

2024-34 Long Term Plan Budget and consultation topics workshop

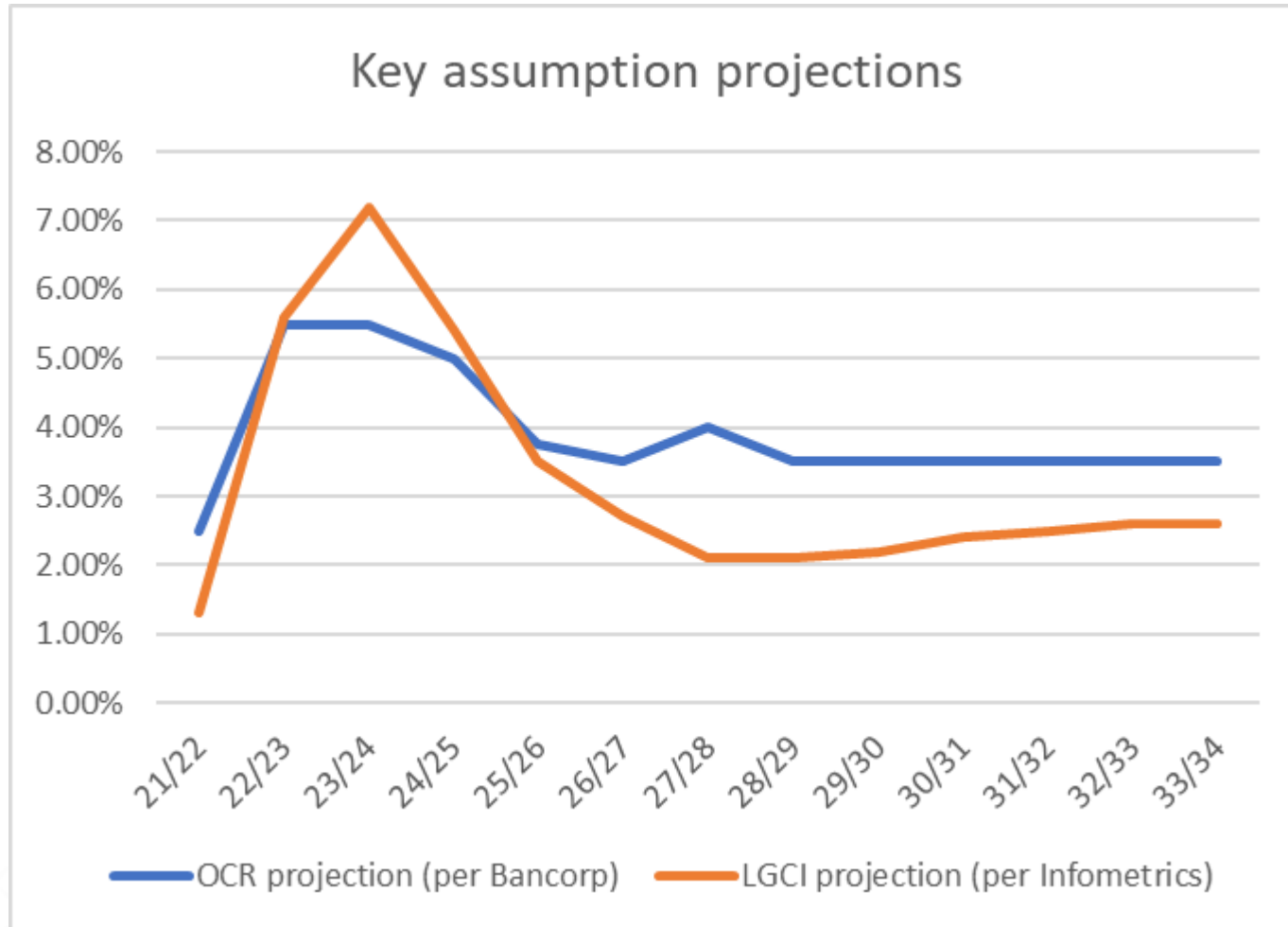
12 December 2023



PURPOSE

- Present budget position for 10 years
- Seek feedback on current budget position
- Seek feedback on consultation topics and options

