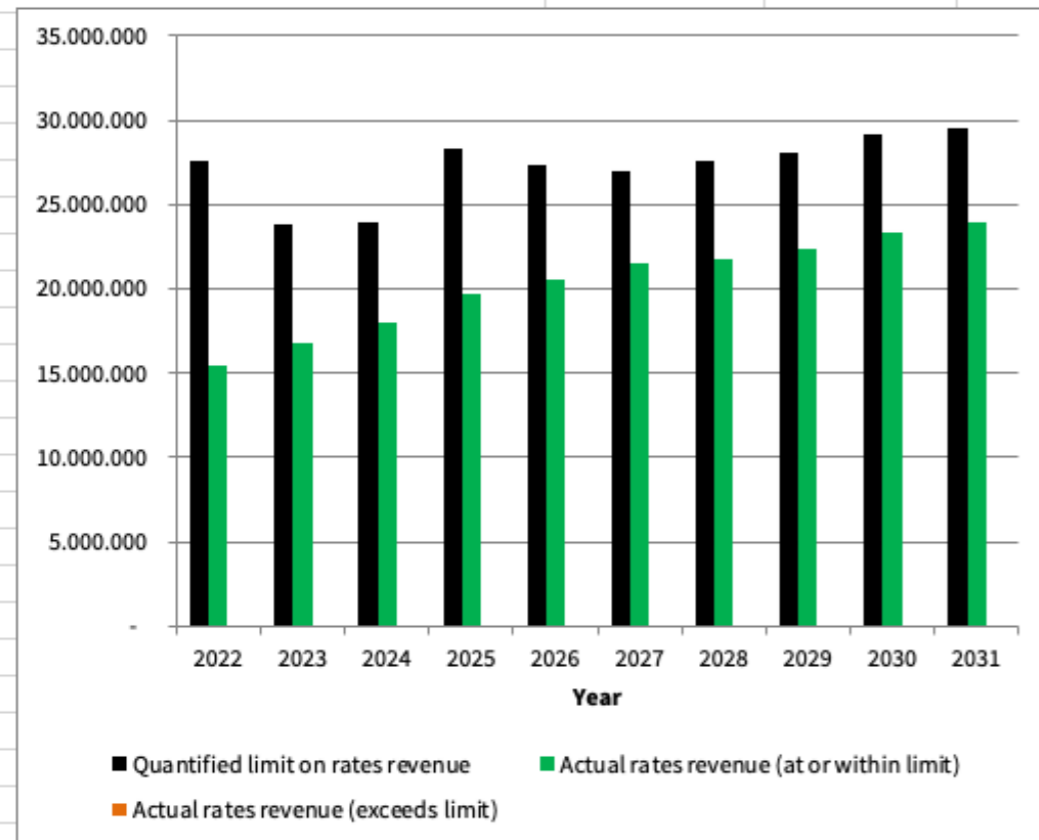


## FINANCIAL PRUDENCE BENCHMARKS

### Rates revenue (\$'000)

Total rates (including capital contribution rates) shall not exceed 70% of total cash revenue.

Graph data:	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
Quantified limit on rates revenue	27.520.854	23.827.052	23.933.345	28.334.119	27.383.656	26.981.607	27.615.521	28.007.786	29.204.761	29.465.287	
Actual rates income	15.459.200	16.725.885	18.037.004	19.637.207	20.477.912	21.485.360	21.783.627	22.405.480	23.294.929	23.964.515	above including capital contributions
Actual rates revenue (at or within limit)	15.459.200	16.725.885	18.037.004	19.637.207	20.477.912	21.485.360	21.783.627	22.405.480	23.294.929	23.964.515	
Actual rates revenue (exceeds limit)											
<b>Workings:</b>											
	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	
70% Cash revenue	27.520.854	23.827.052	23.933.345	28.334.119	27.383.656	26.981.607	27.615.521	28.007.786	29.204.761	29.465.287	
Total cash revenue	39.315.505	34.038.646	34.190.493	40.477.313	39.119.509	38.545.153	39.450.745	40.011.122	41.721.087	42.093.267	
Cashflow: operating	38.228.456	32.262.686	33.777.137	40.097.590	38.815.335	38.480.458	39.338.399	39.995.044	41.666.187	41.986.649	From cashflow statement
Cashflow: investing		1.087.049	1.775.960	413.356	379.723	304.174	64.695	112.346	16.079	54.900	106.619 From cashflow statement



