



Kaipara te Oranganui

**KAIPARA
DISTRICT**

Two Oceans Two Harbours

Long Term Plan

December schedule update for the LTP 2021/2031

Schedule

Phase three and four

Phase three –Mid 2020

April

- Prepare engagement strategy ✓
- Activity review (Session 1)✓
- LoS review/ Performance Measures ✓
- Infrastructure Strategy ✓
- Policy review ✓
 - Ratings
 - Revenue and Financing
 - Significance and Engagement

May

- Maori contribution to decision making ✓
- Strategic Assets ✓
- Revenue and Financing Policy ✓
- Growth Assumptions ✓
- ~~Engagement concepts –Deferred June~~
- ~~Remission Policies –Deferred Aug~~
- ~~Financial Strategy –Deferred July~~

June

- Asset Management Plans (AMPs) including priorities✓
- S&E Policy ✓
- Climate Change ✓
- Engagement concepts ✓

Phase four – Late 2020

July

- Activity profiles (Session 2) ✓
- Infrastructure projects / AMPs ✓
- Financial Strategy ✓
- Treasury policy ✓ *(Seen by ARF – Proposed adoption at August Meeting)*
- ~~Remissions Policies ✓ –(Deferred to September)~~
- ~~Significant Forecasting Assumptions ✓ –(Deferred to October)~~

August

- Council workshop – Direction and priorities (New)
- ~~Draft Infrastructure strategy ✓ –(Deferred to September)~~
- ~~Activity Profiles (Session 3 –additional) ✓ –(Deferred to September)~~

Schedule

Phase three and four

September

- Activity Profiles (Session 4 -additional) ✓
- AMPs/ Infrastructure Strategy ✓
- ~~Financial Strategy—Final~~ (Deferred to October)
- ~~Revenue and Financial Policy—Final~~ (Deferred)
- ~~Remissions Policies~~ (Deferred to October)
- Comms update ✓
- Climate change ✓

October

- CD concepts ✓
- Financial forecasts ✓
- Rating – How we rate ✓
- Remissions policies ✓
- Civic Building Strategy ✓
- CDEM ✓

November

- Dargaville Precinct ✓
- Pre engagement results and consultation dates ✓
- Infrastructure Strategy update ✓
- Water storage options ✓
- Financials V2 ✓
- Significance and Engagement policy for adoption (Council Meeting) ✓

December

- CD draft and engagement information ✓
- FC Policy (moved from Sept) ✓
- Remissions policies ✓
- R&F Policy ✓
- Mangawhai buildings ✓
- Activity profile update ✓
- Significant Forecasting Assumptions draft ✓
- Financial Strategy draft ✓

Phase five –Early 2021

January

- Audit CD, finances and source documents
- DC Policy (moved from Dec)
- Financial Strategy (moved from Dec)
- QV presentation
- Circulate draft copy of CD and provide briefing update

February

- Final draft CD
- Review financial forecasts and statements
- Review source documents
- Adopt source documents (Council Meeting)
- Adopt CD for consultation (Council Meeting)

March

- Formal public consultation

Schedule

April

- Submissions and Hearings
- Issues and Options papers - briefing

Phase six –Mid 2021

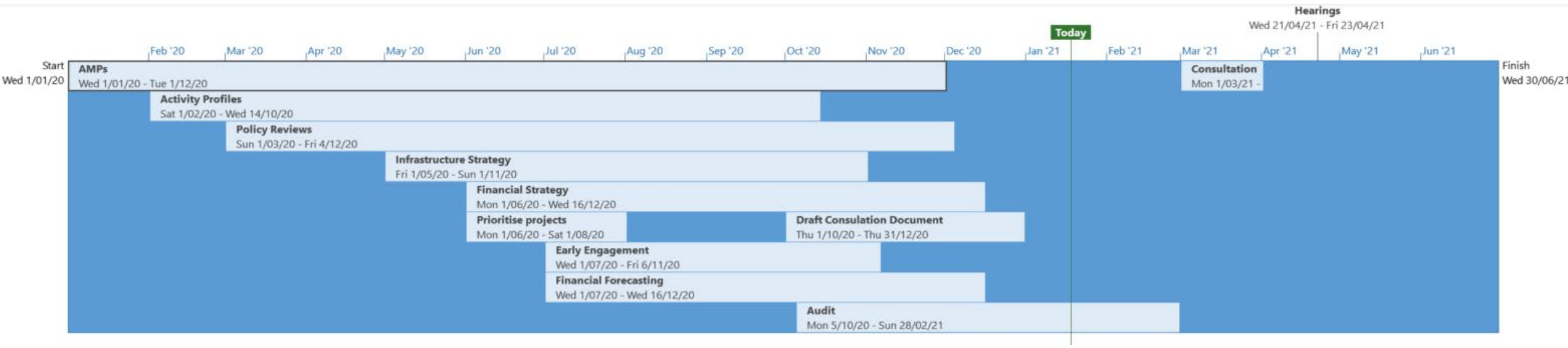
May

- Review budgets and update from consultation
- Deliberation Meeting
- Audit

June

- Final LTP adopted (Council Meeting)

Timeline



Source Documents

Documents	Reviewed
Infrastructure Strategy	Y
Financial Strategy	Y
AMPs	Y
Activity Profiles	Y
R&F Policy	Y - Adopted
Remissions Policy	Y - Adopted
Treasury Policy	Y - Adopted
S&E Policy	Y - Adopted
Significant Forecasting Assumptions	Y
FIS and Prospective Financial Statements	February
DC Policy	January
FC Policy	Y
Environmental scan	Y - Adopted



Any Questions?

