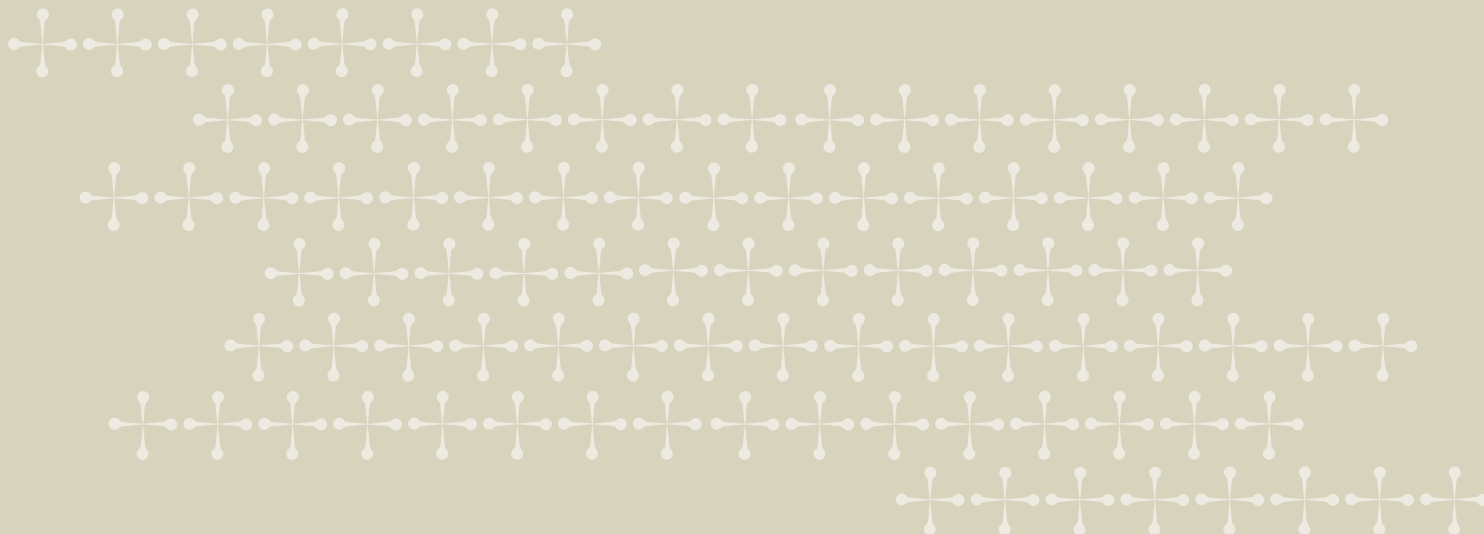


VOLUME TWO

LONG TERM PLAN

2012-2022



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SECTION 4.



Financial statements and Accounting policies

Prospective financial statements

Prospective Statement of Comprehensive Income												
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
		Income										
19,589	20,416	Rates Revenue - Other	20,777	21,560	22,596	23,038	23,821	24,227	24,788	25,060	25,757	26,645
4,876	5,134	Targeted Rates - Water	6,433	6,926	7,179	7,571	7,848	8,038	8,518	8,716	8,931	9,621
16,765	14,460	Other Revenue (a)	14,516	14,968	14,607	20,068	16,057	16,579	17,477	17,970	18,857	19,582
145	-	Other Gains and (Losses)	-	-	-	-	-	-	-	-	-	-
41,375	40,010	Total Income	41,726	43,454	44,382	50,677	47,726	48,844	50,783	51,746	53,545	55,848
		Expenditure										
29,779	27,822	Activity Expenditure (a)	29,882	31,034	31,920	32,881	34,127	35,055	36,111	37,343	38,619	39,970
11,669	11,492	Depreciation	11,659	11,906	12,521	13,012	13,454	14,075	14,701	14,978	15,824	16,805
3	1	Finance Cost	-	-	-	-	-	-	-	-	-	-
41,451	39,315	Total Expenditure	41,541	42,940	44,441	45,893	47,581	49,130	50,812	52,321	54,443	56,775
(76)	695	Net Surplus / (Deficit)	185	514	(59)	4,784	145	(286)	(29)	(575)	(898)	(927)
		Other Comprehensive Income										
-	54,001	Gains/(Loss) on Revaluation Infrastructure (b)	-	-	51,415	12,380	-	55,913	17,970	-	77,591	29,385
(105)	-	Gains/(Loss) on Revaluation Properties	-	5,126	-	-	8,875	-	-	10,142	-	-
-	-	Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-
(105)	54,001	Total Other Comprehensive Income	-	5,126	51,415	12,380	8,875	55,913	17,970	10,142	77,591	29,385
(181)	54,696	Total Comprehensive Income	185	5,640	51,356	17,164	9,020	55,627	17,941	9,567	76,693	28,458

(a) Further disclosure is provided in the "Reconciliations and Other Disclosure" section of the document

(b) Due to current market pricing, little or no increase in value is expected from the 2012/13 revaluation

Prospective Statement of Changes in Equity

2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
682,341	682,628	Public Equity at 1 July	739,324	739,509	745,149	796,505	813,669	822,689	878,316	896,257	905,824	982,517
(181)	54,696	Total Comprehensive Income	185	5,640	51,356	17,164	9,020	55,627	17,941	9,567	76,693	28,458
682,160	737,324	Public Equity at 30 June	739,509	745,149	796,505	813,669	822,689	878,316	896,257	905,824	982,517	1,010,975

Prospective Balance Sheet												
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
		Public Equity										
308,299	313,817	Ratepayers' Equity	313,300	310,585	308,104	304,294	299,839	295,259	290,684	285,800	280,880	277,248
355,875	408,565	Revaluation Reserves	409,000	414,126	465,541	477,921	486,796	542,709	560,679	570,821	648,412	677,797
6,738	6,706	Operating Reserves	7,509	10,423	12,577	21,999	26,321	30,243	34,512	38,487	42,199	44,507
11,248	8,236	Other Reserves	9,700	10,015	10,283	9,455	9,733	10,105	10,382	10,716	11,026	11,423
682,160	737,324		739,509	745,149	796,505	813,669	822,689	878,316	896,257	905,824	982,517	1,010,975
		Represented By:										
		Non-Current Assets										
658,629	714,156	Property, Plant & Equipment	716,401	719,979	768,035	783,047	785,280	834,207	844,722	846,657	915,822	937,917
1,212	203	Intangible Assets	1,100	1,050	1,000	950	900	850	800	750	700	650
1,112	859	Forestry	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
4,858	4,858	Investment in CCO's	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
12,803	13,540	Other Financial Assets	13,222	13,750	-	20,000	25,000	35,000	40,000	50,000	60,000	65,000
312	543	Trade & Other Receivables	500	450	400	350	300	250	200	150	100	50
678,926	734,159		737,223	741,229	775,435	810,347	817,480	876,307	891,722	903,557	982,622	1,009,617
		Current Assets										
2,473	517	Cash and Cash Equivalents	4,250	5,907	8,833	5,218	7,102	3,832	6,255	4,027	1,662	3,062
5,304	4,332	Trade & Other Receivables	5,809	6,050	6,179	6,429	6,645	6,801	7,071	7,205	7,455	7,776
57	50	Inventories	50	50	50	50	50	50	50	50	50	50
400	930	Non-Current Assets Held for Sale	-	-	-	-	-	-	-	-	-	-
3,000	4,293	Other Financial Assets	-	-	14,300	-	-	-	-	-	-	-
2	1	Provision Tax Paid in Advance	1	1	1	1	1	1	1	1	1	1
11,236	10,123		10,110	12,008	29,363	11,698	13,798	10,684	13,377	11,283	9,168	10,889
690,162	744,282	Total Assets	747,333	753,237	804,798	822,045	831,279	886,992	905,099	914,840	991,790	1,020,506
		Non-Current Liabilities										
705	906	Provisions	700	700	560	487	354	275	165	127	72	41
8	5	Borrowings	4	1	-	-	-	-	-	-	-	-
713	911		704	701	560	487	354	275	165	127	72	41
		Current Liabilities										
6,683	5,416	Trade & Other Payables	6,500	6,751	6,944	7,153	7,424	7,626	7,856	8,124	8,402	8,696
-	15	Provisions	-	-	140	73	133	79	110	38	55	31
603	613	Employee Entitlement Liabilities	618	633	648	663	679	696	711	727	744	763
3	3	Current Portion of Borrowings	2	3	1	-	-	-	-	-	-	-
7,289	6,047		7,120	7,387	7,733	7,889	8,236	8,401	8,677	8,889	9,201	9,490
8,002	6,958	Total Liabilities	7,824	8,088	8,293	8,376	8,590	8,676	8,842	9,016	9,273	9,531
682,160	737,324	Net Assets	739,509	745,149	796,505	813,669	822,689	878,316	896,257	905,824	982,517	1,010,975

Note: The balance from the 2011/12 Annual Plan have not been used as opening balance for the 2012-22 Plan

Prospective Statement of Cash Flows

2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
		Cash Flows from Operating Activities										
24,291	25,550	Receipts from Rates Revenue	27,210	28,486	29,775	30,609	31,669	32,265	33,306	33,776	34,688	36,266
296	405	Interest Received	160	235	360	1,007	1,283	1,551	1,850	2,160	2,466	2,720
238	150	Dividends / Subventions Received	150	150	150	150	150	150	150	150	150	150
15,084	13,269	Receipts from Other Revenues	13,697	13,813	13,418	18,661	14,408	14,722	15,207	15,526	15,991	16,391
(29,028)	(27,822)	Payments to Suppliers & Employees	(29,882)	(30,768)	(31,712)	(32,657)	(33,840)	(34,836)	(35,866)	(37,059)	(38,324)	(39,657)
(3)	(1)	Interest Paid	-	-	-	-	-	-	-	-	-	-
(414)	-	GST Net	-	-	-	-	-	-	-	-	-	-
10,464	11,551	Net Cash Flows from Operating Activities	11,335	11,916	11,991	17,770	13,670	13,852	14,647	14,553	14,971	15,870
		Cash Flows from Investing Activities										
176	2,146	Proceeds from Sale of P.P. & E.	550	636	674	713	625	670	764	712	724	735
1,793	7	Proceeds from Sale of Investments	-	-	-	14,300	-	-	-	-	-	-
(11,588)	(12,486)	Purchase of P.P. & E.	(11,152)	(10,893)	(9,736)	(16,397)	(7,411)	(7,792)	(7,989)	(7,493)	(8,060)	(10,205)
-	(1,200)	Acquisition of Investments	-	-	-	(20,000)	(5,000)	(10,000)	(5,000)	(10,000)	(10,000)	(5,000)
(9,619)	(11,533)	Net Cash Flow from Investing Activities	(10,602)	(10,257)	(9,062)	(21,384)	(11,786)	(17,122)	(12,225)	(16,781)	(17,336)	(14,470)
		Cash Flows From Financing Activities										
-	-	Proceeds from Borrowings	-	-	-	-	-	-	-	-	-	-
(3)	(3)	Repayment of Borrowings	(4)	(2)	(3)	(1)	-	-	-	-	-	-
(3)	(3)	Net Cash Flow from Financing Activities	(4)	(2)	(3)	(1)	-	-	-	-	-	-
842	15	Net Increase/(Decrease) in Cash	729	1,657	2,926	(3,615)	1,884	(3,270)	2,422	(2,228)	(2,365)	1,400
1,631	502	Total Cash Resources at 1 July	3,521	4,250	5,907	8,833	5,218	7,102	3,832	6,255	4,027	1,662
2,473	517	Total Cash Resources at 30 June	4,250	5,907	8,833	5,218	7,102	3,832	6,255	4,027	1,662	3,062

Significant forecasting assumptions

The 2012-22 Long Term Plan is a strategic document which covers planned Council activities over a ten year period. The Office of the Auditor General (OAG) notes:

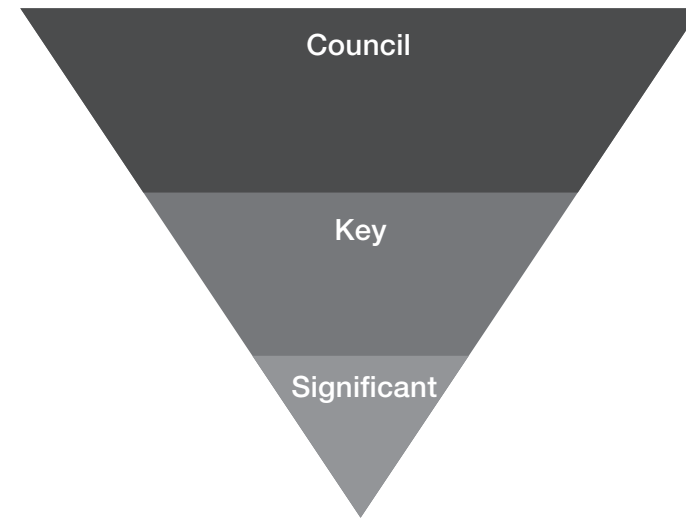
As part of preparing its Long Term Plan, Council had to decide how it will approach the future and adopt positions on various issues. This involves making some assumptions about the components of its decisions that, because the assumptions relate to the future may or may not occur and are subject to a greater or lesser degree of certainty and control by the local authority. Office of the Auditor General, Matters Arising from the 2009 - 19 LTCCPs.

Council has made many assumptions and predictions of what might happen in the future. This section summarises the significant assumptions made in the preparation of this plan that may impact on the financial estimates provided. Due to the nature of forecasting, the actual results are likely to vary from the information enclosed in the plan.

The following diagram summarises the assumptions considered during the preparation of the 2012-22 Long Term Plan:

- The first set of assumptions are noted as 'Council wide assumptions' or high level assumptions
- The next tier are the key assumptions. These are based on the assumptions included in the 2009-19 LTCCP though include new assumptions such as the impact of the Canterbury Earthquakes during 2010/11
- Summary activity management plans may also include specific assumptions. These may have a material impact on an individual activity and are therefore referred to as significant forecasting assumptions.

Diagram 1: Assumption hierarchy



Council Wide Assumptions

Rising to the Challenge

Stated Assumption

Over the life of this plan officers will continue to look to new ways to minimise rates pressure on the Waitaki Community through the review, reprioritisation and delivery of activities.

The following risk has been identified should this assumption be incorrect.

There is a risk that Council is unable to identify or implement changes during the life of the LTP. Should this risk materialize, additional pressure will be created on rates or conversely increase debt, proposals may have to be further deferred or levels of service reduced markedly.

Demographic

Stated Assumption

The Waitaki population is older compared to the national distribution of age groups: The census 2006 results show that 17.2% of Waitaki people are aged 60 to 74 and 9.4% are aged over 75. The age distribution (estimated as at 30 June 2006) is as follows: 0-14 Years 18.8% (NZ 21.2%); 15-39 Years 24.2% (NZ 35%); 40-64 Years 36.7% (NZ 31.6%); 65 Years and over 20.3% (NZ 12.2%). This age profile has been considered during the preparation of strategies, policies and activities as part of the 2012-22 long term plan.

The following risk has been identified should this assumption be incorrect.

Should the assumed age profile shift significantly over the life of the plan, there is a risk proposed activities may be less fit for purpose than planned. Council regards the likelihood of this risk materialising as being relatively low, however

the impact may be more complex as activities, particularly those which are asset intensive, may have intergenerational funding implications.

Population Growth

Stated Assumption

The District's population is projected to increase to 21,523 in the short term (until 2016) before steadily declining to 21,360 by 2021 period and 21,174 by 2026. Population growth is one of the most significant factors influencing forecasting and planning at the Council. This assumption is predicated on three growth drivers in the District, irrigation, Holcim cement plant and development of winery. Given these three factors are influenced by market demand and the wider economic environment we have high degree of uncertainty about these figures.

The following risk has been identified should this assumption be incorrect

There is a risk that population growth may be higher or lower than the stated assumption or may occur at different times. The growth model is based on Statistics New Zealand data and adjusted by a number of District specific drivers including: the possible relocation of the Holcim cement plant, growth in irrigation and development of viticulture. Council investment, particularly infrastructure and activities is planned to keep pace with changes in population. Investment can be accelerated or deferred and services increased or reduced to keep pace with this change.

Dwelling growth

Stated assumption

Overall residential dwellings are expected to increase by around 60 per annum per year or 1800 over a 30 year period. The proportion of occupied dwellings is projected to decrease significantly in all townships such as Hampden, Kakanui, Kurow, Moeraki, Omarama and Otematata over the forecast period.

The following risk has been identified should this assumption be incorrect

There is a risk that demand will be greater than planned. This could impact on the demand for infrastructure such as sewage and water. Should growth outstrip infrastructure capacity, growth could be inhibited in the District.

Unfunded depreciation

Stated assumption

Council will not fund depreciation on items where:

- It has no intent to replace the asset at the end of its economic life
- Non-rate revenue sources such as grants and subsidies are being used to replace such an asset in the future
- Council needs to raise a loan for the new asset
- Annual operating maintenance expenditure is sufficient to maintain the asset in perpetuity.

The following risk has been identified should this assumption be incorrect

That Council does not fund depreciation on asset where appropriate. Should this risk eventuate, Council may need to fund the full cost of the replacement of the asset through rates or other sources once it reaches the end of its economic life. If this is deemed unaffordable, this may require Council to change policy settings or reduce levels of service

Economic growth

Stated assumption

Forecast GDP will remain low for the short term i.e. 2011-13 before increasing markedly due to the impact of the Christchurch recovery and commodities. This assumption is based on data from the Treasury and Bureau of Economic Research Limited (BERL) and has a medium level of uncertainty.

The following risk has been identified should this assumption be incorrect

The international economy remains a risk to New Zealand and Waitaki. This risk includes further need for fiscal policy change in our trading partners, continued financial difficulties in European economies and the possibility of higher oil prices.

The key assumptions noted in below are organized in the following way:

Column	Description
Activity	Whether the key assumption should be applied to all or specific activities
Assumption title	Short form title of assumption
Source	Whether the assumption is a Council assumption or from a third party such as BERL or the Treasury
Stated assumptions	What Council is assuming
Level of uncertainty	The level of confidence Council has regarding the assumption
Risk	The risk especially financial risk, if the assumption is wrong

Key assumptions

Activity	Assumption Title	Source	Stated Assumption	Level of Uncertainty	Risk	Potential Impact/Consequence if Assumption Wrong
All	Service Levels	Council	Service levels will remain unchanged unless indicated otherwise	Low	The risk that Council does not adequately engage and consult on changes to service levels	That service levels are perceived unaffordable to the Community resulting in rates pressure.
All	Climate Change	Ministry for Environment	<p>That climate change will impact on the District similar to that noted in the Ministry for the Environment guidance, Preparing for the Climate Change (July 2008).</p> <p>Council notes there is further work required on this subject and the impact that this assumption may have on its activities during the term of the LTP. Sea levels change could affect local settlements. However it is assumed that this will not be significant during the period of the Long Term Plan.</p>	High	The risk that climate change is different or occurs faster than predicted.	There is uncertainty around the rate of climate change and the impact it will have. However it is appropriate that Council has regard to possible impacts when considering investment in infrastructure which have long lives and are expensive. Infrastructure assets are insured against natural disasters but not climate change represents a cost to Council and rate payers
All	Population Change	Council	Population growth and change within the district will occur as stated in Councils adopted forecasts and strategies.	Low	There is a risk that growth and changes in demographic composition will occur faster or slower than expected	<p>In general, growth rates (increase or decrease) are low, but a considerable change in the proportion of people over 65 is expected.</p> <p>If growth rates or proportions differ significantly from those expected the services provided by Council may not be well suited to the population's requirements.</p>

Activity	Assumption Title	Source	Stated Assumption	Level of Uncertainty	Risk	Potential Impact/Consequence if Assumption Wrong
All	Natural Disasters	Council	It is assumed that there will be no major adverse events during the period covered by the 2012-22 Long Term Plan. For example, earthquake, pandemic or flood. While an event may occur at any time Council's planning will focus on operational resilience and Emergency Management	Medium	The risk that the District suffers a major natural disaster in areas of high population density	While the changes of this risk occurring may not have changed since the 2009-19 LTCCP the impact of the risk (should it occur) has increased materially. Council mitigates the financial risk of natural disasters through a combination of external insurance, self-insurance and expectation for emergency support from the Crown. Given the two Canterbury earthquakes, the depth, cover and cost of insurance has changed markedly which will place greater risk back on Council
All	Asset replacement	Council	Assets will be replaced at the end of their economic life. As part of condition assessments and revaluations, the economic lives of assets are reassessed consistent with the approach set out in the accounting policies including estimated asset lives	Low	The risk that asset lives are shorter than expected leading to inadequate replacements reserves, or assets lives significantly longer than expected leading to overcharging of depreciation	If assets require replacement more quickly than forecast, capital expenditure projects may need to be brought forward. Council will consider the funding implications of any early replacement as it occurs
Waste Management ETS	Emissions Trading Scheme	Council	Additional solid waste disposal costs associated with the ETS will be \$30 per tonne of waste. Council's forestry plantations will be professionally managed and will adhere to a strict replanting plan developed by its advisors. This will ensure there is no liability related to the ETS.	Low	There is a risk that the cost to Council of emission units under the ETS will be greater than that estimated	Greater ETS costs would need to be reflected in increased costs to Council.

Activity	Assumption Title	Source	Stated Assumption	Level of Uncertainty	Risk	Potential Impact/Consequence if Assumption Wrong
All	Funding Sources for asset replacement	Council	It is assumed that the level of depreciation will be sufficient to renewal at the time this is required	Low	A change in the cost of asset replacement occurs over the time that depreciation funds are collected	<p>If asset replacement proves to be more expensive than evaluation and depreciation models suggested there will be insufficient funding to replace these assets.</p> <p>This is regarded as a low risk as revaluation and depreciation models consider modern materials and optimised renewal methods.</p>

Activity	Assumption Title	Source	Stated Assumption	Level of Uncertainty	Risk	Potential Impact/Consequence if Assumption Wrong
All	Legislation	Council	No sudden (i.e. un-signaled) significant change to legislation and therefore Council's functions remain the same or similar over the period of the Plan - no additional funding requirements for the three years 2012-15	Medium	<p>The risk of sudden or un-signaled legislative change. Parliament regularly introduces new legislation or regulation which requires local Government enforcement or monitoring. While Council can often respond and mitigate the impact of this change, sudden or un-signaled change could impact on allocation of resources across Council. Over the past few years there has been a renewed debate about reform of local government, with the creation of a single Council in Auckland and the significant changes in Christchurch through the establishment of the Canterbury Earthquake Recovery Authority and the appointment of commissioners to Environment Canterbury. While this change has been lead by central government, a number of local authorities are themselves investigating amalgamation, including Nelson City and Tasman District where a referendum is due to be held on the issue. While Council is keeping a close watch on these changes, there are no proposals for structural change to local government in the Waitaki region. Shared service opportunities are (and will be) considered when identified, especially those which may lead to greater efficient and effective delivery for Waitaki residents.</p> <p>Over the past few years there has been a renewed debate about reform of local government, with the creation of a single Council in Auckland and the significant changes in Christchurch through the establishment of the Canterbury Earthquake Recovery Authority (CERA) and the appointment of commissioners to Environment Canterbury. While this change has been led by central government, a number of local authorities are themselves investigating amalgamation, including Nelson City and Tasman District where a referendum is due to be held on the issue. While Council is keeping a close watch on these changes, there are no proposals for structural change to local government in the Waitaki region. Shared service opportunities are (and will be) considered when identified, especially those which may lead to greater efficient and effective delivery for Waitaki residents.</p>	Sudden legislative change results in either an increase or reduction in Council's expenditure or income levels (particularly rates). An example of this could be the proposed changes to KiwiSaver contributions or hypothetically any changes to minimum wages

Activity	Assumption Title	Source	Stated Assumption	Level of Uncertainty	Risk	Potential Impact/Consequence if Assumption Wrong
All	Inflation	BERL for Society of Local Government Managers (SOLGM) and Treasury SOLGM	It is assumed that the average price inflation over the forecast period is expected to remain consistent with the current target set between the Minister of Finance and Reserve Bank of between 1-3%	Medium	The risk that price level changes will be greater or lower than those assumed and that costs and revenues will be higher or lower than forecast	Should the price level change differ from those assumed, expenditure, revenue and costs will likely differ from that forecast. Council will mitigate this risk by setting rates, fees and charges each year as part of the Annual Plan process
All	Finance – Interest Rates	Council	The long term plan notes an interest rate of 4%. Council assumes it will not borrow externally over the 10 year period – rather it will remain a net investor. Projects requiring loan funding will be supported internally through the use of accumulated reserves. Council will charge interest on these loans at a net investment rate (to cover interest that would have been received had the funds been invested elsewhere). Council accepts the proposed 4% interest rate represents a conservative estimate. However it considers that it is prudent for this income stream given the horizons of the long term plan and variability of the current market.	Medium	The risk that interest rates are significantly higher than budgeted in the Long Term Plan or that Council required long term borrowing.	Council anticipates that it will be a net investor. Short term periods of high and low interest may occur which could affect returns or increase costs.
All	Inflation (Fuel costs)	BERL	It is assumed there will be no major change in fuel costs over and above those incorporated into the inflation assumption.	Medium	There is a risk that fuel prices will be greater than those assumed.	Rapid increases will significantly affect contract prices, settlement and travel patterns. Increased fuel costs would have a particular impact on the cost of road maintenance, renewal and improvements. This may affect the Council's ability to carry out planned work without additional funding. It may also increase demand for alternative modes of transport.

Activity	Assumption Title	Source	Stated Assumption	Level of Uncertainty	Risk	Potential Impact/Consequence if Assumption Wrong
Roads and Footpaths	NZTA Funding	Council	NZTA subsidy rate to remain at 56% for the life of the plan	Medium	A change in the level of subsidy will increase or reduce the level of resources available to fund the maintenance, renewal and improvement of the roading and transport network.	If subsidy levels are lower than assumed, the Council may need to increase its rates or reduce the size of the works programme to match the funding available. (A 1% change in the FAR has a \$220,000 impact on the works programme)
All	Revaluations	Council and GAAP	Revaluations will occur three yearly and in line with price level adjustments. Further details can be found in the accounting policies.	Medium	The risk that values change significantly over the plan	Period of high inflation, relating to a particular product or changes in technology may affect the value of an asset group so as to require revaluations outside the normal cycle. Revaluations affect depreciation expenses and therefore rates
All	Insurance		Council retains insurance cover for assets except water and wastewater assets valued under \$1 million and "other" assets below \$750,000. More generally, Council assumes the cost of cover will be higher than past years in the short to medium term.	Medium	The risk insurance premiums increase beyond the assumed rate over the ten year period of the long term plan, resulting in an uneconomic risk mitigation option for Council. The risk that Council experiences multiple events on self-insured water and wastewater assets below \$1million and/or other assets below \$750,000 in value.	This would likely result in reprioritisation within Council budgets to offset increases in insurance premiums, additional capital spend to replace self-insured assets or reduced levels of service. All of these options would have an impact on Council's financial position.

Price level changes

Accounting rules require that Council adjust its forecast financial information to take account of the impact of inflation. This should more fairly indicate rates movements, particularly in the first three years of the plan. These price level adjustments have been applied to all core budgets and projects. In order to take account of the impact of revaluation movements these have also been applied to depreciation expenses. The table below lists the total (or cumulative) percentage change from the year ended June 2011 for each of the adjusters. This table has been used to calculate the increase of future year expenses based on 2011 costs.

Table 1 Adjustors: total % change from June 2011

Year ending	Road	Property	Water	Energy	Staff	Other	Earthmoving	Pipelines	Private Sector Wages
June 12	4.3	3.9	4.5	5.5	2.6	3.6	5.5	5.7	2.6
June 13	3.8	3.0	4.2	4.8	2.5	2.4	4.1	5.2	2.4
June 14	3.1	2.9	3.9	4.7	2.4	3.2	3.4	4.4	2.3
June 15	3.5	2.9	3.5	4.7	2.4	3.2	2.9	3.7	2.3
June 16	3.1	3.0	3.7	5.0	2.6	3.4	3.0	3.8	2.4
June 17	3.0	3.1	3.8	5.1	2.6	3.5	3.3	4.2	2.5
June 18	3.2	2.8	3.5	4.6	2.4	3.4	3.5	4.5	2.2
June 19	3.5	2.8	3.5	4.5	2.3	3.3	3.8	4.8	2.2
June 20	3.7	3.0	3.8	5.0	2.6	3.3	4.1	5.2	2.4
June 21	3.4	3.3	4.1	5.4	2.7	3.6	4.3	5.5	2.6
June 22	3.5	3.3	4.1	5.4	2.7	3.5	4.4	5.7	2.6

Statement of accounting policies

Reporting entity

These prospective financial statements of the Waitaki District Council are for the years ending 30 June 2013 to 30 June 2022 and were authorised for issue by Council on 26 June 2012.

The Waitaki District Council (Council) is a territorial local authority governed by the provisions of the Local Government Act 2002. These statements are produced under sections 98, 99 and 101 of the Local Government Act 2002.

These prospective financial statements have been prepared for Council only and do not include information for the Council Controlled Trading Organisations Whitestone Ltd., Waitaki Development Board Ltd., Waitaki District Health Services Ltd and Omarama Airfield Ltd.

Council has not presented group prospective financial statements because Council believes that the parent prospective financial statements are more relevant to users. The main purpose of prospective financial statements in the Long Term Plan is to provide users with information about the core services that Council intends to provide ratepayers, the expected cost of those services and as a consequence how much Council requires by way of rates to fund the intended levels of service. The level of rate funding required is not affected by subsidiaries except to the extent that Council obtains distributions from those subsidiaries. Distributions from Council's subsidiary, Whitestone Limited, are included in the prospective financial statements of Council.

The primary objective of Council is to provide services or goods for the community for social benefit rather than making a financial return. Accordingly, Council has designated itself as public benefit entities for the purposes of New Zealand equivalents to International Reporting Standards (NZ IFRS).

Basis of preparation

The Council, which is authorised to do so and believes that the assumptions underlying these prospective financial statements are appropriate, has approved the Long Term Plan for distribution. The Council and Management of the Waitaki District Council accept responsibility for the preparation of the prospective financial statements, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

This Long Term Plan has been prepared in accordance with Financial Reporting Standard 42 (FRS 42) 'Prospective Financial Statements'. The actual financial results are likely to vary from the information presented in these prospective financial statements, and the variations may be material.

These prospective financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and the requirements of the Local Government Act 2002. These statements are produced under Section 94, part 6, and Part 1 of schedule 10 of the Act. They comply with NZ IFRS and other applicable Financial Reporting Standards as appropriate for Public Benefit Entities.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

No actual financial results have been incorporated within the prospective financial statements.

The prospective financial statements have been prepared on an historical cost basis, modified by the revaluation of certain property, plant and equipment: land and buildings, certain infrastructural assets, investment property and biological assets.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of Council is New Zealand dollars.

Specific accounting policies

The following specific accounting policies that significantly affect the measurement of operating results, cash flows and financial position have been applied.

Income recognition

Revenue is measured at the fair value of consideration received.

- Rates are recognised when set
- Water billing revenue is recognised when invoices are issued
- Government grants and subsidies are recognised when eligibility has been established
- Operating revenues represent the gross revenue from commercial operations in the ordinary course of business and are recognised when earned
- Fees and charges are recognised when invoiced
- Rebates are recognised when received
- Interest income is recognised when earned

- Dividends are recognised when received
- Vested Infrastructural Assets are recognised when Council accepts transfer from the subdivider. The value recognised is based on certified engineers' certificates
- Development and financial contributions are recognised at the later of invoicing or the event that will give rise to a requirement for a development or financial contribution under the relevant legislation
- Sales of goods are recognised when a product is sold to the customer. The recorded revenue is the gross amount of the sale.

Construction contracts

Profits on contracts are recognised progressively over the period of each contract. The amount included in revenue and the value of contract work in progress are established by assessment of individual contracts taking into account the proportion of work completed, cost analysis and estimated final results. Foreseeable losses on a contract are recognised immediately. The method used to determine the proportion of the work completed is the proportion of the contract cost incurred for work performed to date in relation to the estimated total contract costs.

If payments received from customers exceed revenue recognised, then the difference is presented as prepaid income in the balance sheet.

Borrowing costs

Council has elected to defer the adoption of NZIAS 23 Borrowing Costs (revised 2008) in accordance with its transitional provisions that are applicable to public benefit entities. Borrowing costs are recognised as an expense in the period in which they are incurred. No borrowing costs are capitalised.

Leases

Finance Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. The leased assets and corresponding liabilities are recognised and the leased assets are depreciated over the period benefit is expected from their use.

Operating Leases:

Operating leases are all other leases, i.e. a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. These are charged on a straight-line basis over the term of the lease.

Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method, less any provision for impairment.

Goods and services tax

These accounts have been prepared on a GST exclusive basis and any net GST due or owing at balance date is included in debtors or creditors (as appropriate). Debtors and creditors are stated inclusive of GST. Where GST is not recoverable as an input tax then it is recognised as part of the related asset or expense.

Income tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantially enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and interests in joint ventures, except where the company can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantially enacted by balance date.

Current tax and deferred tax is charged or credited to the surplus or deficit,

except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in other comprehensive income and equity.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. The carrying value of cash at bank and term deposits with maturities less than 3 months approximate fair value. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

Inventories

Inventories, comprising materials and work-in-progress, are stated at the lower of cost and net realisable value. Cost is determined on a first-in first-out basis. The write down from cost to net realisable value is recognised in the surplus or deficit.

Work in progress

Work-in-progress includes materials and labour costs accumulated against jobs, but not invoiced as at balance date.

Financial assets

Council classified its financial assets into the following four categories: financial assets at fair value through other comprehensive income, held to maturity investments, loans and receivables and financial assets at fair value through surplus or deficit. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its

investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets are initially measured at fair value plus transaction costs unless they are carried at fair value through the surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Techniques, such as discounted expected cash flows, are used to determine fair value for the remaining financial instruments.

Of the four categories of financial assets, only two are relevant to Council.

- Loans and receivables - These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit. Loans and receivables are classified as 'trade and other receivables' and "other financial assets" as appropriate in the balance sheet.
- Fair Value through other comprehensive income - Fair value through other comprehensive income financial assets are those that are designated as fair value through other comprehensive income or are not classified in any of the other categories above.

This category encompasses:

- investments that Council intends to hold Long Term but which may be realised before maturity
- shareholdings that Council holds for strategic purposes. Council's investments in its subsidiary are not included in this category as they are held at cost (as allowed by NZ IAS 27 Consolidated and Separate Financial Statements and NZ IAS 28 Investments in Associates) whereas this category is to be measured at fair value

After initial recognition these investments are measured at their fair value.

Gains and losses are recognised other comprehensive income except for impairment losses, which are recognized in the surplus or deficit. In the event of impairment, any cumulative losses previously recognised in other comprehensive income will be reclassified from other comprehensive income and recognised in the surplus or deficit even though the asset has not been derecognised. On derecognition, the cumulative gain or loss previously recognised in equity is recognized in the surplus or deficit.

Impairment of financial assets

At each balance date Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

A provision for impairment of receivables is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

Financial liabilities

Interest bearing borrowings are classified as other non-derivative financial instruments and are initially recognized at their fair value. After initial recognition, all borrowings are measured at amortized cost using the effective interest rate method.

Trade and other payables

Trade and Other Payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Investment properties

Investment Properties are properties held to earn income or for capital appreciation. These do not include properties held for strategic purposes or to provide a social service. Initially, investment properties are measured at cost including transaction costs unless acquired at less than fair value when they are recognised at fair value.

There is no depreciation on investment properties. Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Gains or losses on de-recognition are recognised in the surplus or deficit in the year of de-recognition.

Council currently has no properties that it classifies as investment properties and has no plans to acquire any.

Non-current assets held for sale

Non-current assets held for sale are separately recognised as a current asset when the sale of an asset is highly probable and management is committed to a plan to sell the asset, and that sale is expected to occur within one year. Non-current assets held for sale are valued at lower of the carrying value and the fair value less disposal costs.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit.

Any increase in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets are not depreciated while they are classified as held for sale.

Forestry

Council owns 140.1ha of primarily pinus radiata in nine blocks in the Waitaki District. These are at varying stages of maturity mainly from 20 – 30 years. As stated in Council's Investment Policy, its involvement in forestry is primarily to meet aesthetic and land protection requirements.

The valuation was performed by Alan Laurie, MNZIF, of Laurie Forestry Limited, a registered forestry consultant and was dated 30 June 2011. Forestry is the estimated worth of the maturing tree stocks in Council's forests as at date of valuation. The valuation method adopted is Net Present Value based on the age and condition of the trees. Council's forests will be re-valued annually by a registered forestry consultant and valuer.

However, given the likely size of these holdings, the primarily non-financial reason for holding these assets, and historic irregular valuation movements, no gains or losses are recognised in these prospective financial statements.

The costs to maintain the forestry assets are included in the surplus or deficit.

Property, plant and equipment

Property, Plant and Equipment consists of:

- Operational assets – these include land, buildings, landfill (post closure), library books, plant and equipment, furniture and fittings, and motor vehicles.
- Restricted assets – restricted assets are parks and reserves owned by Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.
- Infrastructure assets – infrastructure assets are the fixed utility systems owned by Council. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When re-valued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

Re-valuations

Certain classes of assets, as detailed below, are re-valued. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value.

Land and Buildings: Council contracted Darroch Corp Advisory and AECOM NZ Ltd to value all its property assets with effect as at 1 July 2010. Council has a policy to revalue every three years as a minimum.

Infrastructural Assets: Infrastructural assets are utility assets that provide a continuing service to the community. They are recorded at valuation, based on depreciated replacement cost, with subsequent additions recorded at cost until the next revaluation. Valuations are performed on a three yearly basis as a minimum.

At balance date Council assesses the carrying values of its infrastructural assets to ensure they do not differ materially from the assets fair values.

The roading network, including bridges, retaining structures and land under roads was valued as at 1 July 2011 by Michael Duggan, NZEE (Civil) of MWH New Zealand Ltd. The water, waste and drainage assets were valued as at 1 July 2009 by Council. The valuation was peer reviewed by John Vessey, BE (Civil) FIPENZ of Opus International Consultants Limited.

Vested Infrastructural Assets are initially recorded at valuation based on engineers' certificates.

Harbour Assets: Harbour wharves and structures and Oamaru Harbour Breakwater are valued at deemed cost. These assets are not re-valued. These assets were valued by Royds Garden Limited, Consulting Engineers as at June 1992. They are recorded at valuation based on depreciated replacement cost.

Library Collection: Library collections are carried at depreciated replacement cost. Valuations are performed annually by the Head Librarian and are not subject to independent review because they are based on readily available market prices.

Cultural and Heritage Assets: These assets provide a cultural or heritage service to the community. These include the Museum artifacts, Forrester Gallery art collection and the Libraries resources. They are recorded at valuation, based on net current value, with subsequent additions recorded at cost.

Accounting for Revaluations: The results of revaluations of property, plant and equipment are credited or debited to other comprehensive income and are accumulated in an asset revaluation reserve for that class of asset. Where this results in a debit balance in other comprehensive income, this balance is expensed in the surplus/deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus/deficit will be recognised first in the surplus/deficit up to the amount previously expensed, and then recognized in other comprehensive income.

Depreciation

General: Unless otherwise stated, all Council fixed assets are depreciated on a straight-line basis at rates that will write-off their cost or valuation, less any estimated realisable value, over their expected useful lives.

Land: Land is not depreciated.

Buildings: Buildings are depreciated over their expected lives of 2 to 100 years, dependent on the method of construction.

Cultural and heritage assets: Other than Library resources, Cultural and Heritage assets are not depreciated. Library resources are depreciated over their expected lives of 7 years.

Infrastructural assets: Depreciation has been calculated on a straight line basis as follows:

Asset	Depreciation base
Infrastructural:	
Roothing	
formation, base course	not depreciated
pavement structure	2 – 70 years
surfacing	2 – 15 years
drainage, footpaths	2 – 50 years
bridges, retaining structures	2 – 100 years
streetlights, railings	2 – 35 years
Water schemes	

head works	2 – 75 years
reservoirs	2 – 150 years
pumps	2 – 20 years
reticulation	2 – 80 years
Sewerage schemes	
reticulation	2 – 80 years
pumps	2 – 20 years
treatment works	2 – 100 years
Stormwater reticulation	2 – 80 years
Transfer stations and landfill developments	2 – 20 years
Harbour assets:	
Wharves and Breakwater	40 – 100 years
Other assets - Other assets are depreciated over their expected useful lives	
Motor Vehicles	2 – 8 years
Office Equipment	2 – 5 years
Office Furniture	2 – 10 years

Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance. The main categories of intangible assets are:

Software: Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring into use. Costs associated with maintaining computer software are recognised as an expense when incurred. The useful life of software is 3 to 10 years and is amortised on a straight line basis.

Other: These are other intangible assets with an identifiable useful life of 25 years. These are amortised on a straight line basis.

Impairment of property, plant and equipment, and intangible assets:

Intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indication of impairment the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For re-valued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus/deficit.

For assets not carried at a re-valued amount, the total impairment loss is recognised in the surplus/deficit.

Employee entitlements

Short-term benefits: Employee benefits that Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months.

Council recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Superannuation schemes

Defined contribution schemes: Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in surplus/deficit as incurred.

Multi-employer defined benefit schemes: Council belongs to a Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

Provisions

Council recognises a provision for future expenditure of uncertain amount of timing when there is a present obligation (either legal or constructive) as a result

of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in 'finance cost'.

The most significant provisions relate to landfill post closure costs. Council owns Oamaru and Palmerston operational landfills. Council is also responsible for a number of closed landfills throughout the Waitaki District. Council has a legal obligation to apply for resource consents when the landfills reach the end of their operating life and are to be closed.

These resource consents will set out the closure requirements and the requirements for ongoing maintenance and monitoring at the landfill site after closure. A provision for post-closure costs is recognised as a liability when the obligation for post-closure arises.

The provision is measured on the present value of future cash flows expected, taking into account future events, including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure. The discount rate used is a rate that reflects the current market assessments of the time value of money and the risks specific to Council. The estimated future costs of meeting this obligation have been accrued and charged. The calculations assume no change in the legislative requirements for post-closure treatment.

Amounts provided for landfill post closure are capitalised to the landfill assets where they give rise to future economic benefits. The capitalised landfill asset is depreciated over the life of the landfill based on the anticipated capacity used.

Financial instruments

The Council is party to financial instrument arrangements as part of everyday operations. These financial instruments include bank overdraft facilities and draw-down facilities, short-term deposits, investments, debtors and creditors.

All financial instruments are recognised in the Balance Sheet. Income and expenditures in relation to all financial instruments are recognised in the surplus or deficit.

Equity

Equity is the Community's interest in the Council as measured by total assets less total liabilities. Public equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that Council makes of its accumulated surpluses.

The components of equity are:

- Ratepayers Equity
- Restricted reserves (Special Funds)
- Operating Reserves
- Asset Revaluation Reserves

Reserves

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council and which the Council may not revise without reference to the Courts or third parties. Transfers from these reserves may be

made only for certain specified purposes or when certain specified conditions are met.

Operating reserves are reserves established by Council decision. The Council may alter them without reference to any third parties or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Asset revaluation reserves represent unrealised gains on assets owned by Council. The gains are held in the reserve until such time as the gain is realised and a transfer can be made to operating reserves.

Capital management

The Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves.

Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer's funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principal promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its

Long Term Plan (LTP) and in its annual plan (where applicable) to meet the expenditure needs identified in those plans. And the Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTP.

Groups of activities

The Groups of Activities, as provided in the Annual Plan, report the net cost of services for significant activities of the Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities:

Cost allocation: Council has derived the net cost of service for each significant activity of the Council, using the cost allocation system outlined below.

Cost allocation policy: Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.

Criteria for direct and indirect costs: "Direct Costs" are those costs directly attributable to a significant activity. "Indirect Costs" are those costs that cannot be attributed in an economically feasible manner to a specific significant activity.

Cost drivers for allocation of indirect costs: The cost of internal services that are not directly charged to activities are allocated as overheads using appropriate cost drivers such as actual usage, staff numbers, and floor area.

Critical accounting estimates and assumptions

In preparing these financial statements Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Infrastructural Assets: There are a number of assumptions and estimates used with the performing of depreciated replacement cost valuations of infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the statement of financial performance. To minimise this risk Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and

Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Critical judgements in applying Council's accounting policies: Management has exercised the following critical judgements in applying Council's accounting policies for the periods covered by this Plan.

Classification of Property: Council owns a number of properties, which are maintained primarily to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of Council's social housing policy. These properties are accounted for as property, plant and equipment.

Council currently has unoccupied land in its ownership. Given the uncertainty over the future intended use of the land, Council in applying its judgement has not classified the property as investment property.

Forestry: Council is exposed to financial risks arising from changes in timber prices. Council is a long term forest owner and has therefore not taken any measures to manage this risk.

New standards and interpretations adopted and not yet adopted

A number of new interpretations and standards are not yet effective for the year ended 30 June 2012, and have not been applied in preparing these financial statements.

Reconciliations and other disclosures

Prospective Statement of Comprehensive Income - Additional Disclosures												
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
		Other Revenue										
6,857	5,478	Grants and Subsidies	5,884	6,073	5,758	10,880	6,150	6,279	6,588	6,459	6,797	6,951
6,319	5,140	Fees and Charges	4,931	5,027	5,188	5,430	5,620	5,811	6,003	6,201	6,424	6,649
1,166	1,078	Regulatory Revenue	1,195	1,234	1,273	1,316	1,363	1,409	1,455	1,503	1,558	1,612
48	44	Infringements and Fines	47	48	50	52	53	55	57	59	61	63
207	230	Petrol Tax	221	228	235	243	252	260	269	278	288	298
831	1,041	Interest Income	669	764	910	1,007	1,283	1,551	1,850	2,160	2,466	2,720
238	150	Dividends	150	150	150	150	150	150	150	150	150	150
694	995	Development and Financial Contributions	608	658	681	692	716	742	768	796	845	879
405	304	Other	811	786	362	298	470	322	337	364	268	260
		(a)										
16,765	14,460	Total Other Revenue	14,516	14,968	14,607	20,068	16,057	16,579	17,477	17,970	18,857	19,582
		Activity Expenditure										
106	181	Audit Fees	121	125	193	133	138	213	147	152	236	163
7,330	7,729	Employee Benefit Expenses	8,911	9,206	9,403	9,583	9,845	10,059	10,287	10,570	10,828	11,114
22,343	19,912	Other	20,850	21,703	22,324	23,165	24,144	24,783	25,677	26,621	27,555	28,693
29,779	27,822	Total Activity Expenditure	29,882	31,034	31,920	32,881	34,127	35,055	36,111	37,343	38,619	39,970

Reconciliation of Operating Profit to Net Cash Flows from Operating Activities

2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
(76)	695	Operating Surplus	185	514	(59)	4,784	145	(286)	(29)	(575)	(898)	(927)
10,540	11,492	Non-cash Adjustments	11,659	11,906	12,521	13,012	13,454	14,075	14,701	14,978	15,824	16,805
-	-	Depreciation	-	25	79	(26)	71	63	(25)	150	45	(8)
		Net Movement Other Working Capital Items										

Reconciliation Comprehensive Income and Whole of Council Funding Impact Statement

2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
		Income										
36,504	35,263	Total Operating Funding	38,427	40,046	41,376	42,593	44,470	45,555	47,286	48,478	50,056	52,325
4,023	2,902	Subsidies and Grants for Capital	2,690	2,750	2,326	7,392	2,540	2,547	2,729	2,473	2,644	2,644
703	1,145	Development and Financial Contributions	609	658	680	692	716	742	768	795	845	879
145	700	Other Gains / Losses	-	-	-	-	-	-	-	-	-	-
41,375	40,010	Total Income	41,726	43,454	44,382	50,677	47,726	48,844	50,783	51,746	53,545	55,848
		Expenditure										
29,782	27,445	Total Applications of Operating Funding	30,200	31,357	32,256	33,226	34,476	35,417	36,481	37,723	39,009	40,371
11,669	11,492	Depreciation	11,659	11,906	12,521	13,012	13,454	14,075	14,701	14,978	15,824	16,805
-	378	Overheads Charged to Capital Projects	(318)	(323)	(336)	(345)	(349)	(362)	(370)	(380)	(390)	(401)

Depreciation - Summary by Groups of Activities and Movement in Funded Depreciation Balance												
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
		Depreciation										
5,191	5,121	Roads & Footpaths	5,187	5,212	5,778	5,790	5,794	6,403	6,403	6,403	7,249	7,249
1,182	1,186	Waste Water	1,182	1,182	1,190	1,350	1,350	1,351	1,563	1,564	1,564	1,906
365	364	Stormwater Drainage	365	365	382	427	427	427	492	492	492	598
1,848	1,918	Water Supply	1,842	1,911	1,925	2,174	2,211	2,211	2,560	2,560	2,560	3,093
60	76	Waste Management & Minimisation	60	60	60	66	66	66	66	66	66	66
195	130	Arts, Heritage & Community	194	194	196	196	328	328	328	328	328	328
647	526	Parks & Recreation	647	686	686	686	753	763	763	840	840	840
348	332	Community Amenities	352	373	381	381	446	446	446	487	487	487
366	364	Oamaru Harbour & Historic Precinct	366	388	388	389	427	427	427	471	471	471
0	0	Democracy, Accountability & Governance	-	-	-	-	-	-	-	-	-	-
314	305	Commercial & Development Activities	318	348	348	348	382	382	382	421	421	421
101	112	Environment, Regulation & Safety	96	99	99	117	117	118	118	118	118	118
1,052	1,065	Support Services (Net Allocated)	1,050	1,088	1,088	1,088	1,153	1,153	1,153	1,228	1,228	1,228
11,669	11,499	Total Depreciation Expense	11,659	11,906	12,521	13,012	13,454	14,075	14,701	14,978	15,824	16,805
		Less Adjustment to Available Funds										
4,147	4,194	Unfunded Depreciation	4,214	4,276	4,564	4,627	4,735	5,048	5,140	5,262	5,697	5,845
6,493	3,601	Funds used for Renewals	4,327	4,915	5,476	4,575	4,264	4,447	4,986	4,832	5,207	7,328

Depreciation schedule

Assets that Council will not cash-fund depreciation.

