



Financial information

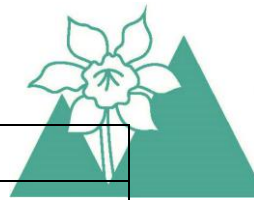




Significant forecasting assumptions

A forecasting assumption is defined as something the Council accepts as being true for the purposes of future decisions and actions. The Local Government Act 2002 requires disclosure of the significant forecasting assumptions used to develop the Ten Year Plan and the risks underlying the financial estimates. In cases where the level of uncertainty is assessed as being high risk, this has to be disclosed as well as an estimate of the potential effects on the financial estimates. Council has assessed each assumption using its Risk Assessment Framework to determine the level of risk on a four-point risk scale (Low, Moderate, Significant, Extreme).

General forecasting assumptions		Level of Risk
1	External factors	Moderate
2	District population trends	Moderate
3	Number of rateable properties	Moderate
4	Climate Change	Low
5	Asset condition	Low
6	NZTA subsidies	Low
7	Resource consents	Low
8	Insurance	Moderate
9	Economic shocks	Significant
10	Natural Disasters	Moderate
Financial forecasting assumptions		
11	Interest rates	Moderate
12	Revaluation of non-current assets	Low
13	Depreciation	Low
14	Development and financial contributions	Moderate
15	Asset lives	Low



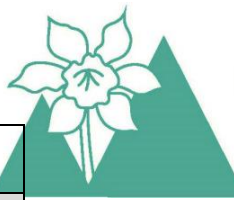
16	Sources of funds for future replacement of assets	Low
17	Inflation	Moderate
18	Investments and return on investments	Low
19	Delivery of Capital Works Programme	Moderate





General forecasting assumptions

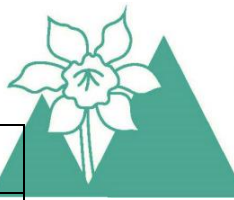
	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty
1	External factors			
	There will be no unexpected changes to legislation or other external factors that alter the nature or levels of service provided by the Council.	There is unexpected change to legislation that alters the nature or levels of service provided by Council.	Moderate	There is a high likelihood that the Resource Management Act will be reformed at some time during the next ten years. The scope and impact on the Council at this time is unknown. The Government is also reviewing the delivery of the three waters services (drinking, waste and storm) and drinking water standards and regulations. Again, the outcomes of those pieces of work are unknown. Finally, the Government has a current workstream that is reviewing the scope of services and activities provided by Councils, within the context of the four well-beings and the water services review. Again the outcome of that work is unknown.
2	District population trends			
	A district population growth assumption of an average 1.3% per annum from the 2018 Census. In 2021 the population will be 9,987 increasing to 11,358 in 2031. This is a total increase of 1,371 people or 13.7. percent over the ten years.	<p>Population growth across the District is at a significantly different rate (much faster or much slower) than assumed.</p> <p>The projections are highly sensitive to migration in and out of the District, and responses to external factors such as the neighbouring housing market and international migration, all of which is difficult to forecast.</p> <p>The age distribution of the population is significantly different from that assumed, e. g if there were a lesser increase in the younger age groups and an even greater increase in the older age groups. (and vice versa).</p>	Moderate	<p>The population growth assumption is based on a fairly low population growth. If population growth is higher than predicted then demand for services and facilities would increase and could mean that they might need to be replaced or introduced earlier than planned, and expenditure will be higher than forecast.</p> <p>Different age distributions place different demands on the kinds of services, and their quality and location. This is unlikely to be significant and would be managed by the Council reprioritising their spending.</p>



	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty
3.	Number of rateable properties			
	<p>The growth in rateable properties continues to be positive. The number of rateable properties is assumed to reach 5,666 by 2031, which is a growth of 14.3 percent over the ten years of the Plan.</p> <ul style="list-style-type: none"> • 2021: 4,955 properties • 2022: 5,025 properties • 2023: 5,119 properties • 2024: 5,205 properties • 2025: 5,283 properties • 2026: 5,356 properties • 2027: 5,422 properties • 2028: 5,487 properties • 2029: 5,547 properties • 2030: 5,607 properties • 2031: 5,666 properties 	Growth does not meet this assumption.	Moderate	The growth estimate reflects recent changes in rateable properties and takes into account ongoing development in the district. Should such growth not continue as forecast then some projects responding to demand will be deferred or not go ahead, and expenditure will be lower than forecast. If growth is greater than predicted, then some projects will go ahead earlier than forecast, and expenditure will be higher than forecast.
4	Climate change			
	The intensity and frequency of weather events will increase as a result of climate change, in line with projections made by NIWA based on the Inter-governmental Panel on Climate Change (IPCC) Fifth Assessment Report.	The effect of climate change occurs more rapidly than anticipated.	Low	There is uncertainty about how quickly the effects will be felt and where. Predictions are that weather extremes will be more common and of a greater scale. ²⁸ , ²⁹ In Carterton that will include hotter temperatures, more severe drought, wind, and storm events, and changing weather patterns.

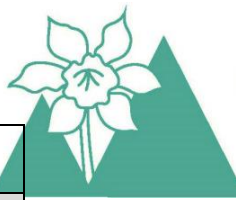
²⁸ NIWA's scenarios report, www.niwa.co.nz/our-science/climate/information-and-resources/clivar/scenarios

²⁹ NIWA, 2017. Climate change and variability–Wellington Region.

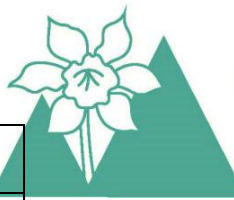


	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty
	<p>The Greater Wellington Regional Council has adopted a Climate Change Strategy ²⁷ for mitigation and adaptation in Wellington and Wairarapa.</p> <p>Carterton District Council in partnership with South Wairarapa District Council has also prepared a localised climate change response strategy – Ruamāhanga Strategy.</p> <p>Carterton District Council is prepared to respond to climate change effects over the life of the plan but impacts of climate change on Council activities will be more significant long term.</p>			<p>Internationally, successive IPCC reports have underestimated the rate and severity of change.</p> <p>The impacts of climate change have been considered in each of the infrastructure asset management plans and in the infrastructure strategy. The Council will keep this subject under review as it will continue to be relevant for future ten year plans. Council plans to continually reassess its risk and capability to deal with significant adverse weather events.</p>
5	Asset condition			
	<p>Asset management plans have been prepared for major infrastructural assets and include renewal and capital programmes. These plans include assessments of asset condition, lifecycle, and demand management. The Council considers that this planning information is reasonable and supportable. There are no unstated asset disposals that will impact significantly on the plan. There are no unstated asset acquisitions that will impact significantly on the plan.</p>	<p>Asset management plans are materially incomplete. Assumptions about condition and lifecycle are materially incorrect.</p>	<p>Low</p>	<p>Asset management plans are updated regularly following 'best practice' as prescribed by the New Zealand Infrastructure Asset Management Manual. The asset inventories and condition ratings for roading infrastructure, which are the Council's most significant assets by a considerable margin, are stored and maintained in the RAMM database. It was audited by NZTA in 2016 and found to be adequately maintained.</p>

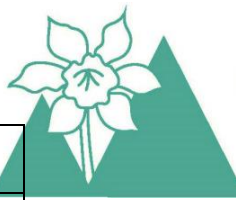
²⁷ Greater Wellington Regional Council, 2015. Climate Change Strategy: A strategy to guide the Wellington Regional Council's climate change response.



	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty
6	NZTA subsidies			
	<p>Subsidies from the NZTA for maintaining and development of roads will be at the approved rates as follows:</p> <p>53% in 2021/22</p> <p>52% in 2022/23 and</p> <p>51% in 2024 - 2031.</p>	<p>Changes in subsidy rate, total subsidy dollars, and variation in criteria for inclusion in subsidised works programmes. The total subsidy dollars may not increase as assumed.</p>	<p>Low</p>	<p>In 2020, the Agency reviewed its subsidy and funding policies. As a result of this review the subsidy rate has been reduced from 53% in 2022 to 51% in 2024. Any further reductions are unlikely but possible. If the rate or dollar level of subsidy decreases, roading projects may be reprioritised, or scaled down, or they may be funded through a different source such as increased borrowing or rates.</p>
7	Resource consents			
	<p>The Council operates its infrastructure under a number of resource consents. It has been assumed that applications for renewal of those expiring over the next ten years will be approved:</p> <ul style="list-style-type: none"> • The Council's resource consent to take water from the Kaipaitangata Stream for the urban water supply expired in 2013. An application has been lodged to renew the consent. The consent for the supplementary bores expires in 2034. • The consent for the discharge to air, land, and water in relation to the sewage treatment plant expires in 2053. • Consents to take water for the water race network and to discharge back into a range of natural water courses expire in 2023. • The district-wide comprehensive consent for discharges from the stormwater system expired in 2016. In agreement with Greater Wellington Regional Council there are no 	<p>Greater Wellington Regional Council will not approve the Council's application for new or renewed consents. Alternatively, it may place more restrictions on the activity sought, or require substantial monitoring or mitigation work. Consent conditions are likely to be affected by the current review of the Regional Council's Natural Resources Plan.</p>	<p>Low</p>	<p>Some increased costs for securing a resource consent for stormwater and subsequent monitoring have already been included in the Plan. The total final costs of these may be insufficient.</p> <p>The future consent will likely place greater restrictions on water take from the Kaipaitangata Stream during low flow/high demand periods, placing increased demand on bore water source and storage. During this Ten Year Plan, storage capacity will be increased at the main water treatment plant and at the supplementary facility. Council is also planning to locate and construct an alternative water source before the end of the ten year period.</p> <p>The Council has worked closely with the Greater Wellington Regional Council to concurrently seek the renewal of resource consent and plan the development work at the sewage treatment facility and its associated irrigation. This has led to a strong, respectful relationship between the two councils. As a result, there is unlikely to any significant surprises.</p>



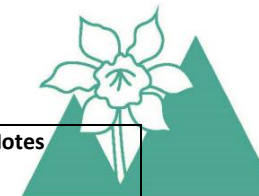
	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty
	expectations in the short term that this consent will be renewed until the Natural Resources Plan is finalised. Once the plan is finalised Carterton District Council will include funding in budgets to cover the costs of consent renewal			
8	Insurance			
	Insurance costs have varied significantly over recent years. The Council's broker has advised that the underlying adjustment by reinsurers to risk has levelled off, and increases are likely continue through the ten years of the Ten Year Plan in line with asset price level adjustments. Currently the Council has full cover for above ground assets, while infrastructural assets have limited cover provided by the Local Authority Protection Programme Disaster Fund (LAPP).	Reinsurance costs escalate beyond forecast budgets. Cover may not be available for certain assets or risks. LAPP may not be able to secure cover for the 40% balance not assured by central government. The central government has been considering removing the 40% it now covers.	Moderate	Any further significant earthquake events in New Zealand in the next ten years would impact on renewal costs. The cost of insurance may be greater than forecast leading to unbudgeted expenditure. The cost of reinstating LAPP cover would be significant, funded by additional rates. The Council will need to consider the trade-off between self-insurance or paying higher insurance premiums, funded by additional rates.
9	Economic Shocks			
	The economy will recover from the impacts of the Covid-19 pandemic at a mid-scenario rate (i.e. a prolonged but healthy recovery) during the life of this Long-Term Plan.	Economic recovery does not occur at the mid-scenario rate that Council has planned for.	Significant	<p>The full implications of the impact of Covid-19 are still unclear. Advice to Local Government from Business and Economic Research Limited (BERL) in line with economic forecasts published by the Reserve Bank of New Zealand, New Zealand Treasury and BERL suggests that recovery will most likely be a mid-scenario. Which includes:</p> <ul style="list-style-type: none"> • Avoiding a widespread outbreak and remains at Alert Level 1 throughout 2021 • Stringent border restrictions remain in places until the end of 2021 • From the September quarter of 2020, New Zealand economy gradually recovers.