Long Term Plan Schedule 2021/2031



Thank You

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Kaipara District Council





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LTP Briefing - Jan 21

Capital Programme

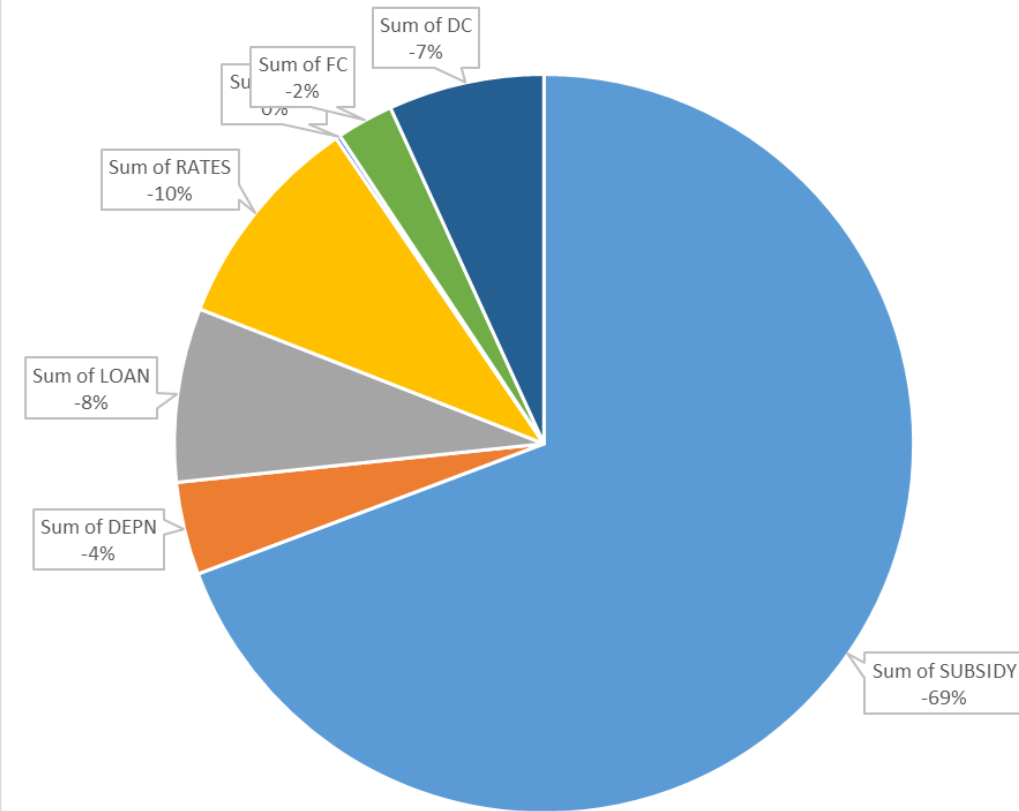
LTP Capital Programme Update January 2021

Purpose

- To highlight key changes to the proposed LTP Capital Programme

Key Points

- Ten year programme reduced from \$380m to \$356m
 - Centralized recycling center removed but composting facility remains
 - No premier parks funding for three years
 - Reduction in the number of growth projects
 - Dargaville Water Security reduced by \$2m
- High levels of external funding to be spent in year 1
 - \$18m carry over into year 1
 - 70% funding is subsidized
- Projects included since last briefing
 - Mangawhai Wastewater System – ‘Road Map to Reuse’
 - Extend Dargaville Wastewater System (Station Road & Spring Street)



