

Queenstown Lakes District Council

Council Community Plan – 2006/2016

Volume	1	Overview
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INTRODUCTION AND ASSUMPTIONS

Prospective Financial Statement Disclosures

This document has been prepared to meet certain legislative requirements included within the Local Government Act 2002. Accordingly it may not be appropriate for any other purpose.

The prospective financial statements comply with Financial Reporting Standard 42, Prospective Financial Statements (FRS 42).

Actual results during 2006/07 to 2015/16 are likely to vary from the information presented and those variations are likely to be material. Actual events and transactions have not been reflected in the prospective financial statements. These prospective financial statements, along with the Draft CCP for community consultation, were authorised for issue on 28 April 2006 by a resolution of Council.

The Queenstown Lakes District Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other disclosures. It is intended that the prospective financial statements will be reviewed and updated annually via the Annual Plan process and three yearly via the CCP process.

The degree of uncertainty inherent in the forecast assumptions, on which the prospective financial statements are based, increases as the time period covered by the prospective financial statements increases.

Significant Forecasting Assumptions and Risks

Schedule 10 (section 11) of the Local Government Act 2002 contains provisions relating to 'significant forecasting assumptions'. The Act requires that Council identifies the significant forecasting assumptions and risks underlying the financial estimates. Where there is a high level of uncertainty, Council is required to state the reason for that level of uncertainty and provide an estimate of the potential effects on the financial assumptions.

Growth

Growth is a major issue for the district and Council has spent considerable time and effort in developing comprehensive growth projections. These have been estimated using the best information available and are included in Volume 4 of this document.

Projections have been derived for:

- The resident population (which is useful when looking at some service provisions such as educational needs).

- The number of visitors, which is then further broken down into day visitors and those staying in private residences and in commercial accommodation.
- The number of occupied and unoccupied dwellings that will be required over time.
- The number of visitor units that will be required over time.

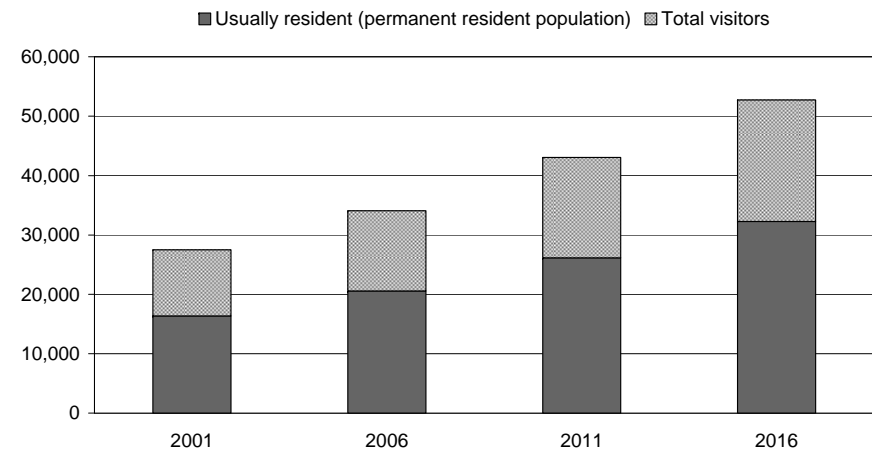
This information is then used to give the figures for an average day and a peak day. The peak day information has been significantly influenced by the peak population survey that was held in early January 2005.

The projections are based on a "business as usual" model and do not assume any constraints or intervention in the market. The projections also assume the current zonings and, in the case of Wanaka, also assume that some additional zoning will be released in south Wanaka in the foreseeable future.