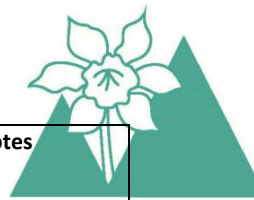
	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty
				Demand from trading partners economies also recover only gradually.
10	Natural Disasters			
	Council is prepared to respond to any natural hazards, including floods, storms and earthquakes that occur during the life of this Long Term Plan.	A natural disaster event occurs that is beyond the Council's ability to respond.	Moderate	A major natural disaster would impact Council by requiring immediate funding. This would reduce Council's financial capacity to be able to meet other unforeseen costs. Council could borrow additional funds, but this could potentially impact on rates.

Financial forecasting assumptions

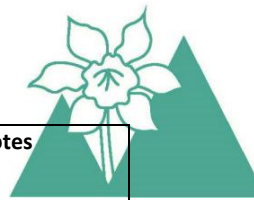
	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty	Data Notes
11	Interest rates				
	<p>The range of interest rates on term debt is assumed to be 1.5 percent, in line with existing loan facilities and current long-term rates on offer and allowing a slight increase in long-term interest rates. To allow for anticipated timing of capital expenditure, only half a year's interest expenditure is provided for on new loans.</p> <p>The interest rate on investments is calculated at 0.75 percent.</p>	Interest rates differ from those used in the calculations.	Moderate	<p>Higher interest rates than anticipated would increase the cost of borrowing and therefore the cost of loan-funded projects. This may make those capital projects and services less affordable. Overall, if the interest rates were 1% more than assumed this would add about \$175,000 to total expenditure in year 1 of the Plan, and would remain at that amount per year if the rate was sustained over the 10 years and the level of debt also remained at the near-same levels over the period</p> <p>Borrowing limits (expressed in terms of debt-to-assets and gross interest costs) are set out in the Liability Management Policy.</p>	



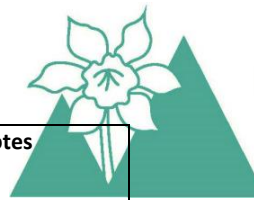
	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty	Data Notes
12	Revaluation of non-current assets				
	<p>Revaluation assumptions have been included in the Ten Year Plan. These have been done following the Business and Economic Research Limited (BERL) forecasts of price level change adjusters.</p> <p>Revaluation movements will be shown in the prospective financial statements in accordance with the revaluation policies of the 'Property, plant, and equipment', 'Revaluation', and 'Impairment' sections of the accounting policies.</p>	<p>Actual revaluation results differ from those in the forecast.</p>	<p>Low</p>	<p>Where the actual inflation rate is different from that forecast, the actual revaluation will be different from that forecast.</p> <p>The Ten Year Plan for each subsequent year is reviewed by way of the annual plan round and a new ten year plan is produced every three years.</p>	
13	Depreciation				
	<p>Depreciation has been calculated on asset values at their latest revaluation date, and on additions at cost thereafter. The rates applied are listed in the 'Depreciation' section of the accounting policies. It is assumed that:</p> <ul style="list-style-type: none"> • existing depreciation will continue • replacement assets (renewals) affect depreciation as follows: <ul style="list-style-type: none"> – asset renewal will equal that of the assets being replaced – new assets' depreciation will be the result of their estimated lives and values – depreciation on new and renewal programmes will impact in the year following the capital programme. 	<p>That more detailed analysis of planned capital works once complete may alter the depreciation expense. That asset lives may alter due to new technology improving asset lives.</p>	<p>Low</p>	<p>The Council has asset management planning and upgrade programmes in place. Asset capacity and condition is monitored with replacement works being planned in accordance with standard asset management and professional practices. Depreciation is calculated in accordance with normal accounting and asset management practices.</p>	



	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty	Data Notes
14	Financial contributions				
	<p>The Council assesses financial contributions under the Resource Management Act 1991. These contributions are used to help fund new capital infrastructure, particularly in response to growth.</p> <p>This Ten Year Plan assumes that financial contributions will continue at a similar level of revenue, until year 4 when council plans to start receiving increased financial contributions for the planned eastern growth development.</p>	<p>The amount of revenue from financial contributions is significantly different from Council projections.</p>	<p>Moderate</p>	<p>Financial contributions provisions will be reviewed as part of the District Plan review in years 1-3 of this Ten Year Plan, with the planned eastern growth development a significant consideration.</p> <p>Financial contribution revenue assumes an increased rate for the planned eastern growth development, which is dependent on the District Plan review. The outcome of the District Plan review, will impact on whether the eastern growth development proceeds as planned.</p> <p>Note: The Council has the option under the Local Government Act to collect Development Contributions under a Development Contributions Policy. The council may consider collecting Development Contributions under such a policy, rather than financial contributions under the RMA, during the review of the District Plan. However due to uncertainties around this, at this time and for the purposes of the LTP, council will continue to rely on financial contributions to address growth impacts on infrastructure.</p>	
15	Asset lives				
	<p>Useful lives of assets are based on professional advice and experience captured in the asset management system. These are summarised in the depreciation note within the accounting policies.</p>	<p>Assets wear out earlier than estimated.</p>	<p>Low</p>	<p>Asset life is based on estimates of engineers, valuers, inspections, and asset managers. Capital projects can be brought forward in event of early expiration of assets (this would affect depreciation and interest, of which the amounts are unknown). Conversely, other</p>	

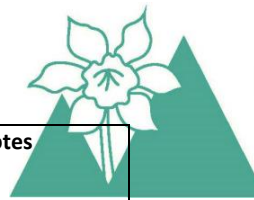


	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty	Data Notes
				assets may not need to be replaced until after the estimated useful life.	
16	Sources of funds for future replacement of assets				
	<p>The funding of the replacement of future assets is based on the following assumptions:</p> <ul style="list-style-type: none"> In accordance with the revenue and financing policy and financial strategy, the Council has, over the term of the Ten Year Plan, set revenue levels sufficient to fully fund depreciation of its assets and loan repayments, with the exception of roading (partially funded by NZTA through subsidy on cap expenditure) The funding for the replacement of any individual asset will be funded from the following sources: <ul style="list-style-type: none"> from prior year credit depreciation reserve balances from the current year's cash arising from revenue funding of depreciation infrastructure contributions under the development contributions or financial contributions policy loan funding with a loan being the shorter of either a 	A planned funding source is unavailable.	Low	As the Council operates a central treasury function, should one source of funding be unavailable for asset replacement, a further option would be available. Local authorities have the power to rate, and that makes them attractive borrowers to private bankers and investors. The Council has the further ability to indirectly borrow through the Local Government Funding Agency. It is likely that alternative sources of borrowing than that planned would be at similar interest expense.	

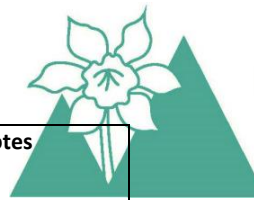


	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty	Data Notes
	<p>20-year loan term or the life of the asset</p> <ul style="list-style-type: none"> – special funds set aside for specific purposes identified by the Council. <p>Existing loan facilities are based on 20-year terms and mature every five years. It is assumed that these loans will be rolled by the bank on maturity for a further five years.</p>				
17	Inflation				
	<p>Expenditure for 2021/22 has been estimated based on 2020/21 estimated out-turn; personnel costs were increased by 2% and other operating costs (excluding interest, depreciation, and some other minor costs) were adjusted by the BERL³⁰ forecasts of price level change adjusters. Beyond this, inflation has been factored into the Plan using the mid-scenario BERL forecast changes in Annex One.</p> <p>Revenue has been estimated using the BERL adjuster for operating costs where an inflationary effect is anticipated. This excludes development and financial contributions (see separate assumption</p>	<p>That actual inflation differs to that predicted, on which decisions are made.</p>	<p>Medium</p>	<p>Where the actual inflation rate is different from that forecast, the cost of projects and expenditure will be different from that forecast. Higher than forecast inflation would likely mean higher operating and capital costs and higher revenue; higher capital expenditure could mean greater borrowing; and there would be pressure on rates to increase to cover these costs.</p> <p>Each subsequent year of the ten-year plan is reviewed by way of the Annual Plan round and a new ten-year plan is produced every three years.</p>	

³⁰ recasts of Price Level Change Adjustors– 2020Update: Note to Society of Local Government Managers, Business and Economic Research Limited, October 2020



	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty	Data Notes
	<p>above), grants received for distribution, interest, and rates penalties.</p> <p>Capital expenditure has been estimated using the BERL adjuster for capital costs.</p>				
18	Investments and return on investments				
	<p>The Council's Special Funds Reserves will be retained in their present form throughout the term of the Plan. Additions and withdrawals from the Funds have been accounted for each year through the Plan where identified and required. A return on the Special Funds Reserves investment of 0.75 percent has been assumed.</p>	<p>That the actual return on investment differs to that budgeted.</p>	<p>Low</p>	<p>Movement in the investment fund is difficult to predict but best efforts have been used, using past results. The financial effect is unknown but unlikely to be significant.</p>	
19	Delivery of Capital Works Programme				
	<p>Council can successfully deliver the planned capital works programme as outlined in this Ten Year Plan.</p>	<p>Council is unable to successfully deliver the planned capital works programme as outlined in this Ten Year Plan. Non-delivery could impact on Council's ability to deliver levels of service and result in financial management challenges.</p>	<p>Moderate</p>	<p>Historically, Council has been able to successfully deliver the majority of its capital programme. However there is always the possibility that external contractors may become unavailable and this could significantly impact on Council's ability to deliver on its planned works. Lack of contractor personnel would create delays in the programme, unmet expectations and a backload of work. Another possible impact on delivery of the capital programme may arise from the Wairarapa Combined District Plan review. If the review is delayed and suitable land for development is not available when assumed, or if demand for new sections is not as strong as forecasted, then the planned capital works programme will occur in later years.</p>	



	Assumption	Risk	Level of uncertainty	Reasons and financial effect of uncertainty	Data Notes
				<p>Any significant and continued delays in the delivery of renewals and upgrades, may impact on the Council's ability to deliver levels of service, potential increased costs from and long term risks of assets failing before they can be replaced. Financial risk could also be possible as Council rates, borrows, and charges Financial Contributions to fund a programme of works it may not be able to deliver in the budgeted timeframe.</p> <p>The risk is mitigated by Council's ability to revise the speed of its capital works programme in Annual Plans and Long Term Plan, and alter rating, financial contributions, and borrowing assumptions at that time. Any funding already collected can be carried forward to a later year to be used at the point of construction.</p>	



ANNEX ONE

BERL Inflation adjustors

Expenditure for 2021/22 has been estimated based on 2020/21 estimated out-turn; personnel costs were increased by 2% and other operating costs (excluding interest, depreciation, and some other minor costs) were not adjusted. BERL³¹ advised that the 2021/22 year and 2022/23 forecasts of price level change would be unsettled by the pandemic and there was some discretion to the PLC applied during those years. CDC has considered that there would be no change in 2021/22 apart from the adjustment to personnel costs; and that for the subsequent year a flat change of 2% would be applied. Beyond this, inflation has been factored into the Plan using the BERL forecast changes as follows:

Year	Operating excluding Personnel	Capital	Personnel
2020/21	0.00%	0.00%	0.00%
2021/22	0.00%	0.00%	2.00%
2022/23	2.00%	2.00%	2.00%
2023/24	2.80%	3.08%	2.39%
2024/25	2.63%	2.61%	1.58%
2025/26	2.47%	2.55%	1.74%
2026/27	2.50%	2.66%	1.89%
2027/28	2.44%	2.68%	2.12%
2028/29	2.55%	2.69%	2.34%
2029/30	2.65%	2.87%	2.46%
2030/31	2.75%	2.87%	2.56%

³¹ *Forecasts of Price Level Change Adjustors—2017 Update: Note to Society of Local Government Managers, Business and Economic Research Limited, September 2017*



Accounting policies

Reporting Entity

Carterton District Council (Council) is a territorial local body governed by the Local Government Act 2002 (LGA 2002) and Local Government (Rating) Act 2002 and is domiciled in New Zealand.