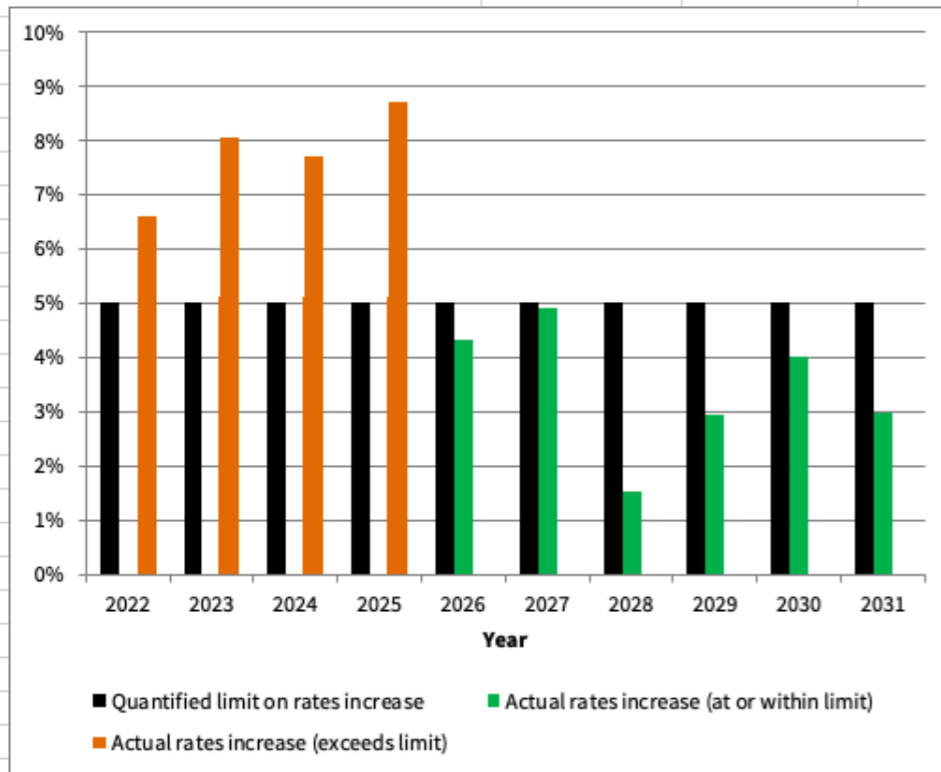
**Rates increases (%)**

The maximum annual total rates increase shall not exceed 5%.

In 2020 this was clarified as being total rates levied (not net rates income).

Graph data:	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Quantified limit on rates increase	5,00%	5,00%	5,00%	5,00%	5,00%	5,00%	5,00%	5,00%	5,00%	5,00%
Actual rates increase	6,6%	8,1%	7,7%	8,7%	4,3%	4,9%	1,5%	2,9%	4,0%	3,0%
Actual rates increase (at or within limit)					4,3%	4,9%	1,5%	2,9%	4,0%	3,0%
Actual rates increase (exceeds limit)	6,6%	8,1%	7,7%	8,7%						

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
Gross rates <i>levied</i>	15.175.446	16.176.116	17.478.647	18.827.404	20.467.127	21.349.328	22.400.346	22.744.362	23.414.252	24.354.141	25.076.687	exclude internal charges, remissions and penalties
Actual rates increase		6,6%	8,1%	7,7%	8,7%	4,3%	4,9%	1,5%	2,9%	4,0%	3,0%	



