



**The Extraordinary Meeting of the  
Kawerau District Council will be  
held on Wednesday 20 March 2024  
commencing at 9.00am**

**A G E N D A**

## **GUIDELINES FOR PUBLIC FORUM AT MEETINGS**

1. A period of thirty minutes is set aside for a public forum at the start of each Ordinary Council or Standing Committee meeting, which is open to the public. This period may be extended on by a vote by members.
2. Speakers may address meetings on any subject. However, issues raised must not include those subject to legal consideration, or be issues, which are confidential, personal, or the subject of a formal hearing.
3. Each speaker during the public forum is permitted to speak for a maximum of three minutes. However, the Chairperson has the discretion to extend the speaking time.
4. Standing Orders are suspended for the duration of the public forum.
5. Council and Committees, at the conclusion of the public forum, may decide to take appropriate action on any of the issues raised.
6. With the permission of the Chairperson, members may ask questions of speakers during the period reserved for public forum. Questions by members are to be confined to obtaining information or clarification on matters raised by the speaker.

**The Extraordinary Meeting of the Kawerau District Council  
will be held on Wednesday 20 March 2024  
commencing at 9.00am**

## **A G E N D A**

**Opening Prayer**

**Apologies**

**Leave of Absence**

**Declarations of Conflict of Interest**

**Public Forum**

**1 Transitional Option to Prepare an Annual Plan for 2024 / 25 (Group Manager, Finance and Corporate Services) (201600)**

**Pgs. 1 - 4**

Attached is a report on the Transitional Option to prepare an Annual Plan for 2024 / 25.

**Recommendations**

1. *That the report “Transitional Option to Prepare an Annual Plan for 2024 / 25” be received.*
2. *That Council resolves under clauses 48 + 49 of Schedule 1AA of the Local Government Act 2002 (inserted by the Water Services Acts Repeals Act 2024), to prepare and adopt.*
  - *An Annual Plan for 2024 / 25.*
  - *An Annual Plan Consultation Document 2024 / 25.*
  - *A nine year Long Term Plan 2025 – 2034, which will adopted in 2025.*

**2 Proposed Budget for the Annual Plan 2024 / 25 (Group Manager, Finance and Corporate Services) (110400)**

**Pgs. 5 - 12**

Attached is a report on the Proposed Budget for the Annual Plan 2024 / 25.

**Recommendations**

1. *That the report “Proposed Budget for the Annual Plan 2024 / 25” be received.*
2. *That Council adopt the draft 2024 / 25 budget and the proposed rates for inclusion in the preparation of the Annual Plan Consultation Document which will be adopted by Council on 10 April 2024.*

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**Chief Executive Officer**

**Meeting:** Extra-ordinary Council

**Meeting Date:** 20 March 2024

**Subject:** **Transitional Option to prepare an Annual Plan for 2024/25**

**File No.:** 201600

## **1 Purpose**

The purpose of this report is for Council to consider adopting the transitional option of preparing an Annual Plan for 2024/25 and then complete a Long Term Plan for the nine years 2025-2034. This transitional option has been provided by the Government, for Local Authorities to consider due to the impact of the Water Services Acts Repeal Act 2024.

## **2 Background**

The Local Government Act 2002 requires Council to prepare a Long Term Plan at least every three years and an annual plan in the years in between. Council must also consult on its Long Term Plan using the special consultative process which includes preparing a consultation document and engaging with the community. There is also a requirement that the Long Term Plan and the consultation document must be audited. The 2024/25 rating year would be year one of the new 2024-2034 Long Term Plan.

The Government in February 2024 enacted the Water Services Acts Repeal Act 2024, and the Three Waters legislation is to be replaced by new legislation known as the Local Water Done Well. As this legislative change has a significant impact on all Councils water services financial preparations for the Long Term Plan, transitional options were provided for Local Authorities to consider. The following options were provided to Council's:

- Councils will be permitted to have an unaudited Long Term Plan Consultation Document, to consult with the community (with certain conditions).
- The statutory deadline by which the 2024-2034 Long Term Plan must be adopted will be extended by three months to 30 September 2024. The deadline for adopting the 2023/24 Annual Reports will also be extended, to reflect the possible overlap in auditing processes if Councils are taking longer than usual to finalise the Long Term Plan.
- Councils can prepare an enhanced Annual Plan for the 2024/25 financial year and then prepare a nine year Long Term Plan for 2025-2034. If a Council chooses this option, there is a requirement for some additional information in the Annual Plan and to consult on that plan. A Council will be able to exercise this option by Council resolution adopted by 30 April 2024.

