	199,907	223,736	300,939
Revaluation surplus/(deficits) for the year	20,034	17,693	17,693
Revaluations reserves at end of year	219,941	241,429	318,632
Total equity at end of year	1,160,496	1,175,859	1,260,681

PROSPECTIVE STATEMENT OF CASHFLOWS

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
CASH FLOWS FROM OPERATING ACTIVITIES			
Rates			
Rates	68,966	70,289	69,297
Subsidies	2,351	2,463	2,829
Interest revenue	3,675	4,241	2,572
Fees and charges	10,916	11,015	8,990
Other revenue	1,095	1,482	971
Payments to suppliers	(34,965)	(33,195)	(33,303)
Payments to employees	(22,303)	(22,723)	(22,426)
Interest on public debt	(8,071)	(8,741)	(8,371)
Net cash flow (outflow) from operating activities	21,664	24,831	20,559
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant, equipment & biological assets	3,814	3,239	8,000
Development/financial contributions	2,743	2,769	2,784
Capital subsidies	2,682	1,692	1,943
Net decrease in investments	-	2,500	-
Purchase & development of property, plant & equipment	(37,069)	(48,557)	(38,692)
Net increase in investments	-	-	(500)
Net cash flow from investing activities	(27,830)	(38,357)	(26,465)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loans raised	21,203	35,341	25,861
Repayment of public debt	(17,231)	(22,835)	(21,435)
Net cash flow from financing activities	3,972	12,506	4,426
Net increase (decrease) in cash held	(2,194)	(1,020)	(1,480)
Add cash at start of year	6,308	5,046	6,048
Cash and cash equivalents at end of year	4,114	4,026	4,568

PROSPECTIVE STATEMENT OF BORROWINGS

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
DEBT BALANCES			
Current assets			
Opening debt	142,209	144,756	156,014
New borrowing requirements	21,203	35,340	25,861
Borrowing requirements for prior year capital expenditure brought forward	-	-	12,967
Debt repayments	(17,231)	(22,835)	(21,435)
Closing external debt	146,181	157,261	173,407
DEBT SERVICING COSTS			
Interest	8,078	8,749	8,378
Debt repayments	17,231	22,835	21,435
Total external debt servicing costs	25,309	31,584	29,813

PROSPECTIVE WHOLE OF COUNCIL SCHEDULE OF CAPITAL EXPENDITURE

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
GROWTH			
Water	0	0	500
Transport	0	0	0
Community Facilities	2,845	619	935
Wastewater	150	892	850
Solid Waste	0	52	50
Growth Total	2,995	1,563	2,335
ILOS (Improved level of service)			
Community Services	79	0	34
Water	3,103	9,113	7,140
Transport	3,563	1,108	1,077
Community Facilities	4,654	2,855	3,380
Wastewater	1,887	0	6,460
Solid Waste	32	10	10
Stormwater	205	598	735
Investments	5,965	18,552	3,562
ILOS Total	19,487	32,237	22,397
RENEWAL			
Community Services	172	105	81
Water	3,368	3,290	3,136
Transport	3,900	3,443	3,439
Democracy and Planning	50	0	0
Economic Development	4	49	4
Wastewater	3,098	3,613	3,520
Solid Waste	136	125	121
Stormwater	151	169	281
Investments	1,223	929	831
Renewal Total	14,587	14,757	13,960
Grand Total	37,069	48,557	38,692

