



*Kaipara te Oranganui*

**KAIPARA  
DISTRICT**

*Two Oceans Two Harbours*

**Kaipara Kaunihera  
Pōti Rīpoata 2022**

**Kaipara District Council  
Pre-Election Report 2022**

*Kōrero hirahira mā ngā kaipōti me ngā kaitono*

*Important information for voters and potential candidates*



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## He aha he pōti rīpoata?

### What is a pre-election report?

A pre-election report is a legislative requirement of the Local Government Act 2002, which the Chief Executive of each council must prepare independently of their Mayor and Councillors.

Whether you are standing for Kaipara District Council, or preparing to vote, there are important things to consider ahead of this year's local government elections.

This report focuses on the challenges and opportunities that will need to be considered in

the next Council term and provides information on major projects scheduled in the next three years. It also outlines the Council's financial position.

Most of the financial information is taken from our audited documents including our Long Term Plan 2021-2031 and our Annual Reports. All of these documents, along with our Annual Plans, can be found on our website [www.kaipara.govt.nz](http://www.kaipara.govt.nz)

## Ngā rā hirahira 2022 pōti Key dates 2022 elections



**Nominations period 15 July – 12 August**

**Candidates announced 17 August**

**Voting packs delivered from 16 September**

**Voting closes at 12 noon 8 October**

**Official results announced 13 – 19 October**



Tēnā koutou,

This is the Kaipara District Council Pre-Election Report. Reading the report will support you to have informed discussions about what's going on within Council and the area.

Every three years, you, the community of Kaipara, have the right to elect the leaders of this district – the Mayor and Councillors. They will represent you, and the diverse Kaipara community, in the decisions they make around the Council table. The election process gives you the chance to think about how you want our district to be governed and the changes you may want to see. It gives you a say in the future of our place.

I am now almost four years into my role as Kaipara District Council's Chief Executive. Looking back over the last three years we have come a long way, having moved on from a long period of commissioners and a focus on repaying debt.

Looking forward, under our current Long Term Plan 2021-2031 we are continuing with a programme that focuses on building resilience into our infrastructure, planning in the areas of future growth, and developing mitigation and adaptation plans to respond to climate change. We are focused on doing the basics well, maintaining and renewing our assets across the existing transport and waters networks. This Council has agreed their largest priority is to renew our infrastructure and facilities, to reduce the future annual maintenance cost and to ensure our current infrastructure is fit for purpose.

Looking to the future we must also keep in mind a number of significant Government reforms in progress or on the near horizon, which will affect the way Council operates and change the services we provide to our community.

*“The election process gives you the chance to think about how you want our district to be governed and the changes you may want to see. It gives you a say in the future of our place.”*

We're approaching the work we do, the issues and challenges we face, and the opportunities we are taking, in partnership with Māori. Kaipara District Council is dedicated to fostering strong, ongoing and increasingly effective relationships with Māori, to further raise Māori capacity to input into decision making at a local government level, and benefit everyone in the Kaipara District. We have made progress in this area, but there is still work to do.

There is a lot for Kaipara voters and potential electoral candidates to consider before this year's election.

Ngā mihi,

**Louise Miller**

*Chief Executive - Kaipara District Council*

# Kaipara Kaunihera kāwana whakatakotoranga

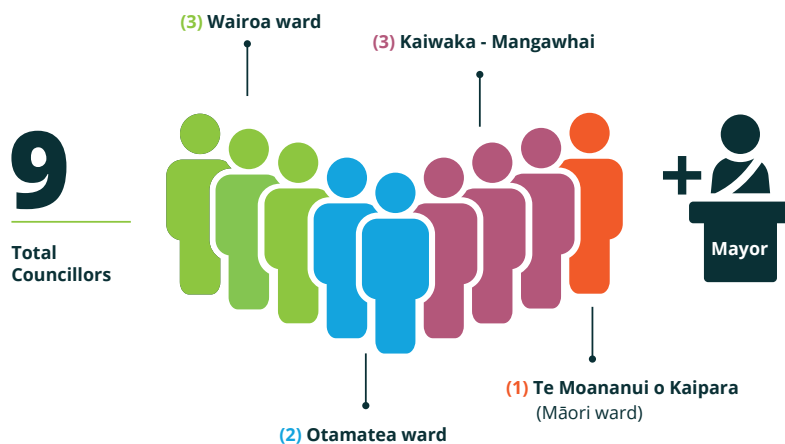
## Kaipara District governance structure

The district is currently represented by eight councillors and a Mayor, spread across four wards, comprising Kaiwaka-Mangawhai, Otamatea, West Coast/Central and Dargaville.

Following a Representation Review in 2021, representation for elections 2022 and 2025 will see nine councillors, plus a Mayor elected-at-large. Councillors will represent Wairoa (merging

previous Dargaville and West Coast/Central wards) with three councillors, Otamatea ward with two councillors, Kaiwaka-Mangawhai ward with three councillors, and one councillor elected to represent Te Moananui o Kaipara ward (Māori ward).

