

Disclosure Statement

This statement discloses our planned financial performance in relation to various benchmarks which help us to assess whether we are prudently managing our revenues, expenses, assets, liabilities, and general financial dealings.

We are required to include this statement in our Long-Term Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Please refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates affordability benchmark

We meet the rates affordability benchmark if:

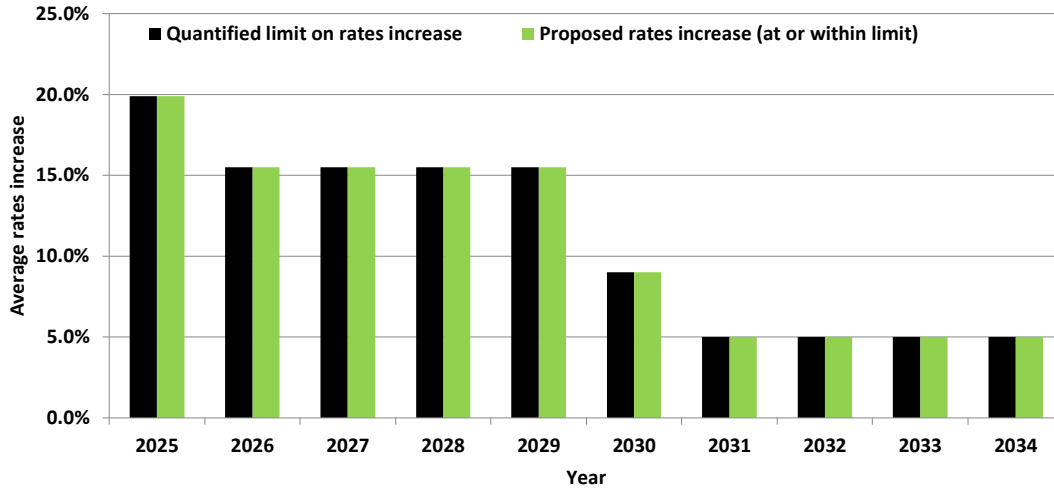
- Planned rates income equals or is less than each quantified limit on rates; and
- Planned rates increases equal or are less than each quantified limit on rates increases.

Rates (income) affordability

Following an amendment to the Local Government Act 2002 in 2019, Council has not included a quantified limit on rates in the financial strategy for the 2024-34 Long-Term Plan.

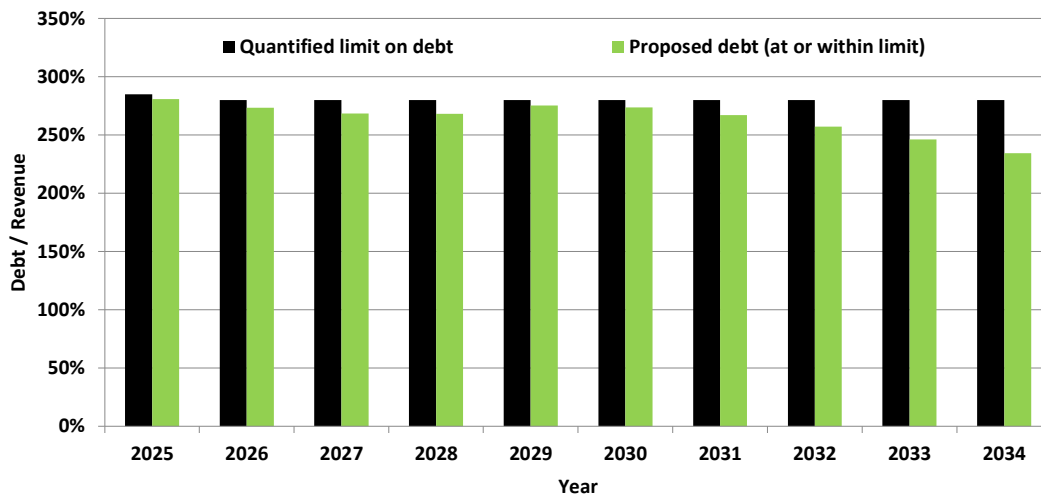
Rates (increases) affordability

The following graph compares our planned rates increases with a quantified limit on rates increases contained in our 2024-34 Financial Strategy. The quantified limit is that average rate increases to existing ratepayers as adopted in the 2024-34 Long-Term Plan, and adjusted by any upward movement in LGCI, when compared with the rate assumptions adopted through the 2024-34 Long-Term Plan.