The Council is a separate legal entity and does not have any subsidiaries. The Council provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

The Council has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice

The financial forecasts of the Council comply with PBE standards.

The financial forecasts of the CDC are for the ten financial years from 1 July 2021 to 30 June 2031. The financial forecasts were authorised for issue by Council on 30 June 2021. The Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

Basis of Preparation

The prospective financial statements of the Carterton District Council have been prepared in accordance with the requirements of the Local Government Act 2002, section 93 and Part 1 of Schedule 10, and the information may not be appropriate for other purposes.

These prospective financial statements have been prepared in accordance with PBE standards for a Tier 2 entity as the Council does not have public accountability and is not large.

Statement of prospective financial information

The financial information contained in this document is a forecast for the purposes of PBE Financial Reporting Standard (FRS) 42. It has been prepared on the basis of assumptions as to

future events that the Council reasonably expects to occur, associated with the actions it reasonably expects to take, as at the date the forecasts were prepared. The purpose for which it has been prepared is to enable the public to participate in the decision making process as to the services to be provided by the Council to the community.

Council does not intend to update the prospective financial statements subsequent to the final presentation of the Ten Year Plan. It will however update the prospective financial statements relating to the financial year being considered within each subsequent Annual Plan to this Ten Year Plan.

The Ten Year Plan is in full compliance with PBE FRS 42.

The actual results achieved are likely to vary from the information presented. The variation may be material and will be dependent upon circumstances which arise during the forecast period.

The accounting policies set out below have been applied consistently to all periods presented in these prospective financial statements.

The prospective financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructure assets, forestry assets and certain financial instruments. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Council is New Zealand dollars.

Comparative Information

The Annual Plan 2020/2021 adopted by the Council on 24 June 2020 has been provided as a comparator for these consolidated prospective financial statements. The closing balance in



this comparative differs from the opening position used to prepare these consolidated prospective financial statements which is based on the most up-to-date forecast information.

Changes in accounting policies

Financial instruments

In March 2019, the XRB issued PBE IPSAS 41 Financial Instruments. PBE IFRS 41 supersedes parts of PBE IPSAS 29 Financial Instruments: Recognition and Measurement. It also supersedes PBE IFRS 9 Financial Instruments. PBE IPSAS 41 is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

The main changes under PBE IPSAS 41 are:

- Introduces a new classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held. This could result in some instruments moving from amortised cost accounting to fair value accounting, or vice versa.
- Applies a forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing.
- Introduces a hedge accounting model that broadens the hedging arrangements in scope of the guidance.

The Council has applied PBE IPSAS 41 in preparing its financial statements for the entire ten years covered by this Ten Year Plan from 1 July 2021. The 2020/21 comparative annual plan forecast information was prepared using different financial instrument accounting policies than what was applied in the Ten Year Plan forecast financials. The reader is referred to the financial instrument accounting policies included in the 2020/21 annual plan. There has been no material impact arising as a result of remeasurement of financial assets that have been classified differently under the new standard.

All other standards, interpretations and amendments approved but not yet effective in the current year are either not applicable to the Council or are not expected to have a material impact on the financial statements

Significant Accounting Policies

Revenue

Revenue is estimated at the fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

Revenue from exchange and non-exchange transactions

Revenue from exchange transactions arises where the Council provides goods or services to another entity and directly receives approximately equal value (primarily in the form of cash in exchange).

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. Revenue from non-exchange transaction arises when the Council receives value from another party without giving approximately equal value directly in exchange for the value received.

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm's length commercial transaction between a willing buyer and willing seller. Many of the services that the Council provides for a fee are charged at below market value as they are subsidised by rates. Other services operate on a cost recovery or breakeven basis and are not considered to reflect a market return. Most of the Council's revenue is therefore categorised as non-exchange.

Specific accounting policies for major categories of revenue are outlined below. The Council undertakes various activities as part of its normal operations, some of which generate revenue, but generally at below market rates. The following categories (except where noted) are classified as transfers, which are non-exchange transactions other than taxes.

Rates revenue

General rates, targeted rates (excluding water rates 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.



The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.

Rates are a tax as they are payable under the Local Government Ratings Act 2002 and are therefore defined as non-exchange.

Rates collected on behalf of the Greater Wellington Regional Council (GWRC) are not recognised in the financial statements as CDC is acting as an agent for the GWRC.

Revenue from water rates by meter is recognised on an accrual basis and are taxes that use a specific charging mechanism to collect the rate and are non-exchange revenue. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Other revenue

Government Grants

Government grants are received from the New Zealand Transport Agency, which subsidises part of the costs of maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Various grants are also received from a number of Crown bodies for a range of purposes, such as employment subsidies, assistance with community activities, and grant money for distribution to the community. The grants are recognised as revenue when they become receivable.

Other grants and bequests – with or without conditions – are recognised as revenue when they become receivable.

Provision of services

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Vested assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in the Council are recognised as revenue when control over the asset is obtained. The fair value of vested assets is usually determined by reference to the cost of constructing the asset. Vested asset revenue is recognised as non-

exchange revenue when the maintenance period (where the developer is responsible for addressing maintenance items) ends and the asset is at the required standard to be taken over by Council.

Sale of goods

The sale of goods is classified as exchange revenue. Sale of goods is recognised when products are sold to the customer and all risks and rewards of ownership have transferred to the customer.

Agency arrangements

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

Interest and dividends

Interest income is exchange revenue and is recognised using the effective interest method. Dividends are recognised when the right to receive payment has been established and are classified as exchange revenue. Dividends are recorded net of imputation credits.

Fines and penalties

Revenue from fines and penalties (e.g. traffic and parking infringements, library overdue book fines, rates penalties) is recognised when infringement notices are issued or when the fines/penalties are otherwise imposed.

Other gains and losses

Gains include additional earnings on the disposal of property, plant and equipment and movements in the fair value of financial assets and liabilities.

Development and financial contributions

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

Borrowing costs

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



Grant expenditure

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 grant has been approved by the Council.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the Council's decision.

Income tax

Income tax expense includes current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

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 and differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable surplus.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Council expects to recover or settle the carrying amount of its assets and liabilities.

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 profits 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 and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting surplus nor taxable surplus.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue and expenses or directly in equity.

Leases

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the prospective statement of financial position at the lower of the fair value of the leased item or 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 certainty as to whether the 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.

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.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, 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 shown within borrowings in current liabilities in the prospective statement of financial position.



Debtors and other receivables

Short-term debtors and other receivables are recorded at their face value, less any provision for impairment.

Impairment of a receivable is established when there is objective evidence that the 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 considered indicators that the debt is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written off against the allowance account for receivables. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due).

Derivative financial instruments and hedge accounting

The Council does not engage in the use of derivative financial instruments and hedging activities.

Other financial assets

Financial assets 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.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories for the purpose of measurement:

- Fair value through surplus or deficit
- Loans and receivables
- Held to maturity investments

- Fair value through other comprehensive revenue and expenses

The classification of a financial asset depends on the purpose for which the instrument was acquired.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Loans to community organisations made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The loans are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

Council's loans and receivables comprise debtors and other receivables, community and related party loans. Loans and receivables are classified as "debtors and other receivables" in the prospective statement of financial position.

Impairment of financial assets

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and other receivables

Impairment is established when there is objective evidence that the Council will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated



future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government stock, and community loans, are recognised directly against the instruments carrying amount.

Property, plant, and equipment

Property, plant and equipment consists of:

Operational assets—land, buildings, fixtures and fittings, office equipment, library collections, motor vehicles, plant and equipment, landfill post closure and water races.

Infrastructure assets— fixed utility systems owned by the Council. Each asset class includes all items that are required for the network to function. For example, sewer reticulation includes reticulation piping and sewer pump stations.

Heritage assets—assets owned by the Council that are of cultural or historical significance to the community and cannot be replaced due to the nature of the assets. Buildings recorded under the Historical Places Act 1993 have been recorded as heritage assets.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Revaluation

Land and buildings (operational and restricted), library books, and infrastructure assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other assets are carried at depreciated historical cost.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluations of property, plant, and equipment are accounted for on a class of asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expenses and are accumulated to an asset revaluation reserve 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 expenses 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 expenses.

Additions

The cost of an item of property, plant, and 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 the Council and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

Property, plant, and equipment is recognised at cost. Where an asset is acquired at no cost, or for nominal cost, it is recognised at fair value as at the date of acquisition.

Subsequent costs

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.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land (which also includes the landfill and water races), at rates which will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The estimated useful lives and associated depreciation rates of major classes of assets have been estimated as follows:



Buildings	3 to 100 years	1.00–35.00%
Plant and equipment	10 to 50 years	2.00–10.00%
Motor vehicles	10 years	10.00%
Fixtures and fittings	10 to 50 years	2.00–10.00%
Office equipment	5 to 10 years	10.00–20.00%
Library collections	5 to 6 years	18.90%
Roads, bridges & footpaths*	8 to 65 years	1.60–12.00%
Water systems*	4 to 80 years	1.60–23.00%
Stormwater systems*	20 to 100 years	1.00–5.00%
Sewerage systems*	10 to 80 years	1.5–10.0%
Heritage assets	20 to 50 years	2.00–5.00%

In relation to infrastructure assets marked * (above), depreciation has been calculated at a componentry level based on the estimated remaining useful lives as assessed by Council's engineers and independent registered valuers. A summary of these lives is detailed above.

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

Intangible assets

Software acquisition

Acquired 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 associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an 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.

Easements

Easements are recognised at cost, being the costs directly attributable in bringing the asset to its intended use. Easements have an indefinite life and are not amortised, but are instead tested for impairment annually.

Resource consents

Costs incurred in obtaining resource consents are capitalised and classified as intangible assets. Costs are amortised on a straight-line basis over the term granted by the resource consent, and are stated at cost less accumulated amortisation and impairment losses.

Carbon credits

Purchased carbon credits are recognised at cost on acquisition. Free carbon credits received from the Crown are recognised at fair value on receipt. They are not amortised but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when an asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period 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	5 years	20.00%
Resource consents	3–10 years	10.00–33.33%

Impairment of property, plant and equipment and intangible assets

Intangible assets that have an indefinite useful life, or not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment the asset's recoverable amount is estimated. 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 value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash flows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount, the asset is 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.

Forestry assets

Standing forestry assets are independently revalued annually at fair value less estimated cost to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs and silvicultural costs and takes into consideration environmental, operational and market restrictions.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell are recognised in the surplus or deficit.

Forestry maintenance costs are recognised in the surplus or deficit when incurred.

Creditors and other payables

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

Borrowings

Borrowings are initially recognised at their fair value net of transactions costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance date or if the borrowings are expected to be settled within 12 months of balance date.

Employee entitlements

Short-term employee entitlements

Employee benefits expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, long service leave entitlements expected to be settled within twelve months, and sick leave.

A liability for sick leave is recognised to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent it will be used by staff to cover those future absences.

A liability and an expense are recognised for bonuses where the Council has a contractual obligation or where there is a past practice that has created a constructive obligation.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, 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 entitlements information; and



- the present value of the estimated future cash flows.

A discount rate of 4.63% and an inflation factor of 3.00% were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

Presentation of employee entitlements

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

Superannuation schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the Council to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value, even if a payment under the guarantee is not considered probable. If a financial guarantee contract was issued in a standalone arm's-length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, a liability is recognised based on the probability that the Council will be required to reimburse a holder for a loss incurred discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation. However, if it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value for the future expenditure.

Equity

Equity is the community's interest in the CDC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

- Public equity – accumulated funds
- Restricted reserves
- Other reserves – trust funds
- Asset revaluation reserves
- Fair value through other comprehensive revenue and expense reserves

Restricted reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves are those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Council's objectives, policies, and processes for managing capital are described in note 29 of the 2020 Annual Report.

Asset revaluation reserves

This reserve relates to the revaluation of property, plant, and equipment to fair value.