There are currently no community boards in the Kaipara District.

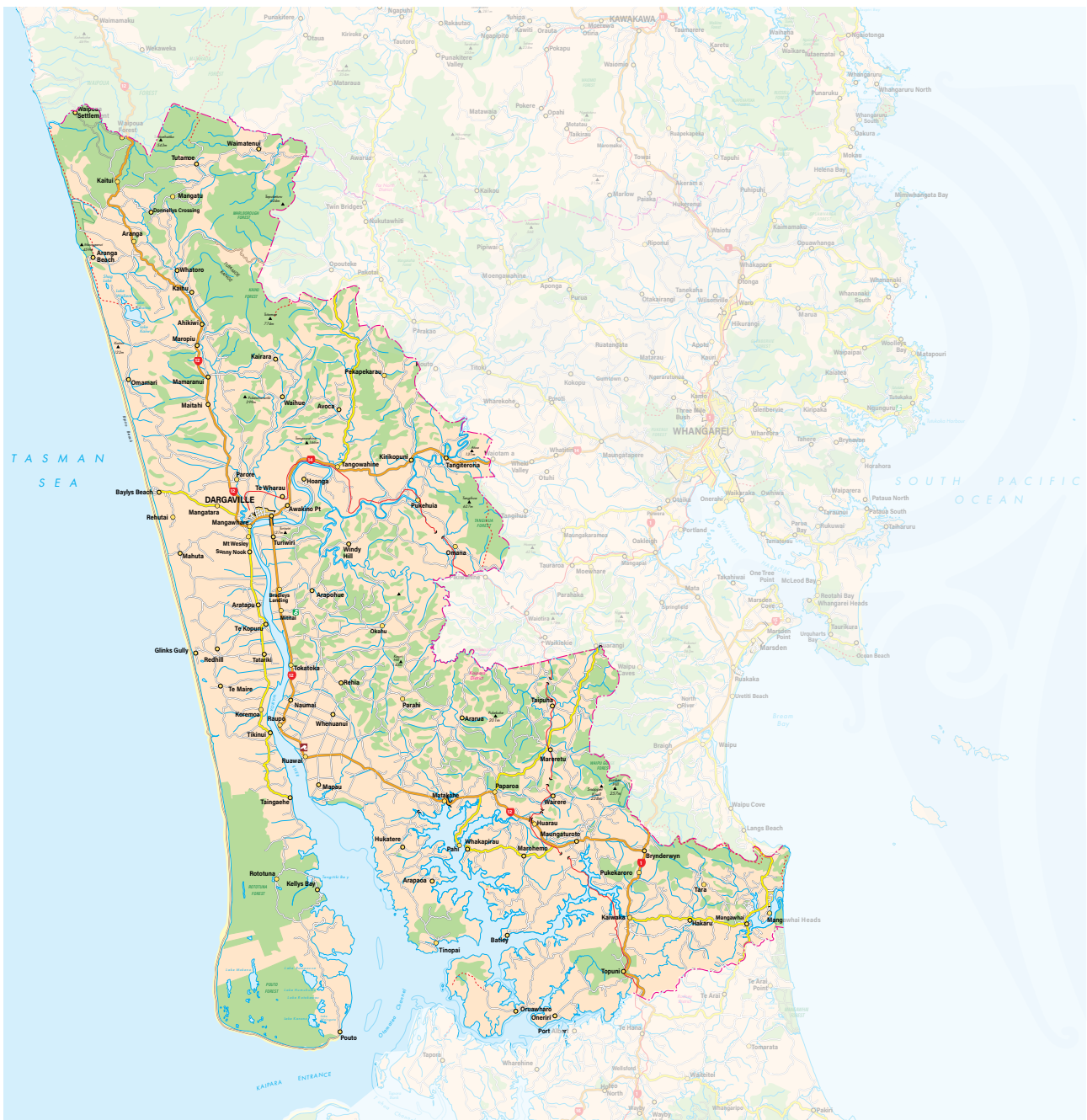


# Kaunihera o Kaipara | Kaipara District

*Mai Waipoua ki Poutō i Te Tai Hauāuru Whakawhiti atu i te raki o te moana o Kaipara ki Oruawhoro Mai Oruawhoro ki Mangawhai ki te rāwhiti Mai Mangawhai ki Tangiteroria, whakahoki atu ki Waipoua.*

Two oceans, two harbours. Kaipara District has approximately 3,117 km<sup>2</sup> of land and is one of the few districts in Aotearoa New Zealand that stretches coast to coast; from Ripiro Beach facing the Tasman Sea to Mangawhai Heads on the Pacific Ocean. The district extends from the North Auckland Peninsula south of Kaiwaka and

Mangawhai in the southeast, around the foothills of the Brynderwyn Ranges, through the Northland hinterland to reach the mighty Waipoua Forest in the northwest. From there the district reaches down the west coast to the Kaipara Harbour entrance by Poutō Peninsula.