### **3 Transitional Option to Prepare an Annual Plan**

As detailed above the Government have provided transitional options for Local Authorities to consider due to the potential impact of the Three Waters legislative changes on Council's Long Term Plan's. The attached appendix details the three stage legislative process for repealing then implementing the Local Water Done Well legislation.

The following are key considerations for preparing an Annual Plan for 2024/25 and a Long Term Plan 2025-2034:

- Without the new Local Water Done Well legislation in place, there is uncertainty as to what the impact of this legislation would have on Council's Three Waters.
- With the new Government, the signal is that there are likely to be more legislative changes, which could significantly impact years 2026 onwards of the Long Term Plan, adding further uncertainty to the information presented in years 2026 to 2034.
- If Council completes the Long Term Plan and the legislative changes have a significant impact on Council's levels of service and financial forecasts, there will be a requirement to prepare another Long Term Plan in 2025/26. The potential to have to complete two Long Term Plans would require additional staffing resources plus incur additional audit fees, as there is a legislative requirement for the consultation document and Long Term Plan to be audited. The budgeted audit fee for the Long Term Plan is an additional \$50k. If an Annual Plan 2024/25 is completed there will be no audit requirement until the Long Term Plan 2025-2034 is prepared.
- The preparation of an Annual Plan 2024/25 will still provide the community with full consultation and engagement through the Annual Plan Consultation Document and the Annual Plan 2024/25 process. The community engagement will then continue from 1 July 2024 onwards for the preparation of the nine year Long Term Plan 2025-2034.

Following the Long Term Plan 2025-2034, the next Long Term Plan would be completed in two years for 2027-2037, which will bring the Long Term Plan cycle back into the normal three yearly cycle.

### **4 Policy and Plan Considerations**

The transitional option to prepare an Annual Plan for 2024/25 comes from the provisions provided by the Government due to the Water Services Acts Repeal Act 2024.

Preparing an Annual Plan for the 2024/25 year and then a Long Term Plan 2025-2034, once there is more certainty regarding the impact of the new Local Water Done Well legislation and any other legislative changes, will ensure there is increased certainty regarding the forecasting assumptions and any impacts on level of service.

## 5 **Significance and Engagement**

Preparation of the Annual Plan 2024/25 will require that the Annual Plan Consultation Document is consulted on with the community. Council has undertaken the consultation process for the Annual Plan every year with the community, even if not legislatively required.

The community consultation period would be from 12 April to 14 May 2024, with specific consultation initiatives. Council would then hear and consider submissions on the Annual Plan 2024/25 at the Extraordinary Council meeting on 22 May 2024, with deliberations and decisions made on 29 May 2024.

## 6 **Financial Considerations**

The audit fee for the Long Term Plan was included in the budget for the 2023/24 financial year. The audit fee of \$50,000 would need to be carried over to the 2024/25 financial year if Council completed the Annual Plan 2024/25 and the Long Term Plan in 2025.

Should Council proceed with the Long Term Plan for 2024-2034 and there is a significant impact on water services following the new legislation, Council may need to complete another Long Term Plan for 2025 - 2035, which will also need to be audited for an additional \$50,000 and require additional staffing resources.

## 7 **Legal Considerations**

The transitional option to adopt an Annual Plan for 2024/25 and Long Term Plan for 2025-2034 has been provided by the Government. The preparation of an Annual Plan for 2024/25, includes the requirement to use the special consultative procedure, which Council plans to undertake from 12 April to 14 May 2024.

## 8 **RECOMMENDATIONS**

1. That the report "Transitional Option to Prepare an Annual Plan for 2024/24" be received.
2. That Council resolves under clauses 48 and 49 of Schedule 1AA of the Local Government Act 2002 (inserted by the Water Services Acts Repeal Act 2024), to prepare and adopt:
  - An Annual Plan for 2024/25;
  - An Annual Plan Consultation Document 2024/25; and
  - A nine-year Long-Term Plan for 2025-2034, which will be adopted in 2025.