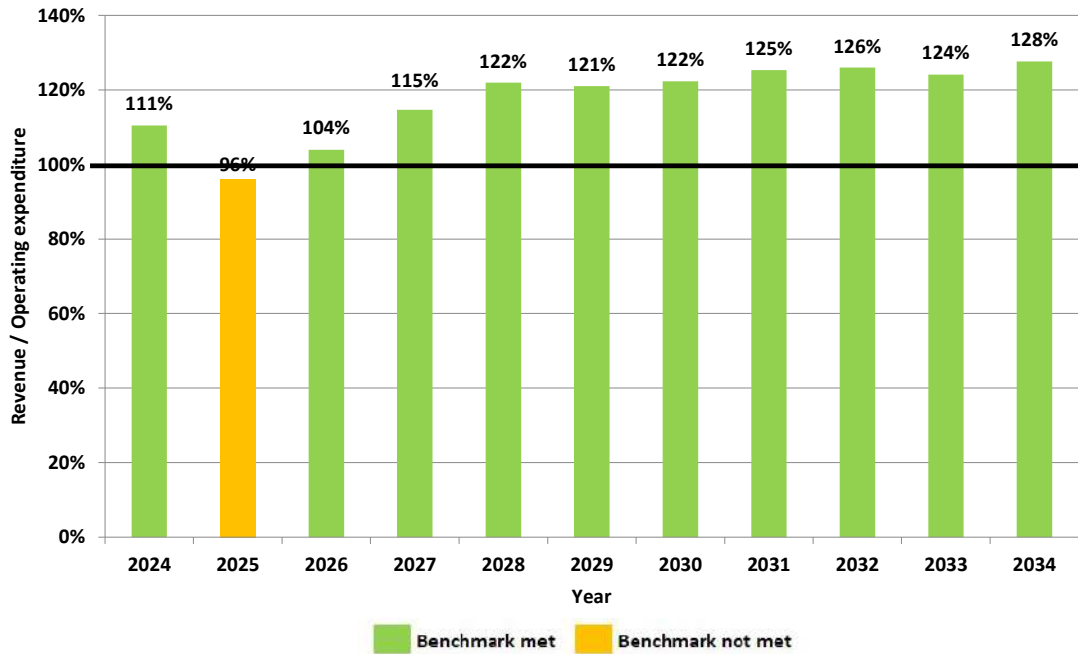
Debt affordability benchmark

We will meet the debt affordability benchmark if our planned borrowing is within each quantified limit on borrowing. The following graph compares our planned debt with a quantified limit on borrowing contained in the 2024-34 Financial Strategy. The quantified limit is that the debt to revenue ratio will remain below 285% in 2025 and 280% thereafter.



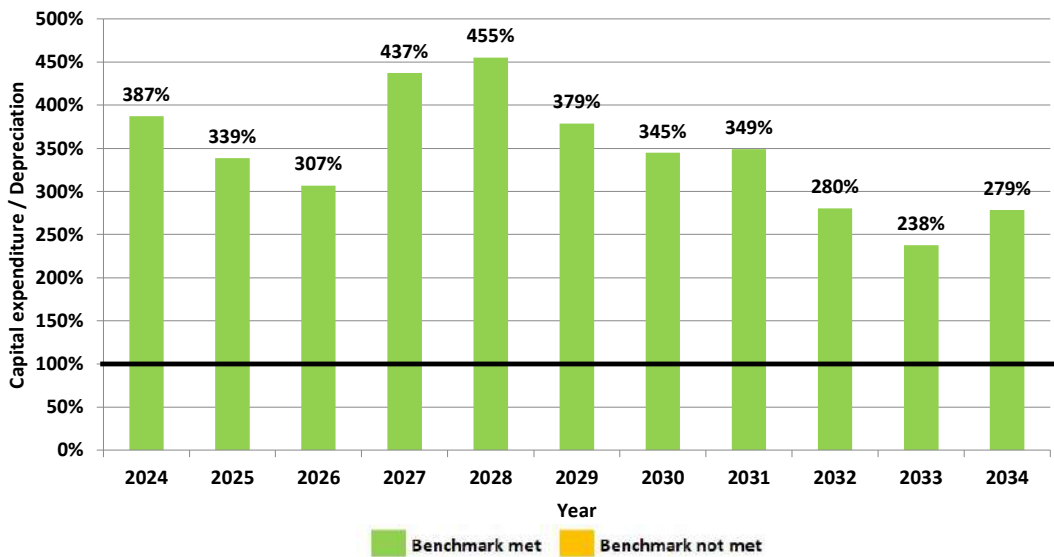
Balanced budget benchmark

The following graph shows our planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). We meet the balanced budget benchmark if our planned revenue equals or is greater than our planned operating expenses.



Essential services benchmark

The following graph shows our planned capital expenditure on network services as a proportion of expected depreciation on network services. We meet this benchmark if our planned capital expenditure on network services equals or is greater than the expected depreciation on our network services.



Debt servicing benchmark

The following graph displays our planned borrowing costs as a proportion of planned 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 that our population will grow faster than the national population is projected to grow, we will meet the debt servicing benchmark if our planned borrowing costs equal or are less than 15% of our planned revenue.