# KEY FACTS

## KAIPARA DISTRICT RESIDENTS



26,000  
*(infometrics, 2021)*

Estimated resident population



24.6%

Identify as Māori



aged  
65+

Approximately 20% aged 65 or older



16,123  
Land units, of which  
15,146  
are rateable  
*(as at 06 May 2022)*



### TOP 5 INDUSTRIES

- Agriculture
- Forestry
- Fishing
- Manufacturing
- Retail Trade



One of the fastest  
growing districts



# Ngā hua me te tirohanga a hāpori Community outcomes and vision



Council has six community outcomes directing our work programmes.

## **Climate smart**

*Climate change and its impacts are reduced through community planning*

## **Healthy environment**

*Our natural environment is protected and open to the community*

## **Celebrating diversity**

*Our local heritage and culture are valued and reflected in the community*

## **A trusted Council**

*An open organisation working for our community*

## **Prosperous economy**

*Development is encouraged, supported and sustainable*

## **Vibrant communities**

*Kaipara communities offer an attractive place to live and visit*



Ngā wero me ngā angitu  
Kaipara's challenges and opportunities



# Whakahouhou e pā ana ki ngā kaunihera

## Reforms affecting local councils

There are three significant reform and review processes in motion that will affect local government: Three Waters, Resource Management and the Future for Local Government. Collectively and separately, they represent the largest reforms to local government and local governance since the abolition of the provinces in 1877.

What the reforms have in common are that they aim to achieve better outcomes for communities and the environment, improve efficiency, and give effect to the principles of Te Tiriti of Waitangi. However, they are progressing on different timelines and add to an increasingly complex and uncertain operating environment for local

government now and post the 2022 elections. This environment also includes likely Government changes to building control, civil defence and emergency management, and waste management, to name but a few.

Taken together the reviews and reforms provide considerable opportunity to further the purpose of local government and will fundamentally change the system that local government operates within, including how decisions are made and by whom, what local government does and how it does it, and who local government needs to work with to enable community wellbeing.



# Te Arotake I te Anamata mō Ngā Kaunihera

## Review into Future for Local Government

The Future for Local Government Review is an independent, two-year ministerial review, established in April 2021. Its overall purpose is to consider how New Zealand's system of local democracy and governance will need to evolve over the next 30 years to improve the wellbeing of New Zealanders, and actively embody Te Tiriti Treaty partnership. The review is in three stages, with initial scoping and early engagement undertaken last year, broader public engagement this year, and formal consultation and a public submissions process, concluding with a final report in 2023. The draft report and recommendations

for public consultation will be released by the Panel after the local government elections. The final report will be presented to the Government by 30 April 2023. With Parliamentary elections likely in late 2023 the Government may take some time to decide what, if any, of the Panel's recommendations it wishes to take up.

The new Council will need to respond to the Panel's recommendations soon after being elected, and then consider the Panel's recommendations to Parliament. Government decisions may change Council's future role, functions and structure.

## Resource Management Act

The Government is repealing the Resource Management Act 1991(RMA) and replacing it with three new pieces of legislation.

In February 2021, the Government announced it would repeal the RMA and enact new legislation based on the recommendations of the Resource Management Review Panel. The three new acts are the:

- Natural and Built Environments Act (NBA), as the main replacement for the RMA, to protect and restore the environment while better enabling development
- Strategic Planning Act (SPA), requiring the development of long-term regional spatial strategies to help coordinate and integrate decisions made under relevant legislation, and
- Climate Adaptation Act (CAA), to address complex technical and legal issues associated with managed retreat and climate change adaptation.

The reform of the resource management system will have a significant impact on Kaipara District Council including future governance arrangements,

functions, structure, decision-making, operations, and investment priorities. The resource requirements and costs of transition should not be underestimated, particularly as we transition to the new system while fulfilling essential requirements under the current one.

The resource management sector is currently under significant strain and facing capacity issues, including sourcing and retaining appropriately skilled people. There is currently a shortage of skilled planners and spatial planning will draw on the skills and expertise of a wide range of specialists and expertise from across the Council and beyond. There are also constraints on mana whenua and their capacity to fully participate in the current, let alone, future system.

The success of the new resource management system and Council's part in it will depend to a large extent on how well the transition to, and implementation of, the new system is planned, managed and resourced and the impact of inter-related reforms in water and the future of local government.

## Three Waters

Councils currently own and operate three water services, which cover drinking water, wastewater and stormwater.

The focus has been on how to ensure safe drinking water for all, improve the environmental performance of wastewater and stormwater networks and deal with funding and affordability challenges. This relates particularly for communities with small rating bases or high-growth areas that have reached their prudential borrowing limits. There is also a need to future-proof the assets and plan for the effects of climate change.