PROSPECTIVE SCHEDULE OF RESERVE FUNDS

Reserve Name	Projected Opening Balance 01/07/20 (\$000)	Expected Deposits 01/07/20-30/06/21 (\$000)	Expected Withdrawals 01/07/20-30/06/21 (\$000)	Expected Balance @ 30/06/21 (\$000)	Purpose of the Fund	Activities to which the fund relate
DEVELOPMENT CONTRIBUTION RESERVES					TO FUND FOR DEVELOPMENT CONTRIBUTION CAPITAL EXPENDITURE, LOAN REPAYMENTS & INTEREST FOR:	
Community Infrastructure - District	747	19	-	766	District Community Infrastructure	Community Facilities
District Wide Parks	409	140	-	549	District Wide Parks	Community Facilities
Parks & Reserves Land (Residential)	2,656	167	-	2,823	Residential Parks Reserve Land	Community Facilities
Transport & Stormwater - District	1,532	689	(950)	1,271	District Wide Transport	Transport
Wastewater - Atiamuri	2	-	-	2	Atiamuri Wastewater	Wastewater
Wastewater - Kinloch	846	-	-	846	Kinloch Wastewater	Wastewater
Wastewater - Mangakino	-	-	-	-	Mangakino Wastewater	Wastewater
Wastewater - Omori	-	-	-	-	Omori Wastewater	Wastewater
Wastewater - Taupō	2,484	983	(1,005)	2,462	Taupō Wastewater	Wastewater
Wastewater - Turangi/Tongariro	-	-	-	-	Turangi/Tongariro Wastewater	Wastewater
Wastewater Whareroa	-	-	-	-	Whareroa Wastewater	Wastewater
Water - Acacia Bay	-	-	-	-	Acacia Bay Water	Water
Water - Atiamuri	0	-	-	0	Atiamuri Water	Water
Water - Kinloch	1,288	-	-	1,288	Kinloch Water	Water
Water - Mapara Road	(5)	30	-	25	Mapara Road Water	Water
Water - Motuoapa	-	-	-	-	Motuoapa Water	Water
Water - Omori/Pukawa/Kuratau	65	34	-	99	Omori/Pukawa/Kuratau Water	Water
Water - River Road	5	-	-	5	River Road Water	Water
Water - Taupō	1,174	708	(425)	1,457	Taupō Water	Water
Water - Turangi/Tongariro	14	-	-	14	Turangi/Tokaanu Water	Water
Water - Whareroa	-	-	-	-	Whareroa Water	Water
DEPRECIATION RESERVES					TO FUND FOR RENEWALS, CAPITAL EXPENDITURE & LOAN REPAYMENTS FOR:	
Buildings - District	5,291	3,114	(6,612)	1,793	Buildings - District	Community Facilities, Community Services, Water, Wastewater, Solid Waste, Investments, Economic Development
Land Subdivision - District	1,666	-	(25)	1,640	Land Subdivision - District	Community Facilities

Reserve Name	Projected Opening Balance 01/07/20 (\$000)	Expected Deposits 01/07/20-30/06/21 (\$000)	Expected Withdrawals 01/07/20-30/06/21 (\$000)	Expected Balance @ 30/06/21 (\$000)	Purpose of the Fund	Activities to which the fund relate
Operational assets - District	3,249	2,514	(2,968)	2,794	Operational assets - District	All activities with the exception of Democracy and Planning
Solid Waste - District	1,114	411	(416)	1,109	Solid Waste - District	Solid Waste
Transport & Stormwater - District	3,875	4,745	(2,865)	5,755	Transport & Stormwater - District	Transport
Wastewater - District	7,122	5,151	(6,336)	5,937	Wastewater - District	Wastewater
Water - Acacia Bay	464	-	(160)	303	Water - Acacia Bay	Water
Water - Atiamuri	211	42	(82)	170	Water - Atiamuri	Water
Water - Bonshaw Park	94	28	(79)	44	Water - Bonshaw Park	Water
Water - Centennial Drive	232	156	(101)	288	Water - Centennial Drive	Water
Water - Hatepe	94	33	(22)	104	Water - Hatepe	Water
Water - Kinloch	2,074	176	(38)	2,213	Water - Kinloch	Water
Water - Mangakino	356	146	(62)	440	Water - Mangakino	Water
Water - Mapara	582	63	(36)	609	Water - Mapara	Water
Water - Motuoapa	110	63	(38)	135	Water - Motuoapa	Water
Water - Omori	1,058	122	(10)	1,170	Water - Omori	Water
Water - River Road	187	27	(5)	209	Water - River Road	Water
Water - Taupo	(300)	2,547	(2,028)	219	Water - Taupo	Water
Water - Tirohanga	786	103	(26)	863	Water - Tirohanga	Water
Water - Turangi	506	332	(113)	725	Water - Turangi	Water
Water - Waihaha	633	54	(12)	676	Water - Waihaha	Water
Water - Waitahanui	117	-	(92)	24	Water - Waitahanui	Water
Water - Whakamaru	(127)	38	(24)	(113)	Water - Whakamaru	Water
Water - Whakamoenga	94	19	(72)	42	Water - Whakamoenga	Water
Water - Whakaroa	347	52	(1)	398	Water - Whakaroa	Water
Water - Whareroa	91	30	(5)	115	Water - Whareroa	Water
OTHER RESERVES					TO PROVIDE	
Disaster Recovery Fund	2,050	212	(6)	2,256	\$100,000 to fund CARFF insurance scheme annually for disaster coverage	All activities
District Airport Reserve	67	-	-	67	For heavy periodic maintenance charges on assets such as buildings, roads etc and for future capital works of this nature	Taupo Airport (CCTO)
Parking	69	-	-	69	For the purchase or development of parking	Community Services
Forestry	5,105	2,331	(175)	7,261	For the establishment, maintenance & operation of Councils forestry blocks	Investment
Strategic Property Purchase - District	11,016	4,815	(10,227)	5,604	For specific strategically based property purchases & associated projects - District	Investment
TEL	62,398	1,294	-	63,691	For funds as per Treasury Management Policy	Investment
Total Reserves	121,846	31,387	(35,015)	118,218		

