

SHAPING OUR FUTURE/PLACE TOGETHER

Te Reo translation

CONSULTATION DOCUMENT (*Text Version*)

WAITOMO DISTRICT COUNCIL

DRAFT LONG TERM PLAN 2024-2034

Te reo translation 2024-2034



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Timeline: draft Long Term Plan 2024 -2034

Council approve draft CD for public consultation

9 April 2024

Consultation opens

16 April 2024

Consultation closes

17 May 2024

Hearings (An opportunity for you to talk directly to Elected Members)

28 May 2024

Deliberations (when Elected Members discuss your feedback)

4 June 2024

Long Term Plan adopted by Council

25 June 2024

SHARE YOUR VIEWS

Now is your chance to share your views on what we are proposing for the journey ahead. If we don't hear from you, we won't know what you think.

The Consultation Document (CD) and the supporting information can be accessed online on our website waitomo.govt.nz/LTP2024-2034

You can also pick up a physical copy of the CD and view the Supporting Information at any of the following locations:

- PGG Wrightson, 58 Moa Street, Piopio
- Mokau Museum and Gallery, 33 North Street, Mokau
- Café Kai and Bar, 15 Waitomo Village Road, Waitomo
- Benneydale Foodmarket Ltd, 34 Ellis Road, Maniaiti/Benneydale
- Marokopa Transfer Station, Marokopa Road (approx. 400m east of village)
- Waitomo District Council Main Office, 15 Queen Street, Te Kuiti
- Waitomo District Library, 28 Taupiri Street, Te Kuiti
- Te Kuiti Customer Service Centre, 160 Rora Street, Te Kuiti

Sharing your opinion is easy

We have several ways for you to have your say:

- You can submit online on our website: waitomo.govt.nz/LTP2024-2034
- You can email your Submission: haveyoursay@waitomo.govt.nz
- You can drop off your Submission Form to us on Rora Street or at 15 Queen Street, Te Kuiti, or
- FREEPOST 112498, Waitomo District Council, PO Box 404, Te Kuiti 3941

You can also complete the Submission Form at the back of this Consultation Document and return it to us by mail, email or drop it into our Office.

You can also attend one of our Drop-in Sessions or Public Meetings

Te Kuiti – Drop-in Sessions:

Railway Building 3, Rora Street, Te Kuiti

Monday 22 April

11am -1pm

Gallagher Recreation Centre

Thursday 2 May

5:30pm - 7:30pm

Piopio – Drop-in Session

Piopio Memorial Hall, Piopio.

Monday 29 April

11:30am – 1:00pm

Waitomo – Public Meeting

Waitomo Museum

Tuesday 30 April

6:00pm – 7:00pm

Mokau – Drop-in Session

Mokau Hall

Friday 26 April

11:00am – 12:30pm

Maniaiti/Benneydale – Public Meeting

Benneydale Hall

Wednesday 1 May

2:30pm – 4:00pm

OUR FUTURE BEGINS WITH YOU

Tēnā koutou katoa, greetings

This is the first Long Term Plan of the Council elected in 2022.

The Council elected in 2019 brought down Council debt by \$10 million, kept rate increases low, began to release Council owned land for residential development, and in partnership with Te Kuiti High School and the Ministry of Education built the Gallagher Recreation Centre. All this was accomplished while the COVID pandemic was raging.

Our current Council is consulting with you on this plan in a very different environment. Inflation is with us at levels not seen in thirty years. Millions of dollars are being invested to repair roads damaged from the severe storm events in 2022. A further two storm events occurred in 2023 that brought flooding to Te Kuiti of a severity not seen for over sixty years. And we are investing to make our water infrastructure more resilient.

In year one of this plan, Council debt will rise by \$10 million as we fund improvements to Te Kuiti's drinking water pipe and reservoir network.

Under this plan revenue from rates will increase by 9.54 % above the current year's rate take to cover the additional costs that inflation has wrought upon us and to cover other cost increases, many related to changing weather patterns.

An additional \$500,000 of revenue from rates is being sought from land planted in forestry to cover the damage to our roads from logging operations. We propose a roading "differential rate" on such land that meets certain criteria. This would result in an overall rates revenue increase of 11.72%.

Why? Plantations established in the early 1990's are now beginning to be harvested. Logging trucks cause enormous and costly damage to our Council roads. This differential rate will help pay for the upkeep of such roads.

Our plan forecasts expenditure over a ten-year period. After three years this plan will be reviewed.

Elected members have carefully considered all Council's activities and services. This document outlines our preferred options on how we should rate property owners, where we should spend these rates and where we could make savings.

Before we decide it is important that we hear from the community. I encourage you to make a submission through this process. We are keen to have your views.

John Robertson, QSO

Mayor of Waitomo District

HOW WE SHAPED THE LAST 3 YEARS

Past to Present

2021 to 2023

On our journey over the last three years has been challenging, we have still been able to deliver some significant community outcomes for the District.

A prosperous district and a district for people

Bringing our communities together with events such as Christmas Parade, Matariki, and the Great NZ Muster.

Supporting our communities with programmes such as Mayors Taskforce for Jobs, completion of our Housing Strategy and actions within our Vibrant Waitomo Strategy. Many community groups supported through grants from our Community grant funding.

The opening of our Customer Service Centre on Rora Street, Te Kuiti.

Upgrades to our Library services especially the online content making it widely available.

We have made significant progress digitising our records and making our services accessible online.

A district that cares for its environment

A significant document that shapes our future is our Waitomo District Plan, our Proposed District Plan has progressed through notification and is on track to be issued in 2025/26.

A district that works with you

Keeping our communities connected with completion of Te Ara Tika pedestrian overbridge and over 1.9km of new footpaths and we have resealed over 85km of our local roads.

We have undertaken significant roading network repairs from the severe weather events in the last 3 years with over \$10 million spent so far, mostly funded through the NZ Transport Agency.

Keeping our community drinking water safe with districtwide backflow installations and replacement of old AC waterpipes, we also completed a major upgrade of the Mokau Water Treatment Plant, projects were majority funded through Water Reform Stimulus Programme.

We have installed additional infrastructure in our stormwater network with new wingwalls and cesspits to catch more surface water runoff.

Successful community facilities projects included construction and successful operation of Gallagher Recreation Centre, new toilets at Mokau, and upgrades to improve our rural transfer stations, Piopio

OUR VISION, COMMUNITY OUTCOMES AND PRIORITIES

Vision Statement



Our Community Outcomes / What we want for our community

- **A prosperous district:** We enable a thriving and sustainable economy to create greater benefits for everyone.
- **A district for people:** Our district is a great place to live because it is accessible, safe, affordable, and inclusive. We promote health, wellbeing, and participation.
- **A district that cares for its environment:** We plan for the wise use and management of all land and resources, now and for future generations.
- **A district that values culture:** We value the whakapapa of our district, and we promote cultural, creative and recreational activities where traditions, heritage and arts are celebrated.

Our Priorities / Our focus for the next three years

- **Strengthening relationships:** We will continue to shape our relationships with all our community, iwi, and mana whenua groups to build partnerships that will benefit the district.
- **Preparing for the future:** We will ensure we are ready for the future by adapting to changes at a global, national, and local level. Demonstrating great leadership to support all the services we deliver.
- **Effective management of resources:** We manage all of our resources effectively delivering value to our community, we keep sustainability and affordability at the forefront of what we do.

SHAPING OUR FUTURE

Our Council has carefully considered what we need to do in the next 10 years to improve the wellbeing of our district and build resilience for the future, these proposals have been outlined in this Consultation Document for the draft Long Term Plan 2024-2034 (LTP). How we pay for these will be a combination of rates, fees and charges, subsidies, loans, and reserves. This allows us to spread the cost over time to reduce the impact on rates.

Like all councils and households, we are facing increasing costs just to maintain where we are, this includes the cost of consumables, contracted services, interest costs on loans, etc. This is reflected in the current inflation level of 5.2% in New Zealand. Some costs have increased much more than 5% such as roading for example.

We are faced with a number of challenges that we need to address. Your feedback will help us decide how to approach these over the next 10 years. We must consider the affordability in each case versus the best outcomes for our District. Our preferred options indicate where we see this being achieved.

Taking these preferred options into our draft LTP budget the rates revenue required for Year 1 is \$25.59M, which means the total rates revenue requirement will increase by 11.72% from current year. For Years 2 and 3 the revenue is \$27.58M and \$29.03M respectively which equates to a 7.73% and 5.28% increase to the total rates revenue requirement. (see graph on page x for the rating impact over 10 years).

The increases are due to higher interest rates, our increased spend in 3 waters and roading. We have proposed to introduce a differential on the district roading rate for forestry exotic properties to help cover roading damage costs caused by logging. The increase in the roading budget has taken the rate increase from 9.54% to 11.72% as it is part of our total rates requirement. If a forestry differential rate is implemented this will help cover the extra costs we need to maintain our roads.

Overall we forecast revenue for the 10 years of \$501M to deliver what we have put forward in this LTP.

Water Supply, Wastewater and Stormwater

The new government has repealed the Water Reform legislation, so assets and delivery of water supply, wastewater and stormwater remain with Councils. We can now consider our future and decide if we can join our neighbouring Councils to deliver these services more cost effectively. Our LTP includes the 3 waters activities for the 10 years of the plan. We will carefully consider the options once presented to us by central government and what will be the best outcome for our district.

Roading

Over the past three years, our road network has been significantly impacted by severe weather events causing tens of millions of dollars worth of damage, generally NZTA funding covers 95% of the damage however the work has delayed some roading programmes. Roading is our largest budget and costs continue to increase. We will need to invest more to maintain our roads at the current level so with a limited budget levels of service may reduce.

“Waitomo – Te hanga tahi o tatou Takiwa, shaping our district together – This draft Long Term Plan maps out how we will shape our future, we can all work together for the benefit of our District.”

THE SHAPE OF THINGS TO COME

“We must also take into account the world we live in and how that will impact us”.

Climate Change

We can't deny our climate is changing, the causes may be debateable but the outcomes less so. In the last three years New Zealand has experienced several intense weather events impacting our communities locally and throughout the country. Lives have been lost and many people have been displaced from their homes, some unable to return. The recovery from these events will be on going for decades and in some cases tough choices are being made to relocate.