Asset Name	Reason for Unfunding Depreciation	Date that Unfunding Stops
Waitaki Aquatic Centre	To recognise for those components, (structure, roof and services), that have a life of greater than 20 years. Council does not intend to replace the Waitaki Aquatic Centre at the end of its economic life.	No end date
Oamaru Opera House	To recognise for those components that have a life greater than 20 years and alternate funding is likely to be received for any minor work	No end date
Oamaru Reservoir Dwelling	To recognise that Council will not replace the Oamaru Reservoir Dwelling at the end of its economic life.	No end date.
Middleton House Villa (fit out)	To recognise that Council will not replace the fit out in the Middleton House Villa at the end of its economic life.	No end date.
Fenwick Park BMX Track	To recognise that Council will not replace the improvements at the end of their economic life.	No end date.
Oamaru Sewerage Plant Dwelling	To recognise that Council will not replace this dwelling at the end of its economic life.	No end date.
Enfield Recreation Reserve Sports Pavilion	To recognise that Council will not replace the Sports Pavilion at the end of its economic life.	No end date.
Storage Building (Willeys), Clyde Street	To recognise that Council will not replace this building at the end of its economic life.	No end date.
Freezer Building	To recognise that Council will not replace this building at the end of its economic life.	No end date.
Awamoa Park Pavilion	To recognise that Council will not replace this building at the end of its economic life.	No end date.

Asset Name	Reason for Unfunding Depreciation	Date that Unfunding Stops
Oamaru Gardens Depot and Workshop	To recognise that Council will not replace these facilities at the end of their economic life.	No end date.
Oamaru Gardens House	To recognise that Council will not replace this house at the end of its economic life.	No end date.
Harbour House (2 Test Street)	To recognise that Council will not replace this property at the end of its economic life.	No end date.
Goods Shed railway land	To recognise that Council will not replace this building at the end of its economic life.	No end date.
Stock Pavilion, 31 Gilligan Street, Palmerston	To recognise that Council will not replace this building at the end of its economic life.	No end date.
Civil Defence Garages behind Community House	To recognise that Council will not replace these buildings at the end of their economic life.	No end date.
Chelmer Street Depot	To recognise that Council will not replace these buildings at the end of their economic life.	No end date.
Moeraki Sewerage Scheme	Initial capital cost offset for assets with a life greater than 20 years that is part of the initial sewerage scheme treatment and reticulation project completed in 1999.	2019
Oamaru Harbour Wharves and Improvements	Council will unfund depreciation to the extent of the annual maintenance expenditure required to maintain the asset in perpetuity.	No end date.
Oamaru Harbour Breakwater	Council will unfund depreciation to the extent of the annual maintenance expenditure required to maintain the asset in perpetuity.	No end date.
Roading	To unfund that portion of asset replacement that is paid for annually from New Zealand Transport Agency (or its successors) subsidy.	No end date.
Bridges	To unfund that portion of asset replacement that is paid for annually from New Zealand Transport Agency (or its successors) subsidy.	No end date.
Oamaru Sewerage Scheme	To unfund that portion of the Oamaru Sewerage Upgrade (1993) with a life of greater than 20 years as an initial capital cost offset.	2013

Asset Name	Reason for Unfunding Depreciation	Date that Unfunding Stops
Drinking Water Standards – Upgrade – various schemes	Initial capital cost offset for assets with a life greater than 20 years that is part of the water treatment plant upgrades	2030-2035
Closed Transfer Stations	To unfund any improvements that are no longer and will not be replaced.	Varying end dates.
Oamaru Water Treatment	Initial capital cost offset for assets with a life greater than 20 years that is part of the water treatment plant completed 2007.	2027
Dunrobin Water Scheme	To recognise the advice of the Dunrobin Water Scheme members that they do not require Council to fund for the replacement of the scheme at the end of its economic life.	No end date.
Omarama Water Upgrade	To unfund that portion of the Omarama Water Upgrade completed (1999) that has a life greater than 20 years, as an initial capital cost offset.	2019
Stoneburn Rural Water Scheme (this matter is current under review)	To provide for annuity funding of asset replacement.	No end date.
Duntroon Sewerage Scheme	To recognise that Council will not replace this scheme at the end of its economic life.	No end date.
Parks Assets – Local (Ward) Assets	To recognise that many local parks assets will not be replaced at the end of their lives or if they are will be funded by sources other than general revenues for example reserve contributions or grants.	No end date.
Parks Assets - Cemeteries	To recognise that many cemetery assets will not be replaced at the end of their lives.	No end date.

Reserve fund schedule

Reserves are held to ensure that funds received for a particular purpose are used for that purpose and any surplus created is managed in accordance with the reason for which the reserve was established. Surpluses held in reserves are credited with interest.

The council has five types of reserves. Three of the reserve types are restricted reserves. These are reserves that have rules set by legal obligation that restrict the use that the council may put the funds towards. These are described as Trust Reserves, Development Reserves and Special Reserves.

The remaining Council created reserves are discretionary reserves which the council has established for the fair and transparent use of monies. The two types are Operating Reserves and Renewal (Depreciation) Reserves.

Reserves are not separately held in cash and the funds are managed as part of the council's treasury management.

On the following pages is a list of current reserves outlining the purpose for holding each reserve and the council activity to which each reserve relates, together with summary financial information across the ten years of the Long Term Plan.

Other reserves – trust reserves	Opening Balance July 2012 \$000s	Deposits \$000s	Expenditure \$000s	Closing Balance June 2022 \$000s
This is a collection 31 individual reserves. They have all been funded from sources outside of Council and are subject to specific conditions accepted as binding by Council. These include bequests, specific donations and similar funds. The largest single item is the funds received from Resource Management Act financial contributions. Most of the other funds are for cultural facilities including the Museum, Library and Gallery. Further details of these reserves are available on Councils website.	986	1,770	-1,883	873

Other reserves – development reserves	Opening Balance July 2012 \$000s	Deposits \$000s	Expenditure \$000s	Closing Balance June 2022 \$000s
These are reserves that have been created to properly record and allocate the funds received under the development contributions policy. These source and use of these funds are described in detail in the development contributions policy section of the Long Term Plan. Further details of these reserves are available on Councils website.	2,653	7,159	-4,725	5,087

Other reserves – special reserves	Opening Balance July 2012 \$000s	Deposits \$000s	Expenditure \$000s	Closing Balance June 2022 \$000s
This is a collection of 17 different funds. These are similar to trust funds in that they are for a specific purpose. However, these funds are Council created and Council has greater discretion about how they are funded and used. The largest fund is the Disaster Fund. These can be both ongoing or of limited duration. An example of this type is the Community Housing fund. This was created by the sale of some Community Houses and will be reinvested in a similar development. Further details of these reserves are available on Councils website.	6,101	984	-1,622	5,463

Council created reserves - separate rate operating	Opening Balance July 2012 \$000s	Deposits \$000s	Expenditure \$000s	Closing Balance June 2022 \$000s
Council uses a large number of separate rates. These are described in the Funding Impact Section of the Long Term Plan. As Council sets rates to match the funding required for each rate each year, there is no budgeted movement in these reserves. The movement occurs when there is a difference between budget and actual expenditure and revenue. The only exception is when Council considers the surplus or deficit in the reserve is too large and makes a specific decision to fund or reduce the amount. Only these amounts are recorded in the deposits and expenditure columns to the right. This balance forms part of the overall operating reserves.	4,717	0	960	3,757

Groups of activities funding impact statements

Roads & Footpaths												
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
157	163	General Rates	127	131	136	140	144	148	153	159	165	170
4,392	4,486	Targeted Rates	4,641	4,879	5,228	5,290	5,344	5,559	5,634	5,732	6,207	6,299
4,549	4,649	Rates Revenue	4,768	5,010	5,364	5,430	5,488	5,707	5,787	5,891	6,372	6,469
2,282	2,155	Operating Subsidies and Grants	2,228	2,299	2,372	2,453	2,539	2,625	2,712	2,801	2,902	3,004
156	182	Fees and Charges	182	188	194	200	207	214	222	229	237	245
10	-	Internal Recoveries including Internal Interest Income	2	2	2	2	2	2	2	3	3	3
273	320	Other Receipts (Fines, Infringements, Fuel Tax, Other)	346	357	368	381	394	407	421	435	450	466
2,721	2,657	Operating Revenue	2,758	2,846	2,936	3,036	3,142	3,248	3,357	3,468	3,592	3,718
7,270	7,306	Total Operating Funding	7,526	7,856	8,300	8,466	8,630	8,955	9,144	9,359	9,964	10,187
3,858	3,900	Payments	4,038	4,166	4,297	4,432	4,568	4,713	4,874	5,050	5,223	5,406
-	-	Finance Cost	-	-	-	-	-	-	-	-	-	-
749	807	Internal Charges and Overheads Applied	781	821	846	872	884	912	933	964	977	1,010
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-
4,607	4,707	Total Applications of Operating Funding	4,819	4,987	5,143	5,304	5,452	5,625	5,807	6,014	6,200	6,416
2,663	2,599	Surplus / (Deficit) of Operating Funding	2,707	2,869	3,157	3,162	3,178	3,330	3,337	3,345	3,764	3,771
3,942	2,772	Subsidies and Grants for Capital	2,531	2,746	2,322	2,436	2,540	2,545	2,729	2,471	2,644	2,648
102	150	Development and Financial Contributions	128	134	139	133	138	144	150	156	183	191
-	-	Increase / Decrease in Debt	-	-	-	-	-	-	-	-	-	-
-	-	Asset Sales	-	-	-	-	-	-	-	-	-	-
4,044	2,922	Total Sources of Capital Funding	2,659	2,880	2,461	2,569	2,678	2,689	2,879	2,627	2,827	2,839
1,170	1,100	Improve Levels of Service	157	162	167	173	179	185	191	198	205	212
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-
5,939	4,154	Replace Existing Assets	4,520	4,903	4,146	4,350	4,535	4,544	4,873	4,412	4,722	4,729
(402)	267	Increase / (Decrease) in Reserves	689	684	1,305	1,208	1,142	1,290	1,152	1,362	1,664	1,669
-	-	Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-
6,707	5,521	Total Applications for Capital Funding	5,366	5,749	5,618	5,731	5,856	6,019	6,216	5,972	6,591	6,610
(2,663)	(2,599)	Surplus / (Deficit) of Capital Funding	(2,707)	(2,869)	(3,157)	(3,162)	(3,178)	(3,330)	(3,337)	(3,345)	(3,764)	(3,771)
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-

Waste Water													
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)	
-	-	General Rates	-	-	-	-	-	-	-	-	-	-	
2,024	2,229	Targeted Rates	2,241	2,270	2,328	2,580	2,631	2,691	2,924	2,919	2,970	3,362	
2,024	2,229	Rates Revenue	2,241	2,270	2,328	2,580	2,631	2,691	2,924	2,919	2,970	3,362	
-	-	Operating Subsidies and Grants	-	-	-	-	-	-	-	-	-	-	
146	165	Fees and Charges	170	176	181	187	194	201	207	214	222	230	
286	269	Internal Recoveries including Internal Interest Income	260	268	277	286	296	306	316	327	338	350	
77	10	Other Receipts (Fines, Infringements, Fuel Tax, Other)	-	-	-	-	-	-	-	-	-	-	
509	444	Operating Revenue	430	444	458	473	490	507	523	541	560	580	
2,533	2,673	Total Operating Funding	2,671	2,714	2,786	3,053	3,121	3,198	3,447	3,460	3,530	3,942	
1,004	1,018	Payments	1,132	1,192	1,245	1,498	1,352	1,406	1,462	1,524	1,593	1,790	
-	-	Finance Cost	-	-	-	-	-	-	-	-	-	-	
461	520	Internal Charges and Overheads Applied	440	456	475	518	537	547	555	563	573	590	
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	
1,465	1,538	Total Applications of Operating Funding	1,572	1,648	1,720	2,016	1,889	1,953	2,017	2,087	2,166	2,380	
1,068	1,135	Surplus / (Deficit) of Operating Funding	1,099	1,066	1,066	1,037	1,232	1,245	1,430	1,373	1,364	1,562	
-	-	Subsidies and Grants for Capital	-	-	-	-	-	-	-	-	-	-	
142	204	Development and Financial Contributions	106	111	116	121	127	132	138	144	150	157	
-	-	Increase / Decrease in Debt	-	-	-	-	-	-	-	-	-	-	
-	-	Asset Sales	-	-	-	-	-	-	-	-	-	-	
142	204	Total Sources of Capital Funding	106	111	116	121	127	132	138	144	150	157	
42	-	Improve Levels of Service	230	290	736	34	53	55	38	-	-	-	
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	
590	85	Replace Existing Assets	280	104	108	112	117	122	128	135	142	150	
578	1,254	Increase / (Decrease) in Reserves	695	783	338	1,012	1,189	1,200	1,402	1,382	1,372	1,569	
-	-	Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-	
1,210	1,339	Total Applications for Capital Funding	1,205	1,177	1,182	1,158	1,359	1,377	1,568	1,517	1,514	1,719	
(1,068)	(1,135)	Surplus / (Deficit) of Capital Funding	(1,099)	(1,066)	(1,066)	(1,037)	(1,232)	(1,245)	(1,430)	(1,373)	(1,364)	(1,562)	
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-	

Stormwater Drainage												
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
-	-	General Rates	-	-	-	-	-	-	-	-	-	-
530	545	Targeted Rates	542	551	674	726	733	740	806	802	810	924
530	545	Rates Revenue	542	551	674	726	733	740	806	802	810	924
-	-	Operating Subsidies and Grants	-	-	-	-	-	-	-	-	-	-
1	-	Fees and Charges	-	-	-	-	-	-	-	-	-	-
-	-	Internal Recoveries including Internal Interest Income	-	-	-	-	-	-	-	-	-	-
-	-	Other Receipts (Fines, Infringements, Fuel Tax, Other)	-	-	-	-	-	-	-	-	-	-
1	-	Operating Revenue	-	-	-	-	-	-	-	-	-	-
531	545	Total Operating Funding	542	551	674	726	733	740	806	802	810	924
44	50	Payments	68	74	79	82	86	90	94	98	102	107
-	-	Finance Cost	-	-	-	-	-	-	-	-	-	-
110	117	Internal Charges and Overheads Applied	114	117	173	173	174	175	175	176	178	179
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-
154	167	Total Applications of Operating Funding	182	191	252	255	260	265	269	274	280	286
377	378	Surplus / (Deficit) of Operating Funding	360	360	422	471	473	475	537	528	530	638
-	-	Subsidies and Grants for Capital	-	-	-	-	-	-	-	-	-	-
-	-	Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-
-	-	Increase / Decrease in Debt	-	-	-	-	-	-	-	-	-	-
-	-	Asset Sales	-	-	-	-	-	-	-	-	-	-
-	-	Total Sources of Capital Funding	-	-	-	-	-	-	-	-	-	-
-	-	Improve Levels of Service	-	1,357	-	-	-	-	-	-	-	-
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-
56	-	Replace Existing Assets	-	-	-	-	-	-	-	-	-	-
321	378	Increase / (Decrease) in Reserves	360	(997)	422	471	473	475	537	528	530	638
-	-	Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-
377	378	Total Applications for Capital Funding	360	360	422	471	473	475	537	528	530	638
(377)	(378)	Surplus / (Deficit) of Capital Funding	(360)	(360)	(422)	(471)	(473)	(475)	(537)	(528)	(530)	(638)
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-

Water Supply													
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)	
-	-	General Rates	2	3	3	3	3	3	3	3	3	3	
4,876	5,134	Targeted Rates	5,406	5,861	6,075	6,428	6,661	6,806	7,242	7,393	7,557	8,193	
4,876	5,134	Rates Revenue	5,408	5,864	6,078	6,431	6,664	6,809	7,245	7,396	7,560	8,196	
-	-	Operating Subsidies and Grants	-	-	-	-	-	-	-	-	-	-	
456	416	Fees and Charges	411	424	437	452	468	484	500	516	535	554	
386	420	Internal Recoveries including Internal Interest Income	364	376	388	401	415	429	443	458	475	491	
49	3	Other Receipts (Fines, Infringements, Fuel Tax, Other)	-	-	-	-	-	-	-	-	-	-	
891	839	Operating Revenue	775	800	825	853	883	913	943	974	1,010	1,045	
5,767	5,973	Total Operating Funding	6,183	6,664	6,903	7,284	7,547	7,722	8,188	8,370	8,570	9,241	
2,511	2,678	Payments	2,957	3,118	3,282	3,454	3,658	3,799	3,945	4,108	4,291	4,481	
-	-	Finance Cost	-	-	-	-	-	-	-	-	-	-	
1,261	1,439	Internal Charges and Overheads Applied	1,422	1,502	1,518	1,542	1,534	1,535	1,529	1,532	1,523	1,526	
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	
3,772	4,117	Total Applications of Operating Funding	4,379	4,620	4,800	4,996	5,192	5,334	5,474	5,640	5,814	6,007	
1,995	1,856	Surplus / (Deficit) of Operating Funding	1,804	2,044	2,103	2,288	2,355	2,388	2,714	2,730	2,756	3,234	
-	-	Subsidies and Grants for Capital	-	-	-	-	-	-	-	-	-	-	
311	491	Development and Financial Contributions	250	263	275	288	301	316	330	345	362	381	
-	-	Increase / Decrease in Debt	-	-	-	-	-	-	-	-	-	-	
-	-	Asset Sales	-	-	-	-	-	-	-	-	-	-	
311	491	Total Sources of Capital Funding	250	263	275	288	301	316	330	345	362	381	
1,628	1,952	Improve Levels of Service	2,318	605	639	1,235	310	630	19	-	-	-	
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	
468	850	Replace Existing Assets	475	763	1,554	337	410	612	769	944	1,139	3,212	
210	(455)	Increase / (Decrease) in Reserves	(739)	939	185	1,004	1,936	1,462	2,256	2,131	1,979	403	
-	-	Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-	
2,306	2,347	Total Applications for Capital Funding	2,054	2,307	2,378	2,576	2,656	2,704	3,044	3,075	3,118	3,615	
(1,995)	(1,856)	Surplus / (Deficit) of Capital Funding	(1,804)	(2,044)	(2,103)	(2,288)	(2,355)	(2,388)	(2,714)	(2,730)	(2,756)	(3,234)	
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-	

Waste Management & Minimisation												
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
479	544	General Rates	871	1,057	1,218	1,215	1,426	1,411	1,478	1,451	1,389	1,414
-	-	Targeted Rates	-	-	-	-	-	-	-	-	-	-
479	544	Rates Revenue	871	1,057	1,218	1,215	1,426	1,411	1,478	1,451	1,389	1,414
71	60	Operating Subsidies and Grants	60	62	64	66	68	71	73	75	78	81
1,489	964	Fees and Charges	977	1,008	1,041	1,076	1,114	1,151	1,189	1,229	1,273	1,317
-	-	Internal Recoveries including Internal Interest Income	-	-	-	-	-	-	-	-	-	-
39	-	Other Receipts (Fines, Infringements, Fuel Tax, Other)	-	-	-	-	-	-	-	-	-	-
1,599	1,024	Operating Revenue	1,037	1,070	1,105	1,142	1,182	1,222	1,262	1,304	1,351	1,398
2,078	1,568	Total Operating Funding	1,908	2,127	2,323	2,357	2,608	2,633	2,740	2,755	2,740	2,812
1,553	1,749	Payments	1,711	1,772	1,962	1,960	2,205	2,222	2,326	2,333	2,440	2,509
-	-	Finance Cost	-	-	-	-	-	-	-	-	-	-
219	225	Internal Charges and Overheads Applied	248	251	253	270	271	273	273	275	278	284
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-
1,772	1,974	Total Applications of Operating Funding	1,959	2,023	2,215	2,230	2,476	2,495	2,599	2,608	2,718	2,793
306	(406)	Surplus / (Deficit) of Operating Funding	(51)	104	108	127	132	138	141	147	22	19
-	-	Subsidies and Grants for Capital	-	-	-	-	-	-	-	-	-	-
-	-	Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-
-	-	Increase / Decrease in Debt	-	-	-	-	-	-	-	-	-	-
-	-	Asset Sales	-	-	-	-	-	-	-	-	-	-
-	-	Total Sources of Capital Funding	-	-	-	-	-	-	-	-	-	-
-	-	Improve Levels of Service	-	-	-	-	-	-	-	-	-	-
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-
4	-	Replace Existing Assets	-	-	325	-	-	-	-	-	-	-
302	(406)	Increase / (Decrease) in Reserves	(51)	104	(217)	127	132	138	141	147	22	19
-	-	Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-
306	(406)	Total Applications for Capital Funding	(51)	104	108	127	132	138	141	147	22	19
(306)	406	Surplus / (Deficit) of Capital Funding	51	(104)	(108)	(127)	(132)	(138)	(141)	(147)	(22)	(19)
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-

Arts, Heritage & Community

2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
152	150	General Rates	194	200	207	157	162	168	173	179	185	192
2,396	2,518	Targeted Rates	3,013	3,156	3,202	3,197	3,553	3,633	3,697	3,820	3,917	4,017
2,548	2,668	Rates Revenue	3,207	3,356	3,409	3,354	3,715	3,801	3,870	3,999	4,102	4,209
201	204	Operating Subsidies and Grants	200	206	213	220	228	236	244	252	261	270
166	168	Fees and Charges	187	193	200	206	214	221	228	236	244	253
-	-	Internal Recoveries including Internal Interest Income	-	-	-	-	-	-	-	-	-	-
242	362	Other Receipts (Fines, Infringements, Fuel Tax, Other)	323	336	348	343	355	367	380	392	407	421
609	734	Operating Revenue	710	735	761	769	797	824	852	880	912	944
3,157	3,402	Total Operating Funding	3,917	4,091	4,170	4,123	4,512	4,625	4,722	4,879	5,014	5,153
2,367	2,545	Payments	2,533	2,609	2,684	2,625	2,707	2,788	2,868	2,956	3,052	3,151
-	-	Finance Cost	-	-	-	-	-	-	-	-	-	-
838	864	Internal Charges and Overheads Applied	1,215	1,277	1,311	1,308	1,439	1,469	1,482	1,548	1,582	1,618
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-
3,205	3,409	Total Applications of Operating Funding	3,748	3,886	3,995	3,933	4,146	4,257	4,350	4,504	4,634	4,769
(48)	(7)	Surplus / (Deficit) of Operating Funding	169	205	175	190	366	368	372	375	380	384
11	-	Subsidies and Grants for Capital	-	-	-	4,956	-	-	-	-	-	-
-	-	Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-
-	-	Increase / Decrease in Debt	-	-	-	-	-	-	-	-	-	-
2	-	Asset Sales	-	-	-	-	-	-	-	-	-	-
13	-	Total Sources of Capital Funding	-	-	-	4,956	-	-	-	-	-	-
64	15	Improve Levels of Service	10	10	11	6,618	11	12	12	13	13	13
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-
126	105	Replace Existing Assets	120	160	128	132	137	141	146	151	156	162
(225)	(127)	Increase / (Decrease) in Reserves	39	35	36	(1,604)	218	215	214	211	211	209
-	-	Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-
(35)	(7)	Total Applications for Capital Funding	169	205	175	5,146	366	368	372	375	380	384
48	7	Surplus / (Deficit) of Capital Funding	(169)	(205)	(175)	(190)	(366)	(368)	(372)	(375)	(380)	(384)
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-

Parks & Recreation												
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
488	505	General Rates	465	484	492	506	528	552	566	593	610	627
2,277	2,425	Targeted Rates	2,621	2,676	2,720	2,764	2,831	2,875	2,919	2,925	2,984	3,046
2,765	2,930	Rates Revenue	3,086	3,160	3,212	3,270	3,359	3,427	3,485	3,518	3,594	3,673
1	-	Operating Subsidies and Grants	-	-	-	-	-	-	-	-	-	-
566	468	Fees and Charges	562	580	599	619	641	662	684	707	732	758
-	-	Internal Recoveries including Internal Interest Income	-	-	-	-	-	-	-	-	-	-
525	170	Other Receipts (Fines, Infringements, Fuel Tax, Other)	524	458	79	26	130	57	74	30	31	32
1,092	638	Operating Revenue	1,086	1,038	678	645	771	719	758	737	763	790
3,857	3,568	Total Operating Funding	4,172	4,198	3,890	3,915	4,130	4,146	4,243	4,255	4,357	4,463
2,748	2,656	Payments	2,988	3,025	2,879	2,930	3,080	3,120	3,218	3,285	3,391	3,500
-	-	Finance Cost	-	-	-	-	-	-	-	-	-	-
382	581	Internal Charges and Overheads Applied	640	655	668	681	698	712	726	744	764	785
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-
3,130	3,237	Total Applications of Operating Funding	3,628	3,680	3,547	3,611	3,778	3,832	3,944	4,029	4,155	4,285
727	331	Surplus / (Deficit) of Operating Funding	544	518	343	304	352	314	299	226	202	178
-	-	Subsidies and Grants for Capital	-	-	-	-	-	-	-	-	-	-
-	-	Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-
-	-	Increase / Decrease in Debt	-	-	-	-	-	-	-	-	-	-
-	-	Asset Sales	-	-	-	-	-	-	-	-	-	-
-	-	Total Sources of Capital Funding	-	-	-	-	-	-	-	-	-	-
169	487	Improve Levels of Service	47	49	50	52	282	55	57	59	61	63
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-
28	55	Replace Existing Assets	95	459	101	105	165	112	116	119	124	128
530	(211)	Increase / (Decrease) in Reserves	402	10	192	147	(95)	147	126	48	17	(13)
-	-	Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-
727	331	Total Applications for Capital Funding	544	518	343	304	352	314	299	226	202	178
(727)	(331)	Surplus / (Deficit) of Capital Funding	(544)	(518)	(343)	(304)	(352)	(314)	(299)	(226)	(202)	(178)
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-

Community Amenities

2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
316	374	General Rates	671	716	782	836	875	898	922	956	985	1,016
1,107	1,312	Targeted Rates	1,055	1,163	1,192	1,262	1,338	1,369	1,399	1,465	1,500	1,537
1,423	1,686	Rates Revenue	1,726	1,879	1,974	2,098	2,213	2,267	2,321	2,421	2,485	2,553
138	4	Operating Subsidies and Grants	5	5	5	5	5	5	5	6	6	6
579	615	Fees and Charges	573	529	546	631	653	675	698	721	747	773
4	8	Internal Recoveries including Internal Interest Income	6	7	7	7	7	7	8	8	8	9
8	-	Other Receipts (Fines, Infringements, Fuel Tax, Other)	-	-	-	-	-	-	-	-	-	-
729	627	Operating Revenue	584	541	558	643	665	687	711	735	761	788
2,152	2,313	Total Operating Funding	2,310	2,420	2,532	2,741	2,878	2,954	3,032	3,156	3,246	3,341
1,661	1,509	Payments	1,548	1,616	1,700	1,870	1,937	2,005	2,076	2,152	2,234	2,318
-	-	Finance Cost	-	-	-	-	-	-	-	-	-	-
229	287	Internal Charges and Overheads Applied	323	334	340	355	368	369	370	373	375	377
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-
1,890	1,796	Total Applications of Operating Funding	1,871	1,950	2,040	2,225	2,305	2,374	2,446	2,525	2,609	2,695
262	517	Surplus / (Deficit) of Operating Funding	439	470	492	516	573	580	586	631	637	646
10	-	Subsidies and Grants for Capital	-	-	-	-	-	-	-	-	-	-
-	-	Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-
(3)	(3)	Increase / Decrease in Debt	(4)	(2)	(3)	(1)	-	-	-	-	-	-
-	-	Asset Sales	-	-	-	-	-	-	-	-	-	-
7	(3)	Total Sources of Capital Funding	(4)	(2)	(3)	(1)	-	-	-	-	-	-
111	67	Improve Levels of Service	-	282	-	1,294	-	-	-	-	-	-
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-
263	8	Replace Existing Assets	222	229	237	245	253	262	270	279	289	300
(105)	439	Increase / (Decrease) in Reserves	213	(43)	252	(1,024)	320	318	316	352	348	346
-	-	Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-
269	514	Total Applications for Capital Funding	435	468	489	515	573	580	586	631	637	646
(262)	(517)	Surplus / (Deficit) of Capital Funding	(439)	(470)	(492)	(516)	(573)	(580)	(586)	(631)	(637)	(646)
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-

Oamaru Harbour & Historic Precinct													
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)	
34	33	General Rates	57	33	65	32	34	33	34	35	36	37	
289	352	Targeted Rates	326	329	405	330	355	355	358	363	367	371	
323	385	Rates Revenue	383	362	470	362	389	388	392	398	403	408	
-	-	Operating Subsidies and Grants	-	-	-	-	-	-	-	-	-	-	
122	156	Fees and Charges	170	176	181	187	194	201	207	214	222	230	
-	-	Internal Recoveries including Internal Interest Income	-	-	-	-	-	-	-	-	-	-	
6	2	Other Receipts (Fines, Infringements, Fuel Tax, Other)	5	5	5	6	6	6	6	6	7	7	
128	158	Operating Revenue	175	181	186	193	200	207	213	220	229	237	
451	543	Total Operating Funding	558	543	656	555	589	595	605	618	632	645	
280	257	Payments	352	292	273	283	299	304	314	325	338	350	
-	-	Finance Cost	-	-	-	-	-	-	-	-	-	-	
78	141	Internal Charges and Overheads Applied	96	125	120	127	133	127	121	115	109	102	
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	
358	398	Total Applications of Operating Funding	448	417	393	410	432	431	435	440	447	452	
93	145	Surplus / (Deficit) of Operating Funding	110	126	263	145	157	164	170	178	185	193	
-	130	Subsidies and Grants for Capital	-	-	-	-	-	-	-	-	-	-	
-	-	Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-	
-	-	Increase / Decrease in Debt	-	-	-	-	-	-	-	-	-	-	
-	-	Asset Sales	-	-	-	-	-	-	-	-	-	-	
-	130	Total Sources of Capital Funding	-	-	-	-	-	-	-	-	-	-	
1,067	1,236	Improve Levels of Service	828	10	107	7	-	-	-	-	-	-	
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	
75	-	Replace Existing Assets	-	-	85	440	-	-	-	-	-	-	
(1,049)	(961)	Increase / (Decrease) in Reserves	(718)	116	71	(302)	157	164	170	178	185	193	
-	-	Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-	
93	275	Total Applications for Capital Funding	110	126	263	145	157	164	170	178	185	193	
(93)	(145)	Surplus / (Deficit) of Capital Funding	(110)	(126)	(263)	(145)	(157)	(164)	(170)	(178)	(185)	(193)	
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-	

Democracy, Accountability & Governance

2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
2,125	2,062	General Rates	1,700	1,786	1,847	1,893	1,935	1,994	2,050	2,099	2,160	2,230
1,058	1,093	Targeted Rates	1,353	1,418	1,464	1,500	1,536	1,581	1,624	1,665	1,713	1,767
3,183	3,155	Rates Revenue	3,053	3,204	3,311	3,393	3,471	3,575	3,674	3,764	3,873	3,997
10	5	Operating Subsidies and Grants	48	50	51	-	-	-	-	-	-	-
-	-	Fees and Charges	-	-	-	-	-	-	-	-	-	-
-	-	Internal Recoveries including Internal Interest Income	-	-	-	-	-	-	-	-	-	-
67	5	Other Receipts (Fines, Infringements, Fuel Tax, Other)	-	62	-	-	68	-	-	75	-	-
77	10	Operating Revenue	48	112	51	-	68	-	-	75	-	-
3,260	3,165	Total Operating Funding	3,101	3,316	3,362	3,393	3,539	3,575	3,674	3,839	3,873	3,997
781	711	Payments	763	892	877	769	913	897	837	997	980	916
-	-	Finance Cost	-	-	-	-	-	-	-	-	-	-
2,606	2,619	Internal Charges and Overheads Applied	2,332	2,491	2,554	2,613	2,689	2,757	2,820	2,902	2,982	3,064
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-
3,387	3,330	Total Applications of Operating Funding	3,095	3,383	3,431	3,382	3,602	3,654	3,657	3,899	3,962	3,980
(127)	(165)	Surplus / (Deficit) of Operating Funding	6	(67)	(69)	11	(63)	(79)	17	(60)	(89)	17
-	-	Subsidies and Grants for Capital	-	-	-	-	-	-	-	-	-	-
-	-	Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-
-	-	Increase / Decrease in Debt	-	-	-	-	-	-	-	-	-	-
-	-	Asset Sales	-	-	-	-	-	-	-	-	-	-
-	-	Total Sources of Capital Funding	-	-	-	-	-	-	-	-	-	-
-	-	Improve Levels of Service	-	-	-	-	-	-	-	-	-	-
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-
-	-	Replace Existing Assets	-	-	-	-	-	-	-	-	-	-
(127)	(165)	Increase / (Decrease) in Reserves	6	(67)	(69)	11	(63)	(79)	17	(60)	(89)	17
-	-	Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-
(127)	(165)	Total Applications for Capital Funding	6	(67)	(69)	11	(63)	(79)	17	(60)	(89)	17
127	165	Surplus / (Deficit) of Capital Funding	(6)	67	69	(11)	63	79	(17)	60	89	(17)
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-

Commercial & Development Activities												
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
(297)	(386)	General Rates	177	12	(69)	(38)	(164)	(240)	(327)	(423)	(494)	(556)
(38)	(82)	Targeted Rates	(210)	(281)	(400)	(519)	(611)	(680)	(755)	(826)	(894)	(954)
(335)	(468)	Rates Revenue	(33)	(269)	(469)	(557)	(775)	(920)	(1,082)	(1,249)	(1,388)	(1,510)
6	-	Operating Subsidies and Grants	7	7	7	7	8	8	8	9	9	9
1,440	1,343	Fees and Charges	1,670	1,723	1,779	1,839	1,903	1,968	2,033	2,100	2,176	2,252
830	1,191	Interest and Dividends from Investments	819	914	1,060	1,157	1,433	1,701	2,000	2,310	2,616	2,870
(685)	(697)	Internal Recoveries including Internal Interest Income	(632)	(652)	(673)	(696)	(721)	(745)	(770)	(795)	(824)	(853)
722	313	Other Receipts (Fines, Infringements, Fuel Tax, Other)	367	378	401	399	401	404	406	409	412	415
2,313	2,150	Operating Revenue	2,231	2,370	2,574	2,706	3,024	3,336	3,677	4,033	4,389	4,693
1,978	1,682	Total Operating Funding	2,198	2,101	2,105	2,149	2,249	2,416	2,595	2,784	3,001	3,183
2,508	2,026	Payments	2,338	2,409	2,437	2,480	2,569	2,660	2,751	2,845	2,951	3,058
23	49	Finance Cost	67	69	71	74	76	79	82	84	87	90
(406)	(788)	Internal Charges and Overheads Applied	(253)	(340)	(373)	(418)	(428)	(364)	(287)	(217)	(119)	(58)
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-
2,125	1,287	Total Applications of Operating Funding	2,152	2,138	2,135	2,136	2,217	2,375	2,546	2,712	2,919	3,090
(147)	395	Surplus / (Deficit) of Operating Funding	46	(37)	(30)	13	32	41	49	72	82	93
-	-	Subsidies and Grants for Capital	158	-	-	-	-	-	-	-	-	-
321	-	Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-
-	-	Increase / Decrease in Debt	-	-	-	-	-	-	-	-	-	-
(441)	746	Asset Sales	468	565	571	577	583	589	595	602	609	617
(120)	746	Total Sources of Capital Funding	626	565	571	577	583	589	595	602	609	617
202	566	Improve Levels of Service	750	360	-	-	-	-	-	-	-	-
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-
94	17	Replace Existing Assets	155	160	165	170	176	182	188	194	202	209
(563)	558	Increase / (Decrease) in Reserves	(233)	8	376	420	439	448	456	480	489	501
-	-	Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-
(267)	1,141	Total Applications for Capital Funding	672	528	541	590	615	630	644	674	691	710
147	(395)	Surplus / (Deficit) of Capital Funding	(46)	37	30	(13)	(32)	(41)	(49)	(72)	(82)	(93)
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-

Environment, Regulation & Safety

2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
1,583	1,587	General Rates	1,507	1,590	1,743	1,800	1,837	1,851	1,880	1,925	1,965	2,007
466	428	Targeted Rates	450	449	461	508	520	514	525	538	552	566
2,049	2,015	Rates Revenue	1,957	2,039	2,204	2,308	2,357	2,365	2,405	2,463	2,517	2,573
17	10	Operating Subsidies and Grants	40	41	43	44	46	47	49	50	52	54
1,167	1,128	Fees and Charges	1,196	1,234	1,273	1,317	1,363	1,409	1,455	1,503	1,558	1,612
123	146	Internal Recoveries including Internal Interest Income	142	146	150	153	156	159	163	166	170	174
148	95	Other Receipts (Fines, Infringements, Fuel Tax, Other)	97	100	103	107	110	114	118	122	126	130
1,455	1,379	Operating Revenue	1,475	1,521	1,569	1,621	1,675	1,729	1,785	1,841	1,906	1,970
3,504	3,394	Total Operating Funding	3,432	3,560	3,773	3,929	4,032	4,094	4,190	4,304	4,423	4,543
914	805	Payments	901	949	1,091	1,122	1,100	1,131	1,162	1,195	1,232	1,269
-	-	Finance Cost	-	-	-	-	-	-	-	-	-	-
2,190	2,468	Internal Charges and Overheads Applied	2,509	2,584	2,650	2,713	2,789	2,856	2,919	3,000	3,080	3,162
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-
3,104	3,273	Total Applications of Operating Funding	3,410	3,533	3,741	3,835	3,889	3,987	4,081	4,195	4,312	4,431
400	121	Surplus / (Deficit) of Operating Funding	22	27	32	94	143	107	109	109	111	112
60	-	Subsidies and Grants for Capital	-	-	-	-	-	-	-	-	-	-
138	150	Development and Financial Contributions	125	150	150	150	150	150	150	150	150	150
-	-	Increase / Decrease in Debt	-	-	-	-	-	-	-	-	-	-
-	-	Asset Sales	-	-	-	-	-	-	-	-	-	-
198	150	Total Sources of Capital Funding	125	150	150	150	150	150	150	150	150	150
88	10	Improve Levels of Service	25	-	-	39	38	-	-	-	-	-
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-
31	55	Replace Existing Assets	-	-	176	-	-	-	-	-	-	-
479	206	Increase / (Decrease) in Reserves	122	177	6	205	255	257	259	259	261	262
-	-	Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-
598	271	Total Applications for Capital Funding	147	177	182	244	293	257	259	259	261	262
(400)	(121)	Surplus / (Deficit) of Capital Funding	(22)	(27)	(32)	(94)	(143)	(107)	(109)	(109)	(111)	(112)
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-

Support Services (Net Allocated)												
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
39	76	General Rates	-	-	-	-	-	-	-	-	-	-
11	2	Targeted Rates	-	-	-	-	-	-	-	-	-	-
50	78	Rates Revenue	-	-	-	-	-	-	-	-	-	-
1	-	Operating Subsidies and Grants	-	-	-	-	-	-	-	-	-	-
28	26	Fees and Charges	29	29	30	31	32	34	35	36	37	38
13,201	14,550	Internal Recoveries including Internal Interest Income	14,193	14,775	15,152	15,444	15,939	16,341	16,685	17,222	17,692	18,173
22	21	Other Receipts (Fines, Infringements, Fuel Tax, Other)	22	23	23	24	25	26	27	28	29	30
13,252	14,597	Operating Revenue	14,244	14,827	15,205	15,499	15,996	16,401	16,747	17,286	17,758	18,241
13,302	14,675	Total Operating Funding	14,244	14,827	15,205	15,499	15,996	16,401	16,747	17,286	17,758	18,241
7,503	8,199	Payments	8,804	9,174	9,379	9,647	9,926	10,203	10,472	10,771	11,095	11,426
45	48	Finance Cost	-	-	-	-	-	-	-	-	-	-
4,606	5,416	Internal Charges and Overheads Applied	4,468	4,649	4,767	4,843	5,008	5,133	5,233	5,414	5,559	5,708
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-
12,154	13,663	Total Applications of Operating Funding	13,272	13,823	14,146	14,490	14,934	15,336	15,705	16,185	16,654	17,134
1,148	1,012	Surplus / (Deficit) of Operating Funding	972	1,004	1,059	1,009	1,062	1,065	1,042	1,101	1,104	1,107
-	-	Subsidies and Grants for Capital	-	-	-	-	-	-	-	-	-	-
-	-	Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-
-	-	Increase / Decrease in Debt	-	-	-	-	-	-	-	-	-	-
64	-	Asset Sales	82	71	103	136	42	81	169	110	114	118
64	-	Total Sources of Capital Funding	82	71	103	136	42	81	169	110	114	118
428	229	Improve Levels of Service	85	87	90	39	40	41	43	44	46	47
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-
829	237	Replace Existing Assets	835	801	913	1,016	704	838	1,136	944	962	979
(45)	546	Increase / (Decrease) in Reserves	134	187	159	90	360	267	32	223	210	199
-	-	Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-
1,212	1,012	Total Applications for Capital Funding	1,054	1,075	1,162	1,145	1,104	1,146	1,211	1,211	1,218	1,225
(1,148)	(1,012)	Surplus / (Deficit) of Capital Funding	(972)	(1,004)	(1,059)	(1,009)	(1,062)	(1,065)	(1,042)	(1,101)	(1,104)	(1,107)
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-



SECTION 5.



Rates, fees and charges

Rating funding impact statement

Background

The Waitaki District Council has worked through the requirements of the Revenue and Financing Policy under the Local Government Act 2002. The Local Government Act 2002 and Local Government (Rating) Act 2002 require Council to document all of its Rating Policies in the LTP.

Introduction

Schedule 10 of the Local Government Act 2002 requires the inclusion of a Funding Impact Statement. The Funding Impact Statement shows what rates Council will charge, what the basis of the rate is, what activities the rate funds and the amount of the rate. This section also includes a number of other policies required by the Local Government Act 2002, which relate to rates collection, remissions, relief and postponement.

The Funding Impact Statement includes the following matters with the Local Government (Rating) Act 2002 section references:

- the basis of setting the general rate i.e. land value, annual value or capital value (Section 13)
- any category or categories that will be used for differentiating the general rate (Section 14)
- the function or functions for which a targeted rate will be set (Section 16)
- any category or categories of land that will be used to set a targeted rate on a differential basis or determine whether a property will be liable for a targeted rate (Section 16)
- any factor or factors that will be used to calculate liability for a targeted rate (Section 18)

- an indication that the Council wishes to set a charge for water supply by volume of water consumed if the Council is intending to do so (Section 19)
- summaries of any remissions policy, postponement policy and rates relief policy for Maori land that are in effect. Note this information need only be included in years when the relevant policy is not being prepared and adopted.

All reference to the Revenue and Financing Policy refer to this policy contained in this Plan by that name.

Maps showing boundaries of targeted rates based on locality are available on request.

General rates

General Rate

Council sets a general rate based on the land value of each rating unit in the District.

The general rate will be set at a uniform rate in the dollar.

The general rate will contribute to the funding for Council, Waitaki Community Recreation Centre, Economic Development, Visitor Information Centres, Lakes Camping, Public Toilets, Sports Grounds, Oamaru Airport, Oamaru Harbour – Port Operations, Emergency Communications, District Planning and Environmental Health.

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

Uniform Annual General Charge

Council will charge a Uniform Annual General Charge on each Separately Used or Inhabited Part (SUIP) of a rating unit in the District.

The Uniform Annual General Charge will contribute to the funding for Community Planning and Consultation, Council and Community Boards, Community Development and Grants, Cemeteries, Sports Grounds, Oamaru Airport, Civil Defence, Building Control, District Planning, Environmental Health, Solid Waste Disposal. Public Toilets and Visitor Information and Tourism.

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

Targeted rates

Targeted Rate - District Services

Council sets a targeted rate for District Services, based on the capital value of each rating unit in the District.

The targeted rate will be set at a uniform rate in the dollar.

The District Services rate will contribute to the funding for Council, Economic Development, Oamaru Harbour – Coastal Protection, Rural Fire, Building Control and Environmental Monitoring.

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

Targeted rates by ward

Targeted rates by Ward are charged on rating units within the Ward boundaries.

Ahuriri Ward Services Rate

Council sets a targeted rate for Ahuriri Ward Services, based on the capital value of each rating unit in the Ahuriri Ward.

The targeted rate will be set at a uniform rate in the dollar.

The Ahuriri Ward Services Rate will contribute to the funding for Community Boards, Open Space, Beautification, Playgrounds, and Township Works.

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

Ahuriri Ward Community Board Rate

Council sets a targeted rate for Ahuriri Community Board, based on the land value of each rating unit in the Ahuriri Ward.

The targeted rate will be set at a uniform rate in the dollar.

The Ahuriri Ward Community Board Rate will be used to fund 60% of the costs of the Ahuriri Community Board.

Ahuriri Ward Services Charge

Council sets a targeted rate for Ahuriri Ward Services, based on a uniform charge on each separately used or inhabited part in the Ahuriri Ward.

The Ahuriri Ward Services Charge will contribute to the funding for Forrester Gallery, Libraries, North Otago Museum, Aquatic Centre, Oamaru Public Gardens, and Oamaru Opera House.

Corriedale Ward Services Rate

Council sets a targeted rate for Corriedale Ward Services, based on the capital value of each rating unit in the Corriedale Ward.

The targeted rate will be set at a uniform rate in the dollar.

The Corriedale Ward Services Rate will contribute to the funding for Open Space, Beautification, Playgrounds and Township Works.

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

Corriedale Ward Services Charge

Council sets a targeted rate for Corriedale Ward Services, based on a uniform charge for each separately used or inhabited part in the Corriedale Ward.

The Corriedale Ward Services Charge will contribute to the funding for the Forrester Gallery, Libraries, North Otago Museum, Aquatic Centre, Oamaru Public Gardens and Oamaru Opera House.

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

Oamaru Ward Services Rate

Council sets a targeted rate for Oamaru Ward Services, based on the capital value of each rating unit in the Oamaru Ward.

The targeted rate will be set at a uniform rate in the dollar.

The Oamaru Ward Services Rate will contribute to the funding for Open Space, Beautification, Playgrounds, and Township Works.

Oamaru Ward Services Charge

Council sets a targeted rate for Oamaru Ward Services, based on a uniform

charge for each separately used or inhabited part in the Oamaru Ward.

The Oamaru Ward Services Charge will contribute to the funding for the Forrester Gallery, Libraries, North Otago Museum, Aquatic Centre, Oamaru Public Gardens, Oamaru Harbour – Port Operations, and Oamaru Opera House.

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

Waihemo Ward Services Rate

Council sets a targeted rate for Waihemo Ward Services, based on the capital value of each rating unit in the Waihemo Ward.

The targeted rate will be set at a uniform rate in the dollar.

The Waihemo Ward Services Rate will contribute to the funding for Community Boards, Waihemo Service Centre, Open Space, Beautification, Playgrounds, and Township Works.

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

Waihemo Ward Community Board Rate

Council sets a targeted rate for Waihemo Community Board, based on the land value of each rating unit in the Waihemo Ward.

The targeted rate will be set at a uniform rate in the dollar.

The Waihemo Ward Community Board Rate will be used to fund 60% of the Waihemo Community Board and Waihemo Service Centre.

Waihemo Ward Services Charge

Council sets a targeted rate for Waihemo Ward Services, based on a uniform charge for each separately used or inhabited part in the Waihemo Ward.

The Waihemo Ward Services Charge will contribute to the funding for Forrester Gallery, Libraries, North Otago Museum, Aquatic Centre, Oamaru Public Gardens, and Oamaru Opera House.

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

Targeted rates by locality

Oamaru Business Area Rates

Council sets a targeted rate for services to the Oamaru Business Areas, based on the capital value of each rating unit in the Oamaru Business Areas that is not used exclusively for residential purposes. Council has established two Oamaru Business Areas 'A' and 'B'.

The targeted rates will be set at a uniform rate in the dollar. The rate in dollars for area 'B' will be set at 50% of the rate for area 'A'.

The Oamaru Business Area Rates will contribute to the funding for Forrester Gallery, Libraries, North Otago Museum, Aquatic Centre, Oamaru Public Gardens, Christmas Decorations, Oamaru Opera House, and Parking Enforcement.

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

Oamaru Urban Area

Council sets a targeted rate for coastal protection to the Oamaru Urban Area, based on the capital value of each rating unit in the Oamaru Urban Area. The boundaries of the Oamaru urban area are available from Customer Service Centres.

The targeted rate will be set at a uniform rate in the dollar.

The Oamaru Urban Area Rate will be used to fund 80% of the cost of coastal protection works at the Oamaru Harbour.

Loan Rates

For reasons of public safety or due to private benefit Council may agree to fund the private benefit of works by specific local rates on targeted properties.

Targeted rates by activity

Roading and Civil Defence Rate

Council sets a targeted rate for roading and civil defence based on the capital value of each rating unit in the district.

The Roothing and Civil Defence Rate will be set on a differential basis based on land use and area (the categories are Hydro-Electric Power Generation Installations, Mining and Mineral Extraction and Other Uses).

The differential categories are defined thus:

Differential Category	Description of Category	% of Roding Activity funded from Differentials	% of Civil Defence Activity funded from Differentials
Hydroelectric Power Generation Installations	All rating units used primarily or predominantly for the generation of hydroelectric power from Lakes Aviemore, Benmore, Ohau or Waitaki	5%	25%
Mining and Mineral Extraction	All rating units with an area greater than 30 hectares used primarily or predominantly for the purposes of mining or mineral extraction	5%	12.5%
Other Uses	All rating units not included in the previous definitions.	90%	12.5%

Lakes Camping Rate

Council sets a targeted rate for lakes camping based on the capital value of each rating unit in the district.

The Lakes Camping Rate will be set on a differential basis based on land use (the categories are Hydro-Electric Power Generation Installations and Other Uses).

The differential categories are defined thus:

Differential Category	Description of Category	% of Activity funded from Differentials
Hydroelectric Power Generation Installations	All rating units used primarily or predominantly for the generation of hydro-electric power from Lakes Aviemore, Benmore, Ohau or Waitaki	70%
Other Uses	All rating units not included in the previous definitions.	30%

Local Amenity Rates

Council sets targeted rates for local amenity based on the land value of rating units. The rates will be set as separate targeted rates for each township that has agreed to establish a local amenity rate.