Fair value through other comprehensive revenue and expense reserves

This reserve comprises the cumulative net change in the fair value of fair value through other comprehensive revenue and expenses instruments.

Goods and services tax (GST)

All items in the financial forecasts are stated exclusive of GST, except for debtors and other receivables and creditors and other payables, which are stated on a GST inclusive basis. GST not recoverable as input tax is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (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.

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 those costs directly attributable to a significant activity. Indirect costs are those costs which cannot be identified in an economically feasible manner with a significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers, and floor area.

Prospective statement of cash flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which Council invests as part of its day-to-day cash management. GST is

disclosed net as disclosing gross amounts does not provide any further meaningful information.

Operating activities include cash received from all income sources and cash payments made for the supply of goods and services. Agency transactions (the collection of Regional Council rates) are recognised as receipts and payments in the prospective statement of cash flows because they flow through the Council's main bank account.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt structure of the Council.

Critical accounting estimates and assumptions

In preparing these prospective financial statements, the Council has made estimates and assumptions concerning the future. These are disclosed in the significant forecasting assumptions section from page 94.

Critical judgments in applying Council's accounting policies

There are no notable critical judgements exercised by management in applying the Council's accounting policies for the ten financial years ending 30 June 2022 to 30 June 2031.

Prospective total surplus/(deficit)

Council is projecting a surplus for the ten financial years ending 30 June 2022 to 30 June 2031.



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE
FOR THE TEN YEARS ENDING 30 JUNE

	Annual Plan 30 June 2021 \$	LTP 30 June 2022 \$	LTP 30 June 2023 \$	LTP 30 June 2024 \$	LTP 30 June 2025 \$	LTP 30 June 2026 \$	LTP 30 June 2027 \$	LTP 30 June 2028 \$	LTP 30 June 2029 \$	LTP 30 June 2030 \$	LTP 30 June 2031 \$
Operating Revenue											
Rates	14,069,756	15,070,079	16,046,568	16,962,461	17,872,373	18,753,806	19,524,819	20,169,220	20,806,763	21,519,220	22,358,404
Rates penalties	-	69,900	69,900	69,900	69,900	69,900	69,900	69,900	69,900	69,900	69,900
Finance revenue	157,500	38,781	40,324	42,566	46,983	51,523	56,200	60,806	65,612	70,258	74,835
Fees and charges	1,235,700	1,853,350	1,939,377	2,089,083	2,190,280	2,244,386	2,300,496	2,356,605	2,416,723	2,480,848	2,548,981
NZTA subsidy	1,850,000	2,359,600	2,146,600	2,105,800	2,161,000	2,215,400	2,272,900	2,331,500	2,393,000	2,459,500	2,528,800
Grants and subsidies	23,900	943,900	63,900	23,900	23,900	23,900	23,900	23,900	23,900	23,900	23,900
Petrol tax	77,000	98,000	112,200	115,341	118,373	121,297	124,330	127,362	130,611	134,077	137,759
Recoveries	172,644	184,844	208,941	193,819	198,914	225,882	208,924	214,019	243,227	225,303	231,490
Rentals	96,994	128,994	131,574	135,257	138,813	142,242	145,798	149,354	153,164	157,228	161,546
Forestry harvest	-	8,500	10,200	10,486	10,761	11,027	11,303	11,578	11,874	12,189	12,524
Commissions	51,050	51,050	52,071	53,529	54,936	56,293	57,700	59,108	60,615	62,224	63,933
Miscellaneous revenue	28,800	22,650	24,123	24,798	25,450	26,079	26,731	27,383	28,081	28,827	29,618
Contributions	409,359	592,700	600,800	608,900	1,419,800	1,461,073	1,500,968	1,539,584	1,579,578	1,619,573	1,662,324
Profit on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Assets vested in council	-	-	-	-	-	-	-	-	-	-	-
Share revaluation	-	-	-	-	-	-	-	-	-	-	-
Total operating income	18,172,703	21,422,347	21,446,578	22,435,838	24,331,485	25,402,808	26,323,967	27,140,320	27,983,049	28,863,046	29,904,014
Operating Expenditure											
Governance	754,283	915,176	1,033,535	967,066	989,738	1,112,912	1,039,956	1,062,789	1,195,176	1,116,228	1,144,916
Roads & footpaths	4,240,303	4,894,208	5,085,682	5,416,343	5,521,847	5,695,119	6,180,086	6,326,628	6,565,243	7,109,741	7,281,004
Water Supply	2,845,004	3,494,627	3,791,227	4,040,088	4,134,015	4,332,615	4,455,092	4,720,379	5,281,021	5,227,879	5,332,326
Sewerage	2,720,569	3,055,495	3,454,066	3,614,205	3,777,666	3,874,738	3,913,762	3,974,589	4,130,043	4,204,516	4,269,140
Stormwater	281,272	299,832	319,633	329,941	347,986	380,385	393,766	424,604	460,539	467,341	483,599
Waste management	1,133,551	1,170,800	1,235,378	1,371,832	1,471,620	1,507,167	1,545,182	1,579,843	1,613,610	1,650,052	1,682,116
Community support	4,706,469	4,762,480	4,807,215	4,976,119	5,117,004	5,119,866	5,216,035	5,321,177	5,410,898	5,477,490	5,615,431
Regulatory & planning	1,470,112	1,345,014	1,443,859	1,482,942	1,510,019	1,545,462	1,583,196	1,607,045	1,646,874	1,690,902	1,731,011
Bad debts	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Loss on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Total operating expenditure	18,191,564	19,977,632	21,210,594	22,238,537	22,909,895	23,608,264	24,367,075	25,057,053	26,343,405	26,984,149	27,579,541
Operating Surplus/(deficit)	(18,861)	1,444,716	235,985	197,301	1,421,590	1,794,545	1,956,892	2,083,266	1,639,644	1,878,897	2,324,473
Revaluation gains	-	-	-	-	-	-	-	-	-	-	-
Fair value gain/(losses)	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) before tax	(18,861)	1,444,716	235,985	197,301	1,421,590	1,794,545	1,956,892	2,083,266	1,639,644	1,878,897	2,324,473
Taxation expense	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) after tax	(18,861)	1,444,716	235,985	197,301	1,421,590	1,794,545	1,956,892	2,083,266	1,639,644	1,878,897	2,324,473
Note: Total expenditure includes -											
Depreciation	4,683,427	6,168,429	6,909,765	7,415,841	7,742,424	8,014,681	8,458,687	8,792,711	9,492,589	9,744,961	9,966,304
Finance costs	659,282	201,324	297,384	318,435	373,312	410,341	402,136	498,945	595,564	587,049	624,244
Personnel	4,550,137	4,836,098	4,932,820	5,050,492	5,130,509	5,219,940	5,318,785	5,431,750	5,558,836	5,695,336	5,841,250



CARTERTON DISTRICT COUNCIL

PROSPECTIVE STATEMENT OF OTHER COMPREHENSIVE REVENUE AND EXPENSE

FOR THE TEN YEARS ENDING 30 JUNE

Annual Plan 30 June 2021 \$	LTP 30 June 2022 \$	LTP 30 June 2023 \$	LTP 30 June 2024 \$	LTP 30 June 2025 \$	LTP 30 June 2026 \$	LTP 30 June 2027 \$	LTP 30 June 2028 \$	LTP 30 June 2029 \$	LTP 30 June 2030 \$	LTP 30 June 2031 \$	
Surplus/(deficit) after tax	(18,861)	1,444,716	235,985	197,301	1,421,590	1,794,545	1,956,892	2,083,266	1,639,644	1,878,897	2,324,473
Increase/(decrease) in revaluation reserves	1,331,430	1,988,946	9,458,626	2,776,700	3,606,213	13,422,077	2,412,169	4,094,826	15,159,673	2,590,839	4,118,383
Financial assets at fair value through other comprehensive revenue and expense	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive revenue and expense	1,331,430	1,988,946	9,458,626	2,776,700	3,606,213	13,422,077	2,412,169	4,094,826	15,159,673	2,590,839	4,118,383
Total comprehensive revenue and expense	1,312,569	3,433,661	9,694,610	2,974,001	5,027,803	15,216,622	4,369,061	6,178,093	16,799,317	4,469,736	6,442,856





CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF CHANGES IN EQUITY
FOR THE TEN YEARS ENDING 30 JUNE

Annual Plan 30 June 2021	LTP 30 June 2022	LTP 30 June 2023	LTP 30 June 2024	LTP 30 June 2025	LTP 30 June 2026	LTP 30 June 2027	LTP 30 June 2028	LTP 30 June 2029	LTP 30 June 2030	LTP 30 June 2031	
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Equity at start of year	223,515,862	224,907,249	228,340,911	238,035,521	241,009,522	246,037,325	261,253,947	265,623,008	271,801,100	288,600,417	293,070,153
Total comprehensive revenue and expense	1,312,569	3,433,661	9,694,610	2,974,001	5,027,803	15,216,622	4,369,061	6,178,093	16,799,317	4,469,736	6,442,856
Equity at end of year	224,828,431	228,340,911	238,035,521	241,009,522	246,037,325	261,253,947	265,623,008	271,801,100	288,600,417	293,070,153	299,513,009
Components of equity											
Retained earnings at start of year	125,541,146	117,653,133	124,392,855	126,913,658	128,181,194	127,804,255	126,725,391	125,807,923	125,664,061	123,568,602	121,608,417
Surplus/(deficit) after tax	(18,861)	1,444,716	235,985	197,301	1,421,590	1,794,545	1,956,892	2,083,266	1,639,644	1,878,897	2,324,473
Transfers (to)/from revaluation reserves											
Transfers (to)/from restricted/council created reserves	(1,472,543)	5,295,007	2,284,819	1,070,234	(1,798,529)	(2,873,409)	(2,874,360)	(2,227,128)	(3,735,103)	(3,839,082)	(2,800,198)
Retained earnings at end of year	124,049,742	124,392,855	126,913,658	128,181,194	127,804,255	126,725,391	125,807,923	125,664,061	123,568,602	121,608,417	121,132,692
Revaluation reserves at start of year	90,559,553	93,581,997	95,570,942	105,029,568	107,806,268	111,412,481	124,834,559	127,246,727	131,341,554	146,501,226	149,092,065
Transfers (to)/from Equity	-	-	-	-	-	-	-	-	-	-	-
Financial asset revaluation gains	-	-	-	-	-	-	-	-	-	-	-
Revaluation gains	1,331,430	1,988,946	9,458,626	2,776,700	3,606,213	13,422,077	2,412,169	4,094,826	15,159,673	2,590,839	4,118,383
Revaluation reserves at end of year	91,890,983	95,570,942	105,029,568	107,806,268	111,412,481	124,834,559	127,246,727	131,341,554	146,501,226	149,092,065	153,210,448
Restricted/council created reserves at start of year	3,612,678	5,500,007	4,381,238	4,619,382	4,944,858	6,134,172	7,377,408	8,676,012	9,729,311	10,848,119	11,974,294
Transfers (to)/from reserves	1,206,043	(1,118,769)	238,144	325,476	1,189,315	1,243,235	1,298,604	1,053,299	1,118,808	1,126,175	858,881
Transfers (to)/from other reserves	-	-	-	-	-	-	-	-	-	-	-
Restricted reserves at end of year	4,818,721	4,381,238	4,619,382	4,944,858	6,134,172	7,377,408	8,676,012	9,729,311	10,848,119	11,974,294	12,833,175
Other (Council created) reserves at start of year	3,802,485	8,172,113	3,995,875	1,472,912	77,203	686,417	2,316,590	3,892,346	5,066,175	7,682,470	10,395,377
Transfers (to)/from restricted/council created reserves	266,500	(4,176,237)	(2,522,963)	(1,395,710)	609,214	1,630,173	1,575,756	1,173,829	2,616,295	2,712,907	1,941,316
Other (Council created) reserves at end of year	4,068,985	3,995,875	1,472,912	77,203	686,417	2,316,590	3,892,346	5,066,175	7,682,470	10,395,377	12,336,694
Equity at end of year	224,828,431	228,340,911	238,035,521	241,009,522	246,037,325	261,253,947	265,623,008	271,801,100	288,600,417	293,070,153	299,513,009