We cannot afford to ignore this changing environment so we must work together to find solutions that work for our community. The risk of intense rainfall events and sea level rise are ever increasing so we must work with what we know today to plan for tomorrow.

The new Government has a philosophy of local decision making and that is what this LTP sets out to achieve, local people making local decisions for their future. Below are the issues we are faced with and must decide how to tackle in the coming 10, 20, and 30+ years and beyond.

Current predictions of the effects of climate change for the Waitomo District:

- **Extreme rainfall events.** Very extreme events higher than 2 year average occurrence are likely to happen more often.
- **Changes in average annual rainfall.** In the Waitomo District average annual rainfall is expected to increase, this could be up to 5% in the winter months by 2070.
- **Sea-level rise.** The coastline in our district is likely to be impacted by sea level rise which on under a best case and worst-case emissions scenarios is 0.2m to 0.6m by 2070.
- **Storm surges** a high emissions scenario resulting in a 0.5m sea level rise by 2070 would cause a high tide storm surge of 3.6m to 3.7m along our coastline.

Challenges:

- **Water Supply:** Climate change scenarios predict spring and autumn to be drier in the Waitomo District, managing water demand during drought periods will become more critical.
- **Wastewater:** Increased frequency of heavy rain during winter could impacts the amount of inflow and infiltration entering our wastewater networks. This could overload pump stations and treatment plants more regularly.
- **Stormwater:** Our stormwater network capacity only allows for rainfall intensity expected once every two years. These types of events are predicted to occurring more frequently and events with higher intensity. The solutions are more complex than simply installing bigger pipes.
- **Roads and Footpaths:** High emission scenarios that lead to a rise in sea levels and storm surges will affect several coastal roads in our District.
- **Coastal Communities:** Rising sea levels and storm surges will increase the risk of erosion and inundation in low-lying coastal areas.
- **Emissions from the Landfill:** Finding better solutions to reduce emissions from disposal of waste is better for our environment and will reduce the cost of waste disposal. Reducing waste streams and increasing diversion rates will have the most impact.

Central Government Changes

- RMA – new legislation has been repealed and the old RMA reinstated. Changes to remain includes fast tracked consenting.
- Three waters reform has now been repealed, Council has included 3 waters in the LTP and will investigate the CCO opportunity.
- Waste minimisation – current strategy and 'best practice' Emissions Reduction Plan New Zealand is on the path to a low emission, climate resilient future. Government has set into law a target for net zero greenhouse gas emissions by 2050 (other than for biogenic methane). The Emissions Reduction Plan is one mechanism we are using to focus our collective efforts toward transitioning to a more resilient, low emissions economy.

OUR PROPOSALS

Proposal: Impact of retaining 3 Waters

Intro:

Our 3 waters service delivery and assets will now remain with Council with the repeal of the Water Services legislation which required local authorities to transition 3 waters activities to 10 new water entities.

The new governments 'Local Water Done Well' policy will generate a number of changes which will enforce minimum standards to be met and make sure Councils renew and upgrade treatment plants and networks appropriately.

Legislation will also be introduced that will allow Councils to form Council Controlled Organisations (CCOs) to achieve the efficiencies of scale to make the delivery of 3 water services more affordable for ratepayers and offering long-term borrowing options. Before joining a regional CCO we would need to evaluate if this would be the best option for our community. Making this decision will take time and further consultation with the community.

Now that we know we will continue to deliver 3 waters services we need to evaluate what are the 'must do' projects in 3 waters activities for each community to continue to receive the level of service expected while balancing affordability. For our LTP we must now include a full 10-year budget and programme of works to continue to deliver this service to our communities.

Problem statement:

Our water and wastewater treatment plants have been upgraded in recent times so our focus is now on the wider network of pipes and storage systems.

One historical issue we have that needs addressing is the build-up of sludge (solid component from sewerage) in our wastewater treatment ponds. This has been accumulating over decades with only relatively small amounts of dewatering and removal occurring more recently. It has reached a level where we can no longer just chip away over time without putting at risk the environment and our ability to treat the wastewater efficiently.

How we approach this issue is closely linked to the future of the Te Kuiti Landfill as currently this is where the dried sludge is disposed of. More detail is covered in the Future of Te Kuiti Landfill on pages x to x.

Our other historical issue is the aging pipe network across all of the 3 water networks but especially drinking water. We have assessed the networks and have a programme of works that addresses the most critical replacements for each network. Without these replacements we risk pipe bursts and disruption to services for residents and businesses. We have not programmed large scale replacement rather we will target renewals by running leak detection and infiltration checks.

An area we must also address is the demand for drinking water.

Water is a precious resource that we should value and use wisely, it is also costly to produce compliant drinking water. We need to consider how to deliver quality drinking water affordably across all our schemes. One of the most effective ways to do this is by creating a user pays system so and those that use large volumes of water pay more.

If water metering was progressed, we would start where the demand is highest. For our district the Piopio scheme has demand far higher than the recommended level. There would be a phasing in of billing where residents would receive 'mock invoices' for 12 months so they can adjust their water use and address any leaks prior to being charged.

With the above considerations of potential move to a CCO and changing to a 'user pays' system we are suggesting not to complete the harmonisation (all ratepayers paying the same water rate) of water rates water supply. This will lessen rating impact for Te Kuiti properties which are already significantly impacted by 3 waters cost and investment increases. If a user pays system and or CCO model are not progressed, we will need to reconsider the harmonisation for properties connected to water supply.

Option 1: Status quo – no additional investment

This option means:

- Continue with low level repairs and maintenance of the pipe networks for water and wastewater (as needed approach)
- Significant replacements when needed would be unbudgeted and require loan or reserve funding.

Do you agree with an 'as needed' investment approach?

Option 2: Water metering (Councils preferred option)

This option means:

- All properties connected to our water supply network would have a water meter installed commencing from Year 4.
- Connected properties would pay per cubic metre for water consumed.
- Water demand should reduce therefore reducing water treatment costs.
- Less risk of breaching our water take consent limits.
- Leaks are more easily detected.

We propose to include \$2.7 million over 2027/28 and 2028/29 (years 4 and 5) to install water meters on all properties connected to water supply. This expenditure will be funded by loan.

The Water Supply activities are currently funded by a mix of metered water charges and targeted fixed rates. A review of the funding for Water Supply will be undertaken for the next LTP in preparation of water metering being implemented across the district.

Based on the current funding policy, this initiative will add \$1.46 per week to a connected Te Kuiti property and \$2.02 per week for a Piopio, Mokau or Maniaiti/Benneydale property connected to the council water supply network.

Do you agree that a user pays approach by water metering is fair?

Proposal: Flooding remedies

Intro:

Our District has experienced a number of severe weather events in the last three years that have had considerable impact on our community. In particular Cyclone Dovi in February 2022 and the events on Anniversary weekend in January 2023 and then 8 October 2023 had rainfall volumes and intensity that overwhelmed our stormwater network. These types of weather systems are likely to continue to occur so we must decide what investment we should make in our stormwater network to reduce the impact on residents and businesses in the future.

Problem Statement:

Our stormwater network has capacity for a two-year storm event (i.e. an event with rainfall level expected once every two years). The October event had rainfall level expected once every 30 years falling in just a matter of hours.

There were a number of factors contributing to the flooding these mostly relate to the amount and speed of stormwater flowing into the network and then the ability for this flow to get through the network away from properties.

Much has been learned from these events and we now need to decide what level of spending should we put into improving our stormwater network.

Option 1: Status quo – low level investment, small scale improvements.

This option means:

- Immediate remedies (in progress, completed in 1 -2 years) \$270,000pa.
- This work involves continuing to apply minor improvements to the problem areas of the stormwater network.
 - Installation of scruffy domes and wingwalls
 - Clearing of pipes
 - Preventative measures for blockages
 - Improvements to catchpits

This option would benefit some properties but would not improve the stormwater network capacity.

Option 2: Build retention ponds, stormwater modelling, capacity improvement planning (long-term) **(Council's preferred option)**

This option means:

- Medium term remedies - \$4.0M in the first 3 years, funded by loan.
- This work involves creation of retention ponds to capture stormwater during intense rainfall events reducing the peak load in the network.
 - Design work, geotechnical assessments, and surveying.
 - Site setup - easements/legal/land purchase, resource consents.
 - Physical works constructing the retention ponds
- Long term remedies (continued for 10 years+) - \$2.7M over Years 4 and 5 funded by loan.
- This work involves creation of a stormwater model from catchment hydrology and accurate stormwater network data in Year 1 and then implementing the required upgrades and new pipes from Year 4.
 - Field work and data capture
 - Building and calibrating the model
 - Design and options analysis
 - Physical works – upgrading and laying new pipes would begin once modelling and design work has been completed.

This work would inform the future LTPs and budgets.

This option will improve the capacity of the stormwater network to cope with high intensity rain events.

The Te Kuiti Stormwater activity is funded through a Targeted Fixed Rate and Targeted Rate based on capital value. This initiative will add \$4.35 per week for a residential property of \$385,000.

Impact Summary: this will become pictorial.

Landfill and sludge removal

Intro:

The Waitomo District Landfill (Landfill) and Te Kuiti Transfer station have been in operation since 2000 utilising an old quarry site. Having a landfill in our District has been beneficial to the community and provided a site with good access and environmentally responsible waste disposal options. To continue to operate the landfill we must make some significant investment.

Our oxidation ponds which collect the solid component left after wastewater is treated (sludge) have nearly reached capacity. Significant volumes of sludge now need to be removed, the most common disposal method is to mix with municipal waste and dispose of into a landfill.

Other disposal methods for highly treated sludge (biosolids) can go to specialist disposal processors or land disposal to produce soil conditioning products which can be more cost effective.

Problem statement:

The current cell (lined hole for waste disposal) at the Landfill is nearly full. We have budgeted to develop the next cell however with the changes in waste volumes and costs, risk and safety concerns we need to decide if this is the right next step for our community.

In 2021 Council considered the future development options of the Landfill which has a Waikato Regional Council consent until 2054. The outcome of this review was that it was more cost effective to continue to operate the Landfill at that time, as waste volumes were higher..