The separate targeted rates are:

Kurow	Duntroon	Omarama
Otematata	Lake Ohau	Palmerston
Kakanui	Maheno	Herbert
Hampden	Moeraki	Shag Point
Weston	Oamaru	

The targeted rates will contribute to the funding of new footpaths, kerb and channel, off-street car parks, street lighting, storm water and other improvements, within these boundaries. Oamaru includes the Oamaru Drill Hall.

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

Public Hall Rates

Council, in consultation with the Public Hall and Community Centre Committees, has set targeted rates for public halls and community centres based on a uniform charge per separately used or inhabited part of the rating unit. The rates will be set as separate uniform targeted rates for each public hall and are as defined on the maps available from Customer Service Centres. All separately used or inhabited parts of each rating unit within the defined boundaries shall pay the public hall rate.

The separate uniform targeted rates for public halls:

Airedale	Kurow	Palmerston
Ardgowan	Macraes	Lower Waitaki
Awamoko	Maheno	Pukeuri
Dunback	Moeraki	Tokarahi
Duntroon	Ngapara	Totara
Enfield	Omarama	Waianakarua
Five Forks	Otekaieke	Waitaki Bridge
Hampden	Otematata	Weston
Kakanui	Otepopo	Windsor

The targeted rates will be used to fund public halls and community centres.

Sewerage Rates

Except for the schemes specified below, Council sets uniform targeted rates for sewage treatment and disposal based on a uniform rate per water closet. This is provided that the maximum number of charges made for rating units comprising a household used exclusively for residential purposes shall be one.

The Moeraki and Lake Ohau village uniform targeted rates will be differentiated based on the following differential categories:

- Connected – all urinals or water closets connected to the sewerage reticulation, provided that the maximum number of charges made for rating

units comprising a household used exclusively for residential purposes shall be one.

- Serviceable – all rating units within 30 metres of the sewerage reticulation and all rating units with buildings within 60 metres of the sewerage reticulation. No rating units at Duntroon are considered serviceable. Serviceable charges are 50% of the connected charge.

The charging of a serviceable rate does not require Council to make a connection available to the rating unit. The charge confirms the rating unit is within 30 meters of the public sewer.

The uniform targeted sewerage rates are charged in the following areas. The rating maps referred to below are indicative only. Any information regarding a particular rating unit may require a site inspection.

Duntroon	Moeraki	Otematata
Kakanui	Oamaru	Palmerston
Kurow	Omarama	Lake Ohau Village

The targeted rates will be used to fund sewage treatment and disposal.

Water Rates – Urban

Council sets targeted rates for water supply to urban areas based on a uniform charge per rating unit. Urban areas may have multiple rates to fund different aspects of water supply, in particular a treatment rate may be charged to fund the cost of treating water to an appropriate standard and a reticulation rate will be charged to fund the cost of the reticulation network to supply this water to the property. Some rates will be set on a differentiated basis.

The differential categories for provision of service are:

- Connected – all separately used and inhabited portion of rating units connected to the water reticulation. Serviceable charges are 50% of the connected charge.
- Serviceable – all rating units within 100 metres of the water reticulation.

Council sets separate rates for water supply in each township that is based on the volume of water supplied. The metered water rates will be set on all rating units serviced by meter.

The targeted rates will be used to fund water supply.

Water Rates – Rural

Council sets targeted rates for water supply to rural water schemes based on a uniform charge per rating unit for a specified volume of water supplied (known as a unit). The Kakanui Rural Water Scheme rate is differentiated by volume of water supplied using the following definitions:

- Unit – uniform volume of water supplied to a connected rating unit.
- Crib Unit – uniform volume of water supplied to a connected rating unit in the Kakanui water supply to properties identified as cribs in the rating information database.
- The Hampden/Moeraki Rural Water Scheme is differentiated by volume of water supplied using the following definitions:
- Domestic Unit - rating units supplied with 909 l/day supplied to the original townships of Hampden and Moeraki.
- Rural Unit - rating units supplied with 1,818 l/day outside of the original townships of Hampden and Moeraki.

The specified volumes of water for connected properties are:

Township/locality	Activity and basis for charge	Unit Volume l/day
Awamoko	Supply per unit	1,818
Waihemo Water - Dunback zone	Supply per unit	1,818
Duntroon	Supply per unit	1,818
Oamaru Water - Enfield zone	Supply per unit	1,818

Waihemo Water - Goodwood zone	Supply per unit	1,818
Hampden/Moeraki	Domestic supply per unit (crib)	909
	Rural supply per unit	1,818
Herbert/Waianakarua	Supply per unit	1,818
Kakanui	Supply per unit	1,818
	Crib supply per unit	909
Kauru Hill	Supply per unit	1,818
Lower Waitaki	Supply per unit	1,818
Otekaieke Water Supply	Supply per unit	1,818
Stoneburn	Supply per unit	1,000
Tokarahi	Supply per unit	1,818
Oamaru Water - Weston zone	Supply per unit	1,818
Windsor	Supply per unit	1,818

Council will set separate targeted rates for water supply in each rural water scheme that is based on the volume used, if water supplied. The metered water rates will be set on all rating units serviced by meter.

Council will have multiple rates on some schemes to fund different aspects of water supply, in particular a treatment rate will be charged to fund the cost of treating water to an appropriate standard and a reticulation rate will be charged to fund the cost of the reticulation network to supply this water to the property. The rates will be set on a differentiated basis.

The targeted rates will be used to fund water supply.

Construction Loan Rates

Council sets targeted rates for significant capital upgrades to sewerage and water schemes per serviced rating unit within a defined boundary.

The targeted rates for the Oamaru Water Treatment Upgrade Loan Rate will be charged to all non-commercial non-metered rating units connected to the water reticulation.

These rates are only made on properties that have not contributed a lump sum option for the particular project or paid a development contribution to fund the works.

These rates fund the cost of financing the capital works. Council annually reviews these charges and offers to allow ratepayers to pay each rating unit's lump sum share of the outstanding debt.

The uniform targeted rates are:

- Maudes/Kelk Road Sewerage Construction Loan Rate
- Moeraki Sewerage Reticulation Construction Loan Rate
- Moeraki Sewerage Treatment Construction Loan Rate
- Oamaru Sewerage Construction Loan Rate
- Omarama Water Upgrade Loan Rate (connected)

Definition of “Separately Used or Inhabited Parts” of a rating unit

Separately used or inhabited parts of a rating unit shall be such parts of a property that can be separately used or occupied in addition to the principal habitation or use, except where the use is an accessory one or is ancillary to principal use. In the situation where a rating unit contains both commercial or industrial uses, and a residential or agricultural use, they will be treated as two or more separate uses except where the ratepayer resides on the rating unit.

For example:

- Not separately used parts of a rating unit:
 - a residential sleep-out or “granny flat” without independent kitchen facilities
 - an hotel room with or without independent kitchen facilities
 - a motel room with or without independent kitchen facilities
 - rooms in a residential dwelling or hostel with common kitchens
 - separately leased commercial areas with shared access, reception or other facilities.
- These are separately used parts of a rating unit:
 - flats, apartments and other residential units with independent kitchen facilities
 - separately leased commercial areas with separate access, sanitary or other facilities.

Whole of Council funding impact statement

Funding Impact Statement - Whole of Council												
2010/11 Actual \$(000)	2011/12 Budget \$(000)		2012/13 LTP \$(000)	2013/14 LTP \$(000)	2014/15 LTP \$(000)	2015/16 LTP \$(000)	2016/17 LTP \$(000)	2017/18 LTP \$(000)	2018/19 LTP \$(000)	2019/20 LTP \$(000)	2020/21 LTP \$(000)	2021/22 LTP \$(000)
5,076	5,108	General Rates	5,771	6,012	6,424	6,544	6,780	6,818	6,932	6,977	7,004	7,140
19,388	20,442	Targeted Rates	21,438	22,471	23,349	24,066	24,891	25,443	26,373	26,796	27,683	29,128
24,464	25,550	Rates Revenue	27,209	28,483	29,773	30,610	31,671	32,261	33,305	33,773	34,687	36,268
2,727	2,438	Operating Subsidies and Grants	2,588	2,670	2,755	2,795	2,894	2,992	3,091	3,193	3,308	3,424
6,316	5,631	Fees and Charges	6,127	6,260	6,461	6,745	6,983	7,220	7,458	7,705	7,983	8,262
830	1,191	Interest and Dividends from Investments	819	914	1,060	1,157	1,433	1,701	2,000	2,310	2,616	2,870
2,178	1,301	Other Receipts (Fines, Infringements, Fuel Tax, Other)	1,684	1,719	1,327	1,286	1,489	1,381	1,432	1,497	1,462	1,501
12,051	10,561	Operating Revenue	11,218	11,563	11,603	11,983	12,799	13,294	13,981	14,705	15,369	16,057
36,515	36,111	Total Operating Funding	38,427	40,046	41,376	42,593	44,470	45,555	47,286	48,478	50,056	52,325
27,732	28,103	Payments	30,133	31,288	32,185	33,152	34,400	35,338	36,399	37,639	38,922	40,281
68	97	Finance Cost	67	69	71	74	76	79	82	84	87	90
-	-	Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-
27,800	28,200	Total Applications of Operating Funding	30,200	31,357	32,256	33,226	34,476	35,417	36,481	37,723	39,009	40,371
8,715	7,911	Surplus / (Deficit) of Operating Funding	8,227	8,689	9,120	9,367	9,994	10,138	10,805	10,755	11,047	11,954
4,023	2,902	Subsidies and Grants for Capital	2,689	2,746	2,322	7,392	2,540	2,545	2,729	2,471	2,644	2,648
1,014	995	Development and Financial Contributions	609	658	680	692	716	742	768	795	845	879
(3)	(3)	Increase / Decrease in Debt	(4)	(2)	(3)	(1)	-	-	-	-	-	-
(375)	746	Asset Sales	550	636	674	713	625	670	764	712	723	735
4,659	4,640	Total Sources of Capital Funding	3,844	4,038	3,673	8,796	3,881	3,957	4,261	3,978	4,212	4,262
4,969	5,662	Improve Levels of Service	4,450	3,212	1,800	9,491	913	978	360	314	325	335
-	-	Meet Additional Demand	-	-	-	-	-	-	-	-	-	-
8,503	5,566	Replace Existing Assets	6,702	7,579	7,938	6,907	6,497	6,813	7,626	7,178	7,736	9,869
(98)	1,323	Increase / (Decrease) in Reserves	919	1,936	3,055	(3,935)	1,465	(3,696)	2,080	(2,759)	(2,802)	1,012
-	-	Increase / (Decrease) in Investments	-	-	-	5,700	5,000	10,000	5,000	10,000	10,000	5,000
13,374	12,551	Total Applications for Capital Funding	12,071	12,727	12,793	18,163	13,875	14,095	15,066	14,733	15,259	16,216
(8,715)	(7,911)	Surplus / (Deficit) of Capital Funding	(8,227)	(8,689)	(9,120)	(9,367)	(9,994)	(10,138)	(10,805)	(10,755)	(11,047)	(11,954)
-	-	Funding Balance	-	-	-	-	-	-	-	-	-	-

Rates schedule 2012/13

Notes

1. Proposed rates for the 2012/13 financial year are currently being reviewed and are subject to change.
2. The numbers and values of properties are as at July 2011, and any changes to these values will impact on the proposed rate but not affect the budgeted total revenue
3. Rates for Water, Sewage and Stormwater schemes and for Halls have been affected by increased insurance premiums
4. Rates for Water schemes have been affected by capital projects to ensure compliance with legislated drinking water standards
5. Interest rates on internal loans have been projected at 4% (5% in the 2011/12 budget) to better reflect actual interest charges

Abbreviations:

LV = Land Value	SRU = Serviceable Rating Unit	m3 = Cubic Metre
CV = Capital Value	CRU = Connected Rating Unit	SUIP = Separately Used or Inhabited Part of a Rating Unit
RU = Rating Unit	Unit = Quantity Supplied	

Name of Rate			
	Basis of rate	Proposed Rate	Budgeted Total Revenue
General Rate	LV	\$0.0701	\$2,167,588
Uniform Annual General Charge	SUIP	\$347.00	\$4,461,277
District Services Rate	CV	\$0.0239	\$1,401,819
Ahuriri Ward Services Rate	CV	\$0.0269	\$376,242
Ahuriri Community Board Rate	LV	\$0.0082	\$39,604
Ahuriri Ward Services Charge	SUIP	\$170.00	\$261,748
Corriedale Ward Services Rate	CV	\$0.0113	\$242,489

Name of Rate			
	Basis of rate	Proposed Rate	Budgeted Total Revenue
Corriedale Ward Services Charge	SUIP	\$311.00	\$827,389
Oamaru Ward Services Rate	CV	\$0.0604	\$964,827
Oamaru Ward Services Charge	SUIP	\$491.00	\$3,300,543
Waihemo Ward Services Rate	CV	\$0.0570	\$407,575
Waihemo Community Board Rate	LV	\$0.0243	\$112,061
Waihemo Ward Services Charge	SUIP	\$170.00	\$331,911
Oamaru Business Area Rate A	CV	\$0.3924	\$549,689
Oamaru Business Area Rate B	CV	\$0.1962	\$0
Oamaru Urban Area	CV	\$0.0137	\$177,620
Loan Rate RID ID 111626	RU	\$10,379	\$10,378
			\$15,632,760
Township Amenity Rates			
Duntroon	LV	\$0.0611	\$1,725
Hampden	LV	\$0.0777	\$11,500
Herbert	LV	\$0.0622	\$1,725
Kakanui	LV	\$0.0110	\$5,750
Kurow	LV	\$0.1281	\$20,720
Maheno	LV	\$0.1073	\$1,725
Moeraki	LV	\$0.0105	\$5,750
Oamaru	LV	\$0.1451	\$601,419
Ohau	LV	\$0.0235	\$3,874
Omarama	LV	\$0.0550	\$19,245
Otematata	LV	\$0.1533	\$75,565

Name of Rate			
	Basis of rate	Proposed Rate	Budgeted Total Revenue
Palmerston	LV	\$0.3759	\$67,350
Shag Point	LV	\$0.0177	\$1,725
Weston	LV	\$0.1432	\$52,562
			\$870,635
Civil Defence and Roothing Rate			
Electrical Generation	CV	\$0.0564	\$360,928
Mineral Extraction	CV	\$3.5303	\$317,724
All Other Areas	CV	\$0.0955	\$4,984,512
			\$5,663,164
Lakes Camping Rates			
Electrical Generation	LV	\$1.0009	\$123,885
All Other Areas	LV	\$0.0018	\$53,093
			\$176,978
Public Hall Rates			
Airedale Public Hall Rate	SUIP	\$20.00	\$520
Ardgowan Public Hall Rate	SUIP	\$20.00	\$2,019
Awamoko Public Hall Rate	SUIP	\$20.00	\$1,540
Dunback Public Hall Rate	SUIP	\$30.00	\$3,751
Duntroon Public Hall Rate	SUIP	\$20.00	\$2,440
Enfield Public Hall Rate	SUIP	\$20.00	\$2,379
Five Forks Public Hall Rate	SUIP	\$20.00	\$1,380
Hampden Public Hall Rate	SUIP	\$30.00	\$7,830
Kakanui Public Hall Rate	SUIP	\$20.00	\$6,760

Name of Rate			
	Basis of rate	Proposed Rate	Budgeted Total Revenue
Kurow Public Hall Rate	SUIP	\$40.00	\$11,520
Lower Waitaki Public Hall Rate	SUIP	\$60.00	\$9,780
Macraes Public Hall Rate	SUIP	\$40.00	\$2,040
Maheno Public Hall Rate	SUIP	\$30.00	\$5,371
Moeraki Public Hall Rate	SUIP	\$40.00	\$8,279
Ngapara Public Hall Rate	SUIP	\$20.00	\$1,340
Omarama Public Hall Rate	SUIP	\$40.00	\$12,199
Otekaieke Public Hall Rate	SUIP	\$20.00	\$981
Otematata Public Hall Rate	SUIP	\$30.00	\$13,562
Otepopo Public Hall Rate	SUIP	\$20.00	\$3,180
Palmerston Public Hall Rate	SUIP	\$30.00	\$19,893
Pukeuri Public Hall Rate	SUIP	\$20.00	\$1,900
Tokarahi Public Hall Rate	SUIP	\$30.00	\$3,060
Totara Public Hall Rate	SUIP	\$40.00	\$8,319
Waianakarua Public Hall Rate	SUIP	\$30.00	\$1,563
Waitaki Bridge Public Hall Rate	SUIP	\$20.00	\$2,700
Weston Public Hall Rate	SUIP	\$40.00	\$19,319
Windsor Public Hall Rate	SUIP	\$30.00	\$1,531
			\$155,156
Refuse Collection Rate		\$0.00	
Sewerage Rates and Charges			

Name of Rate			
	Basis of rate	Proposed Rate	Budgeted Total Revenue
Oamaru	Pan	\$191.00	\$1,416,713
Oamaru Sewerage Construction Loan Rate	CRU	\$49.00	\$69,662
Oamaru Sewerage Loan lump sum repayment (plus current year rates)	CRU	\$42.00	
Maudes/Kelk Road Reticulation Loan Rate	CRU	\$234.00	\$4,208
Maudes/Kelk Road Loan lump sum repayment (plus current year rates)	CRU	\$228.00	
(lump sum repayment options available only if paid by 30 June 2013)			
Duntroon	Pan	\$98.00	\$973
Kakanui	Pan	\$485.00	\$143,828
Kurow	Pan	\$273.00	\$74,341
Lake Ohau Village	Pan	\$274.00	\$23,957
Lake Ohau Village - connection availability	SRU	\$137.00	
Moeraki	Pan	\$1,091.00	\$216,370
Moeraki - connection availability	SRU	\$545.50	
Moeraki Reticulation Construction Loan Rate	CRU	\$331.00	\$33,673
Moeraki Reticulation Loan lump sum payment (plus current year rates)	CRU	\$1,764.00	
Moeraki Treatment Construction Loan Rate	CRU	\$213.00	\$20,194
Moeraki Treatment Loan lump sum payment (plus current year rates)	CRU	\$1,129.00	
(lump sum repayment options available only if paid by 30 June 2013)			
Omarama	Pan	\$308.00	\$152,029
Otematata	Pan	\$504.00	\$230,289

Name of Rate			
	Basis of rate	Proposed Rate	Budgeted Total Revenue
Palmerston	Pan	\$318.00	\$190,545
			\$2,576,782
Water Rates - Urban			
Oamaru			
Oamaru Water - Supply	CRU	\$254.00	\$1,580,818
Oamaru Water - Reticulation	CRU	\$191.00	\$1,117,881
Oamaru Water Treatment Loan rate	CRU	\$98.00	\$549,100
(excludes businesses with water meters)			
Oamaru Water - metered supply	M3	\$0.98	
Oamaru Water Treatment Loan lump-sum payment (plus current year rates)	CRU	\$1,081.00	
(lump sum repayment option available only if paid by 30 June 2013)			
Waihemo Water			
Waihemo Water - Palmerston Zone	CRU	\$573.00	\$335,146
Waihemo Water - Palmerston Zone - metered supply	M3	\$0.98	
Other Urban Water			
Kurow	CRU	\$411.00	\$109,178
Kurow metered supply	M3	\$0.47	
Lake Ohau Village	CRU	\$253.00	\$22,304
Lake Ohau Village - connection availability	SRU	\$126.50	

Name of Rate			
	Basis of rate	Proposed Rate	Budgeted Total Revenue
Omarama	CRU	\$753.00	\$203,366
Omarama - metered supply	M3	\$0.87	
Omarama Upgrade Loan rate	CRU	\$101.00	\$15,607
Omarama Upgrade Loan lump-sum payment (plus current year rates)	CRU	\$641.00	
(lump sum repayment option available only if paid by 30 June 2013)			
Otematata	CRU	\$448.00	\$201,762
Otematata - metered supply	M3	\$0.47	
Other Rural Water			
Awamoko	Unit	\$566.00	\$137,335
Duntroon	Unit	\$228.00	\$16,521
Hampden/Moeraki domestic supply	Unit	\$330.00	\$174,423
Hampden/Moeraki rural supply	Unit	\$414.00	\$19,458
Hampden/Moeraki - metered supply	M3	\$0.29	
Herbert/Waianakarua	Unit	\$301.00	\$165,143
Oamaru Water - Enfield Zone	Unit	\$543.00	\$141,585
Oamaru Water - Weston Zone	Unit	\$543.00	\$484,685
Waihemo Water - Dunback Zone	Unit	\$573.00	\$75,027
Waihemo Water - Goodwood Zone	Unit	\$573.00	\$113,151
Kakanui ordinary supply	Unit	\$356.00	\$118,805
Kakanui crib unit supply	Unit	\$335.00	\$15,745
Kakanui - metered supply	M3	\$0.43	
Kauru	Unit	\$506.00	\$94,444
Lower Waitaki	Unit	\$329.00	\$143,972
Otekaieke	Unit	\$116.00	\$11,293

Name of Rate			
	Basis of rate	Proposed Rate	Budgeted Total Revenue
Stoneburn	Unit	\$268.00	\$81,180
Tokarahi	Unit	\$361.00	\$234,099
Windsor	Unit	\$290.00	\$53,570
			\$6,215,598
Total Rate Required (GST inclusive)			\$31,291,073

Rates examples

			Ward & UAGC	Roading & Services	Water	Sewer	All Other	Total
Ahuriri Properties								
Residential - Otematata								
		Draft 2012/13	522	292	450	505	315	2,084
		Final 2012/13	517	286	448	505	304	2,060
C.V.	240,000	Final 2011/12	449	270	381	463	283	1,846
L.V.	90,000	Movement 11/12 to 12/13	\$68	\$16	\$67	\$42	\$21	\$214
			15.1%	5.9%	17.6%	9.1%	7.4%	11.6%
Comment - Both Water and Sewer charges have increased due to recent upgrades.								
Commercial Otematata								
		Draft 2012/13	522	852	900	1,515	1,276	5,065
		Final 2012/13	517	838	896	1,512	1,261	5,024
CV	660,000	Final 2011/12	449	742	762	1,389	1,035	4,377
LV	420,000	Movement 11/12 to 12/13	\$68	\$96	\$134	\$123	\$226	\$647
			15.1%	12.9%	17.6%	8.9%	21.8%	14.8%
Both Water and Sewer rates have increased following recent upgrades. This property has multiple water and sewer charges.								
Residential - Omarama								
		Draft 2012/13	522	243	759	308	251	2,083
		Final 2012/13	517	239	753	308	248	2,065
C.V.	200,000	Final 2011/12	449	225	686	239	236	1,835
L.V.	114,000	Movement 11/12 to 12/13	\$68	\$14	\$67	\$69	\$12	\$230
			15.1%	6.2%	9.8%	28.9%	5.1%	12.5%
Comment - Both Water and Sewer charges have increased due to recent upgrades.								
Commercial - Omarama								
		Draft 2012/13	522	1,496	860	4,620	755	8,253
		Final 2012/13	517	1,468	854	4,620	756	8,215
C.V.	1,200,000	Final 2011/12	449	1,349	800	3,585	692	6,875
L.V.	285,000	Movement 11/12 to 12/13	\$68	\$119	\$54	\$1,035	\$64	\$1,340
			15.1%	8.8%	6.8%	28.9%	9.2%	19.5%
Comment - This property has multiple sewer charges which causes the "other" increase.								

			Ward & UAGC	Roading & Services	Water	Sewer	All Other	Total
Residential - Kurow								
		Draft 2012/13	522	219	401	273	208	1,623
		Final 2012/13	517	216	411	273	206	1,623
C.V.	180,000	Final 2011/12	449	202	347	282	200	1,480
L.V.	57,000	Movement 11/12 to 12/13	\$68	\$14	\$64	-\$9	\$6	\$143
			15.1%	6.9%	18.4%	-3.2%	3.0%	9.7%
Residential Lake Ohau								
		Draft 2012/13	522	359	256	274	201	1,612
		Final 2012/13	517	353	253	274	199	1,596
CV	295,000	Final 2011/12	449	331	280	257	187	1,504
LV	116,000	Movement 11/12 to 12/13	\$68	\$22	-\$27	\$17	\$12	\$92
			15.1%	6.6%	-9.6%	6.6%	6.4%	6.1%
Agricultural - Ahuriri								
		Draft 2012/13	522	8,026	-	-	6,576	15,124
		Final 2012/13	517	7,880	-	-	6,382	14,779
C.V.	6,600,000	Final 2011/12	449	7,418	-	-	6,059	13,926
L.V.	5,700,000	Movement 11/12 to 12/13	\$68	\$462	\$-	\$-	\$323	\$853
			15.1%	6.2%	0.0%	0.0%	5.3%	6.1%

			Ward & UAGC	Roading & Services	Water	Sewer	All Other	Total
Corriedale Properties								
Residential - Duntroon		Draft 2012/13	662	195	228	-	95	1,180
		Final 2012/13	658	188	228	-	96	1,170
C.V.	140,000	Final 2011/12	580	180	233	-	69	1,062
L.V.	62,000	Movement 11/12 to 12/13	\$78	\$8	-\$5	\$-	\$27	\$108
			13.4%	4.4%	0.0%	0.0%	39.1%	10.2%
Comment - "Other rates" reflects proposed change in the way the Amenity Rate is charged								
Residential - Kakanui		Draft 2012/13	662	383	358	488	180	2,071
		Final 2012/13	658	376	356	485	174	2,049
C.V.	315,000	Final 2011/12	580	354	307	487	162	1,890
L.V.	143,000	Movement 11/12 to 12/13	\$78	\$22	\$49	-\$2	\$12	\$159
			13.4%	6.2%	16.0%	-0.4%	7.4%	8.4%
Residential - Maheno		Draft 2012/13	662	247	-	-	93	1,002
		Final 2012/13	658	242	-	-	93	993
C.V.	204,000	Final 2011/12	580	230	-	-	79	889
L.V.	22,000	Movement 11/12 to 12/13	\$78	\$12	\$-	\$-	\$14	\$104
			13.4%	5.2%	0.0%	0.0%	17.7%	11.7%
Comment - "Other" includes a \$10 increase in the Hall rate								
Residential - Herbert		Draft 2012/13	662	96	305	-	65	1,128
		Final 2012/13	658	93	301	-	65	1,117
C.V.	79,000	Final 2011/12	580	90	272	-	52	994
L.V.	14,000	Movement 11/12 to 12/13	\$78	\$3	\$29	\$-	\$13	\$123
			13.4%	3.3%	10.7%	0.0%	25.0%	12.4%
Comment - "Other" includes a \$10 increase in the Hall rate								

			Ward & UAGC	Roading & Services	Water	Sewer	All Other	Total
Agricultural - Awamoko								
		Draft 2012/13	662	2,553	1,271	-	1,602	6,088
		Final 2012/13	658	2,507	1,264	-	1,526	5,955
C.V.	2,100,000	Final 2011/12	580	2,360	1,341	-	1,465	5,746
L.V.	1,750,000	Movement 11/12 to 12/13	\$78	\$147	-\$77	\$-	\$61	\$209
			13.4%	6.2%	-5.7%	0.0%	4.2%	3.6%
Agricultural - Waiareka								
		Draft 2012/13	1,324	6,524	-	-	3,897	11,745
		Final 2012/13	1,316	6,406	-	-	3,713	11,435
C.V.	5,365,000	Final 2011/12	1,160	6,030	-	-	3,555	10,745
L.V.	4,265,000	Movement 11/12 to 12/13	\$156	\$376	\$-	\$-	\$158	\$690
			13.4%	6.2%	0.0%	0.0%	4.4%	6.4%
Agricultural - Papakaio								
		Draft 2012/13	1,324	11,430	-	-	7,011	19,765
		Final 2012/13	1,316	11,223	-	-	6,675	19,214
C.V.	9,400,000	Final 2011/12	1,160	10,565	-	-	6,401	18,126
L.V.	7,750,000	Movement 11/12 to 12/13	\$156	\$658	\$-	\$-	\$274	\$1,088
			13.4%	6.2%	0.0%	0.0%	4.3%	6.0%
Comment - Movement is driven by value rather than location								

			Ward & UAGC	Roading & Services	Water	Sewer	All Other	Total
Oamaru Properties								
Residential - Oamaru		Draft 2012/13	842	104	543	194	128	1,811
		Final 2012/13	838	103	543	191	128	1,803
C.V.	86,000	Final 2011/12	739	97	542	194	130	1,702
L.V.	30,000	Movement 11/12 to 12/13	\$99	\$6	\$1	-\$3	-\$2	\$101
			13.4%	6.2%	0.2%	-1.5%	-1.5%	5.9%
Residential - Oamaru		Draft 2012/13	842	286	543	194	348	2,213
		Final 2012/13	838	281	543	191	347	2,200
C.V.	235,000	Final 2011/12	739	264	542	194	351	2,090
L.V.	80,000	Movement 11/12 to 12/13	\$99	\$17	\$1	-\$3	-\$4	\$110
			13.4%	6.4%	0.2%	-1.5%	-1.1%	5.3%
Residential - Weston		Draft 2012/13	842	298	543	194	378	2,255
		Final 2012/13	838	293	543	191	377	2,242
C.V.	260,000	Final 2011/12	739	276	542	194	366	2,117
L.V.	88,000	Movement 11/12 to 12/13	\$99	\$17	\$1	-\$3	\$11	\$125
			13.4%	6.2%	0.2%	-1.5%	3.0%	5.9%
Commercial - Oamaru		Draft 2012/13	842	450	543	194	1,889	3,918
		Final 2012/13	838	441	543	191	2,032	4,045
C.V.	370,000	Final 2011/12	739	416	542	194	2,395	4,286
L.V.	141,000	Movement 11/12 to 12/13	\$99	\$25	\$1	-\$3	-\$363	-\$241
			13.4%	6.0%	0.2%	-1.5%	-15.2%	-5.6%
Comment - "Other" reflects proposed changes to the way Toilets and Visitor Services are funded.								
Commercial - Oamaru		Draft 2012/13	842	5,107	706	388	19,943	26,986

			Ward & UAGC	Roading & Services	Water	Sewer	All Other	Total
		Final 2012/13	838	5,015	699	382	21,567	28,501
C.V.	4,200,000	Final 2011/12	739	4,721	706	388	25,693	32,247
L.V.	910,000	Movement 11/12 to 12/13	\$99	\$294	-\$7	-\$6	-\$4,126	-\$3,746
			13.4%	6.2%	-1.0%	-1.5%	-16.1%	-11.6%
Comment - "Other rates" reflects changes to the way Toilets and Visitor Services are funded.								
Agricultural - Weston		Draft 2012/13	1,324	2,553	2,168	-	1,537	7,582
		Final 2012/13	1,316	2,507	2,172	-	1,468	7,463
C.V.	2,100,000	Final 2011/12	1,160	2,360	2,168	-	1,408	7,096
L.V.	1,600,000	Movement 11/12 to 12/13	\$156	\$147	\$4	\$-	\$60	\$367
			13.4%	6.2%	0.2%	0.0%	4.3%	5.2%
Waihemo Properties								

			Ward & UAGC	Roading & Services	Water	Sewer	All Other	Total
Residential - Palmerston								
		Draft 2012/13	522	274	567	347	327	2,037
		Final 2012/13	517	269	573	318	328	2,005
C.V.	225,000	Final 2011/12	449	253	484	317	317	1,820
L.V.	36,000	Movement 11/12 to 12/13	\$68	\$16	\$89	\$1	\$11	\$185
			15.1%	6.3%	18.4%	0.3%	3.5%	10.2%
Residential - Goodwood								
		Draft 2012/13	522	143	567	-	113	1,345
		Final 2012/13	517	140	573	-	114	1,344
C.V.	117,000	Final 2011/12	449	132	495	-	103	1,179
L.V.	18,000	Movement 11/12 to 12/13	\$68	\$8	\$78	\$-	\$11	\$165
			15.1%	6.1%	15.8%	0.0%	10.7%	14.0%
Comment - The full cost of the water upgrade is now reflected in the water rate.								
Residential - Moeraki								
		Proposed	522	311	334	1,101	383	2,651
		Proposed	517	304	330	1,091	388	2,630
C.V.	255,000	Current	449	286	242	987	358	2,322
L.V.	190,000	Movement	\$68	\$18	\$88	\$104	\$30	\$308
		Percentage Movement	15.1%	6.3%	36.4%	10.5%	8.4%	13.3%
Comment - Part of the cost of the Drinking Water Standard upgrade reflected in water rate.								
Residential - Hampden								
		Draft 2012/13	522	253	334	-	203	1,312
		Final 2012/13	517	247	330	-	203	1,297
C.V.	208,000	Final 2011/12	449	234	242	-	198	1,123
L.V.	36,000	Movement 11/12 to 12/13	\$68	\$13	\$88	\$-	\$5	\$174
			15.1%	5.6%	36.4%	0.0%	2.5%	15.5%
Comment - Part of the cost of the Drinking Water Standard upgrade reflected in water rate.								
Commercial - Palmerston								
		Draft 2012/13	1,044	509	1,134	2,429	617	5,733

			Ward & UAGC	Roading & Services	Water	Sewer	All Other	Total
		Final 2012/13	1,034	500	1,146	2,226	618	5,524
C.V.	419,000	Final 2011/12	898	471	968	2,219	601	5,157
L.V.	74,000	Movement 11/12 to 12/13	\$136	\$29	\$178	\$7	\$17	\$367
			15.1%	6.2%	18.4%	0.3%	2.8%	7.1%
Agricultural - Waihemo		Draft 2012/13	522	1,289	1,134	-	1,438	4,383
		Final 2012/13	517	1,265	1,146	-	1,414	4,342
C.V.	1,060,000	Final 2011/12	449	1,192	990	-	1,330	3,961
L.V.	810,000	Movement 11/12 to 12/13	\$68	\$73	\$156	\$-	\$84	\$381
			15.1%	6.1%	15.8%	0.0%	6.3%	9.6%
Agricultural - Waihemo		Draft 2012/13	1,044	7,200	-	-	8,391	16,635
		Final 2012/13	1,034	7,044	-	-	8,253	16,331
C.V.	5,900,000	Final 2011/12	898	6,632	-	-	7,763	15,293
L.V.	5,000,000	Movement 11/12 to 12/13	\$136	\$412	\$-	\$-	\$490	\$1,038
			15.1%	6.2%	0.0%	0.0%	6.3%	6.8%

Fees and charges

Activity	Basis for Charge	2011/ 2012	2012/2013
Airport - Landing Fees	Maximum Take-off Weight (kgs)		
Take off weight	0 - 1500		12.00
	1501 - 2000		15.00
	2001 - 3000		20.00
	3001 - 5000		30.00
	>5000		50.00
Civic activities			
Information & copying:			
Photocopying	A4 copies - per copy		0.30
	A3 copies - per copy		0.60
	A4 colour - per copy		3.50
	A3 colour - per copy		5.50
Official Information Enquiries	Staff time per half-hour (or part thereof) after first hour		52.40
	A4 copies - per copy in excess of 20 pages		0.30
	A3 copies - per copy in excess of 20 pages		0.60
Waihemo Centre	Typing - staff time per hour		40.00
	Typing A4 single side		5.50
	Fax - National		2.00
	Fax - International		3.00

Activity	Basis for Charge	2011/ 2012	2012/2013
	Boardroom hire - corporate (GST inc)		118.00
	Boardroom hire - non-corporate (GST inc)		47.50
Terraview Prints	A4 prints - per print		3.00
	A3 prints - per print		5.00
Other Digital Plan Plots	Price by negotiation		
GSI Plots/Prints	A1 aerial/topo/services		60.00
	A2 aerial/topo/services		40.00
	A3 aerial/topo/services		20.00
	A4 aerial/topo/services		10.00
Copy Aerial Digital File			60.00
Culture and heritage			
Waitaki District Library - Services			
Rentals (Adult)	Per item per week		2.00
Magazines (Adult)	Per item per week		1.00
Audio Books	Per item per three weeks		2.00
Videos and DVD's	Per item per week		2.00
Compact Discs	Per item per three weeks		2.00
Reserves	Adults per item		1.00
Interloans	Per item (plus any charges from lending library)		7.00
Overdues	Adult - per item, first notice		3.00

Activity	Basis for Charge	2011/ 2012	2012/2013
	Adult - per item, second notice		1.00
	Child - per item, first notice		-
	Child - per item, second notice		-
	Young adult, per item, first notice		1.50
	Each additional week to four weeks		0.50
Administration Fee (after six weeks overdue)	Adult, lost or six weeks overdue		7.00
	Child and young adult, lost or six weeks overdue		3.00
Replacement Library Card	Adult, per card		3.00
	Child, per card		2.00
Photocopying and Printing	Per page		0.20
Cancelled library material charge	Per book		1.00 - 8.00
	Per paperback/magazine		.50 - 2.00
eReaders	Per Reader per week		5.00
Debt recovery			15.00
Forrester Gallery - Services			
Recitals and Functions	Groups from within the Waitaki District		90.00
	Groups from outside the Waitaki District		115.00
Meetings	Groups from within the Waitaki District		45.00
	Groups from outside the Waitaki District		60.00
Main Street level gallery	Standard, per week		120.00

Activity	Basis for Charge	2011/ 2012	2012/2013
	Outside Council region, per week		140.00
Basement gallery	Standard, per week		110.00
	Outside Council region, per week		120.00
Side Street level gallery	Standard, per week		110.00
	Outside Council region, per week		120.00
1st Floor gallery (3 spaces)	Standard, per week		120.00
	Outside Council region, per week		140.00
Community Gallery	Space available to local residents		
	Outside Council region		
Design, production of labels, Didactics, handouts and posters	Up to ten items		70.00
Catalogue design and productions costs	Negotiated on a case-by-case basis		
Commission	On sales of artwork (excluding regular local user groups)		30%
North Otago Museum - Services			
Personal enquiries	Oamaru Genealogy Group members		Nil
	Students		Nil
	Waitaki District residents - suggested donation		2.00
	Non-residents - suggested donation		5.00
	Council Units - per enquiry		46.00
	Council Units - per file borrowed		5.75
	Research on behalf of businesses or individuals- per hour		46.00

Activity	Basis for Charge	2011/ 2012	2012/2013
Written enquiries - Archive Research	Per hour after first hour		46.00
	Less than one hour - flat rate		35.00
	Less than ten minutes/no information		Nil
North Otago Museum - Photocopying			
A4 photocopies (B/W)	Per page		1.50
A4 photocopies (colour)	Per page		5.00
A3 photocopies (B/W)	Per page		10.00
A3 photocopies (colour)	Per page		15.00
Microfilm/Fiche printer	Per page		2.50
Copies using digital camera	Per image		6.00
North Otago Museum - Reproduction of Photographs			
A4 Inkjet photograph	Plain photo paper		8.00
	Glossy photo paper		15.00
A3 Inkjet photograph	Photo paper		35.00
Deframing charge			30.00
Digital Image	First five images		30.00
Per copy after first copy	Per image after first five images		8.00
A4 sample print	Per copy		1.50
North Otago Museum - Oral History Reproduction			
Copy fee			25.00

Activity	Basis for Charge	2011/ 2012	2012/2013
Per CD Rom			6.00
Property			
Camping Area and Services			
Waitaki Lakes			
Daily Camping	Per family per night		15.00
Daily Camping	Per person per night		8.00
Season ticket (September to May)	Per site for whole season inclusive of ramp fee season ticket		460.00
Dunback Domain	Per family per night		15.00
Daily Camping	Per person per night		5.00
Duntroon Domain	per family per night		15.00
Daily Camping	Per person per night		5.00
Lakes Boat Ramp	Daily charge		5.00
Lakes Boat Ramp	Season Ticket		50.00
Ramp fees at the lakes (and also at the harbour) for boats that need to be towed by a vehicle when on a ramp (fees for Ohau C and Falstone remain at \$80 per season and \$5 per day)			

Activity	Basis for Charge	2011/ 2012	2012/2013
Fees to apply to powerboats and yachts, not to rowers,kayaks, coracles			
Recreation			
NB: Recreation Manager is authorised to vary charges for events that promote the facility to a wide cross section of the community, school events that promote recreation, events where revenue is used directly to maintain the facility or non-profit events held for free benefit and participation of wider community.			
NB: Commercial is defined as any event that charges a entry fee for participation.			
NB: Electricity usage will be metered and charged in addition.			
Parks, Reserves, Sportsgrounds, Public Gardens			
Keys Deposit	Refundable deposit		20.00

Activity	Basis for Charge	2011/ 2012	2012/2013
Damage Deposit	Refundable deposit		as negotiated
Oamaru Public Gardens, General Parks, Reserves, Sport fields			
Non commercial up to 50 people			0.00
Non commercial >50 people			90.00
Commercial	Per day		250.00
Commercial	Per half day		175.00
Weddings			150.00
Sports club use of sports fields (while sponsored by Whitestone)	Per club, per field, per sport, per annum.		105.00
Centennial Park Oval			
Non Commercial	Per day		90.00
Commercial organisation/event	Per day		300.00
Commercial organisation/event	Part day		200.00
Cemetery and Service			
Plot Purchase Fees	Ash plots		165.00
	Lawn (adult) plot		695.00
	Baby garden plot		130.00
Interment Service Fees	Extra depth		220.00
	Adult burial		695.00
	Baby burial		165.00

Activity	Basis for Charge	2011/ 2012	2012/2013
	Children under 10 years		345.00
	Inter ashes		165.00
	Breaking or tunnelling under concrete		220.00
Additional Charges	Permits/Monumental permit		30.00
	Interment Sat, Sun, Public Holidays		300.00
	Ash Interment Sat, Sun, Public Holidays		300.00
Waitaki Aquatic Centre - Services			
Public swimming	Adults per swim		4.50
	Adult 10 swim concession		40.00
	Adult 3 month pass		140.00
	Children per swim		2.50
	Child 10 swim concession		22.50
	Child 3 month pass		78.00
	Family Pass		12.00
	Community Card Holder/ Gold Card/ Shower use only		3.50
	Community Card/ Gold Card 10 swim pass		31.50
	Community Card/ Gold Card 3 month pass		110.00
	Swim Instructor Hire per hour – max ratio of 10 per instructor.		30.00
	Fun over 50's		As set with club
	Aerobics/ Waterjogging classes		5.50
	Aerobics/ Waterjogging 10 swim pass		50.00
	Pool bookings per hour		130.00

Activity	Basis for Charge	2011/ 2012	2012/2013
	BBQ hire - per hour		10.00
	Private swim lesson per hour or part of		30.00
	Swim School/ class		As set per term
Opera House - Venue Hire	Enquiries regarding charges should be made directly to the Opera House		
Oamaru Blue Penguin Colony - Services			
Adult Admission Fee	Per adult		25.00
Seniors	Per person per night		20.00
Child Admission Fee	5-17 years inclusive		10.00
Child Admission Fee	Under 5 years		Free
Family pass	2 adults and up to 4 children - evening viewing		65.00
Student Admission Fee	17 years + with ID, per person		20.00
Local Resident Admission Fee- Adult	All Waitaki District residents with ID, p/p - evening viewing (free with paying non-resident)		6.00
Local Resident Admission Fee- Child			Free
BTS (Behind the Scenes) Tour	Local Adult		3.00
BTS (Behind the Scenes) Tour	Local Child		Free
BTS/Evening Combo Package	Adult		8.00

Activity	Basis for Charge	2011/ 2012	2012/2013
BTS/Evening Combo Package	Child		Free
Resident Season Pass	Unlimited entry to any and all services for cardholder		25.00
Oamaru Harbour Services			
Harbour Fees	Holmes Wharf berth per annum		960.00
	Harbour mooring per annum ratepayer		300.00
	Harbour mooring per annum non-ratepayer		500.00
	Fish Case levy per case		0.50
Slipway Fees	Winch (on and off) (\$80 minimum charge then \$50 per hour after 2 hours)		80.00
	Daily charge		25.00
Ramp fees (all of Waitaki Council ramps)			
Daily Rate			5.00
Season Rate			50.00
Property			
Filming Permit - Services			
Films, television and advertisements	Permits		700.00
Stills & videos			325.00
Planning			
Planning Services			
Notified Resource Consent			
Land-use	Per application - deposit		4000.00
Subdivision	Per application - deposit		4000.00

Activity	Basis for Charge	2011/ 2012	2012/2013
Non-notified Resource Consent			
Land-use	Per application - deposit		600.00
Land-use - bulk & location with written approvals	Per application - deposit		400.00
Subdivision	Per application - deposit		700.00
Section 223 Certificate	Per certificate		100.00
Section 224 Certificate	Per certificate - deposit		220.00
Section 226 Certificate	Per certificate - deposit		150.00
Signs			
New permit (signage)	Per sign - deposit		200.00
Change existing permit	Per sign		55.00
Other consent notices and sundry certification	Per notice/certificate - deposit		50.00
Post-consent procedures			
Objection to consent conditions	Per consent - deposit		150.00
s127 change or cancellation of consent conditions	Per consent - deposit		400.00
s125 extension of consent	Per consent - deposit		150.00
s138 surrender of consent			100.00
s135 monitoring			

Activity	Basis for Charge	2011/ 2012	2012/2013
Compliance monitoring	Per consent - deposit		50.00
District Plan monitoring			Nil
Certificate of Compliance	Per application - deposit		200.00
Plan change	Per application - deposit		20,000.00
Designation or Heritage order			
Requirement	Per designation/order - deposit		600.00
Variation or removal	Per designation/order - deposit		600.00
s176a Outline Plan	Per Outline Plan - deposit		400.00
Regulatory services			
Gambling consents fee	Actual cost per consent (minimum fee \$350.00) - deposit		400.00
RMA Certificate for Sale of Liquor Act	Fixed Cost		50.00
BRANZ and BIA levies			
Building Research Association of NZ levy	For every \$1,000 or part thereof. Projects under \$20,000 are exempt		1.00
Building levy	For every \$1,000 or part thereof. Projects under \$20,000 are exempt		2.01
Sundry Building Consent Charges			
Minor building work			347.00
Heating unit only			210.00
Heating unit with wetback			336.00
Certified installer			89.00

Activity	Basis for Charge	2011/ 2012	2012/2013
Certificate of Acceptance			1061.00
Demolition Consent			200.00
Application deposit	Deducted from final fees		
Amended plan fee			63.00
Change of contractor			63.00
Re-inspections	For inspections additional to those charged for, per inspection		150.00
Inspections required for proposed structural alterations before drawings and other approved documents submitted			147.00
Inspection of buildings to be relocated	Pre-relocation inspection		399.00
Building relocated within District	Deducted from Building Consent		173.00
Code of Compliance schedule			173.00
Amendment to compliance schedule			63.00
Inspection of effluent disposal field			147.00
Application to erect marquee			210.00

All building charges effective from January 2013.