Both central and local government, including Kaipara District Council are committed to better outcomes for communities and the environment. There is widespread agreement that the status quo is not sustainable, despite the significant contribution, investment, and effort that local government and communities have made to date. There is also agreement on protecting the three waters services and assets from privatisation.

In July 2020, the Government launched the Three Waters Reform programme – a three-year programme to reform local government three

waters service delivery arrangements. The Government's Three Waters Reforms proposes to shift the current 67 council-owned and operated three waters services into four new publicly-owned entities to manage the future delivery of these services.

Legislation progressing the Three Waters Reform programme is moving ahead in 2022, with the first stage open for public consultation in July. This Act provides for four publicly-owned water service entities from July 2024. Note that this transition is within the term of the incoming Council.

The next Council will need to work with Entity A to ensure Kaipara gets the services it needs now and in the future. The Council will also need to work with me (Chief Executive) as its sole employee to ensure my staff are supported through a challenging period of change management, both for those transitioning to the new entity and for those that are not, as well delivering the Council's work programmes.



## Te Tiriti o Waitangi | Treaty of Waitangi

Councils are faced with an evolving Tiriti o Waitangi landscape as Government and hapū/iwi work through Treaty settlements. The Crown is currently in active negotiations with Kaipara Uri regarding the Kaipara Moana. Te Tai Tokerau councils are

providing advice to this process regarding Council functions and it is anticipated that once finalised, there will be additional responsibilities for local government.

## Whakatupu Kaipara | A growing Kaipara

Census figures from 2018 showed Kaipara was one of the fastest growing districts in terms of population growth in New Zealand. This growth continues today – according to Infometrics, Kaipara had an estimated resident population of 26,000 in 2021, with the forecast showing the population rising to 28,524 by 2031. Most of Kaipara’s growth has been focused around Mangawhai and the southeast of the district; those parts which are closest to Auckland. Migrants to Kaipara are typically those nearing retirement age, though young families are increasingly represented.

A key piece of upcoming work to support this growth is the District Plan Review. Kaipara District Council’s District Plan (DP) became operative in 2013 and was due for review in 2023 (District Plans renew every ten years under legislation). However, following community feedback on the

current DP being outdated and acknowledging that our district is growing fast, Council directed staff to accelerate the review, bringing it forward one year. Completing the review this coming year means we are in the best position to sustainably manage growth and also ensures our district is well-prepared for the upcoming Resource Management Act reforms.

In spite of the district’s population increases, we still have a small rating database relative to our geographic area. We need to keep rates as affordable as possible, while still maintaining levels of service and ensuring we meet the needs of all of our growing community. Delivering those services for a reasonable cost remains an ever-present challenge that incoming elected members will need to consider.

## Mahi Hangahanga | Infrastructure

Our district is a significant size, stretching coast to coast. Council’s biggest spending is on infrastructure services: 1,573km of roads, 348 bridges, and over 350km of pipe work all needing ongoing maintenance, repair and upgrades. Much of our infrastructure was built in the mid-1900s and is ageing. Many parts of the network have not been replaced when it should have been, due to historical underinvestment. Recently,

the Council has focused more on renewals and accommodating the district’s population growth as we upgrade.

The funds needed to provide and keep this infrastructure working come mainly from rates: the general rate for roads, and targeted rates for services such as water supply, stormwater, wastewater and land drainage.

## Ngā Huarahi | Roothing

The majority of our annual roading spend focuses on maintenance and upgrades across the district; grading, pothole repair, straightening and improving signs, roadside spraying and tree maintenance, seal and pavement upgrades, drain clearing and culvert renewals. We publish a monthly roading report of the work happening across the district which you can read on our website.

The Northland Transportation Alliance (NTA) was launched on 1 July 2016 and is a collaboration between Kaipara District Council (KDC), Whangarei District Council (WDC), Far North District Council (FNDC), Northland Regional Council (NRC) and Waka Kotahi NZ Transport Agency. The alliance combines staff, services and resources for

roading and transportation in Northland to improve consistency and services for all Northland road users.

Council no longer receives Waka Kotahi NZ Transport Agency subsidies for seal extensions and as a consequence new seal extension work is not generally implemented in the district. Options for seal extensions to occur are that roads are either sealed by developers as part of their development, at times by Council when funded via development and/or financial contributions, privately funded by local ratepayers and/or residents, or when Council receives external funding from partners such as central government. For more information on Council's Private Seal Extension Guidelines see our website.



## Hoa mōwaho haupū

### External funding partners

A substantial amount of our capital projects are supported by central government funding, and many of our future projects will only be undertaken if external grants or financial contributions are received as planned. Funding streams include Waka Kotahi NZ Transport Agency, PGF funding from Kānoa – Regional Economic Development & Investment Unit, Infrastructure Reference Group (MBIE), Tourism Infrastructure Fund (TIF) and more. The government has also proposed to allocate \$16.14 million through a Better Off funding package later this year.