Increasing costs to dispose of waste as well as reducing waste volumes from municipal waste streams are likely to occur in the near future. This would require us to consider how to best dispose of the reduced waste volume. We also have another waste stream to consider.

Our oxidation ponds are at a level that are close to capacity so we must decide on how to remove the sludge. The amount we need to remove is estimated to be 100,000 tonnes (or 50,000 tonnes dewatered*). Due to limited disposal options for this type of product and transport costs involved, the most likely disposal options are transport to another landfill or processing site, on site solutions involving civil works in the existing ponds, disposal at the Landfill, some form of other land disposal or a combination of these.

We are currently working through the complex process of evaluating all the disposal options for the sludge removal.

*dewatered means at least 50% dry matter and it can be transported by truck.

Keep the Landfill operating and develop the new cell:

This would mean:

- The Landfill continues to operate and the Te Kuiti Transfer station would remain accessible to the public.
- With only 7600T of waste coming into the Landfill ratepayers would have to fund the shortfall.

- Sludge could add 1000T annually to the total waste volume.
- Would require the development of the next cell next the highwall of the old quarry. (budgeted)
- Gas capture needs to be installed. (budgeted)

Risks:

- Operating and compliance costs and levies will continue to increase.
- The highwall will require continuous monitoring and will continue to be a hazard.
- Out of district waste may be lost if other more cost-effective options become available to those entities bringing in the waste. Currently 2700 tonne of our total 7600 projected tonne is out of district waste. This out of district waste has dropped from 4100 tonne in 2021/22. This reduction in waste reduces the financial viability of the Landfill and increases costs to users and / or ratepayers.
- No budget for future resource recovery centre.
- Less incentive to reduce waste volumes.

Transport waste out of the district:

This would mean repurposing the current budget to:

- Cap the current cell and continue consent monitoring as needed.
- The Te Kuiti Transfer station would remain accessible to the public.
- Develop access for long-haul trucks to be able to pick up and transport our waste to an out of district facility.
- Possible future improvements for waste diversion by developing a resource recovery centre using the budget for the cell development and gas capture.

Risks:

- Waste disposal fees and transport cost increases at chosen facility.
- Dewatered sludge from our wastewater treatment charged at high rate and subject to transport costs.
- Resource recovery centre not well utilised.

Conclusion

If a disposal solution for the wastewater sludge, is found that does not involve the Landfill, Council might need to consider the viability of running the Landfill and all the risk factors involved with the future of solid waste disposal.

If Council considers that the development of the next cell in the Landfill is not the best option, then we will engage with the community again with the options available.

The LTP assumes the current Landfill will continue and new cells will be developed for future waste disposal.

Proposal: Funding and Future of our Rural Halls

There are thirteen rural halls across the District, owned either by Council, the crown, or community groups. Each hall varies in the amount it is used, with some having regular use and others much less.

The eight rural halls which WDC owns are aging and require considerable investment to maintain. Independent building assessments indicate that the halls require between \$150,000 and \$430,000 of investment over the next 10-years. The total spend across all the rural halls over the next 10 years is estimated to be between \$1.8 and \$1.9 million.

Council needs to consider if each hall is providing enough community benefit to warrant the level of ratepayer investment that would be required to keep them open if they were fully ratepayer funded.

Currently there is no funding in place for any repairs or upgrades beyond what is absolutely essential, and none for total building replacement. Loans would need to be raised for this work which would result in an increased rate burden in the future.

As with any aging assets, there is a point at which they may no longer be financially prudent to repair or maintain. We need to jointly plan for this now.

Option one – status quo, minimal rate funding with no provision for required upgrades

Continue to minimally fund Council owned rural halls through the general rate for essential repairs only.

- Only funds essential repairs with no funding for major works or replacement, the halls will eventually fall into disrepair.

Option two – transfer ownership of Council halls to community groups (Councils preferred option)

Community groups would own and fund their own local hall. Funding to maintain the building could be sought through fundraising and grants. Council would continue to contribute funding the hall grant used to pay for insurance (proposed at \$1,500 each year).

Option three – consider closing halls

Council engages individually with each hall to assess whether it is worth continuing to keep a hall open or if it's better to cease a hall's operation now. There would be a reduced level of service if a rural hall closed.

There is no impact on debt from any of the options.

This is an ongoing conversation with hall committees to discuss whether there is a point we need to consider the sale of land and building, building removal, or demolition. This is about considering alternatives that might work for each community.

Proposal: Elder Person Housing

WDC provides 20 elder person housing units at Redwood Flats in Te Kūiti. This is affordable housing, so resident's rent is significantly lower than the market rate for similar properties.

The cost of providing elder persons housing is increasing, included in the draft budget are additional funds budgeted to be put aside for housing upgrades and repairs when necessary. Property rates are shown in the budget to give a full picture of the cost to provide this service.

We want to balance keeping our housing affordable for residents, but we don't want to over subsidise it at a cost to other ratepayers and limit the number of people who can be supported.

Low-income New Zealanders are often eligible for the government funded Accommodation Supplement (AS) to support housing costs. If we increased rents, the payment would be available to help our tenants afford the change.

It is likely that as our population ages there will be an increased need for elder persons housing. We have to ask, what is the best way to deliver this service in the future?

Many councils are moving toward shifting the ownership or management of their elder person housing to a community housing provider (CHP) rather than providing this service themselves (e.g. Salvation Army, Habitat, or an iwi provider).

How should we fund elder person housing?

Option 1: Status quo – ratepayers subsidise elder person housing

- Resident’s rent will increase by only \$5 each year. In 2024/25 a bedsit will be \$125, small single \$135, and large single \$145.
- The shortfall in funding will be covered by the General Rate/UAGC (\$58,742 in year one).

Option 2: Council increases rental levels

- Rent will increase to cover the cost of this service up to 30% of a resident’s income (this is recognised as affordable housing).
- Accommodation supplement to help keep this increase in rent affordable to residents.
- No rate funding for this activity.

| | Option 1 (status-quo) | | | Option 2 | | | | | |
|---------------------|----------------------------------|-------------------|-------------|--|-------------------|-------------|--|-------------------|-------------|
| | \$135 weekly rent – small single | | | Year one \$150 weekly rent – small single | | | Year two \$190 weekly rent – small single | | |
| | Resident | Central Govt (AS) | Rate-payers | Resident | Central Govt (AS) | Rate-payers | Resident | Central Govt (AS) | Rate-payers |
| Weekly contribution | \$127 | \$8 | \$55 | \$131 | \$19 | \$40 | \$143 | \$47 | \$0 |
| % of cost | 68% | 3% | 29% | 69% | 10% | 21% | 75% | 25% | 0% |

Are we the best provider for elder person housing?

Option 1: Status quo

Council continues to own and operate the elder persons housing.

This activity will continue to be partly funded by General Rate/UAGC.

Option2: Explore options to transition elder person housing to a provider (Councils preferred option)

Options would be explored for elder person housing to be either owned and operated by a CHP or owned by WDC and leased to a CHP:

- A CHP can offer better services to residents, they are likely to increase rent to cover the cost of delivery but AS available to help keep this affordable for residents.
- Having a CHP in the District may encourage more social housing (including elder persons housing) to be built in Te Kūiti, as the CHP can use the Redwood Flats as the start of a social housing portfolio.

There is no impact on rates, debt, or levels of services as this option is to investigate alternatives for a transition to a provider.

Proposal: Introduce a differential on the District Roding Rate

We have 19,180 hectares of forestry that bring employment to our district and product for our mills, however our local roads are significantly damaged when forestry properties harvest and transport their logs.

The capital value (CV) of forestry properties does not include the value of the trees, so accordingly does not reflect the true value of the property. This results in a much lower CV compared to a pastoral

or dairy property of the same size and therefore forestry properties are charged much lower roading rates than other rural properties, despite the far greater damage the activity has on our roads.

We have a limited roading budget which does not provide for roading damage from logging trucks. Without additional funding, we will have less to repair our other local roads as money we spend fixing the extra damage caused by logging trucks is taken from money allocated for all roading repairs. We propose to increase the unsubsidised roads budget to raise additional rate funding, which will be used to address damage from forestry operations. This additional rate funding will be recovered from forestry properties.

The estimated cost of the damaged caused by forestry operations is significantly more than the amount of additional rate funding proposed. We recognise the benefits to the community from the forestry industry by way of product, employment, and economic activity and in doing so have set the amount of additional funding at a lower level than the estimated cost of the damage.

A rating differential is used to change the proportion of rates charged to different property types we propose to differentiate the District Roding Rate into three categories to fund the Roads and Footpaths activity to ensure that forestry properties are making an appropriate contribution to the cost of repairing and renewing our road network.

Other councils have worked with forestry owners on alternative mechanisms to pay for this damage.

Are there alternative solutions to addressing these issues that we could consider?

Option 1: Status quo

There is no change to the current rating structure, forestry properties will continue to be charged based on their capital value with no differential rate for forestry. As more forestry is harvested in the District the current roading budget will be stretched to repair forestry logging damaged roads. This will see less frequent repairs on other roads as funding will have to be reprioritised toward the more damaged roads used for forestry, resulting in reduced levels of service.

Option 2: Option 2: Differentiated District Roding Rate (Councils preferred option)

We propose to differentiate the District Roding Rate into three categories to fund the Roads and Footpaths activity to ensure that forestry properties are making an appropriate contribution to the cost of repairing and renewing our road network.