Activity	Basis for Charge	2011/ 2012	2012/2013
Certificate of Title on behalf of owner			32.00
Linking of Titles			163.00
Notes on Certificate of Titles			163.00
NZ Fire Service Section 46 notice			58.00
Existing PIM assessment			105.00
Notice to Fix			63.00
Re-inspections			150.00
Request for information to be placed on property file			42.00
Environmental Health - Services			
Food Premises - Category 1			
[eg eating houses (30 seats plus), Supermarkets, food manufacturers]			
New premises, full year registration fee	Per application		615.00
Re-Registrations	Up to 4.00		285.00
	4.01 and up to 5.00		310.00
	5.01 and up to 5.30		340.00
	5.31 and up to 5.50		390.00
	5.51 and up to 5.70		435.00
	5.71 and up to 6.00		480.00

Activity	Basis for Charge	2011/ 2012	2012/2013
	6.01 and up to 6.50		530.00
	6.51 and up to 7.00		590.00
	7.01 and up to 8.00		660.00
	8.01 and greater		840.00
Food Premises - Category 2			
(eg grocer's shop, small eating house)			
New premises, full year registration fee	Per application		445.00
Re-Registrations	Up to 3.00		230.00
	3.01 and up to 3.50		250.00
	3.51 and up to 4.00		275.00
	4.01 and up to 4.50		300.00
	4.15 and up to 5.00		325.00
	5.01 and up to 5.50		365.00
	5.51 and up to 6.00		415.00
	6.01 and up to 7.00		475.00
	7.01 and greater		640.00
Food Premises - Category 3			
(eg mobile shops, sale of food in licensed premises)			
New premises, full year registration fee	Per application		190.00
Re-Registrations	Up to 4.00		135.00
	4.01 and up to 5.00		150.00
	5.01 and up to 6.00		170.00
	6.01 and up to 7.00		185.00

Activity	Basis for Charge	2011/ 2012	2012/2013
	7.01 and up to 8.00		245.00
	8.01 and greater		335.00
To trade at a single event			50.00
Note: Performance Assessment fee is to be calculated on the most recent visit and should be within the last 12 months for category 1 or 2 premises. Requests for reassessment must be received at least two months after the latest inspection and before 1 April, for the next registration.			
Unregistered Premises - Food			
Inspection Fee for food premises not required to be registered under the Food Hygiene Regulations 1974	Fee per inspection (includes all administration costs and a report)		250.00
School canteens, clubs (licensed), hostels and rest home kitchens			

Activity	Basis for Charge	2011/ 2012	2012/2013
Other Businesses Registered Under the Health Act			
Camping Grounds	Per Annual Certificate		260.00
Hairdressers	Per Annual Certificate		215.00
Offensive Traders	Per Annual Certificate		175.00
Funeral Director	Per Annual Certificate		175.00
Saleyards	Per Annual Certificate		175.00
Transfer Fee	Transfer fee for all health services		60.00
Property Information - Services			
Land Information Memorandum	Commercial/Rural		400.00
Land Information Memorandum	Commercial/Rural - urgent		795.00
Land Information Memorandum	Residential		330.00
Land Information Memorandum	Residential - urgent		635.00
Viewing of File	First ten minutes		45.00
	Every extra ten minutes or part thereof		15.00
	Viewing by property owner		10.00
Request for specific documents	Floor plan - building		10.00
New Rapid Number	Per number		160.00
Replacement Plate			25.00
Rapid Book - A4 format	Colour		193.00
Animal Control			

Activity	Basis for Charge	2011/ 2012	2012/2013
Dog registration - admin fee			NIL
Dog registration - category fees	Working dogs, per dog		18.00
	Non-working dogs, per dog		60.00
	Non -working, first dog (revised fee)		N/A
	Non-working, each additional dog		60.00
	Selected owner dogs, per dog		25.00
	Selected owner, first dog (revised fee)		N/A
	Selected owner, each additional dog		25.00
	Farm pet dogs, per dog		20.00
	Farm pet, first dog (revised fee)		N/A
	Farm pet, each additional dog		20.00
	Probationary owner dogs		(Base fee plus 50%)
	Dangerous dogs		150.00
Late registration penalty			(Base fee plus 50%)
Note: Full dog registration fee (base fee) - plus the category fee			
Replacement tag			10.00
Dog Impounding	First offence		40.00
	Second offence		100.00
	Third offence		135.00
	Seizure and custody		65.00
	Transport cost per Km		
	Sustenance per day		12.00

Activity	Basis for Charge	2011/ 2012	2012/2013
	Destruction fee		60.00
Poundage	First offence		40.00
	Second offence		100.00
	Subsequent offence		135.00
Sustenance (per day)		10.00	12.00
Writing or giving notice of any notice or sending any notice by post		15.00	15.00
Inserting any notice in one or more newspapers (in addition to actual cost of insertion)		15.00	15.00
Parking Control and Skateboards	Infringement Fees are set by Statute		
Metered parking	On Street - per hour		1.00
	Off Street - per hour		0.80
	Off Street - per day maximum charge		4.00
Parking Permits	Per year		400.00
	6 months		220.00
Prepaid Daily Parking Permits	3 months		120.00
Vehicle Stand on streets	Per stand (rental charges extra)		110.00
Pie Carts and mobile shops			
Taxi Stand	Per stand		No fee
Bus Stand	Per stand		No fee

Activity	Basis for Charge	2011/ 2012	2012/2013
Permit for footpath furniture and dining	Per annum - for seating up to 17 people		150.00
Roading - Private Works			
Vehicle crossing application and supervision fee			0.00
Cattle stop and/or gate across road	Application fee		300.00
Temporary road closures	Private		160.00
	Public		100.00
Temporary road closures	Late Applications		250.00
Overweight/over dimension vehicle permit	Application fee - new		Time plus disbursements
	Application fee - renewal		Time plus disbursements
No Spray Zone	Management fee		103.50
Road pipeline/utility permit	Application fee		150.00
Works within road reserve	Refundable bond		630.00
Stock droving/ crossing permit	Application fee		0.00
Stock underpass permit	Application fee		0.00
District Wide	Development Contributions/HEU		As set by DC process
Corridor Management	Application Fee		50.00

Activity	Basis for Charge	2011/ 2012	2012/2013
	Reinspection Fee		fee + time + disbursements
Solid Waste Disposal			
Solid waste disposal	Per m³ or part thereof (transfer stations (TS) and Palmerston)		65.00
Rubbish bag	Per bag		4.00
Wet refuse	Per tonne at land fill only		270.00
(Extra handling fee for waste requiring immediate attention)	Standard charge plus 50%		
Special waste (Landfills only)	Application fee		120.00
Special waste (Landfills only)	Disposal costs (at gate)		
Greenwaste	Disposal cost/tonne (Oamaru)		45.00
	Per m³ or (TS and Palmerston)		20.00
Weigh Bridge Charges	General waste per tonne (Oamaru)		160.00
	General waste minimum charge		20.00
	Greenwaste minimum charge		10.00
Township/Locality			
Kakanui	Development Contributions/HEU		Refer Policy
Kurow	Development Contributions/HEU		Refer Policy
Lake Ohau	Development Contributions/HEU		Refer Policy
Moeraki	Development Contributions/HEU		Refer Policy

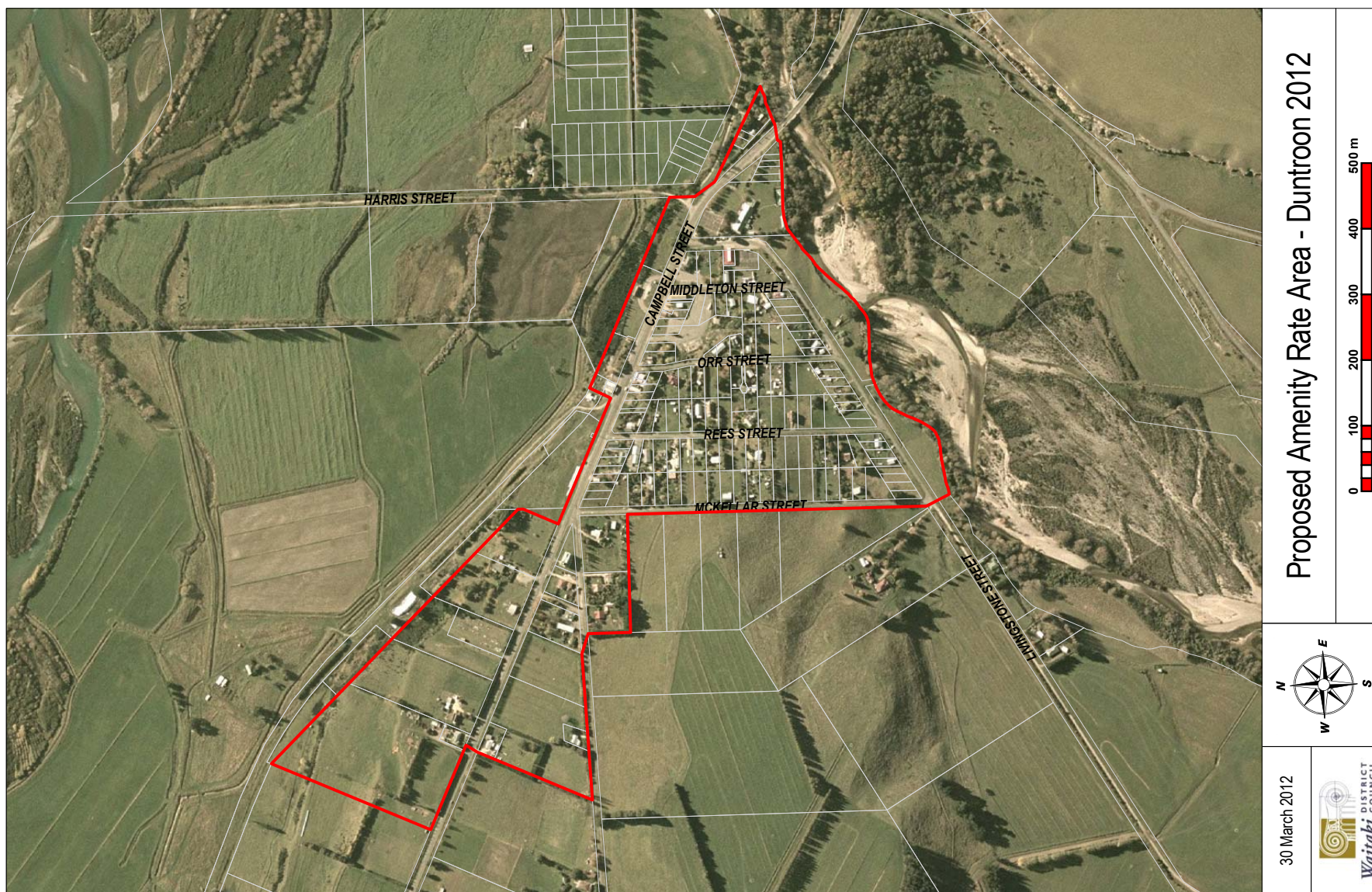
Activity	Basis for Charge	2011/ 2012	2012/2013
Oamaru (includes Weston)	Development Contributions/HEU		Refer Policy
Omarama	Development Contributions/HEU		Refer Policy
Otematata	Development Contributions/HEU		Refer Policy
Palmerston	Development Contributions/HEU		Refer Policy
All townships/ localities	New connection		
	110mm connection		500.00
	150mm connection		cost plus 10%
	Disconnection		1780.00
Trade Waste			
Annual minimum charge			890.00
Collection	Per litre/second		2,740.00
Treatment	Per kg BOD per day		192.00
Monitoring	Per year		2,355.00
Tankered Trade Waste	Per year (for each access key)		4460.00
Water Supply			
All	Disconnection fee		840.00
All	Restrictor change (physical costs)		120.00
All	Standard Connection 20mm - On demand supply		2,050.00
All	Standard Connection 20mm with Meter - On demand supply		2,200.00
All	Non-Standard Connection - Restricted/ Extraordinary/ other supply		Physical and Engineering Costs
All	Engineer hourly charge		120.00

Activity	Basis for Charge	2011/ 2012	2012/2013
All	Senior Engineer hourly charge		180.00
Awamoko	Development Contribution Levy/1m ³		Refer Policy
Dunback	Development Contribution Levy/1m ³		Refer Policy
Dunrobin	Development Contribution Levy/1m ³		Refer Policy
Duntroon	Development Contribution Levy/1m ³		Refer Policy
Enfield	Development Contribution Levy/1m ³		Refer Policy
Goodwood	Development Contribution Levy/1m ³		Refer Policy
Hampden/Moeraki	Development Contribution Levy/1m ³		Refer Policy
Herbert/ Waianakarua	Development Contribution Levy/1m ³		Refer Policy
Kakanui	Development Contribution Levy/1m ³		Refer Policy
Kauru Hill	Development Contribution Levy/1m ³		Refer Policy
Kurow	Development Contribution Levy/HEU		Refer Policy
	20mm	1990.00	
	Water connection		
	Metered 25mm - 32mm	2460.00	
	Water connection		
	Metered 40mm and larger	Cost plus 10%	
	Metered supply (20mm)	2150.00	
Lake Ohau	Development Contribution Levy/1m ³		Refer Policy
	20mm	1990.00	
	Water connection		
	Metered 25mm - 32mm	2460.00	
	Water connection		
	Metered 40mm and larger	Cost plus 10%	

Activity	Basis for Charge	2011/ 2012	2012/2013
	Metered supply (20mm)	2150.00	
Lower Waitaki	Development Contribution Levy/1m ³		Refer Policy
Oamaru	Development Contribution Levy/HEU		Refer Policy
	20mm	1990.00	
	Water connection		
	Metered 25mm - 32mm	2460.00	
	Water connection		
	Metered 40mm and larger	Cost plus 10%	
	Metered supply (20mm)	2150.00	
Omarama	Development Contribution Levy/HEU		Refer Policy
	20mm	1990.00	
	Water connection		
	Metered 25mm - 32mm	2460.00	
	Water connection		
	Metered 40mm and larger	Cost plus 10%	
	Metered supply (20mm)	2150.00	
Otekaieke RWS	Development Contribution Levy/1m ³		Refer Policy
Otematata	Development Contribution Levy/HEU		Refer Policy
	20mm	1990.00	
	Water connection		
	Metered 25mm - 32mm	2460.00	
	Water connection		

Activity	Basis for Charge	2011/ 2012	2012/2013
	Metered 40mm and larger	Cost plus 10%	
	Metered supply (20mm)	2150.00	
Palmerston	Development Contribution Levy/HEU		Refer policy
	20mm	1990.00	
	Water connection		
	Metered 25mm - 32mm	2460.00	
	Water connection		
	Metered 40mm and larger	Cost plus 10%	
	Metered supply (20mm)	2150.00	
Stoneburn	Development Contribution Levy/1m ³	1139.78	Refer Policy
Tokarahi	Development Contribution Levy/1m ³	1785.82	Refer Policy
Weston	Development Contribution Levy/1m ³	3295.64	Refer Policy
Windsor	Development Contribution Levy/1m ³	1206.22	Refer Policy
Supervision fee for stormwater connection to kerb and channel or roadside drain by owner's drainlayer (including reinstatement)		50.00	

Map: of proposed Duntroon amenity rate area





SECTION 6.



Funding and financial policies

Revenue and financing policy

What are the Revenue and Financing Policies?

Council must have a Revenue and Finance Policy under the Local Government Act 2002 in accord with S102 and S103 and considering S101.

Revenue and Finance policies describe how Council intends to fund / pay for the supply of the various activities it undertakes, specifically the funding that should come from non-rates income (Other Income). It identifies how the various funding policies, which have been approved by Council, have been applied to Other Income such as user charges, fees and grants. In some cases Council uses a rating tool to replicate user charges; for example water and sewerage rates. Included are details for policies funding activity.

General Policies Related to Revenue and Financing

Council has adopted the following general policies for funding activities and these are encapsulated in the Revenue and Financing Policy. They identify how Council funds its contribution to the various activities.

1. Policy Applies to Council Contribution

The policies describe how the ratepayer's share of funding for activities is determined. For example some activities attract external subsidy (e.g. New Zealand Transport Agency roading subsidy) and where this is the case how Council funds its share only is described.

2. Policy Applies to Operational Funding

The policies primarily describe how operational costs (not capital costs) will be funded; these are the costs of achieving existing service levels. Capital costs, which include increases in service levels, will be treated as LTP projects and specific funding policies may be considered on a case-by-case basis, having regard to point 3.3 below.

3. Policies for Capital Works

Council will apply the following procedure when establishing specific funding policies for capital works:

- 3.1 Council will apply the rating policy for an activity to capital projects that fall within that activity, unless Council determines a separate revenue and financing policy for capital works for the activity – e.g. Roads and Bridges – Capital Works.
- 3.2 If Council develops a new policy on capital works it shall consult on that policy and highlight the issue in the LTP.
- 3.3 If Council develops a funding policy for a specific project it shall consult on that policy and highlight the issue in the LTP.
- 3.4 Council may choose to apply other sources of funds e.g. bequests, grants and loans, to capital works and shall highlight such exceptions for consultation within the LTP.

4. Intergenerational Equity

Operational expenditure is the cost of providing a service in a given year and includes depreciation on assets. Therefore policies for activities involving cash funding of depreciated assets (e.g. water) recognise intergenerational equity. Activities involving assets where Council does not fund depreciation (i.e. some community buildings, housing and some harbour structures) are dealt with explicitly.

5. Review of Policy for Significant Change

Council shall review its Revenue and Financing Policy for any activity in the event of a significant change in service delivery, nature and scope of service, or operational costs for that activity.

6. Investments shall be District Assets

Except where specifically prescribed otherwise as a condition of endowment, property investments vested in the Council shall be regarded as District assets and any revenues or costs arising from them shall be revenues or costs on the District as a whole.

7. Competition with Retailers

Council notes that certain activities may recover revenue from users via retail sales, such as the Forrester Gallery, Libraries, Museum, Aquatic Centre and Oamaru Blue Penguin Colony. This may bring those activities into competition with ratepayers. Council believes that rates should not be used to subsidise unfair competition and considers that it is appropriate for Council activities to sell goods and services associated with their operations at market value. The Council Controlled Trading Organisations (CCTOs) statements of intent govern commercial activities of CCTOs.

8. Section 101(3) Considerations

Council considers the funding needs for its various activities in accord with the expectations noted in Section 101(3) of the Local Government Act. In summary this includes for the activity: the relevance to community outcomes, the benefits between the community and individuals, the period of the benefit, contribution to the need for it to be undertaken, the costs/benefits of district funding as well as impact on the well-being of the community.

Other Income

When considering the extent to which an activity should be funded from other income, Council considers the following matters:

- Is the benefit identifiable to individuals?
- Are any particular individuals contributing to the need to undertake the activity?
- Legislative constraints (e.g. Liquor Licensing Fees are set by Statute).
- Is there a practicable way of charging and collecting user charges?
- At what level should charges be set, considering the effect of charges on changes in demand or behaviour (e.g. if Aquatic Centre charges were too high, less people swim, increasing the cost to the ratepayer or; increased landfill charges may result in increased littering).

Rating Tools

The Local Government Rating Act 2002 provides the tools available to Council for funding Council activities. The Funding Impact Statement shows the activities funded and amount funded for each rate. The following information describes the rating tools used by Council and the rationale for each tool.

General Rate (GR)

This rate is charged on all properties in the District based on the value of land.

A general rate is usually used when Council determines there is a District wide benefit which is connected with land values or activity which relates to land ownership.

Land Value (LV)

Land Value

Capital Value (CV)

Land value plus improvements

Uniform Annual General Charge (UAGC)

This rate is charged on all separately used or inhabited parts of properties in the District. An equal amount is charged to each part regardless of size.

UAGC are generally used when Council determines there is a District wide benefit connected to individuals. Parliament has restricted the amount of rates that can be collected by this and other fixed charges to 30% of total rates, this is in accord with Council policy.

District Services Rate

This rate is charged on all properties in the District based on the value of land and improvements; capital value. A district rate is generally set when Council determines there is a District wide benefit which is connected with capital value. Council has considered that high capital value properties tend to have higher impacts on certain activities such as roading, and also represents a greater ability to pay. Council recognises that this is a very broad assumption and there are individual exceptions to this assertion.

Ward Rates

There are two ward rates based on both capital value and on a uniform basis.

Ward Rates are usually used where the benefit is identifiable to the ward or where costs are generally driven by the expectations of their communities.

Specific Uniform Targeted Rates (TR)

Specific uniform targeted rates are used for water, sewerage and hall rates. They are charged to specific users who have access to a service based on either connection or proximity to the service.

Amenity Rates

These rates are charged based on land value of properties within townships (as defined on a map). Amenity rates are used where townships choose to improve amenities, and to provide for the maintenance of storm water systems within townships.

Other Policy Matters

Council has set its policies to cover the normal ongoing business of Council. Council determines the funding policies for other one off projects at the time it adopts these projects.

Summary of revenue and financing

Function	Other Income	Rates	Rating Basis
Oamaru Harbour, Port & Historic Precinct			
Oamaru Port – Coastal Protection	0	100	20% TR-CV District Services 80% TR-CV Oamaru Urban Area
Port Operations	20	80	30% GR-LV 70% TR-CV Oamaru Urban Area
Port Property	100	0	N/A
Roads and footpaths			
Roads & Bridges	0	100	100% TR-Differentiated CV Differential break down: Mining 5%, Electricity Generation 5% Balance 90%
Off-Street Car Parks	0	100	TR-LV Serviced Townships
Noxious Plants	0	100	100% GR-LV
Water & Waste			
Residual Waste Disposal	100	0	N/A
Refuse Collection	100	0	This service currently provided by the private sector
Closed Landfills	0	100	100% UAGC

Function	Other Income	Rates	Rating Basis
Waste Minimisation Activities	0	100	100% UAGC
Storm Water	0	100	100% TR-LV Serviced Townships – Local Amenity – For Private Good
Water Supplies	10	90	100% TR Water – Serviced Communities
Wastewater	10	90	100% TR-Sewerage – Serviced Communities
Commercial & Development Activities			
Economic Development	0	100	50% TR-CV – District Services 50% GR-LV
Commercial Property	100	0	100% TR-CV – District Services
Forestry	0	100	100% GR-LV
Operational Property	0	100	100% GR-LV
Tourism Development and Visitor Information Services	0	100	10% TR-CV Oamaru Business Area 90% UAGC
Oamaru Blue Penguin Colony	100	0	Surplus revenue applied to visitor and other services
Oamaru Airport	100	0	N/A
Arts, Heritage & Community			

Function	Other Income	Rates	Rating Basis
North Otago Museum	10	90	10% TR-CV – Oamaru Business Area 90% Ward TR Ratio: Oamaru 4, Corriedale 3, Ahuriri 1, Waihemo 1
Forrester Gallery	10	90	10% TR-CV – Oamaru Business Area 90% Ward TR Ratio: Oamaru 5, Corriedale 3, Ahuriri 1, Waihemo 1
Libraries	10	90	8% TR-CV – Oamaru Business Area 92% Ward TR Ratio: Oamaru 3, Corriedale 2, Ahuriri 2, Waihemo 2
Opera House	50	50	10% TR-CV – Oamaru Business Area 90% Ward TR Ratio: Oamaru 5, Corriedale 3, Ahuriri 1, Waihemo 1
Community Development Safety & Grants	0	100	100% UAGC
Otago Museum	0	100	100% UAGC
Community Amenities			
Community Housing	100	0	100% UAGC
Waitaki Community Recreation Centre	0	100	70% TR- Corriedale and Oamaru 30% GR-LV

Function	Other Income	Rates	Rating Basis
Public Halls	0	100	100% TR – Halls – for private good
Township Works	0	100	100% TR-CV Serviced Wards
Christmas Decorations	0	100	60% TR-CV Oamaru Business Area 40% TR-CV District Services
Cemeteries	50	50	100% UAGC
Lakes Camping	60	40	70% GR – Differentiated LV – Electricity Generation 30% GR-LV
Public Toilets	0	100	90% UAGC 10% TR-CV Oamaru Business Area
Parks & Recreation			
Aquatic Centre	30	70	10% TR-CV – Oamaru Business Area 90% Ward TR Ratio: Oamaru 5, Corriedale 3, Ahuriri 1, Waihemo 1
Oamaru Public Gardens	0	100	10% TR-CV – Oamaru Business Area 90% Ward TR Ratio: Oamaru 4, Corriedale 3, Ahuriri 2, Waihemo 2
Reserves and open spaces	0	100	100% TR-CV – Serviced Wards

Function	Other Income	Rates	Rating Basis
Sports Grounds	5	95	25% GR-LV 75% UAGC
Environment, Regulation & Safety			
Animal Control	100	0	100% user pays
Building Control	70	30	100% UAGC
Environmental Health	70	30	100% UAGC
Environmental Monitoring and Hazardous Substances	0	100	100% UAGC
Liquor Licensing	80	20	100% UAGC
Parking Enforcement	50	50	100% TR-CV Oamaru Business Area
Emergency Services			
Civil Defence	0	100	50% UAGC 50% TR-Differentiated CV Differential break down: 50% Electricity Generation 25% Mining 25% to balance
Rural Fire	0	100	100% TR-CV District Serviced
Planning Group			
District Planning – Resource Consents	80	20	100% GR-LV

Function	Other income	Rates	Rating basis
Democracy, Accountability and Governance			
Council	0	100	40% TR-CV – District Services 60% GR-LV
Community Boards	0	100	40% TR-CV – Serviced Wards 60% TR-LV – Serviced Wards
Waihemo Service Centre	0	100	40% TR-CV – Waihemo 60% TR-LV - Waihemo
Community Planning and Consultation	0	100	40% TR-CV - District Services 60% GR-LV

Revenue and financing policies for each activity

Name	Description	Benefit	Funding discussion	Funding policy
Oamaru Harbour and Historic Precinct				
Oamaru Port	This activity only covers the port activities of the Oamaru Harbour area. Other activities that take place in this general area including roading, walkways and reserves and are covered under those activities. Funding for the Port is discussed below			
Port - Coastal protection	<p>Coastal protection includes breakwaters and similar structures, and historic wharves and other structures,</p> <p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <ul style="list-style-type: none"> Our green-spaces, sports fields, libraries and recreation facilities are well managed and encourage healthy, active lifestyles and learning <p>Waitaki has a diverse, sustainable and growing economy</p> <ul style="list-style-type: none"> Opportunities for sustainable enterprise and growth are recognised and managed <p>Waitaki is a desirable place to live</p> <ul style="list-style-type: none"> We preserve, promote and celebrate our built heritage 	<p>The primary benefit from the breakwater is the protection of the coastline, especially in the area of the Oamaru Harbour.</p> <p>The residents of Oamaru as a group enjoy greater benefit because of their proximity to the coastline, especially those in the environs of the central business area.</p> <p>There are benefits to the district as a whole from the protection of the harbour, which contains structures, and fauna of regional significance, and its contribution to the regional visitor economy.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> Over the term of the community plan Over the life of the assets Primarily to Oamaru area property owners Partly to the district as a whole in support of the community outcomes Very limited impact of the actions or actions of others 	<p><u>Operational</u></p> <p>This is a property-based benefit since it accrues with property ownership, specifically those in the Oamaru area.</p> <p>As the primary benefit accrues to the Oamaru area this is funded from a targeted rate on the capital values of Oamaru properties.</p> <p>The use of general rate based on capital value to recover 20% of the costs, this recognises that there are cultural, recreational, and economic development benefits to the whole district.</p> <p><u>Capital</u></p> <p>Depreciation in this area is not funded for the reasons set out in the balanced budget statement. Therefore all major renewals as well as any capital additions will generally be loan funded. The only other source of funding may be grants but this will be limited to some very specific projects and will not be generally available. These loans will usually be to the maximum period allowed under council policy because of the very long lives of the assets created. The servicing costs of these loans will be funded as an operational cost.</p>	<p>Other income 0%</p> <p>Rates - 100%</p> <p>Rating basis:</p> <p>20% targeted rate capital value district services</p> <p>80% targeted rate capital value Oamaru urban area</p>

Name	Description	Benefit	Funding discussion	Funding policy
Port operations	<p>This includes the harbour channel, operational wharves, moorings and slipways.</p> <p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <ul style="list-style-type: none"> Our green-spaces, sports fields, libraries and recreation facilities are well managed and encourage healthy, active lifestyles and learning <p>Waitaki has a diverse, sustainable and growing economy</p> <ul style="list-style-type: none"> Opportunities for sustainable enterprise and growth are recognised and managed <p>Waitaki is a desirable place to live</p> <ul style="list-style-type: none"> We preserve, promote and celebrate our built heritage 	<p>There are primarily private benefits from the port operations including the harbour channel, wharves, moorings and slipways. These are both to commercial and recreational users.</p> <p>There is also a benefit in having an accessible safe haven for small coastal traffic.</p> <p>The use of the harbour environs for passive recreation, and the landscape amenity of the area benefit the residents of Oamaru as a group because of their proximity to the harbour, but there are some benefits to other wards whose residents can use the harbour.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> Over the term of the plan. Over the life of the asset. Primarily to individual users. Partly to Oamaru area property owners. Partly to the district as a whole 	<p><u>Operational</u></p> <p>Council will seek to recover maximum amount possible from those commercial and recreational users that have exclusive or near exclusive use of parts of the facilities provided.</p> <p>However, this will be limited by market and other practical considerations.</p> <p>The use of general rate based on land value to recover 30% of the public good recognises that there is amenity and economic development benefits to the whole district and these are property based.</p> <p>The use of a targeted rate in Oamaru to recover the remaining 70% recognises that most of the benefit is to Oamaru and it is people-based.</p> <p><u>Capital</u></p> <p>On the same basis as described under coastal protection.</p> <p><u>Operational</u></p> <p>Commercial use charges will be set by lease and market conditions.</p>	<p>Other income- 20%</p> <p>Rates - 80%</p> <p>Rating basis:</p> <p>30% general rate – land value</p> <p>70% targeted rate Oamaru urban area – capital value</p> <p>100% users pays based on market rates.</p>

Name	Description	Benefit	Funding discussion	Funding policy
Harbour Precinct	<p>The harbour precinct activities encompass the Harbour Commercial Property activity and the long term rejuvenation of the area for recreational use and to recognise the unique historic elements precinct (as defined in the Oamaru Harbour Development Strategy)</p> <p>Waitaki people are safe and healthy</p> <ul style="list-style-type: none"> • Our green-spaces, sports fields, libraries and recreation facilities are well managed and encourage healthy, active lifestyles and learning • Waitaki has a diverse, sustainable and growing economy • Our infrastructure and services enable development in the District. <p>Waitaki is a desirable place to live</p> <ul style="list-style-type: none"> • We preserve, promote and celebrate our built heritage 	<p>For Commercial Property and much of the land in the historic precinct there are commercial arrangements with exclusive private use.</p> <p>Some elements of land however are to transferred to reserve and park use rather than commercial which will benefit</p> <ul style="list-style-type: none"> • Harbour recreational users in the Oamaru area • Tourism for the Oamaru area and District <p>Some of the harbour may have primarily a tourism focus in its development in the longer term.</p>	<p><u>Capital</u></p> <p>On the same basis as described under coastal protection.</p> <p><u>Operational</u></p> <p>The use of general rate based on land value to recover 30% of the public good recognises that there is amenity and economic development benefits to the whole district and these are property based.</p> <p>The use of a targeted rate in Oamaru to recover the remaining 70% recognises that most of the benefit is to Oamaru and it is people-based.</p> <p>Commercial use charges will be set by lease and market conditions. The use of any surplus in this activity is usually specified on a property by property basis but primarily relates to the support of other harbour activities.</p> <p>There are a limited number of leases to non-commercial users that will operate under different market conditions.</p>	<p>Other income- 20%</p> <p>Rates - 80%</p> <p>Rating basis:</p> <p>30% general rate – land value</p> <p>70% targeted rate Oamaru urban area – capital value</p> <p>For property leases- 100% users pays based on market rates.</p>
Roads and Footpaths				

Name	Description	Benefit	Funding discussion	Funding policy
Roads and Bridges	<p>The roads activity includes:</p> <ul style="list-style-type: none"> Sealed and unsealed legal roads Footpaths Kerb and channel Street lighting <p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <ul style="list-style-type: none"> Our road network is well maintained and we promote safe travel <p>Waitaki has a diverse, sustainable and growing economy</p> <ul style="list-style-type: none"> Our infrastructure and services are reliable and affordable Our infrastructure and services enable development in the District. 	<p>The roading network serves the whole district. Costs are driven by traffic volumes, especially volumes of large articulated vehicles, which wear roads out more quickly than motorcars.</p> <p>Large trucks are especially associated with the agricultural, industrial and commercial sectors. Utility network operators use roads to service their networks.</p> <p>Roading costs in the Waihemo ward are impacted by the mining activities in the Macraes area.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> Over the term of the community plan Over the life of the asset Primarily to individual users the district as a whole in support of the community outcomes <p>There is an impact of the actions or inactions of others as noted above.</p>	<p><u>Operational</u></p> <p>A significant portion of the roading costs are funded by central government. This funding is currently administered by the New Zealand Transport Agency (NZTA) and</p> <p>Council will seek to receive the maximum amount of subsidy possible for the level of spending it approves.</p> <p>Rates based on capital values will fund council's share of expenditure. Capital value is selected as it is considered it has the best available relationship to benefit received. This is modified through a differential system to recognise the very different relationship between capital value and benefit for two sectors being electrical power generation and mineral extraction.</p> <p><u>Capital</u></p> <p>Depreciation in this area is not fully funded because NZTA subsidy is available for most renewal work. It is available for some capital improvements. Because of this and the fact that most capital work is part of an ongoing programme, Capital will be funded from rates. The exceptions to this are:</p> <ul style="list-style-type: none"> Loans to even out the impact of major works. The servicing costs of these loans will be funded as an operational cost. Development contributions where the work is growth related. This will be set out in detail in a developments contributions policy. Amenity rates when there is a very specific area of benefit. Grants or other direct contribution, this is limited to some very specific projects and will not be generally available. 	<p>Other income - 0%</p> <p>Rates - 100%</p> <p>Rating basis:</p> <p>90% capital value – whole district</p> <p>5% targeted rate– capital value – electricity generation</p> <p>5% targeted rate – capital value - mining</p>

Name	Description	Benefit	Funding discussion	Funding policy
Roads and Bridges – capital expenditure required for growth	<p>Council will invest in improvements to provide wider roads, stronger pavements and longer lengths of sealed roads as part of its capital expenditure for growth.</p> <p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <ul style="list-style-type: none"> Our road network is well maintained and we promote safe travel <p>Waitaki has a diverse, sustainable and growing economy</p> <ul style="list-style-type: none"> Our infrastructure and services are reliable and affordable Our infrastructure and services enable development in the District. <p>The roads activity includes:</p> <ul style="list-style-type: none"> Sealed and unsealed legal roads Footpaths Kerb and channel Street lighting Off-street car parks 	<p>The roading network serves the whole district. Costs are driven by traffic volumes, especially volumes of large articulated vehicles, which wear roads out more quickly than motorcars.</p> <p>Large trucks are especially associated with the agricultural, industrial and commercial sectors. Utility network operators use roads to service their networks.</p> <p>Roading costs in the Waihemo ward are impacted by the mining activities in the Macraes area.</p> <p>Increased demand on the roading network is forecast. This will take the form of more vehicle movements, and in particular heavier vehicle movements associated with primary industry, industrial and commercial activities.</p> <p>The benefits of that portion of capital expenditure identified as driven by growth in demand are expected to occur:</p> <ul style="list-style-type: none"> Over the term of the community plan Over the life of the asset capacity consumed by forecast development Primarily to future individual users across the district as a whole 	<p>Capital expenditure required for growth in relation to the roading activity will be funded by development contributions.</p> <p>The amount of capital expenditure required for growth in this asset group is expected to grow. This will be further impacted by reduced % funding from the NZTA.</p> <p>The detail of funding is contained in the Development Contributions Policy (DC)</p> <p>The level of contribution will vary on a differential basis, reflecting the fact that different land uses place different demands on the network, and the level of contribution should reflect the level of demand. There are also Economic Development imperatives that may impact on what Council is willing to receive by way of DC.</p>	<p>User charges 100%</p> <p>Development contributions will fund 100% of the capital expenditure required for growth.</p> <p>Refer Development Contributions Policy</p>

Name	Description	Benefit	Funding discussion	Funding policy
Noxious plants	<p>This activity contributes to the following community outcomes:</p> <ul style="list-style-type: none"> We promote and encourage awareness and protection of our unique natural environment <p>The control of pest plants in the roading corridor is a mandatory activity for local authorities under the Bio-Security Act 1993.</p>	<p>The control of pest plants minimises the risk of uncontrolled spread within the road corridor and to adjoining landowners. This is particularly required within rural areas.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> Over the term of the plan Primarily to the district as a whole in support of the community outcomes 	<p><u>Operational</u></p> <p>The use of general rates to recover recognises that the benefits are to the whole district and are property-based.</p> <p>Land value is chosen to reflect the benefits to the agricultural sector and because it is considered a better match to the primary cost driver which is road frontage.</p>	<p>Other income -0%</p> <p>Rates - 100%</p> <p>Rating basis: 100% general rate – land value</p>
Waste Management & Minimisation				
Residual waste disposal	<p>Waste disposal is provided at approved landfills. Whether these are council or privately owned, or operated inside or out of the district, does not impact on the nature or funding of the activity.</p>	<p>This activity primarily benefits the individuals and business who through their actions create the waste. They receive the primary benefit of having a means to dispose of this waste.</p> <p>There are some benefits to the whole community in having service available.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> Over the term of plan Over the life of the asset Primarily to individual users The actions of individuals or groups create the need Partly to the district as a whole 	<p><u>Operational</u></p> <p>The user charges at landfills and transfer stations, and part of the charge from refuse collection will fund this activity.</p> <p>This recognises the very direct relationship between the cost of providing this service and the amount of waste created. This approach may help those who create the waste recognise the true cost of their actions and encourage waste reduction.</p> <p>There is a small benefit to the whole community of this activity</p> <p><u>Capital</u></p> <p>Renewal expenditure will be funded from depreciation reserves. Improvements will be funded by way of loan equivalent to the life of the asset, with servicing costs being included in operational costs.</p>	<p>Other income- 100%</p> <p>Rates - 0%</p> <p>Rating basis: N/A</p>
Refuse collection	<p>The kerbside collection of solid waste</p>	<p>Council does not provide this service which is provided by private providers operating in a competitive market</p>	<p><u>Operational and capital</u></p> <p>There are a number of choices in the way residents and ratepayers can transport their waste from where it is generated to where it is disposed of.</p> <p>Any option that involves Council to any degree will be considered a private benefit and charged fully</p>	<p>Other income -100%</p> <p>Rates 0%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Closed landfills	There are a number of closed landfills in the district, with others expected to close during the life of the plan. Costs are incurred in relation to the ongoing monitoring and resource consent compliance of these sites.	<p>Given the historic nature of most of the sites only a small portion can be recovered from current users through disposal charges.</p> <p>The whole community benefits from the responsible management and monitoring of these sites.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> • Over the term of the plan • Over the life of the asset • Primarily to the district as a whole. • Users receive a minor benefit over the remaining life of the landfill • The actions of individuals or groups have a minor impact 	<p><u>Operational</u></p> <p>The portion that relates to current users will be charged to the disposal area and recovered through that funding approach.</p> <p>The whole community share will be recovered through a uniform charge across the district as it is considered this best reflects the historic relationship between the use of the landfill and ratepayers.</p> <p>The timing of some expenditure may be uneven, particularly when physical works are required to meet consent requirements. When this occurs loans will be used to spread out the impact.</p>	<p>Other income 0%</p> <p>Rates - 100%</p> <p>Rating basis:</p> <p>100% uniform annual general charge</p>
Waste minimisation	This activity includes funding of recycling initiatives, including residual waste and recycling drop-off points, education and enforcement.	<p>The whole community benefits from action in this area to minimise the negative impacts of waste.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> • Over the term of the plan • Over the life of the asset • Primarily to the district as a whole • the actions of individuals or groups have a minor impact only 	<p>The whole community share will be recovered through a uniform charge across the district as it is considered this best reflects the relationship between ratepayers and the activities undertaken in this area.</p>	<p>Other income - 0%</p> <p>Rates - 100%</p> <p>Rating basis:</p> <p>100% uniform annual general charge</p>

Name	Description	Benefit	Funding discussion	Funding policy
Waste Water				
Waste water	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <ul style="list-style-type: none"> We have access to affordable, reliable and efficient waste disposal systems <p>Waitaki's distinctive natural environment is valued and protected</p> <ul style="list-style-type: none"> We manage waste water effectively to protect environmental quality <p>Waitaki has a diverse, sustainable and growing economy</p> <ul style="list-style-type: none"> Our infrastructure and services are reliable and affordable 	<p>The collection, treatment, and disposal of waste water are primarily a private benefit for people whose properties are connected to the schemes. In most cases it is not practicable to measure the quantity of each individual's contribution to the waste water system.</p> <p>The protection of the environment is a benefit to the serviced communities.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> Over the term of the plan Over the life of the asset Primarily to individual users A small number of heavy producers have an impact. 	<p><u>Waste water – operational</u></p> <p>Those who (either directly or indirectly) benefit should pay. A targeted rate per pan approximates this in a practical way.</p> <p>There are some large producers of waste where direct charging is practical in addition to the targeted rate. Their share of costs is recovered by way of trade waste charges.</p> <p>Each community bears the cost of treating and disposal of its own waste water.</p> <p>Each community therefore contributes to the protection of the environment in proportion to the cost of its scheme.</p> <p><u>Waste water – capital</u></p> <p>Renewal expenditure will be funded from depreciation reserves. Any shortfall will be funded by loan.</p> <p>Improvements to increase levels of service will be funded by way of loan equivalent to the life of the asset, with servicing costs being included in operational costs.</p> <p>Improvements to provide additional capacity will be funded from development contributions as described in the Development Contributions Policy.</p>	<p>Other income- 10%</p> <p>Rates - 90%</p> <p>Rating basis:</p> <p>100% targeted rate – sewerage – serviced communities</p> <p>Within Oamaru the Oamaru Trade Waste Bylaw applies and any additional charges arising from the operation of this bylaw are charged directly to the user.</p> <p>Renewal funded from depreciation reserves</p> <p>Increased levels of service funded by loan</p> <p>Improvements to provide additional capacity will be funded from Development Contributions refer Development Contributions Policy</p>

Name	Description	Benefit	Funding discussion	Funding policy
Waste water – capital expenditure required for growth	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <ul style="list-style-type: none"> We have access to affordable, reliable and efficient waste disposal systems <p>Waitaki's distinctive natural environment is valued and protected</p> <ul style="list-style-type: none"> We manage waste water effectively to protect environmental quality <p>Waitaki has a diverse, sustainable and growing economy</p> <ul style="list-style-type: none"> Our infrastructure and services are reliable and affordable <p>This refers to additional infrastructure providing additional capacity, typically in association with treatment upgrades.</p>	<p>Increased demand on the wastewater networks is forecast with additional connections to reticulation and higher volumes of wastewater to be treated.</p> <p>The collection, treatment and disposal of waste water are primarily a private benefit for people whose properties are connected to the scheme.</p> <p>In most cases it is not practicable to measure the quantity of each individual's contribution to the waste water system.</p> <p>The protection of the environment is a benefit to the serviced communities.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> Over the term of the plan Over the life of the asset Primarily to future individual users To serviced communities as a minor benefit The actions of most individuals or groups has a minor impact A small number of heavy producers have an impact. 	<p>Improvements to provide additional capacity will be funded from development contributions as described in the Development Contributions Policy.</p> <p>The level of contribution will vary on a differential basis, reflecting the fact that different land uses place different demands on the network, and the level of contribution should reflect the level of demand.</p>	<p>User charges 100%</p> <p>Development contributions will fund 100% of the capital expenditure required for growth.</p> <p>Refer Development Contributions Policy.</p>

Name	Description	Benefit	Funding discussion	Funding policy
Stormwater Drainage				
Stormwater	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <p>We have access to affordable, reliable and efficient waste disposal systems</p> <p>Waitaki's distinctive natural environment is valued and protected</p> <p>We manage waste water effectively to protect environmental quality</p> <p>Waitaki has a diverse, sustainable and growing economy</p> <p>Our infrastructure and services are reliable and affordable</p>	<p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>To individual properties</p> <p>The whole community benefit</p> <p>The actions of most individuals or groups have a minor impact</p>	<p><u>Stormwater - operational</u></p> <p>Those who (either directly or indirectly) benefit should pay. The roading network also benefits. Accordingly,</p> <p>Piped stormwater systems are funded from local amenity rates in the serviced townships</p> <p>Other systems, mainly open channels and drains, are funded on the same basis as roads.</p> <p><u>Stormwater – capital</u></p> <p>The benefits of additions to any areas scheme will be localised initially</p> <p>Additions to new properties will be funded from the relevant iamenity rateî</p> <p>Once additions are completed then they are added to existing networks and recovered on the same basis</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating basis:</p> <p>Serviced townships – local amenity</p> <p>Open drain systems on roads funded as per roads</p>

Name	Description	Benefit	Funding discussion	Funding policy
Water Supplies				
Water supplies	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <p>We provide safe, reliable access to drinking water</p> <p>Waitaki has a diverse, sustainable and growing economy</p> <p>Our infrastructure and services are reliable and affordable</p> <p>Water supply is an essential infrastructure. The community ownership of water services is strongly supported.</p>	<p>The primary benefit from water supply is to consumers in the supply area. The consumption of water is a private good. The use of water for firefighting purposes may benefit properties that are not connected to a scheme, and, in the event of a fire, this benefit is principally a private good.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to individual users</p> <p>The whole community gets a benefit in terms of health protection.</p> <p>The actions of most individuals or groups have a minor impact</p>	<p><u>Operational</u></p> <p>Those who (either directly or indirectly) benefit should pay.</p> <p>A targeted rate per property approximates this in a practical way.</p> <p>There are some water users where direct charging is practical. Their share of costs is recovered by way of water meter rates charges.</p> <p>Each community bears the cost of treating and supplying its own water.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be funded from depreciation reserves.</p> <p>Improvements to increase levels of service will be funded by way of loan equivalent to the life of the asset, with servicing costs being included in operational costs.</p> <p>Improvements to provide additional capacity will be funded from development contributions as described in the Development Contributions Policy.</p>	<p>Other income 10%</p> <p>Rates 90%</p> <p>Rating basis:</p> <p>100% targeted rate – water – serviced townships and communities</p> <p>The percentage of revenue from metered use varies from scheme to scheme.</p> <p>Bulk water users pay for bulk usage are on a metered rate in addition to the targeted rate.</p> <p>Renewal funded from depreciation reserves</p> <p>Increased levels of service funded by loan</p> <p>Improvements to provide additional capacity will be funded from Development Contributions refer the Developments Contributions Policy</p>

Name	Description	Benefit	Funding discussion	Funding policy
Water supplies – capital expenditure required for growth	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <p>We provide safe, reliable access to drinking water</p> <p>Waitaki has a diverse, sustainable and growing economy</p> <p>Our infrastructure and services are reliable and affordable</p> <p>Water supply is an essential infrastructure. The community ownership of water services is strongly supported.</p>	<p>The primary benefit from water supply is to consumers in the supply area.</p> <p>The use of water for firefighting purposes assists properties that are not connected to a scheme, and, in the event of a fire</p> <p>The benefits are expected to occur:</p> <p>Over the term of plan</p> <p>Over the life of the asset</p> <p>Primarily to individual users</p> <p>The whole community gets a benefit in terms of health protection.</p> <p>The actions of most individuals or groups have a minor impact</p>	<p>Improvements to provide additional capacity will be funded from development contributions as described in the Development Contributions Policy.</p> <p>The level of contribution will vary on a differential basis, reflecting the fact that different land uses place different demands on the network, and the level of contribution should reflect the level of demand.</p>	<p>User charges 100%</p> <p>Development contributions will fund 100% of the capital expenditure required for growth.</p> <p>Refer the Development Contributions Policy</p>
Commercial and Development Activities				
Economic Development	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki has a diverse, sustainable and growing economy</p> <p>Our infrastructure and services are reliable and affordable</p> <p>Economic development (ED) activity includes commercial investments and commercial property investments which have their own funding policies.</p> <p>It also includes aspects for funding ED initiatives for Council and how it does business.</p> <p>Another element of ED is that in relation to Tourism (refer below) which has a different basis for funding</p>	<p>Benefits accrue to the district as a whole from efforts to grow the economy. The benefits accrue to all sectors of the economy</p> <p>The benefits are expected to occur:</p> <p>Over the term of plan & beyond</p> <p>Primarily to the district as a whole</p> <p>The actions of many individuals and groups have an impact on ED</p>	<p>Funding sources recognise that the benefits accrue to the whole district</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating basis:</p> <p>50% general rate – land value</p> <p>50% targeted rate – capital value – district services</p>

Name	Description	Benefit	Funding discussion	Funding policy
Tourism Development and Visitor Services	Tourism Waitaki is funded to provide visitor information centres across the district. Also to funds tourism and aligned development and events services that promote the district as a visitor destination.	<p>The majority of the benefit from these services is to the district as a whole. It benefits businesses involved in tourism and the wider economy with increased foot traffic entering the district - buying goods and services. Thriving business also ensures employment.</p> <p>The benefits are expected to occur: Over the term of the plan Primarily to the district as a whole Tourism-based businesses as a group receive some benefits however these have a wide flow on effect in the community</p>	<p><u>Operational</u></p> <p>The benefits of tourism accrue mostly to the whole district accordingly Tourism is to be funded from a Uniform Annual General Charge (previously rates). A UAGC recognises that the use of a general rate can disadvantage outlying communities</p> <p>It is recognised that some businesses receive a greater benefit from this service than others. This is recognised with 10% of funding being recovered from the Oamaru Business area.</p> <p>While isites charge accommodation providers and others for selling services –these do not fully recover operational costs and the net cost is rate funded.</p> <p>Some funding will be available from reserves as defined by Council (i.e. for events).</p> <p>The Alps 2 Ocean project is funded as a footpath</p>	<p>Other income 0% Rates 100% 10% targeted rate - Capital Value Oamaru Business Area 90% Uniform Annual General Charge</p> <p>Reserves as defined by Council includes Business Rates reserve</p> <p>A2O Project Rating basis: 90% capital value – whole district 5% targeted rate– capital value – electricity generation 5% targeted rate – capital value - mining</p>

Name	Description	Benefit	Funding discussion	Funding policy
Oamaru Blue Penguin Colony (OBPC)	The Oamaru Blue Penguin Colony is managed through 'Tourism Waitaki'	<p>The primary benefit is to those viewing the birds and also those who rely on tourism as the colony provides a lead tourism draw card for the district.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> Over the term of the plan Over the life of the asset Primarily to individual users Partly to the district as a whole in 	<p><u>Operational</u></p> <p>The OBPC operates as a commercially successful tourism venue and provides a facility to support the colony. It also provides a lead venue with brand recognition that helps increase tourism to and brand awareness for the district.</p> <p><u>Capital</u></p> <p>Surpluses and loans</p>	<p>Other income 100%</p> <p>Rates 0%</p> <p>Rating basis: N/A</p> <p>Surplus applied to Tourism and Visitor Services and Other Services.</p>
Commercial Property	Council will continue to be involved in this activity without any significant change. This activity contributes to the following outcome, Waitaki as a diverse, sustainable and growing economy.	<p>The primary benefit from commercial property is the use of the property by commercial tenants. This activity is a private good.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> Over the term of the Plan Over the life of the asset Primarily to individual users Partly to the District as a whole <p>It provides for earnings in support of the district with Endowment Funds and Provides land in support of ED initiatives to grow and build the District</p>	<p><u>Operational</u></p> <p>The benefits accrue primarily to users. Who need to pay for the service provided by way of rents etc.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be funded from depreciation reserves or loans where no depreciation.</p> <p>Improvements to increase levels of service will be funded by way of loan equivalent to the life of the asset, with servicing costs being included in operational costs.</p>	<p>Other income 100%</p> <p>Rates 0%</p> <p>Rating Basis: 100% Targeted Rates – Capital Value – District Services</p> <p>Loans will fund capital items not depreciated</p>

Name	Description	Benefit	Funding discussion	Funding policy
Forestry		<p>Most trees in council's forestry portfolio were not planted or managed for the purpose of investment, although this area is now managed for best return.</p> <p>The operational purpose of each site was generally in support of catchment protection, control of run-off, passive recreation amenity or visual amenity.</p> <p>Most of the benefits relate to operational activities such as water supply, where the benefits accrue with property ownership.</p>	<p><u>Operational</u></p> <p>Forestry benefits accrue to the district as a whole and are largely property-based benefits.</p> <p>Any expenditure of a capital nature would generally be funded from forestry returns.</p>	<p>Reserves and other income - 0%</p> <p>To offset expense as forests are harvested.</p> <p>Rates 100%</p> <p>Rating basis: 100% general rate – land value</p> <p>Plantings of Forests would be offset by incomes overtime and initially rates funded</p>
Operational property	Operation property provides for property in support of council services such as buildings for operations, the Art Gallery, the Forrester Gallery and the various museums.	The primary benefit from operational property is the use of the property by tenants. In this case, the tenants are council operations.	<p><u>Operations</u></p> <p>Surplus revenue over expenditure is allocated against general rates based on land value. This reflects the use of operational properties for governance to serve the whole district.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be primarily funded from depreciation.</p> <p>Funding of improvements will depend on the nature of the property. The mix will vary from project to project and will be determined on an individual basis.</p> <p>Some improvements and developments will be eligible for third party funding. Council will try to maximise this.</p> <p>Others will be funded from reserves, including proceeds from property sales.</p> <p>Others will be funded from loans.</p>	<p>Other income 0%</p> <p>Rates - 100%</p> <p>Rating basis: 100% general rate – land value</p> <p>This can vary dependent on – on costing and funding for relevant activity area.</p> <p>Capital will be funded as defined for each project</p>