EXTERNAL FACTORS

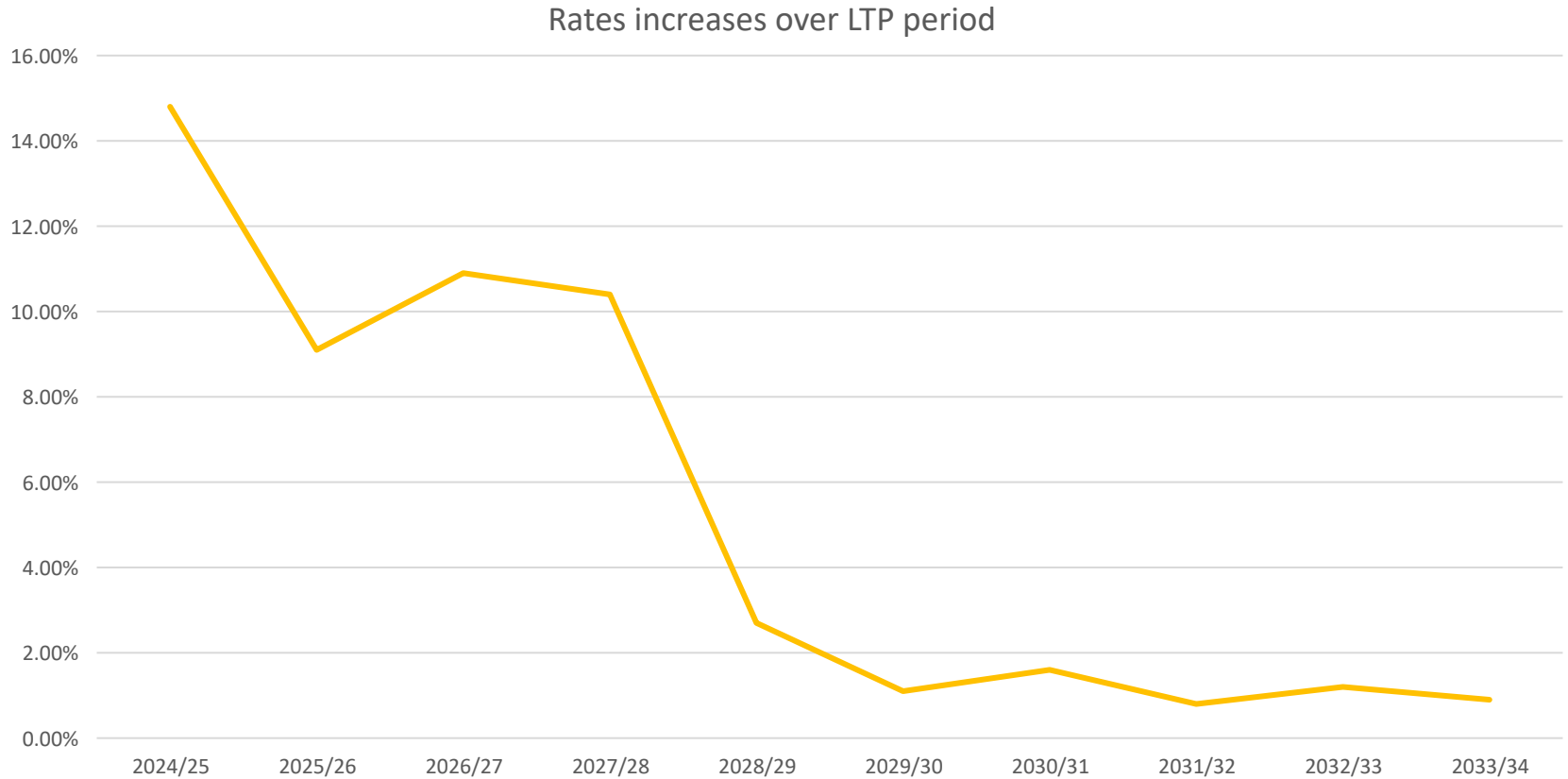


CURRENT BUDGET POSITION

| | Year 1 2024/25 | Year 2 2025/26 | Year 3 2026/27 |
|---------------------------|-------------------|-------------------|-------------------|
| 3 Waters | 17.58% | 13.09% | - |
| Rest of Council | 15.22% | 9.76% | 12.63% |
| Total Council | 16.12% | 11.05% | 12.63% |
| | | | |
| Growth | 1.34% | 1.98% | 1.81% |
| Total after Growth | 14.8% | 9.1% | 10.9% |