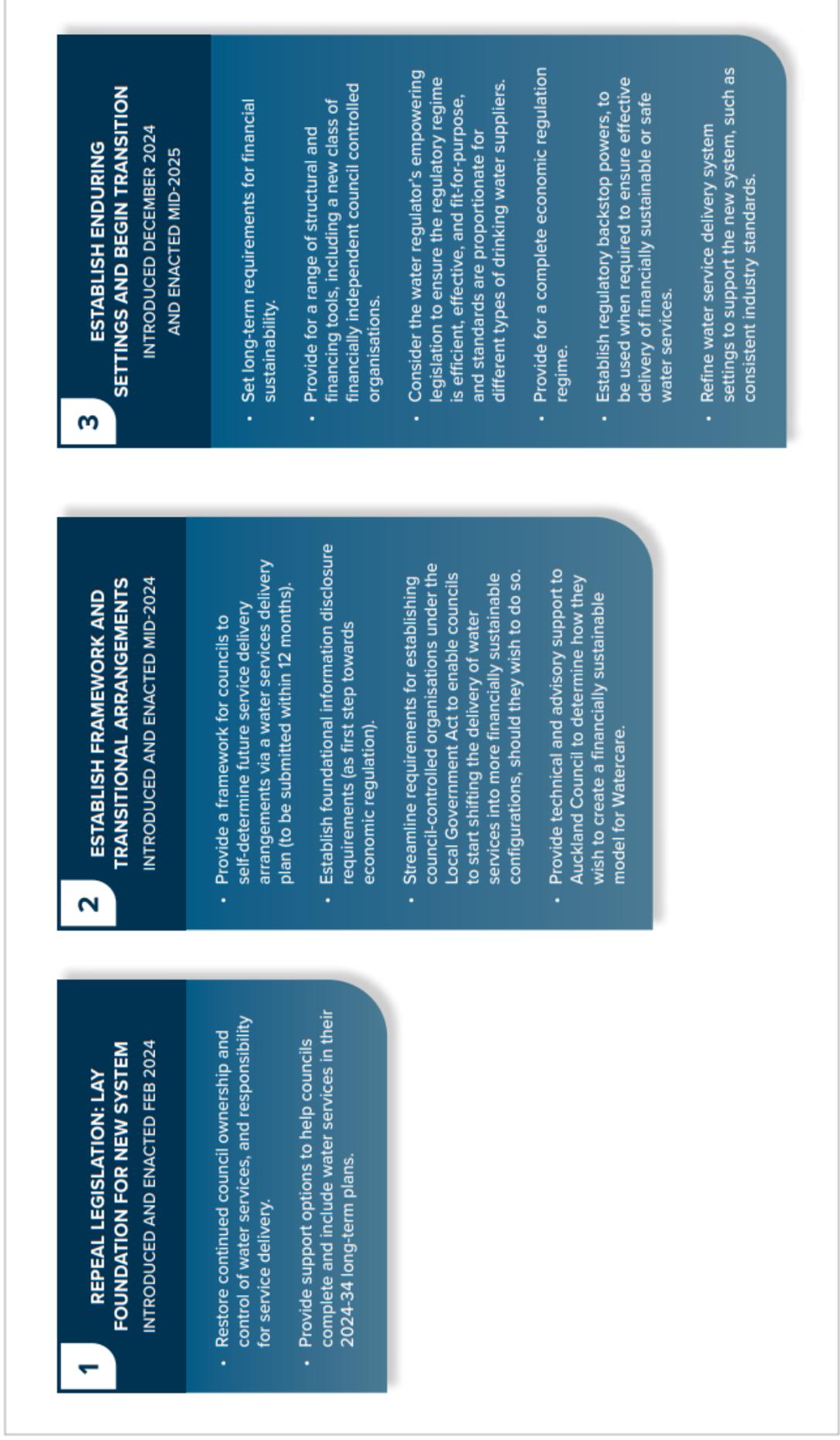


Lee-Anne Butler CA, BMS

**Group Manager Finance and Corporate Services**

# Implementing Local Water Done Well: Three-stage legislation plan

Legislation to implement Local Water Done Well has three stages. Key components that are expected to be included in each bill are outlined below.



**Meeting:** Extra-ordinary Council

**Meeting Date:** 20 March 2024

**Subject:** **Proposed Budget for the Annual Plan 2024/25**

**File No.:** 110400

## 1 **Purpose**

The purpose of this report is to outline the draft budget and proposed rates to be included in the intended Annual Plan 2024/25 and the Annual Plan Consultation Document.

## 2 **Background**

Council was scheduled to prepare and consult on the Long Term Plan for the 10 years from 2024–2034. However, as the Government is in the process of repealing and replacing the Three Waters legislation, which has a significant impact on all Councils, transitional options for the preparation of the Long Term Plan have been provided. One option is that Councils can alternatively prepare an enhanced Annual Plan for the 2024/25 financial year and then a Long Term Plan for the period 2025-2034. If a Council chooses this option, there is a requirement for some additional information in the Annual Plan and to consult on that plan. A Council will be able to exercise this transitional option by Council resolution if adopted by 30 April 2024.