The following land use categories and differential factors are proposed for application to the District Roding Rate.

| Differential Category | Definition | Differential Factor |
|---|---|---------------------|
| a) District Roding Rate - General | All rating units in the district excluding those categorised in differential category b) and c) below (being the Forestry Exotic differential and the Mixed Use differential). For the avoidance of any doubt, this includes all properties not in differential category b and c. | 1.0 |
| b) District Roding Rate - Forestry Exotic | Rating units that have been assigned the FE category code (Forestry Exotic) by Council’s Valuation Service Provider and are not located on a state highway*. | 12.0 |
| c) District Roding Rate - Mixed Use | Rating units that have a mixed use (e.g., pastoral and forestry), where the area of forestry is greater than 20 hectares, is not located on a State Highway* and the forestry area is 50% or more of the total property area. | 6.0 |

*For those forestry properties that are located on a state highway and utilise local roads for forestry harvest will be charged either the Forestry Exotic or the Mixed use category.

| | Capital Value | District Roding Rate 2023/2024 | Differentiated District Roding Rate 2024/2025 (Proposed) |
|--|---------------|--------------------------------|--|
| Category One Pastoral Property 265ha | \$2,860,000 | \$3,399.70 | \$3,607.60 |
| Category Two Forestry Exotic Property 265ha | \$777,000 | \$923.60 | \$11,762.00 |
| Category Three Mixed use property 46 ha (28ha forestry) | \$382,000 | \$454.10 | \$2,891.30 |

Proposal: Update the stormwater rating area

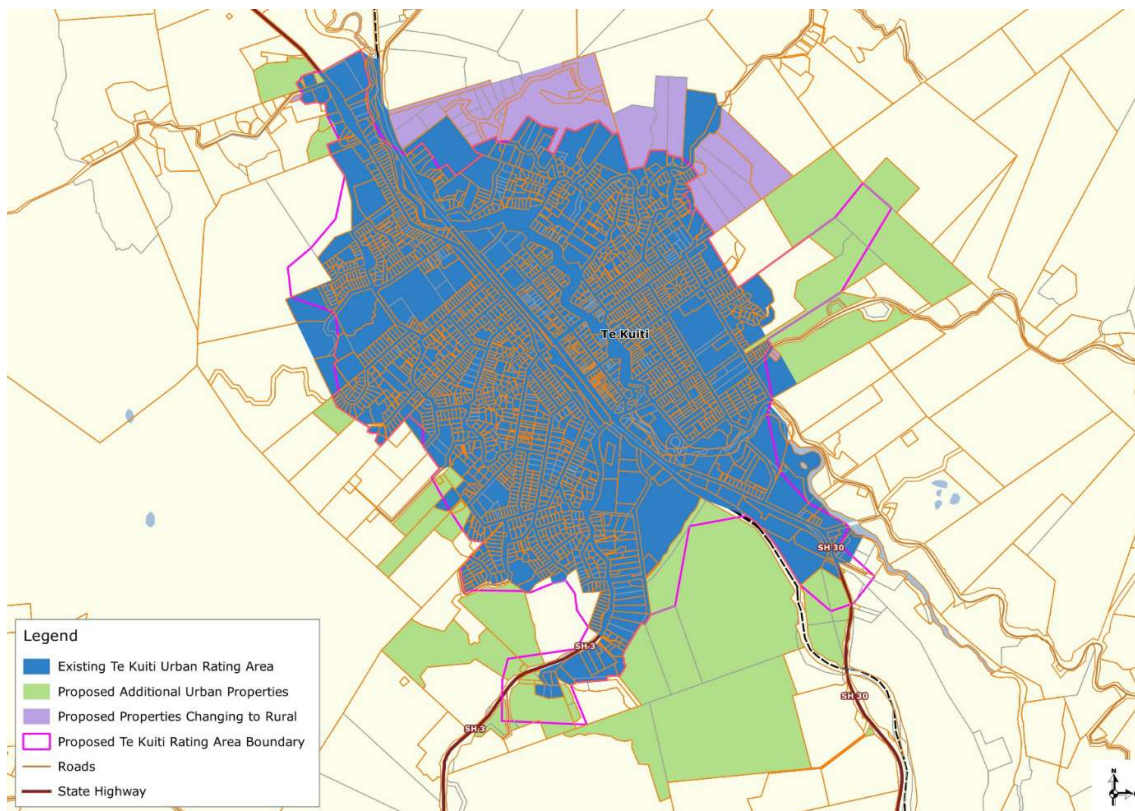
Te Kūiti’s urban stormwater network collects, diverts, treats, and disposes of surface water run off following rainfall. Maintenance of the network is paid for by urban ratepayers through a targeted fixed rate (TFR), which was \$181 this year, as well as a targeted rate (TR) which varies according to a properties capital value.

A recent review of the Te Kūiti Urban Rating area showed that it doesn’t accurately reflect the location of the stormwater infrastructure, some properties who benefit from the network are not contributing to its operation or maintenance.

To address this, we are proposing to amend the rating area which will mean properties within the new boundary will be rated as urban and those outside the boundary will be rated as rural. Properties that are partially within the boundary are included as urban part of the Urban rating area.

There are a handful of properties within the urban rating area that have resource consents to manage their own stormwater and therefore will continue to be exempt for stormwater rates.

The properties shaded blue in the image below reflect the existing Te Kūiti Urban Rating Area, the pink line indicates the proposed rating area. The properties shaded green would become part of the Te Kūiti urban rating area while the properties shaded purple would become part of the Rural rating area.



Option 1: Status quo

Keep the current rating area acknowledging that some properties receiving benefit from the urban stormwater network are not making an appropriate contribution to the maintenance of the infrastructure.

Option 2: Extend the Te Kūiti Urban Rating Area (Councils preferred option)

Update the boundary to better reflect the location of the stormwater network, to ensure that properties benefitting from the stormwater network contribute towards the cost of maintaining it and those properties receiving little benefit from the Te Kūiti stormwater activity only pay the rural rate.

Impact Summary:

| Options: | Impact on Rates \$ or % | Impact on debt | Impact on levels of service | Other impacts |
|--------------------------|----------------------------|----------------|-----------------------------|---|
| Status quo | Figure to be inserted | \$0 | None | Some residents not contributing to urban stormwater |
| Extend urban rating area | Figure to be inserted | \$0 | None | Residents who benefit from urban stormwater network contributing to its cost. |

Proposal: Simplify the rates structure

Intro:

Council activities are funded by rates using three main types of rates:

- General Rate (a rate per \$100 of a property's capital value) will vary with the value of your property.
- Uniform Annual General Charge (UAGC) is a fixed dollar value charge against each Separately Used or Inhabited part of a rating unit (SUIP). In most cases a SUIP is an individual property so each SUIP gets an equal share of these rates.

These two types of rating are for more general activities that cannot readily be targeted to a specific type of ratepayer. For example, libraries, community services.

- Targeted rates are applied to ratepayers who use a service that can be 'ring-fenced' e.g. wastewater is used by only some ratepayers and costs are divided by the number of properties using the wastewater service to give an equal charge to each ratepayer using wastewater.

Currently Council has general activities that are not split uniformly between General Rate and UAGC. The rates calculation process used by Council is complex and could be simplified, potentially more transparent, easier to communicate and easier to administer.

Problem statement:

Currently the net cost of District Libraries and Building Control and Aquatic Centre are not split 50/50 between General Rate and UAGC like our other activities. The net cost of District Promotions and Economic Development are funded by the District Development Rate and General Rate and the net cost of the Aquatic Centre is funded by a mix of General Rate/UAGC and the Aquatic Centre rate.

This results in a rather complex rates calculation to administer and maintain.

After completing the initial rates calculation, to keep rates uniform and affordable across the different types of ratepayers, Council can move significant funds between General Rate and UAGC (within legislated limits) to calculate rates and achieve the desired mix of funding. The effect of moving a portion of the UAGC to the General Rate means all the previous complicated splits of activity costs have been lost.

Option 1: Status quo

This option means:

Continue allocating District Libraries and Building Control activity costs differently from other non-targeted rate activities to split cost between General rate and UAGC

Keep the District Development Rate (to fund Economic Development and District Promotion) and the Aquatic Centre Rate This will mean a move significant costs from the UAGC to the General Rate to balance a fair rate increases between various ratepayers.

Option 2: Simplifying the split of rating costs between General rates and UAGC (Councils preferred option)

This option means:

A simpler and more transparent approach is to add all General Rate and UAGC rated activity costs together and then determine the level of the UAGC (with uniform charges not to exceed the 30% limit detailed in legislation) to split the two rates until the desired mix of rates is achieved.

This has been done to attempt to have a more uniform rates increase across different types of ratepayers.

It has been found that this approach is much easier to understand and communicate to stakeholders because the explanation centers around how much rates are paid on the basis of unit charge (UAGC) and how much on capital value (General Rate) basis.

It is also proposed that the District Libraries and Building Control activities rate split aligns with, other General Rate/UAGC funded activities.

We propose to remove the Aquatic Centre Rate and the District Development Rate. The Economic Development, District Promotion and Aquatic Centre activities will be funded by the General Rate and UAGC.

Financial modelling has concluded that this approach has a very similar rating result to the current complicated system and is much more flexible to adjust and easier to explain.

The targeted rate for the Marokopa Community Hall has also been removed as it is no longer required, the Gallagher Recreation Centre activity will be added to the Recreation and Property Group for rating purposes.

There is no impact on debt or levels of service from this proposal.

Proposal: Creating a fund for bridge and major culvert upgrades and replacements

Intro:

Bridges and major culverts are the second highest value asset in roading, with a replacement value of \$34.5M needed in the next 30 years. Due to the large network and the nature of the terrain serviced by the roading network, all bridges and culverts are considered critical. The loss of any bridge or major culvert could result in unacceptably lengthy detours, where they are available. In many cases, there is no alternative route available. Further to this we are seeing an increase in the number of vehicle overweight permits being issued.

Council has a dedicated bridge and culvert inspection programme that identifies defects for maintenance and renewal purposes and used to inform what strengthening, replacement, and maintenance is required.

Problem Statement:

Aging bridges and culverts, coupled with limited structural information of them, means that significant investment in bridges and culverts is required to allow the continued access to key roads that support communities and industry in the district.

Maintenance, renewal, and replacement programmes have been generated from the inspection programmes undertaken by an expert in this field. This sees a need for an increase in funding to maintain the overall level of service. The problem is how should this be funded given there is no funding put aside from rates for the replacement or upgrade of bridges or major culverts at this point.

Option 1: Status quo (reflected in draft LTP budget)

Currently any upgrade on a bridge or major culvert would require loan funding. Loan funding would be required when the works are undertaken. Current ratepayers do not contribute rates for the depreciation of current bridges and culverts so in the short term there is a benefit from lower rates but this will result in higher loan levels and rates in the future.