Growth Forecasts for the District as a Whole

The average day population

Average Day Population Growth in the District

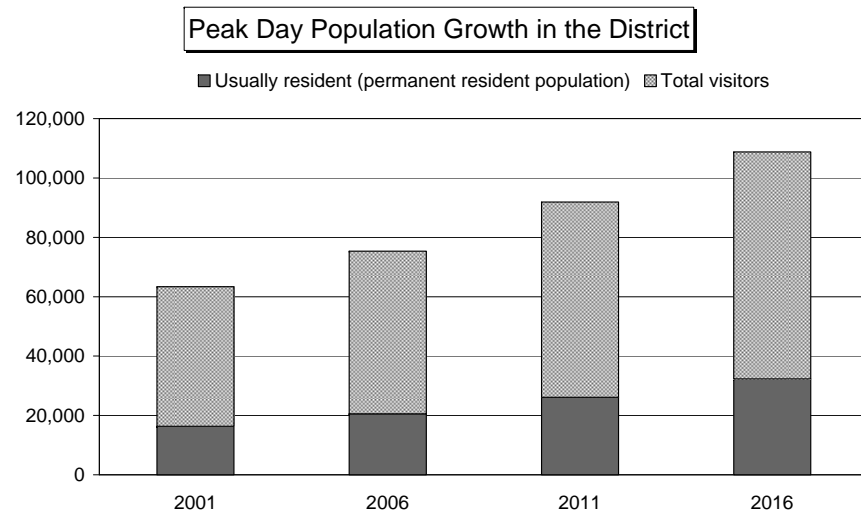


Average day population	In 2006	In 2016
Wanaka (Wanaka study area and outlying areas)	10,520	17,606
Wakatipu (Queenstown study area and outlying areas)	23,556	35,132
District	34,076	52,738

For clarity, the above figures also include Wanaka outlying areas of Cardrona, Luggate, Hawea and Makarora and Queenstown's outlying areas of Glenorchy and Kingston.

The average day population data for the district as a whole is expected to increase from an estimated 34,076 in 2006 to an estimated 74,348 in 2026 which is a growth rate of 4.0% per annum. This figure is comprised of residents, visitors staying in both commercial accommodation and private residences, and day visitors.

The peak day population



Peak day population	In 2006	In 2016
Wanaka (Wanaka study area and outlying areas)	29,062	44,773
Wakatipu (Queenstown study area and outlying areas)	46,354	64,029
District	75,416	108,802

The peak day population data for the district as a whole is expected to increase from an estimated 75,416 in 2006 to an estimated 148,149 in 2026 which is a growth rate of 3.4% per annum. This figure is comprised of residents, visitors staying in both commercial accommodation and private residences, and day visitors.

It is noted that the peak period is over the New Year period and lasts for a relatively short time. The peak population information is particularly important for Council's infrastructure planning as the infrastructure such as roads, water, and sewage need to be designed to cope at those times.

Inflation

Financial projections over the ten-year period have been adjusted to include estimated inflation. The indices below have been prepared by BERL, an economic forecasting agency. The inflation indices used are:

	Roading	Property	Water	Other
2007/08	2.6%	2.9%	4.2%	3.1%
2008/09	2.4%	2.7%	4.0%	2.9%
2009/10	2.2%	2.5%	3.7%	2.7%
2010/11	2.0%	2.3%	3.4%	2.5%
2011/12	1.9%	2.1%	3.1%	2.3%
2012/13	1.7%	1.9%	2.8%	2.1%
2013/14	1.5%	1.7%	2.6%	1.9%
2014/15	1.3%	1.5%	2.3%	1.6%
2015/16	1.3%	1.5%	2.3%	1.6%

In respect of 2006/07 financial projections have been calculated in estimated 2006/07 dollars.

Interest Rates

Interest is charged on borrowed funds (both internal and external) on an expected medium term average interest rate of 7.0% per annum.

Interest rates on short term investments will vary depending on the term of investment and this term is determined by the working capital position and needs at the time surplus cash arises. An estimated return on such investments is 6.0% per annum.

Fixed Assets

The council has made a number of assumptions about the useful lives of its assets. The detail for each asset category is reflected in the Statement of Accounting Policies. The useful lives are consistent with the assumptions applied to valuing each asset category and were determined by experienced and qualified asset valuers.

Capital Expenditure

The projected capital expenditure for those activities with Asset Management Plans has been drawn directly from those plans. The projected expenditure profiles for Water Supply, Wastewater, Stormwater and Roding have recently been completely reviewed and updated in light of the latest growth scenario. Asset Management Plans have also exist for Marine Facilities, Buildings, Property, Solid waste and Reserves and Open Space. For those activities without Asset Management Plans, projected expenditure is based on historic levels adjusted for expected growth.

Land Transport New Zealand Subsidies

Council has assumed that the current rate of financial assistance for qualifying roading projects will continue for the duration of the plan. It is also assumed that subsidies will be available to assist with the delivery of roading and transportation projects contained within Council's "Future Link" Strategy. Council continues to work in collaboration with Land Transport New Zealand in an attempt to agree on the best long term solutions for the district's transport issues.