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF FINANCIAL POSITION
FOR THE TEN YEARS ENDING 30 JUNE

	Annual Plan 30 June 2021 \$	LTP 30 June 2022 \$	LTP 30 June 2023 \$	LTP 30 June 2024 \$	LTP 30 June 2025 \$	LTP 30 June 2026 \$	LTP 30 June 2027 \$	LTP 30 June 2028 \$	LTP 30 June 2029 \$	LTP 30 June 2030 \$	LTP 30 June 2031 \$
Assets											
Current assets											
Cash and cash equivalents	1,071,088	9,162,662	7,465,756	6,831,210	8,315,209	11,196,036	14,477,845	17,465,881	21,383,896	25,646,223	29,664,953
Debtors and other receivables	5,171,104	1,738,589	1,775,016	1,827,020	1,877,230	1,925,647	1,975,857	2,026,067	2,079,863	2,137,246	2,198,216
Investments	4,818,722	4,381,238	4,619,382	4,944,858	6,134,172	7,377,408	8,676,012	9,729,311	10,848,119	11,974,294	12,833,175
Total current assets	11,060,914	15,282,490	13,860,154	13,603,088	16,326,611	20,499,091	25,129,713	29,221,258	34,311,878	39,757,763	44,696,343
Non-current assets											
Property, plant and equipment	231,857,946	230,854,222	242,421,792	246,876,676	253,330,191	262,624,063	260,563,006	274,488,377	284,016,892	280,882,100	285,685,924
Forestry assets	973,000	1,013,800	1,013,800	1,013,800	1,013,800	1,013,800	1,013,800	1,013,800	1,013,800	1,013,800	1,013,800
Intangible assets	993,570	1,847,196	1,701,451	1,570,717	1,820,963	1,967,582	2,129,592	1,985,648	1,803,542	1,643,876	1,776,134
Investments	20,795	423,021	423,021	423,021	423,021	423,021	423,021	423,021	423,021	423,021	423,021
Total non-current assets	233,845,311	234,138,239	245,560,063	249,884,214	256,587,975	266,028,466	264,129,419	277,910,846	287,257,255	283,962,797	288,898,879
Total assets	244,906,225	249,420,728	259,420,218	263,487,301	272,914,586	286,527,556	289,259,132	307,132,104	321,569,132	323,720,560	333,595,222
Liabilities											
Current liabilities											
Creditors and other payables	2,886,158	1,984,862	2,024,559	2,081,231	2,135,949	2,188,713	2,243,431	2,298,149	2,356,775	2,419,309	2,485,753
Employee entitlements	432,827	589,916	601,714	616,068	625,828	636,737	648,795	662,574	678,076	694,727	712,526
Borrowings	-	1,331,220	1,455,077	1,759,818	1,764,686	1,767,867	2,472,827	2,474,743	2,478,809	2,785,460	2,785,460
Provisions	-	-	-	-	-	-	-	-	-	-	-
Total current liabilities	3,318,985	3,905,998	4,081,350	4,457,117	4,526,464	4,593,317	5,365,052	5,435,466	5,513,660	5,899,497	5,983,739
Non-current liabilities											
Provisions	-	-	-	-	-	-	-	-	-	-	-
Employee entitlements	61,447	60,340	60,340	60,340	60,340	60,340	60,340	60,340	60,340	60,340	60,340
Borrowings	16,697,362	17,113,480	17,243,006	17,960,322	22,290,456	20,619,952	18,210,732	29,835,198	27,394,715	24,690,570	28,038,135
Total non-current liabilities	16,758,809	17,173,820	17,303,346	18,020,662	22,350,796	20,680,292	18,271,072	29,895,538	27,455,055	24,750,910	28,098,475
Equity											
Public equity	124,049,742	124,392,855	126,913,658	128,181,194	127,804,255	126,725,391	125,807,923	125,664,061	123,568,602	121,608,417	121,132,692
Restricted reserves	4,818,721	4,381,238	4,619,382	4,944,858	6,134,172	7,377,408	8,676,012	9,729,311	10,848,119	11,974,294	12,833,175
Revaluation reserves	91,890,983	95,570,942	105,029,568	107,806,268	111,412,481	124,834,559	127,246,727	131,341,554	146,501,226	149,092,065	153,210,448
Other reserves	4,068,985	3,995,875	1,472,912	77,203	686,417	2,316,590	3,892,346	5,066,175	7,682,470	10,395,377	12,336,694
Total equity	224,828,431	228,340,911	238,035,521	241,009,522	246,037,325	261,253,947	265,623,008	271,801,100	288,600,417	293,070,153	299,513,009
Total liabilities and equity	244,906,225	249,420,728	259,420,218	263,487,301	272,914,586	286,527,556	289,259,132	307,132,104	321,569,132	323,720,560	333,595,222



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF CASH FLOWS
FOR THE TEN YEARS ENDING 30 JUNE

	Annual Plan 30 June 2021	LTP 30 June 2022	LTP 30 June 2023	LTP 30 June 2024	LTP 30 June 2025	LTP 30 June 2026	LTP 30 June 2027	LTP 30 June 2028	LTP 30 June 2029	LTP 30 June 2030	LTP 30 June 2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash flows from Operating Activities											
Cash was received from:											
Receipts from rates revenue	11,638,166	15,139,979	16,102,242	17,012,051	17,922,664	18,804,797	19,575,109	20,219,511	20,855,653	21,566,710	22,404,492
Grants, subsidies and donations	1,873,900	3,303,500	2,210,500	2,129,700	2,184,900	2,239,300	2,296,800	2,355,400	2,416,900	2,483,400	2,552,700
Petrol tax	77,000	98,000	112,200	115,341	118,373	121,297	124,330	127,362	130,611	134,077	137,759
Other revenue	1,994,547	2,842,088	2,944,885	3,084,177	4,008,354	4,137,474	4,221,318	4,327,031	4,460,476	4,551,219	4,673,259
Finance revenue	157,500	38,781	40,324	42,566	46,983	51,523	56,200	60,806	65,612	70,258	74,835
	15,741,113	21,422,347	21,410,151	22,383,835	24,281,275	25,354,392	26,273,757	27,090,110	27,929,252	28,805,663	29,843,045
Cash was applied to:											
Payments to suppliers & employees	13,213,593	13,607,878	13,951,949	14,433,235	14,729,680	15,119,570	15,439,477	15,696,900	16,181,123	16,572,954	16,904,751
Finance expenditure	659,282	201,324	297,384	318,435	373,312	410,341	402,136	498,945	595,564	587,049	624,244
	13,872,875	13,809,202	14,249,333	14,751,670	15,102,992	15,529,911	15,841,613	16,195,845	16,776,687	17,160,003	17,528,996
Net cash flow from operating activities	1,868,238	7,613,145	7,160,819	7,632,165	9,178,283	9,824,481	10,432,144	10,894,265	11,152,565	11,645,660	12,314,049
Cash flows from Investing Activities											
Cash was received from:											
Sale of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-
Term investments, shares & advances	8,297,654	7,520,522	4,381,238	4,619,382	4,944,858	6,134,172	7,377,408	8,676,012	9,729,311	10,848,119	11,974,294
Forestry investment	-	-	-	-	-	-	-	-	-	-	-
	8,297,654	7,520,522	4,381,238	4,619,382	4,944,858	6,134,172	7,377,408	8,676,012	9,729,311	10,848,119	11,974,294
Cash was applied to:											
Purchase of property, plant and equipment	9,125,543	13,829,331	8,872,964	8,963,291	10,839,972	4,033,094	4,147,472	18,479,312	3,679,324	3,859,664	10,784,002
Term investments, shares & advances	4,818,722	4,781,238	4,619,382	4,944,858	6,134,172	7,377,408	8,676,012	9,729,311	10,848,119	11,974,294	12,833,175
Forestry investment	-	-	-	-	-	-	-	-	-	-	-
	13,944,265	18,610,569	13,492,346	13,908,149	16,974,145	11,410,502	12,823,484	28,208,623	14,527,443	15,833,958	23,617,177
Net cash flow from investing activities	(5,646,611)	(11,090,047)	(9,111,108)	(9,288,767)	(12,029,287)	(5,276,330)	(5,446,076)	(19,532,611)	(4,798,132)	(4,985,839)	(11,642,884)
Cash flows from Financing Activities											
Cash was received from:											
Proceeds from borrowings	2,225,117	12,490,088	1,584,604	2,477,133	6,094,821	97,362	63,607	14,099,209	38,326	81,315	6,133,025
	2,225,117	12,490,088	1,584,604	2,477,133	6,094,821	97,362	63,607	14,099,209	38,326	81,315	6,133,025
Cash was applied to:											
Repayment of borrowings	(663,293)	1,257,874	1,331,220	1,455,077	1,759,818	1,764,686	1,767,867	2,472,827	2,474,743	2,478,809	2,785,460
	(663,293)	1,257,874	1,331,220	1,455,077	1,759,818	1,764,686	1,767,867	2,472,827	2,474,743	2,478,809	2,785,460
Net cash flow from financing activities	2,888,410	11,232,214	253,383	1,022,056	4,335,003	(1,667,324)	(1,704,259)	11,626,382	(2,436,417)	(2,397,494)	3,347,565
Net increase/(decrease) in cash held	(889,963)	7,755,312	(1,696,906)	(634,546)	1,483,998	2,880,827	3,281,809	2,988,036	3,918,015	4,262,327	4,018,730
Add cash at start of year (1 July)	1,961,051	1,407,350	9,162,662	7,465,756	6,831,210	8,315,209	11,196,036	14,477,845	17,465,881	21,383,896	25,646,223
Balance at end of year (30 June)	1,071,088	9,162,662	7,465,756	6,831,210	8,315,209	11,196,036	14,477,845	17,465,881	21,383,896	25,646,223	29,664,953
Represented by:											
Cash and cash equivalents and bank overdrafts	1,071,088	9,162,662	7,465,756	6,831,210	8,315,209	11,196,036	14,477,845	17,465,881	21,383,896	25,646,223	29,664,953