Option 2: Create reserve

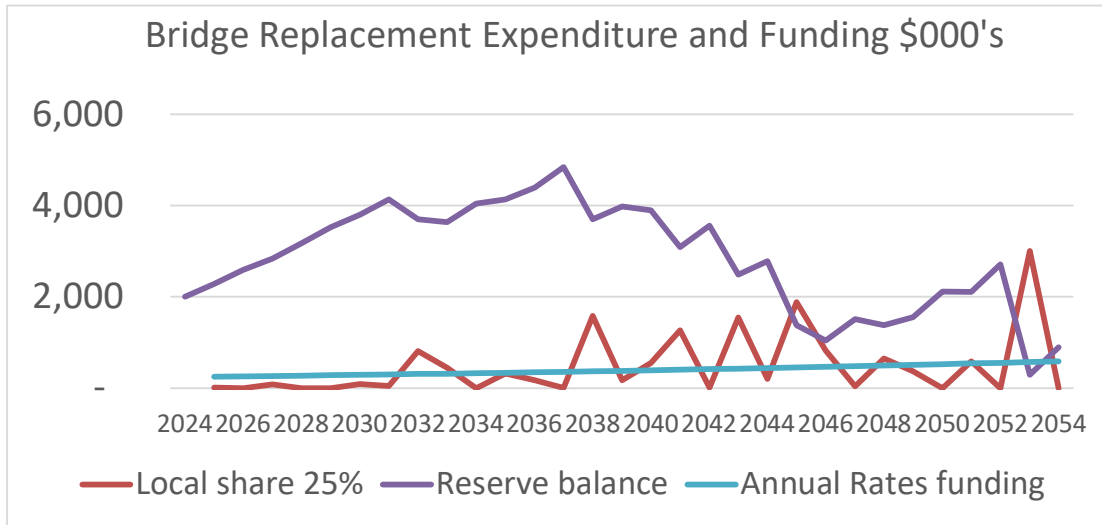
A new reserve for Bridge and Culvert Replacement / Major Upgrade to accumulate reserves could be created to allow for the very uneven expenditure on bridges and culverts to be spread more evenly in the future. For example, rating for \$200,000 each year has the effect of reducing the total money Council borrows so the total level of borrowing is less when the expenditure is needed. This will have the effect of reducing the level of future rates required to fund the additional interest and loan repayments. It does mean that rates will be higher now. Currently ratepayers / users of the bridges do not contribute to the depreciation of current bridges and culverts.

This option proposes that in addition to starting rating to create a reserve that it utilises \$2 million of reserve funding that is currently in the roading reserve.

Option comparison

The **graph below [to be updated]** details Council’s 25% funding share the 30 year bridge and culvert replacement capital programme Waka Kotahi fund the remaining 75%. It also shows the proposed rating levels under each of the options developed above.

Please provide feedback on funding of bridge and culvert replacements



Impact Summary:

| Options: | Impact on Rates \$ or % | Impact on debt | Impact on levels of service | Other impacts |
|---------------------------------------|----------------------------|----------------|-----------------------------|---|
| Status quo – loan funding replacement | | High | None | Lower rates now, higher borrowing costs, short term cost savings, more cost overall |
| Create reserve | | Medium | None | Higher rates now, lower borrowing costs, long term cost savings, less cost overall |

WHAT ELSE ARE WE PLANNING?

WHAT PROJECTS CONTINUE?

District Plan Review

Waitomo District Council notified its Proposed District Plan on 20 October 2022 and has now completed the submission and further submissions processes under the Resource Management Act 1991. Hearings are due to be held during the middle of 2024 with decision expected before the end of 2024.

The District Plan is hugely influential for place making and place shaping and is a fundamentally important tool for enabling sustainable economic development and achieving the vision for our District. It does this by setting the direction, form and shape of our urban and rural communities, while ensuring that we promote the sustainable management of natural and physical resources as well as protect our cultural and historic heritage, outstanding landscapes and significant natural features. The District Plan also ensures that significant risks from natural hazards and contaminated land are appropriately managed.

Developing a District Plan is resource intensive and takes time to complete, we expect to have this finished in Year 2 of the LTP

Scoping for the review was undertaken in 2016, and this highlighted the need for a full review as a consequence of the significant changes in the legislative environment from when the Operative District Plan was first developed. The review commenced in 2017 and was expanded to include additional complementary projects including Reserve Management Planning and Town Concept Plans which has not been costed elsewhere.

The District Plan review project has been included in the first two years of the LTP with costs of \$845,000 forecast. This includes direct expenditure of \$705,000 and the remainder in internal costs. These costs will be loan funded. The total cost of the project has increased from what was stated in the Long Term Plan 2018–2028 by \$475,000 due to the extended timeframe of the project and impacts of inflation since 2018.

Te Kūiti Water Resilience project

The Te Kūiti Water Supply Scheme takes water from Mangaokewa Stream which is then treated and purified. Treated water is then pumped to five storage reservoirs and the reticulation network.

Te Kūiti's water reticulation is configured to supply the properties first, with excess treated water filling the reservoirs for later storage.

This results in some reservoirs taking several days to fill during high demand periods or after a major pipe burst, leaving the scheme in a vulnerable situation, as experienced during the summer period in 2022.

The project now estimated at \$8.955M was approved by Council in October 2022, with \$400,000 being spent in 2023/24. Works will include the construction of a new reservoir at the Hetet site, a new rising main from the Water Treatment Plant to the new reservoir. This will also require the installation of new high lift pumps at the Plant; and other necessary ancillary work, including earthquake assessment and strengthening of each reservoir.

Here are some of the projects we are proposing to deliver in the next 10 years.

Leadership, Community and Partnerships

- Improvements and operational costs in **Information Services** of \$77,000 per year on average from Years 2 to 10, for emerging technologies.
- Continuation of the **Digitisation Project of \$134,000** over the first 2 years to improve our digital environment and electronic provision to enhance customer service delivery.
- Continue to deliver the actions outlined in our **Housing and Vibrant Waitomo Strategies**.

Recreation and Property

- **Improve our playgrounds** with \$33,000 on average annually for renewals.
- Ongoing minor renewals at the **Waitomo District Library Building, Waitomo District Aquatic Centre, Te Kūiti Aerodrome, and Rural Transfer stations**.
- Renewals for the **Les Munro Centre** of \$378,000 over the 10 years.

Solid Waste

- Continue the development at **Waitomo District Landfill** requiring \$3.05 million in Year 1 and \$651,000 in Year 2 to develop cell 3 then \$4.3 million over Years 8 and 9 to develop cell 4.
- Deliver waste minimisation **Education Awareness Programmes** for our Waste Management and Minimisation Plan.

Bus service

- We trialled a new bus service this year providing transport to Hamilton on weekdays. This service was funded by Waitomo, Waipa, and Otorohanga District Councils, education providers, Waikato Regional Council and NZ Transport Agency. Unfortunately, funding has not been secured to continue the trial. The bus service will be discontinued from 1 July 2024.
- There is a possibility a new service could be provided funded by a new regional rate, Waikato Regional Council will be running public consultation on this and other public transport services in April this year.
- [The Waikato Regional Council is consulting on funding public transport services region-wide from July 2025 from a new regional council rate. This would mean that the Waitomo District Council would no longer have to fund public transport in our district.](#)

We would still be involved in decisions on public transport through the **Waikato Regional Transport Committee**.

You can find out more about the Regional Council's proposal, including how to make a submission in the Waikato Regional Council's draft long term plan consultation document which you will find [here: yourvoicematters.waikatoregion.govt.nz](https://yourvoicematters.waikatoregion.govt.nz) (open for submissions from 2 April to 2 May 2024). [Add link?](#)

UPCOMING INFRASTRUCTURE PROJECTS

Our Infrastructure Strategy outlines our key infrastructure challenges for our water supply, wastewater, stormwater and roads and footpaths over the next 30 years. Detailed planning is contained in our Asset Management Plans (AMPs).

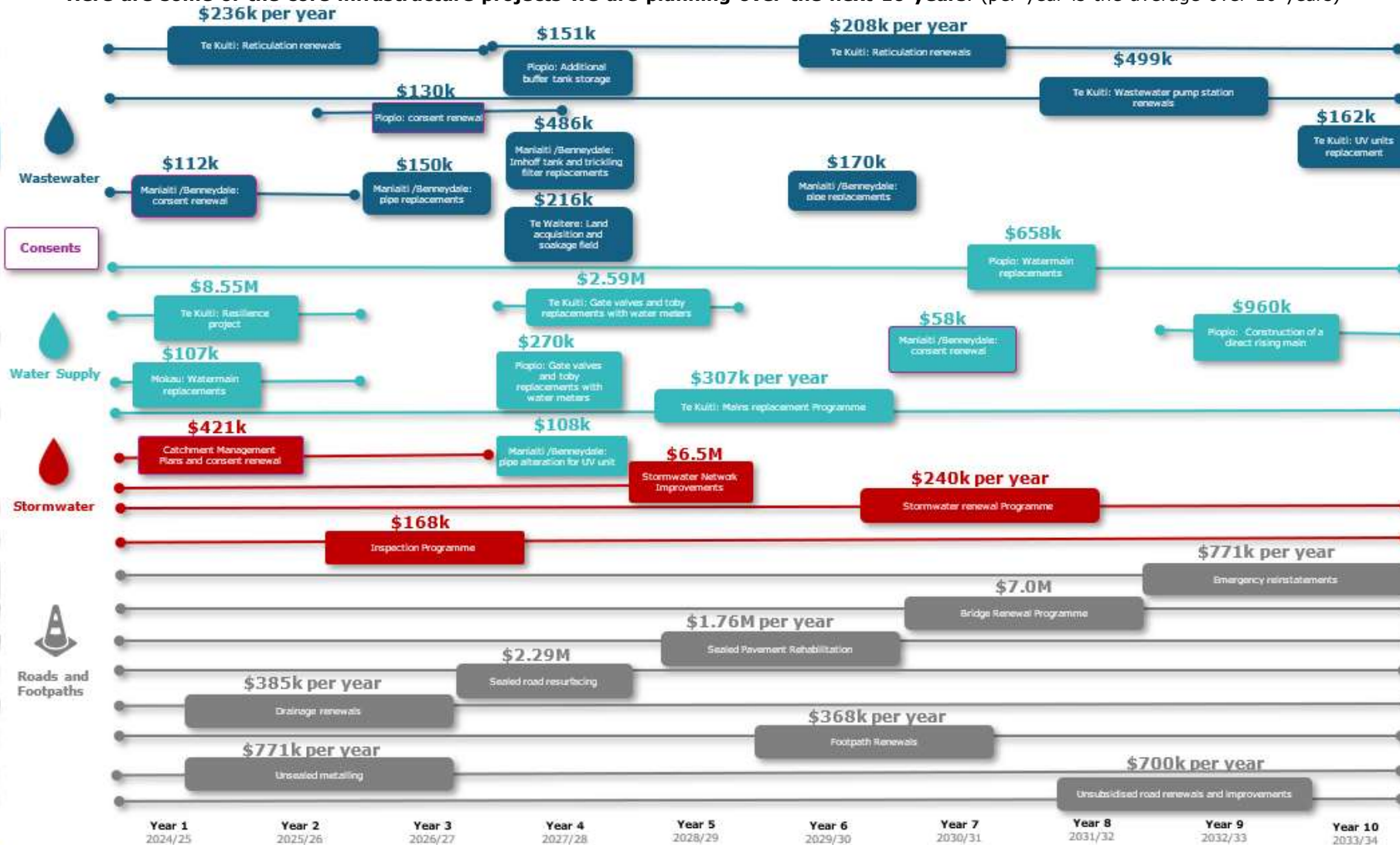
A number of infrastructure upgrades have been undertaken in the last 10 years and with little projected growth in demand, there are no population driven infrastructure improvements needed for the District.

