



**WHANGANUI
DISTRICT COUNCIL**
Te Kaunihera a Rohe o Whanganui

Annual Plan 2023/24

**SUPPORTING INFORMATION TO THE
CONSULTATION DOCUMENT**

Full Financial Statements

Prospective cost of service statement

	Annual Plan 2022/23 \$000	Long Term Plan (Yr 3) 2023/24 \$000	Annual Plan 2023/24 \$000
Income			
Rates - excluding metered water, trade waste and penalties	67,564	70,976	73,720
Rates - metered water, trade waste and penalties	2,973	2,998	2,903
Subsidies	9,184	10,683	10,167
User fees and other income	15,851	15,634	18,201
Total income	95,571	100,291	104,990
Capital funding			
Transfer from/(to) special funds	100	100	334
New loans	25,159	15,407	26,829
Loans repaid	(9,414)	(10,796)	(10,224)
Gross proceeds from asset sales	0	0	0
Total capital funding	15,845	4,711	16,939
Total funding	111,416	105,003	121,929
Costs			
Operating costs	47,479	47,662	49,733
Salaries and wages	20,140	21,548	23,471
Debt servicing	4,721	4,994	7,067
Total activity costs	72,339	74,204	80,271
Capital expenditure			
-to meet additional demand	3,155	5,153	4,172
-to improve the level of service	12,217	11,314	23,652
-to replace existing assets	23,705	14,332	13,835
Total capital expenditure	39,077	30,799	41,659
Total funding requirement	111,416	105,003	121,929
Rates increase (to existing ratepayers)*	3.9%	4.7%	8.2%
Debt balance**	136,884	139,361	152,171

*Rates increase percentage is shown net of assumed growth in the rating database of \$600,000 per annum (\$300,000 in 22/23)

**Opening loans for 2023/24 have been restated from the 2022/23 Annual Plan to incorporate subsequent information

Reconciling the Prospective cost of service statement to Statement of comprehensive revenue and expense

The purpose of the "Prospective cost of service statement" (COSS) is to show how much Whanganui District Council spends and how that spending is funded

This statement differs from the "Prospective statement of comprehensive revenue and expense" (SCRE) in that it includes capital expenditure and excludes:

Total revenue in the COSS excludes Gains from the revaluation of investment properties.

Total expenditure in the COSS does not include depreciation, but does include capital expenditure and loan/reserve funding.