Revaluation of Infrastructural Assets

Estimates have been made in relation to the revaluation of infrastructural assets beginning in 2007 and continuing on a 3 yearly cycle. The revaluation amount is based on an adjustment made to asset values for inflation movements for opening infrastructural values and capital additions made during intervening years.

Depreciation

Depreciation on infrastructural assets is calculated by applying a depreciation rate to allocate the cost or revaluation, after taking into account any expected residual value, over the assets' useful lives. The assets' useful lives are shown in the accounting policies.

Council has assumed that the useful lives of the infrastructural assets will continue to increase during the 10 year term of the CCP, as has been reflected by recent historical experience subsequent to independent revaluation exercises. The rationale for this assumption is that a significant and increasing component of the infrastructural asset networks is represented by new capital expenditure (including renewal expenditure). Accordingly the average life of the networks of assets increases and the depreciation rates decrease.

Resource Consents

Council has assumed that it will successfully obtain the necessary resource consents for all new infrastructural capital works. The resource consent for Project Pure (Wanaka Sewerage Treatment Scheme) will be lodged at the time of this plan going to print. Other projects, particularly new roads, will depend upon successfully acquiring the necessary designations if they do not currently exist.

Borrowing

Council has assumed that it will successfully enter into agreements with lenders in order to provide the necessary financing for the capital works programme contained in this plan.

Vested Assets

Council has included estimates for the value of intrastructural assets vested in Council as part of the subdivisional approval process. These estimates have been based on average values for the past years adjusted for inflation.

Major Community Projects

The Remarkables Centre (Pokapu Kawarau) is likely to proceed in some form during the next 10 years:

The capital expenditure projections include an allowance for this project. They show construction of a \$17.4m performing arts centre in 2011/12. It is assumed that \$5m in grants will be received for this project. It is projected that the Remarkables Centre will have an operating deficit of \$200,000 per annum. These projections are indicative only and in no way represent a formal commitment to the project. Work is continuing on concept design which will allow for a more accurate capital cost estimate. This is expected to be reported back to Council in August 2006. Council has already acknowledged that the decision to proceed with the project will require specific consultation with the community. It should be noted that Council can amend the Council Community Plan at any time should the decision be made to proceed earlier than indicated.

Council intends to provide an underground carpark on the Remarkables Centre site on Stanley Street. The preliminary capital cost estimate for providing this facility is \$18.5m for a maximum of 500 spaces. It is assumed that the carpark will be constructed in 2009/10 and that the building will be fully funded and operated by an independent third party in some form of public/private partnership. This project may be advanced as soon as design issues are finalised and a suitable investment partner is forthcoming.

Service Delivery

It is assumed that existing levels of service will be maintained unless specifically highlighted in the Activity Management Plans and that existing service delivery mechanisms continue for the duration of the Plan.

Development Contributions

Council intends introducing Development Contributions for Roding from 1 July 2006. The revenue expected from this new source as per the draft Development Contributions Policy has been included in the projections. (Refer to the Policy included on Page 93 of Volume 3)

Water Treatment Standards 2005

The impact of the recently adopted Water Treatment Standards in the district is not yet fully defined. The capital programme for water supply does not include any physical works to upgrade water treatment service levels for the first 10 years of the plan. Estimates for water treatment plants for Queenstown, Wanaka and Arrowtown of around \$40 million have been excluded from the capital budget programme on the basis that other capital works have greater priority at this time. As the Council works through the options and risks, it is expected that a clearer picture of what is required will emerge over the next 1-2 years.

Property Sales

It is anticipated that Council will divest itself of Stage 1 of the Lakeview project (former Queenstown Camp Ground) during the 2006/07 year and Stage 2 during 2008/09. The property is to be marketed on a leasehold basis for both stages and although no sale proceeds are recognised, it has been assumed that upfront lease premiums of \$2m for Stage 1 and \$4m for Stage 2 are received. The proceeds have been credited against the investment property. Continued development of Council subdivisions at the Commonage (Queenstown Hill) and Scurr Heights at Wanaka are not expected to occur in the next 3 years, although the actual timeframes will be dictated by market conditions. Any proceeds from this activity will be used to fund the cost of infrastructural asset development not attributable to growth or renewals. This portion of capital expenditure relates to the main shifts in the levels of service for an activity which would otherwise be funded from rates.

Significant Risks Considered when Preparing the CCP

There are a number of risks that have been considered in the preparation of the CCP. Outlined below are the key risks and the mitigation strategy adopted.