In last two years some key projects made possible with external funding include; Dargaville pontoon, Pahi wharf upgrade and pontoon, two footbridges in Kaiwaka, sealing 10km of Pouto Road (Phase 1) and completing a detailed design for the final 11km (Phase 2), upgrading Tomarata bridge, sealing Waipoua River Road and installing Kaipara's first traffic lights, 170km of improvements on our Unsealed Roding Network, Kaipara Kai, Wood Street revitalisation interim design, Mangawhai Village roundabouts and shared path (Phase 1),

new toilets for Maungaturoto, Mangawhai Historic Village, Alamar Crescent and Lincoln Reserve, the list continues.

Some key projects made possible with external funding that are in progress or about to begin include; the Kaihu Valley Trail, a 45km walking and cycling trail being constructed from Dargaville to Donnelly's Crossing, work to protect existing stopbanks against flooding along the western side of the Wairoa River between Dargaville and Te Kopuru, integrating a floodgate to Canal G in Ruawai/Raupō, the continuation of another growing season for the Kaipara Water demonstration sites, and the second phase of the Mangawhai shared path network.

Once operational, many of these projects will increase the level of service the Council provides. While we continue to seek external funding and collaborate with outside partners where possible, we are mainly focused on completing the significant programme of work we are already committed to.

## He hurihanga āhuarangi | A changing climate

Kaipara's climate is changing. This means rising temperatures, rising sea levels, more extreme weather, and increasing natural hazards, such as drought, flooding, and coastal flooding and erosion. The impacts of climate change are wide-ranging and will intensify over time.

Under the Long Term Plan 2021–2031 Council committed \$1.5 million over 10 years to a climate change work programme, of which approximately \$175,000 will be used this year on mitigation and adaptation in our Kaipara communities. This work meets our current and expected statutory

responsibilities and is the minimum we are required to do.

These approaches of mitigation and adaptation are planned out within Council's Climate Change Work Programme, and mapped via three work streams; Climate Smart Policy, Climate Action, and Adaptive Pathways Planning. In late 2021 the Ruawai/Raupō area was chosen by Council as the first location for the adaptive pathway planning.

Read more about the Council's Climate Change Work Programme on our website.





# Kaupapa kaitā | Major projects

The tables below show major projects scheduled for the current year 2022-2023, and then the next three financial years following the 2022 elections. For the purpose of this report major projects include projects where \$250,000 or more is spent in any given year.

Please note that this table is not a full list of the Council's projects. A complete list can be found in Council's Annual Plan, Annual Report or Long Term Plan 2021-2031 (LTP) for the respective periods.

Capital Projects Budgets	AP 2022-2023	LTP 2023-2024	LTP 2024-2025	LTP 2025-2026
<b>Open Spaces and Facilities</b>				
Upgrading penioner housing units Fagan Place, Mangawhai	650,000			
Mangawhai Library	150,000	4,850,000		
Dargaville Library and community building				2,000,000
Mangawhai Library initial book inventory			290,000	
Lincoln Downs mountain bike park (50% of which is community funded)	750,000			
Mangawhai coastal walkway	250,000	250,000	750,000	750,000
Mangawhai Community Park			480,000	165,000
Reclad Dargaville Northern Wairoa War Memorial Hall			1,000,000	
Alamar Crescent carpark	400,000			
<b>Flood Protection and Land Drainage</b>				
District-wide Land Drainage - Awakino east stopbanks			7,000,000	
Te Kopuru stopbank carryover cost from 2021-2022	2,800,000			
Raupō Land Drainage internal floodgate carryover cost from 2021-2022	2,000,000			
<b>Wastewater</b>				
Dargaville wastewater renewals	200,000	200,000	260,000	260,000
Kaiwaka wastewater renewals	250,000		250,000	
Mangawhai balance tank wastewater treatment plant	1,000,000			
Mangawhai capacity upgrades			1,000,000	2,000,000
Mangawhai pumpstation addition	300,000			
Mangawhai golf course treated wastewater disposal design/start	500,000			
<b>Waste Minimisation</b>				
Glinks Gully landfill capacity renewal				300,000
Kaipara Solid Waste - upgrades to closed landfills		100,000	500,000	
<b>Stormwater</b>				
Mangawhai stormwater - Jack Boyd Drive area			80,000	1,000,000
Mangawhai stormwater outfalls upgrade (Olsen Street, Wharfdale Crescent, Alamar Crescent)			50,000	1,800,000
Mangawhai Wood Street and surrounds stormwater upgrade	1,000,000		120,000	
Te Kopuru stormwater open drain upgrades			50,000	250,000