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:

Financial instruments

In January 2017, the XRB issued PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IFRS9 is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The main changes under PBE IFRS 9 are:

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

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

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 the 30 June 2022 financial statements. The Council and Group has not yet assessed the effects of the new standard.

2.3 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.

2.4 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.

2.5 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.

2.6 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.

2.7 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

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.

ACCOUNTING POLICIES

2.8 BORROWING COSTS

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

2.9 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.

2.10 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.

2.11 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.

2.12 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.

2.13 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 2.19 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 2.17 of the policies.

2.14 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.

2.15 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.

2.16 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.

2.17 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.

2.18 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).

2.19 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.

ACCOUNTING POLICIES

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.
Buildings.	3,875	4,745
Site Value.	13 years.	7.69 per cent SL.
Structure.	20 - 80 years.	1.3 per cent - 5 per cent SL.
Roof.	20 - 40 years.	2.5 per cent - 5 per cent SL.
Services.	20 - 45 years.	2.5 per cent - 5 per cent SL.
Internal fit-out.	15 - 35 years.	2.9 per cent - 6.7 per cent SL.
Plant.	20 - 30 years.	3.3 per cent - 5 per cent SL.
Machinery.	2 - 20 years.	5 per cent - 50 per cent SL.
Computer equipment.	4 years.	25 per cent SL.
Office equipment.	4 - 10 years.	13.33 per cent - 25 per cent SL.
Leased assets.	3 - 5 years.	20 per cent - 33.3 per cent SL.
Furniture and fittings.	2 - 10 years.	10 per cent - 50 per cent SL.
Park furniture.	2 - 25 years.	4 per cent - 50 per cent SL.
Motor Vehicles.	4 - 10 years.	10 per cent - 25 per cent SL.
Library books.	6.5 years.	15.5 per cent SL.
Infrastructural assets:	506	332
Buildings	633	54
Site Value.	13 years.	7.69 per cent SL.
Structure.	20 - 80 years.	1.3 per cent - 5 per cent SL.