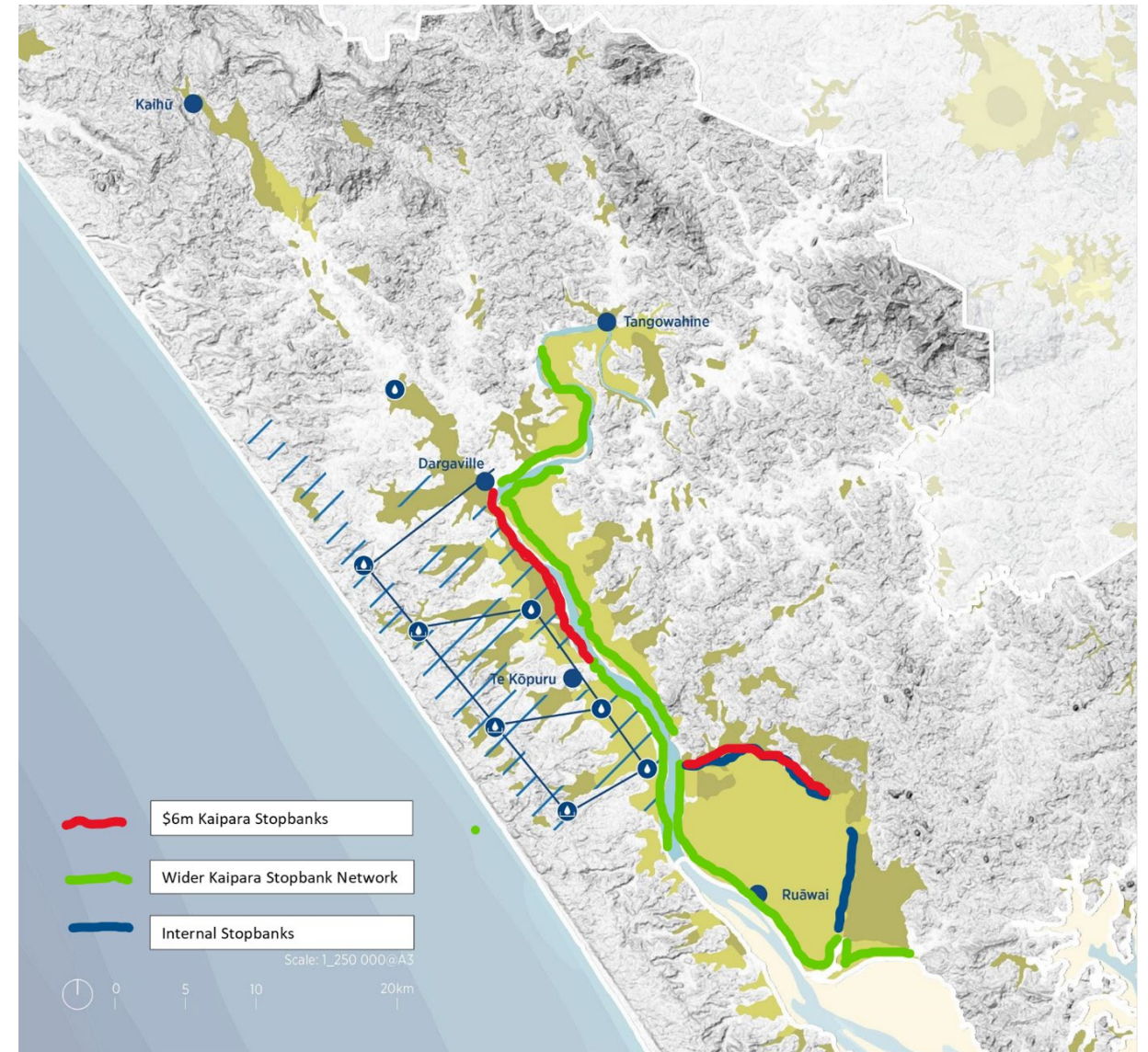
Stopbank improvements

\$6m Funding application for Stopbanks is with MBIE and will be considered this year.

Dargaville to TK section aligns with water storage and will protect land and access

Raupo section includes a gate and will remove the need to protect 30km of inland stopbanks

LTP Impact - \$6m however this is fully subsidized (if funded) and therefore no rates impact



Extend Dargaville Waste Water System

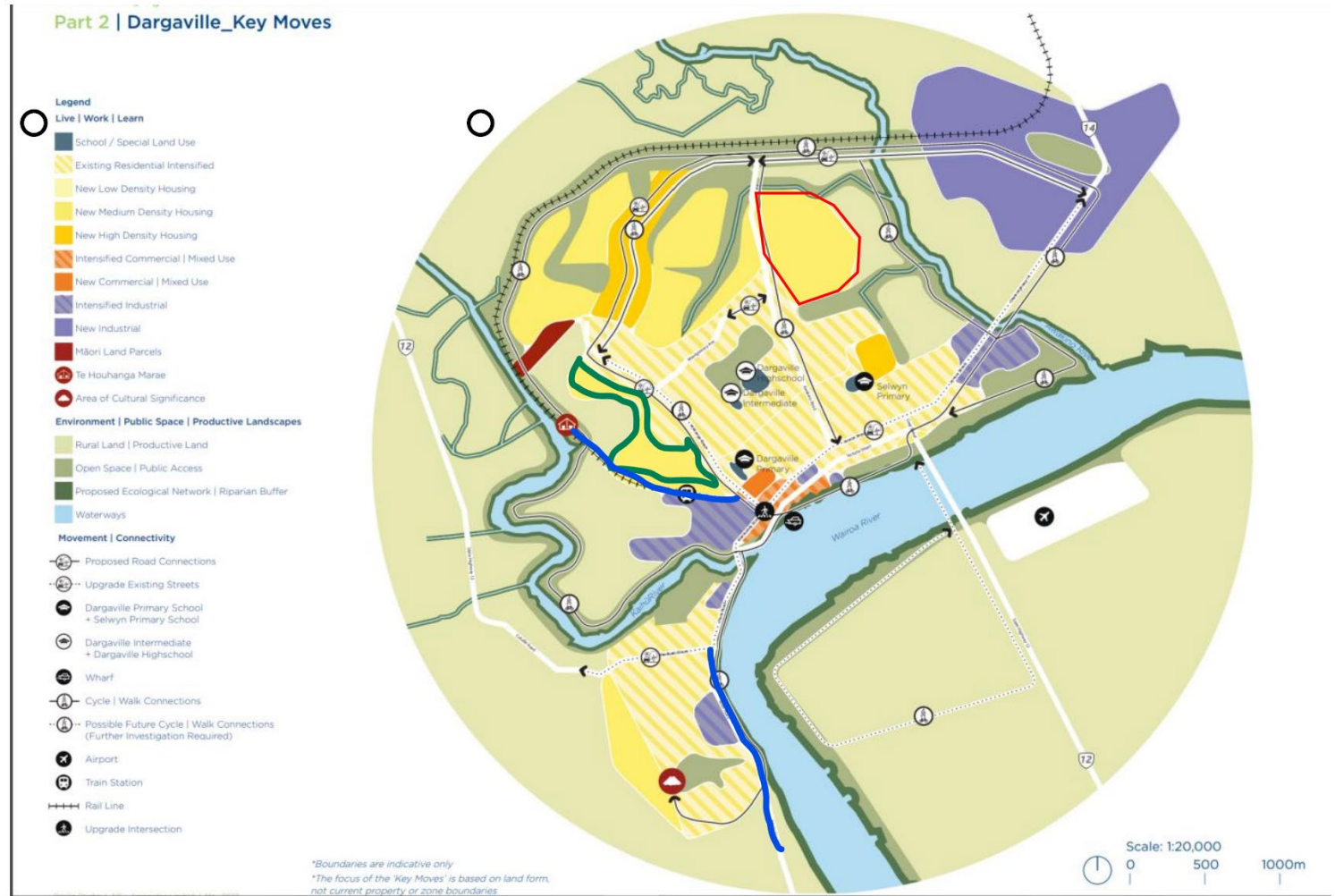
Opportunity to address existing environmental issues and increase growth potential