CARTERTON DISTRICT COUNCIL
FUNDING IMPACT STATEMENT
FOR THE TEN YEARS ENDING 30 JUNE

	Annual Plan 30 June 2021 \$	LTP 30 June 2022 \$	LTP 30 June 2023 \$	LTP 30 June 2024 \$	LTP 30 June 2025 \$	LTP 30 June 2026 \$	LTP 30 June 2027 \$	LTP 30 June 2028 \$	LTP 30 June 2029 \$	LTP 30 June 2030 \$	LTP 30 June 2031 \$
Operating Funding											
Sources of operating funding											
General rates, UAGC and rates penalties	9,292,215	8,879,870	9,210,516	9,732,113	10,210,926	10,669,703	11,231,082	11,498,242	11,574,386	12,183,257	12,751,066
Targeted rates	4,777,541	6,260,108	6,905,953	7,300,248	7,731,347	8,154,003	8,363,637	8,740,878	9,302,277	9,405,863	9,677,238
Subsidies and grants for operational purposes	926,903	900,140	925,769	892,820	915,682	937,746	960,599	983,398	1,007,941	1,034,021	1,061,745
Fees and charges	1,363,494	1,853,350	1,939,377	2,089,083	2,190,280	2,244,386	2,300,496	2,356,605	2,416,723	2,480,848	2,548,981
Local authorities fuel tax, fines, infringement fees and other	456,194	532,819	579,433	575,794	594,231	634,343	630,986	649,610	693,184	690,105	711,705
Total operating funding	16,816,347	18,426,287	19,561,048	20,590,057	21,642,467	22,640,181	23,486,799	24,228,734	24,994,512	25,794,094	26,750,734
Applications of operating funding											
Payments to staff and suppliers	12,487,905	13,242,192	13,608,016	14,047,629	14,303,443	14,687,977	15,006,273	15,260,687	15,745,481	16,136,978	16,468,088
Finance costs	659,282	201,324	297,384	318,435	373,312	410,341	402,136	498,945	595,564	587,049	624,244
Other operating funding applications	360,950	365,950	395,702	456,922	491,012	495,574	500,304	505,035	510,103	515,510	521,254
Total applications of operating funding	13,508,137	13,809,466	14,301,102	14,822,986	15,167,767	15,593,891	15,908,714	16,264,667	16,851,148	17,239,537	17,613,586
Surplus/(deficit) of operating funding	3,308,210	4,616,821	5,259,946	5,767,072	6,474,700	7,046,290	7,578,085	7,964,067	8,143,363	8,554,557	9,137,148
Capital Funding											
Sources of capital funding											
Subsidies and grants for capital expenditure	946,997	1,498,360	1,284,731	1,236,880	1,269,218	1,301,554	1,336,201	1,372,002	1,408,959	1,449,379	1,490,955
Development and financial contributions	409,359	592,700	600,800	608,900	1,419,800	1,461,073	1,500,968	1,539,584	1,579,578	1,619,573	1,662,324
Increase/(decrease) in debt	2,888,410	11,232,214	253,383	1,022,056	4,335,003	(1,667,324)	(1,704,259)	11,626,382	(2,436,417)	(2,397,494)	3,347,565
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	905,000	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total capital funding	4,244,766	14,228,273	2,138,914	2,867,837	7,024,021	1,095,303	1,132,909	14,537,968	552,120	671,459	6,500,844
Applications of capital funding											
Capital expenditure - meet additional demand	287,820	2,250,150	402,900	325,939	5,261,908	316,428	11,358	14,124,867	11,977	49,282	5,882,081
Capital expenditure - improve level of service	3,336,922	3,708,533	1,584,604	2,477,133	1,150,110	97,362	63,607	6,998	38,326	81,315	324,452
Capital expenditure - replace existing assets	4,172,602	7,870,648	6,885,461	6,160,219	4,427,954	3,619,304	4,072,506	4,347,447	3,629,021	3,729,067	4,577,469
Increase/(decrease) in reserves	(244,368)	4,615,764	(1,474,104)	(328,382)	2,658,748	4,108,499	4,563,523	4,022,723	5,016,159	5,366,351	4,853,990
Increase/(decrease) of investments	-	400,000	-	-	-	-	-	-	-	-	-
Total applications of capital funding	7,552,976	18,845,095	7,398,860	8,634,909	13,498,720	8,141,593	8,710,994	22,502,035	8,695,483	9,226,015	15,637,993
Surplus/(deficit) of Capital Funding	(3,308,210)	(4,616,821)	(5,259,946)	(5,767,072)	(6,474,700)	(7,046,290)	(7,578,085)	(7,964,067)	(8,143,363)	(8,554,557)	(9,137,148)
Funding balance	-	-	-	-	-	-	-	-	-	-	-



CARTERTON DISTRICT COUNCIL

PROSPECTIVE RECONCILIATION OF NET SURPLUS/(DEFICIT) TO COUNCIL FUNDING IMPACT STATEMENT FOR THE TEN YEARS ENDING 30 JUNE

	Annual Plan 30 June 2021 \$	LTP 30 June 2022 \$	LTP 30 June 2023 \$	LTP 30 June 2024 \$	LTP 30 June 2025 \$	LTP 30 June 2026 \$	LTP 30 June 2027 \$	LTP 30 June 2028 \$	LTP 30 June 2029 \$	LTP 30 June 2030 \$	LTP 30 June 2031 \$
Surplus/(deficit) after tax per Statement of Financial Performance	(18,861)	1,444,716	235,985	197,301	1,421,590	1,794,545	1,956,892	2,083,266	1,639,644	1,878,897	2,324,473
add Proceeds from sale of assets not included in the FIS	-										
less Vested assets and interest on internal borrowing not included in the FIS	-										
Surplus/(deficit) before vested assets and internal interest	(18,861)	1,444,716	235,985	197,301	1,421,590	1,794,545	1,956,892	2,083,266	1,639,644	1,878,897	2,324,473
less Capital grants, subsidies and donations	(946,997)	(2,403,624)	(1,285,004)	(1,237,170)	(1,269,514)	(1,301,862)	(1,336,526)	(1,372,326)	(1,409,291)	(1,449,728)	(1,491,304)
less Development and financial contributions	(409,359)	(592,700)	(600,800)	(608,900)	(1,419,800)	(1,461,073)	(1,500,968)	(1,539,584)	(1,579,578)	(1,619,573)	(1,662,324)
less Gross proceeds from sale of assets	-										
Less Gain in asset revaluations	-	-	-	-	-	-	-	-	-	-	-
less Gain in fair value	-										
add loss on sale/gifting of assets	-										
add Depreciation not included in the FIS	4,683,427	6,168,429	6,909,765	7,415,841	7,742,424	8,014,681	8,458,687	8,792,711	9,492,589	9,744,961	9,966,304
Surplus/(deficit) of operating funding	3,308,210	4,616,821	5,259,946	5,767,072	6,474,700	7,046,290	7,578,085	7,964,067	8,143,363	8,554,557	9,137,148
Balance as per Council FIS surplus/(deficit) of funding	3,308,210	4,616,821	5,259,946	5,767,072	6,474,700	7,046,290	7,578,085	7,964,067	8,143,363	8,554,557	9,137,148





CARTERTON DISTRICT COUNCIL
DEPRECIATION PER GROUP OF ACTIVITIES

This table shows the depreciation expense charged to each group of activities.

ANNUAL DEPRECIATION EXPENSE	Annual Plan 30 June 2021	LTP 30 June 2022	LTP 30 June 2023	LTP 30 June 2024	LTP 30 June 2025	LTP 30 June 2026	LTP 30 June 2027	LTP 30 June 2028	LTP 30 June 2029	LTP 30 June 2030	LTP 30 June 2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance	2,511	2,511	2,511	3,169	5,073	5,815	8,953	10,521	9,008	9,475	11,786
Roads and footpaths	1,735,738	2,454,171	2,537,605	2,846,989	2,870,439	2,960,080	3,375,140	3,439,208	3,583,841	4,050,555	4,124,453
Water supply	668,431	843,243	1,051,520	1,102,690	1,125,142	1,240,813	1,268,652	1,407,619	1,817,721	1,667,656	1,696,804
Sewerage	875,605	1,249,174	1,527,249	1,632,030	1,754,872	1,803,027	1,787,214	1,814,463	1,920,266	1,939,340	1,961,299
Stormwater	121,184	126,439	140,260	144,132	151,977	173,149	180,144	201,198	225,439	225,901	230,945
Waste management	35,312	59,989	53,333	59,082	74,385	75,196	75,196	77,153	72,983	67,034	58,979
Community support	655,692	710,452	722,227	759,771	769,497	708,778	683,930	695,767	683,365	621,698	652,785
Regulatory and planning	41,374	68,089	126,792	126,998	126,511	125,125	124,073	122,935	124,575	124,169	130,719
Administration and support services	547,579	654,360	748,268	740,980	864,528	922,697	955,385	1,023,848	1,055,390	1,039,132	1,098,534
Total depreciation	4,683,427	6,168,429	6,909,765	7,415,841	7,742,424	8,014,681	8,458,687	8,792,711	9,492,589	9,744,961	9,966,304



Statement of special funds reserves

The Council maintains special funds reserves as a sub-part of its equity. Schedule 10, clause 16 of the Local Government Act 2002 requires certain information to be included in the Ten Year Plan about these reserves. The Act defines reserve funds as ‘money set aside by a local authority for a specific purpose’. Reserves are part of equity, which may or may not be physically backed by cash/investments. Reserves are often used to separate a funding surplus of an activity.

The following statement presents movements over the ten years of the Plan for each of the reserves. An explanation of the purpose and activities of each reserve is included in the Council’s investment policy (see appendix A).





CARTERTON DISTRICT COUNCIL

PROSPECTIVE STATEMENT OF SPECIAL FUNDS RESERVES FOR THE TEN YEARS ENDING 30 JUNE

	Annual Plan 30 June 2021 \$	LTP 30 June 2022 \$	LTP 30 June 2023 \$	LTP 30 June 2024 \$	LTP 30 June 2025 \$	LTP 30 June 2026 \$	LTP 30 June 2027 \$	LTP 30 June 2028 \$	LTP 30 June 2029 \$	LTP 30 June 2030 \$	LTP 30 June 2031 \$
Plant Purchase & Renewal Fund											
Opening Balance	1,757	1,859	1,872	1,889	1,906	1,924	1,941	1,955	1,969	1,982	1,995
Deposits	-	13	17	17	18	16	15	14	13	13	12
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,757	1,872	1,889	1,906	1,924	1,941	1,955	1,969	1,982	1,995	2,008
Recreation Reserve Levy Fund											
Opening Balance	883,544	766,398	888,002	824,775	1,018,261	1,468,591	1,933,944	2,413,600	2,906,901	3,414,777	3,937,023
Deposits	132,051	196,604	201,973	204,000	461,119	476,417	491,015	504,964	519,853	534,566	550,128
Withdrawals	-	(75,000)	(265,200)	(10,514)	(10,789)	(11,064)	(11,358)	(11,663)	(11,977)	(12,321)	(50,696)
Closing Balance	1,015,595	888,002	824,775	1,018,261	1,468,591	1,933,944	2,413,600	2,906,901	3,414,777	3,937,023	4,436,455
Roading Emergency Works Fund											
Opening Balance	435,496	459,297	462,535	466,793	471,094	475,570	479,564	483,218	486,604	489,886	493,059
Deposits	-	3,239	4,257	4,301	4,476	3,994	3,653	3,387	3,282	3,173	3,081
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	435,496	462,535	466,793	471,094	475,570	479,564	483,218	486,604	489,886	493,059	496,140
Rural Water Contingency Fund											
Opening Balance	63,462	66,758	67,228	67,847	68,472	69,123	69,704	70,235	70,727	71,204	71,665
Deposits	-	471	619	625	651	581	531	492	477	461	448
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	63,462	67,228	67,847	68,472	69,123	69,704	70,235	70,727	71,204	71,665	72,113
Waste Disposal Fund											
Opening Balance	153,250	145,751	147,778	150,158	152,591	155,117	157,522	159,852	162,131	164,411	166,695
Deposits	28,000	57,028	87,040	148,181	182,238	186,557	191,085	195,637	200,572	205,837	211,437
Withdrawals	(33,100)	(55,000)	(84,660)	(145,749)	(179,712)	(184,151)	(188,755)	(193,359)	(198,292)	(203,553)	(209,143)
Closing Balance	150,150	147,778	150,158	152,591	155,117	157,522	159,852	162,131	164,411	166,695	168,989
Creative NZ Fund											
Opening Balance	1,218	1,281	1,290	1,302	1,314	1,327	1,338	1,348	1,358	1,367	1,376
Deposits	11,500	11,509	11,512	11,512	11,512	11,511	11,510	11,509	11,509	11,509	11,509
Withdrawals	(11,500)	(11,500)	(11,500)	(11,500)	(11,500)	(11,500)	(11,500)	(11,500)	(11,500)	(11,500)	(11,500)
Closing Balance	1,218	1,290	1,302	1,314	1,327	1,338	1,348	1,358	1,367	1,376	1,384