<b>Capital Projects Budgets continued</b>	<b>AP 2022-2023</b>	<b>LTP 2023-2024</b>	<b>LTP 2024-2025</b>	<b>LTP 2025-2026</b>
<b>Transportation</b>				
Bridge replacements - district	650,000	389,000	334,000	650,000
Monteith Road, Aranga bridge replacement	350,000			
Omana Road		311,000		
Pukehuia Road		300,000		
Repair and replacements for roading structures e.g. bridges and retaining walls	1,000,000	1,000,000	1,000,000	1,000,000
Taipuha Road			666,000	
Waoku Road				350,000
Unsealed road metalling - district	3,044,000	3,044,000	3,044,000	3,044,000
Associated improvements for road rehabilitation and reseals	250,000	250,000	250,000	250,000
Baylys Beach parking and connectivity improvements	300,000			
Dargaville Tangiteroria speed management plan		500,000		
District-wide road safety improvements	500,000	500,000	500,000	500,000
Ruawai Maungaturoto speed management plan	250,000			
Road slip repairs - district	500,000	500,000	1,500,000	1,500,000
Drainage renewals - district	625,000	625,319	625,319	625,319
Dargaville river path project		100,000	2,000,000	
Hokianga Road improvements			200,000	500,000
Sealed road resurfacing	2,000,000	2,000,000	2,000,000	2,000,000
Sealed road pavement rehabilitation	1,300,000	1,300,000	1,800,000	1,800,000
Cove Road connection to Mangawhai Central planning	250,000			
Kaiwaka eastern network growth				300,000
Kaiwaka Oneriri Road intersection upgrade			250,000	
Mangawhai shared path	5,725,200	5,725,200		
Pouto Road second coat sealing		500,000		
Wood Street permanent upgrade	2,000,000	1,900,000		
Unsealed road network improvements	1,327,500			
Kaihu Valley Trail construction	1,155,500			
<b>Water supply</b>				
Dargaville watermain renewals	500,000	500,000	1,000,000	1,000,000
Maungaturoto water renewals	150,000	400,000	400,000	400,000
Maungaturoto water reservoir Griffin Road improvement	250,000			
Ruawai water renewals	350,000	20,000	150,000	150,000
Maungaturoto truck filler	500,000			

# Rautaki Pūtea | Financial Strategy

The Kaipara District Council's Financial Strategy 2021–2031 sets out how Council plans to fund its operations to meet its community outcomes for the next 10 years and what the impact will be on rates, debt, and level of service.

The key aims of the Financial Strategy are:

- to maintain a balanced budget
- to balance affordability with financial prudence (rate increases are no higher than an average 5% over the life of LTP (General and Targeted) after allowing for annual growth in rateable properties (water by meter is excluded from this calculation)
- to manage debt to achieve intergenerational equity
- to have net external debt capped at \$60 million
- to increase 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. This is an important focus of our Infrastructure Strategy and is likely to result in higher rates in the early years of this LTP to get to the correct base level of expenditure
- to set Development Contributions 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.

## Pikinga reiti Rates increase

### Rates Increase Table

The chart shows the defined limit to rates increases over the past three years.

Year	2019-2020	2020-2021	2021-2022
Rates increase	5.26%	3.97%	5.10%
Total rates increase limit	4.20%	4.20%	5.00%

### Rates affordability benchmark

For this benchmark:

- (a) the Council's planned rates income for the year is compared with a quantified limit on rates contained in the financial strategy included in the Council's long-term plan; and
  - (b) the Council's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the Council's long-term plan.
- (2) The Council meets the rates affordability benchmark if
- (a) its planned rates income for the year equals or is less than each quantified limit on rates; and
  - (b) its planned rates increases for the year equal or are less than each quantified limit on rates increases. Rates to be collected for the 2022/2023 period are based on the estimated financial statements.

# Nama mōrahi Borrowings limit

## Borrowings limit

The chart shows the borrowing limit of KDC in line with its Treasury Policy. The 2020 policy is available for reading on our website. The total limit is <170% of Net Debt as a percentage of total revenue.

Year	2019-2020	2020-2021	2021-2022
	\$'000	\$'000	\$'000
Public debt	48,257	51,320	45,702
Public debt limit	93,454	98,051	148,987

## Debt affordability benchmark

- (1) For this benchmark, the Council's planned borrowing is compared with a quantified limit on borrowing contained in the financial strategy included in the Council's long-term plan.
- (2) The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. 2022/2023 revenue and borrowings are based on estimated financial statements.



# Kaunihera Pūtea Rīpoata

## Council's Financial Report

The Statement of Financial Performance shows that Council will end the year with debt levels at \$43.28 million. This is slightly lower than what was projected in the LTP (\$43.92 million). Council is well within its debt limit ratios required by the Local Government Funding Agency (LGFA) and its own Treasury Policy ratios and remains conservative compared to other councils experiencing similar growth. However, Council is out of its Treasury Management Policy for the funding maturity profile of 0 to 3 years and the fixed/floating interest rate risk control limit for 37 to 60 month debt. Until there is more certainty over the proposed Government's Three Waters Reform Council has approved to stay out of its Treasury Management Policy in these two instances.