Roof	20 - 40 years.	2.5 per cent - 5 per cent SL.
Services	20 - 45 years.	2.5 per cent - 5 per cent SL.
Internal fit-out	15 - 35 years.	2.9 per cent - 6.7 per cent SL.
Roads	15 - 35 years.	2.9 per cent - 6.7 per cent SL.
Top surface	3 - 20 years.	5 per cent - 33 per cent SL.
Pavement	45 - 65 years.	1.5 per cent - 2.2 per cent SL.
Formation	not depreciated.	Nil.
Culverts	55 - 80 years.	1.3 per cent - 1.8 per cent SL.
Footpaths	50 - 80 years.	1.3 per cent - 2 per cent SL.
Kerbs	60 years.	1.7 per cent SL.
Signs	15 years.	6.7 per cent SL.
Street lights	25 - 60 years.	1.7 per cent - 4 per cent SL.
Bridges	90 - 100 years.	1 per cent - 1.1 per cent SL.
Land under roads	not depreciated.	Nil.
Water Systems	45 - 65 years.	1.5 per cent - 2.2 per cent SL.
Pipes	45 - 100 years.	1 per cent - 2.2 per cent SL.
Valves, hydrants	40 years.	2.5 per cent SL.
Pump stations	10 - 60 years.	1.7 per cent - 10 per cent SL.
Tanks	25 - 80 years.	1.3 per cent - 4 per cent SL.
Sewerage Systems	15 years.	6.7 per cent SL.
Pipes	65 - 100 years.	1 per cent - 1.5 per cent SL.
Manholes	80 years.	1.3 per cent SL.
Treatment plant	5 - 80 years.	1.3 per cent - 20 per cent SL.
Stormwater systems	55 - 80 years.	1.3 per cent - 1.8 per cent SL.
Pipes	50 - 120 years.	0.83 per cent - 2 per cent SL.
Manholes, cesspits	75 - 100 years.	1 per cent - 1.3 per cent SL.
Flood control systems	50 - 100 years.	1 per cent - 2 per cent SL.
Solid waste	4 - 24 years.	4.166 per cent - 25 per cent.
Restricted assets:		
Land	not depreciated.	Nil.

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.

ACCOUNTING POLICIES

2.20 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.

2.21 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

2.22 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.

2.23 PAYABLES AND DEFERRED REVENUE

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

2.24 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.

2.25 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”.

2.26 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.

2.27 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.

3 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 for 2020/21.

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 and they are used for the 2020/21 rating year. It should be noted that some targeted rates for water supply are calculated using the land value of that rating unit.



Figure 1 Taupō District and Wards

3. CATEGORIES OF RATEABLE LAND

The Council adopts the following as its definitions of categories of rateable land for the 2020/21 financial year. 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) and the zoning of the land under the Council's District Plan (clause 2 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 for commercial purposes.
- 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 offices, administrative or government purposes (including state-owned enterprises, central and local government).
- 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) 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; 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, operating separate businesses from the same rating unit. A rating unit with one use or part is one separately used or inhabited part.
- (c) 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.

- (d) Rates payments will be allocated to the oldest debt outstanding first.
- (e) Penalties will not be added to rating units where there is a Direct Debit authority to pay the full amount of rates owing by regular payments within the current rating year, and any default is promptly rectified.

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)

The following categories will apply:

1. All industrial, commercial, accommodation, utility assets/networks, and electricity generator rating units.
2. All residential, rural and other rating units.

3.3 TARGETED RATES BASED ON LOCATION

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

- Turangi-Tongariro Community Board Rate (see 1 below).
- Town Centre Taupō Management Rate (2 below).
- Whareroa Refuse Rate (3 below).

The following categories will apply:

1. Turangi/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 4 in this document.
3. All rating units on the Whareroa valuation roll. (see figure 3 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 and sewage disposal (1, 2, 3, 4 and 5 below).
- Whakamaru Fire Protection Charge (6 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 or is connected to a public sewerage drain.
2. serviceable (available to be connected) – any separately used or inhabited part of a rating unit that is not connected to an accessible sewerage drain but is within 30 metres of such a drain; or 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
3. sewer multi connections – rating units with more than one pan or urinal.
4. water multi connections – rating units with more than one separately used or inhabited part
5. metered water supply – rating units with a water meter
6. defined rating units within the Whakamaru village.

4. GENERAL AND TARGETED RATES

The Council adopts the following rates under the Local Government (Rating) Act 2002, on rating units in the district for the financial year commencing on 1 July 2020 and ending on 30 June 2021.