Our stormwater and roading networks improvements have been driven by the impact of severe weather events and a need to address these issues due to the increasing likelihood they will occur more frequently in the future.

It will also be important to consistently meet renewal needs of network assets in a timely manner, to ensure there is no loss of service due to condition deterioration over time and to ensure public safety, consent conditions and legislative compliance are maintained. Some investigations have been programmed in the 2024-2034 period to identify options for improving the resilience of our infrastructure and for risk mitigation reasons.

The forecast capital expenditure profile is steady over the life of the infrastructure strategy. The emphasis on asset renewals is consistent with the objective of maintaining current levels of service over the life of the LTP.

Here are some of the core infrastructure projects we are planning over the next 10 years. (per year is the average over 10 years)



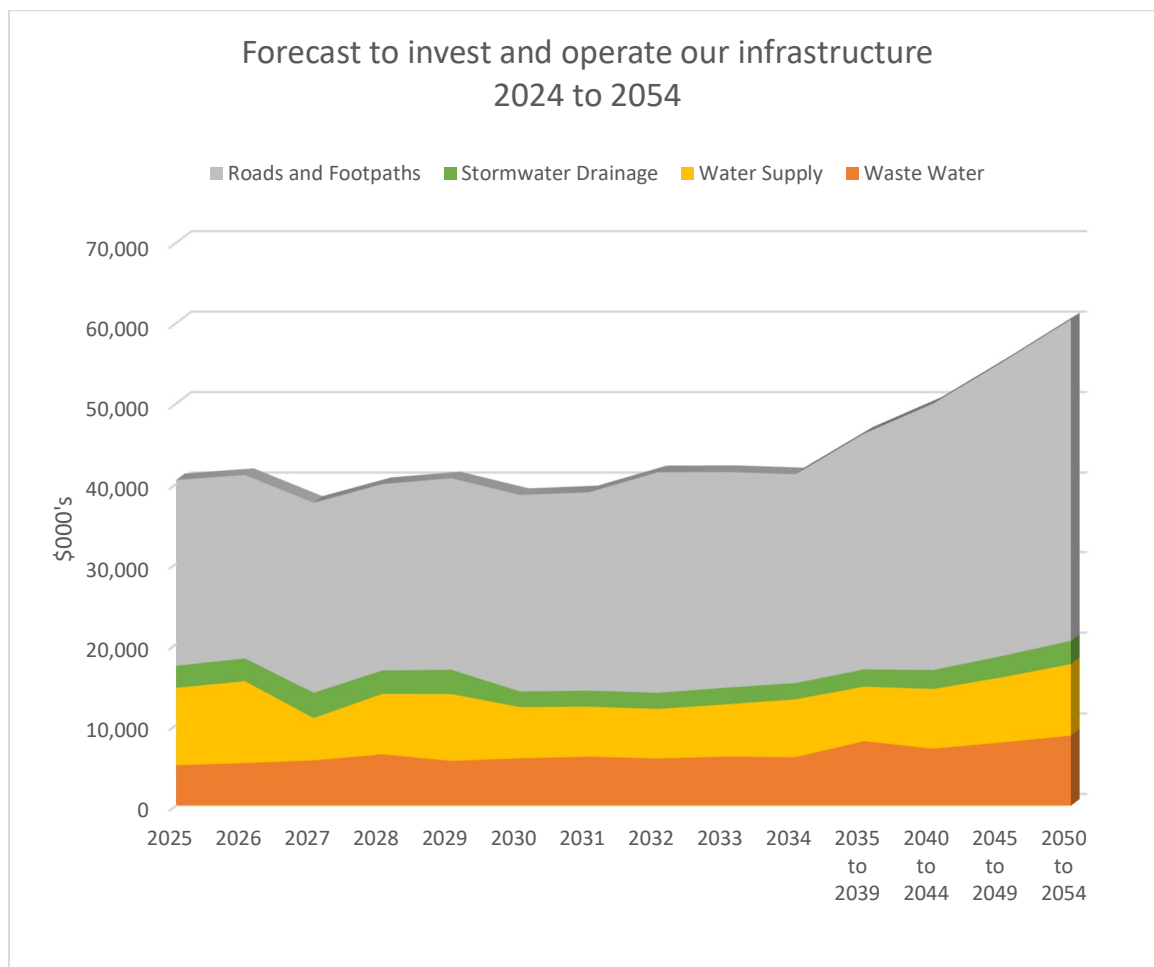
What we will deliver beyond 10 years

We are preparing for the future by taking note of population trends, climate change and improved technology and asset management practices. We want to ensure our infrastructure continues to be up to standard and meets the needs of our community.

Council's asset management strategy over the past 10 years, particularly around water supply and wastewater infrastructure, has been focused on ensuring we can support sound public health and environmental outcomes.

Census population projections show some growth over the next two decades peaking in 2039 around 10,000 but then declining again to around 9640 to be similar to today's population in 30 years. This will improve affordability because there will be more ratepayers to service the funding of projects during the next two decades. Our forecasting shows that costs will continue to rise so affordability will be impacted as our population reduces. We must continue to meet minimum environmental and public health standards and continue to prioritise the wellbeing of our community which is allowed for in this forecast.

We are looking beyond 2024 to make sure that our infrastructure will still be providing the levels of service that our community expects and needs.



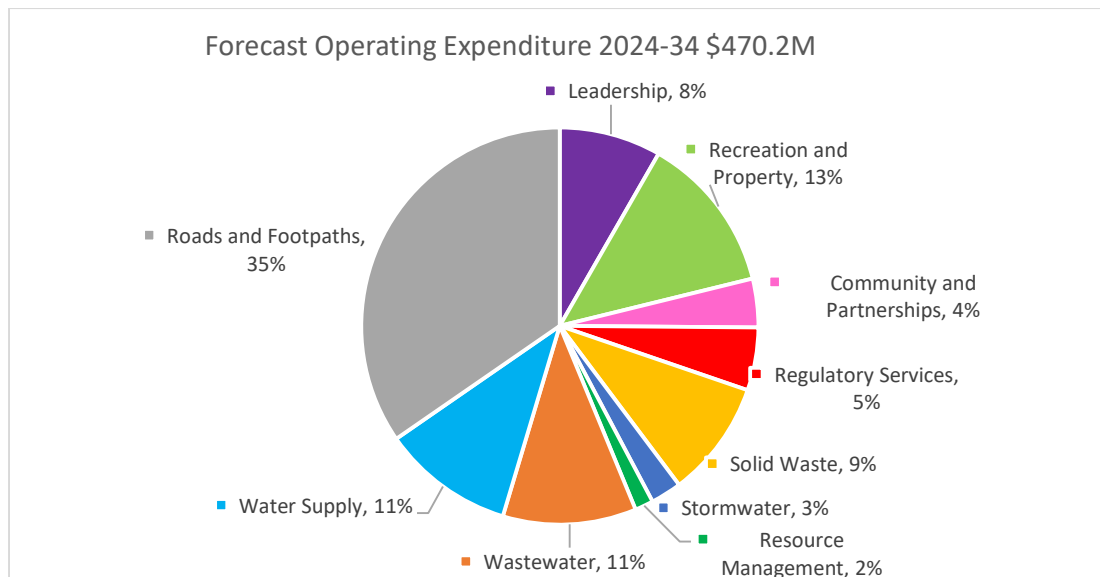
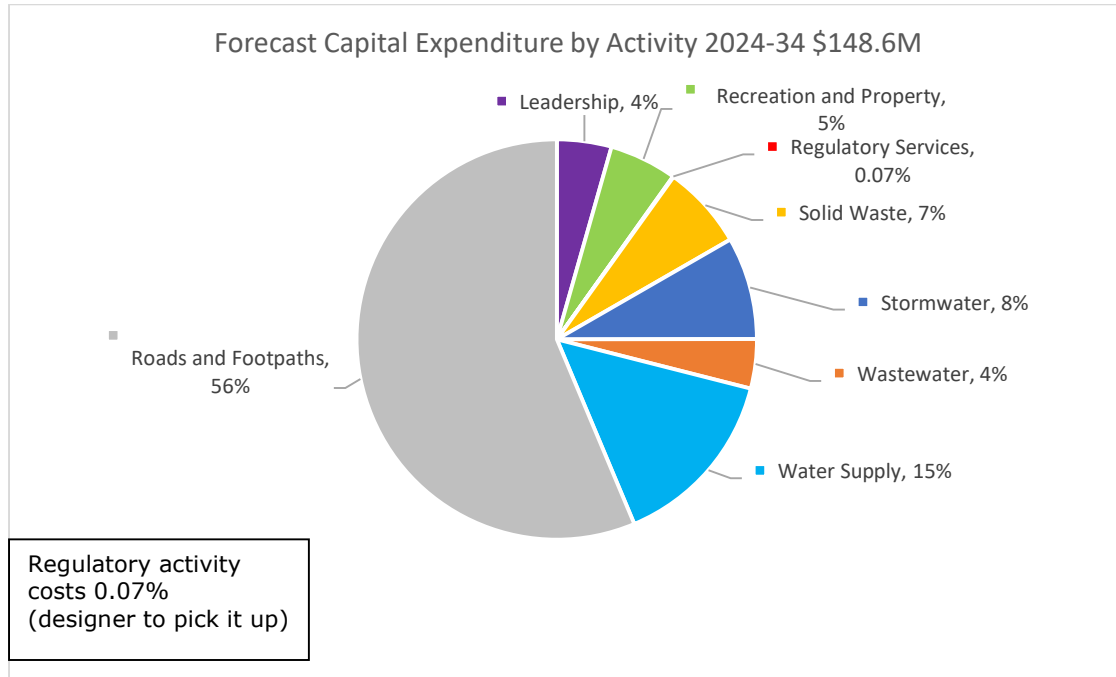
OUR FINANCIAL STRATEGY

What will it cost?