Rates required by activity for 2023/24

Activity	Revenue (\$000)	Operating costs (\$000)	Personnel costs (\$000)	Finance costs (\$000)	Capital expenditure (\$000)	Capital funding (\$000)	Rates requirement ¹ (\$000)	2022/23 Rates requirement ¹ (\$000)	Forecast Loans at 30 June 2024 (\$000)
Water supply	(1,587)	4,716	468	587	1,945	(528)	5,600	4,889	12,656
Water supply	(1,587)	4,716	468	587	1,945	(528)	5,600	4,889	12,656
Stormwater	(529)	1,473	216	1,560	1,980	459	5,159	4,446	32,691
Waterways and natural drainage	0	335	0	(65)	60	0	330	432	(1,364)
Stormwater drainage	(529)	1,808	216	1,495	2,040	459	5,490	4,878	31,326
Wastewater	(2,689)	7,347	985	2,414	1,457	574	10,087	7,740	51,888
Sewerage and the treatment and disposal of sewage	(2,689)	7,347	985	2,414	1,457	574	10,087	7,740	51,888
Footpaths and berms	(526)	1,413	9	(4)	420	0	1,312	1,299	(84)
Roading	(10,267)	7,509	484	280	12,796	(1,938)	8,864	7,594	7,118
Provision of roads and footpaths	(10,793)	8,923	493	276	13,216	(1,938)	10,177	8,893	7,033
Parks and reserves	(512)	5,994	1,042	136	1,978	(631)	8,007	8,705	3,183
Cooks Gardens	(77)	719	207	150	25	167	1,192	1,014	3,083
Swimming pools	(1,283)	2,058	1,414	106	162	(116)	2,342	1,776	2,292
Parks and recreation	(1,872)	8,772	2,663	392	2,165	(580)	11,540	11,495	8,558
Community	(52)	1,761	618	47	0	200	2,575	2,804	895
Libraries	(100)	1,121	1,708	85	389	150	3,352	3,181	1,723
New Zealand Glassworks - Te Whare Tuhua O Te Ao	(358)	578	166	3	0	8	397	253	54
Sarjeant Gallery	(2,275)	2,353	1,719	295	13,179	(11,190)	4,080	2,470	11,817
Royal Whanganui Opera House	(70)	329	252	38	80		629	600	804
War Memorial Centre	(118)	377	110	94	83	25	571	644	1,978
Whanganui Regional Museum	(35)	1,394	0	73	384	(259)	1,557	1,557	1,677
Earthquake strengthening	0	50	0	346	353	247	996	929	7,172
Community and cultural	(3,008)	7,963	4,573	981	14,467	(10,819)	14,157	12,438	26,119
i-Site Visitor Information Centre	0	182	0	(15)	0	0	167	415	(311)
Whanganui & Partners - Economic development	0	3,020	0	0	0	0	3,020	3,063	0
Economic development	0	3,202	0	(15)	0	0	3,187	3,478	(311)
Cemeteries	(673)	896	8	37	15	20	302	323	777
CBD maintenance	(6)	1,237	0	15	26	248	1,519	1,441	182
Waste minimisation	(510)	995	0	63	0	435	983	1,012	1,283
Kerbside Collection	0	636	335	10	0	(981)	0	0	342
Pensioner housing	(1,988)	1,873	34	151	142	(213)	0	0	3,289
Community buildings	(6)	171	7	24	14	33	243	267	484
Emergency management	0	201	206	0	0	0	407	423	0
Environmental policy	0	775	294	(48)	0	0	1,022	1,113	(1,010)
Building control	(1,635)	786	1,605	9	75	0	840	569	185
Resource management	(380)	571	353	(7)	35	0	572	459	(155)
Environmental health	(267)	561	495	(3)	0	0	786	716	(63)
Parking	(1,096)	635	207	2	50	0	(201)	(115)	50
Animal control	(655)	648	525	56	75	60	709	509	1,145
Community facilities and services	(7,216)	9,986	4,070	308	432	(398)	7,183	6,716	6,508
Airport	(268)	405	201	160	191	59	749	660	3,351
Port & River	(263)	739	182	772	5,000	(4,500)	1,930	1,849	18,538
Durie Hill elevator	(120)	411	9	34	0	20	354	248	700
Transportation	(650)	1,555	392	966	5,191	(4,421)	3,033	2,757	22,590
City Endowment property portfolio	(759)	598	113	(20)	212	(143)	0	(74)	(324)
Harbour Endowment property portfolio	0	0	0	0	0	0	0	0	0
Investments	(1,085)	43	0	(471)	10	550	(953)	208	(10,215)
Investments	(1,844)	641	113	(491)	222	407	(953)	134	(10,538)
Governance and democracy	0	1,440	590	8	0	75	2,114	2,311	138
Corporate management	(970)	(7,537)	8,012	(10)	455	50	0	0	1,034
Community and operational property	(112)	1,288	525	154	70	180	2,106	1,833	3,169
Corporate	(1,082)	(4,809)	9,127	153	525	305	4,219	4,144	4,342
Expected Carry overs									(8,000)
Total	(31,270)	50,104	23,101	7,067	41,659	(16,939)	73,720	67,564	152,171