BUDGET POSITION OVER 10 YEARS



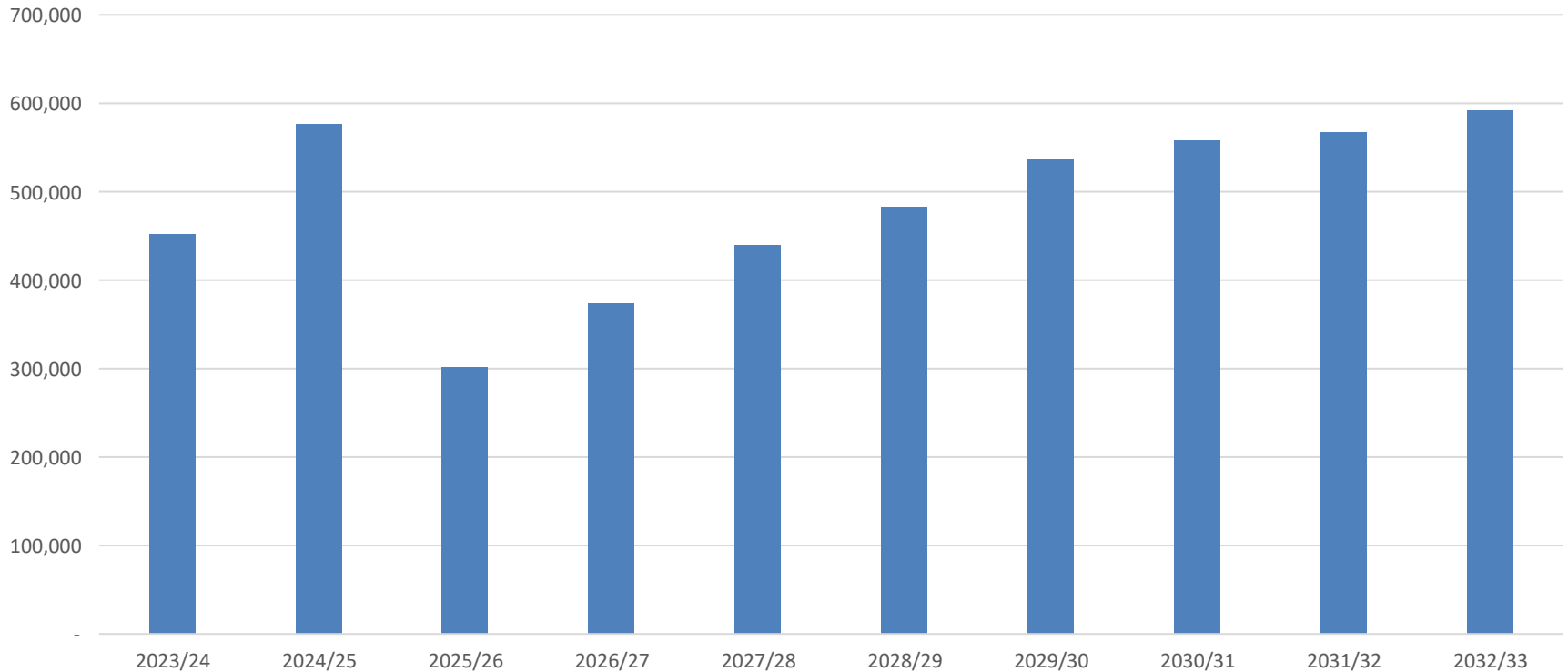
CAPITAL PROJECTS OVER 10 YEARS

Capital work programme (\$'000)



DEBT LEVELS OVER 10 YEARS

Debt levels '000



MAJOR PROJECTS

- Te Ara Wai – start Y1, rates impact Y3
- Cambridge Water Tower – start Y1 (opex)
- Cambridge Library – start Y2, rate impact Y3
- Cambridge Town Hall – start Y3, rate impact Y4

GRANTS AND FUNDING

Regional and local organisations

| Organisation | Funding provided in 2023/24 | Funding in draft budget |
|------------------------------------|-----------------------------|-------------------------|
| Sport Waikato | \$61,850 | \$61,850 |
| Te Waka | \$50,000 | \$0.00 |
| Hamilton Waikato Tourism | \$183,379 | \$146,703 |
| i-Sites (Cambridge and Te Awamutu) | \$315,000 | \$65,000* |