Name	Description	Benefit	Funding discussion	Funding policy
Oamaru Airport	<p>Council is involved in this activity as operator of Oamaru Airport. This activity contributes to the following community outcomes:</p> <p>Waitaki has a diverse, sustainable and growing economy</p> <p>Waitaki is recognized as a good place to do business, and people choose to invest in the District</p> <p>There is also an area of land that is attached to the airport but not required for direct airport operations that is currently leased.</p>	<p>The primary benefit from the airport is the movement of aircraft for business and recreational purposes and the users of these. It also provides a broad economic benefit to the district.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to individual users</p> <p>Partly to the district as a whole in support of the community outcomes</p>	<p><u>Operational</u></p> <p>Where possible these costs will be recovered from user charges, including the lease of non-operational land. Leases on land will be reviewed based on market conditions at the time of renewal.</p> <p>A specific reserve will be used to balance the funding across years.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be funded from depreciation reserves. Improvements will be funded by way of loan equivalent to the life of the asset, with servicing costs being included in operational costs.</p>	Other income - 100%

Name	Description	Benefit	Funding discussion	Funding policy
Arts, heritage and community				
North Otago Museum (includes Archives)	<p>This activity contributes to the following community outcomes.</p> <p>Waitaki is a desirable place to live</p> <p>We recognise, value and respect Waitaki as a great place to live, visit, work and play</p> <p>We understand and respect our cultural traditions and values, including w hi tapu (sacred places) and w hi taoka (treasured resources).</p> <p>Waitaki is served by responsive and efficient local government</p> <p>Council conducts its business in a transparent, efficient and prudent manner</p>	<p>The museum provides for exhibitions and use of the archives by visitors to the museum.</p> <p>The residents of Oamaru and Corriedale enjoy proximity to the museum, and other residents benefit from outreach activities and travel to use the museum.</p> <p>Businesses in the Oamaru business area benefit from more foot traffic in town.</p> <p>The district as a whole has a collective sense of history due to preservation of collections of regional significance and the contribution of the museum to the regional visitor and tourism economy.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Partly to individual user</p> <p>Partly to the district as a whole</p> <p>With recognition to proximity</p> <p>The actions of most individuals or groups have a minor impact on this activity.</p>	<p><u>Operational</u></p> <p>Council policy is to ensure cost effective access to heritage and leisure amenities.</p> <p>High levels of user charging would be contrary to the policy objective of providing cost effective access. However, costs are recovered through donations, retail sales, and fees for use of the archives.</p> <p>The funding ratio is designed to reflect the varying levels of access that the different wards have to the facility.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be primarily funded from depreciation.</p> <p>Funding of improvements will depend on the nature of the project.</p> <p>Some improvements and developments will be eligible for third party funding. Council will try to maximise this.</p> <p>Others will be funded from reserves, including proceeds from bequests, donations and similar types of funding. With others funded from loans and then service on the same basis as operations. The mix will vary from project to project and will be determined on an individual basis.</p>	<p>Other income 10%</p> <p>Rates - 90%</p> <p>Rating basis: ratio</p> <p>Targeted rates</p> <p>Oamaru 4</p> <p>Corriedale 3</p> <p>Ahuriri 1</p> <p>Waihemo 1</p> <p>Total = 90% of rates required</p> <p>Targeted rate – capital value – Oamaru business area 10%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Forrester Gallery	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki is a desirable place to live</p> <ul style="list-style-type: none"> We recognise, value and respect Waitaki as a great place to live, visit, work and play 	<p>The Gallery provides for exhibitions and use of the archives by visitors to the Gallery.</p> <p>The residents of Oamaru and Corriedale enjoy proximity to the Gallery, and other residents benefit from specific exhibitions and when they travel to use the Gallery.</p> <p>Businesses in the Oamaru business area benefit from more foot traffic in town.</p> <p>The district as a whole has a collective sense of pride and benefits from collections of regional and national significance and the contribution of the Gallery to the regional visitor and tourism economy.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> Over the term of the plan Over the life of the asset Partly to individual users Partly to the district as a whole with recognition to proximity. The actions of most individuals or groups have a minor impact on this activity. 	<p><u>Operational</u></p> <p>Council policy is to ensure cost effective access to heritage and leisure amenities. The private good component is recovered through user donations, commission on sales of exhibited works on behalf of artists, retail sales and volunteer contributions. High levels of user charging would be contrary to the policy objective of providing cost effective access.</p> <p>The funding ratio is designed to reflect the varying levels of access that the different wards have to the facility.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be primarily funded from depreciation.</p> <p>Funding of improvements will depend on the nature of the project.</p> <p>Some improvements and developments will be eligible for third party funding. Council will try to maximise this.</p> <p>Others may be funded from;</p> <ul style="list-style-type: none"> Reserves, including proceeds from bequests, donations and similar types of funding. Loans and then serviced on the same basis as operations. <p>The mix will vary from project to project and will be determined on an individual basis.</p>	<p>Other income 10%</p> <p>Rates 90%</p> <p>Rating basis: ratio</p> <p>Targeted rates</p> <p>Oamaru 5</p> <p>Corriedale 3</p> <p>Ahuriri 1</p> <p>Targeted rate</p> <p>Waihemo 1</p> <p>Total = 90% of rates required</p> <p>Targeted rate – capital value – Oamaru Business area 10%</p>

Name	Description	Benefit	Funding discussion	Funding policy	
Waitaki Libraries	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <p>Our green-spaces, sports fields, libraries and recreation facilities are well managed and encourage healthy, active lifestyles and learning</p> <p>Waitaki is a desirable place to live</p> <p>We recognise, value and respect Waitaki as a great place to live, visit, work and play</p>	The primary benefit from libraries is the borrowing and use of library material and resources.	<u>Operational</u> Council policy is to ensure cost effective access to heritage and leisure amenities. The private good component of library activities is recovered through user charges, and fines. High levels of user charging would be contrary to the policy objective of providing cost effective access. User recovery is also constrained by s.142 of the local government act 2002.	Other income	10%
		The library attracts visitors to Oamaru which benefits local businesses	Some improvements and developments will be eligible for third party funding. Council will try to maximise this.	Rates	90%
				Rating basis:	ratio
				Targeted rate	
		The residents of the Oamaru ward enjoy greater access to the main library; however, the network of branches means that the other wards enjoy ready access to the service at a lower level.	Others may be funded from; Reserves, including proceeds from bequests, donations and similar types of funding. Loans and then serviced on the same basis as operations.	Oamaru	3
				Corriedale	2
				Ahuriri	2
		The Districts residents are enriched by the preservation of collections of regional significance and the contribution of the library to a well-informed and literate community.	The mix will vary from project to project and will be determined on an individual basis.	Waihemo	2
				Total = 92% of rates required	
				Targeted rate – capital value – Oamaru Business Area	
The benefits are expected to occur: Over the term of the plan Over the life of the asset Partly to individual users Partly to the district as a whole with recognition to proximity		8%			

Name	Description	Benefit	Funding discussion	Funding policy
Opera House	<p>The opera house serves as a: community facility commercial business venue for the performing arts and other cultural activities</p> <p>This activity contributes to the following outcomes: Waitaki is a desirable place to live The community celebrates Waitaki's vibrant culture and regularly attends cultural facilities and events</p>	<p>The primary benefit is to those that hire the facility for various entertainment business and other functions.</p> <p>The Opera house provides an important leisure amenity and preservation and use of an important heritage building. It provides mostly for Oamaru and Corriedale wards because of their proximity to the Opera House.</p> <p>The Opera house attracts visitors to Oamaru which supports business.</p> <p>The benefits are expected to occur: Over the term of the plan Over the life of the asset Primarily to individual users Partly to the district as a whole with recognition for proximity</p>	<p><u>Operational</u></p> <p>Funding is mainly from hire and charges from those that using the venue. Council will seek to maximise the revenues from these sources, particularly from commercial users. Charges will be market driven.</p> <p>Rates will be primarily charged to the Oamaru Ward in recognition of proximity to the facility. However all wards will contribute to recognise the whole district benefit.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be primarily funded from depreciation.</p> <p>Some improvements and developments will be eligible for third party funding.</p> <p>Council will try to maximise this.</p> <p>Some improvements and developments will be eligible for third party funding. Council will try to maximise this.</p> <p>Others may be funded from; Reserves, including proceeds from bequests, donations and similar types of funding. Loans and then serviced on the same basis as operations.</p> <p>The mix will vary from project to project and will be determined on an individual basis.</p>	<p>Other income 50%</p> <p>Rates 50%</p> <p>Rating basis: ratio</p> <p>Targeted rate</p> <p>Oamaru 5</p> <p>Corriedale 3</p> <p>Ahuriri 1</p> <p>Waihemo 1</p> <p>Total = 90% of rates required</p> <p>Targeted rate – capital value – Oamaru Business Area 10%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Community Safety, Development, and Grants	<p>This activity provides for grants in exchange for services provided by community groups, facilitating Community Safety and Development projects.</p> <p>This activity contributes to the following community outcomes:</p> <p>Waitaki is a desirable place to live</p> <p>We recognise, value and respect Waitaki as a great place to live, visit, work and play</p>	<p>All the people in the district enjoy access to the services funded by way of grants. Some services are located in specific communities but the activities funded are spread across the district. Any person may make application for a grant provided they comply with council policy. The grants are for services that are, in the main, non-excludable.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Primarily to the district as a whole in support of the community outcomes</p>	<p><u>Operational</u></p> <p>This is a people based activity which is funded evenly across the district.</p> <p>No capital expenditure will occur in this activity.</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating basis:</p> <p>Uniform annual general charge</p>

Name	Description	Benefit	Funding discussion	Funding policy
Otago Museum	<p>This activity provides for a grant to the operation of the Otago Museum. This grant is a legal requirement under the Otago Museum Trust Board Act 1996 and the Heads of Agreement between the Trust Board and contributing local authorities.</p> <p>Waitaki is a desirable place to live</p> <p>We understand and respect our cultural traditions and values, including w hi tapu (sacred places) and w hi taoka (treasured resources).</p>	<p>Council is required to make this contribution. This cost will be spread across the District.</p> <p>The benefits are expected to occur: Over the term of the Plan Primarily to the District as a whole in support of the community outcomes. The actions of most individuals or groups have a minor impact on this activity.</p>	<p>Operational</p> <p>This is a people based activity which should be funded evenly across the District.</p> <p>No capital expenditure will occur</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating Basis: Uniform Annual General Charge</p>

Name	Description	Benefit	Funding discussion	Funding policy
Parks and recreation				
Aquatic Centre	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <p>Our communities are safe places to live work and play</p> <p>Our green-spaces, sports fields, libraries and recreation facilities are well managed and encourage healthy, active lifestyles and learning</p> <p>Waitaki has a diverse, sustainable and growing economy</p> <p>Our infrastructure and services are reliable and affordable</p> <p>Waitaki is a desirable place to live</p> <p>We recognise, value and respect Waitaki as a great place to live, visit, work and play</p> <p>Council recognises that its role is to ensure cost effective access to leisure amenities.</p>	<p>The primary benefit from the aquatic centre is the use of the pools for recreation, sporting, educational, and water safety purposes with the greatest access enjoyed by Oamaru and Corriedale residents.</p> <p>The regional visitor uses the centre which benefits businesses in the area.</p> <p>The community enjoys access to a facility to improve fitness, health and water safety.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to individual users</p> <p>Partly to the district as a whole in support of the community outcomes</p>	<p><u>Operational</u></p> <p>Council policy is to ensure cost effective access to leisure amenities.</p> <p>User charges are made for casual recreation use, fees for recreation programmes and swim teaching, and retail sales.</p> <p>User charges may not fully recover the economic allocation of costs and to ensure cost effective access continues.</p> <p>The use of targeted rates recovers 90% costs not recovered through user charges with a ward targeted rate ratio reflecting proximity for use.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be primarily funded from depreciation.</p> <p>Funding for improvements will depend on the nature of the project.</p> <p>Some improvements and developments will be eligible for third party funding. Council will try to maximise this. Others may be funded from;</p> <p>Reserves, including proceeds from bequests, donations and similar types of funding.</p> <p>Loans and then serviced on the same basis as operations.</p> <p>The mix will vary from project to project and will be determined on an individual basis</p>	<p>Other income 30%</p> <p>Rates 70%</p> <p>Rating basis: ratio</p> <p>Targeted rate Oamaru 5</p> <p>Corriedale 3</p> <p>Ahuriri 1</p> <p>Waihemo 1</p> <p>Total = 90% of rates required</p> <p>Targeted rate – capital value – Oamaru business 10%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Gardens and green spaces				
Oamaru public gardens	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <p>Our communities are safe places to live work and play</p> <p>Our green-spaces, sports fields, libraries and recreation facilities are well managed and encourage healthy, active lifestyles and learning</p> <p>Waitaki is a desirable place to live</p> <p>We recognise, value and respect Waitaki as a great place to live, visit, work and play</p>	<p>Oamaru public gardens is for the recreational enjoyment of the amenity by visitors</p> <p>The residents of Oamaru and Corriedale proximity to the gardens and there is some benefit to other wards whose residents travel to visit the gardens.</p> <p>District wide benefit includes the preservation of natural heritage of regional significance, and the contribution of the gardens to the regional visitor economy.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to the district as a whole with recognition to proximity</p>	<p><u>Operational</u></p> <p>The targeted rate ratio of Oamaru 4, Corriedale 3, Ahuriri and Waihemo 2 reflects proximity to the gardens.</p> <p>The Oamaru business rate recognises a visitor attraction benefit to Oamaru businesses.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be primarily funded from depreciation where possible.</p> <p>Some improvements and developments will be funded from contributions received under the Resource Management Act. Council will try to maximise this.</p> <p>Others may be funded from;</p> <p>Reserves, including proceeds from bequests, donations and similar types of funding.</p> <p>Loans and then serviced on the same basis as operations.</p> <p>The mix will vary from project to project and will be determined on an individual basis.</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating basis: ratio</p> <p>Targeted rate</p> <p>Oamaru 4</p> <p>Corriedale 3</p> <p>Ahuriri 2</p> <p>Waihemo 2</p> <p>Total = 90% of rates required</p> <p>Targeted rate – capital value – Oamaru business</p> <p>Area 10%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Reserves and open spaces	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy Our communities are safe places to live work and play Our green-spaces, sports fields, libraries and recreation facilities are well managed and encourage healthy, active lifestyles and learning</p> <p>Waitaki is a desirable place to live We recognise, value and respect Waitaki as a great place to live, visit, work and play</p>	<p>It provides the District wide landscape amenity created by maintaining green space and street beautification (also playgrounds)</p> <p>The benefits are expected to occur: Over the term of the plan Over the life of the asset Primarily to the district as a whole</p>	<p><u>Operational</u></p> <p>Rates funding recognises the provision of landscape amenity is across the District. Also that local residents enjoy the benefits of landscape amenity in their locality. A ward rate enables local communities to exercise local choice.</p> <p><u>Capital</u></p> <p>Where available depreciation funds will be used for renewals</p> <p>Others may be funded from; Reserves, including proceeds from bequests, donations and similar types of funding. Loans and then serviced on the same basis as operations.</p> <p>The mix will vary from project to project and will be determined on an individual basis.</p> <p>Some improvements and developments will be funded from contributions received under the Resource Management Act.</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating basis: Targeted rate – Ward services – capital value</p>

Name	Description	Benefit	Funding discussion	Funding policy
Sports grounds	<p>This activity contributes to the following outcomes:</p> <p>Waitaki people are safe and healthy</p> <p>Our communities are safe places to live work and play</p> <p>Our green-spaces, sports fields, libraries and recreation facilities are well managed and encourage healthy, active lifestyles and learning</p> <p>Waitaki is a desirable place to live</p> <p>We recognise, value and respect Waitaki as a great place to live, visit, work and play</p>	<p>The primary benefit from sports grounds is their use for recreation; Use by groups for organised activities means that they may not always be available for all users.</p> <p>Some specialised grounds have no public access to them. However, in most cases they are usually available for casual use by the whole community.</p> <p>Major sporting events and tournaments assist the regional visitor economy.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to the district as a whole in support of the community outcomes</p> <p>Partially to groups and individuals involved in organised sports that require these facilities.</p>	<p><u>Operational</u></p> <p>Council policy is to ensure cost effective access to heritage and leisure amenities.</p> <p>Private use is recovered through ground rentals for leased areas and fees for seasonal or one-off use. A 5% overall costs recovery is estimated.</p> <p>The use of targeted rates to recover 75% recognises the public good is people-based.</p> <p>The use of general rates recognises the economic benefit to the district.</p> <p><u>Capital</u></p> <p>Where available depreciation funds will be used for Renewal</p> <p>Others may be funded from;</p> <p>Reserves, including proceeds from bequests, donations and similar types of funding. Council will try to maximise this.</p> <p>Loans and then serviced on the same basis as operations.</p> <p>The mix will vary from project to project and will be determined on an individual basis.</p> <p>Some improvements and developments will be funded from contributions received under the Resource Management Act.</p>	<p>Other income 5%</p> <p>Rates 95%</p> <p>Rating basis:</p> <p>Rates – uniform annual general charge 75%</p> <p>General rate – land value 25%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Community Amenities				
Cemeteries	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki distinctive natural environment is valued and protected</p> <p>We manage land use sustainably and sensitively</p>	<p>There is the provision of burial facilities and services for individuals.</p> <p>The District in turn has available green space, protecting public health by ensuring the safe disposal of human remains, and in maintaining cemeteries and cemetery records for future generations to locate their ancestor's burial plot/site.</p> <p>The benefits are expected to occur: Over the term of the plan Over the life of the asset. Partly to individual users Partly to the district as a whole in support of the community outcomes</p>	<p><u>Operational</u></p> <p>Individuals pay user charges (burial fees and plot charges).</p> <p>With the wider district elements covered by a uniform annual general charges as it is considered people based</p> <p><u>Capital</u></p> <p>Renewal expenditure will be funded from available depreciation reserves</p> <p>Minor improvements that are ongoing in nature will be rate funded.</p> <p>Major developments will be funded by way of loan equivalent to the life of the asset, with servicing costs being included in operational costs.</p>	<p>Other income 50%</p> <p>Rates 50%</p> <p>Rating basis: Uniform annual general charge 100%</p>
Public halls and community centres	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy.</p> <p>Our green spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyles and learning</p> <p>Our communities are protected through appropriate emergency responses, regulation and enforcement</p>	<p>Public halls provide a venue for community activities for those in the hall rating area. Generally each hall can be used by only one group at a time.</p> <p>The benefits are expected to occur: Over the term of the plan Over the life of the asset Primarily to the immediate area supporting the community hall / centre</p>	<p><u>Operational</u></p> <p>The targeted rate recognises the benefit from the activity is focussed mainly on the hall rating area. Council has simplified the previous 27 individual hall rates into five options of \$20, \$30, \$40, \$50 and \$60 to be determined by the respective Hall Committees</p> <p><u>Capital</u></p> <p>There will be minor improvements that are ongoing in nature that will be rate funded. Major developments will be primarily funded by community fundraising and other third party income. Loans may be used to fund any shortfalls with servicing costs being included in operational costs.</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating basis: Targeted rate – halls</p>

Name	Description	Benefit	Funding discussion	Funding policy
Waitaki lakes camping grounds	<p>This activity contributes to the following community outcomes: Waitaki people are safe and healthy.</p> <p>Our green spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyles and learning</p>	<p>Campers enjoy most of the benefit from lakes camping. This is a benefit to the individuals who choose this form of recreation.</p> <p>The facilities available are also used by casual users and visitors that do not stay overnight, which is a public benefit.</p> <p>This can aid economic development for the district as a whole, and more particularly the Ahuriri ward.</p> <p>Council policy is to ensure cost effective access to leisure amenities with individual use recovered through camping fees.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> Over the term of the plan Over the life of the asset Primarily to individual users Partly to the district as a whole 	<p><u>Operational</u></p> <p>Private use is offset by user charges (camping fees)</p> <p>Rates on land value recognise the general availability for public and casual use. With some differentiation due to the economic development benefits that accrue to the whole district but mainly to the Ahuriri ward and are a legacy of hydroelectric development.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be funded from available depreciation reserves.</p> <p>Minor improvements that are ongoing in nature that will be rate funded. Major developments will be funded by way of loan equivalent to the life of the asset, with servicing costs being included in operational costs.</p>	<p>Other income 60%</p> <p>Rates 40%</p> <p>Rating basis: Targeted rate – differentiated</p> <p>Electricity generation 70%</p> <p>General rate – land value 30%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Waitaki Community Recreation Centre	<p>The Waitaki Recreation Centre provides recreation opportunities for the people of the District, operates programmes supporting health and fitness, and is a venue for community events. The Centre is located in Oamaru.</p> <p>This activity contributes to the following community outcomes:</p> <ul style="list-style-type: none"> • Waitaki people are safe and healthy: we have active, healthy lifestyles supported by easy access to a wide variety of physical recreation and health education. • Waitaki has a diverse, sustainable and growing economy. 	<p>It recognises the benefit accruing to the District from the ongoing availability of an important leisure amenity. This recreation benefit is a people-based benefit, and accrues mainly to people living in the Oamaru and Corriedale wards because of their proximity to the Centre. There is also a benefit to the community as a whole from the Centre to the District economy as a venue for community events. This economic development benefit is to the District as a whole and is not people-based.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> • Over the term of the Community Plan. • Over the life of the asset. • Primarily to the people in Oamaru and Corriedale. • Partly to the District as a whole in support of the community outcomes. • The actions of most individuals or groups have a minor impact on this activity. 	<p>This activity provides for a grant to the Waitaki Recreation Centre Trust for the operation and maintenance of the Waitaki Recreation Centre. The Council grant supplements income from user charges and other sources.</p> <p>The choice of these funding sources recognises that the recreation benefits are the main benefit and that this accrues to people in Corriedale and Oamaru. It also recognises that the economic development benefit is to the whole District.</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating Basis: Targeted Rate – Oamaru and Corriedale 70%</p> <p>General Rate – Land Value 30%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Community housing	<p>This activity contributes to the following outcomes:</p> <p>Waitaki People are safe and healthy</p> <p>Our communities are places to live work and play</p>	<p>Tenants primarily benefit from community housing</p> <p>Council's objective for the community housing activity is that it should be self-funding and not be subsidised by rates.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to individual users</p> <p>Partly to the district as a whole in support of the community outcomes</p>	<p><u>Operational</u></p> <p>Rents are at or near market value and set in accord with the Community Housing Policy</p> <p>Council policy requires that any operational surpluses or deficits from this activity be placed into a community housing reserve to fund capital commitments and possible future community housing developments.</p> <p>Council recognises that at times this activity may not be self-funding. If no reserves are available then any short fall will be funded from rates. This funding will be recovered across the district as a whole on a capital value basis.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be primarily funded from depreciation.</p> <p>Funding of improvements will depend on the nature of the project. Some improvements and developments will be eligible for third party funding. Council will try to maximise this.</p> <p>Developments may be funded from</p> <p>The disposal of some of the current stock of units if it is determined they are no longer suitable for the intended purpose.</p> <p>Loans and then serviced on the same basis as operations.</p> <p>Community housing improvements may be funded from rates</p> <p>The mix will vary from project to project and will be determined on an individual basis.</p>	<p>Other income 100%</p> <p>Rates</p> <p>Shortfall only</p> <p>Rating basis:</p> <p>Operating deficits/surpluses are applied to the following purposes:</p> <p>Community housing reserves – 100%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Public toilets	This activity contributes to the following community outcomes: Waitaki people are safe and healthy.	Mainly visitors and those away from their home use public toilets generally in support of leisure pursuits, tourism and commercial businesses (in urban areas). The benefits are expected to occur: Over the term of the plan Over the life of the asset To the district as a whole Primarily to individual users Partly to the district as a whole	<u>Operational</u> Uniform annual general charges provide recognition of the mostly people-based benefit. A higher level of service is provided in the Oamaru Business Area and this is recognised. <u>Capital</u> Renewal expenditure will be funded from depreciation reserves Improvements to increase levels of service will be funded by way of loan equivalent to the life of the asset, with servicing costs being included in operational costs.	Other income 0% Uniform annual general charge 90% Targeted Rate - Capital Value - Oamaru Business Area - 10%
Town Centre Services Township works	This activity contributes to the following community outcomes: Waitaki people are safe and healthy Our road network is well maintained and we promote safe travel Waitaki has a diverse, sustainable and growing economy Waitaki is recognized as a good place to do business, and people choose to invest in the District Waitaki is a desirable place to live Waitaki as a great place to live, visit, work and play The provision of a safe, comfortable and clean urban roading and township streetscape environment is important to the community's physical and social well-being.	The benefits of township works are in visual amenity and safety for people in townships, the area serviced by the township and properties in business areas with higher levels of service. The benefits are expected to occur: Over the term of the plan Over the life of the asset Primarily to the township and ward they are located in. Partially to the district as a whole in support of the community outcomes The actions of others do contribute to the costs, particularly in relation to litter bin collection and disposal.	<u>Operational</u> As townships and their surrounds have an impact on the level of service they receive, it is considered use of a capital value ward based charge is the best match to the benefit received. This recognises that all townships service an area greater than the township itself and the benefit relates to the size and use of properties. <u>Capital</u> Depreciation is fully funded and so renewals will be funded from this. Otherwise the approach will mirror that described under roading.	Other income 0% Rates 100% Rating basis: 100% targeted rate – capital value – serviced wards

Name	Description	Benefit	Funding discussion	Funding policy
Christmas decorations	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <p>Our communities are safe places to live work and play</p>	Decorations are provided in towns across the district. Most decorations are in the Oamaru business area.	<p><u>Operational</u></p> <p>Christmas Decorations benefit the whole district. The targeted rate considers the business benefit from decorations in Oamaru town centre.</p>	<p>User charges 0%</p> <p>Rates 100%</p> <p>Rating basis:</p> <p>Targeted rate – Oamaru business area – capital value 60%</p> <p>Targeted rate – district services – capital value 40%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Environment, Regulation and Safety				
Animal control	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy.</p> <p>Our communities are safe places to live work and play</p> <p>Our communities are protected through appropriate emergency responses, regulation and enforcement</p>	<p>Dog registration is a service that benefits dog owners by allowing legal ownership of dogs and enabling impounded dogs to be traced to their owners. Dog ranging, pound keeping and response to animal complaints are activities that protect the public from the negative effects of the actions or inactions of dog owners.</p> <p>The allocation of costs is modified on grounds of fairness and equity to recognise that the costs of controlling the negative effects of the actions or inactions of animal owners should be borne by those owners.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to individual users</p> <p>Partly to the district as a whole</p>	<p><u>Operational</u></p> <p>Council expects to break even on expenditure against revenue. Any surplus will be allocated to offset the following year's rates.</p> <p>User charges recognise that the benefits of registration activities are to dog owners and the costs of responding to complaints about dogs and wandering stock are driven by the actions or inactions of animal owners.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be funded from depreciation.</p> <p>Other capital expenditure involves relatively small, irregular amounts. These will be funded on the same basis as operational costs.</p>	<p>Other income 100%</p> <p>Rates 0%</p>
Building control	<p>The covers the issue of building consents, code compliance certificates, project information memoranda and land information memoranda.</p> <p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy.</p> <p>Our communities are protected through appropriate emergency responses, regulation and enforcement</p>	<p>Individuals that apply for consents and use the other services in this area directly drive the majority of the costs.</p> <p>These building control activities also provide the public entering the building and future owners and occupiers of the building</p> <p>Information is supplied to the public through inquiries.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to individual users</p> <p>Partly to the district as a whole</p>	<p><u>Operational</u></p> <p>User charges are favoured for those that apply for building consents, code compliance certificates, PIMs or LIMs.</p> <p>The use of a uniform annual general charge funds the public benefits element across the whole district.</p> <p><u>Capital</u></p> <p>Capital expenditure involves relatively small, irregular amounts. These will be funded on the same basis as operational costs.</p>	<p>Other income 70%</p> <p>Rates 30%</p> <p>Rating basis:</p> <p>Uniform annual general charge 100%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Environmental health	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy.</p> <p>Our communities are protected through appropriate emergency responses, regulation and enforcement</p> <p>Public health activities are mandatory activities for local authorities under The Food Act 1981, The Health Act 1956, The Food Hygiene Regulations 1981 and various other acts and regulations.</p>	<p>The benefits of inspection and licensing of premises (including food premises, camping grounds, hairdressers, offensive trades and funeral directors) accrue mostly to the business owner.</p> <p>The protection of public health by ensuring these premises meet requirements is a benefit to the public.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to individual users</p> <p>Partly to the district as a whole</p>	<p><u>Operational</u></p> <p>User charges recognise the benefits to people who apply for licences.</p> <p>The use of uniform annual general charge provides for the public protection elements</p> <p>This funding policy proposes a 70% recovery from user charges (licence fees). Council plans to transition to 70% user charges over the term of this policy.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be funded from depreciation.</p> <p>Other capital expenditure involves relatively small, irregular amounts. These will be funded on the same basis as operational costs.</p>	<p>Other income 70%</p> <p>Rates 30%</p> <p>Rating basis:</p> <p>Uniform annual general charge 100%</p>

Environmental monitoring and hazardous substances	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy.</p> <p>Our communities are protected through appropriate emergency responses, regulation and enforcement</p> <p>Public health activities are mandatory activities for local authorities The Health Act 1956, and various other acts and regulations.</p>	<p>This is mandatory activity. Monitoring activities generate the costs which benefit the consumers of water supplies – which cover the whole district – and to the users of rivers and lakes that receive discharge from sewage facilities.</p> <p>Health education and notifiable infectious disease response benefit the community as a whole.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to individual users</p> <p>Partly to the district as a whole</p>	<p><u>Operational</u></p> <p>The use of uniform annual general charge to recover the public good recognises that the benefits are to the whole district and are more people-based than property-based.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be funded from depreciation.</p> <p>Other capital expenditure involves relatively small, irregular amounts. These will be funded on the same basis as operational costs.</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating basis:</p> <p>Uniform annual general charge 100%</p>
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Name	Description	Benefit	Funding discussion	Funding policy
Liquor licensing	<p>This activity contributes to the following community outcomes: Waitaki people are safe and healthy. Our communities are protected through appropriate emergency responses, regulation and enforcement The issue of liquor licences is a mandatory activity for local authorities under the sale of liquor act 1989.</p>	<p>The issue of liquor licences is predominantly of benefit to the applicant as most applications are to allow for a commercial activity to take place. These activities also provide benefit to those affected by an application and people who generally benefit from mitigation of the adverse effects (such as protection of public safety). The benefits are expected to occur: Over the term of the plan Over the life of the asset Primarily to individual users Partly to the district as a whole</p>	<p><u>Operational</u> The primary funding sources are user charges (licence fees). Uniform annual general charge funds the public benefit. This funding policy proposes an 80% recovery from user charges (licence fees). This is an estimate as the fees are set by central government which limits council's opportunities to make any adjustments to meet the level of recovery it desires No capital expenditure is expected in this activity.</p>	<p>Other income 80% Rates 20% Rating basis: Uniform annual general charge 100%</p>
Parking enforcement	<p>This activity contributes to the following community outcomes: Waitaki people are safe and healthy. Our communities are protected through appropriate emergency responses, regulation and enforcement Parking enforcement is a discretionary activity for local authorities under the local government act 2002. There is community support for efficient enforcement to ensure regular turnover of car parking space.</p>	<p>Parking is of benefit to the individual and the business community that requires rotation of parking spaces. The enforcement activity also provides public safety benefit by protecting access to fire hydrants and compliance with regulations designed to protect pedestrians and motor vehicles safety through registration and WOF checks The benefits are expected to occur: Over the term of the plan Over the life of the asset Primarily to individual users Partly to the district as a whole The actions of individual and groups help drive the cost by the need to enforce fees and movements.</p>	<p><u>Operational</u> User charges are charged to people who use parking. Fees will be set at a level to try and achieve both good movement (so people do not park all day) and high levels of occupancy. <u>Capital</u> Renewal expenditure will be funded from depreciation or reserves put aside for this purpose. Other capital expenditure involves relatively small, irregular amounts. These will be funded on the same basis as operational costs.</p>	<p>Other income 50% Rates 100% Rating basis: 0% Targeted rate – capital value – Oamaru business area 100% Any carpark meters/permits surplus income 100% user pays - Part to reserve - Balance offsets parking enforcement - any further surplus offsets Oamaru Business Rate</p>

Name	Description	Benefit	Funding discussion	Funding policy
Emergency management				
Civil Defence	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <p>Our communities are protected through appropriate emergency responses, regulation and enforcement</p> <p>Waitaki is served by responsive and efficient local government</p> <p>We recognise and support the work of our volunteers</p>	<p>Civil defence activities are provided for the benefit of all the people in the district as anyone can be affected by an emergency event.</p> <p>Civil defence emergency may be initiated in response to threats to life or property. Mining and hydroelectric electricity generation each present significant risk to the district in the event of earthquake events fracturing a dam on the Waitaki River or the Macraes tailings dam.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Primarily to the district as a whole</p> <p>The actions of individual and groups have a significant impact in this activity.</p>	<p><u>Operational</u></p> <p>Council has chosen to fund the costs on a variety of bases to reflect the benefits received.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be funded from depreciation.</p> <p>Other capital expenditure involves relatively small, irregular amounts. These will be funded on the same basis as operational costs.</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating basis:</p> <p>Uniform annual general charge 50%</p> <p>Targeted rate – 50%</p> <p>Capital value</p> <p>Electricity generation</p> <p>Differential 50%</p> <p>Targeted rate</p> <p>Capital value – mining</p> <p>Differential 25%</p> <p>Capital value</p> <p>Balance of district</p> <p>Differential 25%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Rural fire	<p>Rural fire planning and preparedness</p> <p>This activity contributes to the following community outcomes:</p> <p>Waitaki people are safe and healthy</p> <p>Our communities are protected through appropriate emergency responses, regulation and enforcement</p> <p>Waitaki is served by responsive and efficient local government</p> <p>We recognise and support the work of our volunteers</p>	<p>Rural fire planning and preparedness exists all of the district any area / person could be affected by an emergency event.</p> <p>The benefits are mainly property-based as, while all fires outside the NZ fire service areas are responded to (including property fires and motor vehicle accidents), most rural fires are vegetation fires.</p> <p>Rural fire units support the NZ Fire service in the event of major fires</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to individual users</p> <p>Partly to the district as a whole</p> <p>.</p> <p>The benefits of fire response to an incident are to the specific property that is the location of the fire and the adjoining properties. Council recovers the costs of attending rural fires from the property owner to the maximum possible extent.</p>	<p><u>Operational</u></p> <p>The choice of these funding sources recognises that the activity benefits property across the district.</p> <p>Council recovers the costs of attending rural fires from the property owner to the maximum possible extent.</p> <p><u>Capital</u></p> <p>Renewal expenditure will be funded from depreciation.</p> <p>Other capital expenditure involves irregular amounts.</p> <p>Some of this expenditure will be able to be funded by third parties, by grants in particular.</p> <p>Any residual will be funded on the same basis as operational costs.</p>	<p>Other income</p> <p>As recoverable</p> <p>Rates 100%</p> <p>Rating basis:</p> <p>Capital value – district services 100%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Resource consents	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki's distinctive natural environment is valued and protected.</p> <p>We manage land use sustainably and sensitively</p> <p>Waitaki has a diverse, sustainable and growing economy</p> <p>Waitaki is recognised as a good place to do business, and people choose to invest in the District</p>	<p>The individuals that apply for consents and use the other services in this area are the predominant beneficiaries of this activity. Through their actions they directly drive the majority of the costs.</p> <p>These resource consent activities also provide benefit to persons other than the applicant such future owners and occupiers of the land (a property-based benefit). There is also a person based benefit in relation to the information that is supplied to the public through inquiries.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to individual users</p> <p>Partly to the district as a whole in support of the community outcomes</p> <p>The actions of individuals and groups drive the costs in this activity.</p>	<p>The use of user charges recognises the benefits to people who apply for resource consents.</p> <p>The use of general rate to recover the public good recognises that the benefits are to the whole district and are property-based.</p> <p>No capital expenditure is planned in this activity.</p>	<p>Other income 80%</p> <p>Rates 20%</p> <p>Rating basis:</p> <p>General rate – land value 100%</p>

Name	Description	Benefit	Funding discussion	Funding policy
Democracy Accountability and Governance				
Council	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki is served by responsive and efficient government.</p> <p>Council conducts its business in a transparent, efficient and prudent manner</p> <p>Council is viewed by our community as knowledgeable, trustworthy, approachable and accountable</p> <p>Waitaki residents actively contribute to Council decisions that affect their work, life and play</p> <p>We recognise and support the work of our volunteers</p> <p>We effectively engage with government and other stakeholders in the delivery of our community outcomes</p>	<p>All the people in the district enjoy the right to participate in democratic processes (i.e. A benefit that people can enjoy without owning property).</p> <p>All those with property in the district also benefit as infrastructure servicing properties and utility networks, and services (such as economic development) benefit businesses including utility businesses.</p> <p>The benefits are expected to occur</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to the district as a whole</p>	<p><u>Operational</u></p> <p>The benefits of this activity are available to the whole community and expenditure on council governance is largely independent of the number of residents.</p> <p>A Uniform Annual General Charge (UAGC) is the most appropriate rating mechanism for people based activities.</p> <p>Council resolved the maximum proportion of total revenue from rates (excluding water and sewer charges) will be 30%. Council resolved that the balance not funded by UAGC be 60% general rate – land value and 40% targeted district services rate – capital value.</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating basis:</p> <p>Uniform Annual General Charge 100%</p> <p>This will be modified if required to meet the requirements of the Local Government (Rating) Act limits on annual charges</p>

Name	Description	Benefit	Funding discussion	Funding policy
Community boards	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki is served by responsive and efficient government.</p> <p>Council conducts its business in a transparent, efficient and prudent manner</p> <p>Council is viewed by our community as knowledgeable, trustworthy, approachable and accountable</p> <p>Waitaki residents actively contribute to Council decisions that affect their work, life and play</p> <p>We recognise and support the work of our volunteers</p> <p>We effectively engage with government and other stakeholders in the delivery of our community outcomes</p>	<p>The benefits of this activity are available to all members of the communities served by the community boards. Expenditure on council governance is largely independent of the number of residents.</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to the serviced wards</p>	<p><u>Operational</u></p> <p>The choice of these funding sources recognises the mix of people and property benefits to the wards served by community boards.</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating basis:</p> <p>General rate – land value 60%</p> <p>Targeted rate – Ahuriri and Waihemo 40%</p>
Waihemo Service Centre	<p>Services at Waihemo include a Library, a managed bank and reception for Council enquiry and services.</p> <p>This activity contributes to the following community outcomes:</p> <p>Waitaki is served by responsive and efficient government.</p>	<p>The benefits of the Waihemo service centre fall primarily to the people in the Waihemo ward because of their proximity to the centre. The services provided from the centre are a mix of people-based services and services arising from property ownership.</p>	<p><u>Operational</u></p> <p>The choice of these funding sources recognises that the benefits accrue to property and to the Waihemo ward rather than the whole district.</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating basis:</p> <p>40% targeted rate – capital value – Waihemo</p> <p>60% targeted rate – land value – Waihemo</p>

Name	Description	Benefit	Funding discussion	Funding policy
Community Planning and Consultation	<p>This activity contributes to the following community outcomes:</p> <p>Waitaki's distinctive natural environment is valued and protected.</p> <p>We manage land use sustainably and sensitively</p> <p>Waitaki has a diverse, sustainable and growing economy</p> <p>Waitaki is recognized as a good place to do business, and people choose to invest in the District</p>	<p>These plans, reports and information are available to the community as a whole</p> <p>The benefits are expected to occur:</p> <p>Over the term of the plan</p> <p>Over the life of the asset</p> <p>Primarily to the district as a whole</p>	<p><u>Operational</u></p> <p>The use of general rates and District Rates recognises that the benefits are to the whole district and are a mix of property-based and people-based benefits.</p> <p>No capital expenditure is planned in this activity.</p>	<p>Other income 0%</p> <p>Rates 100%</p> <p>Rating basis:</p> <p>District Rate - Capital Value 40%</p> <p>General rate – land value 60%</p>

Liability management and investment policy

1. Introduction

The Waitaki District Council ("Council") undertakes borrowing, investment and risk management activities (in total referred to in this document as the liability and investment policy). Council's borrowing and investment activities are carried out within the requirements of the Local Government Act 2002.

This liability management and investment policy document provides the policy framework for all of Council's borrowing and investment activities.

1.2 Philosophy

Council acknowledges that there are various financial risks such as interest rate risk, liquidity risk and credit risk arising from its borrowing and investment activities. Council is a risk adverse entity and does not wish to incur unnecessary risk from its borrowing and investment activities.

In relation to Council's borrowing and investment activities, the management focus is on prudent risk management in order to protect Council's budgeted interest costs and stabilise Council's cashflows. Council is able to invest in the development of the district. It is acknowledged that some investments and associated borrowings may carry a higher degree of risk than Council normally associates with cash investments.

2. Borrowing Policy

2.1 Objective

Council's objective is to achieve the lowest possible net borrowing cost within policy parameters by prudently managing funding risk and interest rate exposure. This is achieved by maximising benefits from favourable interest rate movements whilst having levels of protection in place against prolonged and significant adverse interest rate movements.

2.2 General Policy

Council approves, by resolution, the external borrowing requirement (including financial leases) for each financial year during the annual planning process. A resolution of Council is not required for indebtedness in connection to hire purchase, deferred purchase or the giving of credit, the aggregate amount Council determines as not being so significant as to require specific authorisation is \$20,000 or where the period of indebtedness is less than 91 days.

Council must confirm all new loans required to fund expenditure that has arisen subsequent to the Annual Plan. In approving new debt Council considers the impact on its borrowing limits as well as the size and the economic life of the asset that is being funded and consistency with Council's long term Plan.

Council's infrastructural assets generally have long economic lives and long term benefits. The use of debt is seen as an appropriate and efficient mechanism

for promoting intergenerational equity between current and future ratepayers in relation to Council's assets and investments.

Council's ability to readily attract cost effective borrowing is largely driven by its ability to rate and manage its relationships with investors and financial institutions.

2.3 Principles

The following principles are embedded within the policy:

- Borrowed funds will be used to fund capital expenditure and equity investment, except as provided for working capital purposes under Cash Management policies.
- Debt will be used as a residual source of funds after Council has considered all other available options.
- The mix of debt, reserve and revenue funding will be determined by Council.
- Debt raised will be repaid over the economic life of the asset generally restricted to a maximum of 20 years but may be extended to 30 years.
- Unless Council otherwise resolves, interest costs will be treated as part of the operational expenditure and will be funded annually from operating revenue.
- The repayment of principal on debt generally will be funded from operating revenue. Although Council may resolve to repay loans from other capital sources.
- Loans raised by Council where security is required are to be secured as a charge over rates or rate revenue.
- Debt financing is recognised as a component in Council's Revenue and Financing policies and long term plan to provide intergenerational equity which prevents costs being incurred by the current users which are for the benefit of future users.
- Council may raise specific debt associated with significant "one-off" projects and non-financial investments from time to time, including investments in CCTOs.

- Council may borrow through hire purchase, credit, and deferred payment or lease arrangements in the ordinary course of Council business.
- Loans are raised to meet cash management requirements, as internal borrowing is preferred.

2.4 Borrowing Limits

In managing debt, Council will adhere to the following limits (as calculated from Council's latest financial statements):

- Total interest expense (after interest rate risk management costs/benefits) on net debt will not exceed 20% of general revenues.
- Net debt per rateable property will not exceed \$4,000.

where:

- interest expense includes all external and internal costs of borrowing
- general revenues include all income recognised in accordance with Council's accounting policies but exclude vested assets or write-up of assets to fair value
- net debt is gross external and internal debt, less any funds held by external parties or separately invested by Council for the purpose of repayment of the borrowing; and
- per rateable property will be based the number of rating units contained in the rating database at the start of the financial year .

That when considering new borrowing Council should have regard not only to the limits of this policy but also to how the debt will be funded, and the ability to pay of the group of ratepayers that will be rated for the refinancing and repayment of that debt.

Council recognises that in the event of a disaster, at a time where borrowing levels are close to these limits, Council may, after using all other options provided in section 4.9.5, need to borrow above these limits. This additional borrowing will only be made after Council has considered the Districts ability to pay the cost of financing the additional debt.

2.5 Borrowing Mechanisms

Council is able to borrow through a variety of market mechanisms including issuing stock and debentures, direct bank borrowing or accessing the short and long term capital markets directly or indirectly through a Local Government Act vehicle (although this alternative is unlikely in the immediate future given the relatively small amount of Council debt).

In evaluating strategies for new borrowing (in relation to source, term, size and pricing) takes into account the following:

- Available terms from banks and loan stock issuance.
- Draw down amounts to match forecast capital expenditure.
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time.
- Prevailing interest rates and margins relative to term for both loan stock issuance and bank borrowing.
- The total cost of raising borrowing.
- The market's outlook on future interest rate movements as well as its own.
- Legal documentation and financial covenants.

Council is able to use a mixture of short term facilities (which generally have lower credit margins) as well as longer term facilities to achieve an effective borrowing mix, balancing the requirements of liquidity and cost. Council will also maintain short term bank floating rate facilities to enable the repayment and drawdown of debt.

2.6 Liquidity Risk Management

Liquidity risk management refers to the timely availability of funds to Council when needed, without incurring penalty costs.

Council minimises its liquidity risk by:

- Matching operational and capital expenditure closely to its revenue streams and managing cashflow timing differences to its favour.

- Matching borrowing drawdowns to its major capital expenditure and managing cashflow timing differences to its favour.
- Maintaining its financial investments in liquid instruments.
- Maintaining a committed overdraft facility with its relationship bank.
- Avoiding concentration of debt maturity dates (refer below).

To minimise the risk of large concentrations of debt maturing or being reissued in periods where credit margins are high for reasons within or beyond Council's control, Council ensures debt maturity is generally spread widely over a band of maturities.

Specifically, Council manages this by ensuring that:

- No more than 30% or \$10 million (whichever is the higher) of total debt is subject to refinancing in any financial year.

Total debt in this context includes existing as well as planned debt.

2.7 Interest Rate Risk Management

Interest rate risk refers to the impact that movements in interest rates can have on Council's financial budgets and cashflows. Council's borrowing gives rise to direct exposure to interest rate movements. Council seeks to minimise this interest rate risk given the following:

- Council's desire to have predictable, certain interest costs.
- The need to avoid large adverse impacts on annual rates arising from interest rate related rises.
- The long term nature of Council's assets and intergenerational factors.

For amounts greater than \$5 million, Council's general tendency is to have a high percentage of longer term fixed rate or hedged borrowing. Notwithstanding the above, it may be appropriate, depending on Council's outlook on interest rates to have a floating rate profile (any debt or interest rate risk management instrument where interest rates are being reset on a frequency of less than 180 days). The following table provides guidelines for achieving a fixed rate profile, together with the ability to take some floating rate exposure within certain

discretionary authorities. The following applies when external borrowing is expected to be greater than \$5 million. For amounts less than \$5 million any effects are unlikely to be large so a simplified approach is used.

Term of Exposure	Maximum Floating Rate Exposure
	Financial Services Unit Manager ¹
0 - 1 year	20%
1 - 5 years	30%

¹ percentages and terms of exposure in excess of the Financial Services Unit Manager's authority require approval of the delegated Council Committee.

The interest rate risk management strategy is determined on a quarterly basis by monitoring the hedging framework, existing and planned debt, interest rate markets and evaluating the outlook for short term rates in comparison to the rates payable on its borrowing. Council approves an appropriate hedged/ floating rate mix every quarter.

Council may also be exposed to interest rate re-pricing risk on the maturity of existing fixed rate debt that will be refinanced, as well as issue yield risk on planned new debt. Council manages these exposures using the following operational parameter:

- Council can approve hedging up to 100% of re-pricing risk on existing fixed rate debt and issue yield on planned new debt within the next twelve month period.

The approved interest rate risk management strategy is implemented through the use of the following:

- Using interest rate risk management instruments (refer note below) to convert fixed rate borrowing into floating rate or hedged borrowing and floating rate borrowing into fixed rate or hedged borrowing.
- Using interest rate risk management instruments to hedge re-pricing risk on existing fixed rate debt and issue yield on planned new borrowing.

The use of interest rate risk management instruments is approved by Council.

A current list of approved interest rate risk management instruments with appropriate definitions is included in Appendix II. Additions to and deletions from this list are approved by Council.

All hedging contracts are only to protect the interest rate arising on actual debt and forecast debt planned to be raised. Hedging can only take place with counterparties who have a long term credit rating of strong or better.

2.8 Security

Council may borrow on an unsecured basis or if it decides to offer security for borrowing and other financial obligations then it will generally offer rates and rate revenue. In unusual circumstances with prior Council approval, security may be offered in the form of a charge on specific assets.

2.9 Repayment

Council normally repays borrowings on maturity, from general funds. However, other sources of funds may be identified when the loan is approved. Typical examples are development contributions and asset sales.

Table loans provide for the full repayment of the loan over the term of the loan authority. For loans drawn for the purpose of separate rate accounts, Council will consider offering those ratepayers a lump sum option under the provisions of the early payment of rates under Sections 55 and 56 of the Local Government (Rating) Act 2002.

When the repayment provisions for any specific loan have been fully funded, no further contributions will be required for that loan.

Council may select specific debt to be repaid in any one year to optimise the mix of debt.

3. Internal Debt Management

3.1 Objective

Council's primary objective in funding debt internally is to use cash held in capital replacement, depreciation, separate rate, and special and trust funds effectively by establishing an internal loan portfolio that provides funding to internal cost centres. This creates operational efficiencies as savings are created by eliminating the 'bankers margin' that would be owing through Council simultaneously investing and borrowing with the bank.