Key Risk

Price Level Adjustments differ significantly to that included in the CCP. The cumulative effect of price level changes over the period of the CCP probably introduces the greatest uncertainty into the financial estimates (will probably occur).

How Addressed in CCP or Mitigation Measure

The CCP has been prepared based on price level adjustments based on the adjustments recommended by BERL, an economic forecasting agency. All financial estimates, unless explicitly stated, are stated in price adjustment terms. There are few realistic mitigation measures that the Council can take to address the effects of inflation. As it reviews its CCP, the Council will consider the effects of price level changes and alter its future year projections accordingly. Presently, the Council has not considered it necessary to alter the level of services offered to compensate for future price level changes. In the future, it is possible the Council may need to consider this option should the effect of price level adjustments exceed the ability of the community to afford the services provided.

Key Risk

Growth occurs at rates different to that forecast (will probably occur).

How Addressed in CCP or Mitigation Measure

The CCP has assumed growth based on the latest projections, which is the best information available. Volume 4 deals with this issue in some detail. Capital expenditure and revenue forecasts have been based on these assumptions. Most significant capital works include a growth component that will cater for changes in demand. If growth slows then expenditure will be deferred, or the asset will still have capacity. However, if growth is faster than forecast, many of the engineering solutions cater for growth up to 50 years out, therefore it may mean at some stage in the future, upgrades need to occur sooner than anticipated. This is not considered a high risk.

Of greater sensitivity is the impact on revenue forecasts. The Council has made assumptions about the level and amount of development contributions to be received as a result of growth and also the number of ratepayers that are in the district to share the rating burden. If development occurs at different rates, then these projections will need to be amended.

The Council will review growth rates whenever updated information is available and prior to every annual plan and CCP. If there are significant changes in the trends then the forecasts and the Development contributions Policy will be amended accordingly.

Key Risk

Capital expenditure forecasts for major capital projects vary considerably from those contained in the CCP (may occur).

How Addressed in CCP or Mitigation Measure

The estimates are based on the best information available at present. Detailed design has not always been undertaken, therefore until the design is complete and the projects tendered, it is possible that the final cost will vary from that forecast in the CCP. This risk applies to a number of larger capital projects, however, the estimates that do appear in the asset management plans have been thoroughly reviewed to ensure that they are realistic.

Key Risk

Major adverse event eg earthquake, flood, pandemic (may occur).

How Addressed in CCP or Mitigation Measure

No specific provision is included in the CCP, although Civil Defence training is provided for and there are risk management plans for key infrastructure assets.

Impact on forecasting Assumptions as a Result of High Uncertainty

There are no cases in the CCP that include a 'high' uncertainty. There are situations where there is some uncertainty relating to price level adjustments and the impact of growth, which have been highlighted in the table above. These are discussed further below:

Price Level Adjustments

The Council considers that the highest level of uncertainty relates to price level adjustments. Currently, many New Zealand economic commentators are signalling a down turn in New Zealand's economy. Should this eventuate, there is uncertainty about how it will impact the Council and its financial projections. Should price level adjustments be higher than those contained in the CCP, then the cumulative effect of price level adjustments in later years could be significant.

The Council has relied on independent recognised economic forecasters to determine the price level adjustment factors. As the Council reviews its CCP it will revise future price level adjustment factors based on the best information available at the time.

Growth Rates

As projected rates are inherently uncertain, there are possible implications for Council's capital works programme and for expenditure on Council's core infrastructure services, should eventual growth rates differ substantially from those projected in this document. Implications of both above and below projected growth eventuating, for the district, are discussed below.

- Above projected growth is realised: The implications of higher than expected growth are that budgeted works in the capital works programme may need to be designed and implemented earlier than planned. This relates particularly to "core services" of roading, water supply, and sewerage, where the need to service new developments is often more immediate. Having said that, most new services proposed will cater for growth well beyond the CCP planning horizon. For example, Project Pure (Wanaka Sewerage Disposal Scheme) will provide capacity for growth over the next 50 years, based on current growth rates. The implications of above projected growth for community services such as recreation, swimming pools and libraries would result in less urgent community demand for facility upgrades as the services are more discretionary. Other Council regulatory, long term planning and governance functions could be expanded as required to cater for additional function or demand. Additional Development contribution and rates revenue resulting from the increased growth would help to fund some of the increased demand for infrastructure, regulatory services and other facilities.
- Below projected growth is realised: The implications of lower than expected growth are that budgeted works in the capital programme may be deferred. Core service infrastructure upgrades could be deferred, as lower rate and Development Contribution revenue would impact on the Community's ability to pay for all desired services. Other regulatory, long term community planning and governance services could be provided at status-quo levels as required. Elective facility development could be reprioritised and deferred, as revenue to pay for planned upgrades may be more limited than anticipated.