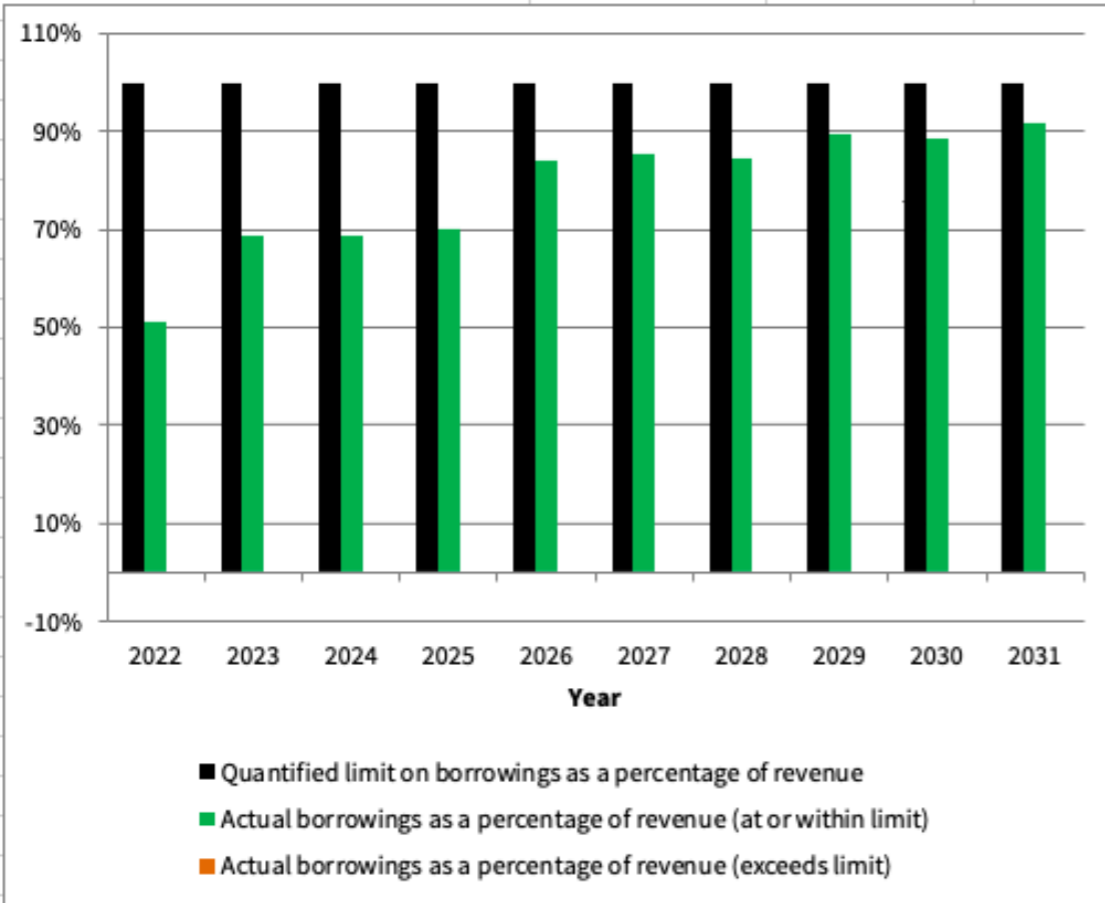
**DEBT AFFORDABILITY BENCHMARK**

**Borrowings as a percentage of revenue (%)**

Total borrowings will not exceed annual revenue

Graph data:	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Quantified limit on borrowings as a percentage of revenue	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Actual borrowings as a percentage of revenue	51%	69%	69%	70%	84%	85%	85%	90%	89%	92%
Actual borrowings as a percentage of revenue (at or within limit)	51%	69%	69%	70%	84%	85%	85%	90%	89%	92%
Actual borrowings as a percentage of revenue (exceeds limit)										