¹Rates excluding metered water, trade waste and penalties

Prospective statement of comprehensive revenue and expense

	Annual Plan 2022/23 \$000	Long Term Plan (Yr 3) 2023/24 \$000	Annual Plan 2023/24 \$000
Rates revenue			
Rates - excluding metered water, trade waste and penalties	67,564	70,976	73,720
Rates - metered water, trade waste and penalties	2,973	2,998	2,903
Total Rates	70,536	73,974	76,623
Non rate revenue			
Subsidies and grants	9,557	11,526	10,876
Development and financial contributions	1,003	1,015	1,015
Fees and charges	8,749	9,091	10,526
Interest and dividends from investments	690	1,190	1,105
Other dedicated capital funding	2,479	509	2,029
Other revenue	2,850	3,246	3,076
Total non rate revenue	25,326	26,576	28,626
Total revenue	95,862	100,550	105,249
Expenditure			
Personnel costs	20,140	21,548	23,471
Finance costs	4,721	4,994	7,067
Depreciation and amortisation expense	22,967	24,901	27,297
Other expenses	47,479	47,662	49,733
Total expenditure	95,307	99,105	107,568
Surplus/(deficit)	556	1,445	(2,319)
<i>Surplus/(deficit) attributable to:</i>			
Whanganui District Council	556	1,445	(2,319)
Other comprehensive revenue and expense			
Gain on infrastructure revaluations	42,137	0	0
Gain on property revaluations	0	12,992	12,992
Total other comprehensive revenue and expense	42,137	12,992	12,992
Total comprehensive revenue and expense	42,692	14,437	10,673
<i>Total comprehensive revenue and expense attributable to:</i>			
Whanganui District Council	42,692	14,437	10,673

Prospective statement of financial position

	Annual Plan 2022/23 \$000	Long Term Plan (Yr 3) 2023/24 \$000	Annual Plan 2023/24 \$000
Assets			
Current assets			
Cash and cash equivalents	7,012	6,758	7,350
Receivables	6,640	8,459	6,200
<i>Total current assets</i>	<u>13,652</u>	<u>15,217</u>	<u>13,550</u>
Non-current assets			
Other financial assets:			
-Investment in CCOs and other similar entities	60,888	60,380	50,160
-Investment in other entities	680	723	783
<i>Total other financial assets</i>	<u>61,568</u>	<u>61,102</u>	<u>50,943</u>
Property, plant and equipment	1,146,693	1,098,602	1,338,691
Intangible assets	1,901	1,470	3,027
Investment property	14,537	10,613	17,172
<i>Total non-current assets</i>	<u>1,224,699</u>	<u>1,171,788</u>	<u>1,409,832</u>
Total assets	1,238,351	1,187,005	1,423,382
Liabilities			
Current liabilities			
Payables	10,694	10,949	11,400
Borrowings	14,000	14,000	14,000
Employee entitlements	2,372	2,425	2,612
<i>Total current liabilities</i>	<u>27,066</u>	<u>27,373</u>	<u>28,012</u>
Non-current liabilities			
Borrowings	122,884	125,361	138,171
Deferred tax liability	50	50	50
Derivative financial instruments	2,000	12,808	-
Employee entitlements	154	158	150
<i>Total non-current liabilities</i>	<u>125,088</u>	<u>138,378</u>	<u>138,371</u>
Total liabilities	152,154	165,751	166,383
Net assets (assets minus liabilities)	1,086,197	1,021,253	1,256,999
Equity			
Accumulated funds	617,726	611,668	602,347
Revaluation reserves	419,466	357,316	576,064
Restricted reserves	47,353	51,071	75,748
Other reserves	1,652	1,197	2,840
Total equity	1,086,197	1,021,253	1,256,999