Council is supportive of preparing an Annual Plan 2024/25 given all the uncertainties with the new Local Water Done Well legislation that is still to come into effect. To prepare the Annual Plan Council must set a budget for the 2024/25 financial year and determine the rates required.

## 3 **Budget for Annual Plan 2024/25**

Following presentation of the budget at Council workshops, Council decided on a proposed rates increase of 15.1% which will be included in the Annual Plan Consultation Document (CD).

The overall proposed rates increase is shown in the following table:

| <b>Rates</b>           | <b>2023/24</b>      | <b>2024/25</b>      | <b>Difference</b>  |              |
|------------------------|---------------------|---------------------|--------------------|--------------|
|                        | <b>\$</b>           | <b>\$</b>           | <b>\$</b>          | <b>%</b>     |
| General Rates          | 11,770,850          | 13,592,230          | 1,821,380          | 15.5%        |
| <b>Targeted Rates:</b> |                     |                     |                    |              |
| Water Supply           | 195,200             | 210,000             | 14,800             | 7.6%         |
| Wastewater             | 378,080             | 430,000             | 51,920             | 13.7%        |
| Refuse Collection      | 594,080             | 665,330             | 71,250             | 12.0%        |
| <b>Total Rates</b>     | <b>\$12,938,210</b> | <b>\$14,897,560</b> | <b>\$1,959,350</b> | <b>15.1%</b> |

The proposed budget for the Annual Plan 2024/25 is as follows:

|                                   | <b>Annual Plan</b> | <b>Long Term Plan</b> | <b>Draft Annual Plan</b> |
|-----------------------------------|--------------------|-----------------------|--------------------------|
|                                   | <b>2023/24</b>     | <b>2024/25*</b>       | <b>2024/25</b>           |
| <b>Revenue</b>                    |                    |                       |                          |
| Total Rates                       | 12,938,210         | 12,655,620            | 14,897,560               |
| Grants & Subsidies                | 5,596,530          | 630,450               | 4,827,850                |
| Petrol Tax                        | 65,000             | 70,000                | 65,000                   |
| Interest Revenue                  | 97,530             | 32,570                | 52,330                   |
| Other Revenue                     | 2,802,160          | 2,329,430             | 2,536,660                |
| <b>Total Revenue</b>              | <b>21,499,430</b>  | <b>15,718,070</b>     | <b>22,379,400</b>        |
|                                   |                    |                       |                          |
| <b>Expenditure</b>                |                    |                       |                          |
| Personnel costs                   | 6,579,380          | 6,059,320             | 7,626,980                |
| Depreciation                      | 3,973,210          | 3,711,610             | 4,345,100                |
| Finance                           | 177,500            | 177,310               | 395,000                  |
| Other Expenditure                 | **11,553,390       | 6,080,240             | 7,667,820                |
| <b>Total Expenditure</b>          | <b>22,283,480</b>  | <b>16,028,480</b>     | <b>20,034,900</b>        |
| <b>Net Surplus (Deficit) (\$)</b> | <b>(784,050)</b>   | <b>(310,410)</b>      | <b>2,344,500</b>         |
| <b>Rate Increase (%)</b>          | <b>8.2%</b>        | <b>3.8%</b>           | <b>15.1%</b>             |
|                                   |                    |                       |                          |
| <b>Capital Budget</b>             | <b>6,727,700</b>   | <b>5,333,500</b>      | <b>6,546,980</b>         |

The reason for the overall operational surplus is due to the better off funding grants & subsidies income to fund the Stoneham Park Development which for 2024/25 is \$3.5 million.

\*\* Please note that for 2023/24 the expenditure on the Stoneham Park Development was included under Other Expenditure of \$4.14m. For the 2025/26 year this expenditure of \$3.5m has been classified as Inventory, which more fairly reflects the capital development expenditure and the section inventory being developed. This movement also impacts total expenditure, which when compared to 2023/24 shows a decrease due to this change in treatment.