3.2 Legal Compliance

Internal borrowing was authorised by the Local Government (Rating) Act 2002. Council considers that by applying available funds against debt through this internal debt management policy it is using its funds to most efficient use at low risk.

3.3 General Policy

The internal loan portfolio is used as an input into determining Council's external debt requirements. Where possible, reserves are used to reduce external debt, effectively reducing Council's net interest cost. Where debt financing is approved by the Annual Plan, Council in setting the quarterly treasury strategy will determine the effectiveness of using either external or internal debt.

Internal borrowing activities are consistent with the parameters set out in Section 2.

3.4 Principles

The following principles apply to the management of Council's internal loan portfolio:

- The internal loan is recorded on a schedule of internal loans reported to Council Quarterly as part of the Quarterly Treasury Report.

- Principal and interest amounts are repaid in quarterly instalments. Instalment amounts are agreed on establishment of the loan and determined on a table mortgage basis.
- Interest is charged to each internal loan and for short-term operational deficits in separate rate accounts.
- Interest will be paid to separate rate, depreciation reserves and special and trust funds quarterly, based on average quarterly account balances at the weighted rate of earnings of internal and external investments.
- All rate income collected for the purpose of a loan will be repaid to the loan. Where the actual interest rate varies from the budgeted interest rate Council first applies the interest charge then applies the balance of the income to the loan principal.

3.5 Interest Rates

Interest rates applied to the internal investments and debt is calculated using the following guidelines:

- In setting the rates Council estimates the likely internal borrowing interest rate.
- The actual interest rate is calculated quarterly.
- The interest rate is based on Council's actual weighted average cost of funds and takes into account the following factors:
 - Actual earnings on cash invested for the quarter.
 - Actual cost of External borrowings for the quarter.

4. Investment Policy

4.1 Objective

Council's primary financial objective is the protection of its investment capital while striving to achieve an optimal return on investment. In its non-financial investment activity, Council's primary objective is the attainment of its strategic and economic development objectives as well as the protection of its investment capital.

4.2 Legal Compliance

This policy records Council's policy on the management of its financial assets including, but not limited to, trust funds, special funds, shares, property held in whole or part for investment purposes and financial reserves.

4.3 General Policy

Council's philosophy on the management of investments is to optimise returns in the long term while balancing risk and return considerations. Council recognises that as a responsible public authority any investments that it does hold should be low risk. It also recognises that lower risk generally means lower returns. It is noted that Council may have significant reasons other than financial in investing in CCTOs and other organisations.

Council does not hold financial investments other than those involving special and trust funds, , asset replacement reserves, disaster funds, and cash management balances. In its financial investment activity, Council's primary objective when investing is the protection of its investment. Accordingly, only creditworthy counterparties are acceptable. Council's policy on managing credit risk is contained in Section 7.

Council is required to consider its continuing involvement in any investment and

the expected return from that investment for the ensuing year. Performance measurement guidelines are contained in Section 8.

4.4 Principles

The following principles are embedded within the policy:

- The reasons for investments other than cash will be recorded by way of Council resolution.
- Council has set cash management targets and surplus cash funds held in Council's main bank account will be managed in accordance with those targets. Refer Section 5.
- Credit ratings of counterparties are against updated S&P advices.
- Council does not hold non-financial investments other than those held at the commencement date of this policy and those specifically approved by Council resolution and in terms of the intentions expressed above.

4.5 Investment Mix

Council maintains investments in the following assets:

- Equity investments, including CCTO's and other shareholdings (covered in Section 4.6).
- Property investments incorporating land, buildings and a portfolio of ground leases (covered in Section 4.7).
- Loans and guarantees for community development purposes (covered in Section 4.8).
- Financial assets incorporating longer term and liquidity investments (covered in Section 4.9).

4.6 Equity Investments

Council maintains equity investments, including investment in its CCTO's, and other relatively smaller historic shareholdings in various local government sector companies. Council's investments in these assets fulfil various strategic,

economic development and financial objectives as outlined in Council's long term financial strategy. Council's liability in these entities is restricted to any uncalled share capital.

Council reviews performance of the CCTO investments on a twice annual basis to ensure that their stated objectives are being achieved. Performance criteria are set in the Statements of Corporate Intent of each organisation. All others are reviewed on an annual basis on receipt of annual reports. Any disposition of these investments, as well as acquisition of new equity investments requires Council approval and are subject to provisions within the Local Government Act 2002. Council decides on the allocation of proceeds from the disposition of equity investments on a case by case basis.

4.7 Property Investments

Council's primary objective is to only own property that is necessary for the economic, physical, social development and heritage of the District and to achieve an acceptable rate of return. Council seeks to actively develop its property holdings and is not a passive player in the market.

Council reviews the performance of its property investments on a quarterly basis, and ensures that the benefits of continued ownership are consistent with its stated objectives. Proceeds from the disposition of property investments are used for meeting development costs, retirement of debt relating to such property, alternative property investments or for other capital projects, as approved by Council.

Council from time to time (subject to an assessment of the strategic value of the property, including return on investment), will sell the freehold interest of its leased land to the occupiers. Sales are at market value established by an independent valuer. Sales may be under deferred payment terms. Council retains security of the land title until payment is received in full.

Income from reserves under the Reserves Act must be returned to the reserve properties and is either used to reduce the annual rate requirement or placed in a cash reserve for future projects.

Council holds some strategic properties where there are few alternative uses for the land. As a result Council has a small holding of forestry assets, many on its various parks and reserves. The forestry assets primarily exist to provide protection to the land or to meet aesthetic requirements. Economic gains are incidental to holding these assets. Council decides on the allocation of any surplus proceeds (after repayment of loans) from the disposition of forestry investments on a case by case basis.

Endowment Property

An endowment is a 'gift of money or property to an institution for a specific purpose, especially one in which the principal is kept intact indefinitely and only the interest income is used'. Council endowment properties are held in two portfolios, Harbour Endowment which is for the benefit and development of the harbour with some land in trust for a dock and Council Endowment which is held for general purposes, municipal purposes or purposes of public utility.

Council is responsible for ensuring that the endowment trusts maximise their earnings. Many of the current endowment investments generate poor returns on investment. Council intendeds to actively manage these accounts to maximise he returns as was originally intended.

The consideration of properties for divestment is to allow for the free-holding of sites to encourage the economic development of the district through the private sector and to maximise the income from endowments. Divestment allows for the strengthening of the capital base for increased earnings and additional revenue streams.

Endowment properties will be reviewed with consideration to form a commercial investment model that allows up to 40% of endowment capital investment outside the district.

There are forty-nine (49) Harbour endowment properties of which forty (40) are recommended to be considered for divestment. There are fifty three (53) Council endowment properties with thirty four (34) identified to be considered for divestment. Divestment of endowment properties will be considered on a

property by property basis as per prudent and best management practices with reference to statutory requirements and the terms of endowment. See table.

Location	Legal description	Cfr
Thames Street	Part Section 27, Block III, Town of Oamaru	Part OT181/297
Itchen Street	Lot 9, DP 285	
Itchen Street	Lot 10, DP 2302	OT15C/962
3 Humber Street	Lot 1, DP 16237	OT176/59
Clyde Street	Lot 2, DP 10988	Part OT181/297
Clyde Street	Lot, 1 DP 10988	
Clyde Street	Lots 3/5, DP 10988	
Clyde Street	Lots 5/8, DP 285	OT15B/743
Humber Street	Pt Lot 4, DP 285	OT181/297
Humber Street	Lots 1 - 3, DP 285	OT15B/742
Esplanade	Part Section 27, Block III, Town of Oamaru	Part OTB1/773
Esplanade	Part Section 27, Block III, Town of Oamaru	
Esplanade	Part Section 27, Block III, Town of Oamaru	
Esplanade	Part Lot 1, DP 18767	
Esplanade	Lots 1 & 2, DP 8582	OT393/72
Esplanade	LOT 2 DP 18767	Part OTB1/773
Schedule of Endowment properties – former Oamaru Harbour Board land – to consider for divestment from 1 July 2009		

Location	Legal description	Cfr
Esplanade	Lot 12, DP 6515	Part OT15B/1185
Esplanade	Lots 8 - 10, DP 6515	
Esplanade	Lots 2 - 7, DP 6515	
Esplanade	Lot 1, DP 10194 & Pt Lot 1, DP 11147	Part OTB1/772
Esplanade	Lot 1, DP 12415	Part OTB1/773
Esplanade	Lot 4, DP 18767	
Esplanade	Lot 5 & Pt Lot 6, DP 18767	
Esplanade	Part Lot 6, DP 18767	
Esplanade	Part Lot 6, DP 18767	
Harbour Street	Lot 1, DP332876	134675
Harbour Street	Lot 2, DP 88 & RoW over Harbour St	134676
Harbour Street	Lot 3, DP 88 & RoW over Harbour St	OT18C/519
Harbour Street	Lot 4, DP 88 & RoW over Harbour St	OT18C/520
Harbour Street	Lots 5 & 6, DP 88 & RoW over Harbour St	OT18C/521
Wansbeck Street	Lots 7 & 8, DP 88 & RoW over Harbour St	OT294/243
Harbour Street	Lots 29 & 30, DP 88 & RoW over Harbour St	OT18C/649

Location	Legal description	Cfr
Tyne Street	Lots 27 & 28, DP 88 & RoW over Harbour St	OT18C/648
LOCATION	LEGAL DESCRIPTION	CFR
Tyne Street	Lots 25 & 26, DP 88 & RoW over Harbour St	OT18C/648
Tyne Street	Lots 22 - 24, DP 88 & RoW over Harbour St	OT18C/647
Tyne Street	Lots 18 - 21, DP 88 & RoW over Harbour St	OT18C/646
Tyne Street	Lot 17, DP 88 & RoW over Harbour St	OT15C/401
Tyne Street	Lots 11 - 14, DP 88 & RoW over Harbour St	OT413/83
Tyne Street	Lots 15 & 16, DP 88 & RoW over Harbour St	OT413/83
Tyne Street	Lots 9 & 10, DP 88 & RoW over Harbour St	OT413/83
Schedule of Endowment Properties – to consider for divestment		
Corner Thames & Itchen St	Lots 31 and 32, DP 88	OT15C/1041
Thames Street	Lot 1, DP 21229	OT13A/1386
8 Trent Street	Section 25, Block XIII, Town of Oamaru	OT18C/1162
14 Nen Street	Section 28, Block XII, Town of Oamaru	OT18C/1107

Location	Legal description	Cfr
84 Aln Street	Section 1, Block L, Town of Oamaru	209999
104 Aln Street	Section 11, Block L, Town of Oamaru	184604
223 Thames Street	Part Lot 2, DP 16330	OT14D/72
227 Thames Street	Lot 1, DP 16330	OT7C/58
37 Ribble Street	Lot 3, DP 16330	OT7C/60
45 Ribble Street	Lot 1, DP 22013	OT14D/71
163 Thames Street	Section 2, Block VI, Town of Oamaru	OT10A/549
84 Thames Street	Lots 1 & 2, DP 3102	187043
50 Thames Street	Lots 10 & 12, DP 107	184607
78 Ribble Street	Section 17, Block XXII, Town of Oamaru	OT17C/234
218 Thames Street	Section 1, Block XX, Town of Oamaru	OT18C/622
29 Aln Street	Section 20, Block XLIV, Town of Oamaru	1120
43 Eden Street	Section 4, Block LIV, Town of Oamaru	156907
83 Eden Street	Section 1, Block LXIV, Town of Oamaru	49334
15 Ure Street	Lot 1, DP 8480	129098
9 Hull Street	Section 24, Block XLII, Town of Oamaru	176038

Location	Legal description	Cfr
Isis Street etc	Pt Sections 8 & 9, Block LXXX, 16-19, Block LXXXI, 2-26, 4, Block LXXXIX and 23-25, Block XC, Town of Oamaru.	OT11B/514
22 Lune Street	Section 11, Block LXXXVI, Town of Oamaru	105784
16 Isis Street	Lot 2, DP 7922	443479
14 Chelmer Street	Section 13 and Part Section 14, Block LXVII, Town of Oamaru	OT241/155
31 Test Street	Lot 1, DP 12820	OT5B/211
55 Test Street	Section 10, Block XXIX, Town of Oamaru	241/149
59 Greta Street	Section 21, Block LXXV, Town of Oamaru	117941
Lancaster Street	Sections 1 - 22, Block LXI, Town of Hampden	OT147/21
	Sections 1-5, SO23698 [Blocks LIV LX, Town of Hampden]	OT14B/742
Sweetwater Creek Rd	Sections 25 and 43 - 46, Block III, Waihemo SD	OT49/188
Mt Watkins Rd	Parts Lot 1, DP 2193	OT385/73

Location	Legal description	Cfr
Stafford Street	Sections 9, Block XVII, and 18, Block LXIV, Town of Hampden	OT147/22
168 Thames Street	Section 5, Block XXIII Town of Oamaru	OT3132581

There are restrictions in how Council must deal with endowment properties in the Local Government Act 2002.

Section 140 LGA (Local Government Act 2002) requires Council to retain endowment trust property for the purpose for which the property was vested in Council. However, section 140 (4) (b) authorises a Council:

- To sell or exchange such property unless disposal is expressly prohibited by the terms of the endowment or trust; and
- To use the proceeds of sale or exchange for a purpose identified in accordance with section 141.

Section 141 LGA allows Council to sell or exchange endowment property subject to due process. Council is required to show in the LTCCP how it is to utilise funds derived from the divestment of endowment property. However, section 141 states that a council must not exercise the power to sell or exchange given by 140(4) (b) unless-

1. The proposed use of the proceeds of sale is consistent with the terms of the endowment; and
2. The council has first included in its draft LTCCP a statement of-
3. Its intention to sell or exchange the property; and
4. The use to which the proceeds of the sale or exchange will be put; and
5. The Council has adopted the LTCCP in accordance with Part 6 of the Act.

Additional requirements apply where the Crown was the donor of the property

(section 141(1)(c). In other cases, the Council must make a reasonable attempt to notify the donor of the property, or his or her successor of its intention to sell the property (section 141(1)(d).

4.8 Loans, Advances and Guarantees

Council makes loans to other parties for various projects that are considered to be economic or community development or for works under the Local Government Act.

Council administers funds provided to Council by other organisations where these funds may be advanced in the form of a loan, and which may be secured or unsecured. Council reviews performance of these loan advances on a regular basis and ensures that interest and principal repayments are made in accordance with the loan agreement.

Council may also agree to guarantee advances made by other parties where Council considers the advance to be in the nature of economic or community development in accordance with Council's policies in these issues. Council ensures that the business plan of the guaranteed party furthers the strategic objectives of Council and that financial statements are received on a regular basis. Should the guarantee be called up, Council will take immediate steps to recover the money.

Given that a number of investments are made for community purposes, there may not be a financial return from all investments. Where income is received, disposition will be determined on a case by case basis. Where loans from Council's funds are at non-commercial interest rates the forgone interest (as compared with the internal borrowing rate) will be recognised as an expense to that activity.

Council will generally negotiate interest rates close to the Council's internal borrowing rate.

Council will resolve for each new loan:

- The value of the loan

- The term of loan
- Repayment criteria
- Security requirements
- Interest
- Penalty interest and other default requirements.

All loans will be documented with a signed loan agreements appropriately documented given the size and potential risk exposure to Council.

4.9 Financial Investments

Council maintains financial investments for the following primary reasons:

- Invest surplus cash and working capital funds (also see Section 5 Cash Management).
- Provide ready cash in the event of a natural disaster. This cash is intended to assist reinstatement and to finance short-term needs between the disaster and the resumption of normal income streams (see Section 4.9.5 below).
- Invest amounts allocated to special and trust funds, separate rate accounts, sinking funds and loan repayment reserves.

Normally financial investments are held to maturity. Proceeds from the disposition of financial investments are used for operational expenditure purposes or for the purpose for which they have been established.

Interest income from financial investments is credited to general funds, except for income from investments for separate rates, special funds and sinking funds where interest is credited to the particular fund.

4.9.1 Financial Investment Objectives

Council's primary objective when investing is the protection of its investment. Accordingly, only creditworthy counterparties are acceptable. Creditworthy counterparties are selected on the basis of their current Standard and Poors

(S&P) rating which must be strong or better (A1 for short-term, A+ for long term). Council monitors credit ratings in the Quarterly Treasury Report from updated S&P advices.

Within the above credit constraints, Council also seeks to:

- Maximise investment return
- Ensure investments are liquid
- Match maturity of investments in line with expenditure requirements to avoid realisation of investments prior to maturity date
- Minimise potential capital losses due to interest rate movements if investments need to be liquidated before maturity.

The above objectives are captured in Section 7, Counterparty Exposure Limits which provides operating parameters for investment activity including approved counterparties and relevant credit limits.

4.9.2 Approved Investment Instruments

Within the constraints of Section 7 of this policy, Council invests in the following instruments:

- Government investments
- Registered bank investments
- Local authority investments
- SOE investments
- Corporate investments

A full list of approved instruments and their definitions is contained in Appendix III.

4.9.3 Interest Rate Risk Management

Council sets overall investment strategy quarterly. Council implements the interest rate risk management strategy by:

- Using risk management instruments to protect investment returns and to

change the interest rate profile.

- The use of interest rate risk management instruments is approved by Council. A current list of approved interest rate risk management instruments with appropriate definitions is included in Appendix II.

Additions to and deletions from this list are approved by Council.

4.9.4 Disaster Fund

Council maintains a disaster fund for the purposes of providing immediate cash resources to fund reinstatement of services/assets following a major unforeseen event, such as a natural disaster, and to meet its obligations under the National Disaster Recovery Plan. Council established policies for the disaster fund in October 1993. The fund is required to be readily available. The fund is set at \$10 million and may be held in cash or other appropriate negotiable investment instrument or committed bank funding facilities. Council will make case by case decisions as to whether funds drawn from the Fund are required to be replenished at the earliest opportunity from the area of benefit.

5. Cash Management

Cash management policy deals with the net balance in Council's main bank accounts with its principal banker. Council will maintain a three month rolling (by week) Money Management Report that forms the basis of its cash management activity. Generally these surpluses are available for periods less than 90 days. Any cash which is to be invested for a period longer than three months is covered by Section 4 of this policy document.

Council manages its working capital balances by matching expenditure closely to its revenue streams and managing cashflows timing differences to its favour.

Cash management activities must be undertaken within the following parameters:

- A daily nil balance is targeted in Council's main bank account, with surplus monies transferred to call deposits.
- Cash management instruments are limited to:
 - Call deposits with registered banks.
 - Registered certificates of deposit and promissory notes with maturities less than three months.
 - Term deposits (less than three months) with registered banks.
- Cash may only be invested with approved counterparties within the limits detailed in Section 7.
- Council has a committed bank overdraft facility. This facility will be used when there is expected to be a net benefit.
- The use of interest rate risk management instruments on cash management balances is not permitted.

6. Foreign Exchange Policy

Council has minimal foreign exchange exposure arising through the purchase of foreign exchange denominated plant, equipment, materials and library books.

As required by the Local Government Act 2002 Council does not borrow or enter into incidental arrangements within or outside New Zealand in currency other than New Zealand currency.

7. Counterparty Exposure Limits

Council ensures that all financial investment, interest rate risk management as well any foreign exchange activity is undertaken with institutions that are of high quality credit to ensure amounts owing to Council are paid fully and on due date.

More specifically, Council minimises its credit exposure by:

- Ensuring all investment, cash management, interest rate risk management and any foreign exchange transactions are undertaken with entities (excluding Government) that have a strong or better (A1 for short term, A+ for long term) Standard and Poors (S&P) credit rating.
- Limiting total exposure to prescribed amounts.
- Rigorously monitoring compliance against set limits.

The following table summarises credit requirements and limits:

Institution	Minimum S&P Short Term Credit Rating ¹	Minimum S&P Long Term Credit Rating ²	Total Exposure Limit for each Counter Party	Portfolio Limit for each counter-party ³
Government	N/A	N/A	Unlimited	100%
Registered Bank - On balance sheet exposures - Off balance sheet exposures	A1 A1	A+ A+	\$5 million \$5 million	60%
Strongly Rated Local Authorities, Corporates and SOEs (on balance sheet exposures only)	A1	A+	\$2 million	20%

1. For investments with maturities less than 12 months
2. For investments with maturities greater than 12 months
3. Exposure limits do not apply when cash balance is less than \$5m

If any counterparty's credit rating falls below the minimum specified in the above table then all practical steps are taken to reduce the credit exposure to that counterparty to zero as soon as possible.

Exposures to each counterparty are computed as follows:

On-balance sheet

- Total amounts invested with that counterparty (excluding current account balances with Council's main banking service provider).

Off- balance sheet (eg approved interest rate risk management instruments in Appendix II).

- Credit exposure on interest rate contracts is computed by multiplying face value of outstanding transactions by an interest rate movement factor of 5%.

8. Performance Measurement

Measuring the effectiveness of Council's treasury activities is achieved through a mixture of subjective and objective measures. The predominant subjective measure is the overall quality of treasury management information. Objective measures are established by Council resolution on an annual basis in conjunction with management as follows:

8.1. Borrowing:

- Adherence to policy
- Unplanned overdraft costs
- Comparison of actual interest costs vs budget borrowing costs
- Comparison of actual borrowings with budgeted borrowings.

Comparison of financial ratios to budgeted measures as per the Annual Plan and Forecast Financial Statements.

8.2 Equity Investments:

- Adherence to policy
- Return on investment
- Six monthly review of performance measures, comparison of actual to budgeted measures as per Statement of Corporate Intent.

8.3 Property Investments:

- Adherence to policy.
- Quarterly comparison of actual gross and net income to budgeted gross and net income.
- Quarterly comparison of actual rental yield to budgeted rental yield.
- Quarterly comparison of actual property sales to budgeted property sales.

8.4 Financial Investments:

- Adherence to policy.
- Comparison of actual quarterly and year to date accrued returns vs investing the entire treasury portfolio at the weekly average three month bank bill rate for short term investments.

9. Content of Appendices

Appendix I

Approved Borrowing Instruments and Definitions.

Appendix II

Approved Interest Rate Risk Management Instruments and Definitions.

Appendix III

Approved Financial Investment Instruments, and Definitions.
Standard & Poor's Definitions and Current Listing.

Appendix I

Approved Borrowing Instruments and Definitions

1. Bank Sourced Borrowing

1.1 Bank Bill Facilities

Commercial bills cover all types of bills of exchange, which are defined under the Bills of Exchange Act 1908 as:

“An unconditional order in writing, addressed by one person to another signed by the person giving it, requiring the person to whom it is addressed to pay on demand, or at fixed or determinable future time, a sum certain in money to, or to the order of a specified person, or to bearer.”

Bank bill facilities are normally for a term of up to three years but may be for as long as five years. Bank bills are bills of exchange, drawn or issued usually by the original borrower and accepted or endorsed by a bank.

For a bank accepted bill, the bank makes the payment of the face value of the bill on maturity. Most bank bills traded in the New Zealand market are bank accepted bills.

Bank endorsed bills have been endorsed by a bank with another party as acceptor. In the event of default of the original acceptor, payment can be sought through the chain of endorser to the bill.

An investor in bank bills can sell the bills prior to maturity date and receive the cash. Bank bills are a longer term borrowing instrument than cash loans. Bills are normally drawn for terms of 30, 60 or 90 days with a few being drawn for 180 days.

The 90 day bank bill is the underlying traded benchmark instrument for the short end of the market.

Costs:

The principal costs to the borrower are the discounting bank's yield at which it discounts the bill at the time of drawdown, an arrangement fee, an acceptance fee, a line fee (expressed in basis points or percentage per annum) and margin. Acceptance fees, arranger fees, line fees and margins in aggregate normally range between 35 - 300 basis points (i.e. 0.35% - 3.00%), depending on the credit worthiness of the borrower.

1.2 Revolving Credit Facilities (Variable Amount Term Loans)

Revolving credit facilities are similar from a borrower's perspective except interest is paid in arrears rather than upfront as in the case of bank bills. Revolving credit facilities are usually for a term of up to three years but may be for as long as five years and like bank bills drawings under the facility are priced off the bank bill bid rate. Most facilities allow for the borrower to draw up to the facility amount in various tranches of debt and for various terms out to a maximum term of the maturity date of the facility. Like bank bills most borrowers use these facilities to borrow on a 90 day basis.

Costs:

The principal costs are the same as with bank bills, the lending bank's yield sets the base rate at the time of lending, an arrangement fee, an acceptance fee, a line fee (expressed in basis points or percentage per annum) and the margin. Acceptance fees, arranger fees, line fees and margins in aggregate normally range between 35 - 300 basis points (i.e. 0.35% - 3.00%), depending on the credit worthiness of the borrower.

1.3 Short Term Money Market Lines

Short term money market loans or cash loans can be committed or uncommitted. A customer pays for a guarantee of the availability of the funds in a committed loan. In an uncommitted loan, funds are provided on a best endeavours basis and no line/commitment fee is payable. In addition to a line fee, a margin may be charged on any line usage.

The minimum amount for a cash loan is \$1,000,000. Smaller loans can be arranged, although the interest rate quoted will be a reflection of the size of the loan.

The main usage of cash loans is to cover day-to-day shortfalls in funds. The interest rate is governed by the term of the borrowing and the implied or implicit credit rating of the borrower. Cash loans are short term only and are normally drawn for a term of one (overnight) to seven days. Interest collection can be daily.

2. Capital Markets Programme

Commercial Paper (CP) programmes normally provide for issuance with tenors of between 7 and 364 days. The majority of CP issued in the New Zealand market is for terms of 30, 60, or 90 days.

Corporate bonds commonly in existence in the New Zealand market have essentially the same characteristics as government stock. These are a source of longer term fixed or variable rate finance that can be sold either in bearer or registered form (normally registered). Bonds are normally issued with coupon interest paid in arrears on a six monthly basis for fixed rate instruments, and

three monthly for floating rate instruments. Local authority bonds are issued by a variety of local governments by tender or private placement. The bonds are registered securities. They are repayable on a fixed date, and are generally issued for terms ranging from one to fifteen years.

Local authority bonds are priced twice annually and issued at a discount to face value. A fixed coupon payment is made twice annually to the holder of the security. The pricing formula is the same as government bonds.

The term bond is usually reserved for securities with terms longer than a year, to clearly distinguish between short term (CP) and long term (bonds) debt instruments. CP and bonds usually constitute unconditional, unsecured and unsubordinated obligations of the issuer, except indebtedness given preference by operation law.

3. Structured and Project Finance

Project and structured financing matches up debt to suit the quantifiable income stream from the project. This type of financing is appropriate for the funding of standalone assets that are able to be ring-fenced and over which security can be taken. The sort of assets to which this usually applies are assets which are transferable, and for which an international equity market exists, e.g. infrastructural assets. The owner of the asset usually retains an equity interest in the asset.

Appendix II

Approved Interest Rate Risk Management Instruments and Definitions

1. Approved Interest Rate Risk Management Instruments
 - A. Interest rate risk management instruments approved for use, consistent with the policy contained in Section 2.8 are:
 - Fixing through physical borrowing instruments - loan stock, debentures, bank term loan.
 - Floating through physical borrowing instruments - short term revolving stock, and bank borrowing.

- Forward rate agreements and bond forward rate agreements.
- Interest rate swaps.
- Purchase of interest rate options products including caps, floors, bond options.
- Interest rate collar type option strategies.

B. The following interest rate risk management instruments are not permitted for use:

- Selling interest rate options for the primary purpose of generating premium income is not permitted because of its speculative nature.
- Structured or leveraged interest rate option strategies where there is any possibility of Council's total interest expense increasing in a declining interest rate market or where Council's total interest cost is increasing faster than the general market rate.
- Interest rate futures contracts, mainly for administrative ease.

2. Interest Rate Risk Management Instruments - Definitions

Bank Bill Mid-Market Settlement Rate

The bank bill mid market settlement rate as determined at 10:45am each business day on Reuters page BKBM. This is the standard rate for the settlement of interest rate swaps, forward rate agreements and interest rate caps and collars.

Bond Options

Council when purchasing a bond option, has the right but not the obligation to buy or sell a specified government stock maturity on an agreed date and time and at an agreed rate.

Forward Rate Agreement

An agreement between Council and a counterparty (usually a bank) protecting Council against a future adverse interest rate movement for a specified period of time. Council and the counterparty agree to a notional future principal amount, the future interest rate, the benchmark dates and the benchmark rate (usually BKBM). This definition includes the bond forward rate agreement where the benchmark rate is the underlying government bond yield.

Interest Rate Collar Strategy

The combined purchase (or sale) of a cap or floor with the sale (or purchase) of another floor or cap.

Interest Rate Options

The purchase of an interest rate option gives the holder (in return for the payment of a premium) the right but not the obligation to borrow (described as a cap) or invest (described as a floor) at a future date for a specified period. Council and the counterparty agree to a notional future principal amount, the future interest rate, the benchmark dates and the benchmark rate (usually BKBM). Interest rate option products include caps, floors and bond options.

Interest Rate Swap

An interest rate swap is an agreement between Council and a counterparty (usually a bank) whereby Council pays (or receives) a fixed interest rate and receives (or pays) a floating interest rate. The parties to the contract agree notional principal, start date of the contract, duration of the contract, fixed interest rate and the benchmark rates (usually BKBM).

Appendix III

Approved Financial Investment Instruments and Definitions

1. Approved Financial Investment Instruments and Definitions

Investment instruments available in the market (excluding equities and property) can generally be discussed under four broad categories relating to the issuer of these instruments.

1.1 New Zealand Government

- Treasury bills are registered securities issued by the Reserve Bank of New Zealand (RBNZ) on behalf of the government. They are usually available for terms up to a year but generally preferred by investors for 90 day or 180 day terms. They are discounted instruments, and are readily negotiable in the secondary market.
- Government stocks are registered securities issued by the RBNZ on behalf of the government. They are available for terms ranging from one year to twelve year maturities. Government stocks have fixed coupon payments payable by the RBNZ every six months. They are priced on a twice annual yield basis and are issued at a discount to face value. They are readily negotiable in the secondary market.

1.2 Local Authorities

- Local authority stock is registered securities issued by a wide range of local government bodies. They are usually available for maturities ranging from one to ten years. A fixed coupon payment is made semi-annually to the holder of the security. They are negotiable and usually can be bought and sold in the secondary market.

1.3 Registered Banks

- Call and term deposits are funds accepted by the bank on an overnight basis (on call) or for a fixed term. Interest is usually calculated on a simple interest formula. Term deposits are for a fixed term and are expected to be held to maturity. Term deposits are not negotiable instruments. Termination prior to maturity date can often involve penalty costs.
- Registered certificates of deposits (RCD) are securities issued by banks for their funding needs or to meet investor demand. They are registered at the RBNZ or held on behalf of by the dealing bank. Details include the name of the investor, face value and maturity date. They can be transferred by registered transfer only. RCDs are priced on a yield rate basis and issued at a discount to face value or a grossed up basis. They are generally preferred over term deposits because investors can sell them prior to maturity.
- Bank bills are bills of exchange drawn or issued, usually by a corporate borrower and accepted or endorsed by a bank. The investor is exposed to bank credit risk when investing in such instruments. Bank bills are readily available for any maturity up to 180 days, although 30 to 90 day terms are more common. They are priced on a yield basis and issued at a discount to face value. Investors in bank bills can sell the bills prior to maturity date.

1.4 Corporates

- Companies with good credit ratings generally issue corporate bonds. These bonds can be registered securities or bearer instruments. There are two types of bond, the medium term note (MTN) and the floating rate note (FRN). The MTN has a fixed coupon payment that is made semi-annually to the holder of the security. They are priced on a semi-annual yield basis and are issued at a discount/premium to face value. The interest rate on the FRN is set on a floating rate basis usually off the bank bill 90 day bid rate.
- Corporate bonds are negotiable and can be bought and sold in the secondary market.
- Promissory notes are issued by borrowers who usually have a credit rating and standing in the market that is sufficient to enable the notes to be issued without endorsement or acceptance by a bank. The notes are usually

underwritten by financial institutions to ensure that the borrower obtains the desired amount of funds. Promissory notes are issued with maturities ranging from 7 days to over one year. The common maturities are for 30 and 90 days. The face value of the note is repaid in full to the bearer on maturity.

Policy on development contributions and financial contributions

Introduction

This Policy on Development Contributions and Financial Contributions replaces the 2009 Policy. It is proposed that these changes will apply to applications for resource consent, building consent or service connection as follows:

- For any application lodged after 10 April 2012 and granted on or after 1 July 2012, Council will apply the provisions of the 2012 Policy.
- For applications received prior to 10 April 2012, which are granted on or after 1 July 2012, Council will apply the provisions of the 2009 Policy.
- For applications which are granted prior to 1 July 2012, Council will apply the provisions of the 2009 Policy.

Key changes

This Policy is an update of the 2009 Policy. Key changes to the Policy are described below.

- The differentials for water supply development contributions have been amended to include a fire fighting component, referred to as the network charge factor.
- For the purpose of development contributions the following water supply schemes have been amalgamated. A single development contribution now applies for each entire amalgamated scheme.
 - Dunback, Goodwood and Palmerston have been amalgamated to form the Waihemo scheme.
 - Enfield and Weston have been amalgamated with Oamaru.
- The roading differential has been amended to include improvements to the roading cost allocation model, correction of inaccurate cost allocation to Primary Industry and Primary Industry-Dairy and updated information and expert opinion on vehicle movements for commercial, industrial and accommodation land use categories.
- The growth apportionments for each activity have been refined and updated.
- Dunrobin water supply scheme has been excluded from the development contributions schedule as this is not Council funded capital expenditure.

Overview

Growth in the population (permanent and seasonal) and economic activity of the District will ultimately lead to major additions to the existing urban areas, new greenfields development in the rural environment and in-fill development of existing urban areas. Greater demand for water and improvements in roading will place a significant strain on existing reticulation and roading networks as well as on community infrastructure such as reserves.

The Development Contributions Policy provides a transparent and consistent basis for requiring contributions from developers towards capital expenditure for this infrastructure.

Council is required to have a Development Contributions Policy as a component of its Funding and Financial Policies in the Waitaki Community Plan.

The Policy is intended to set the baseline for financial and development contributions from developers and is likely to be amended and updated over time as assumptions are developed, and as the growth predictions are refined. These growth predictions will also alter as scenarios change the expected effect on our community, e.g. the cancellation of Project Aqua.

This policy contributes to community outcomes by ensuring the provision of appropriate infrastructure to meet the needs of growth.

Historically, Council has sought a contribution towards the expansion of the District's reserves, community facilities and infrastructure from those developments which place additional demand on these services. In order to levy these contributions Council may employ either of the following:

- Financial Contributions imposed as a condition of a resource consent pursuant to Section 108 of the Resource Management Act (RMA) 1991. Chapter 14 of the District Plan and any subsequent variations shall be considered in this policy.
- Development Contributions as defined by the provisions of Part 8 Subpart 5 and Schedule 13 of the Local Government Act 2002 (LGA 2002). To

make use of these provisions Council must adopt a Policy on Development Contributions as part of the Council's Long Term Council Community Plan ("CCP"). Development Contributions are based on the fiscal implications of growth.

Development contributions may be sought in respect of any development that generates a demand for reserves, network or community infrastructure. Council will assess whether development contributions are payable in relation to the development when an application for one of the following is made:

- (i) Resource Consent
- (ii) Building Consent
- (iii) Authorisation for a Service Connection

Council can require a contribution at any of these trigger points.

This policy has been prepared to meet the requirements of Section 106(2) of the LGA 2002. The full methodology that demonstrates how the calculations for development contributions were made is contained in a separate document which is available to the public as per section 106 (3) of the Act.

Reasons for using development and financial contributions

Council intends to entirely fund the portion of capital expenditure (CAPEX) that is attributable to growth by either Financial or Development Contributions wherever it is legally, fairly, reasonably and practically possible to do so.

Council considers that Development and Financial Contributions are the best mechanism available to ensure the cost of growth sits with those who have created the need for that cost. Council considers it inappropriate to burden the community as a whole, by way of rating or other payment means, to meet the cost of new growth.

Section 101(3) of the LGA 2002 requires that the following be considered:

The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of:

- a) in relation to each activity to be funded,-
 - (i) the community outcomes to which the activity primarily contributes; and
 - (ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
 - (iii) the period in or over which those benefits are expected to occur; and
 - (iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
 - (v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
- b) the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

Responses to these requirements in relation to the Development Contributions and Financial Contributions Policy are:

Community outcomes

This policy contributes to:

- Our infrastructure enables and responds to economic growth.
- We have affordable, reliable and accessible transport services that meet the needs of the community.
- Our local and central governments demonstrate efficient and effective use of resources.

Distribution of benefits

Council apportions all capital expenditure into the classifications of growth, renewal, level of service and statutory obligations, by the geographic areas of benefit. This apportionment represents the distribution of benefit to the community as a whole, to identifiable parts of the community and to individuals.

Period over which the benefits are expected to occur

Once a Development or Financial contribution has been paid in relation to a subdivision or development, the benefits of the asset, service, or environmental enhancement shall occur indefinitely (at a set level of service for that asset, service, or environmental enhancement as defined at any one time).

Action or inaction that contributes to the need for this activity

The provision of assets, services, or environmental standards that promote the community outcomes may not be willingly provided by the development community. In addition Council is often the only viable supplier (often legally required to provide services) of these services and therefore Council has a moral and legal obligation to supply additional assets, services to meet the new community needs.

Costs and benefits of funding this activity (Development and Financial Contributions)

The benefits to the existing community are significantly greater than the cost of policymaking, calculations, collection, accounting and distribution of funding for development and financial contributions.

Allocation of liability for revenue needs

The liability for revenue falls directly with the development community. At the effective date of this Policy, Council does not perceive any impact on the social, economic, environmental and cultural well-being of this particular sector of the community. At any stage in the future where there may be impacts of this nature, Council may revisit this Policy.

Assets included in the development contributions and financial contributions policy

Assets included in this policy are:

Development Contributions: Pursuant to the provisions of Part 8, Subpart 5 LGA 2002.

- Network infrastructure for water supplies, wastewater and roading – Development Contributions.

Financial Contributions: Pursuant to S108 of the RMA 1991.

- Open Space and Recreation – Financial Contributions
- Services – Financial Contributions for any of the following:
 - Water supply system
 - Stormwater collection and disposal system
 - Wastewater collection, treatment and disposal system
 - Trade waste collection and disposal system
 - Energy supply system
 - Telecommunications system
 - Works to avoid, remedy or mediate natural hazards
 - Landscaping, including planting of vegetation
 - Provision of access to land in the subdivision (including roads, cycleways, accessways, service ways, private access, street lighting and associated works)

- Esplanade Strips – Financial Contributions
- Other Assets. Financial Contributions can be required to avoid remedy or mitigate adverse effects of development that are of a non-fiscal nature. These may include contributions that avoid, remedy or mitigate the effects of development on biodiversity, landscape, amenity values or the provision of specific assets by the developer/subdivider (i.e. access easements in gross). Development Contributions provisions of the LGA 2002 specifically relate to fiscal impacts or effects of growth, Financial Contributions for non-fiscal impacts of effects of development will need to be assessed through the RMA and District Plan processes. Chapter 14 of the District Plan and any subsequent variations shall be considered in this policy.

Community Infrastructure development contributions have been excluded from the Policy at this time.

Which contributions will apply

The Financial Contributions rules, policies and objectives under the provisions of Part 14 of the Waitaki District Plan are operative. These will be used for open space and recreation, and services where appropriate development contributions are not available.

The Council cannot require a Development Contribution for a reserve; network infrastructure or community infrastructure if and to the extent that it has under Section 108, 407 or 409 of the RMA imposed a condition on a resource consent in relation to the same development for the same purpose.

Council will retain the right to use all, some or none of the provisions in this Policy notwithstanding that the rules, policies and objectives of the Financial Contributions provisions of Part 14 on the District Plan. Council shall in requiring contributions, clearly identify under what circumstances and upon which legislation (RMA 1991, LGA 2002) a contribution is required.

The following tables indicate:

- Where Financial and Development Contributions are to be sought such that no duplication of levy for the same effect/benefit will occur.
- The development contributions per household equivalent unit for each asset type within each area. The water supply contributions for rural restricted schemes are shown per cubic meter (m³ or 1,000L) of water.
- The contributions for the amalgamated water schemes are shown per household equivalent unit or point (1,800L) of water

Table 1: Development contributions required by geographic area - within all District Plan zones (ex gst)

Water Supply		Wastewater		Stormwater	Roading	Open Space and Recreation	Other Services/ Miscellaneous
Development Contributions		Development Contributions		No Development Contributions	Development Contributions	No Development Contributions	No Development Contributions
<u>Urban - Unrestricted</u>	<u>Per HEU</u>		<u>Per HEU</u>	Council has no capital expenditure programme.	District Wide \$906 per HEU		
Kurow	\$2,136	Kakanui	\$3,268				
Omarama	\$3,173	Kurow	\$694				
Otematata	\$2,753	Moeraki	\$5,206				
<u>Rural - Restricted</u>	<u>Per 1m³ of Water</u>	Oamaru	\$2,626				
Awamoko	\$1,275	Ohau	\$424				
Duntroon	\$1,000	Omarama	\$2,128				
Hampden/Moeraki	\$2,063	Otematata	\$2,195				
Herbert/Waianakarua	\$1,342	Palmerston	\$2,360				
Kakanui	\$564						
Kauru	\$1,658						
Lower Waitaki	\$1,210						
Ohau	\$12,449						
Otekaieke	\$982						
Stoneburn	\$1,485						
Tokarahi	\$1,096						
Windsor	\$982						
<u>Amalgamated</u>	<u>Per HEU or point</u>						
Oamaru(Enfield,Weston)	\$3,350						
Waihemo	\$2,935						

Water Supply	Wastewater	Stormwater	Roading	Open Space and Recreation	Other Services/ Miscellaneous
<p>Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2012.</p> <p>Scheme charge to apply and any network extension costs.</p>	<p>Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2012.</p> <p>Scheme charge to apply and any network extension costs.</p>		<p>Assess and collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2012.</p>		

Notes:

1. Development Contributions are contributions defined by the provisions of Part 8 Subpart 5 and Schedule 13 of LGA 2002.
2. As the sequence of development is not always consistent, development contributions shall be required at the first available opportunity. At each and every subsequent opportunity the development will be reviewed and additional contributions required if the units of demand assessed for the development exceed those previously paid for.
3. Development contributions are triggered on the granting of:
 - A Resource Consent
 - A Building Consent
 - An authorisation for a service connection for sewer or stormwater
 - An authorization for a service connection for water, including additional units of water by volume supplied to existing consumers
4. The development contributions for the amalgamated water schemes are based on a weighted average approach, and on the premise that 1 HEU is equivalent to 1 point.

Table 2: Financial contributions required by geographic area - within all district plan zones (ex gst)

Water Supply	Wastewater	Stormwater	Roading	Open Space and Recreation	Other Services/ Miscellaneous
Financial Contributions where appropriate. Environmental Effects – Chapter 14 District Plan. Environmental Considerations.	Financial Contributions where appropriate. Environmental Effects – Chapter 14 District Plan. Environmental Considerations.	Financial Contributions where appropriate. Environmental Effects – Chapter 14 District Plan. Environmental Considerations.	Financial Contributions where appropriate. Environmental Effects – Chapter 14 District Plan. Environmental Considerations.	Financial Contributions where appropriate. Environmental Effects – Chapter 14 District Plan. Environmental Considerations. Subdivision: 1. Residential and Township Zones <ul style="list-style-type: none"> • 7.5% of Land Value • Land, Money, Works or Combination of all 2. Business Zones <ul style="list-style-type: none"> • 10% of Land Value • Land, Money, Works or Combination of all Developments: 1. Residential (In all zones) <ul style="list-style-type: none"> • 7.5% of Land Value Other Developments: 0.5% of value of development exceeding \$200,000. (Refer 14.5.4 and 14.5.5 of the Waitaki District Plan) Land, Money, Works or Combination of all.	Other Services as described by 14.1 of the District Plan. Financial Contributions where appropriate. Environmental Effects – Chapter 14 District Plan. Environmental Considerations. Trade waste collection and disposal system, Energy supply system, Telecommunications system, Works to avoid, remedy or mediate natural hazards, Landscaping, including planting of vegetation, Provision of access to land in the subdivision (including roads, cycleways, accessways, service ways, private access, street lighting and associated works). Esplanade Strips

Notes:

1. Financial Contributions are defined by Section 108 of the Resource Management Act (RMA) 1991 and collected using the provisions of the District Plan. Contributions are assessed based on the environmental effects of growth. These are defined in Chapter 14 of the Waitaki District Plan. Chapter 14 of the District Plan is particularly relevant for contributions of a non-fiscal nature. These will generally be of an environmental nature, including public access, provision of parking and protection of environmentally sensitive sites.

Overview of calculation methodology

A brief introduction to the development contributions calculation method is presented herein. A full disclosure of the methodology and calculations is in the detailed supporting document and is available from Council for public inspection at:

- Waitaki District Council, Thames Street, Oamaru.
- Palmerston Service Centre.
- Website - <http://www.waitaki.govt.nz>

The Development Contributions model applies to Water Supply, Wastewater, and Roading.

The key concept of the approach is to define the total capital expenditure (CAPEX) for growth consumed by the growth population over a period of time. This consumption of CAPEX for growth is then apportioned among the increased number of units of demand (household equivalent units) over the same time period. This defines the long run average cost of growth per unit of demand, defined as the household equivalent unit contribution. This can be represented by the following formula.

$$\text{Household equivalent units contribution} = \frac{\text{Sum of capex for growth consumed in analysis period}}{\text{Sum of new household equivalent units in analysis period}}$$

The calculation method can be simplified according to the following steps:

- Step 1: Assess capital expenditure for growth on an asset by asset basis using financial reports (past expenditure) and projected expenditure
- Step 2: Apportion capital expenditure for growth by the growth population (household equivalent units) over the design life of the asset, to assess the \$/unit of demand.
- Step 3: For each year in the analysis period determine the total consumption of asset capacity for each asset identified, namely – \$/unit of demand x the number units of demand.

- Step 4: Sum for all assets in each year in the analysis period, namely total capacity consumed in that year, measured in \$.
- Step 5: Sum each year in the ten year analysis period and divide by the growth population (new household equivalent units) projected over the analysis period to determine the household equivalent unit contribution.

Capital Expenditure

Only capital expenditure (CAPEX) is considered in the model. All Operational Expenditure is excluded, including internal overheads.

Capital expenditure is identified from two sources, namely.

- Activity Management Plans (formally Asset Management plans) and
- Financial Reports.

The Activity Management Plans are used for assessing projected CAPEX. The AMPs are formal planning documents that include long term expenditure forecasts.

CAPEX for growth apportionments

The CAPEX identified above has been apportioned into five cost drivers. These being Growth, Renewal, Level of Service, Statutory and Deferred Works/Other. The growth apportionment is the significant driver for assessing development contributions. The cost drivers have been assessed using several methods.

These are:

- Asset Capacity.
- Using Design Life of New Assets to Approximate Growth Percentage.
- Assessed using professional judgement.

Land Use Differentials

Land use differentials are an important part of the calculations. They enable all development and subdivision types (residential and non-residential) to be considered. Non-residential subdivisions or developments can be described using a common unit of demand, which in this case is the Household Equivalent Unit (HEU).

The following table summarises the differentials for each activity. These can be used to calculate the number of HEU's for non-residential subdivisions or developments based on a standard measure of size.

Table 3: Land Use Differentials

Land Use Category	Household Equivalent Units per Measure of Size Shown		
	Water Supply ⁽ⁱ⁾	Wastewater ⁽ⁱⁱ⁾	Roading
Residential	1 HEU / dwelling	1 HEU / dwelling	1 HEU / dwelling
Rural Residential	1 HEU / dwelling	1 HEU / dwelling	1.14 HEU / dwelling
Commercial	0.17 HEU / 100m ² + 1.17 HEU /property	0.43 HEU / 100m ²	4.18 HEU / 100m ² GFA
Industrial	0.14 HEU / 100m ² + 1.17 HEU /property	0.34 HEU / 100m ²	3.34 HEU / 100m ² GFA
Accommodation	0.29 HEU / 100m ² + 1.30 HEU /property	0.49 HEU / 100m ²	0.65 HEU / accomm unit
Primary Industry - Dairy	N/A - Assumed to be rural schemes only. ¹		5.44 HEU / 100 Ha ⁽ⁱⁱⁱ⁾

⁽ⁱ⁾ These water supply differentials are only required to assess urban unrestricted schemes. Rural restricted water supply schemes are based on a development contribution per cubic meter of water.

⁽ⁱⁱ⁾ These differentials are to be used to assess the demand on wastewater infrastructure for wastewater that does not fall within the definition of trade waste contained in the operative Waitaki District Trade Waste Bylaw applying at the time consent is granted. Development contributions payable for discharge of trade wastes will be the subject of an individual assessment.

⁽ⁱⁱⁱ⁾ The roading differential for Primary Industry – Dairy has already accounted for the existing pastoral use of a dairy conversion.

Assessment of unknown size

If the Gross Floor Area (GFA) is unknown, which may be the case at the subdivision or land use consent stage, then the following table will be used to estimate the GFA.

Table 4: Estimation of Gross Floor Area

Category	Building Coverage	No. of Floors
Residential	1 dwelling / lot	
Rural Residential	1 dwelling / lot	
Accommodation	45%	2
Commercial	75%	1
Industrial	75%	1

Note: When an estimate of the GFA is used in the development contribution assessment then Council will only charge 75% of the calculated contribution at this stage.

Family flat

A family flat is defined as a self contained residential building being part of and located on the same site as a residential unit, and occupied by dependent relatives of the household living in the residential unit.

Development contributions payable for family flats are as follows:

Gross Floor Area (GFA) equal or less than 60m² = ½ x HEU

Gross Floor Area (GFA) greater than 60m² = 1 x HEU

Assumptions used in the calculation of development contributions

All information used in the calculations of either development or financial contributions is the best available at the time. Council is proceeding with numerous strategic studies which will aid in delivering improved information. Council is committed to updating its contribution calculations as the results of these studies become available. Council considers it fiscally prudent to have contributions in place now to ensure the recovery of growth costs. Further delays in the implementation of these contributions are considered unacceptable and would unfairly burden the existing population with extra costs.