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Total revenue	38.262.120	31.379.590	34.058.911	41.422.547	37.715.672	38.428.921	39.289.697	39.811.071	41.755.372	41.751.531
Total borrowings	19.514.870	21.581.938	23.451.017	28.979.037	31.769.491	32.803.149	33.276.894	35.653.370	37.037.342	38.228.379



**BALANCED BUDGET BENCHMARK**

**Revenue/expenditure (%)**

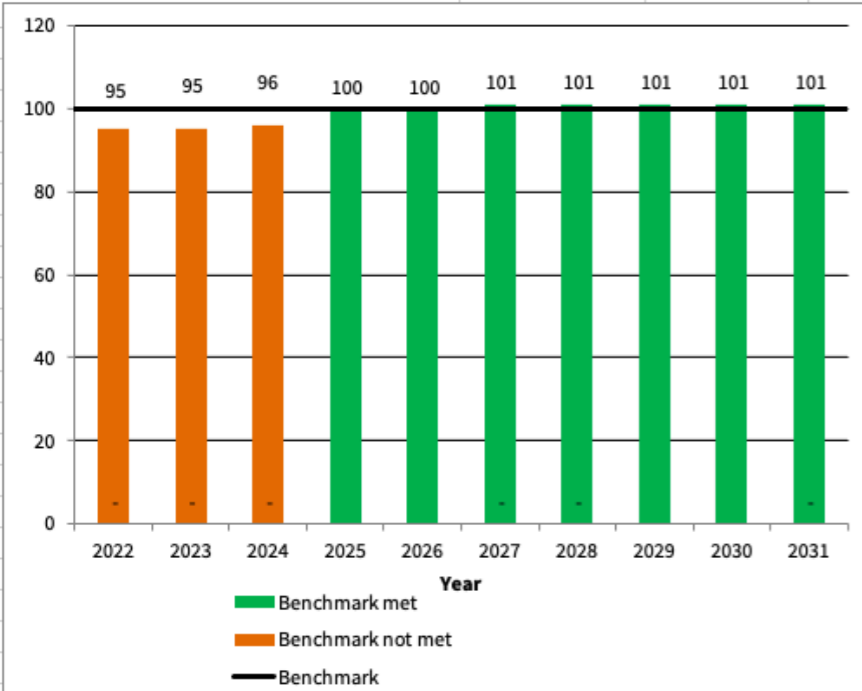
The following graph displays the council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial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

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

Graph data:	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Benchmark	100	100	100	100	100	100	100	100	100	100
Actual index	95	95	96	100	100	101	101	101	101	101
Benchmark met				100	100	101	101	101	101	101
Benchmark not met	95	95	96							

0	100
1	100

Working:	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
Operating Revenue	38.262.120	51.992.500	34.058.911	41.422.547	66.440.873	38.428.921	39.289.697	73.184.799	41.755.372	41.751.531	Linked to Council FS: Operating Revenue + Revaluation + Vested Asset
Development Contributions	-	-	-	-	-	-	-	-	-	-	
Financial Contributions	13.649.098	5.842.677	6.948.008	12.000.794	7.230.052	6.784.352	6.892.165	6.824.537	7.521.385	6.801.504	Linked to WDC FIS: Subsidies and Grants for Capex
Vested assets	-	-	-	-	-	-	-	-	-	-	
Gains on Derivative Financial Instruments	-	-	-	-	-	-	-	-	-	-	GC2032
Gains on PPE	-	20.612.910	-	-	28.725.202	-	-	33.373.728	-	-	Linked to Council FS: these are not included because not operating revenue
<b>Total</b>	<b>24.613.021</b>	<b>25.536.913</b>	<b>27.110.903</b>	<b>29.421.752</b>	<b>30.485.620</b>	<b>31.644.569</b>	<b>32.397.532</b>	<b>32.986.534</b>	<b>34.233.987</b>	<b>34.950.027</b>	
Operating Expenditure	28.915.829	30.248.239	31.595.244	32.941.969	34.010.802	35.091.943	35.827.061	36.492.092	37.789.196	38.540.960	Linked to council FS
Add back: depreciation not funded	- 3.087.547	- 3.259.141	- 3.346.603	- 3.436.197	- 3.526.222	- 3.615.712	- 3.708.040	- 3.800.642	- 3.914.220	- 4.026.870	Above
Less Fair Value movement of Derivative	-	-	-	-	-	-	-	-	-	-	
Losses on Revaluation of PPE	-	-	-	-	-	-	-	-	-	-	
Losses on Disposal of Assets	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>25.828.282</b>	<b>26.989.097</b>	<b>28.248.641</b>	<b>29.505.772</b>	<b>30.484.579</b>	<b>31.476.231</b>	<b>32.119.021</b>	<b>32.691.450</b>	<b>33.874.976</b>	<b>34.514.090</b>	