The reasons for the increase in the rates required compared to the previous year are as follows:

- Personnel costs have increased due to the inflationary pressures and the tight labour market having a greater impact on personnel costs for the 2023/24 year. These increases also flow onto the 2024/25 year, with the further additional inflationary impacts budgeted for 2024/25. There are also additional staff budgeted for Governance Support, Engineering, Policy Planning, Solid Waste and finance administration. The additional personnel costs for solid waste recycling, however is offset by a reduction in contracting costs, as this process will be completed in-house.
- Depreciation expenditure for 2024/25 of \$4,345,100, is an increase of \$371,890 (9.4%) on last year. In the 2023/24 budget, Council consulted with the community and decided to increase the level of depreciation not funded across all assets to 35%. For the 2024/25 budget the level of depreciation not funded has been set at 30%, allowing Council to gradually start increasing the level of depreciation funded. The overall impact of increased funding for depreciation is \$300,430.

- Finance Costs have increased by \$217,500 due the interest expense on loans uplifted to fund the water reticulation renewals. Council will borrow a further \$2m in 2024/25 to fund the next stage of the water reticulation renewals, increasing the total water loans to \$6m by 30 June 2025.
- For the 12 months to 30 June 2023, the annual inflation rate was 6.0% and eased slightly to 4.7% at 31 December 2023. Inflationary effects and resource availability continue to have an impact on Council, with increasing operational costs in all areas including water maintenance, refuse disposal and cartage, insurance, civil defence costs, election expenses and electricity.
- Also impacting the rates requirement for 2024/25 is a reduction in Government Subsidies to fund the Spatial Plan development costs of \$120k, and a reduction in interest income.

For 2024/25 the revenue and activity costs (including overheads) for each activity are as follows:

|                               | <b>Annual Plan</b> | <b>Long Term Plan</b> | <b>Annual Plan</b> |
|-------------------------------|--------------------|-----------------------|--------------------|
| <b>Activity Groups:</b>       | <b>2023/24</b>     | <b>2024/25</b>        | <b>2024/25</b>     |
| <b>Revenue:</b>               |                    |                       |                    |
| Democracy                     | 2,910              | 1,180                 | 0                  |
| Economic Development          | 5,424,870          | 1,203,740             | 3,810,500          |
| Environmental Services        | 314,120            | 191,510               | 179,000            |
| Roading                       | 1,027,310          | 741,930               | 1,705,450          |
| Stormwater                    | 315,990            | 3,570                 | 61,500             |
| Water                         | 301,590            | 276,030               | 303,000            |
| Wastewater                    | 503,370            | 549,590               | 530,000            |
| Solid Waste                   | 1,827,280          | 1,236,750             | 2,015,340          |
| Leisure & Recreation          | 152,070            | 91,530                | 116,300            |
| Sundry & eliminations         | (140,930)          | 15,540                | 66,080             |
| <b>Total Revenue</b>          | <b>9,728,580</b>   | <b>4,311,370</b>      | <b>8,787,170</b>   |
|                               |                    |                       |                    |
| <b>General Rates</b>          | 11,770,850         | 11,406,700            | 13,592,230         |
|                               |                    |                       |                    |
| <b>Total Revenue</b>          | <b>21,499,430</b>  | <b>15,718,070</b>     | <b>22,379,400</b>  |
|                               |                    |                       |                    |
| <b>Expenditure (incl O/H)</b> |                    |                       |                    |
| Democracy                     | 849,770            | 791,760               | 1,008,250          |
| Economic Development          | 6,603,900          | 2,191,770             | 2,217,310          |
| Environmental Services        | 1,455,430          | 1,207,110             | 1,628,320          |
| Roading                       | 2,409,310          | 2,125,540             | 2,593,070          |
| Stormwater                    | 288,240            | 310,110               | 429,800            |
| Water                         | 1,733,270          | 1,809,680             | 2,154,750          |
| Wastewater                    | 1,982,710          | 1,981,540             | 2,183,560          |
| Solid Waste                   | 3,183,210          | 2,049,400             | 3,558,120          |
| Recreation & Leisure          | 4,710,890          | 4,432,360             | 5,125,490          |
| Sundry & eliminations*        | (933,250)          | (870,790)             | (863,770)          |
| <b>Total Costs</b>            | <b>22,283,480</b>  | <b>16,028,480</b>     | <b>20,034,900</b>  |

\*This includes the internal charges for rates, interest and refuse charges charged to activities.