Council supports extending system to Spring Street

Station Road extension will allow existing Marae and properties to connect as well as growth area (green).

Connection charges based on DC

LTP Impact – Additional \$400k in year 1 (includes development contributions)





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Financial Strategy

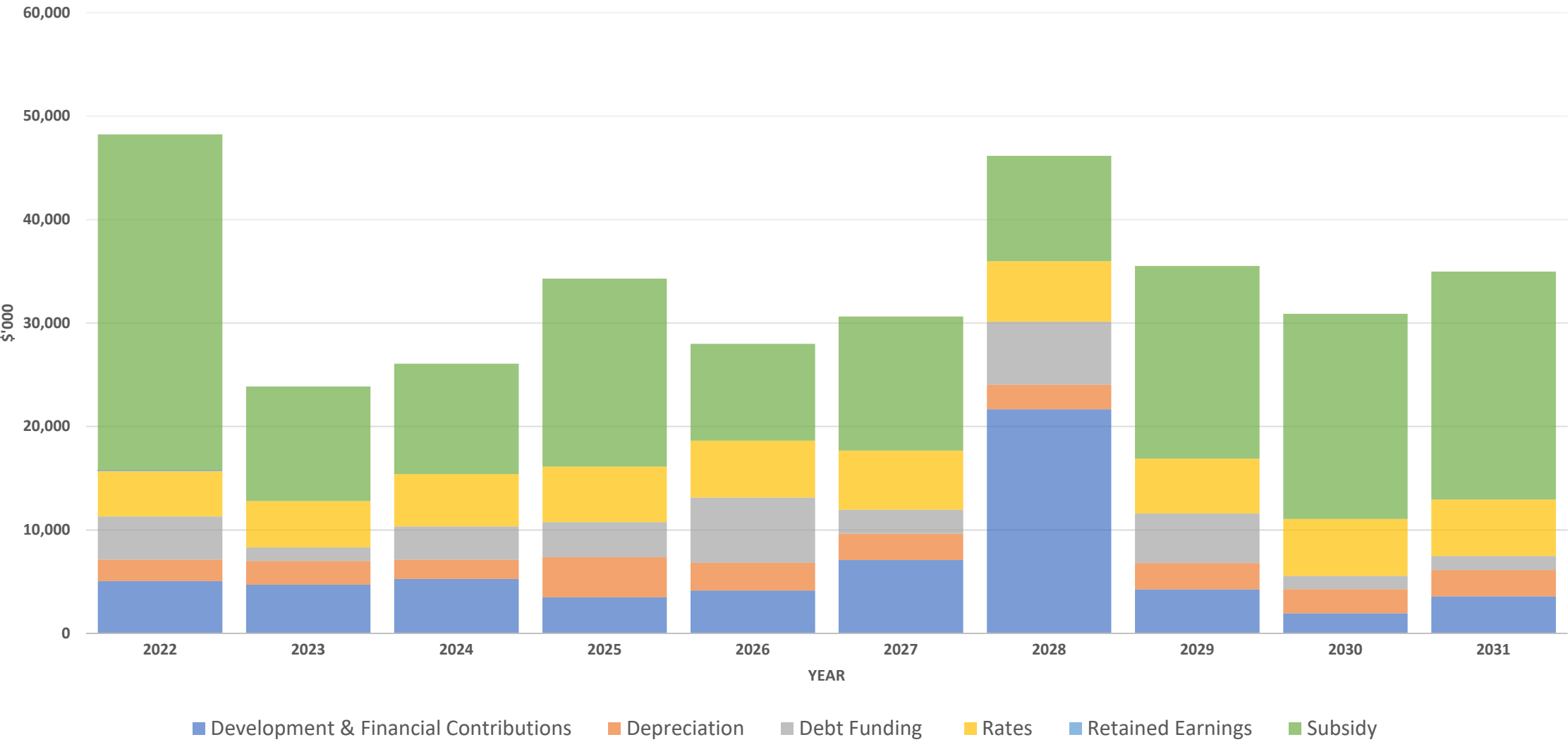
LTP Briefing – Wednesday, 20 January 2021