CARTERTON DISTRICT COUNCIL

PROSPECTIVE STATEMENT OF SPECIAL FUNDS RESERVES

FOR THE TEN YEARS ENDING 30 JUNE

	Annual Plan 30 June 2021 \$	LTP 30 June 2022 \$	LTP 30 June 2023 \$	LTP 30 June 2024 \$	LTP 30 June 2025 \$	LTP 30 June 2026 \$	LTP 30 June 2027 \$	LTP 30 June 2028 \$	LTP 30 June 2029 \$	LTP 30 June 2030 \$	LTP 30 June 2031 \$
Sport New Zealand Rural Travel Fund											
Opening Balance	-	-	-	-	-	-	-	-	-	-	-
Deposits	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500
Withdrawals	(9,500)	(9,500)	(9,500)	(9,500)	(9,500)	(9,500)	(9,500)	(9,500)	(9,500)	(9,500)	(9,500)
Closing Balance	-	-	-	-	-	-	-	-	-	-	-
Keep Carterton Beautiful Fund											
Opening Balance	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-	-	-
Water Race Resource Consent Fund											
Opening Balance	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-	-	-
Clareville Grave Maintenance Fund											
Opening Balance	2,447	2,452	2,470	2,492	2,515	2,539	2,561	2,580	2,598	2,616	2,633
Deposits	-	17	23	23	24	21	20	18	18	17	16
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	2,447	2,470	2,492	2,515	2,539	2,561	2,580	2,598	2,616	2,633	2,649
Memorial Square Trust Fund											
Opening Balance	8,198	8,652	8,713	8,793	8,874	8,959	9,034	9,103	9,166	9,228	9,288
Deposits	-	61	80	81	84	75	69	64	62	60	58
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	8,198	8,713	8,793	8,874	8,959	9,034	9,103	9,166	9,228	9,288	9,346
WWII Memorial Trust Fund											
Opening Balance	77,143	80,074	79,538	79,171	78,800	78,449	78,008	77,502	76,945	76,364	75,759
Deposits	1,500	2,065	2,232	2,230	2,249	2,159	2,094	2,043	2,019	1,995	1,973
Withdrawals	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)
Closing Balance	76,043	79,538	79,171	78,800	78,449	78,008	77,502	76,945	76,364	75,759	75,132



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF SPECIAL FUNDS RESERVES
FOR THE TEN YEARS ENDING 30 JUNE

	Annual Plan 30 June 2021 \$	LTP 30 June 2022 \$	LTP 30 June 2023 \$	LTP 30 June 2024 \$	LTP 30 June 2025 \$	LTP 30 June 2026 \$	LTP 30 June 2027 \$	LTP 30 June 2028 \$	LTP 30 June 2029 \$	LTP 30 June 2030 \$	LTP 30 June 2031 \$
Longbush Domain Board Fund											
Opening Balance	4,340	4,721	4,754	4,798	4,842	4,888	4,929	4,966	5,001	5,035	5,068
Deposits	-	33	44	44	46	41	38	35	34	33	32
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	4,340	4,754	4,798	4,842	4,888	4,929	4,966	5,001	5,035	5,068	5,099
West Taratahi Hall Board											
Opening Balance	24,583	22,431	22,589	22,797	23,007	23,226	23,421	23,599	23,765	23,925	24,080
Deposits	-	158	208	210	219	195	178	165	160	155	150
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	24,583	22,589	22,797	23,007	23,226	23,421	23,599	23,765	23,925	24,080	24,230
Election Contingency Fund											
Opening Balance	40,144	42,228	42,526	42,918	43,313	43,725	44,092	44,428	44,739	45,041	45,333
Deposits	-	298	391	395	412	367	336	311	302	292	283
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	40,144	42,526	42,918	43,313	43,725	44,092	44,428	44,739	45,041	45,333	45,616
Workshop Depot Upgrade Fund											
Opening Balance	25,374	26,796	26,985	27,234	27,484	27,746	27,979	28,192	28,389	28,581	28,766
Deposits	-	189	248	251	261	233	213	198	191	185	180
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	25,374	26,985	27,234	27,484	27,746	27,979	28,192	28,389	28,581	28,766	28,946
Combined District Plan Fund											
Opening Balance	81,712	85,955	86,561	87,357	88,162	89,000	89,747	90,431	91,065	91,679	92,273
Deposits	-	606	797	805	838	748	684	634	614	594	577
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	81,712	86,561	87,357	88,162	89,000	89,747	90,431	91,065	91,679	92,273	92,850
Roading Contribution Fund											
Opening Balance	1,175,729	1,522,981	1,672,769	1,881,965	2,095,707	2,434,193	2,785,850	3,150,485	3,384,113	3,630,683	3,890,147
Deposits	132,051	201,939	209,196	213,742	338,487	351,657	364,635	233,628	246,570	259,464	117,251
Withdrawals	-	(52,150)	-	-	-	-	-	-	-	-	-
Closing Balance	1,307,780	1,672,769	1,881,965	2,095,707	2,434,193	2,785,850	3,150,485	3,384,113	3,630,683	3,890,147	4,007,399



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF SPECIAL FUNDS RESERVES
FOR THE TEN YEARS ENDING 30 JUNE

	Annual Plan 30 June 2021 \$	LTP 30 June 2022 \$	LTP 30 June 2023 \$	LTP 30 June 2024 \$	LTP 30 June 2025 \$	LTP 30 June 2026 \$	LTP 30 June 2027 \$	LTP 30 June 2028 \$	LTP 30 June 2029 \$	LTP 30 June 2030 \$	LTP 30 June 2031 \$
Infrastructure Contributions Reserve Fund											
Opening Balance	1,495,192	1,985,119	586,416	667,314	574,138	962,719	1,378,286	1,822,822	2,140,100	2,495,620	2,831,501
Deposits	145,257	224,297	218,597	222,249	408,001	426,631	444,537	338,271	355,520	372,843	256,636
Withdrawals	(266,500)	(1,623,000)	(137,700)	(315,424)	(19,420)	(11,064)	-	(20,993)	-	(36,962)	(22,813)
Closing Balance	1,373,950	586,416	667,314	574,138	962,719	1,378,286	1,822,822	2,140,100	2,495,620	2,831,501	3,065,324
Waingawa Infrastructure Contributions Reserve Fund											
Opening Balance	163,913	231,504	233,136	235,282	237,450	239,706	241,720	243,561	245,268	246,922	248,521
Deposits	-	1,632	2,146	2,168	2,256	2,013	1,841	1,707	1,654	1,599	1,553
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	163,913	233,136	235,282	237,450	239,706	241,720	243,561	245,268	246,922	248,521	250,075
Belvedere Hall Fund											
Opening Balance	2,093	3,183	3,206	3,235	3,265	3,296	3,324	3,349	3,372	3,395	3,417
Deposits	-	22	30	30	31	28	25	23	23	22	21
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	2,093	3,206	3,235	3,265	3,296	3,324	3,349	3,372	3,395	3,417	3,439
Waingawa Industrial Zone Services Deficit Fund											
Opening Balance	40,466	42,568	42,868	43,262	43,661	44,076	44,446	44,785	45,098	45,403	45,697
Deposits	-	300	395	399	415	370	339	314	304	294	286
Withdrawals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	40,466	42,868	43,262	43,661	44,076	44,446	44,785	45,098	45,403	45,697	45,982
Special Funds Reserves - Summary											
Opening Balance	4,682,062	5,500,007	4,381,238	4,619,382	4,944,858	6,134,172	7,377,408	8,676,012	9,729,311	10,848,119	11,974,294
Deposits	437,259	709,981	749,304	820,763	1,422,836	1,473,115	1,522,318	1,302,914	1,352,676	1,402,610	1,165,133
Withdrawals	(300,600)	(1,828,750)	(511,160)	(495,287)	(233,521)	(229,879)	(223,714)	(249,615)	(233,868)	(276,435)	(306,252)
Closing Balance	4,818,721	4,381,238	4,619,382	4,944,858	6,134,172	7,377,408	8,676,012	9,729,311	10,848,119	11,974,294	12,833,175



Funding impact statement

The revenue and financing mechanisms to be used to cover the estimated expenses of the Council are covered in the Revenue and Financing Policy.

The method and impact of both general and targeted rates is covered in the 'Rating System' section that follows.

Definition of 'separately used or inhabited part of a rating unit'

Any part of a rating unit separately used or inhabited by the owner or any other who has the right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement.

Rating system

Introduction

Clause 20 of Schedule 10 of the Local Government Act 2002 requires a funding impact statement for the year to which the annual plan relates.

A funding impact statement table is presented on page 118, which identifies:

- the sources of funding to be used by the Council
- the amount of funds expected to be produced from each source
- how the funds are to be applied.

If the sources of funding include a general rate, the funding impact statement must:

- include particulars of the valuation system on which the general rate is to be assessed, eg land, annual, or capital value.
- state whether a uniform annual general charge is to be included and, if so, how the charge is to be calculated and the Council's definition of a separately used or inhabited part of a rating unit if the charge is to be calculated on that basis.

- state whether the general rate is to be set differentially and, if so, state the category or categories that will be used for differentiating the general rate within the meaning of Section 14 of the Local Government (Rating) Act 2002 and the objectives of the differential rate in terms of the total revenue sought from each category of rateable land or the relationship between the rates set on rateable land in each category.

If the sources of funding include a targeted rate, the funding impact statement must:

- specify the activity or groups of activities for which a targeted rate will be set
- specify any category or categories of rateable land that will be used to set a targeted rate on a differential basis or determine whether a property will be liable for a targeted rate
- state any factor or factors that will be used to calculate liability for a targeted rate
- state the Council's definition of a separately used or inhabited part of a rating unit if the rate is to be calculated on that basis
- state the total revenue sought from each category of rateable land or the relationship between the rates set on rateable land in each category if the targeted rate is to be set differentially
- state whether lump sum contributions will be invited in respect of the targeted rate
- state the basis for setting charges for water supply if it is to be by volume of water consumed, eg as a fixed charge per unit of water consumed or supplied or according to a scale of charges.

General rates

The Council proposes to set a general rate based on the capital value of each rating unit in the District.

The general rate will be set on a differential basis over three rating categories as follows:

General rates—differential factor	
Residential	1.0
Commercial	2.0
Rural	0.8

where—



- Residential means
 - all rating units used primarily for residential purposes within the residential zone of the Carterton District as depicted in the District Plan.
 - all rating units located in the commercial and industrial zones of Carterton District, as depicted in the District Plan, that are used primarily for residential purposes.
 - all rating units associated with utility services (water, telecommunications, etc) that are located in the urban area.
- Commercial means
 - all rating units in the commercial zone of Carterton District, including the Carterton Character Area, as depicted in the District Plan, and all rating units outside the said commercial zone that have existing use rights or resource consent to undertake commercial land use activities under the Resource Management Act 2001
 - all rating units in the industrial zone of Carterton District, as depicted in the District Plan, and all rating units outside the said industrial zone that have existing use rights or resource consent to carry out industrial land use activities under the Resource Management Act 1991.
- Rural means
 - all rating units within the rural zone of Carterton District, as depicted in the District Plan, but excluding those rating units that hold and are exercising existing use rights or resource consent to carry out commercial or industrial land use activities under the Resource Management Act 1991
 - all rating units associated with utility services (water, telecommunications, etc) that are located in the rural area.

Uniform Annual General Charge

The Council proposes to set a Uniform Annual General Charge on each rating unit in the District to fully fund Governance activities and to fund Community Support activities up to the maximum possible under section 21 of the Local Government (Rating) Act 2002.

The Uniform Annual General Charge is calculated as one fixed amount per rating unit.

Targeted rates

Regulatory and planning service rate

The Council proposes to set a regulatory and planning service rate for regulatory, resource management, and district planning services on every rating unit in the District, calculated on capital value.

Urban sewerage rate

The Council proposes to set a differential targeted rate for the Council's urban sewerage and treatment and disposal of sewage services of a fixed amount per separately used or inhabited part of a rating unit in relation to all land in the district to which the Council's urban sewerage service is provided or available.

The rate applied is as follows:

- a charge per separately used or inhabited part of a rating unit that is able to be connected
 - a charge per separately used or inhabited part of a rating unit connected
- The Council also proposes to set a rate (pan charge) per water closet or urinal within each separately used or inhabited part of a rating unit after the first one for rating units with more than one water closet or urinal.

For the purposes of this rate:

- 'connected' means the rating unit is connected to the Council's urban sewerage service.
- 'able to be connected' means the rating unit is not connected to the Council's urban sewerage drain but is within 30 metres of such a drain.
- a separately used or inhabited part of a rating unit used primarily as a residence for one household is treated as not having more than one water closet or urinal.