4.1 GENERAL RATE

A General Rate, set under section 13 of the Local Government (Rating) Act 2002 on every 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, 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, Turangi 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 2019/20 GST incl	Rate per \$ of CV 2020/21 GST incl
Residential	0.0028056/\$	0.0022885/\$
Rural	0.0028056/\$	0.0022885/\$
Utility Assets and Networks	0.0028056/\$	0.0022885/\$
Electricity Generators	0.0028056/\$	0.0022885/\$
Industrial/Commercial	0.0050501/\$	0.0041193/\$
Accommodation	0.0050501/\$	0.0041193/\$
Other	0.0028056/\$	0.0022885/\$

4.2 DIFFERENTIALS

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	2019/20 GST incl	2020/21 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 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 separate household, and a charge applied, at the sliding scale, for each separately used or inhabited part of the rating unit (serviceable – rating units within 30 metres of an accessible sewage drain)

The sewer schemes are: Taupō Township, Acacia Bay, Kinloch, Whakamaru, Mangakino, Atiamuri, Turangi Township/Tokaanu, Omori/ Kuratau/Pukawa, Motutere, Whareroa and Motuoapa.

TARGETED SEWER DISPOSAL CHARGES PER SUIP ARE:

Factor	Liability	2019/20 GST incl (per pan)	2020/21 GST incl (per pan)
Connected (1st pan/urinal)	per pan/urinal	\$720.24	\$720.24
Connected (2 - 10 pans/urinals)	per pan/urinal	\$540.18	\$540.18
Connected (10 + pans/urinals)	per pan/urinal	\$360.12	\$360.12
Connected (schools 10 + pans/urinals)	per pan/urinal	\$180.06	\$180.06
Serviceable (available to be connected)	per rating unit	\$360.12	\$360.12

4.5 WATER SUPPLY

Water Schemes with fixed charge targeted rates.

A 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 a targeted rate 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 AND TARGETED WATER CHARGES ON ANY SEPARATE PART OF A RATING UNIT DESCRIBED ABOVE ARE:

Water Scheme	2019/20 GST incl	2019/20 GST incl	2020/21 GST incl	2020/21 GST incl
	Serviceable	Connected	Serviceable	Connected
Taupō	\$246.55	\$493.10	\$246.55	\$493.10
Kinloch	\$301.23	\$602.46	\$301.23	\$602.46
River Road	\$426.56	\$853.12	\$426.56	\$853.12
Mangakino Township	\$257.65	\$515.30	\$257.65	\$515.30
Atiamuri	\$553.52	\$1,107.04	\$553.52	\$1,107.04
Whakamaru	\$635.90	\$1,271.80	\$635.90	\$1,271.80
Turangi Township/Tokaanu	\$188.43	\$376.86	\$188.43	\$376.86
Motuoapa	\$313.64	\$627.28	\$313.64	\$627.28
Omori/Kuratau/Pukawa	\$173.47	\$346.94	\$173.47	\$346.94
Hatepe	\$488.88	\$977.76	\$488.88	\$977.76
Whareroa	\$250.04	\$500.08	\$250.04	\$500.08

Note: The Taupō scheme provides water to Taupō Township, Waitahanui, Wairakei Village, Acacia Bay and the wider Mapara area.

WATER SCHEMES WITH CHARGES BASED ON LAND VALUE

All rating units within the water supply areas as below (whether connected or not) are assessed on the basis of land value without differentials. These are targeted rates, set under section 16 of the Local Government (Rating) Act 2002.

THE WATER SCHEMES AND TARGETED WATER RATES ARE:

Water Scheme	2019/20 GST incl	2020/21 GST incl
Whakaroa	0.0023603/\$	0.0015093/\$
Rakaunui Road	0.0028720/\$	0.0025307/\$
Centennial Drive (untreated)	0.0062715/\$	0.0057409/\$
Bonshaw Park	0.0049784/\$	0.0030696/\$
Whakamoenga Point	0.0015136/\$	0.0015213/\$
Waihaha	0.0032760/\$	0.0030932/\$
Tirohanga	0.0012054/\$	0.0013186/\$