Financial Considerations

The following are key financial considerations applied in the model:

- All figures are in current New Zealand dollars – effective 1 July 2012.
- Inflation is applied to past capital projects only.
- Interest costs have been assessed based on the weighted average cost of capital (WACC) over the first 10 year period from 1 July 2012 . The cumulative net deficit between the contributions anticipated to be collected and the growth

costs over the 10 year period are used to determine the proportion of the growth cost that will be funded by debt. A 7.5% interest rate has been applied.

- Capital expenditure projections are those that have been applied in the Long Term Plan effective at 1 July 2012. The public nature and auditability of these capital projections provides additional confidence to the process. Schedule 10 of the LGA 2002 prescribes a number of disclosures including growth, renewal and level of service apportionments.

Risks

The risks relating to the Policy are listed below. The steps required to mitigate these risks are also shown. This ensures that the correct contributions are collected by Council.

Subsidies: The future portion of the development contributions are based on Council's 10 year Long Term Plan Capital budget. There are a number of projects in the budget that may be fully or partial subsidised by non Council entities. Examples of these are roading projects and water treatment projects which may have significant levels of Central Government funding. The actual capital expenditure will be input to the calculation model on an annual basis as soon as it is available. This will ensure the contributions are based on Council's most up to date information and reflect the actual growth related expenditure.

Legislative Improvements: The Policy and calculation model needs to be updated to incorporate any legislation changes.

Growth lower or higher than anticipated: If the growth in the District is more or less than projected, Council risk under or over collecting contributions. The growth projections need to be reviewed regularly to ensure they are as accurate as possible.

Growth Apportionment: Any changes in the growth rates may affect the apportionment of some capital projects and hence the growth CAPEX to be recovered via contributions.

Inflation: If actual inflation is significantly different to the figures used in the calculation model. The figures used to model inflation are taken from the most up to date BERL data and can be updated regularly.

The above variables can be reviewed every year via the annual plan update process or via the 3 yearly Long Term Plan review process. This ensures that the contributions are based on the most up to date information possible.

Growth projections – source data

The WDC Growth Projections Study May 2008 – Rationale Ltd was updated in September 2011. This study has been adopted by Council to ensure consistent projections. These have been applied for projecting residential and non-residential growth with the exception of the sources below.

The Rural Water Supplies, Future Design Assessment report, Waugh August 2009 has been used to project the growth in demand for the rural/restricted water supplies.

Growth projections are converted into units of demand which are used to apportion the growth cost to define a household equivalent unit (HEU's) development contribution. Assessing total HEU's involves converting non-residential land uses into HEU's and adding this to the number of dwellings. This is completed using land use conversion factors or land use differentials.

Note: The unit of demand for restricted rural water schemes is a cubic meter of water. The contribution per point, half point or crib point can be calculated based on the applicable volume for each scheme.

Monitoring and review of development contributions policy

Council will monitor and review the following:

- Annual Calculation Updates:
- Identify capital expenditure actually undertaken and whether the projections remain reasonable. This may include adding or deleting capital projects.
- Update capital costs to reflect a year of inflation. This will be based on SNZ Labour cost index and Producer Price Index.
- Review population projections.
- Any asset planning initiatives including changing levels of service, updated capital projections.
- Update any new information that has become available. This may include updated population projections, additional zoning and scheme boundary changes.
- Correction of any errors or omissions.
- Annual Policy Reviews:
- Any changes to the policy direction of Council that affects this policy. This may include changes to the Long Term Plan, Revenue and Financing Policy and strategic studies.
- New information affecting the land use differential analysis.
- Amendments to the District Plan.

Remissions

Council will provide the following remissions:

- A 100 % remission for the roading contribution will be provided for any primary industry dairy housing for each new dwelling constructed as part of the property development.
- A 50% remission on Ohau water supply development contributions will be

provided for any Ohau properties paying a water half-charge.

- A 50% remission on Moeraki wastewater development contributions will be provided for any Moeraki properties paying a wastewater half-charge.

Council will also consider requests for remissions on a case-by-case basis where it is satisfied that such remission will promote the economic, environmental, social or cultural wellbeing of the district. These remissions may be on the basis of activity, land use or location.

The schedule of contributions within this policy show the full development contribution. The above remissions will be applied to these figures. Any remissions will be funded from rates.

Refund policy

Council may allow for refund of contributions in the following circumstances:

- a) Where Council required a development/financial contribution as part of subdivision or development activities and where the documentation (resource consent, building consent or connection authorisation) permitting that subdivision or development has lapsed, Council will refund the contribution. This does not prevent Council from requiring development/financial contributions in the future. Council may retain a portion of the contribution of a value equivalent to the costs incurred by the Council in processing/assessing the contribution required by the subdivision or development.

All applications for Refunds must be made in writing to the Chief Executive Officer of the Council.

Developer provision of assets - liability

Council may accept or require a contribution to the equivalent value in the form of land or infrastructure. It may be appropriate, for example, to allow water supply assets to vest in Council through the subdivision consent process, where they meet Council's requirements, and credit them against the contributions required. Any such proposals will need to be the subject of an agreement with Council before the consent is issued, and will be dealt with on a case by case basis.

Unusual developments

Council reserves the right to individually assess contributions on any development or activity that it deems to create a significantly different demand on infrastructure than could usually be expected under their relevant land use category (an unusual development).

When will payment be required?

Development contributions will be notified on granting of consent with a due date for payment as follows:

- Resource consent (subdivision) – prior to the issue of S224c certificate;
- Resource consent (other) – prior to commencement of the consent except where a building consent is required then payment shall be prior to the issue of the code of compliance certificate or prior to the connection to Council services, whichever comes first;
- Building consent – prior to the issue of the code of compliance certificate or prior to the connection to Council services, whichever comes first;
- Service connection – prior to connection.

If payment is not received the Council may (under section 208 of the LGA):

- Withhold S224c Certificate on a subdivision;
- Prevent the commencement of a resource consent for a development
- Withhold a code of compliance certificate under the Building Act
- Withhold a service connection to a development.

Council may agree to enter into a deferred payment arrangement at the time of issuing a s224c Certificate. Such arrangement would defer payment on terms and conditions approved by Council or approved by officers under delegated authority in accordance with policy approved by Council

In each case the Council may register the Development Contribution under the Statutory Land Charges Registration Act 1928 as a charge on the title of the land for which the contribution was required.

Deferral of payment

Council will consider requests for deferral of contribution payments on a case-by-case basis.

When considering deferred payment arrangements, Council will have regard to tools including, but not limited to, bank guaranteed bonds, bonds as first charge, statutory land charges and use of the normal debtor recoveries systems.

When considering deferred payment arrangements, Council will also have regard to matters including, but not limited to, application of interest on deferred revenue, cost recovery via administrative charges, and maximum periods of deferral. Council reserves the discretion to waive or reduce charges and/or extend a deferral period where it is satisfied that the exercise of such discretion promotes the economic, environmental, social or cultural wellbeing of the district.

Credits

There are two types of credits anticipated:

1. Actual Credits will apply to those subdivisions or developments where contributions have been paid under this, the 2009 or the 2006 Policy on Development and Financial Contributions.
2. Deemed credits will apply for the redevelopment of an existing site. Existing activities will be given deemed credits based on the HEU's assessed in terms of the relevant unit (i.e. GFA, dwelling) prior to redevelopment. A development contribution will only be levied if the redevelopment creates additional demand.

Where the Chief Executive considers there is a special case to be considered for granting of a credit or credits, this matter will be referred to Council's Hearings Committee for decision.

Delegations

Council shall determine where a development or financial contribution will be sought. Council has the authority to set the quantum of those contributions. If Council so wishes, it may delegate this authority, wholly or in part to a committee, by resolution of Council.

The Chief Executive Officer will ensure the Policy is implemented.

Capital expenditure attributed to growth

The following tables show a summary of each contributing area for the 10 year period between 2012/13 and 2021/22. The tables demonstrate the nature and level of expected capital expenditure required by Council and the portion that is attributable to growth. A table is produced for each activity (asset type) which shows the CAPEX for each geographic area where a contribution has been assessed. The CAPEX attributable to growth is apportioned equitably among the growth population to define a set charge for each unit of demand. The unit of demand is expressed in terms of a household equivalent unit or cubic meter of water.

The following tables also detail the growth related debt levels by development contribution account. These define the interest component of the contributions. The tables show the growth CAPEX consumed by each contributing area and the growth, in HEU's or cubic meters, used to calculate the development contributions.

The tables included in the following section are summarised. The full tables can be found in the appendices of the detailed supporting document.

Capital expenditure and debt funding disclosures

Table 5: Restricted rural schemes - water supply capital expenditure for development contributions (excluding gst)

Water Supply Contributing Area	Capital Cost				Percentage Attributable to Growth	Historic Expenditure Growth Cost (Capacity) Consumed 2012-2021	Future Expenditure Growth Cost (Capacity) Consumed 2012-2021	TOTAL Expenditure Growth Cost (Capacity) Consumed 2012-2021	Weighted average No. of Cubic Meters of Water Apportioning Growth Cost 2012-2021	Development Contribution Per Cubic Meter of Water (\$)
	2012-2021 Total Capital Cost (2012/13 \$)	2012-2021 Total Capital Cost (Adj \$)	Growth Funded Portion (2012/13 \$)	Funded by Other Sources (2012/13 \$)						
Awamoko	521,475	606,662	136,525	384,950	26%	19,006	30,957	49,963	39	1,275
Dunroon	270,461	292,178	81,138	189,323	30%	1,459	64,358	65,817	66	1,000
Hampden/ Moeraki	966,630	1,028,291	318,008	648,622	33%	34,766	131,510	166,276	81	2,063
Herbert/ Waianakarua	492,040	585,356	116,733	375,307	24%	96,266	29,144	125,410	93	1,342
Kakanui	267,187	334,361	71,396	195,792	27%	35,837	10,358	46,196	82	564
Kauru	460,655	533,184	125,947	334,708	27%	20,324	29,175	49,499	30	1,658
Lower Waitaki	221,599	288,472	66,480	155,119	30%	85,271	8,380	93,651	77	1,210
Ohau	392,606	392,606	261,465	131,141	67%	3,433	89,272	92,705	7	12,449
Otekaike	138,521	157,166	32,638	105,883	24%	2,874	9,448	12,322	13	982
Stoneburn	402,569	453,702	131,477	271,092	33%	9,905	26,026	35,930	24	1,485
Tokarahi	572,726	683,888	198,025	374,701	35%	70,132	29,151	99,283	91	1,096
Windsor	442,712	511,335	110,929	331,783	25%	2,754	33,860	36,614	37	982
TOTAL	5,149,181	5,867,199	1,650,760	3,498,421	32%	382,025	491,639	873,664	640	

Table 6: Unrestricted Urban Schemes - Water Supply Capital Expenditure for Development Contributions (excluding GST)

Water Supply Contributing Area	Capital Cost				Percentage Attributable to Growth	Historic Expenditure Growth Cost (Capacity) Consumed 2012-2021	Future Expenditure Growth Cost (Capacity) Consumed 2012-2021	TOTAL Expenditure Growth Cost (Capacity) Consumed 2012-2021	Weighted average No. of HEUs Apportioning Growth Cost 2012-2021	Development Contribution Per HEU (\$)
	2012-2021 Total Capital Cost (2012/13 \$)	2012-2021 Total Capital Cost (Adj \$)	Growth Funded Portion (2012/13 \$)	Funded by Other Sources (2012/13 \$)						
Kurow	77,550	90,270	9,458	68,092	12%	36,559	3,621	40,180	19	2,136
Omarama	0	0	0	0	0%	60,117	0	60,117	19	3,173
Otematata	0	0	0	0	0%	27,826	0	27,826	10	2,753
TOTAL	77,550	90,270	9,458	68,092	12%	124,502	3,621	128,123	48	

Table 7: Amalgamated Schemes - Water Supply Capital Expenditure for Development Contributions (excluding GST)

Water Supply Contributing Area	Capital Cost				Percentage Attributable to Growth	Historic Expenditure Growth Cost (Capacity) Consumed 2012-2021	Future Expenditure Growth Cost (Capacity) Consumed 2012-2021	TOTAL Expenditure Growth Cost (Capacity) Consumed 2012-2021	Weighted average No. of HEU/Points Apportioning Growth Cost 2012-2021	Development Contribution Per HEU/point (\$)
	2012-2021 Total Capital Cost (2012/13 \$)	2012-2021 Total Capital Cost (Adj \$)	Growth Funded Portion (2012/13 \$)	Funded by Other Sources (2012/13 \$)						
Oamaru	6,138,715	7,580,377	1,032,823	5,105,892	17%	1,251,329	230,308	1,481,637	442	3,350
Waihemo	162,251	211,214	48,675	113,575	30%	119,557	5,294	124,851	43	2,935
TOTAL	6,300,966	7,791,590	1,081,498	5,219,468	17%	1,370,886	235,602	1,606,489	485	
DISTRICT TOTAL	11,527,696	13,749,059	2,741,716	8,785,980	24%	1,877,413	730,862	2,608,275		

Table 8: Restricted Rural Schemes - Water Supply – Debt Funding Ratio – 2012 - 2021 Net Growth Cost vs. Revenue Assessment

Water Supply Contributing Area	2012-2021 Total Capital Cost (2012/13 \$)	2012-2021 Total Capital Cost (Adj \$)	Growth Funded Portion (2012/13 \$)	New Cubic Meters of Water 2012-2021	2012-2021 Contributions Received (2012/13 \$)	2012-2021 Contributions Received (Adj \$)	Net Debt (2012/13 \$) + = deficit - = surplus	Debt Funding Ratio
Awamoko	521,475	606,662	136,525	39	49,963	59,577	88,768	52%
Dunroon	270,461	292,178	81,138	66	65,817	79,156	15,503	9%
Hampden/Moeraki	966,630	1,028,291	318,008	81	166,276	198,584	178,732	73%
Herbert/Waianakarua	492,040	585,356	116,733	93	125,410	149,580	51,880	49%
Kakanui	267,187	334,361	71,396	82	46,196	55,142	24,000	0%
Kauru	460,655	533,184	125,947	30	49,499	59,023	91,271	73%
Lower Waitaki	221,599	288,472	66,480	77	93,651	111,697	73,829	62%
Ohau	392,606	392,606	261,465	7	92,705	110,270	147,206	80%
Otekaike	138,521	157,166	32,638	13	12,322	14,686	22,835	72%
Stoneburn	402,569	453,702	131,477	24	35,930	42,837	107,865	82%
Tokarahi	572,726	683,888	198,025	91	99,283	118,381	140,724	66%
Windsor	442,712	511,335	110,929	37	36,614	43,699	75,996	60%
TOTAL	5,149,181	5,867,199	1,650,760	640	873,664	1,042,632	1,018,609	

Table 9: Unrestricted Urban Schemes - Water Supply – Debt Funding Ratio – 2012 - 2021 Net Growth Cost vs. Revenue Assessment

Water Supply Contributing Area	2012-2021 Total Capital Cost (2012/13 \$)	2012-2021 Total Capital Cost (Adj \$)	Growth Funded Portion (2012/13 \$)	New Household Equivalents Units 2012-2021	2012-2021 Contributions Received (2012/13 \$)	2012-2021 Contributions Received (Adj \$)	Net Debt (2012/13 \$) + = deficit - = surplus	Debt Funding Ratio
Kurow	77,550	90,270	9,458	19	40,180	47,901	6,278	60%
Omarama	0	0	0	19	60,117	71,679	-53,558	0%
Otematata	0	0	0	10	27,826	33,144	-9,754	31%
TOTAL	77,550	90,270	9,458	48	128,123	152,724	-57,033	

Table 10: Amalgamated Schemes - Water Supply – Debt Funding Ratio – 2012 - 2021 Net Growth Cost vs.

Revenue Assessment

Water Supply Contributing Area	2012-2021 Total Capital Cost (2012/13 \$)	2012-2021 Total Capital Cost (Adj \$)	Growth Funded Portion (2012/13 \$)	New Household Equivalents Units/ Points 2012-2021	2012-2021 Contributions Received (2012/13 \$)	2012-2021 Contributions Received (Adj \$)	Net Debt (2012/13 \$) + = deficit - = surplus	Debt Funding Ratio
Oamaru	6,138,715	7,580,377	1,032,823	442	1,481,637	1,767,188	-162,110	0%
Waihemo	162,251	211,214	48,675	43	124,851	148,959	-60,679	0%
TOTAL	6,300,966	7,791,590	1,081,498	485	1,606,489	1,916,147	-222,790	
DISTRICT TOTAL	11,527,696	13,749,059	2,741,716		2,608,275	3,111,503	738,786	

Table 11: Wastewater Capital Expenditure for Development Contributions (Excluding GST)

Waste Water Contributing Area	Capital Cost				Percentage Attributable to Growth	Historic Expenditure Growth Cost (Capacity) Consumed 2012-2021	Future Expenditure Growth Cost (Capacity) Consumed 2012-2021	TOTAL Expenditure Growth Cost (Capacity) Consumed 2012-2021	Weighted average No. of HEUs Apportioning Growth Cost 2012-2021	Development Contribution Per HEU (\$)
	2012-2021 Total Capital Cost (2012/13 \$)	2012-2021 Total Capital Cost (Adj \$)	Growth Funded Portion (2012/13 \$)	Funded by Other Sources (2012/13 \$)						
Kakanui	413,531	436,676	110,713	302,818	27%	34,025	29,514	63,539	19	3,268
Kurow	36,936	43,934	4,532	32,404	12%	8,838	1,619	10,458	15	694
Moeraki	400,482	429,219	82,716	317,766	21%	56,061	36,840	92,901	18	5,206
Oamaru	848,020	1,008,386	86,317	761,704	10%	818,772	22,940	841,712	321	2,626
Ohau	31,408	37,360	12,508	18,901	40%	866	4,562	5,428	13	424
Omarama	554,256	688,289	187,584	366,672	34%	16,240	20,582	36,822	17	2,128
Otematata	22,712	27,016	968	21,744	4%	20,026	309	20,335	9	2,195
Palmerston	395,365	401,923	35,999	359,366	9%	10,649	11,612	22,260	9	2,360
DISTRICT TOTAL	2,702,711	3,072,803	521,336	2,181,375	19.3%	965,477	127,978	1,093,455	422	

Table 12: Wastewater – Debt Funding Ratio - 2012 - 2021 Net Growth Cost vs. Revenue Assessment

Wastewater Contributing Area	2012-2021 Total Capital Cost (2012/13 \$)	2012-2021 Total Capital Cost (Adj \$)	Growth Funded Portion (2012/13 \$)	New Household Equivalents 2012-2021	2012-2021 Contributions Received (2012/13 \$)	2012-2021 Contributions Received (Adj \$)	Net Debt (2012/13 \$) + = deficit - = surplus	Debt Funding Ratio
Kakanui	413,531	436,676	110,713	19	63,539	75,755	49,675	70%
Kurow	36,936	43,934	4,532	15	10,458	12,465	4,074	61%
Moeraki	400,482	429,219	82,716	18	92,901	110,936	-19,047	28%
Oamaru	848,020	1,008,386	86,317	321	841,712	1,002,984	-863,396	0%
Ohau	31,408	37,360	12,508	13	5,428	6,457	6,080	51%
Omarama	554,256	688,289	187,584	17	36,822	43,901	161,628	82%
Otematata	22,712	27,016	968	9	20,335	24,216	-6,566	33%
Palmerston	395,365	401,923	35,999	9	22,260	26,522	11,599	69%
DISTRICT TOTAL	2,702,711	3,072,803	521,336	422	1,093,455	1,303,236	-655,954	

Table 13: Roothing - Capital Expenditure for Development Contributions (Excluding GST)

Roothing	2012-2021 Total Capital Cost (2012/13 \$)	2012-2021 Total Capital Cost (Adj \$)	2012-21 Total Capital Net Cost to Council (2012/13 \$'s)	Growth Funded Portion (2012/13 \$)	Funded by Other Sources (2012/13 \$'s)	Percentage Attributable to Growth	Historic Expenditure Growth Cost (Capacity) Consumed 2012-2021	Future Expenditure Growth Cost (Capacity) Consumed 2012-2021	TOTAL Expenditure Growth Cost (Capacity) Consumed 2012-2021	Weighted Average No. of HEU's Apportioning Growth Cost 2012-2021	Development Contribution Per Household Equivalent Unit (\$)
District Wide	62,136,517	72,116,881	28,820,816	1,639,497	27,181,320	5.69%	682,740	577,496	1,260,236	1,390	906

Table 14: Roading – Debt Funding Ratio: 2012 - 2021 Net Growth Cost vs. Revenue Assessment

Year	2012-2021 Total Capital Cost (2012/13 \$)	2012-2021 Total Capital Cost (Adj \$)	Growth Funded Portion (2012/13 \$)	Cumulative Growth Cost (2012/13 \$)	New Household Equivalent Units 2012- 2021	2012-2021 Contributions Received (2012/13 \$)	2012-2021 Contributions Received (Adj \$)	2012-2021 Cumulative Contributions Received (2012/13 \$)	Net Debt (2012/13 \$) + = deficit - = surplus	Debt Funding Ratio
2012	8,578,640	8,578,640	203,785	203,785	138	125,508	125,508	125,508	259,772	6%
2013	7,543,856	7,825,936	127,906	331,691	140	126,775	131,515	252,283	256,927	4%
2014	5,512,360	5,892,888	117,935	449,626	141	128,056	136,896	380,339	242,829	3%
2015	5,023,124	5,562,519	114,901	564,526	130	117,996	130,667	498,335	235,758	2%
2016	5,068,296	5,787,479	117,444	681,971	131	119,128	136,033	617,464	230,097	2%
2017	5,196,313	6,108,034	132,481	814,451	133	120,273	141,375	737,737	238,329	2%
2018	5,315,309	6,451,756	144,561	959,012	134	121,430	147,392	859,167	257,484	2%
2019	4,896,423	6,149,870	100,817	1,059,829	135	122,599	153,983	981,765	231,726	1%
2020	9,971,423	12,982,927	479,003	1,538,832	153	138,455	180,270	1,120,220	568,299	6%
2021	5,030,773	6,776,832	100,664	1,639,497	154	140,017	188,613	1,260,236	524,970	5%
DISTRICT TOTAL	62,136,517	72,116,881	1,639,497		1,390	1,260,236	1,472,252	Debt Funding Ratio		33%

Table 15: Total 10 Year Development Contribution Revenue Projections

Activity	2012-2021 Contributions Received (2012/13 \$'s)	Total 10 Year Remission Estimate	Revised 2012- 2021 Contributions Received (2012/13 \$'s)	Remission Explanation
Water Supply	2,608,275	46,352	2,561,923	Ohau Water Supply
Wastewater	1,093,455	46,451	1,047,004	Moeraki Wastewater
Roading	1,260,236	49,082	1,211,154	Residential dwellings on primary or dairy property developments
TOTAL	4,961,966	141,885	4,820,081	

Sundry rating policies

Postponement of Rates

Postponement policies have been prepared under Sections 108 to 110 of the Local Government Act 2002 and Sections 85 to 87 of the Local Government Rating Act 2002.

Postponement of rates for extreme financial hardship

Objective

The objective of this policy is to assist ratepayers experiencing extreme financial hardship that affects their ability to pay rates.

The assistance will be by way of the postponement of rates arrears. The assistance will generally be only given to any ratepayer once. Properties that have a mortgage will not be considered for postponement.

Conditions and Criteria

Only rating units used primarily for the residence of the ratepayer(s) will be eligible for consideration for rates postponement for extreme financial circumstances.

Properties used for business, intensive agriculture or greater than 8ha will not be considered to be used primarily for residence of the ratepayer(s).

Only the person(s) entered as the ratepayer, or their authorised agent, may make an application for rates postponement for extreme financial circumstances. The

ratepayer(s) must be the current owner(s) of, and have owned for not less than 5 years, the rating unit which is the subject of the application. The person(s) entered on the Council's rating information database as the "ratepayer(s)" must not own any other rating units (whether in the district or in another place).

The ratepayer(s) (or authorised agent) must make written application to Council.

The Council will consider, on a case-by-case basis, all applications received that meet the criteria described in paragraphs 1 and 2 under this section. The Council will delegate authority to approve a first application for rates postponement to the Chief Executive.

When considering whether extreme financial circumstances exist, all of the ratepayer(s) personal circumstances will be relevant including the following factors: age, physical or mental disability, injury, illness and family circumstances.

Before approving an application the Council must be satisfied that the ratepayer(s) is (are) unlikely to have sufficient funds left over, after the payment of overdue rates, for normal health care, as well as making provision for normal day to day living expenses.

Where the Council decides to postpone rates the ratepayer(s) must first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.

Any postponed rates will be postponed until:

- The death of the ratepayer(s); or
- Until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
- Until the ratepayer(s) ceases to use the property as his/her residence; or
- Until a date specified by the Council.

Council will only postpone rates to a value up to the capital value of the property as recorded in the Rating Information Database.

The Council will charge an annual fee on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover the Council's administrative and financial costs and may vary from year to year. The fee will be set annually in Council's Annual Plan.

The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.

Postponed rates will be registered as a statutory land charge on the rating unit title.

This means that the Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

Rights of Appeal

The ratepayer(s) may appeal any decision of a Council Officer under this policy. The appeal must be in writing (verbal presentation of the written appeal will be accepted). Council will hear the appeal.

Postponement of Rates on Maori Freehold Land

Maori freehold land is defined in the Local Government Rating Act 2002 as land whose beneficial ownership has been determined by a freehold order issued by the Maori Land Court. Only land that is subject to such an order may qualify for a postponement of rates under this policy.

Objectives

The objective of this policy is to facilitate the development and use of the land for economic use where Council considers utilisation would be uneconomic if full rates are required during the years of development or establishment of a crop.

Conditions and Criteria

Council will consider postponement of rates where previously unoccupied land is subject to clearing, development or growing of crops.

Application should be made prior to 30 April of each year and will be applied from 1 July of that year.

Owners or Trustees making application should include the following information in their application:

- Details of the property
- The objectives that will be achieved by providing the postponement
- Details of the proposed development.

Council will consider postponement for each individual application according to the circumstances of that application.

No postponement will be granted on targeted rates for water supply, sewerage disposal or refuse collection.

Council may, at its discretion, partial remit rates that are otherwise subject to postponement.

Remission of Rates

Remission Policies have been prepared under Sections 108 to 110 of the Local Government Act 2002 and Sections 85 to 87 of the Local Government Rating Act 2002.

Remission of Rates – General

Remission Policies have been prepared under Sections 108 to 110 of the Local Government Act 2002 and Sections 85 to 87 of the Local Government Rating Act 2002.

Remission of Rates on Bare Land

Objectives:

Council may cancel any separate targeted rate or uniform annual general charge in respect of one or more rating units occupied by the same ratepayer (as stated in the district valuation roll) if it considers it reasonable in the circumstances to do so.

Criteria and Conditions:

Council policy is that where properties are occupied by the same ratepayer (as stated on the rating valuation roll) Council will not charge a uniform annual general charge or ward targeted rate on properties considered to be bare land, provided that the ratepayer pays at least one uniform annual general charge within the District. Bare land is defined as properties with no improvements other than fences and irrigation. For the purposes of this policy forestry blocks (without buildings or other constructions) are deemed to be bare land.

Remission of Rates on Waitaki River Kaik, Waitaki Bridge Camp, Gemmell's Crossing Camp and Moeraki Kaik Camp

Objectives:

The objective of this policy is to recognize the limited opportunity to occupy the various parts of the rating units and other factors in relation to the impact of full charges.

Criteria and Conditions:

Council may remit, on application from the ratepayer, all or part of the Uniform Annual General Charges and Ward Charges on the rating units that make up the Waitaki River Kaik, Waitaki Bridge Camp, Gemmell's Crossing Camp and Moeraki Kaik Camp. The level of remission will be set annually.

Remission of Rates on Rating Units with Multiple Single Bedroom Inhabitable Parts

Objectives:

The objective of this policy is to recognize potential inequity of charging properties that have multiple single bedroom inhabitable parts on the same basis as other residential inhabited parts.

Criteria and Conditions:

Council may remit, on application from the ratepayer, part of the Uniform Annual General Charges and Ward Charges on the rating units that have single bedroom inhabited parts. The level of remission will be set annually.

Remission of Rates on Properties with Mixed Residential and Other Uses in the Oamaru Business Areas

Objectives:

The objective of this policy is to recognize potential inequity of charging properties that are used for residential and another purpose in the Oamaru Business area on the same basis as a property used for business purposes.

Criteria and Conditions:

Council may remit, on application from the ratepayer, all or part of the Oamaru Business Area Rates where the majority of a property is used for residential purposes. The level of remission will be determined by a number of factors including but not limited to the floor area and value of the residential portion.

Remission of Rates on Maori Freehold Land

Maori freehold land is defined in the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by a Freehold Order issued by the Maori Land Court. Only land that is subject to such an order may qualify for a remission under this policy.

This policy aims to:

- Ensure the fair equitable collection of rates from all sectors of the community recognising that certain Maori owned lands have particular conditions, features, ownership structures, or other circumstances, which make it appropriate to provide relief from rates.
- Implement a policy for providing rate relief on Maori land pursuant to Section 108 of the Local Government Act 2002.

Objectives

The objectives of the policy are to:

- Recognise situations where there is no occupier or person gaining an economic or financial benefit from the land
- Set aside land that is better set aside for non-use because of its natural features
- Recognise matters related to physical accessibility of the land
- Recognise and take into account of the presence of waahi tapu that may affect the use of the land for other purposes

Conditions and Criteria

Council will consider a remission for property that comes within the following criteria:

- The land is unoccupied and no income is derived from the use or occupation of
- that land, or
- The land is better set aside for non-use because of its natural features or as unoccupied and no income is derived from the use or occupation of that land
- The land is inaccessible and is unoccupied.

The remission for land meeting the criteria will be 100% of any rates except for targeted rates made for the supply of water, sewerage or waste collection.

Applications for land to be considered for remission must be made by 30 April of each year for the rating year commencing on the following 1 July of that year.

Owners or Trustees making an application should include the following information in their applications:

- Details of the property
- The objectives that will be achieved by providing the remission
- Documentation that proves the land, which is the subject of the application, is Maori freehold land.

The extent of the relief is at the sole discretion of Council and may be cancelled or reduced at any time.

Council will review the register annually and may require information on whether the circumstances relating to the property receiving the remission, have changed, or no longer comply with the policy.

Remission of Rates Penalties

The Council grants to the Chief Executive or his/her nominee delegated authority in the following circumstances to approve on receipt of an application the remission of such penalty charges which have been incurred by any ratepayer as a consequence of their payment being received after the due date:

- On a “one-off” basis where the ratepayer has had a previous satisfactory payment history
- Where a property changes hands (sale or lease) and the new owner/lessee is responsible for an instalment when the original account was issued in the name of the previous owner/lessee
- On compassionate grounds, i.e. where a ratepayer has been ill or in hospital or suffered a family bereavement or tragedy of some type, and has been unable to attend to payment (elderly persons living on their own etc)
- Rate account not received where it can be proved a genuine case exists
- In such instances where an error has been made on the part of Council staff or arising through error in the general processing or levying of same which has subsequently resulted in a penalty charge being imposed.

Arrears – Penalty Remissions

In situations where there are arrears from previous years, negotiation may be entered into over the amount of accumulated arrears penalty that is ultimately to be paid on such accounts subject to the proviso that dispensations subsequently granted shall be conditional upon settlement being made of the total account due, and that in implementing this policy the circumstances of each case be taken into consideration on their individual merits and it be

conditional upon the full amount of such rates due having been paid.

In considering the application of this policy the following matters shall be considered:

1. The remission does not go back for more than three years
2. That the rates are paid
3. That Council prefers those ratepayers who have communicated in advance and reached an agreement or an arrangement by which the base rates will be paid within a period of two years
4. Council outgoings are always recovered
5. The ratepayer’s entire relationship with Council, to ensure a benefit is not provided to a ratepayer when costs are being incurred on account of the ratepayer elsewhere with Council’s operations.
6. The remission of the penalty will facilitate the sale of the property, on the basis Council is better off with a future revenue stream.

Remission of sewerage charges on schools

Objective of the Policy

To provide for relief from sewerage charges for rating units used for educational establishments, so that educational establishments shall be required to pay no more for sewerage charges than previously determined under the Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001 (“the Donnelly Act”).

Conditions and Criteria

Rating units that meet the criteria under this policy shall receive a remission of sewerage charges so that the total sewerage charges payable shall be no more than that previously determined under the Donnelly Act.

To be eligible for remission, the rating units must be used for the purposes of an educational establishment as defined in the Donnelly Act.

General Remission – Extraordinary Circumstances

Objective of the Policy

The objective of this policy is to give Council an option to respond to extraordinary events that effect a ratepayer or group of ratepayers that could not be foreseen at the start of the rating year.

Conditions

Applications must be made in writing. The application should set out the circumstances and impact on the ratepayer(s). Council will consider all applications; there will be no right of appeal.

General Matters

Council Discretion:

The extent of the relief is at the sole discretion of Council and may be cancelled or reduced at any time.

Information to be Supplied:

Council will review the level of remission annually and may require information to be provided by the ratepayer before the remission is granted.

Deadline for Application of Remissions:

In order that Council can correctly set the rates, written application for any remission must be received by 31 May of the year prior to the year that the rates are set for.

Council may consider granting a remission in the year it is applied for if the remission policy was adopted as part of that years LTCCP or Annual Plan process and the ratepayer would otherwise have been eligible for the remission.

Delegation to the Chief Executive:

Unless otherwise stated, the Chief Executive or other delegated officer, is delegated authority to determine if ratepayers meet the criteria of any remission applied for, request any further information required to make a decision and grant remission in accordance with the adopted policies.

Administration of Rates

Payment Methods and Places

Rates will be collected by quarterly instalments due on the following due dates of each year or the first working day thereafter:

- 25 August
- 25 November
- 25 February
- 25 May

Rates may be paid by any of the following methods:

- Cash
- EFTPOS
- Automatic payment
- Cheque
- Internet Banking
- Credit Card
- Direct debit

Rates may be paid at Customer Service Centres:

- Waitaki District Council Headquarters, 20 Thames Street, Oamaru between

the hours of 8.30am to 5.00pm Monday to Friday except Thursday 8.30am to 4.00pm

- Waihemo Service Centre, 54 Tiverton Street, Palmerston between the hours of 8.30am to 5.00pm Monday to Friday except Thursday 9.30am to 5.00pm.

Minimum Economic Rate

Council will exercise its powers under section 54 of the Local Government (Rating) Act 2002 and will not collect the rates payable on a rating unit if the sum of those rates is so small as to be uneconomic to collect. Council has determined that it is uneconomic to collect rates owing on any rating unit of less than \$10.00 (including GST) per annum.

Rates Penalties

Under Section 58 of the Local Government (Rating) Act 2002, a 10% penalty is added on the next business day to so much of any instalment not paid by due date.

Under Section 58(1)(b) of the Local Government (Rating) Act 2002, a 10% penalty will be added to rates that remain unpaid from previous years. This will be added on 1 July of each year, or 5 working days after Council has passed the rates resolution (whichever is the later).

Under Section 58(1)(c) of the Local Government (Rating) Act 2002, a further 10% penalty will be added to rates that remain unpaid from previous years. This will be added 6 months after the penalty made in accordance with Section 58(1) (b).

Payments are applied to the oldest debt first.

Public Availability of Information

Council will charge a fee for supplying any person with a copy of information from the rating information database, except when requested in person at Council's Customer Service Centres in Oamaru and Palmerston.

The fee for this is shown in Schedule 2 - Fees and Charges.

Early Payment of Loan Rates for Subsequent Financial Years

Council will allow early payment of loan rates by lump sum for subsequent financial years. Council will accept early payment of construction charge rates by lump sum at any time.

Council will specify in the Annual Plan the amount of the lump sum required to fully discharge each loan construction charge rate and assessed by Council. This charge will apply for each period from 1 July to 30 June of the following year.

The amount of the lump sum required to fully discharge each construction charge rate set and assessed by Council will be recalculated annually.

The annual calculation will take account of the prevailing interest rate and the estimated remaining ratepayers paying the loan.



SECTION 7.



General policies

Assessment of water, wastewater and sanitary services

1.0 Introduction

The purpose of this report is to provide a review of the 2005 Assessment of Water and Sanitary Services. The review will:

- Consider each section of the 2005 report and indicate changes and the significance of those changes.
- Assess the issues that were considered in the 2005 assessment to determine if these have changed
- Assess if there are any additional issues that could be considered of significance

1.1 Legislation

The LGA 2002 amendment Act 2010 indicates in Schedule 10 (information to be included in long term plans), the following:

Section 6: Variation between territorial authority's long term plan and assessment of water and sanitary services and waste management plans

A long term plan for a territorial authority must identify and explain any significant variations between the proposals outlined in the long term plan and the territorial authority's -

(a) Assessment of water and other sanitary services under section 125:

Section 125 indicates that the territorial authority must from time to time, assess

the provision within its district of water services and other sanitary services

The LGA amendment 2010 requires any variations that may have occurred be indicated in a review. If the assessment variations are of high significance then these will need to be indicated within the 2011 AMPs and the 2012 – 2021 LTP.

1.2 Methodology

It was decided that the most appropriate manner to carry out the assessment is to do a desktop review and interview the appropriate council staff. The individual sections of the 2005 assessment were considered to identify any changes and the level of significance. This enabled all areas of the 2005 assessment to be considered in an efficient manner.

WDC staff interviewed were:

- Water, Wastewater, Stormwater, Solid Waste – Martin Pacey & Oscar Smit
- Cemeteries & Public Toilets – Erik van der Spek & Jan Maree Atkinson

1.3 Assessment

The following table details the September 2011 review of the 2005 Assessment of Water and Sanitary Services:

Table 1.1: September 2011 Review

Item #	2006 Report Heading	Has anything changed since June 2005	What has changed	Level of Significance	Comment
2 Overview					
2.1	Background	No		Not Relevant	
2.2	Requirements in LGA 2002	Yes	Reduced legislative requirements in 2010 LGA amendments	Low	
2.3	Linkages to Other Plans	No			
2.4	Water and Sanitary Services Assessment Model	No			
2.5	Assessment of Communities	No			
2.6	Districts History - Stock water	No	Conversion from sheep to dairy farming continues (North Otago Irrigation Company)	Low	No known issue with water quality
3 Water and sanitary assessments					
3.1	The Communities	Yes	Reduced number of public supplies through amalgamation. Supplying high quality water to previously rural restricted supplies. Minor changes to population numbers. Increased water quality standards.	Medium	
3.2	The Risks for Non Reticulated Communities	Not known			This may require WDC staff to enquire from these communities if there has been changes in risks
3.3	The Assessments in Summary	Yes	Water quality testing results for each community (2005 to now). Health Act & DWSNZ compliance legislative requirement. Change in farming practices & large scale irrigation. Increased focus on climate change & impacts. Population predictions (Holcim etc.)	Low	

Item #	2006 Report Heading	Has anything changed since June 2005	What has changed	Level of Significance	Comment
3.4	The Options and their Suitability	Yes	Demand Management is becoming a resource consent condition	Low	
3.5	The Role of the Territorial Authority	No			
3.6	Completeness of the Assessment	No			
3.7	Population Predictions	Yes	2006 Census & 2008 Waitaki Growth Projections & 2011 Addendum	Low	
3.8	Consultants Comments	No			
4 Solid waste assessment					
4.1	History	Yes	Solid Waste Strategy 2005, interim Waste Management Plan 2008.	Medium	
4.2	Quantity of Waste	Yes	2008 SWAP survey	Low	
4.3	Waste Composition	Yes	2008 SWAP survey	Low	
4.4	Council Services	Yes	Public kerbside collection service ceased during 2009.	Medium	Kerbside collection provided by private contractors. Council changed its role as provider to facilitator
4.5	Forecasted Demands	Yes	Expected life of operational landfills	High	At current rates of fill the landfills at Oamaru & Palmerston is expected to close in 2013/14. Council intends to apply to continue to fill Oamaru landfill until 2016 (consented date)

Item #	2006 Report Heading	Has anything changed since June 2005	What has changed	Level of Significance	Comment
4.6	Options to Meet Forecasted Demands	Yes	Residual waste disposal options	High	New local landfill, transport to out of district, incinerate, alternative waste technologies, regional solutions
4.7	Council's Role	Yes	Council changed its role as provider to facilitator. Strategic direction - waste minimisation is seen as a joint responsibility of Council, the individual and the community	Medium	
4.8	Protect Public Health	No			
5 Public toilet assessment					
5.1	Description of Sanitary Services Provided	Yes	Demolished a public toilet and built a new public toilet in Kurow	Low	
5.2	Forecast of Future Demand for Sanitary Services	No			
5.3	Options Available to Meet Forecast Demands	No			
5.4	Assessment of Options	No			
5.5	Council's Role in Meeting Forecast Demand	No			
5.6	Proposals for Meeting Forecast Demand and for New/Replacement Infrastructure	Yes	New public toilet in Kurow	Low	
5.7	Proposals will Ensure Public Health is Protected	No			

Item #	2006 Report Heading	Has anything changed since June 2005	What has changed	Level of Significance	Comment
6 Cemeteries assessment					
6.1	Description of Sanitary Services Provided	No			
6.2	Forecast of Future Demand for Sanitary Services	No			
6.3	Options Available to Meet Forecast Demands	No			
6.4	Assessment of Options	No			
6.5	Council's Role in Meeting Forecast Demand	No			
6.6	Proposals for Meeting Forecast Demand and for New/Replacement Infrastructure	No			
6.7	Proposals will Ensure Public Health is Protected	No			
7 Risk assessment					
7.1	Explanation of Risk Criteria	No			
7.2	Consultation	No			
7.3	Water Quality Results	Yes	Water quality testing done in accordance with DWSNZ 2005	Low	
8 Maps					
8.1	Water Schemes and Areas	Yes	Reduction in number Public Water Schemes through amalgamation	Low	

Item #	2006 Report Heading	Has anything changed since June 2005	What has changed	Level of Significance	Comment
8.2	Wastewater Schemes and Areas	No			
8.3	Stormwater Schemes and Areas	No			
8.4	Cemeteries within Waitaki District Council	No			
8.5	Toilet Locations within Waitaki District Council	No			
8.6	Deprivation Index	No			

2.0 Summary

Within the services supplied by Council there have been significant changes and improvements to the infrastructure and consequently reduction in risks for the community.

Within the communities that are not served by Council infrastructure there have been no significant known changes since the 2005 assessment.

The findings of this review will be incorporated into the Waitaki District Council 2011 Asset Management Plans as appropriate.

A1 Assessment of water, wastewater and sanitary services

A1.1 Introduction

The Water and Sanitary Services Assessment (WSSA) is an assessment of all services (public and private) relating to:

- Water;
- Wastewater;
- Rubbish and Recycling;
- Public Toilets;
- Cemeteries

The aim is to assess the adequacy of these services both now and in the future. It considers the risks that these services, or lack of these services, may pose to health and well being of the community. This document is a summary of the information on Council's water and waste services. It is based on the information in the most recent Assessment of Sanitary Services, (which was completed in 2005) and has been updated for significant changes since that date.

Council is required to carry out the WSSA under the Local Government Act 2002. This legislation states that the Council has an obligation to assess water and sanitary services and it gives specific details as to the scope of the assessments and processes by which they must be done. The Local Government Act 2002 (LGA 2002) requires Council to include this information in the Waitaki Community Plan.

Section 6, Schedule 10 of the LGA requires Council to identify any variations between the WSSA and the Waitaki Community Plan, thus requiring a review of the WSSA aligned with the three yearly Community Plan frequency.

Council regards this summary to be a fair representation of the information contained in the full assessments for each water and waste service. The full assessment document can be obtained from Council.

A1.2 Background

LGA 2002 requires Council to assess the provision of water and waste services within the Waitaki District because of their importance to the public health of the community. The assessment includes water supplies, wastewater services, stormwater, cemeteries, public toilets and waste disposal.

The assessment is required to include specific information such as:

- Description of Services provided;
- Assessment of risk to communities relating to the absence of services;
- Quality, quantity and adequacy of services provided;
- Current and estimated future demand;
- Council's role in proposals for meeting these demands;
- Options available to meet the forecast demands and suitability of each;
- Health and environmental impacts of discharges and other sanitary services;
- The extent to which public health is adequately protected.

This document summarises the information in the full assessments by identifying the key issues facing the Waitaki District concerning each service area of Council.

A1.3 Waitaki district council's role in meeting the current and future demands

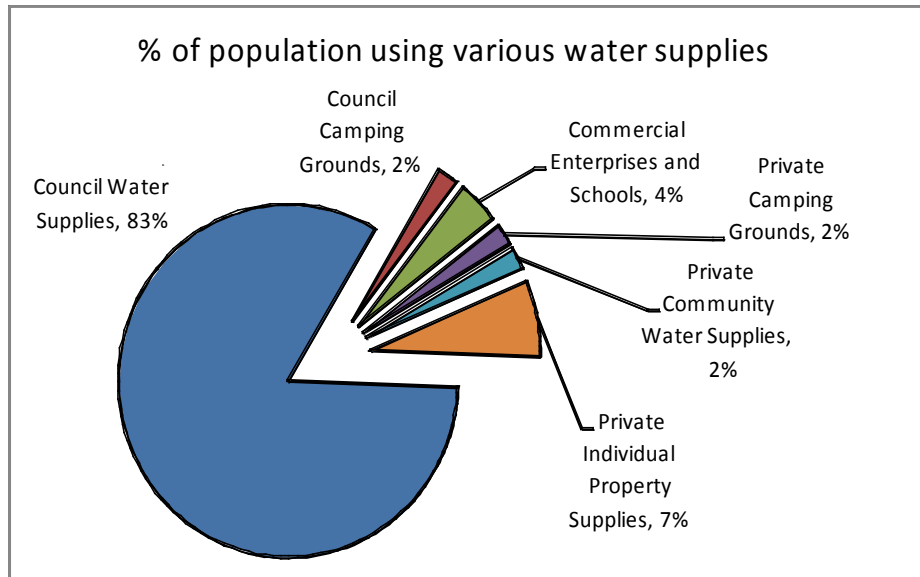
Due to the Christchurch earthquakes and associated national state of emergency, the 2011 Census could not be held on 8 March 2011. The Government has announced that the next New Zealand Census of Population and Dwellings will be held in March 2013. As a result Council are still dependent on the 2006 Census data, the Waitaki Growth Projections Report 2008 and a recent extension, the 2011 Addendum. The 2011 Addendum assists with understanding how the economic slowdown may affect the Waitaki District.

The adjusted Council growth projections for the next 25 years indicate:

- The usual resident population will increase by 1.4% over the next 5 years, but then steadily decline to 20,303 (-5.7%) in 2036;
- Residential dwellings will increase with 14.7% over the next 25 years;
- Visitor numbers are projected to steadily increase with 21% over the next 25 years;
- Irrigation projects will drive most the usually resident population and residential dwelling growth.
- The current Council Asset Management Plans (AMPs) have taken into consideration these projected increases.
- AMPs in the Waitaki Community Plan 2012-22 will give an indication into Council's proposals for meeting current and future demands for Water, Waste and Sanitary Services;
- AMPs also provide information on Council's role and involvement in the provision of these services;
- Where services are presently owned and operated by the community, involvement of Council in the investigation of wastewater reticulation (sewerage) of small communities may cover the roles of advocate/facilitator, service provider or/and service funder.

A1.4 Water supply

Council's reticulated water schemes supply an estimated 95% of the usually resident population. The water supply focus is still very much on complying with the Health Act 1956 and amendments and the Drinking Water Standards for New Zealand. All water suppliers, public and private, are required to take all practicable steps to comply with the DWSNZ and demonstrate compliance.



A good, clean and sufficient water supply is essential for our well being. Several pieces of legislation and standards ensure that good quality water is supplied to customers. These include The Health Act 1956, the Building Act 2004 and Drinking Water Standards for New Zealand. A register of drinking water systems and grading system is provided by the Ministry of Health to help monitor the quality of drinking water in New Zealand.

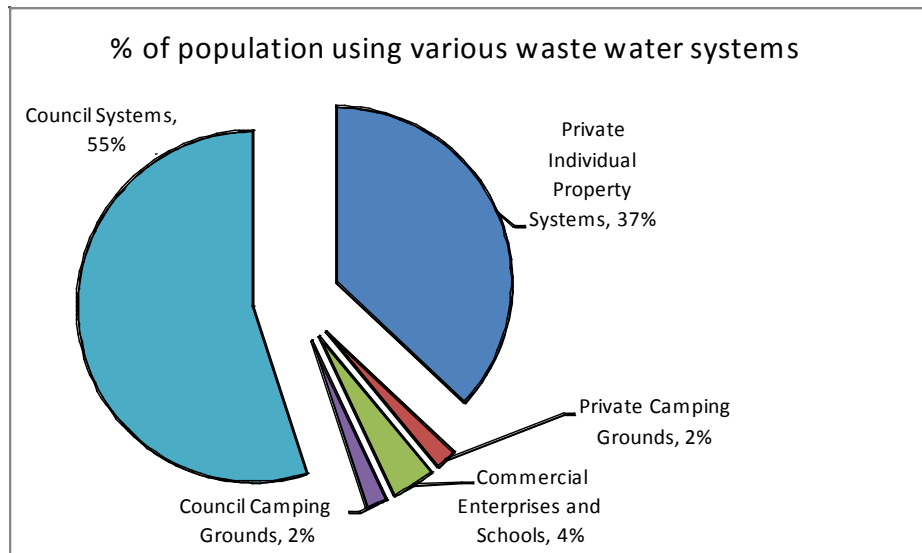
The key issues facing the Waitaki District for Water Services are:

- Of the 19 reticulated piped supplies only the Oamaru supply currently satisfies the requirements of the Health Act. Seventeen supplies will be required to improve the level of water treatment provided

- Apart from the capital costs, these upgrades will place a significant increase in operation, maintenance, and future renewal costs of these upgraded treatment plants
- Investigating innovative ways to provide an efficient and cost effective water supply
 - Augmenting of water short supplies;
 - Impact of irrigation on rural water supplies;
 - Procurement of products and services.
- Demand management will include prioritisation of where the needs for water demand management initiatives are greatest through consideration of the demand management drivers' i.e. complying with legislation, satisfying Central Government expectations, water conservation, defer CAPEX, maintain agreed Levels of Service, and reduce OPEX.
- Council is working with the Ministry of Health to ensure community supplies not administered by Council are compliant with the Health Act

A1.5 Wastewater

It is estimated that 78% of the usually resident population have access to a reticulated wastewater scheme with the remainder being served by individual septic tanks and associated disposal systems.