Our fixed assets for this upcoming year 2022-2023 are \$61 million higher than outlined in the LTP. This is because there was a larger increase in asset values from the revaluations for the 2020-2021 Annual Report than revaluations in the LTP.

Our available cash on hand is forecast to drop only slightly from the level in the financial year 2021 2022 Annual Report to \$8.8 million.

\$36.1 million is planned for capital expenditure, with a portion of this funded by external sources. There will also be an additional \$15 million of capital projects that are carried forward from 2021-2022, as the programme was ambitious last year and a number of factors such as COVID-19 disruptions delayed progress.

The financial information in the Pre-Election Report brings together figures previously published in our Long Term Plan, Annual Plans and Annual Reports as well as updated financials, based on the latest forecast information.

While the Pre-Election Report is not audited, much of the information contained in it has been audited. You can find these documents on the KDC website.

Information from the 2022-2023 Annual Plan is also included (as above), but this document is not audited.

## Tikanga kaute | Accounting method

When preparing its financial information Council applies Generally Accepted Accounting Practise (GAAP).

# Taurite | Balance sheet

The Balance Sheet shows the value of assets owned by Council. It also shows how Council has funded the acquisition of those assets. Council can fund its assets either by borrowing or from equity Council has built up over the years. Council's main assets are its property, plant and equipment, for example, roads, water and wastewater treatment plants.

	Annual Report	Annual Report	Forecast	Annual Plan	LTP	LTP	LTP
As at 30 June	2019-2020 \$'000	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000
<b>Net assets/equity</b>							
Accumulated comprehensive revenue and expense	492,568	451,867	488,114	488,670	506,056	525,943	535,990
Asset revaluation reserves	268,682	352,326	365,726	379,326	322,750	336,750	350,950
Restricted reserves	5,612	5,646	5,806	5,935	6,105	6,233	6,364
Council created reserves	-12,522	-11,322	-15,814	-14,776	-14,705	-12,057	-8,552
<b>Total net assets/equity</b>	<b>754,340</b>	<b>798,516</b>	<b>843,833</b>	<b>859,155</b>	<b>820,205</b>	<b>856,870</b>	<b>884,752</b>
<b>represented by Current Assets</b>							
Cash and cash equivalents	4,398	12,194	10,794	8,794	526	526	526
Trade and other receivables	7,681	6,998	6,641	8,888	9,067	9,317	9,567
Accrued revenue	1,679	4,085	4,085	2,285	1,641	1,641	1,641
Other financial assets	115	121	121	121	115	115	115
Non current assets held for sale	127	0	0	0	186	186	186
<b>Total current assets</b>	<b>14,000</b>	<b>23,397</b>	<b>21,641</b>	<b>20,088</b>	<b>11,535</b>	<b>11,785</b>	<b>12,035</b>
<b>Less Current Liabilities</b>							
Trade and other payables	11,265	15,948	16,906	14,288	12,239	12,579	12,919
Provisions	747	357	335	357	135	135	135
Employee entitlements	845	999	874	1,054	1,004	1,034	1,064
Public debt	25,000	0	0	0	0	0	0
<b>Total current liabilities</b>	<b>37,857</b>	<b>17,303</b>	<b>18,115</b>	<b>15,699</b>	<b>13,378</b>	<b>13,748</b>	<b>14,118</b>
<b>Working capital/(deficit)</b>	<b>-23,857</b>	<b>6,093</b>	<b>3,525</b>	<b>4,388</b>	<b>-1,843</b>	<b>-1,963</b>	<b>-2,083</b>
<b>Plus Non current assets</b>							
Property, plant, equipment	803,888	840,010	887,589	901,583	871,107	905,668	934,926
LGFA Borrower notes	704	929	775	1,049	1,064	1,184	1,304
Biological assets	815	947	947	1,047	1,045	1,045	1,045
Other financial assets	270	270	270	270	279	279	279
<b>Total non current assets</b>	<b>805,676</b>	<b>842,156</b>	<b>889,581</b>	<b>903,949</b>	<b>873,494</b>	<b>908,176</b>	<b>937,553</b>
<b>less Non current liabilities</b>							
Public debt	19,000	44,000	44,000	43,281	42,847	40,657	41,296
Provisions	1,514	1,507	1,960	2,413	6,410	6,862	7,315
Derivative financial liabilities	6,965	4,225	3,314	3,489	2,190	1,824	2,107
<b>Total non current liabilities</b>	<b>27,479</b>	<b>49,733</b>	<b>49,274</b>	<b>49,183</b>	<b>51,446</b>	<b>49,343</b>	<b>50,718</b>
<b>Net assets</b>	<b>754,340</b>	<b>798,516</b>	<b>843,833</b>	<b>859,155</b>	<b>820,205</b>	<b>856,870</b>	<b>884,752</b>

# Korero Haupū | Funding Impact Statement

The Funding Impact Statement shows how Council intends to fund its operational and capital activities in the future. Funds are applied to either operating expenditure, which cover the ongoing costs required for Council to operate, like electricity, insurance and staff costs, or to capital expenditure on major assets that will last for a long time, such as roads and water treatment plants.