4.6 METERED WATER SUPPLY

Note: Water meter charges will be invoiced separately from rate 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 relevant targeted rate charge for water schemes as shown in 4.5 above. The supply allocation is the amount of the relevant targeted rate, divided by the relevant rate per m³ 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	2019/20 GST incl Cents/ m ³	2020/21 GST incl Cents/ m ³
Taupō Township/ Wairakei	227	227
Kinloch	173	173
Whakaroa	229	229
Bonshaw Park	291	291
Whakamoenga Point	161	161
River Road	194	194
Mangakino Township	178	178
Tirohanga	93	93
Turangi Township	69	69
Motuoapa	110	110
Tokaanu	131	131
Hatepe	259	259
Omori/Kuratau/ Pukawa	148	148
Whakamaru	152	152
Atiamuri	178	178
Rakaunui Road	63	63
Centennial Drive (untreated)	51	51

4.7 DISTRICT REFUSE DISPOSAL CHARGE

A targeted rate to fund district refuse disposal, solid waste operations and waste minimization 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:

	2019/20 GST incl	2020/21 GST incl
Accommodation, Industrial/ Commercial, Electricity Generators, Utility Assets & Networks	\$98.64	\$98.64
Residential, Rural or Other	\$49.32	\$49.32

4.8 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, assessed on specified rating units within the Whakamaru Village (see figure 2 below) as a fixed amount per rating unit.

THE TARGETED WHAKAMARU FIRE PROTECTION RATE IS:

	2019/20 GST incl	2020/21 GST incl
Whakamaru Fire Protection	\$168.40	\$168.40



Figure 2 Whakamaru Fire Protection area

4.9 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 3 below) as a fixed amount per rating unit.

THE TARGETED WHAREROA REFUSE RATE IS:

	2019/20 GST incl	2020/21 GST incl
Whareroa Refuse Rate	\$90.90	\$90.90



Figure 3 Whareroa Refuse area

4.10 TOWN CENTRE TAUPŌ MANAGEMENT RATE

A targeted Town Centre 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 4 below).

THE TARGETED TOWN CENTRE TAUPŌ MANAGEMENT RATE IS:

	2019/20 GST incl	2020/21 GST incl
Town Centre Taupō Management	\$350.13	\$365.42



Figure 4 Taupō Town Centre



4.11 TURANGI-TONGARIRO COMMUNITY BOARD RATE

A targeted Turangi-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 Turangi-Tongariro ward (as highlighted in figure 1 of this document).

	2019/20 GST incl	2020/21 GST incl
Turangi Tongariro Community Board Rate	\$17.24	\$17.24

5 EXAMPLES OF RATES PER TYPE OF PROPERTY

Residential properties - Taupo

	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21
Rating Valuation	\$284,000	\$416,000	\$453,000	\$585,000	\$565,000	\$730,000	\$816,000	\$1,006,000
	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$
Targeted Rates	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263
General Rates	1,047	1,188	1,521	1,589	1,835	1,921	2,523	2,539
Total Rates	2,309	2,451	2,784	2,851	3,098	3,183	3,785	3,801
\$ change per week		2.72		1.30		1.64		0.31
% change		6.13%		2.44%		2.76%		0.42%

Residential properties - Turangi

	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21
Rating Valuation	\$152,000	\$272,000	\$186,000	\$302,000	\$208,000	\$334,000	\$466,000	\$616,000
	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$
Targeted Rates	1,154	1,154	1,154	1,154	1,154	1,154	1,154	1,154
General Rates	705	872	772	941	834	1,014	1,557	1,646
Total Rates	1,848	2,036	1,936	2,105	1,997	2,178	2,721	2,810
\$ change per week		3.23		3.26		3.48		1.70
% change		8.99%		6.75%		9.05%		3.26%

Residential properties - Maungakino

	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21
Rating Valuation	\$111,000	\$225,000	\$155,000	\$282,000	\$215,000	\$333,000	\$328,000	\$466,000
	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$
Targeted Rates	1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205
General Rates	561	705	685	695	653	1,012	1,148	1,303
Total Rates	1,840	2,050	1,970	2,180	2,138	2,297	2,433	2,588
\$ change per week		3.91		4.05		3.00		2.98
% change		11.02%		10.69%		7.43%		6.37%