The variances in the activities compared to the previous year are as follows:

- Democracy - Increased election costs, remuneration authority determinations and additional governance support staffing.
- Environmental Services - Revenue has decreased due to no grants income for the Spatial Plan project, therefore the expenditure for the Spatial Plan will be funded by rates. There are also additional costs for civil defence.
- Roading - Increase in depreciation expense and operating costs.
- Stormwater – Increase in depreciation expense.
- Water - Increases in financing costs for loans for the water reticulation renewals, increased depreciation expense, maintenance, and operational costs.
- Wastewater - Increased depreciation expense, plus personnel and operational costs.
- Solid waste - Increased cartage and disposal costs, though this is offset partially by an increase in fees and charges. Personnel costs have increased however there are partial savings by reduced contractor expenses.
- Leisure and Recreation - Increased due to higher personnel costs across all Leisure and Recreation activities including the aquatic centre, parks and reserves and library. There are also increased operational costs and maintenance work for halls, sports fields and reserves.

Capital expenditure for 2024/25 is \$6,546,980 (\$6,727,700 for 2023/24). Appendix 1 has a summary of the Capital Projects

#### **4 Rates Impact**

While the overall budgeted rates increase is 15.1%, individual properties will have rate increases different to this, as the average increase will vary depending on the value of individual properties.

The Uniform Annual General Charge (UAGC) is a minimum charge per property. To smooth the impact of the rates increase, Council proposes increasing the Uniform Annual General Charge (UAGC) from \$850 to \$950 for 2024/25. The attached tables in Appendix 2 show the proposed rates for 2024/25 for a selection of property values for the UAGC at \$850 (per 2023/24) and at the proposed \$950.

#### **5 Options for Consideration**

The Annual Plan Consultation Document will be prepared based on the proposed budget 2024/25 and will be adopted by Council on the 10 April 2024, with community consultation starting on the 12 April 2024.

Council has the following options regarding the overall rate increase for 2024/25:

- Keep the proposed rates as drafted.
- Review and amend some levels of service to reduce costs and the rates increase for 2024/25.

#### **6 Significance and Engagement**

The proposed budget as presented will be the basis for the preparation of the Annual Plan Consultation Document and the Annual Plan 2024/25.

The following is the timeframe for the consultation and adoption of the Annual Plan 2024/25:

- Adoption of Annual Plan 2024/25 Consultation Document – 10 April 2024
- Consultation period – 12 April 2024 to 14 May 2024
- Hearing and consideration of submissions – 22 May 2024
- Deliberations and consideration of submissions – 29 May 2024
- Adoption of Annual Plan 2024/25 and setting of rates – 26 June 2024

## **7 Financial Considerations**

Development of the Kawerau District Council Annual Plan 2024/25, including the process of the special consultation procedure, can be met within existing estimates.

## **8 Legal Considerations**

As Council intends to adopt the transitional option provided by the Government to prepare an Annual Plan for 2024/25, there is a requirement to use the special consultative procedure for the development of the Annual Plan, which Council plans to undertake from 12 April to 14 May 2024.

## **9 RECOMMENDATIONS**

1. That the report "Proposed Budget for the Annual Plan 2024/25 be received; and
2. That Council adopt the draft 2024/25 budget and the proposed rates for inclusion in the preparation of the Annual Plan Consultation Document which will be adopted by Council on 10 April 2024.



Lee-Anne Butler, CA, BMS

**Group Manager Finance & Corporate Services**

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**Appendix 2 - Capital Expenditure**

The following table lists the capital expenditure items for 2024/25.

| <b>Activity</b>      | <b>Asset</b>                       | <b>2024/25</b>     |
|----------------------|------------------------------------|--------------------|
| Economic Development | Firmin Lodge & i-site              | \$12,000           |
|                      |                                    |                    |
| Roading              | Hardie Ave Flood Mitigation        | \$1,000,000        |
|                      | Kerb Replacement                   | \$84,000           |
|                      | Street Light Upgrade               | \$62,000           |
|                      | Reseals                            | \$135,000          |
|                      | Pavement Treatment                 | \$75,000           |
|                      | Minor Safety Improvements          | \$40,000           |
|                      | Footpath Repairs                   | \$160,000          |
|                      | Stormwater Catch-pit renewal       | \$60,000           |
|                      | Photocell Sensory                  | \$15,000           |
|                      | School Zone Speed Management       | \$120,000          |
|                      | Reseal Carparks                    | \$30,000           |
|                      | Other                              | \$41,900           |
|                      |                                    |                    |
| Stormwater           | Renewals                           | \$772,300          |
|                      |                                    |                    |
| Water Supply         | Pipework Renewals                  | \$2,000,000        |
|                      | Tobies                             | \$50,000           |
|                      | Valves Refurbishment               | \$75,000           |
|                      | UV Tubes Replacement               | \$15,000           |
|                      |                                    |                    |
| Waste Management     | Wastewater pipework                | \$765,000          |
|                      |                                    |                    |
| Refuse Disposal      | Concrete Apron and Electric gate   | \$15,000           |
|                      | Asbestos Site                      | \$150,000          |
|                      | Recycling Bins                     | \$50,000           |
|                      |                                    |                    |
| Leisure & Recreation | Library stock                      | \$77,000           |
|                      | Library furniture and fittings     | \$6,600            |
|                      | Library Building                   | \$16,000           |
|                      | Museum Computer Software           | \$22,000           |
|                      | Maurie Kjar Aquatic Centre         | \$76,000           |
|                      | Ron Hardie Recreation Centre       | \$90,000           |
|                      | Town Hall                          | \$2,900            |
|                      | Concert Chamber                    | \$14,500           |
|                      | Sportsfields and Amenity Buildings | \$90,400           |
|                      | Playgrounds                        | \$4,020            |
|                      | Cemetery – Sexton Shed & gate      | \$10,000           |
|                      |                                    |                    |
| Overheads            | Computers & Document Management    | \$125,000          |
| Plant                | Vehicles                           | \$249,200          |
| Buildings            | Depot & District Office            | \$36,160           |
|                      |                                    | <b>\$6,546,980</b> |

