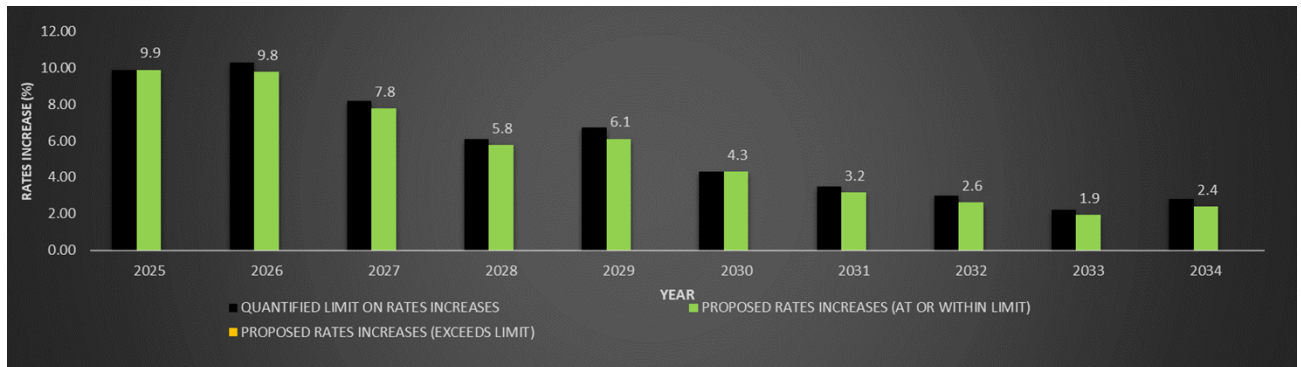
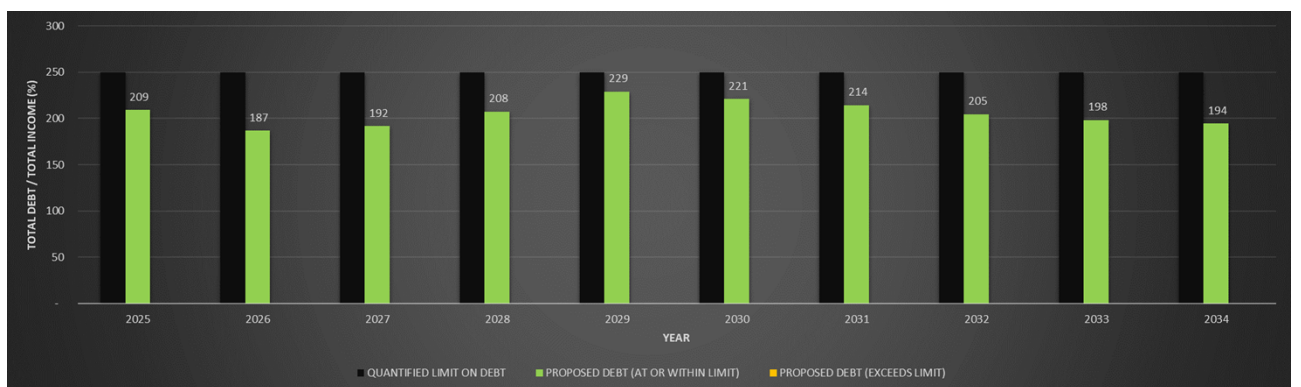


Rotorua Lakes Council Long-term Plan 2024-2034 – Financial Prudence Benchmarks

Rates affordability benchmark: the Council meets the rates affordability benchmark if its planned rates increases equal or are less than each quantified limit on rates increases.



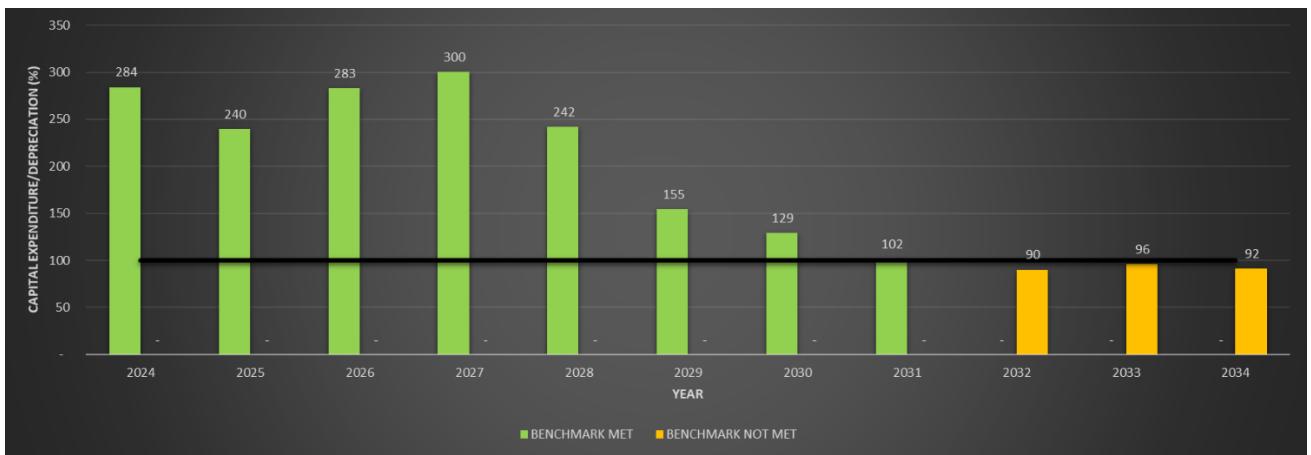
Debt affordability benchmark: the Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. The quantified limit on borrowing has been set at 250% of the net debt to revenue ratio for the ten year period of the 2024-2034 Long-term Plan.



Balanced budget benchmark: this graph displays the Council’s planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, and equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, and equipment). The Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses, including depreciation.



Essential services benchmark: this graph displays the Council’s planned capital expenditure on network services as a proportion of expected depreciation on network services. The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.



Debt servicing benchmark: this graph displays the Council’s 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, and equipment).