The Local Government Act 2002 (LGA) requires the Council to budget each year for operating revenue at a level sufficient to meeting the operating expenses budgeted for that year. This is known as the "balanced budget" requirement. The LGA does allow the Council to budget for a deficit, if it resolves that it is financially prudent to do so. The Council acknowledges that it runs deficits from a balanced budget perspective because it does not fully rate fund depreciation. For this reason the Council has defined its balanced budget target as the Local Government (Financial Reporting and Prudence) Regulations 2014 definition modified to exclude costs and gains from asset sales and the NZTA capital subsidies from the calculation of revenue, offset by the depreciation not funded. If the capital subsidies and full depreciation were included, then the budget would be balanced in all years. Using the modified definition, the Council expects to show a balanced budget by 2029, through increased efficiencies and increasing rate funding for depreciation of assets that the Council pays to replace.

**ESSENTIAL SERVICES BENCHMARK**

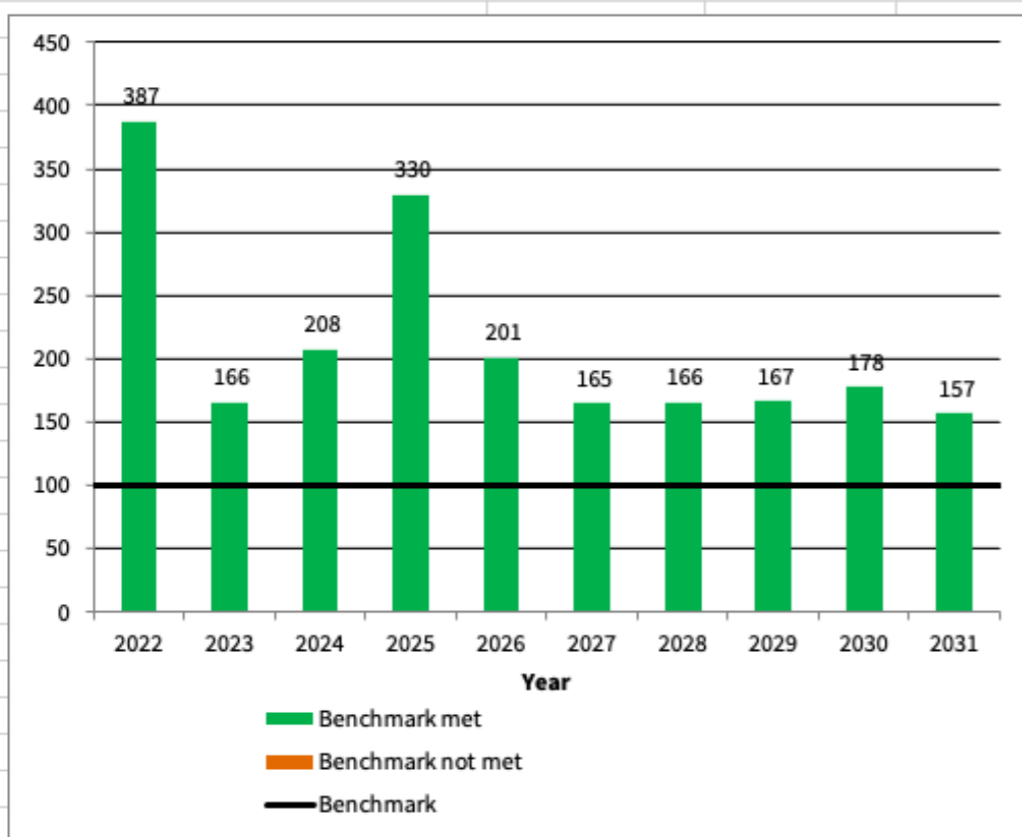
**Capital expenditure/ depreciation (%)**

