



Section 5 Policies, Summaries and Statements

Tauākī Whākinga a Mahere Rae Roa mai i te timatanga o Hūrae 2024

Long Term Plan Disclosure Statement for period commencing 1 July 2024

The purpose of this statement is to disclose the Council's 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.

What is the purpose of the Long Term Plan disclosure 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 long-term 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.

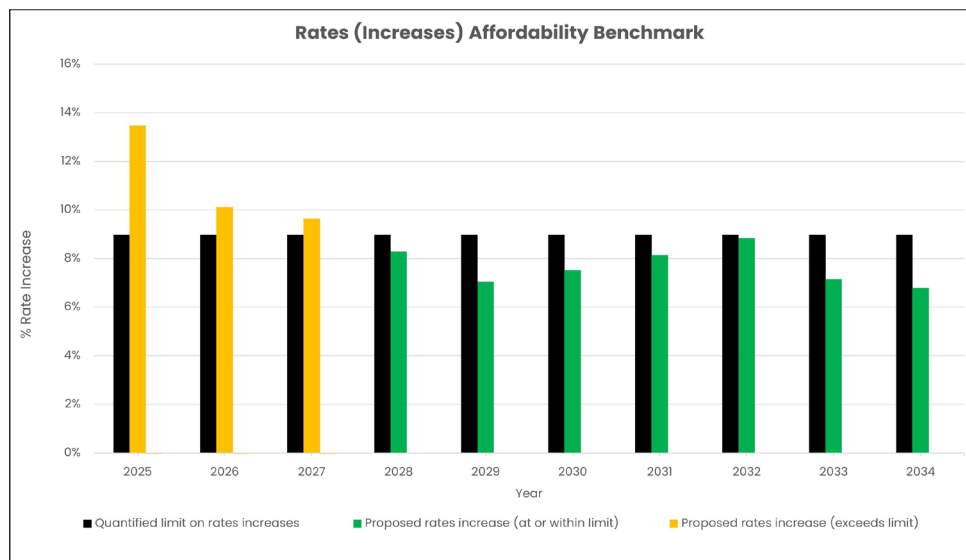
The Council meets the rates affordability benchmark if:

- its planned rates income equals or is less than each quantified limit on rates; and
- its planned rates increases equal or are less than each quantified limit on rates increases.

Rates (increases) Affordability Benchmark

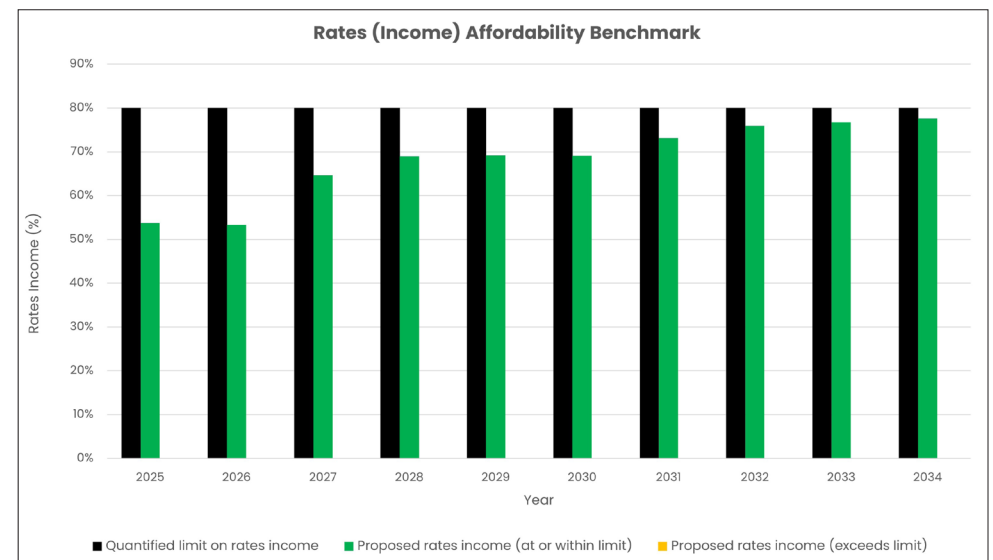
The following graph compares the Council’s planned rates increases with a quantified limit on rates increases contained in the financial strategy included in the long term plan.

The quantified limit is equal to the average LGCI of the 10 years of the LTP of 2.49% plus 6.5%



Rates (income) Affordability Benchmark

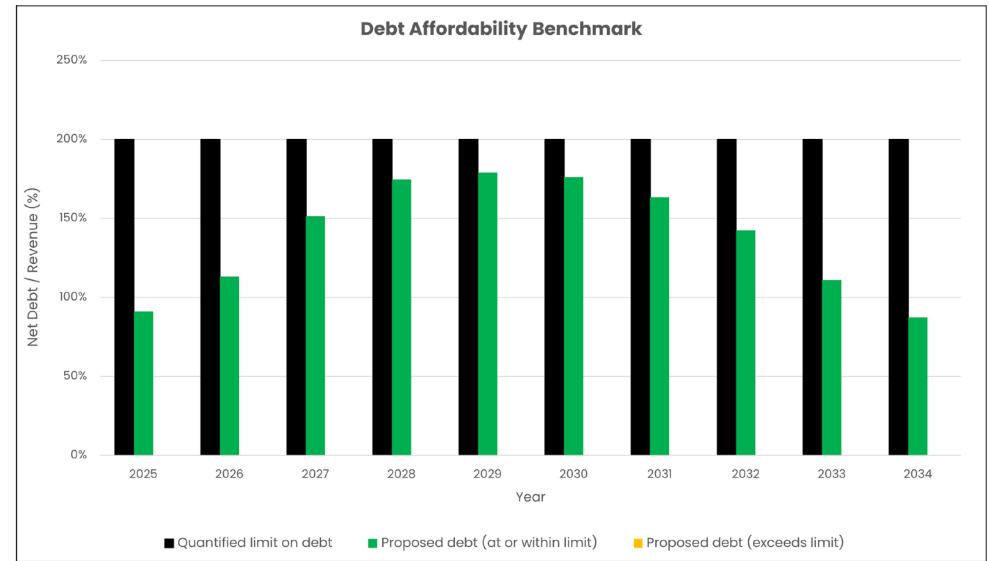
The following graph compares the council’s planned rates income with a quantified limit on rates contained in the financial strategy included in the long term plan. The quantified limit is that rates will be no more than 80% of revenue. Revenue is defined as total revenue as per the Statement of Comprehensive Revenue and Expenditure less Financial Contributions, Gains and Vested Assets.