**Appendix 2 – Rates Impact****Rates Impact on selected properties for proposed rates increase based on UAGC of \$950** (status quo rates differential 48% Residential and 52% Commercial)

| <b>Residential</b>           |                      |                      |                             |          |                           |
|------------------------------|----------------------|----------------------|-----------------------------|----------|---------------------------|
| <b>Capital Value</b>         | <b>Rates 2023/24</b> | <b>Rates 2024/25</b> | <b>Increase in Rates \$</b> | <b>%</b> | <b>Weekly increase \$</b> |
|                              |                      |                      |                             |          |                           |
| 52,000                       | 1,495                | 1,693                | 198                         | 13.2%    | 4                         |
| 235,000                      | 2,178                | 2,470                | 292                         | 13.4%    | 6                         |
| 310,000                      | 2,458                | 2,789                | 331                         | 13.4%    | 6                         |
| 330,000                      | 2,533                | 2,874                | 341                         | 13.4%    | 7                         |
| 350,000                      | 2,608                | 2,958                | 350                         | 13.4%    | 7                         |
| 390,000                      | 2,757                | 3,128                | 371                         | 13.5%    | 7                         |
|                              |                      |                      |                             |          |                           |
| 415,000                      | 2,851                | 3,235                | 384                         | 13.5%    | 7                         |
| 445,000                      | 2,963                | 3,362                | 399                         | 13.5%    | 8                         |
| 450,000                      | 2,981                | 3,383                | 402                         | 13.5%    | 8                         |
| 470,000                      | 3,056                | 3,468                | 412                         | 13.5%    | 8                         |
|                              |                      |                      |                             |          |                           |
| 520,000                      | 3,243                | 3,680                | 437                         | 13.5%    | 8                         |
| 570,000                      | 3,430                | 3,893                | 463                         | 13.5%    | 9                         |
| 610,000                      | 3,579                | 4,063                | 484                         | 13.5%    | 9                         |
| 660,000                      | 3,766                | 4,275                | 509                         | 13.5%    | 10                        |
| 710,000                      | 3,952                | 4,487                | 535                         | 13.5%    | 10                        |
| 750,000                      | 4,102                | 4,657                | 555                         | 13.5%    | 11                        |
|                              |                      |                      |                             |          |                           |
| <b>Commercial/Industrial</b> |                      |                      |                             |          |                           |
| <b>Capital Value</b>         | <b>Rates 2023/24</b> | <b>Rates 2024/25</b> | <b>Increase in Rates</b>    | <b>%</b> | <b>Weekly increase \$</b> |
| 170,000                      | 5,362                | 6,163                | 801                         | 14.9%    | 15                        |
| 240,000                      | 7,132                | 8,204                | 1,072                       | 15.0%    | 21                        |
| 405,000                      | 11,305               | 13,017               | 1,712                       | 15.1%    | 33                        |
| 700,000                      | 18,766               | 21,621               | 2,855                       | 15.2%    | 53                        |
| 940,000                      | 24,836               | 28,620               | 3,784                       | 15.2%    | 73                        |
| 4,630,000                    | 117,952              | 135,988              | 18,036                      | 15.3%    | 347                       |
| 11,695,000                   | 296,789              | 342,214              | 45,425                      | 15.3%    | 874                       |
| 20,400,000                   | 516,807              | 595,933              | 79,126                      | 15.3%    | 1,522                     |
| 20,800,000                   | 527,073              | 607,769              | 80,696                      | 15.3%    | 1,552                     |
| 30,700,000                   | 777,464              | 896,595              | 119,131                     | 15.3%    | 2,291                     |
| 34,750,000                   | 879,896              | 1,014,717            | 134,821                     | 15.3%    | 2,593                     |
| 46,250,000                   | 1,170,754            | 1,350,124            | 179,370                     | 15.3%    | 3,449                     |
|                              |                      |                      |                             |          |                           |