Residential properties - Kinloch

	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21
Rating Valuation	\$286,000	\$425,000	\$455,000	\$655,000	\$566,000	\$730,000	\$785,000	\$1,016,000
	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$
Targeted Rates	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372
General Rates	1,052	1,223	1,527	1,749	1,838	1,966	2,452	2,561
Total Rates	2,424	2,595	2,899	3,121	3,210	3,338	3,824	3,933
\$ change per week		3.27		4.28		2.47		2.10
% change		7.02%		7.67%		4.00%		2.85%

Industrial Commercial properties

	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21
Rating Valuation	\$485,000	\$585,000	\$800,000	\$930,000	\$1,255,000	\$1,465,000	\$2,536,000	\$3,456,000
	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$
Targeted Rates	1,312	1,312	1,962	1,677	2,742	2,756	2,742	2,756
General Rates	2,099	2,660	4,290	4,081	6,588	6,285	15,047	14,462
Total Rates	4,011	3,972	5,952	5,758	9,330	9,043	17,789	17,219
\$ change per week		-0.76		-3.73		-5.53		-10.96
% change		-0.96%		-3.26%		-3.06%		-3.20%

Rural properties

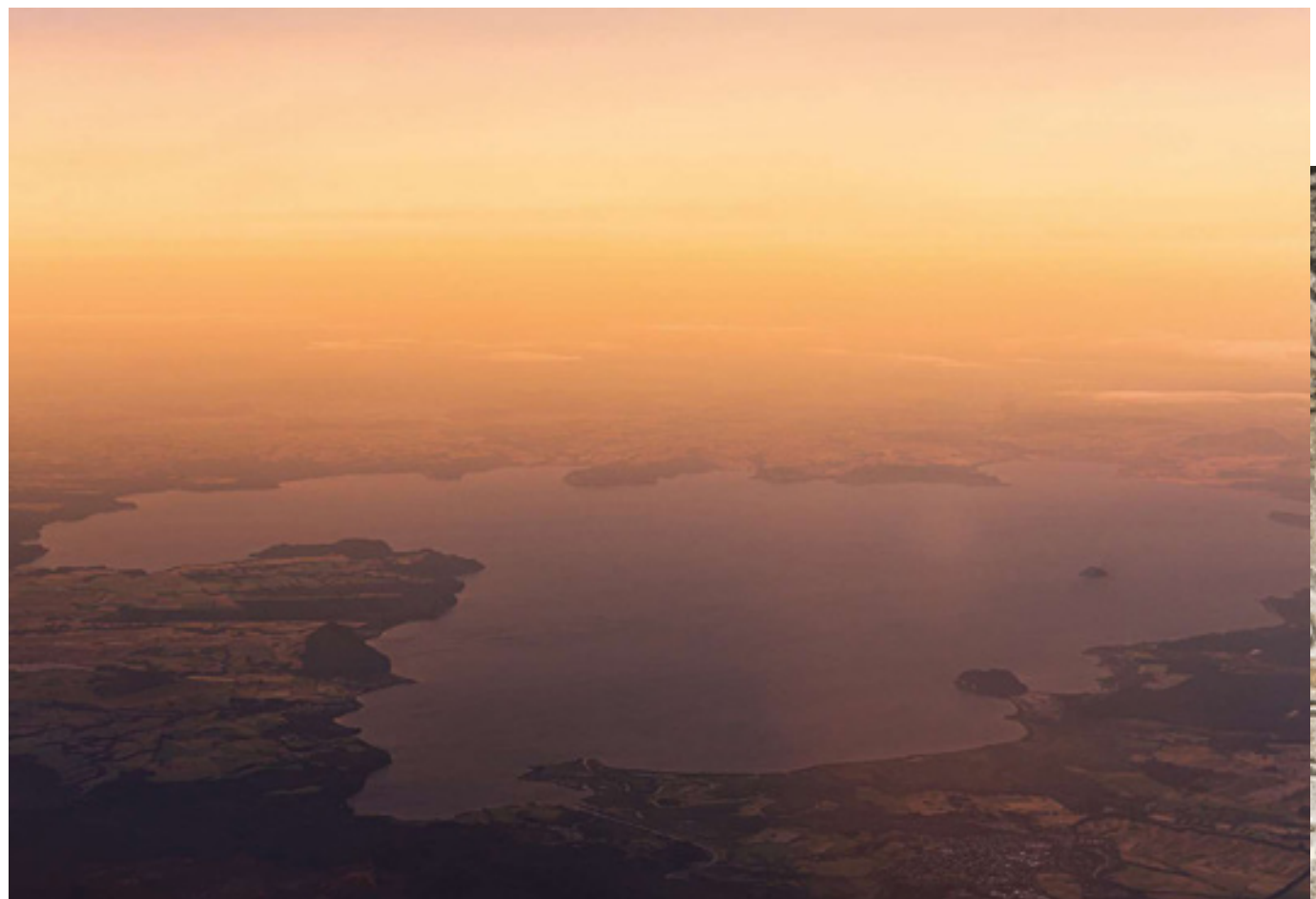
	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21
Rating Valuation	\$615,000	\$635,000	\$1,050,000	\$1,330,000	\$6,115,000	\$5,950,000	\$16,296,000	\$5,148,000
	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$	CV \$
Targeted Rates	49	49	49	49	49	49	197	197
General Rates	1,975	2,101	3,190	3,294	17,406	13,607	29,870	21,917
Total Rates	2,025	2,210	3,245	3,343	17,456	13,916	30,067	22,114
\$ change per week		3.57		1.88		-66.07		-152.94
% change		9.2%		3.0%		-20.3%		-26.45%