GRANTS AND FUNDING

Council discretionary funding

| Organisation | Funding provided in 2023/24 | Funding provided in draft budget |
|----------------------------|-----------------------------|----------------------------------|
| Cambridge Community Board | \$49,600 | \$20,000 |
| Pirongia Ward Committee | \$27,600 | \$10,000 |
| Te Awamutu Community Board | \$49,600 | \$20,000 |
| District Promotion Fund | \$150,000 | \$75,000 |
| Community Event Fund | \$30,000 | - |
| Heritage Fund | \$70,000 | \$35,000 |

RANGE OF RATE INCREASES

| Type of property | Lower impact | Higher impact |
|-----------------------|---------------|---------------|
| Urban Residential | \$9 per week | \$23 per week |
| Rural Residential | \$4 per week | \$10 per week |
| Rural | \$10 per week | \$24 per week |
| Commercial Industrial | \$7 per week | \$29 per week |

Based on Indicator Properties in following slides
Excludes multi-SUIPs

INCIDENCE OF RATES INCREASES

Cambridge Urban Residential

| Cambridge Low \$645,000 | Cambridge Medium \$1,100,000 | Cambridge High \$2,560,000 |
|-------------------------------|------------------------------------|----------------------------------|
| \$11.19 per week | \$12.67 per week | \$23.56 per week |
| 15.97% | 16.95% | 19.34% |

INCIDENCE OF RATES INCREASES

Te Awamutu Urban Residential

| Te Awamutu Low \$690,000 | Te Awamutu Medium \$800,000 | Te Awamutu High \$1,330,000 |
|--------------------------------|-----------------------------------|-----------------------------------|
| \$10.89 per week | \$10.00 per week | \$13.85 per week |
| 15.50% | 15.40% | 16.93% |

INCIDENCE OF RATES INCREASES

Pirongia Village Residential

| Pirongia village Low \$750,000 | Pirongia village Medium \$980,000 | Pirongia village High \$1,220,000 |
|--------------------------------------|-----------------------------------------|-----------------------------------------|
| \$9.44 per week | \$10.95 per week | \$12.69 per week |
| 20.55% | 20.95% | 21.24% |

INCIDENCE OF RATES INCREASES

Ohaupo Village Residential

| Ohaupo village Low \$700,000 | Ohaupo village Medium \$950,000 | Ohaupo village High \$1,340,000 |
|------------------------------------|---------------------------------------|---------------------------------------|
| \$9.59 per week | \$11.36 per week | \$13.14 per week |
| 20.25% | 20.69% | 21.33% |

INCIDENCE OF RATES INCREASES

Ngahinapouri Village Residential

| Ngahinapouri village Rural low \$740,000 | Ngahinapouri village Rural medium \$1,030,000 | Ngahinapouri village Rural high \$2,300,000 |
|------------------------------------------------|-----------------------------------------------------|---------------------------------------------------|
| \$5.06 per week | \$5.61 per week | \$7.92 per week |
| 14.46% | 13.75% | 11.98% |

INCIDENCE OF RATES INCREASES

Cambridge Rural Residential

| Cambridge Low \$860,000 | Cambridge Medium \$1,380,000 | Cambridge High \$2,840,000 |
|-------------------------------|------------------------------------|----------------------------------|
| \$5.15 per week | \$6.15 per week | \$10.33 per week |
| 13.24% | 12.45% | 12.67% |

INCIDENCE OF RATES INCREASES

Te Awamutu Rural Residential

| Te Awamutu Low \$837,000 | Te Awamutu Medium \$1,330,000 | Te Awamutu High \$2,550,000 |
|--------------------------------|-------------------------------------|-----------------------------------|
| \$4.27 per week | \$6.49 per week | \$8.70 per week |
| 11.79% | 13.37% | 11.90% |

INCIDENCE OF RATES INCREASES

Pirongia Rural

| Pirongia Low \$1,080,000 | Pirongia Medium \$3,450,000 | Pirongia High \$7,165,000 | Pirongia High \$7,360,000 |
|-----------------------------|--------------------------------|------------------------------|------------------------------|
| 1 SUIP | 2 SUIP | 1 SUIP | 3 SUIP |
| \$5.61 per week | \$13.45 per week | \$17.12 per week | \$24.19 per week |
| 13.46% | 12.88% | 10.52% | 12.01% |