FINANCIAL STATEMENTS

PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE										
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Operating Income (\$000)										
Targeted Rates	21,155	24,124	27,429	26,608	28,164	29,947	32,128	33,760	35,285	36,907
General Rates	12,449	13,830	14,882	15,526	16,198	16,268	16,839	17,128	17,681	18,004
User Charges	8,619	8,642	9,007	11,493	12,105	12,732	13,362	13,984	14,587	15,206
Grants and Subsidies	12,231	11,846	11,212	11,642	14,297	17,790	21,641	16,495	18,371	19,645
Property Sales	711	-	-	-	5,026	3,798	5,623	-	4,006	-
Vested Assets	6,700	6,874	7,039	7,194	7,338	7,477	7,604	7,719	7,819	7,921
Development Contributions	12,898	15,255	16,415	18,536	20,223	17,588	17,503	18,162	19,103	21,064
Capital Contribution - Carpark	-	-	-	9,787	10,188	-	-	-	-	-
Other Income	3,292	3,359	3,435	3,663	3,738	3,815	3,890	3,964	4,035	4,108
Revaluation - Non Current Assets	5,084	5,338	5,605	5,885	6,179	6,488	6,812	7,153	7,511	7,886
Total Operating Income	83,139	89,268	95,024	110,334	123,456	115,903	125,402	118,365	128,398	130,741
Cost of Services (\$000)										
Governance and District Promotion	5,452	5,814	6,040	6,364	6,618	6,879	7,139	7,395	7,644	7,896
Community	7,562	8,552	9,458	9,614	10,030	10,587	11,125	11,864	12,422	12,646
Property	4,156	3,921	3,919	4,217	4,329	4,456	4,581	4,717	4,848	4,953
Regulatory and Resource Management	5,426	5,201	5,372	5,457	5,563	5,664	5,757	5,843	5,915	5,989
Roading and Parking	13,154	14,758	16,380	17,944	18,966	20,020	21,209	22,297	23,348	24,481
Utilities	14,245	17,002	20,092	21,971	23,215	24,605	26,691	28,209	29,363	30,606
Overhead	23	18	22	18	20	21	22	23	25	26
Total Operating Cost (See Table for detail)	50,018	55,266	61,283	65,585	68,741	72,232	76,524	80,348	83,565	86,597
Operating Surplus (\$000)	33,121	34,002	33,741	44,749	54,715	43,671	48,878	38,017	44,833	44,144
PROSPECTIVE STATEMENT OF MOVEMENTS IN EQUITY FOR THE YEAR ENDED 30 JUNE										
Forecast Opening Equity (\$000)	641,758	674,904	745,538	779,306	824,084	923,064	966,767	1,015,678	1,098,370	1,143,240
Net Surplus from Operations	33,121	34,002	33,741	44,749	54,715	43,671	48,878	38,017	44,833	44,144
Revaluation Reserve	-	36,606	-	-	44,235	-	-	44,640	-	-
Minority Interest	25	26	27	29	30	32	33	35	37	39
Total Recognised Revenues and Expenses	33,146	70,634	33,768	44,778	98,980	43,703	48,911	82,692	44,870	44,183
Forecast Closing Equity (\$000)	674,904	745,538	779,306	824,084	923,064	966,767	1,015,678	1,098,370	1,143,240	1,187,423