Waingawa sewerage rate

The Council proposes to charge a targeted rate of a fixed amount on every separately used or inhabited part of a rating unit that is connected to the Waingawa sewerage service.



Additionally, the Council proposes to set a differential targeted rate based on capital value on all properties connected or able to be connected to the Waingawa sewerage service. The rate will be set on a differential basis over two rating categories:

- all rating units located in the Waingawa industrial zone of Carterton District, as depicted in the District Plan, that are used primarily for residential purposes.
- all other rating units in the Waingawa industrial zone of Carterton District.

For the purposes of this rate:

- ‘connected’ means a rating unit that is connected to the reticulated sewerage service
- ‘able to be connected’ means a rating unit that can be connected to the sewerage service, but is not, and is a property situated within 30 metres of such a drain.

The purpose of this rate is to fund the operation and maintenance of the Waingawa sewerage service.

Stormwater rate

The Council proposes to set a stormwater rate on all rating units within the urban area and is calculated on land value. For the purposes of this rate the ‘urban area’ includes rating units:

- within the residential zone of the Carterton District as depicted in the District Plan.
- adjacent to the residential zone where stormwater from the property drains to the Council’s urban stormwater system.

Refuse collection and kerbside recycling rate

The Council proposes to set a refuse collection and kerbside recycling rate for kerbside refuse and recycling collection on every separately used or inhabited part of a rating unit to which the Council’s collection service is provided or available.

Urban water rate

The Council proposes to charge a targeted urban water rate of a fixed amount on every separately used or inhabited part of a rating unit that has been fitted with a water meter or meters and is connected to the Council’s urban water supply system.

Additionally, the Council proposes to charge a targeted metered water rate per cubic metre of water supplied, as measured by meter, for water consumed over 225 cubic metres per year. This rate will be invoiced separately from land rates.

The Council proposes to charge a targeted urban water rate of a fixed amount per separately used or inhabited part of a rating unit for rating units that are not yet connected but are able to be connected to the urban water supply.

For the purposes of this rate:

- ‘connected’ means a rating unit to which water is supplied
- ‘able to be connected’ means a rating unit to which water can be, but is not, supplied being a property situated within 100 metres of the water supply.

The purpose of this rate is to fund the operation and maintenance of the urban water supply.

Rural water race rate

Carterton Water Race Systems

The Council proposes to charge a single targeted rate on a differential basis, calculated on land area, on rating units within both the Carrington and Taratahi water race system classified areas as follows:

- Class A land area 200 metres either side of the centreline of the water race
- Class B land area from 200 to 500 metres either side of the centreline of the water race
- Class C land area able to be irrigated from water drawn from natural watercourses fed from the Carrington Water Race System, calculated from conditions of the applicable resource consent.

Additionally, the Council proposes to set a rural water services rate on every rating unit situated in both the Carrington and Taratahi Water Race Classified Areas for provision of the service. The amount is a rate per rating unit. For the purposes of this rate ‘provision of the service’ means the provision of water for stock or domestic use, including where:

- the water race channel passes over the ratepayer’s property
- the water race is piped through the ratepayer’s property
- water is extracted from the water race on a neighbouring property.



Waingawa water rate

The Council proposes to charge a targeted rate of a fixed amount on every separately used or inhabited part of a rating unit that has been fitted with a water meter or meters and is connected to the Waingawa Water Supply service.

Additionally, the Council proposes to charge a targeted rate per cubic meter of water supplied, as measured by meter. This rate will be invoiced separately from other rates.

Examples—some examples are provided below of the general and targeted rates for a range of rateable land types and property values.

Example properties		capital value	land value	water over allowance	rates total	rates %	rates \$
rating category	features	\$	\$	cubic metres	\$	increase	increase
Residential	low value	325,000	185,000	-	\$ 3,458.65	9.0%	\$ 286.83
Residential	medium value	530,000	190,000	15	\$ 3,839.38	5.4%	\$ 197.31
Residential	high value	650,000	240,000	50	\$ 4,133.57	3.6%	\$ 144.04
Commercial	2 toilets	600,000	438,000	100	\$ 6,067.35	3.0%	\$ 178.50
Commercial - rural	water and sewerage connected	283,000	na	na	\$ 4,449.26	10.4%	\$ 419.71
Rural 1	no water race	7,160,000	na	na	\$ 10,966.74	-4.3%	-\$ 495.49
Rural 2	no water race	2,070,000	na	na	\$ 3,914.38	-8.9%	-\$ 384.65
Rural - residential less than 0.75 hectares	no water race	510,000	na	na	\$ 1,752.95	4.4%	\$ 74.14
Rural - lifestyle	no water race	970,000	na	na	\$ 2,390.29	-2.5%	-\$ 61.38
Rural - Taratahi - single water race	120 hectares serviced by water race	4,410,000	na	na	\$ 12,131.11	8.8%	\$ 982.57
Rural - Carrington - single water race	5.45 hectares serviced by water race	910,000	na	na	\$ 3,084.80	10.1%	\$ 283.57

For the purposes of this rate:

- ‘connected’ means a rating unit to which water is supplied.

The purpose of this rate is to fund the operation and maintenance of the Waingawa Water Supply service.





			multiplier		GST inclusive
Residential					
General-residential	Capital value	325,000	x	0.0016673	= 541.86
Uniform Annual General Charge					1,046.32
Regulatory and planning services	Capital value	325,000	x	0.0000517	= 16.81
Urban sewerage					821.85
Stormwater	Land value	185,000	x	0.0005683	= 105.14
Refuse collection and kerbside recycling					125.74
Urban water-connection					800.93
Metered water	Cubic metres over 225	-	x	\$1.70	= -
Total					3,458.65

			multiplier		GST inclusive
Residential					
General-residential	Capital value	530,000	x	0.0016673	= 883.65
Uniform Annual General Charge					1,046.32
Regulatory and planning services	Capital value	530,000	x	0.0000517	= 27.41
Urban sewerage					821.85
Stormwater	Land value	190,000	x	0.0005683	= 107.98
Refuse collection and kerbside recycling					125.74
Urban water-connection					800.93
Metered water	Cubic metres over 225	15	x	\$1.70	= 25.50
Total					3,839.38

			multiplier		GST inclusive
Residential					
General-residential	Capital value	650,000	x	0.0016673	= 1,083.73
Uniform Annual General Charge					1,046.32
Regulatory and planning services	Capital value	650,000	x	0.0000517	= 33.62
Urban sewerage					821.85
Stormwater	Land value	240,000	x	0.0005683	= 136.39
Refuse collection and kerbside recycling					125.74
Urban water-connection					800.93
Metered water	Cubic metres over 225	50	x	\$1.70	= 85.00
Total					4,133.57

			multiplier		GST inclusive
Commercial					
General-commercial	Capital value	600,000	x	0.0033345	= 2,000.72
Uniform Annual General Charge					1,046.32
Regulatory and planning services	Capital value	600,000	x	0.0000517	= 31.03
Urban sewerage	No. pans	2	x	\$821.85	= 1,643.69
Stormwater	Land value	438,000	x	0.0005683	= 248.92
Refuse collection and kerbside recycling					125.74
Urban water-connection					800.93
Metered water	Cubic metres over 225	100	x	\$1.70	= 170.00
Total					6,067.35

			multiplier		GST inclusive
Commercial - rural					
General-commercial	Capital value	283,000	x	0.0033345	= 943.67
Uniform Annual General Charge					1,046.32
Regulatory and planning services	Capital value	283,000	x	0.0000517	= 14.64
Urban sewerage	No. pans	2	x	\$821.85	= 1,643.69
Stormwater	Land value	N/A rural	x	0.0005683	= -
Refuse collection and kerbside recycling					N/A rural
Urban water-connection					800.93
Metered water	Cubic metres over 225	-	x	\$1.70	= -
Total					4,449.26

			multiplier		GST inclusive
Rural 1					
General-rural	Capital value	7,160,000	x	0.0013338	= 9,550.12
Uniform Annual General Charge					1,046.32
Regulatory and planning services	Capital value	7,160,000	x	0.0000517	= 370.30
Total					10,966.74

			multiplier		GST inclusive
Rural 2					
General-rural	Capital value	2,070,000	x	0.0013338	= 2,761.00
Uniform Annual General Charge					1,046.32
Regulatory and planning services	Capital value	2,070,000	x	0.0000517	= 107.06
Total					3,914.38

			multiplier		GST inclusive
Rural - residential less than 0.75 hectares					
General-rural	Capital value	510,000	x	0.0013338	= 680.25
Uniform Annual General Charge					1,046.32
Regulatory and planning services	Capital value	510,000	x	0.0000517	= 26.38
Total					1,752.95

			multiplier		GST inclusive
Rural - lifestyle					
General-rural	Capital value	970,000	x	0.0013338	= 1,293.80
Uniform Annual General Charge					1,046.32
Regulatory and planning services	Capital value	970,000	x	0.0000517	= 50.17
Total					2,390.29

			multiplier		GST inclusive
Rural - Taratahi					
General-rural	Capital value	4,410,000	x	0.0013338	= 5,882.13
Uniform Annual General Charge					1,046.32
Regulatory and planning services	Capital value	4,410,000	x	0.0000517	= 228.08

			multiplier		GST inclusive
Single water race					
Class A	Hectares	1	x	\$487.50	= 487.50
Class B	Hectares	65.9000	x	\$57.28413	= 3,775.02
Class C	Hectares	54.1000	x	\$13.16190	= 712.06
Class C	Hectares	-	x	\$341.81879	= -
Total					12,131.11

			multiplier		GST inclusive
Rural - Carrington					
General-rural	Capital value	910,000	x	0.0013338	= 1,213.77
Uniform Annual General Charge					1,046.32
Regulatory and planning services	Capital value	910,000	x	0.0000517	= 47.06

			multiplier		GST inclusive
Single water race					
Class A	Hectares	1	x	\$487.50	= 487.50
Class B	Hectares	4.9500	x	\$57.28413	= 283.56
Class B	Hectares	0.5000	x	\$13.16190	= 6.58
Class C	Hectares	-	x	\$341.81879	= -
Total					3,084.80



Rates and charges 2021/22

The following rates and charges should be read in conjunction with the funding impact statement on the previous pages.

	GST inclusive	Rates required
	2021/22	\$ incl GST
General rates—differential factor		
Residential	1.00	
Commercial	2.00	
Rural	0.80	
General rates—capital value		
Residential	0.16673 cents in the \$	\$2,142,856
Commercial	0.33345 cents in the \$	\$422,244
Rural	0.13338 cents in the \$	\$3,006,174
Uniform Annual General Charge	\$1,046.32	\$4,756,592
Regulatory and planning services—capital value	0.00517 cents in the \$	\$190,013
Urban sewerage		
Connected	\$821.85	\$2,352,123
Able to be connected (half charge)	\$410.92	\$41,503
Pan charge	\$821.85	\$112,593
Waingawa sewerage—capital value		
Connected	\$257.50	\$3,863
Connected or able to be connected commercial properties in the Waingawa industrial zone	0.32469 cents in the \$	\$116,259
Connected or able to be connected residential properties in the Waingawa industrial zone	0.16235 cents in the \$	-

Stormwater—land value	0.05683 cents in the \$	\$304,088
Refuse collection and kerbside recycling	\$125.74	\$344,138
Urban water		
Connected	\$800.93	\$2,316,299
Able to be connected	\$400.47	\$39,646
Metered water in excess of 225 cubic metres	\$ 1.70/cubic metre	\$70,150
Rural water rate		
Rural water services rate	\$487.50	\$248,139
Class A	\$ 57.28413 per ha	\$431,829
Class B	\$ 13.1619 per ha	\$43,845
Class C	\$ 341.81879 per ha	\$136,386
Waingawa water		
Connected	\$195.28	\$10,350
Metered water	\$ 2.73/cubic metre	\$241,500