KEY POINTS OF THE FINANCIAL STRATEGY 2021-2031

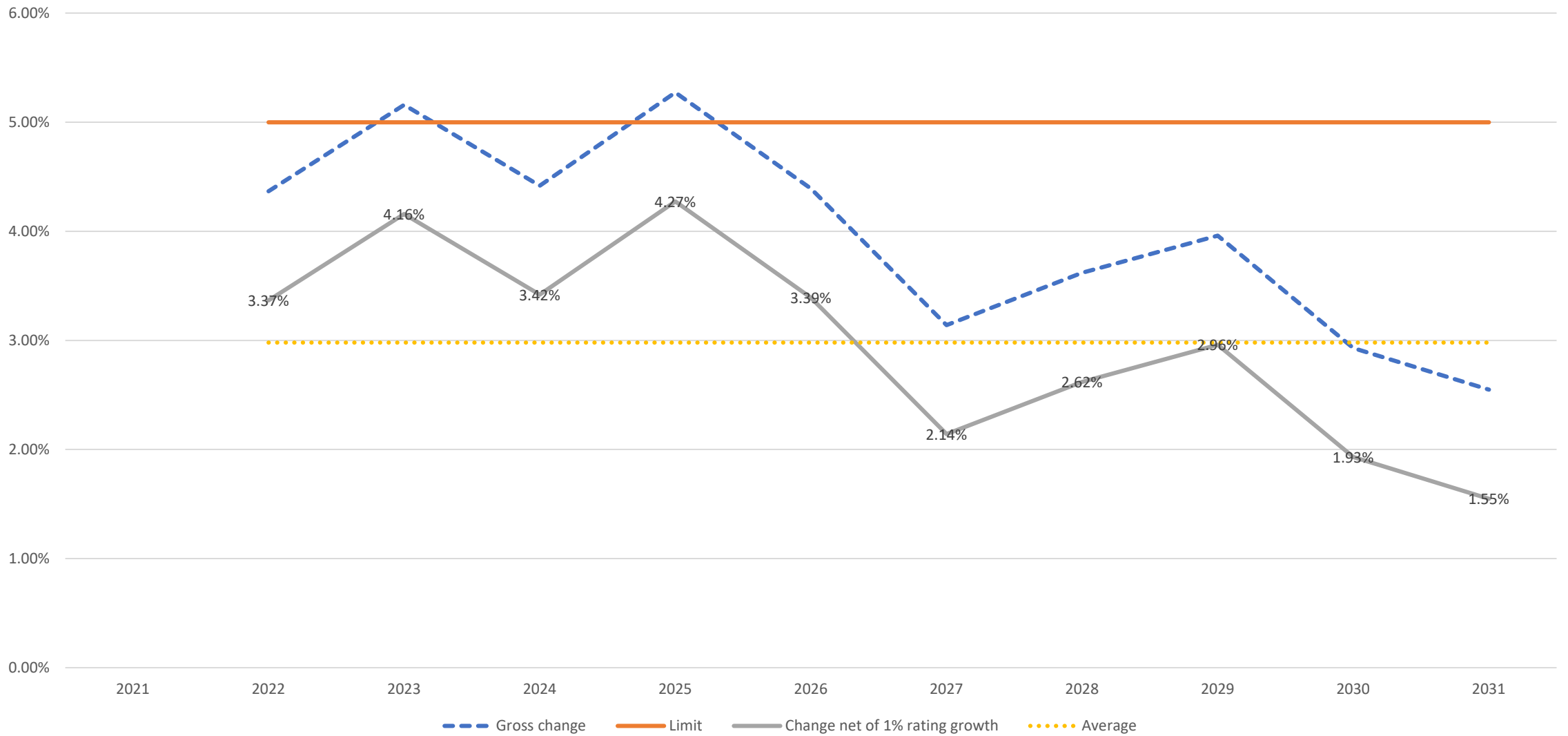
The financial strategy aims:

- To maintain a balanced budget.
- To balance affordability with financial prudence (Rates increases are no higher than an average 5% over the life of LTP (General and Targeted) after allowing for an allowance for annual growth in rateable properties (water by the meter is excluded from this calculation).
- To manage debt to achieve intergenerational equity.
- To have net external debt capped at \$60 million.
- To ensure increased funding of depreciation of all assets with the exception of transportation assets to 100% so that renewals can be funded.
- To maintain and provide for renewal of our existing assets is an important focus of our Infrastructure strategy and this is likely to result in higher rates in the early years of this LTP to get to the correct base level of expenditure.
- To ensure Development Contributions are set to recover the cost of growth.
- To use other sources of revenue to fund projects. There are many projects that are budgeted to be funded by grants, subsidies and financial contributions.