The aim is to assess the adequacy of the wastewater service in terms of its effect on public health and impact on the environment. Health impacts associated with the wastewater service are primarily due to the lack of, or poorly performing wastewater collection and disposal facilities, which can lead to pollution of the environment posing a risk to humans and the environment.

The key issues facing the Waitaki District for Wastewater Services are:

- Health risks associated with pollution of groundwater & surface water. This risk is moderate for the majority of communities within the district;
- Current and estimated future level of incidence of disease associated with water and wastewater contamination is very low;
- Current and estimated future demands for reticulated wastewater services

are either well catered for or investigations are on-going to assess environmental development issues;

- There are six wastewater schemes that are adequate now and one where the current adequacy is unknown. It is unknown if these seven systems will be adequate in future. Five wastewater areas and three wastewater schemes are not adequate now i.e. the risk of contamination of surface water is high and changes in demand will affect health and the environment in future. There have only been occasional reports on failed septic tanks and associated disposal systems in these areas. Council staff suspects that actual failure rates could be higher than the reported failure rate and that the actual number of failures may increase in future
- Council have had discussions with the Hampden community about establishing a wastewater collection network and treatment system, but the costs are estimated to be high. Council will continue to:
 - investigate the extent of possible contamination and pollution and the associated risks to the community;
 - consult the community on options i.e. install reticulated sewerage scheme or upgrade individual septic tank systems in compliance with Otago Regional Council rules;
 - use this process as a template for the communities of Herbert, Maheno and Reidston.
- Investigating innovative ways to provide an efficient and cost effective wastewater collection, treatment and disposal system
 - Procurement of products and services;
 - Improved focus on management of service and current contracts;
- Meeting existing and new requirements imposed by Regional rules and standards

A1.6 Stormwater

Oamaru is the only town in the district where the majority of the community is served by a stormwater system. In addition the systems in Otematata, Palmerston and Weston are also considered significant. The bulk of other townships and communities in the district dispose of their stormwater mainly by individual soak pits.

The key issues facing the Waitaki District for Stormwater Services are:

- Current and future demand for stormwater services are well catered for in both the reticulated systems and areas of individual property disposal;
- The assessment of risk to the communities in the absence of a reticulated stormwater system has shown to be moderate. Risk are mitigated by ensuring secondary flow paths are known and functional;
- All stormwater areas and stormwater schemes in the district are adequate now and for the future. Changes in demand will not affect health. However, future demand of the majority stormwater areas and schemes may affect the environment;
- Any changes in the standards that would require treatment of stormwater would have a significant impact on the stormwater services;
- Regional rules and standards place an increasing emphasis on protecting the environment.

A1.7 Public Toilets

The aim is to assess the adequacy of the provision of public toilets in relation to the protection of public health. This includes adequate protection from indiscriminate defecation that may present a risk to public health and ensuring facilities are hygienic and of a good standard. There is no specific legislation in relation to public toilets other than the requirements of the Health Act 1956.

Council owns 28 public toilet facilities throughout the district (excluding the Lakes Camping toilets). Council undertook an assessment of public toilets in 2003. This review resulted in the 2003 Public Toilets Strategy that was approved by Council in the 2003/04 Annual Plan process. The Strategy provides for the renewal of public toilets over time and a specification and a specification for the design of new public toilets. This Strategy will be reviewed during the 2012-22 Long Term Plan. Council replaced public toilet facilities in Kurow recently.

The key issues facing the Waitaki District concerning Public Toilets are:

- 2010 Communitrak survey indicate that satisfaction levels increased but are still below Council target and above National average;
- As there is a significant portion of the residents not satisfied with the public toilets it may indicate that present facilities does not meet current demand;
- The public expects toilets to be accessible, hygienic and clean and within the commercial zones of each community, public areas, major sporting venues and popular passive recreation sites;
- There are still 3 privy type (long drop) toilets. These will be phased out for public health and environmental reasons;
- All toilets should be connected to either a reticulated sewerage scheme, appropriately designed septic tank or holding tank to provide for effective containment and disposal of effluent;
- Council's Strategy contains a program for capital works, minor service level changes and lists the sites where current service levels will be maintained;
- Development of new toilets or re grading an existing site to a higher

standard will require some justification/needs assessment to support an increased level of service;

- The proposed capital works programme along with maintenance and renewal of the existing network of public toilets by Council shall provide adequate accessibility to public toilets for the protection of public health.
- Council manages demand through consideration of various factors such as:
 - Public toilets need to be well signed. If it is not well signed, it is difficult to find effectively making it unavailable to the public;
 - Failure to maintain public toilets will have an economic impact on the district as the public moves away, due to a lack in standards;
 - An increase in visitor numbers is expected to increase demand for public toilets

A1.8 Cemeteries

The aim is to assess the adequacy of cemeteries in relation to the continued protection of public health. The Burial and Cremation Act 1964 requires a local authority to, where sufficient provision is not otherwise made, establish and maintain a suitable cemetery for the burial of those dying within its district.

Council undertook an assessment of cemeteries in 2003. This review resulted in the 2003 Cemeteries Policy. Council owns and manages 12 cemeteries throughout the district, with two situated within Oamaru. Council also manages 3 closed cemeteries.

The key issues facing the Waitaki District concerning Cemeteries are:

- The portion of over 65 year olds residents is forecast to double from 20% in 2006 to 40% in 2036. Due to this age profile and life expectancy statistics it is expected that the annual rate of burials will increase over the next 25 years;
- Most burials occur within Oamaru and Palmerston;
- Extension of the Oamaru Cemetery is in its conceptual stage and will be progressed as demand dictates. Council has sufficient designated cemetery land [refer Volume One for further information];

- Rural cemeteries will be maintained to a consistent standard;
- Council has sufficient capacity to provide for burials and ash internments over the next 40 years. Private memorial gardens and cemeteries outside Council control add to this capacity;
- Cemetery regulations and operating policies and procedures are appropriate for handling of human remains as well as for protecting public health and the environment.

A1.9 Rubbish & Recycling

During 1993/94 Council undertook a strategy study to rationalise the management of solid waste throughout the district. As a result, 13 rural landfills were closed and 8 Council owned transfer stations were established. In 2001 the Council adopted a Solid Waste Management Plan. An assessment of Solid Waste services was carried out in December 2004. An updated Solid Waste Management Plan was adopted in 2006. Council also developed a Solid Waste Strategy during 2005 and an interim Waste Management Plan during 2008.

The key issues facing the Waitaki District for Solid Waste services are:

- It estimated that each person in Waitaki produce 518kg of waste that will end up in a landfill (2008 SWAP survey);
- Records show that 612 tonnes of waste is disposed of at the Oamaru landfill;
- The Waitaki Resource Recovery Park receives 17 tonnes of waste per week with 9.9 tonnes (58%) from residential activities/sources;
- Council solid waste services includes;
 - Two operational landfills at Oamaru & Palmerston;
 - Waitaki Resource Recovery Park in Oamaru;
 - Transfer stations/Resource Recovery Centres at Hampden, Kurow, Omarama and Otematata;
 - Drop off points at Enfield and Papakaio;
 - Thirteen closed landfills.

- Oamaru and Palmerston landfills are expected to reach capacity during 2013/14 at current rates of fill. Council will investigate and consider alternative options;
- Council's Strategic direction sees waste minimisation as a joint responsibility of Council, the individual and the community;
- Public kerbside collection was ceased during 2009 with private contractors providing the service in full;
- The existing solid waste services are deemed to be sufficient to protect public health.
- Key issues include:
 - Long term access to a landfill;
 - Facilitating solid waste services while maintaining a significant role within the district;
 - Waste minimisation;
 - Education.

Waste management and minimisation plan 2012-22

The waste minimisation and management plan (WMMP) is discussed within the waste management and minimisation summary activity management plans (SAMP) in volume one of the 2012-22 Long Term Plan. The full plan is available on the Council's website: www.waitaki.govt.nz, the Council building, Service Centres and Libraries throughout the District.

Fostering Maori contribution to the decision making process

Existing arrangements

Waitaki District Council acknowledges Maori as people with whom there is a special relationship. Council is committed to giving effect to the principles and intent of the Treaty of Waitangi, and to engaging in genuine and appropriate consultation with Maori.

Council has in place protocols for ensuring Tangata Whenua are consulted in regard to decisions made under the Resource Management Act 1991, Local Government Act 2002, and in the last triennium received and adopted a Memorandum of Understanding with Te Runanga o Moeraki to guide the ongoing relationship between Council and the Runanga. Council also has a Relationship Agreement with Waitaha Taiwhenua O Waitaki Trust Board.

Council continues to focus on their wider role, including:

- Encouraging Maori contribution to decision-making processes of all Council activities, not simply decisions under the Resource Management Act
- Reference to Maori rather than to Tangata Whenua, thus including Mana Whenua and Taura Here
- Reference not only to enabling contribution to decision-making but also to fostering Maori capacity to contribute.

Council reports back annually against the Memorandum of Understanding through its Annual Report.

Steps that Council intends to take

Over the life of this plan, Council will review the Memorandum of Understanding with Te Runanga o Moeraki and Relationship Agreement with Waitaha Taiwhenua O Waitaki Trust Board to ensure the documents are working and remains relevant. Council will continue to find ways to ensure that all Maori have the opportunity to contribute to decision-making, and will continue to liaise with Te Runanga o Moeraki in the first instance and Waitaha Taiwhenua o Moeraki Trust Board there after to guide protocol and process.

Legal considerations

Section 81 of the Local Government Act 2002 states that:

1. A local authority must:
 - (a) Establish and maintain processes to provide opportunities for Maori to contribute to the decision-making processes of the local authority
 - (b) Consider ways in which it may foster the development of Maori capacity to contribute to the decision-making processes of the local authority
 - (c) Provide relevant information to Maori for the purposes of paragraphs (a) and (b).
2. A local authority, in exercising its responsibility to make judgments on the manner in which subsection (1) is to be complied with, must have regard to:
 - (a) The role of the local authority, as set out in section 11
 - (b) such other matters as the local authority considers on reasonable grounds to be relevant to those judgments.”

Schedule 10 Part 1 Section 8 to the Local Government Act states that:

“A long term plan must set out any steps that the local authority intends to take, having undertaken the consideration required by section 81(1)(b), to foster the development of Maori capacity to contribute to the decision-making processes of the local authority over the period covered by that plan.”

Policy on determining significance

Background

Section 90 of the Local Government Act 2002 (“the Act”) requires Council to adopt a significance policy setting out:

- The Council’s general approach to determining the significance of proposals and decisions in relation to issues, assets or other matters.
- Any thresholds, criteria, or procedures that are to be used by the Council in assessing the extent to which issues, proposals, decisions or other matters are significant.
- The assets considered by the Council to be strategic assets.

Purpose

All Council decisions must be made in accordance with the decision-making requirements of the Act. Council must judge the appropriate level of compliance with those requirements, largely in proportion to the significance of the matters affected by the decision.

The judgment about how to achieve compliance with the decision-making requirements in the Act includes judgments about:

- The extent to which different options are to be identified and assessed.
- The degree to which benefits and costs are to be quantified.
- The extent and detail of the information to be considered.
- The extent and nature of any written records kept as to compliance.

Definitions

In this policy, the words “significance”, “significant” and “strategic asset” have the meanings defined in Section 5 of the Act. At the date of adoption of this policy, the definitions in the Act were as follows:

- significance, in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for:
 - (a) the current and future social, economic, environmental, or cultural well-being of the district or region:
 - (b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
- significant, in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.
- strategic asset, in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority’s capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes:
 - (a) any asset or group of assets listed in accordance with section 90(2) by the local authority; and
 - (b) any land or building owned by the local authority and required to maintain the local authority’s capacity to provide affordable housing as

part of its social policy; and

- (c) any equity securities held by the local authority in -
 - (i) a port company within the meaning of the Port Companies Act 1988
 - (ii) an airport company within the meaning of the Airport Authorities Act 1966.

In the event that the definitions in section 5 of the Act are amended, Council will apply the amended definitions as if they were written into this policy.

General approach to determining significance

When determining the significance of proposals and decisions in relation to any issue, asset or other matter the Council will consider the likely impact on, and consequences of that decision or proposal for:

- Any persons who are likely to be particularly affected by or interested in the decision or proposal.
- The current and future social, cultural, economic and environmental well-being of the District.
- The present and future capability of the Council to perform its role and the costs of it doing so, in terms of its capacity deliver services to the District and achieve or promote community outcomes.

In determining the significance of any decision or proposal, consideration will also be given to the criteria and thresholds in section 5 of this policy, the procedures in section 6 of this policy, the exceptions in section 7 of this policy, and the statutory requirements listed in section 8 of this policy.

The degree of importance to be attached to each criterion, threshold, procedure and exception will be considered decision by decision. The more thresholds that are met, the greater the likelihood that a decision will be significant.

Criteria & thresholds for determining which proposals and decisions are significant

Council will use the following criteria and thresholds to help it decide whether specific proposals and decisions are significant.

Criteria	Description	Threshold
Logical Consequence	The extent to which the decision or proposal flows logically and consequentially from a significant decision already made or from a decision in the Community Plan or the Annual Plan. Where the decision or proposal is fully described in the Plan or significant decision, the significance in terms of this criterion will be small. Where the issue or proposal has no precedent Plan or significant decision, or where it is not consistent with a Plan or significant decision, it will be of greater significance.	A substantial decision or proposal that is materially inconsistent with a precedent Plan or significant decision will trigger this threshold.
Magnitude of Cost	The magnitude of the proposal or decision in terms of its cost to Council. Most major decisions will be made in the context of the Community Plan or the Annual Plan. Decisions involving unidentified or unbudgeted expenditure should be scrutinised carefully. Where the decision or proposal has no net cost, the significance in terms of this criterion will be small. As the net cost approaches the threshold, it will be of greater significance.	A proposal or decision involving capital expenditure in excess of 4% of annual expenditure or new or increased annual operating costs in excess of 1% of annual expenditure will trigger this threshold.

Criteria	Description	Threshold
Different Effects	The extent to which the decision or proposal, (including decision or proposal options) has radically different effects from the status quo in terms of costs, benefits, extent of impact on members of the community and which members it impacts upon. Where the effects are identical throughout the community or differences from the status quo are small, the significance in terms of this criterion will be small. As the effects of the decision or proposal vary more greatly, it will be of greater significance.	A decision or proposal that will create radically different effects on members of the community will trigger this threshold.
Controversy	The extent to which the decision or proposal is controversial within the community. Where community views are uniform or the matter generates little interest, the significance in terms of this criterion will be small. A higher level of controversy will be of greater significance.	A decision or proposal on a matter where community views generate considerable interest or the Community is deeply divided will trigger this threshold.
Reversibility	The extent to which the decision or proposal is difficult to reverse. Where the outcome can be largely reversed, albeit in a different form, the significance in terms of this criterion will be small. Where the difficulty in reversing the decision is greater the decision will be of greater significance.	A substantial decision or proposal that is completely irreversible will trigger this threshold.

Criteria	Description	Threshold
Uncertainty	The extent to which lack of information or conflicting information regarding the effects of a decision or proposal on the matters in section 4 of this policy and/or its cost, effects, controversy or reversibility make its significance unclear. Where full and clear information is available, the significance in terms of this criterion will be small. Where there is a higher level of uncertainty, the decision will be of greater significance.	A substantial decision or proposal will trigger this threshold, if there is a high level of uncertainty concerning any of the major matters in the proposal.

Procedures

Council will use the following procedures to help it decide whether or not specific proposals and decisions are significant.

Decisions to be included in Plans - whenever practicable, the Council will include major decisions within the Community Plan or the Annual Plan.

Assessment of decision-making requirements for significant matters - where the Chief Executive or Officers considers any decision or proposal to be potentially significant, the Chief Executive shall report to the Council or its relevant standing committee, providing a detailed assessment of the degree of significance of the decision or proposal (including assessment against all the criteria and thresholds set out in Section 5 of this policy) and advising how appropriate compliance with the decision-making requirements of the Act will be achieved.

Assessment of decision-making requirements for other matters - All reports to the Council or relevant standing committees, shall provide a brief assessment of

the overall significance of the decision or proposal under consideration and shall advise how compliance with the decision-making requirements of the Act will be achieved.

Council may require detailed assessment of any matter - The Council or a standing committee may require the Chief Executive to provide a detailed report on the significance of a matter to the Council or its relevant standing committee.

Exceptions

Council may use the following exceptions to help it decide whether specific proposals and decisions are significant.

Statutory Processes under other Acts – Under the LGA, and except where expressly required to consult, Council may elect not to consult on a proposal or decision that is considered significant in terms of this policy. One reason it may decide not to consult is that a proposal or decision is still subject, at a future date, to statutory processes (for example, those set out in the Resource Management Act 1991). The Council will also take into account the financial implications of consulting on the matter.

Administrative Decisions - Administrative decisions made by officers under delegated authority that flow from Council policy (e.g. the issuing or exempting from traffic infringement notices, the issuing of dog licenses) are generally not considered to be significant in terms of this policy. The significance lies with the policy that guides these decisions and not with each decision made in administering the policy.

Statutory consultation

The following matters are listed in the Act (refer relevant section numbers) as requiring statutory consultation:

- Establishing a council-controlled organisation (s 56)

- Adopting, reviewing or amending a bylaw (s 86)
- Adopting or amending a Community Plan (ss 93(2) & 93(5))
- Adopting an Annual Plan (s 95(2))
- Certain decisions that can only be taken if provided for in the Community Plan (s 97)
- Adopting or amending the policy on significance (s 90(4))
- Adopting or amending any funding or financial policy (s 102(4))
- Adopting an assessment of water and sanitary services (s 125).

Strategic assets

The assets that Council considers to be strategic are:

- The Waitaki roading network.
- Water collection, treatment and distribution systems (including water rights and resource consents).
- Wastewater collection, treatment and disposal systems (including resource consents).
- Storm water collection and disposal systems.
- Oamaru and Palmerston Landfills.
- Oamaru Airport.
- Oamaru Harbour Breakwater.
- Community housing (specifically mentioned in the Act).

For the purpose of the Policy the Council considers its network and other large assets as whole single assets because it is the asset class as a whole that delivers the service and which is therefore strategic.

In line with this whole single asset approach, and the interests of the efficient management of resources, the Council does not expect to undertake the special consultative procedure for decisions that relate to the transfer of ownership or control, or minor construction or replacement, of a part of a strategic

asset, unless that part substantially affects the level of service provided to the community.

Any physical alterations to strategic assets that are required to either prevent an immediate hazardous situation arising, or to repair an asset to ensure public health and safety due to damage from an emergency or unforeseen situation, will also be undertaken without formal consultation. Any actions taken will be reported in the relevant Annual Report.



SECTION 8.



Community outcomes

What are community outcomes?

The Local Government Act 2002 defines community outcomes as those “outcomes that a Local Authority aims to achieve in order to promote the social, economic, environmental, and cultural well-being of its district or region, in the present and for the future”. The recent transparency, accountability and financial management (TAFM) review in Local Government as well as the development of the 2012-22 Long -Term Plan (LTP) provided Council with the opportunity to review the community outcomes used in the previous 2009-19 Long -Term Council Community Plan (LTCCP) or Waitaki Plan. This work culminated in the adoption of a new set of more concise community outcomes by Council on 17 May 2011.

What are the new community outcomes?

Council will now work towards achieving twenty six new community outcomes in the 2012-22 LTP as opposed to the forty nine community outcomes included in the previous LTCCP. The new community outcomes have been categorized under five higher level goals (known as “wellbeings”). These include the four wellbeings (social, economic environmental and cultural noted above within the Local Government Act as well as another wellbeing titled “Council”. In contrast the previous forty nine community outcomes had been categorized under nine higher level outcome statements. The full list of the new wellbeings and community outcomes are as follows:

Waitaki people are safe and healthy (Social)

- Our communities are safe places to live work and play
- Our communities are protected through appropriate emergency responses, regulation and enforcement
- Our road network is well maintained and we promote safe travel
- We provide safe, reliable access to drinking water
- We have access to affordable, reliable and efficient waste disposal systems
- Our local hospital and health services are retained and easily accessible
- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyles and learning.

Waitaki’s distinctive natural environment is valued and protected (Environmental)

- We promote and encourage awareness and protection of our unique natural environment
- We manage land use sustainably and sensitively

- We manage solid waste effectively and encourage minimisation, reuse and recycling
- We manage waste water effectively to protect environmental quality
- We support the sustainable use of water, air and marine resources and advocate on these matters to regional and central government.

Waitaki has a diverse, sustainable economy (Economic)

- Waitaki is recognized as a good place to do business, and people choose to invest in the District
- Opportunities for sustainable enterprise and growth are recognised and managed
- Our infrastructure and services are reliable and affordable
- Our infrastructure and services enable development in the District.

Waitaki is a desirable place to live (Cultural)

- We recognise, value and respect Waitaki as a great place to live, visit, work and play
- The community celebrates Waitaki’s vibrant culture and regularly attends cultural facilities and events
- We preserve, promote and celebrate our built heritage
- We work in partnership with local Iwi and support mana whenua (territorial rights)
- We understand and respect our cultural traditions and values, including wāhi tapu (sacred places) and wāhi taoka (treasured resources).

Waitaki is served by responsive and efficient local government (Council)

- Council conducts its business in a transparent, efficient and prudent manner
- Council is viewed by our community as knowledgeable, trustworthy, approachable and accountable
- Waitaki residents actively contribute to Council decisions that affect their work, life and play
- We recognise and support the work of our volunteers
- We effectively engage with government and other stakeholders in the delivery of our community outcomes.

How will the long term plan contribute to the new community outcomes?

Community outcomes are effectively the objectives owned by Council and which Council activities and services will work towards achieving over the duration of the LTP. Further detail on how Council will work to achieve these community outcomes is described in the fifty three summary activity management plans (or SAMPs) contained in this document. Each of the plans briefly summarizes the following information:

- What we are doing
- Why we are doing it
- Where we are headed
- How we will get there
- How well we are doing and how we will measure progress
- What resources do we have and what resources do we need
- Who pays for it

Community outcomes, levels of service and performance measures

Council has revisited how its activities link to the delivery of community outcomes in advance of 2012-22 LTP. This work has resulted in the development of an updated framework for measuring the performance of Council activities against the delivery of community outcomes. The new framework below (which uses the example of water) differs from the last LTCCP and seeks to clearly illustrate the following information:

- The wellbeing each activity contributes towards
- The community outcomes each activity primarily contributes towards
- How the activity contributes to the selected community outcome
- A level of service statement explaining what Council is doing or will do
- How the level of service will be measured
- The current level of performance,
- The level of performance that will be targeted in the first three years of the plan and the next seven years of the plan.

Community outcomes activity							
Wellbeing	Community Outcomes (Primary Contribution)	How the activity contributes to the Community Outcomes	Level of Service	Performance Measurement	Current Performance	Target Performance	
						Years 1 - 3 (12/13 – 14/15)	Years 4 – 10 (15/16 – 21/22)
Waitaki People are Safe and Healthy	We provide safe, reliable access to drinking water	Protecting the communities from drinking water related health issues by providing quality potable water to agreed areas	Council will plan to provide drinking water that is safe to drink	To comply with Drinking Water Standards for New Zealand	Oamaru (Aa) complies	Hampden/Moeraki, Lake Ohau, Dunrobin – To comply in 12/13	Awamoko, Kauru Hill, Windsor - To comply in 15/16



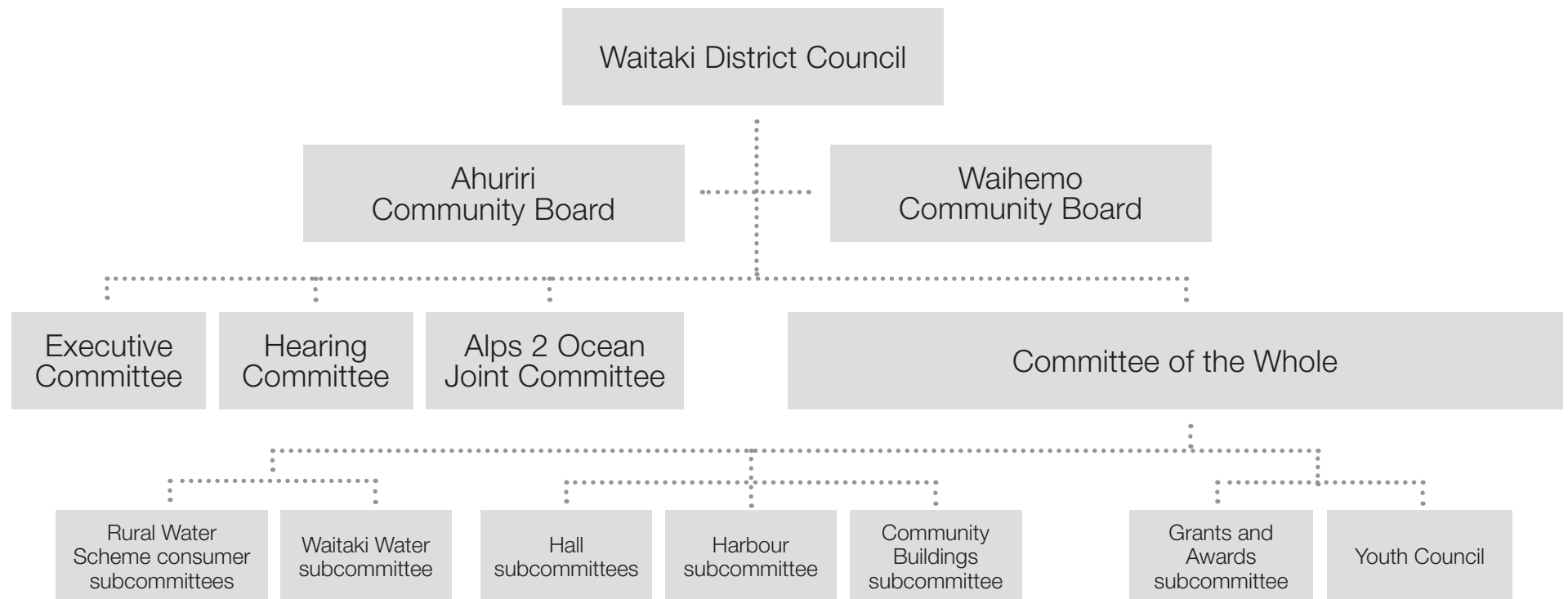
SECTION 09.

General information



Governance structure

Structure of Council, community boards, committees and sub-committees



1 Council is also represented on the Otago Emergency Management Group and the Waitaki Lakes Shoreline Authority

Mayor and Councillors

Mayor				
Alex Familton 1 R D, Palmerston, Ph (03) 465 1512				
Oamaru Ward		Corriedale Ward	Ahuriri Ward	Waihemo Ward
Jim Hopkins 14 Tay Street, Oamaru Ph (03) 437-0863	Peter Garvan 2 Stour Street, Oamaru Ph (03) 434-1254	Geoff Keeling 3635 State Highway, RD 5 K, Oamaru Ph (03) 431-2511	Craig Dawson PO Box 65, Omarama Ph (03) 438-9755	Kathy Dennison 563 Horse Range Road, Palmerston Ph (03) 465-1213
Sally Hope 66 Reservoir Road, Oamaru Ph (03) 437-2995	Helen Stead 15 Wharfe Street, Oamaru Ph (03) 434-1173	Kevin Malcolm 518 Peebles Siding, RD 3 K, Oamaru Ph (03) 431-7820		
Gary Young 30 Reservoir Road, Oamaru Ph (03) 437-0925	Hugh Perkins 32 Hull Street, Oamaru Ph (03) 434-1160			

Community Board members

Community Boards are responsible for:

- Local decision making, assessing and responding to local needs.
- Input to Council Strategic and Annual Plans.
- Communication with community organisations and special interest groups within the community.
- Overview of local road works, water and wastewater, stormwater, drainage, parks, recreational facilities, community activities, and traffic management within the community.

Ahuriri Community Board		Waihemo Community Board	
Cr Craig Dawson PO Box 65, Omarama Ph (03) 438-9755	Graham Sullivan Willowbridge, 10 RD, Waimate Ph (03) 689-9870	Cr Kathy Dennison 563 Horse Range Road, Palmerston Ph (03) 465-1213	Diane Curtis 31 District Road, Palmerston (03) 465-1238
Cathy Ferguson (Chair) PO Box 204, Omarama Ph (03) 438-9785	Michael Blackstock PO Box 5, Omarama Ph (03) 438-9481	Rod Philip (Chair) Bushey Road, 2 R D, Palmerston Ph (03) 465-1278	Linda Begg 1 RD, Palmerston Ph (03) 465-1171
Calum Reid PO Box 75, Kurow Ph (03) 436-0064	Barry Shepherd 22a Sutherland Road, Omarama Ph (03) 438-9687	Ken Brown 75 District Road, Palmerston Ph (03) 465-1177	Jack Lyford 8 Carlisle Street, Hampden Ph (03) 439-4042

Management structure

This diagram shows the management structure and management team at 30 June 2012.

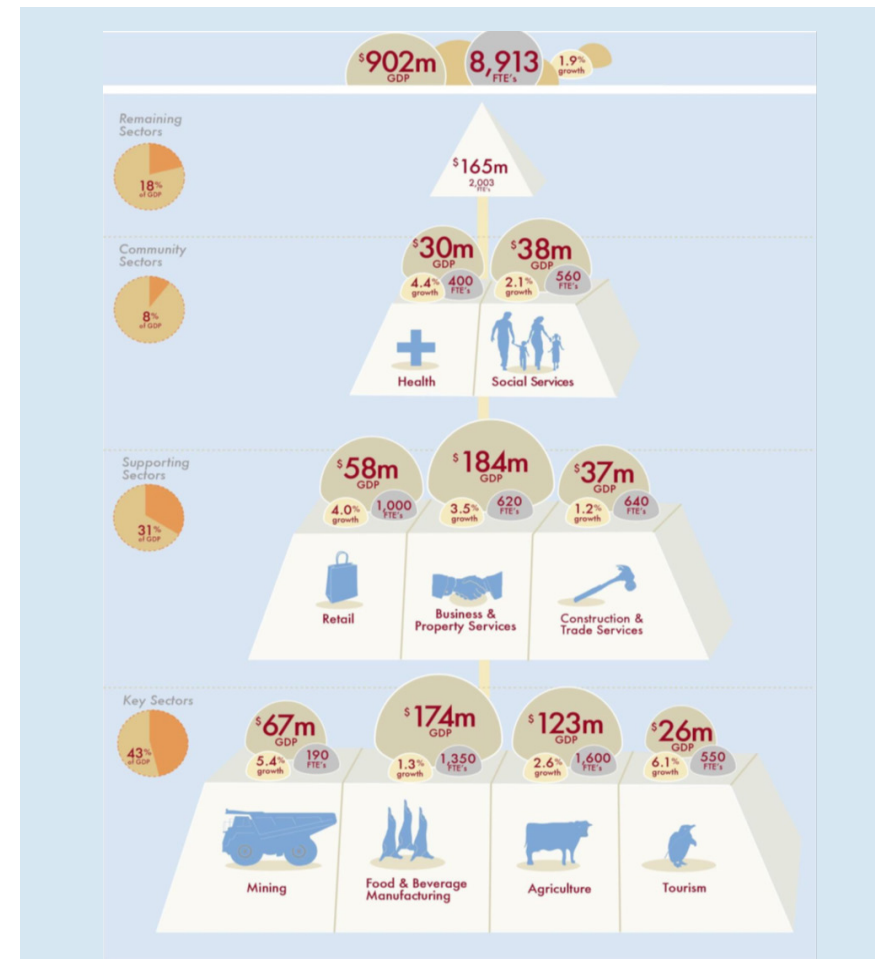


About the District

Economy

The diagram below, prepared by Rationale, illustrates the economic profile of the Waitaki District. The Rationale report notes the district has over 8900 full-time equivalent employees (FTEs) generating \$902 million in GDP and achieved 1.9% annual growth.

Waitaki District economic profile



The table below (from the Business and Economic Research Limited (BERL) report for the year to December 2010) presents a similar (albeit slightly lower) growth figure.

Waitaki District Key Performance Indicators (KPI's)				
Key Performance Indicators	% change for 2009 year	% pa for 2012 year		
		Waitaki District	Otago Region	New Zealand
Resident Population Growth	0.0	0.5	1.1	1.2
Real Value Added (GDP) Growth	2.4	2.2	0.4	-0.4
GDP per capita growth	2.4	1.7	-0.6	-1.6
Employment growth	5.3	0.3	-0.9	-1.7
Labour productivity growth	-2.9	1.8	1.2	1.1
Business units growth	0.8	-1.2	-1.3	-1.3
Business size growth	4.4	1.5	0.4	-0.3

Source: BERL Regional Database, Statistics NZ

The difference between the two sets of figures is likely the result the timing of the information provided by the two sources (Rationale and BERL) and the methodology applied.

Of real note is that growth within the Waitaki District continued to outperform

both Otago (-0.6%) and New Zealand (-1.6%) over a similar period. This resilient growth is all the more impressive given the District's falling population, which generally affects GDP. The three largest sectors by GDP all continued to grow:

- Business and property services – 620 FTEs (which experienced 3.5% growth)
- Food and beverage manufacturing – 1350 FTEs (1.3% growth)
- Agriculture – 1600 FTEs (2.6% growth).

In addition, the Tourism (550 FTEs) and Mining sectors (190 FTEs) both experienced over 5% growth during the same period. Table four also notes the Waitaki region experienced higher business size growth than the National and Otago averages. This growth corresponded with a 0.3% growth in employment which again compares favourably with the Otago Region and New Zealand.

Further information on the Waitaki District can be found at the following websites:

- Waitaki District Council www.waitaki.govt.nz
- Statistics New Zealand www.stats.govt.nz
- Tourism www.visitoamaru.co.nz
- Economic Development www.wdb.co.nz

About the people

Note: Due to the Christchurch earthquakes, Statistics NZ have deferred the Census planned for March 2011 until March 2013. Census data in the following section has therefore been obtained from the 2006 Census (unless stated otherwise).

The Waitaki District Council was established in 1989. Council's operations extend over a total area of 8,990km². The northern-western portion of the District (4,315km²) lies in the Canterbury Region. The remaining 4,675km² lies in Otago. The population density (people per square kilometre) is very low in Waitaki at 2.8 (NZ 15) .

People

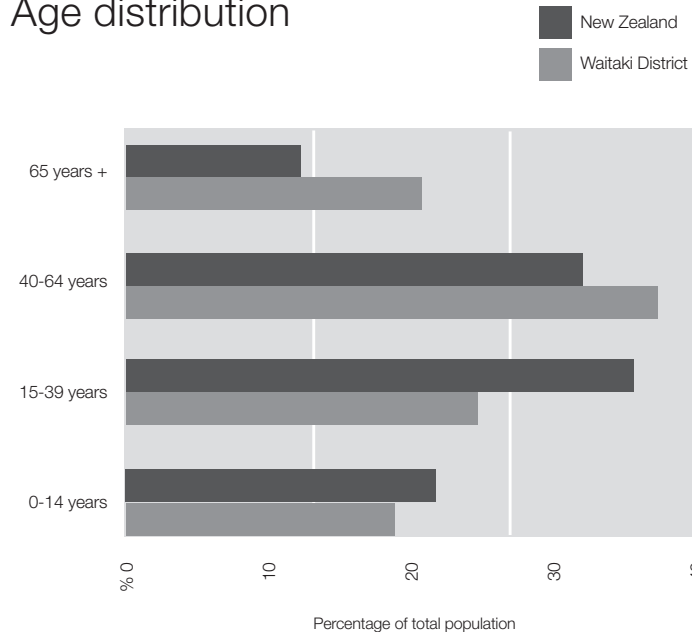
Census Results 2006

The District population (as at 2006 census) was 20,223 (estimated to be 20,700 as at 30 June 2007), with about 12,600 people living in Oamaru. The District's total population has been fairly stable since 2001 whereas the number of dwellings has increased.

The ethnic breakdown of the District is 97.2% New Zealander and European (NZ: 67.6%), 5.5% Maori (NZ: 14.6%), 1.8% Asian (NZ: 9.2%) and Pacific peoples 1.1% (NZ: 6.9%). Percentages do not add up to 100%, as some people identify with more than one ethnic group.

The Waitaki population is older compared to the national distribution of age groups: The census 2006 results show that 17.2% of Waitaki people are aged 60 to 74 and 9.4% are aged over 75. The age distribution (estimated as at 30 June 2006) is as follows: 0-14 Years 18.8% (NZ 21.2%); 15-39 Years 24.2% (NZ 35%); 40-64 Years 36.7% (NZ 31.6%); 65 Years and over 20.3% (NZ 12.2%).

Age distribution

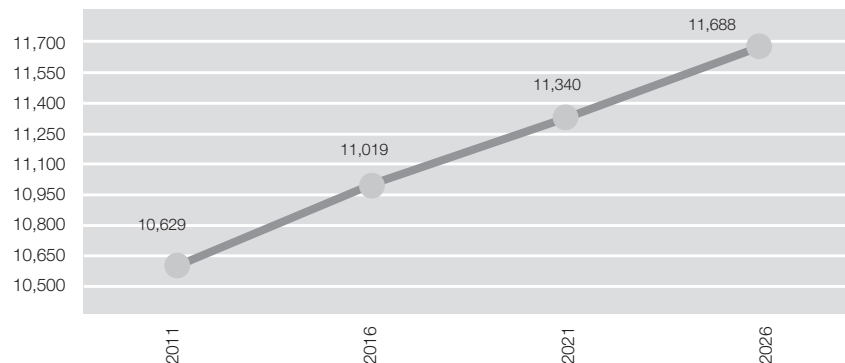


Growth Projections

The following data comes from the WDC Growth Projections Report - 2011 Addendum, produced by Rationale Limited for the Waitaki District Council.

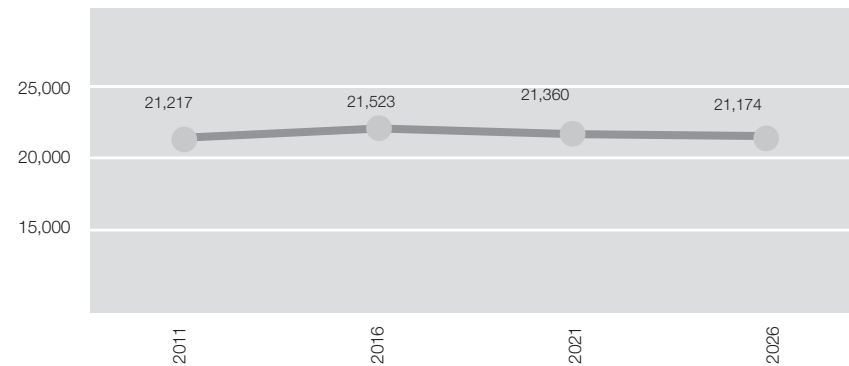
The graph below shows the significant growth expected in the number of dwellings over the coming 15 years. The primary reason for this projected growth is the high demand for holiday homes.

Residential dwelling growth 2011 - 2026

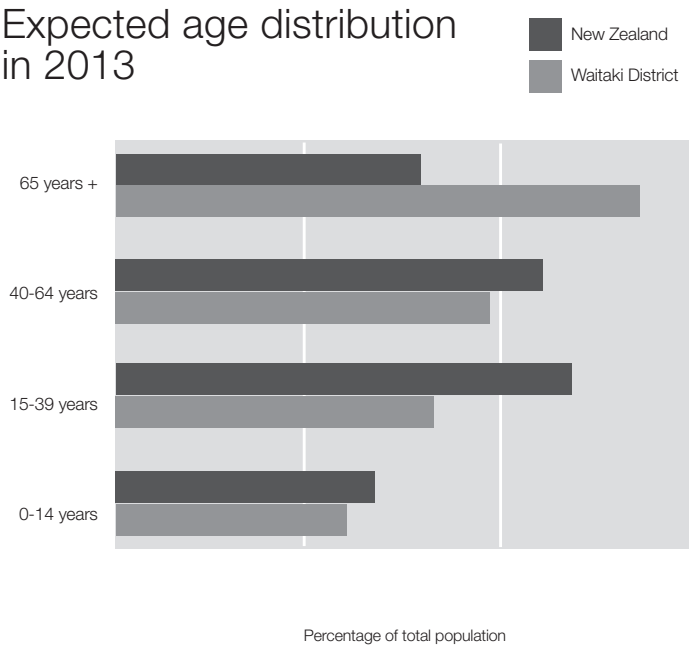


According to the diagram below the number of residents will increase until 2016. Between 2016 and 2026 there is an expected decline back to 21,174.

Usually resident population in Waitaki 2012 - 2026



The following table shows the projected age distribution in 2031 (medium projection).



Nationally, there will be significant growth during the next 20 years in the number of people aged 65 years and older.

This trend will be particularly noticeable in Waitaki, where 36% of the total population is expected to be 65 years or over by 2031. This will be an increase of more than 15 % since the 2006 Census (when 20% of the population was recorded as being 65 years and over).

The Waitaki District is expected to lose about 10% of people aged 40-64 years, while there are no significant changes expected for the two other age groups.



Glossary of terms



Glossary of terms

These definitions are intended to define terms used in the Waitaki Community Plan in plain English. For legal definitions see the Local Government Act 2002 and the Rating Powers Act 1988.

Annual Plan

A plan that describes what activities the Council will do, the reasons for doing them, the performance measures used and how much revenue and expenditure it needs to undertake each activity.

Activities

All the things that the Council does. This Funding Policy lists 51 separate activities.

Bequest Values

Values that attach to the fact that leaving some facility in place for future generations may be of considerable and (inestimable) value to them and in itself an act to be valued. (Examples are collections of art Gallery and Museum).

BERL

Business and Economic Research Limited

Black water

Black water is water contaminated by human or animal wastes such as toilet water.

Building Act

Building Act 2004

Burials and Cremation Act

Burials and Cremation Act 1964 (and amendments)

Capital Expenditure

Expenditure that will increase the value of the Council's assets

Capital Value

Market value of the land plus improvements at the time of valuation

Civil Defence Act

Civil Defence Act 1983

Community Boards

Local elected bodies set up under the Local Government Act 2002. Community Boards are consulted by the Council and can represent community concerns to the Council. Waitaki District Council has two Community Boards, Ahuriri and Waihemo.

Community Centres

Public halls, community halls. Any facility or group of facilities for social, recreational, cultural or educational purposes or for the physical or intellectual wellbeing and enjoyment of the residents of the district, or any group or section of them, whether alone or together with other persons.

Community Outcomes

A set of statements owned and developed by the community with Waitaki District Council assistance, found in the Waitaki Tomorrow - Community Outcomes document. They exist to guide decisions made by the Council and to engage with other agencies about how they will invest in the community's future.

CV

Capital Value

Development Contributions (Dev. Con.) {DC}

A development contribution / financial contribution is a charge that is levied against sub-dividers and developers to help pay the cost of the new, upgraded, or extended water supply infrastructure that has to be provided to service their new sub-divisions or developments. Such contributions are payable in addition to the requirement that the owners reticulate all of the new sections or buildings at their cost.

Depr

Depreciation

Differential Rates

Council may make and levy rates based on differentials. This means that rates on specified types or groups of property may vary from rates on other types or groups of properties. Differentials can be based on:

- Property use or uses
- Activities that are permitted, controlled or discretionary under an Operative District Plan
- Activities that are permitted, controlled or discretionary under a Proposed District Plan
- Land area
- Where land is situated
- Such other distinctions as the local authority thinks fit.

Dog Control Act

Dog Control Act 1996 and Dog Control Amendment Act 2003

Economic Allocation

Deciding the percentage of public good and private good for an activity by applying economic theory.

Efficiency

A test of whether a system of funding tool uses a reasonable amount of resources to allocate costs.

Exacerbator

An entity that directly causes negative effects that cost money to control.

Excludability

Benefits are to particular users; others can be excluded. An excludable function is likely to be a private good.

Existence Values

Values that relate to the fact that values can be attached to the mere existence of certain facilities even if the person who values them may never contemplate seeing or using them personally.

Fire fighting capabilities

There is no public fire fighting capabilities available within the rural water schemes. Council will continue to advise and encourage storage facilities on private properties within the rural schemes. Private water storage for fire fighting will be addressed in the Rural Fire Activity Management Plan.

Fire Service Act

Fire Service Act 1975

Food Act

Food Act 1981

FTE

Full time equivalent

General Rates

A rate levied for the general purpose of the local authority. Council may make and levy a general rate on every rateable property. This may be:

- A uniform rate in the dollar of property value on all properties
- A differential rate in the dollar of property value on all properties
- A uniform annual general charge per separately rateable property.

GR

General Rates

Grey water

Grey water is water contaminated by household processes such as dishwashing, laundry and bathing

Health Act

Health Act 1956

Impounding Act

Impounding Act 1955

Indicator

Flag or signal. Summary data that represent an issue of concern or which measure progress toward achieving an objective or outcome.

Infrastructure

Roads, bridges, water supplies, drainage systems, buildings, landfills and transfer stations.

Intergenerational Equity

The idea that the cost of a service should be fairly spread over the life of the assets, so that all people who benefit contribute a fair share.

ILM

Investment Logic Mapping

Land Transport Management Act

Land Transport Management Act 1998

Land Value

Market value of the land at time of valuation

LN

Loan

The Litter Act

The Litter Act 1979

Local Electoral Act

Local Electoral Act 2001

Local Government Act 1974

Several sections of the LGA 1974 still apply although the LGA 2002 is in force.

Local Government Act 2002 (LGA)

The law that defines the powers and responsibilities of territorial local authorities like Waitaki District Council.

Local Government Commission

A body appointed by Government to decide on proposals to reorganise councils or to change their basis of election.

LTCCP

Long Term Council Community Plan. Councils previous 2009 - 19 Strategic Plan.

LTP

Long Term Plan. This plan.

LV

Land Value

Non-excludability

Benefits may be to particular users, but it is not possible or practicable to identify and charge them. This is a practicable reason for public good funding.

Non-rivalness

Once a benefit is provided a large number of people can use it at little or no extra cost. Non-rivalness is an indicator of public good.

NZ GAAP and NZ IFRS

A set of accounting standards that Council is required to observe in its public reports

NZTA

New Zealand Transport Agency

OBPC

Oamaru Blue Penguin Colony

Operating Expenditure

Expenditure for the normal services of the Council.

Option Values

Values that relate to the value that non-users put on the availability of a service. For instance, people can value the fact that they have the option of using a recreation centre even if they never actually make use of it.

Outcome

A desired state of affairs.

People-based benefit

A benefit that people can enjoy without owning property.

PPE

Property, Plant and Equipment

PTE

Part time equivalent

Practicability

A test of whether a funding tool is lawful and whether it will allocate costs in the desired way.

Prestige Values

Values that attach to the fact that some object or function may contribute to a sense of civic pride felt by individuals whether or not the facility is ever seen or used by them. (Stadiums or civic centres are potential examples).

Private Good

The extent to which a service directly benefits individuals rather than the community as a whole. Private good is an indicator that users should pay.

Property-based benefit

A benefit that accrues to people because they own property. It may be a service to property or an activity that benefits property values

Public Good

The extent to which a service benefits the community as a whole rather than individuals. Public good is an indicator that ratepayers should pay.

Rates

Funds collected by the Council from levies on property. These are based on capital value or land value of the property but the term is often used to include Targeted Rates

Reserves Act

Reserves Act 1977

Reticulated services

Water supplies, sewerage systems and stormwater drainage systems.

Rivalness

Rivalness exists where consumption of a service by an individual reduces the amount of service available to others and the service provider needs to produce more outputs to satisfy other users. Rivalness is an indicator of private good.

RMA

Resource Management Act 1991 and RMA Amendment Act 1993

Targeted Rates (TR)

A rate levied for undertaking a specified function or for providing any specified service for the benefit of all or part of the district. Targeted Rates must be applied only for the purpose for which they are levied. Targeted Rates may be in the form of:

- A uniform rate in the dollar of property value on all properties
- A differential rate in the dollar of property value on all properties
- A Targeted Rate per separately rateable property (TR)

Sale of Liquor Act

Sale of Liquor Act 1989

Separately Used or Inhabited Part (SUIP)

Each part of the Rating Unit that has a separate use (i.e. each dwelling or business).

Social and equity modification

Changing the economic allocation of costs for reasons of fairness, or to implement another policy, or to avoid sudden changes to the allocation of costs.

Solid Waste Disposal

Disposal of waste at landfills and transfer stations

Stormwater

Stormwater is rain water and snow melt that does not soak into the ground and become surface runoff.

STP

Sewer Treatment Plant

Transparency

A test of whether people who pay for activities can see where their money is allocated.

TR

Targeted Rate

UAGC

Uniform annual general charge

Targeted Rate

Income to the Council for specific services by a levy of an equal amount on each rateable property that uses these services (this charge does not vary with value of the property).

Uniform Annual General Charge (UAGC)

Income to the Council for general use by a levy of an equal amount on each rateable property (this charge does not vary with value of the property).

User Charges

Income to the Council by fees paid by those who use specific services provided by the Council.

User Recoveries

Income to the Council by user charges and volunteer contributions.

Utilities

Telecommunication lines, power lines, water and sewer pipes.

WMMP

Waste Management and Minimisation Plan

Wastewater

Wastewater is a combination of liquid wastes which may include chemicals, house wastes, laundry wastes, toilet wastes, animal and vegetable matter in suspension or solution and other wastes discharged from residential, business and industrial establishments.

WCP

Waitaki Community Plan (Refer LTCCP).

VOLUME TWO LONG TERM PLAN 2012-2022



Waitaki DISTRICT
COUNCIL

Enquires to:

Policy Unit

Waitaki District Council

03 433 0300

www.waitaki.govt.nz