**Rates Impact on selected properties for proposed rates increase based on UAGC of \$850** (status quo rates differential 48% Residential and 52% Commercial)

| <b>Residential</b>           |                      |                      |                             |          |                           |
|------------------------------|----------------------|----------------------|-----------------------------|----------|---------------------------|
| <b>Capital Value</b>         | <b>Rates 2023/24</b> | <b>Rates 2024/25</b> | <b>Increase in Rates \$</b> | <b>%</b> | <b>Weekly increase \$</b> |
|                              |                      |                      |                             |          |                           |
| 52,000                       | 1,495                | 1,606                | 111                         | 7.4%     | 2                         |
| 235,000                      | 2,178                | 2,428                | 250                         | 11.5%    | 5                         |
| 310,000                      | 2,458                | 2,765                | 307                         | 12.5%    | 6                         |
| 330,000                      | 2,533                | 2,854                | 321                         | 12.7%    | 6                         |
| 350,000                      | 2,608                | 2,944                | 336                         | 12.9%    | 6                         |
| 390,000                      | 2,757                | 3,124                | 367                         | 13.3%    | 7                         |
|                              |                      |                      |                             |          |                           |
| 415,000                      | 2,851                | 3,236                | 386                         | 13.5%    | 7                         |
| 445,000                      | 2,963                | 3,371                | 408                         | 13.8%    | 8                         |
| 450,000                      | 2,981                | 3,393                | 412                         | 13.8%    | 8                         |
| 470,000                      | 3,056                | 3,483                | 427                         | 14.0%    | 8                         |
|                              |                      |                      |                             |          |                           |
| 520,000                      | 3,243                | 3,708                | 465                         | 14.3%    | 9                         |
| 570,000                      | 3,430                | 3,932                | 502                         | 14.6%    | 10                        |
| 610,000                      | 3,579                | 4,112                | 533                         | 14.9%    | 10                        |
| 660,000                      | 3,766                | 4,337                | 571                         | 15.2%    | 11                        |
| 710,000                      | 3,952                | 4,561                | 609                         | 15.4%    | 12                        |
| 750,000                      | 4,102                | 4,741                | 639                         | 15.6%    | 12                        |
|                              |                      |                      |                             |          |                           |
| <b>Commercial/Industrial</b> |                      |                      |                             |          |                           |
| <b>Capital Value</b>         | <b>Rates 2023/24</b> | <b>Rates 2024/25</b> | <b>Increase in Rates</b>    | <b>%</b> | <b>Weekly increase \$</b> |
| 170,000                      | 5,362                | 6,073                | 711                         | 13.3%    | 14                        |
| 240,000                      | 7,132                | 8,119                | 987                         | 13.8%    | 19                        |
| 405,000                      | 11,305               | 12,941               | 1,636                       | 14.5%    | 31                        |
| 700,000                      | 18,766               | 21,563               | 2,797                       | 14.9%    | 54                        |
| 940,000                      | 24,836               | 28,578               | 3,742                       | 15.1%    | 72                        |
| 4,630,000                    | 117,952              | 136,171              | 18,219                      | 15.4%    | 350                       |
| 11,695,000                   | 296,789              | 342,829              | 46,040                      | 15.5%    | 885                       |
| 20,400,000                   | 516,807              | 597,079              | 80,272                      | 15.5%    | 1,544                     |
| 20,800,000                   | 527,073              | 608,939              | 81,866                      | 15.5%    | 1,574                     |
| 30,700,000                   | 777,464              | 898,370              | 120,906                     | 15.6%    | 2,325                     |
| 34,750,000                   | 879,896              | 1,016,739            | 136,843                     | 15.6%    | 2,632                     |
| 46,250,000                   | 1,170,754            | 1,352,848            | 182,094                     | 15.6%    | 3,502                     |
|                              |                      |                      |                             |          |                           |