INCIDENCE OF RATES INCREASES

Takepuku Rural

| Takepuku Low \$1,690,000 | Takepuku Medium \$5,550,000 | Takepuku High \$7,810,000 | Takepuku High \$8,860,000 |
|--------------------------------|-----------------------------------|---------------------------------|---------------------------------|
| 1 SUIP | 1 SUIP | 1 SUIP | 2 SUIP |
| \$6.82 per week | \$14.12 per week | \$18.40 per week | \$23.73 per week |
| 12.66% | 10.78% | 10.44% | 11.14% |

INCIDENCE OF RATES INCREASES

Maungautari Rural

| Maungatautari Rural low \$870,000 | Maungatautari Rural low \$1,303,000 | Maungatautari Rural medium \$3,520,000 | Maungatautari Rural high \$7,350,000 | Maungatautari Rural high \$7,430,000 |
|--------------------------------------|----------------------------------------|-------------------------------------------|-----------------------------------------|-----------------------------------------|
| 1 SUIP | 2 SUIP | 1 SUIP | 1 SUIP | 2 SUIP |
| \$1.70 per Week | \$9.61 per week | \$10.76 per week | \$17.70 per week | \$21.29 per week |
| 3.29% | 14.97% | 11.52% | 10.43% | 11.37% |

INCIDENCE OF RATES INCREASES

Cambridge Commercial Industrial

| Cambridge Low \$530,000 | Cambridge Medium \$1,350,000 | Cambridge High \$3,450,000 |
|-------------------------------|------------------------------------|----------------------------------|
| \$7.97 per week | \$13.56 per week | \$28.73 per week |
| 13.61% | 16.49% | 12.36% |

INCIDENCE OF RATES INCREASES

Te Awamutu Commercial Industrial

| Te Awamutu Low \$405,000 | Te Awamutu Medium \$1,400,000 | Te Awamutu High \$4,320,000 | Te Awamutu High \$3,690,000 |
|--------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|
| 1 SUIP | 1 SUIP | 1 SUIP | 3 SUIP |
| \$7.48 per week | \$13.00 per week | \$17.22 per week | \$37.39 per week |
| 12.74% | 13.18% | 11.20% | 13.88% |

KEY MESSAGES ON THE FINANCES

What are the takeout messages?

- Higher increases Y1-Y4, largely driven by uncontrollables, our Y1 increase is lower than the uncontrollables
- Have pared this back as much as possible
- All of local government experiencing this
- Falls unevenly across the district, there is a range around the average, much of the percentage increase is driven by the services provided, and the \$ are influenced strongly by CV

ELECTED MEMBER THOUGHTS

Is this 10 year budget acceptable for consultation purposes?

CONSULTATION TOPICS

Feedback sought – Te Ara Wai

- **Option 1:** *Preferred option* Proceed with the project, as proposed. This is a multi-year project to commence in year 1 with external funding covering the capital costs in year 1 and half of year 2. The rates impact would commence in year 3.
- **Option 2:** Delay project to commence in year 2, with external funding required to complete the project.
- **Option 3:** Proceed with the project in year 1 through loan funding, if external funding is not secured.

CONSULTATION TOPICS

Feedback sought – Pay as you throw

- **Option 1:** Status quo
- **Option 2:** Wheeled bins – pay per use (weekly collection)
- **Option 3:** Wheeled bins – pay by volume (fortnightly collection)

CONSULTATION TOPICS

Feedback sought – Cambridge Library

- **Option 1:** *Preferred option* New library and community centre including museum/heritage offering at a new location.
- **Option 2:** New library and museum/heritage offering at a new location.
- **Option 3:** New library at a new location.

CONSULTATION TOPICS

Feedback sought – Cambridge Town Hall

- **Option 1:** *Preferred option* Funding provided to commence project in year 3 as currently proposed, noting approximately two thirds of the project costs will come from external funding.
- **Option 2:** Move project funding out to year 5

CONSULTATION TOPICS

Feedback sought – Cambridge Water Tower

- **Option 1:** Seek consent and demolish the water tower (years 1 and 2).
- **Option 2:** Repair the water tower to required earthquake standards (unfunded).

CONSULTATION DOCUMENT

- Engagement tool
- Look and feel

**Those are the
major issues
we want your
feedback on.**

However, there's a whole lot more information to come that's worth a look.

Read on.

NEXT STEPS

- SP&P Committee meeting – 18 January
 - Formal approval of
 - Draft budget
 - Consultation topics and options
- Drafting of Consultation Document (CD)
- Approval of CD for auditing on 7 February