Debt Affordability Benchmark

The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

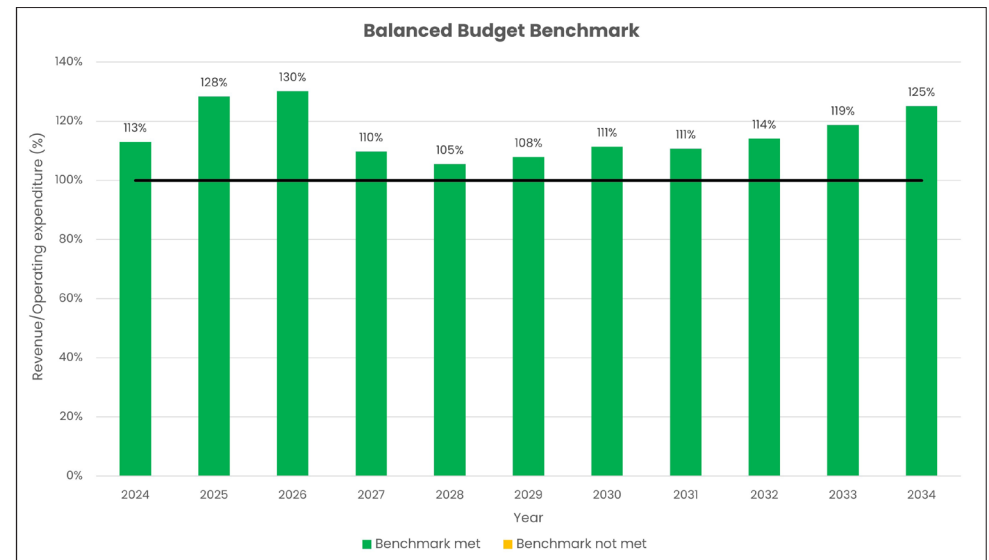
The following graph compares the Council’s planned debt with a quantified limit on borrowing contained in the financial strategy included in this long term plan. The quantified limit is that debt will not exceed 200% of revenue (excluding financial contributions and vested assets) during 2025 - 2034.



Balanced Budget Benchmark

The following graph displays the Council’s planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

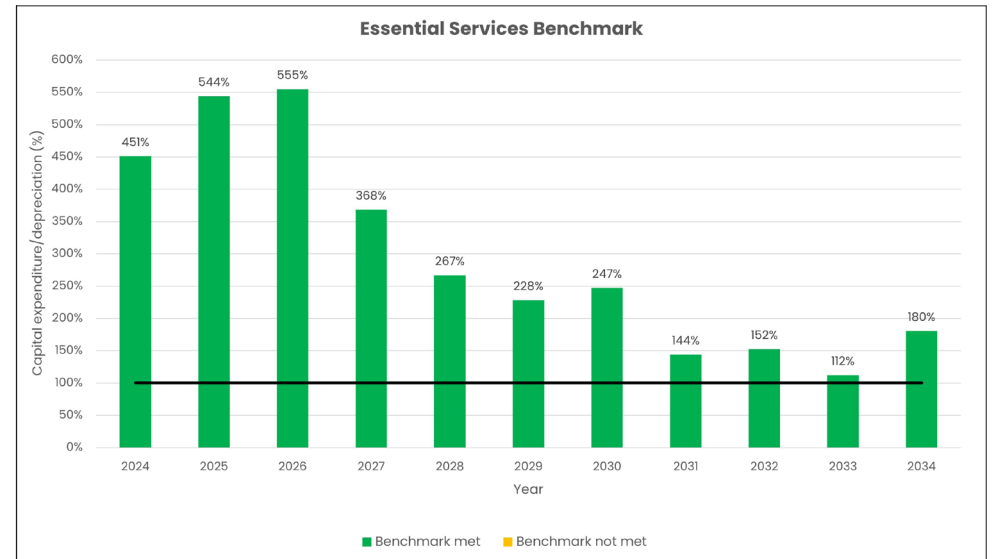
The Council meets this benchmark if its planned revenue equals or is greater than its planned operating expenses.



Essential Services Benchmark

The following graph displays the Council’s planned capital expenditure on network services as a proportion of expected depreciation on network services.

The Council meets this benchmark if its planned capital expenditure on network services (being; transportation, water, wastewater and Stormwater) equals or is greater than expected depreciation on network services.



Debt Servicing Benchmark

The following graph displays the Council’s planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects the Council’s population will grow faster than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 15% of its planned revenue.