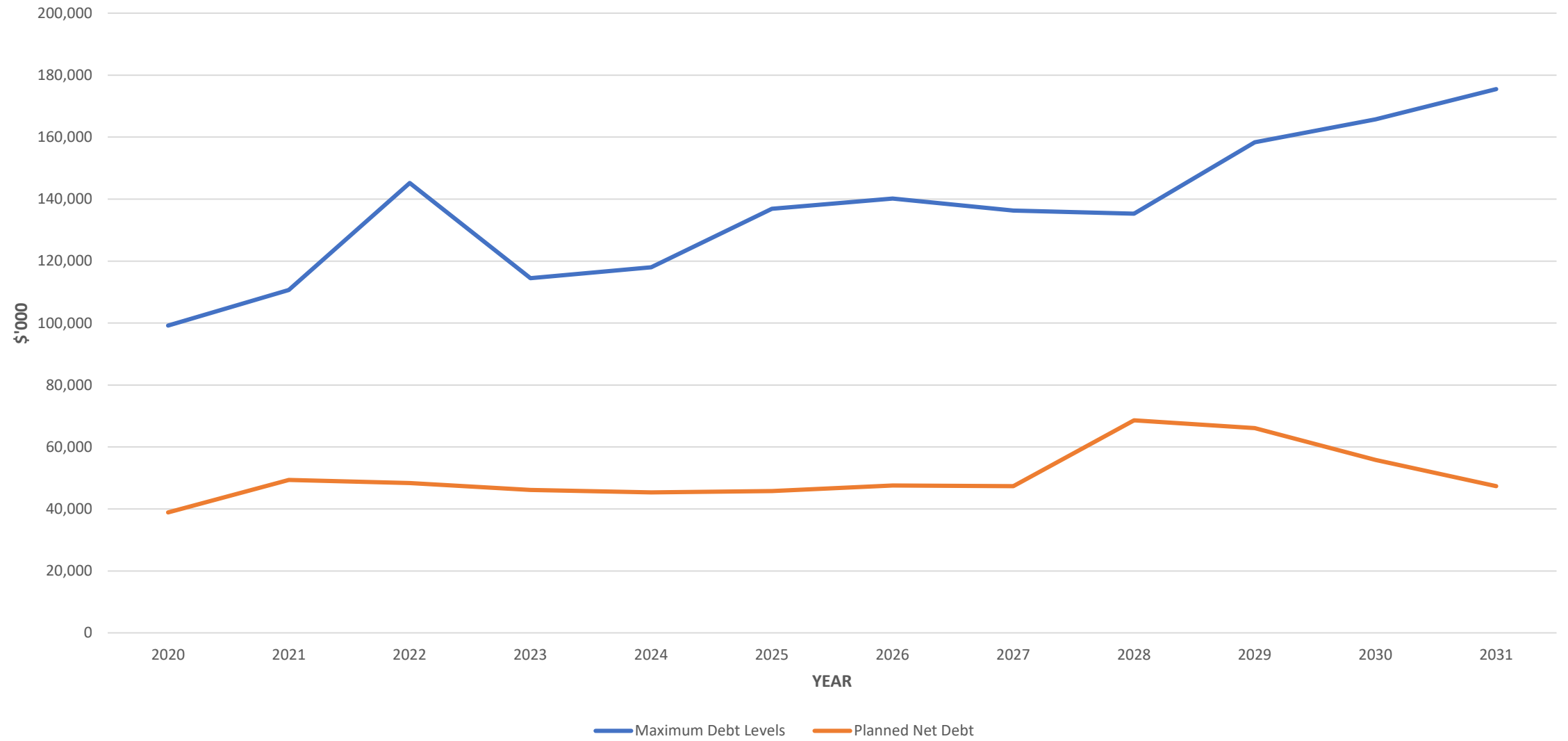
FUNDING OF FORECAST CAPITAL EXPENDITURE



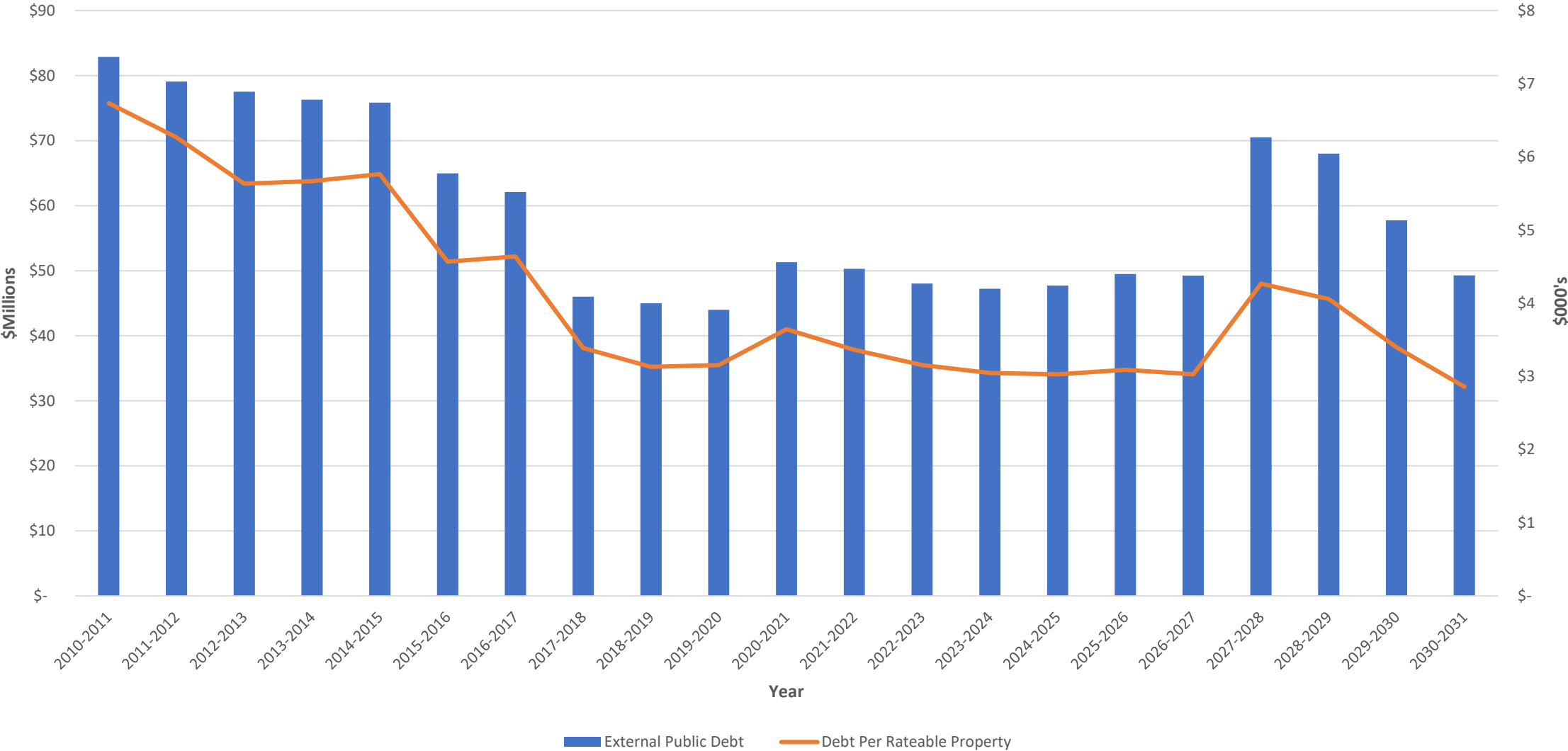
Rates percentage increases



Limits on Borrowing



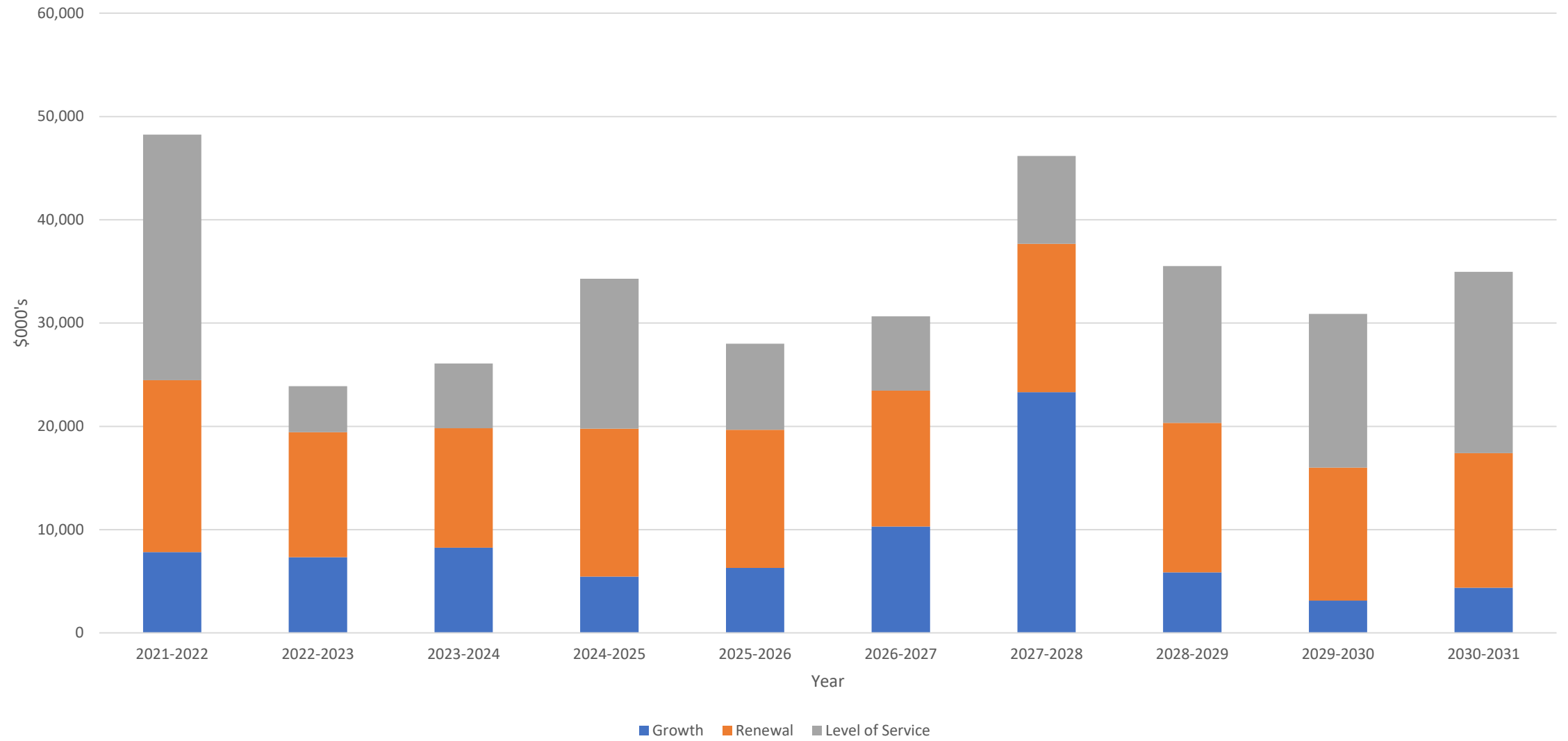
Public Debt Per Rateable Property



Annual Population growth forecasts 2021-2031

Area	Forecast Population 2026	Years 1-5 Growth	Forecast Population 2031	Years 6-10 Growth
Dargaville	5,540	1.48%	5,764	0.8%
Kaiwaka	2,403	1.45%	2,520	0.9%
Mangawhai	7,630	4.63%	9,040	3.4%
Maungaturoto	1,459	1.85%	1,539	1.0%
Ruawai/ Matakohe	2490	0.1%	2,474	-0.1%
Rest of District	7,317	-0.01%	7,187	-0.36%
Kaipara District Total	26,839	1.76%	28,524	1.23%