The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services.

Graph data:	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Benchmark	100	100	100	100	100	100	100	100	100	100
Actual index	387	166	208	330	201	165	166	167	178	157
Benchmark met	387	166	208	330	201	165	166	167	178	157
Benchmark not met										

Essential services	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Depreciation - from below	4.888.619	5.325.369	5.582.740	5.760.386	6.021.172	6.239.649	6.462.815	6.703.539	6.942.350	7.172.228
<b>Capital expenditure - From 'Application of Capital Funding' at end of FIS</b>										
Water Supply	1.628.000	698.625	901.850	2.521.270	1.940.872	841.575	835.670	1.413.280	817.472	744.475
Wastewater	6.212.550	471.287	1.508.583	150.634	128.623	351.458	606.155	635.250	1.181.800	1.179.375
Storm water	542.000	0	53.050	54.400	279.250	0	0	0	152.598	156.400
Roads and footpaths and bridges	10.555.220	7.654.557	9.128.078	16.263.073	9.726.050	9.103.781	9.282.149	9.124.619	10.177.858	9.171.181
<b>Total capital expenditure</b>	<b>18.937.770</b>	<b>8.824.469</b>	<b>11.591.561</b>	<b>18.989.377</b>	<b>12.074.795</b>	<b>10.296.814</b>	<b>10.723.974</b>	<b>11.173.149</b>	<b>12.329.728</b>	<b>11.251.431</b>
<b>%</b>	<b>387%</b>	<b>166%</b>	<b>208%</b>	<b>330%</b>	<b>201%</b>	<b>165%</b>	<b>166%</b>	<b>167%</b>	<b>178%</b>	<b>157%</b>

Depreciation by activity	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
WT/WR	636.784	682.111	700.831	685.992	738.722	757.239	778.402	818.528	821.039	838.649
SG	426.127	605.020	677.405	695.354	713.888	731.783	754.082	787.774	831.575	875.056
SD	252.729	268.913	279.420	290.477	298.219	305.695	314.238	323.049	335.923	348.282
RS/RN	3.572.979	3.769.326	3.925.084	4.088.564	4.270.343	4.444.932	4.616.093	4.774.189	4.953.813	5.110.240