	Annual Report	Annual Report	Forecast	Annual Plan	LTP	LTP	LTP
As at 30 June	2019-2020 \$'000	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000
<b>Operating funding</b>							
<i>Sources of operating funding</i>							
General rates, uniform annual general charges, rate penalties	25,169	26,120	27,863	29,497	30,687	32,161	33,157
Targeted rates	12,519	12,699	13,647	15,334	16,668	17,000	17,251
Subsidies and grants for operating purposes	6,871	10,694	6,312	5,591	5,389	5,567	5,752
Fees and charges	6,282	7,200	7,842	7,848	7,604	7,682	7,976
Interest and dividends from investments	18	54	81	206	6	6	6
Local authorities fuel tax, fines, infringement fees and other receipts	393	458	452	375	383	391	400
<b>Total operating funding</b>	<b>51,252</b>	<b>57,225</b>	<b>56,196</b>	<b>58,852</b>	<b>60,736</b>	<b>62,807</b>	<b>64,541</b>
<b>Application of operating funding</b>							
Payments to staff and suppliers	38,152	44,448	43,983	46,542	45,622	48,235	48,091
Finance costs	2,284	2,199	2,217	2,248	2,529	2,511	2,452
<b>Total applications of operating funding</b>	<b>40,436</b>	<b>46,647</b>	<b>46,200</b>	<b>48,790</b>	<b>48,151</b>	<b>50,746</b>	<b>50,543</b>
<b>Surplus (deficit) of operating funding</b>	<b>10,816</b>	<b>10,578</b>	<b>9,995</b>	<b>10,062</b>	<b>12,585</b>	<b>12,061</b>	<b>13,998</b>
<b>Capital funding</b>							
<i>Sources of capital funding</i>							
Subsidies and grants for capital expenditure	6,228	14,445	32,323	19,805	12,631	18,719	9,220
Development and financial contributions	2,395	4,182	4,747	4,543	4,616	4,588	4,661
Increase (decrease) in debt	0	0	2,547	701	1,002	-249	4,775
Gross proceeds from sale of assets	89	374	0	0	0	0	0
<b>Total sources of capital funding</b>	<b>8,712</b>	<b>19,001</b>	<b>39,617</b>	<b>25,050</b>	<b>18,249</b>	<b>23,058</b>	<b>18,656</b>
<b>Applications of capital funding</b>							
Capital expenditure - to meet additional demand	2,457	1,908	7,611	11,807	10,303	3,741	5,365
Capital expenditure - to improve the level of service	4,592	10,509	22,432	12,763	7,111	14,948	9,003
Capital expenditure - to replace existing assets	9,140	11,667	15,562	11,747	11,341	14,488	14,151
Increase (decrease) in reserves	3,339	5,494	4,007	-1,206	2,079	1,941	4,135
<b>Total applications of capital funding</b>	<b>19,528</b>	<b>29,578</b>	<b>49,612</b>	<b>35,111</b>	<b>30,834</b>	<b>35,118</b>	<b>32,654</b>
<b>Surplus (deficit) of capital funding</b>	<b>-10,816</b>	<b>-10,577</b>	<b>-9,995</b>	<b>-10,062</b>	<b>-12,585</b>	<b>-12,061</b>	<b>-13,998</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



# Pānui ake | Further reading

## Long Term Plan

Every three years we develop a Long Term Plan (LTP) in consultation with the community. This sets our vision, direction, budgets, and our work plans for the next 10 years. Our current LTP 2021-2031 was adopted 30 June 2021. Consultation as part of the LTP was comprehensive, and feedback raised by the community was incorporated into the final LTP.

## Annual Plan

In the two years between adopting an LTP, an annual plan is developed. The annual plan is a yearly update to what has been set out through the LTP, highlighting any budget changes and work plans just for that one year.

## Annual Report

Council produces an Annual Report each year to report on its progress in the previous financial year and measure its performance against the targets set in the Annual Plan or Long Term Plan.

## Financial Strategy

The Financial Strategy sets out how Council plans to fund its operations to meet its community outcomes for the next 10 years and what the impact will be on rates, debt, and level of service. The Financial Strategy can be found in the LTP.

## Infrastructure Strategy

The Local Government Act (2002) stipulates that a local authority must, as part of its long term plan, prepare and adopt an infrastructure strategy for a period of at least 30 consecutive financial years.

The purpose is to identify the significant infrastructure issues for the Council over a 30 year period. This includes identifying the main options for managing those issues and any implications of those options. The Infrastructure Strategy can be found in the LTP.

*You can find all of these at*

[www.kaipara.govt.nz](http://www.kaipara.govt.nz)









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