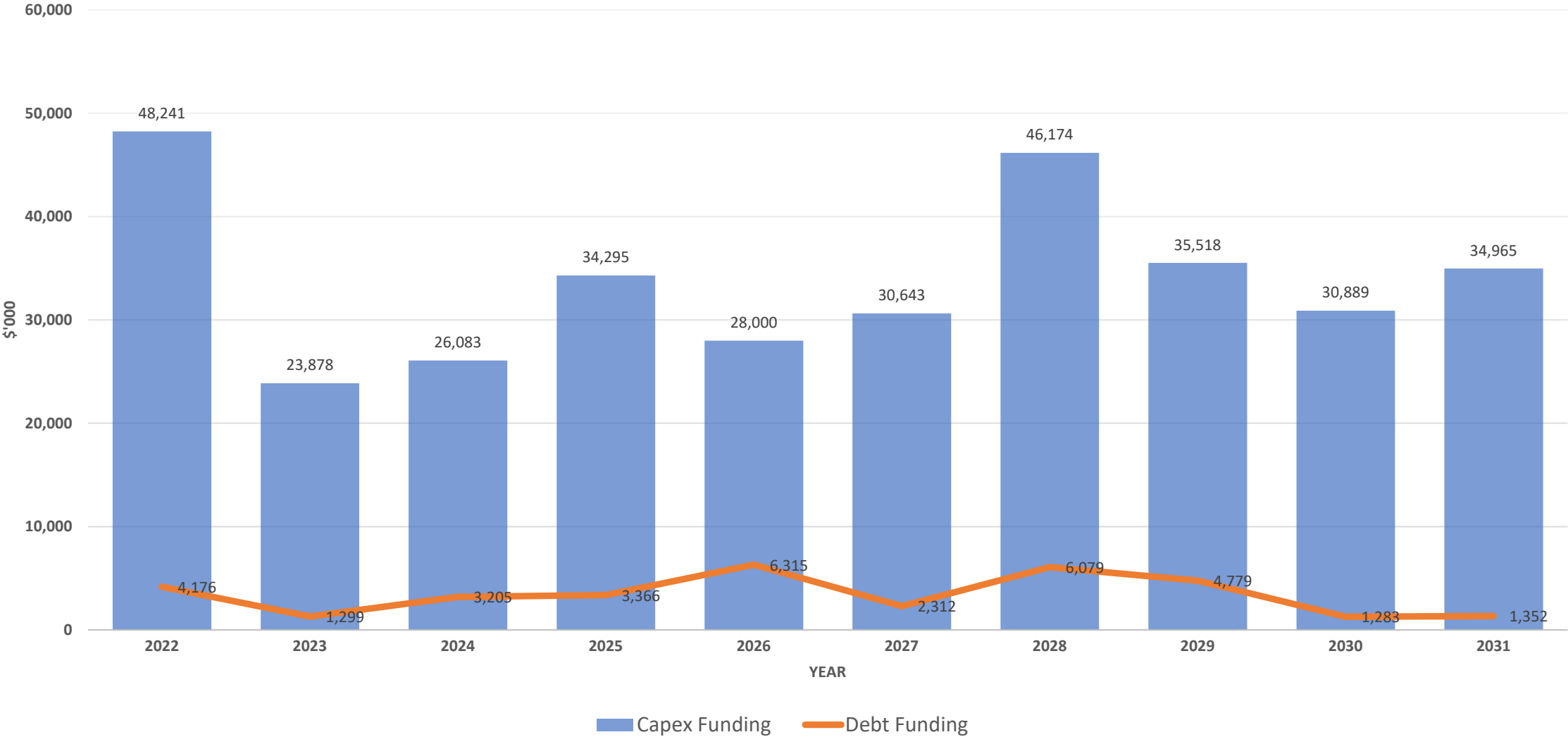
FORECAST CAPITAL EXPENDITURE



Unfunded depreciation (\$000's)

	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
Wastewater	490	307	214	111						
Stormwater	124									
Water Supply	66									
Total	\$680	\$307	\$214	\$111						

FORECAST CAPITAL EXPENDITURE



ANTICIPATED CLIMATE-RELATED FINANCIAL RISKS

Some climate-related financial risks we anticipate, and will work to better understand over the upcoming years, include:

- Increase costs to maintain, repair and/or improve infrastructure assets;
- Increased costs for low emissions, adaptive design/locations for asset renewals;
- Likely increase costs of insurance and impacts on insurance availability for exposed assets;
- Impacts on property value, costs to rate payers for maintenance, repair and protection;
- Impacts on rate affordability, lower rates revenue, and/or decreased development contributions revenue;
- Liability and litigation costs due to lack of decisive action from Council or due to resistance to required adaptation changes;
- Impacts on carbon-intensive Council activities and increased resources to reporting on and reducing emissions to meet anticipated national carbon budgets and targets;
- Increase costs of carbon and increased costs to offset emissions;
- Regulatory pressure and compliance.