**DEBT SERVICING BENCHMARK**

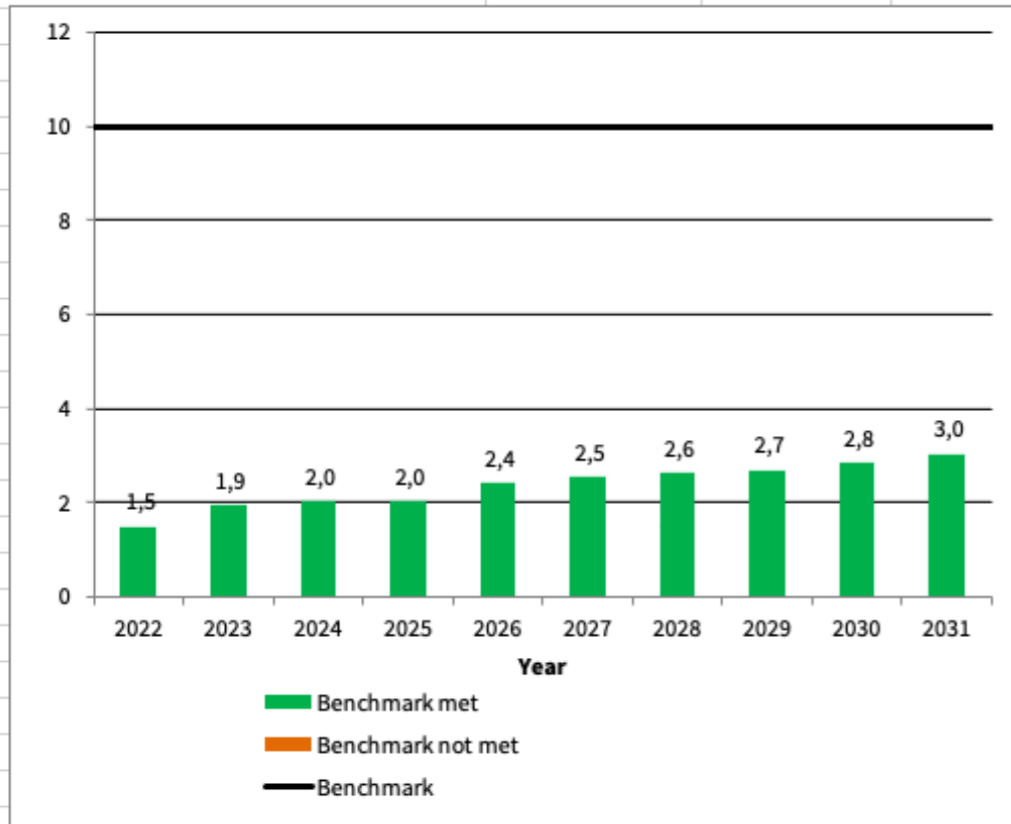
**Borrowing costs/revenue (%)**

The following graph displays the council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment). Because Statistics New Zealand projects the council's population will grow [more slowly than] the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than [10%] of its revenue.

Graph data:	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Benchmark	10	10	10	10	10	10	10	10	10	10
Actual index	1,49	1,94	2,02	2,02	2,40	2,53	2,63	2,69	2,84	3,03
Benchmark met	1,5	1,9	2,0	2,0	2,4	2,5	2,6	2,7	2,8	3,0
Benchmark not met										

0	10
1	10

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
Revenue per definition	24.613.021	25.536.913	27.110.903	29.421.752	30.485.620	31.644.569	32.397.532	32.986.534	34.233.987	34.950.027	<i>links to balanced budget above</i>
Finance Costs	367.812	495.072	546.598	593.175	731.226	800.837	851.529	888.222	973.086	1.058.252	<i>links to Interest Paid in cashflow statement</i>



**Borrowing costs/rates revenue (%)**

The following graph compares the council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is Annual interest costs and loan repayments (debt servicing) shall not exceed 15% of rates revenue

Graph data:	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Benchmark	15	15	15	15	15	15	15	15	15	15
Actual index	2,39	2,97	3,04	3,03	3,59	3,74	3,92	3,98	4,19	4,43
Benchmark met	2,4	3,0	3,0	3,0	3,6	3,7	3,9	4,0	4,2	4,4
Benchmark not met										

0	15
1	15

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
Rates Revenue	15.459.200	16.725.885	18.037.004	19.637.207	20.477.912	21.485.360	21.783.627	22.405.480	23.294.929	23.964.515	net rates per FS
Capital contributions - rates	78.583	80.426	82.838	76.458	88.332	80.056	82.458	84.932	87.480	84.735	above
Finance Costs	367.812	495.072	546.598	593.175	731.226	800.837	851.529	888.222	973.086	1.058.252	Interest Paid per cashflow statement
Net loan repayment	0	-	0	0	-	-	-	-	-	-	take to nil: net loan drawdown