SCHEDULE

TO THE FUNDING IMPACT STATEMENT

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
REVENUE GENERAL RATE	35,422	37,330	35,834
Targeted rates			
Uniform annual general charge	7,817	7,155	7,421
Lake protection	-	-	-
Water	10,643	10,618	10,854
Sewage disposal	13,334	13,434	13,516
Refuse disposal	1,135	1,130	1,149
Whareroa refuse collection rate	16	16	16
Turangi Tongariro Community Board rate	83	83	83
Taupo Town Centre management rate	163	169	170
Waitahanui sewer loan	-	-	-
Whakamaru fire protection	4	4	4
Rates penalties	350	350	250
Fees and charges	10,915	11,015	8,990
Other revenue	1,095	1,167	971
Operating subsidies	2,351	2,463	2,829
Interest	3,675	4,241	2,572
Capital contributions			
Development contributions	2,743	2,769	2,784
Other gains & losses	1,563	2,470	2,470
Vested assets	5,560	5,850	4,901
Capital subsidy	2,682	1,692	1,943
Other Capital Funding	-	315	-
Total operating revenue	99,551	102,271	96,757
Operating expenditure			
Operating expenses	57,267	55,919	55,731
Interest expense	8,078	8,749	8,378
Depreciation	24,242	25,179	23,442
Total operating expenses	89,587	89,847	87,551
Operating surplus/(deficit) before asset development and other gains/(losses) and tax	9,964	12,424	9,206

	Annual Plan 2019/20 (\$000)	LTP 2020/21 (\$000)	Annual Plan 2020/21 (\$000)
Other expenses			
Capital expenditure	37,069	48,557	38,692
Debt repayments	17,231	22,835	21,435
Transfers to special reserves	8,336	9,378	8,157
Recognition of vested assets	5,560	5,850	4,901
Capex Other Funding		315	
Depreciation not funded	(3,932)	(3,117)	(3,852)
Total net cost	54,300	71,394	60,127
Funded by:			
General rates	-	-	-
Loans raised	21,203	35,341	25,861
Development, financial & other contributions	-	-	-
NZTA and other subsidies	2,682	1,692	1,962
Capex Other Funding		315	
Transfers from reserves	30,415	34,046	32,304
Total net funding	54,300	71,394	60,127





GREAT LAKE TAUPŌ

Taupō District Council

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