Prospective cash flow statement

	Annual Plan 2022/23 \$000	Long Term Plan (Yr 3) 2023/24 \$000	Annual Plan 2023/24 \$000
Cash flows from operating activities			
Receipts from rates revenue	70,536	73,974	76,623
Subsidies and grants	9,557	11,526	10,876
Interest received	185	185	600
Dividends received	505	1,005	505
Other dedicated capital funding	2,479	509	2,029
Receipts from other revenue	12,091	12,900	14,358
Payments to suppliers	(47,142)	(47,363)	(49,733)
Payments to employees	(20,140)	(21,548)	(23,471)
Interest paid	(4,721)	(4,994)	(7,067)
<i>Net cash flow from operating activities</i>	<u>23,350</u>	<u>26,193</u>	<u>24,720</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	(39,027)	(30,749)	(41,584)
Purchase of intangible assets	(50)	(50)	(75)
Receipts from sale of property, plant and equipment	-	-	-
Receipts for sale and maturity of investments	-	-	-
<i>Net cash flow from investing activities</i>	<u>(39,077)</u>	<u>(30,799)</u>	<u>(41,659)</u>
Cash flows from financing activities			
Proceeds from borrowing	25,159	15,407	26,829
Repayment of borrowing	(9,414)	(10,796)	(10,224)
<i>Net cash flow from financing activities</i>	<u>15,745</u>	<u>4,611</u>	<u>16,606</u>
Net (decrease)/increase in cash, cash equivalents, and bank overdrafts	<u>18</u>	<u>5</u>	<u>(333)</u>
Cash, cash equivalents, and bank overdrafts at the beginning of the year	6,993	6,753	7,683
Cash, cash equivalents, and bank overdrafts at the end of the year	<u>7,011</u>	<u>6,758</u>	<u>7,350</u>

Prospective statement of changes in net assets/equity

	Annual Plan 2022/23 \$000	Long Term Plan (Yr 3) 2023/24 \$000	Annual Plan 2023/24 \$000
Balance at 1 July	1,043,504	1,006,817	1,246,327
Total comprehensive revenue and expense for the year	42,693	14,437	10,672
Balance at 30 June	1,086,197	1,021,254	1,256,999
Represented by:			
Retained earnings			
Balance at 1 July	618,722	611,321	607,173
Transfers (to)/from restricted reserves	100	100	333
Surplus/(deficit) for the year	556	1,445	(2,319)
Balance at 30 June	619,378	612,866	605,187
Restricted reserves			
Balance at 1 July	47,453	51,171	76,081
Transfers (to)/from retained earnings	(100)	(100)	(333)
Balance at 30 June	47,353	51,071	75,748
Asset revaluation reserves			
Balance at 1 July	377,329	344,325	563,072
Revaluation gains/(losses)	42,137	12,992	12,992
Balance at 30 June	419,466	357,317	576,064
Total equity	1,086,197	1,021,254	1,256,999

Note: Closing equity as per the 2022/23 Annual Plan and opening equity for 2023/24 differ due to the timing of relative forecasts and the impact of actual revaluation and financial movements that and financial movements have occurred during 2021/22 and the financial year to date.

Funding impact statement

Whanganui District Council: Funding impact statement for 2023-2024 (whole of council)

	Annual Plan 2022/23 \$000	Long Term Plan (Yr 3) 2023/24 \$000	Annual Plan 2023/24 \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	40,190	38,092	41,154
Targeted rates	30,346	35,882	35,468
Subsidies and grants for operating purposes	4,941	5,614	5,271
Fees and charges	8,749	9,091	10,526
Interest and dividends from investments	690	1,190	1,105
Local authorities fuel tax, fines, infringement fees and other receipts	2,558	2,987	2,817
Total operating funding (A)	87,474	92,857	96,342
Application of operating funding			
Payments to staff and suppliers	67,619	69,210	73,204
Finance costs	4,721	4,994	7,067
Other operating funding applications	0	0	0
Total application of operating funding (B)	72,339	74,204	80,271
Surplus (deficit) of operating funding (A - B)	15,135	18,653	16,071
Sources of capital funding			
Subsidies and grants for capital expenditure	7,066	6,392	7,605
Development and financial contributions	1,003	1,015	1,015
Increase (decrease) in debt	15,745	4,611	16,606
Gross proceeds from asset sales	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	29	29	29
Total sources of capital funding (C)	23,842	12,046	25,254
Application of capital funding			
Capital expenditure			
-to meet additional demand	3,155	5,153	4,172
-to improve the level of service	12,217	11,314	23,652
-to replace existing assets	23,705	14,332	13,835
Increase (decrease) in reserves	(100)	(100)	(334)
Increase (decrease) of investments	0	0	0
Total application of capital funding (D)	38,977	30,699	41,325
Surplus (deficit) of capital funding (C - D)	(15,135)	(18,653)	(16,071)
Funding balance ((A - B) + (C - D))	0	0	0