Council looks after about \$678 million worth of infrastructure, assets and facilities. That includes our wastewater, stormwater, water supply and roading networks, right down to the pipes we use.

We also undertake the massive task of managing, regulating and monitoring all the activities that contribute to where and how you live, work and play in our District. That includes things like playgrounds, dog control, community halls, libraries, swimming pool and more.

We estimate it will cost around \$619 million over the next 10 years to look after what we already have and to provide the services necessary for our District.



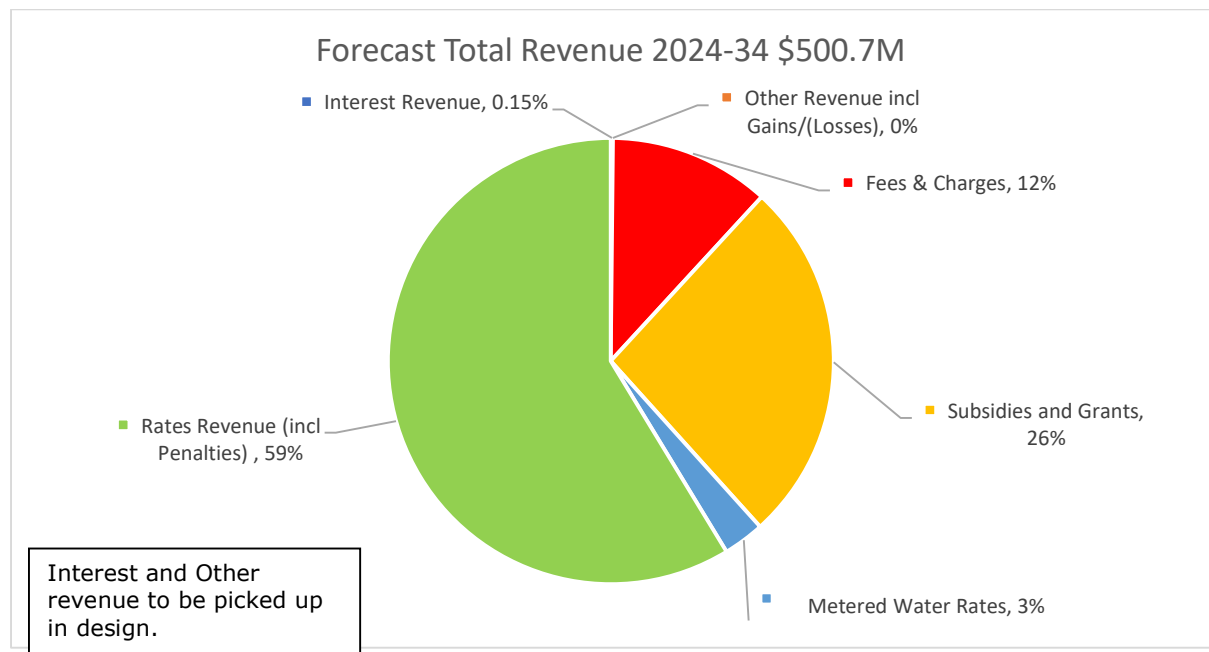
Where will the money come from?

The amount we ask our community to contribute towards our mahi needs to be reasonable. We know some people in our District struggle to afford to pay rates. That is always top of mind for both staff and Elected Members.

The income we receive from rates is not enough to cover the costs to complete all the work we propose to deliver in this draft LTP, so we will use subsidies, loans and reserves to fund our capital projects. We will also proactively seek to obtain income from other sources wherever possible.

We will increase current or add new fees and charges as appropriate to cover a greater portion of the cost it takes to administer some services and monitor consents.

Rates revenue (including metered water rates) together with subsidies and grants are our two largest sources of revenue and collectively make up 88% of our forecast revenue. Fees and charges are the third largest source at 12%. Interest revenue and other revenue make up the remainder of forecast revenue.



For us to deliver the activities and services for our community we need to consider the benefits and affordability are balanced. Previously property rates have not been shown as an expense for delivering the activity, however in real terms this is part of the true cost. For example, our visitor information and Customer Services building uses water, wastewater and stormwater services, the rates to pay for these are part of the true cost to have access to Council staff and services on Rora Street.

We have included in our draft budgets this expense where applicable, you will see the impact of this for different activities. This does not change the overall cost to deliver Council activities and services. What it does do is change the costs relative to each other which allows us to accurately assess the cost benefit relationship of activities and services. You will see an example of this in our Elderly Housing proposal where including property rates as a cost compares the options on a level playing field.

Debt

Council’s financial performance has improved significantly over the last 10 years. In the five years since July 2018, Council has reduced debt by \$13.4 million from \$41.7 million to \$28.3 million as at June 2023.

We have planned for some significant investment to upgrade our water supply and stormwater networks. We will also need to borrow for development of the Waitomo District Landfill

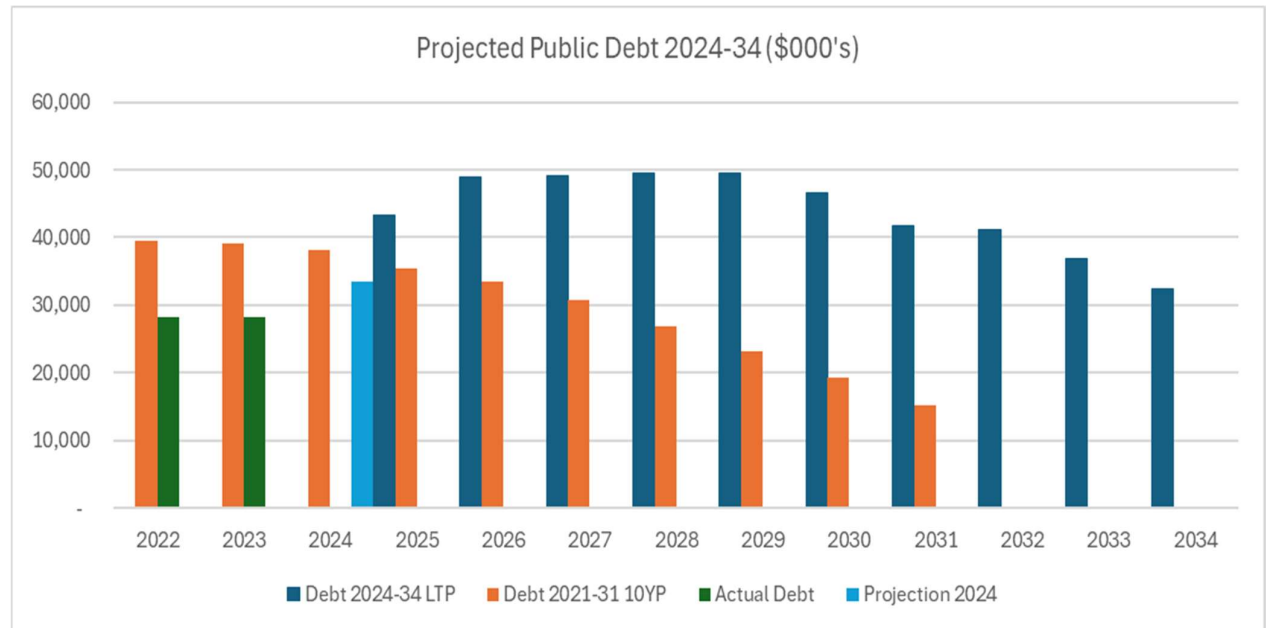
The LTP forecasts external borrowings will increase from \$33.4 million in June 2024 to a peak of \$49.6 million in June 2028, then reduces to \$32.4 million at June 2034.

Council’s current approach is to repay debt by utilising reserve funds (primarily from rate-funded depreciation) which reduces the need to borrow externally thereby reducing the interest cost for ratepayers.

This will allow us to reduce the debt servicing burden on ratepayers and still reduce debt over the 10 years to be back at a similar debt level to what we have today.

The repayment of this debt spreads the cost over many years – meaning that all residents who receive benefit from the investment help pay for it. This is fair because it means that the cost of major infrastructure does not fall solely on current ratepayers.

The forecast public debt over the life of the LTP is shown in the following graph.



The borrowing costs per rateable property are forecast to increase from \$299 in 2024-25 to \$512 in 2028-29 and then reduce to \$400 by 2033-34.

Our direction of travel

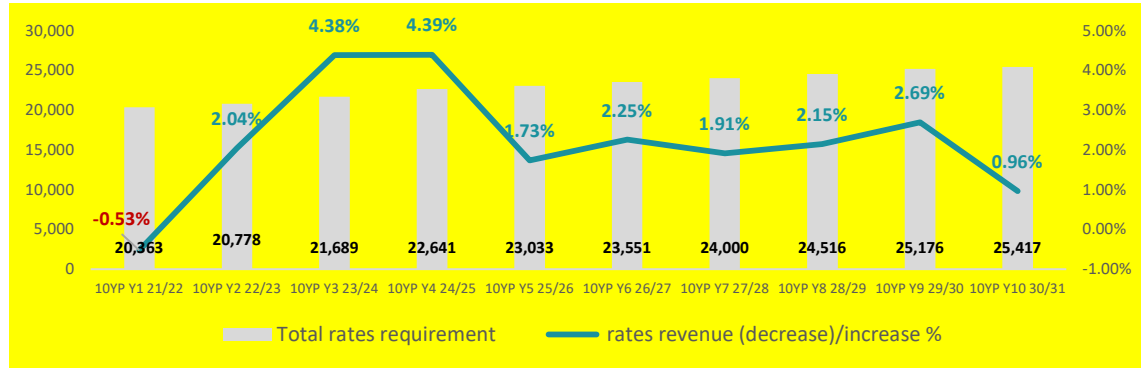
- We are placing more emphasis on users paying for the services they receive. This lessens the burden on ratepayers. Our fees and charges have been reviewed to closely align to the costs associated with providing those services.
- We are not forecasting any revenue from any dividends.
- We are not going to be fully rate-fund depreciation for Te Kuiti stormwater, Te Kuiti wastewater and Water Supply assets during the first four years of the plan. The shortfall in rate-funded depreciation will be recovered in the remaining years of the draft LTP after taking into account rates affordability.
- We will fund the local share of cost of renewals of local roads and loan repayments each year.
- We have deferred the funding of the principal repayment for the Solid Waste Activity in the first year of the plan and will phase this in from Year 2.
- We will be increasing the overall Depreciation Reserve Balance by approximately \$17 million.
- We are projecting to increase external debt to \$49.46million, then reduce to \$32.4 million by Year 10.

What does it mean for your rates?

We will be collecting rates each year to cover the costs in our budget, pay back debt and store some away for future renewals (depreciation).

It means a change to your rates annually.

Graph to be updated for 2024-2034



The following table shows the forecast rates increases over the 2024 - 2034 period. Council has set an average rates increase limit for the 10 years of 6%.

| | LTP Y1 2024- 2025 | LTP Y2 2025- 2026 | LTP Y3 2026- 2027 | LTP Y4 2027- 2028 | LTP Y5 2028- 2029 | LTP Y6 2029- 2030 | LTP Y7 2030- 2031 | LTP Y8 2031- 2032 | LTP Y9 2032- 2033 | LTP Y10 2033- 2034 |
|-----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|
| Forecast rates revenue increase % | 11.72% | 7.73% | 5.28% | 3.79% | 3.58% | 3.66% | 3.32% | 1.53% | 2.61% | 0.67% |
| Average % increase over 10 years | 4.39% | | | | | | | | | |

The total forecast rates requirement for 2024/2025 is \$25.2 million, an increase of \$3,023,000. The main drivers for a decrease in the rates revenue from the current year are:
Add as graphic

Forecast increases to rates requirement = \$2.352 million

- Forecast increase in payments to suppliers of \$747,000
- Forecast depreciation increase \$771,000
- Forecast increase in cost of funds \$308,000
- Principal repayment funded by rates \$149,000
- Additional roading damage from logging \$500,000
- Forecast internal resources cost increase by \$685,000

Forecast reduction to rates requirement = \$2.461 million

- Increase in fees and charges \$62,000
- Decrease in grants and external funding \$75,000
- Forecast increase in operational subsidy \$527,000
- Not fully funding depreciation from rates \$1.225 million

District Valuations

In December 2024 property valuations are due to be completed for all properties in the District. These valuations consider market trends and provide Council with the capital values that some of your rates are based on.

The new property values will be used for rating purposes from 1 July 2025 (Year 2 of the LTP). Council uses an independent valuer, Quotable Value, to undertake these valuations on our behalf.

What is the General Valuation?

Every property in New Zealand must be revalued for rating purposes at least once every 3 years according to the Rating Valuations Act 1998.

Only rates charged on the basis of capital value will be affected by the revaluation (General Rate, District Roading Rate, and Urban Stormwater Rate). All other rates are charged on a uniform basis.

Will an individual's rates increase because the valuation has?

A change in a properties capital value does not mean that the rates will automatically change, as the revaluation does not impact the rates revenue required by Council. If all the properties in the district had the same increase in value and there was no change in budget there would be no change to the rates charged.

However, the revaluation can result in a change to the rates charged to individual properties with some increasing and some decreasing because the rates charged on the basis of capital value are split among properties proportionally.

What does this mean for the different categories of properties?

To ensure our rates stay relatively uniform across different types of ratepayers we need to estimate the impact this will have on rates in Year 2. Our valuer QV has provided us with some forecasts so we can do this. Indications are that there will be an increase in values for lower value residential properties. Some of the proposals we are considering also significantly impact residential rates. The combination of these two may cause residential rates to be higher than the average rates increase.

Council has some limited ability to adjust the general and targeted rates (capital based) and uniform rate (non-capital based) to keep the proportion each rating category by % close to what we have now. However, it is unlikely to reduce the revaluation impact entirely so some ratepayers may be impacted.

Once the revaluations are completed and we consider our 2024/25 budget through the Annual Plan process we will have a more complete understanding of the impact for all ratepayers in Year 2. We come back to the community with this information in 2025 prior to adopting the 2024/25 budget.

Where your rates go?

Graphs to be inserted for: Te Kuiti Residential with a Capital value of \$440,000
Rural Drystock Property with a Capital Value of \$4.1m

RATING IMPACTS ACROSS SAMPLE PROPERTIES

| Te Kuiti Residential | |
|---------------------------------------|------------------|
| Rates increase LTP YR1 2024/25 | 12.5% |
| Valuation | \$440,000 |
| Actual Rates 2023/24 | \$4,420 |
| Proposed Rates 2024/25 | \$4,974 |
| An extra \$10. ⁶⁵ per week | |

| Te Kuiti Commercial 3 pans | |
|---------------------------------------|------------------|
| Rates increase LTP YR1 2024/25 | 7.0% |
| Valuation | \$450,000 |
| Actual Rates 2023/24 | \$4,171 |
| Proposed Rates 2024/25 | \$4,462 |
| An extra \$5. ⁶⁰ per week | |

| Piopio Residential | |
|--|------------------|
| Rates increase LTP YR1 2024/25LTP | 11.4% |
| Valuation | \$340,000 |
| Actual Rates 2023/24 | \$4,067 |
| Proposed Rates 2021/22 | \$4,530 |
| An extra \$8. ⁹⁰ per week | |

| Waitomo Commercial | |
|---------------------------------------|--------------------|
| Rates decrease LTP YR1 2024/25 | -1.7% |
| Valuation | \$1,350,000 |
| Actual Rates 2023/24 | \$6,628 |

| Maniaiti/ Benneydale Residential | |
|---------------------------------------|------------------|
| Rates increase LTP YR1 2024/25 | 12.7% |
| Valuation | \$125,000 |

| Drystock Rural | |
|---------------------------------------|--------------------|
| Rates increase LTP YR1 2024/25 | 7.5% |
| Valuation | \$4,130,000 |
| Actual Rates 2023/24 | \$14,758 |

| | |
|---------------------------------|----------------|
| Proposed Rates 2024/25 | \$6,518 |
| You SAVE \$2.13 per week | |

| Piopio Wider Rating Area | |
|--|------------------|
| Rates increase LTP YR1 2024/25 | 9.2% |
| Valuation | \$615,000 |
| Actual Rates 2023/24 | \$2,816 |
| Proposed Rates 2024/25 | \$3,074 |
| An extra \$4.96 per week | |

| Dairy Farm Rural (4 parts) | |
|--|--------------------|
| Rates increase LTP YR1 2024/25 | 7.2% |
| Valuation | \$5,970,000 |
| Actual Rates 2023/24 | \$23,130 |
| Proposed Rates 2024/25 | \$24,795 |
| An extra \$32.00 per week | |

| | |
|---------------------------------|----------------|
| Actual Rates 2023/24 | \$3,176 |
| Proposed Rates 2024/25 | \$3,580 |
| An extra \$7.77 per week | |

| Mokau Residential | |
|--|------------------|
| Rates increase LTP YR1 2024/25 | 11.2% |
| Valuation | \$485,000 |
| Actual Rates 2023/24 | \$3,529 |
| Proposed Rates 2024/25 | \$3,924 |
| An extra \$0.67 per week | |

| Te Waitere Residential | |
|--|------------------|
| Rates increase LTP YR1 2024/25 | 9.9% |
| Valuation | \$420,000 |
| Actual Rates 2023/24 | \$3,144 |
| Proposed Rates 2024/25 | \$3,454 |
| An extra \$5.96 per week | |

| | |
|----------------------------------|-----------------|
| Proposed Rates 2024/25 | \$15,871 |
| An extra \$21.40 per week | |

| Forestry | |
|--|------------------|
| Rates Increase LTP YR1 2023/24 | 305.6% |
| Valuation | \$600,000 |
| Actual Rates 2023/24 | \$2,792 |
| Proposed Rates 2024/25 | \$11,325 |
| An extra \$164.10 per week | |

HAVE YOUR SAY

SUBMISSION FORM

Waitomo District Council draft LTP 2024-2034 Consultation



Send us your feedback by 5pm 17 May 2024

Sub No.

For office use only

You can share your views by:

- Completing this Submission Form and returning it to us by:
 - Visiting us on Rora Street or our office at 15 Queen Street, Te Kuiti
 - Emailing to: haveyoursay@waitomo.govt.nz (scan and pdf or take a photo)
 - Posting to: FREEPOST 112498, Waitomo District Council, PO Box 404, Te Kuiti 3941
- Visiting our Website: [waitomo.govt.nz/LTP 2024-2034](http://waitomo.govt.nz/LTP%202024-2034) and completing the Online Form

| | |
|---|----------------------|
| Full Name: | <input type="text"/> |
| Organisation: <i>(if responding on behalf of)</i> | <input type="text"/> |
| Phone: (home/mobile) | <input type="text"/> |
| Address: | <input type="text"/> |
| Postcode: | <input type="text"/> |
| Email: | <input type="text"/> |

The Local Government Act 2002 requires submissions to be made available to the public. Your name and/or organisation will be published with your submission and made available in a report to elected members and to the public. Other personal information supplied (such as address / email address) will be removed from the public copy.

I wish to speak to Council about my submission.

(Hearings are scheduled for 28 May 2024. We will contact you to arrange a time.)

Yes No

Proposals(multiple):

Option 1:

Option 2:

Option 3:

My comment on this proposal

What do you think about our plans for our projects and activities? (see pages x to x)

What do you think about our plans for finances and rates? (see page x to x)

Any other comments?