PROSPECTIVE STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE										
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Current Assets (\$000)										
Bank and Cash	62	587	128	745	572	429	579	493	482	760
Short Term Investments	538	565	593	623	654	687	721	757	795	835
Accounts Receivable	7,571	7,698	7,698	7,698	7,698	7,698	7,698	7,698	7,698	7,698
Prepayments	270	270	270	270	270	270	270	270	270	270
Inventory - Development Property	3,258	3,258	3,258	5,621	4,450	4,093	1,193	3,303	734	734
Total Current Assets (\$000)	11,699	12,378	11,947	14,957	13,644	13,177	10,461	12,521	9,979	10,297
Non Current Assets (\$000)										
Investments	5,996	5,996	5,996	5,996	5,996	5,996	5,996	5,996	5,996	5,996
Investment Properties	103,185	108,444	109,967	115,765	121,853	128,246	134,958	142,006	149,406	157,177
Fixed Assets	587,960	676,942	721,734	778,362	874,121	930,627	983,422	1,064,805	1,104,182	1,155,370
Forestry	2,091	2,196	2,306	2,420	2,542	2,668	2,803	2,943	3,090	3,245
Total Non Current Assets (\$000)	699,232	793,578	840,003	902,543	1,004,512	1,067,537	1,127,179	1,215,750	1,262,674	1,321,788
Total Assets (\$000)	710,931	805,956	851,950	917,500	1,018,156	1,080,714	1,137,640	1,228,271	1,272,653	1,332,085
Current Liabilities (\$000)										
Accounts Payable	11,720	11,913	11,702	11,785	11,939	12,227	12,786	13,611	14,570	15,595
Income In Advance	146	146	146	146	146	146	146	146	146	146
Total Current Liabilities (\$000)	11,866	12,059	11,848	11,931	12,085	12,373	12,932	13,757	14,716	15,741
Non Current Liabilities (\$000)										
	24,161	48,359	60,796	81,485	83,007	101,574	109,030	116,144	114,697	128,921
Total Liabilities (\$000)	36,027	60,418	72,644	93,416	95,092	113,947	121,962	129,901	129,413	144,662
Public Equity (\$000)										
Revaluation Reserve	329,764	366,370	366,370	366,370	410,605	410,605	410,605	455,245	455,245	455,245
Operating Reserves	7,943	6,128	5,447	3,273	3,633	3,951	4,154	4,965	6,432	6,962
Capital Reserve	21,871	17,667	14,073	12,885	20,933	26,898	33,799	38,597	47,989	53,740
Accumulated Funds	314,803	354,824	392,840	440,951	487,257	524,646	566,419	598,827	632,801	670,665
Minority Interest	523	549	576	605	636	667	701	736	773	811
Total Public Equity (\$000)	674,904	745,538	779,306	824,084	923,064	966,767	1,015,678	1,098,370	1,143,240	1,187,423
Total Liabilities and Equity (\$000)	710,931	805,956	851,950	917,500	1,018,156	1,080,714	1,137,640	1,228,271	1,272,653	1,332,085

PROSPECTIVE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
CASH FLOWS FROM OPERATING ACTIVITIES										
Cash was provided from:										
Receipts from Ratepayers and Other Income	69,145	75,556	80,879	95,755	103,413	96,640	103,863	101,993	107,562	113,434
	69,145	75,556	80,879	95,755	103,413	96,640	103,863	101,993	107,562	113,434
Cash was applied to:										
Payments for Expenses and Services	(36,812)	(39,234)	(42,579)	(44,250)	(46,393)	(48,517)	(50,588)	(52,638)	(54,640)	(56,697)
Interest Paid on Loans	(931)	(2,545)	(3,823)	(4,665)	(4,866)	(5,268)	(6,068)	(6,867)	(7,266)	(7,453)
	(37,743)	(41,779)	(46,402)	(48,915)	(51,259)	(53,785)	(56,656)	(59,505)	(61,906)	(64,150)
Net Cash from Operating Activities	31,402	33,777	34,477	46,840	52,154	42,855	47,207	42,488	45,656	49,284
CASH FLOWS FROM INVESTING ACTIVITIES										
Cash was provided from:										
Proceeds from Development Properties	787	-	-	-	8,192	6,251	8,523	-	6,575	-
Proceeds from Investment Properties	2,000	-	4,000	-	-	-	-	-	-	-
	2,787	-	4,000	-	8,192	6,251	8,523	-	6,575	-
Cash was applied to:										
Purchase of Plant and Assets	(56,449)	(57,449)	(51,374)	(66,912)	(62,041)	(67,816)	(63,036)	(49,688)	(50,795)	(63,230)
Net Cash used in Investing Activities	(53,662)	(57,449)	(47,374)	(66,912)	(53,849)	(61,565)	(54,513)	(49,688)	(44,220)	(63,230)
CASH FLOWS FROM FINANCING ACTIVITIES										
Cash was provided from:										
Long Term Debt	24,000	25,800	15,700	20,689	1,522	18,567	7,456	7,114	-	14,224
Cash was applied to:										
Settlement of Long Term Debt	(2,114)	(1,603)	(3,263)	-	-	-	-	-	(1,447)	-
Net Cash from Financing Activities	21,886	24,197	12,437	20,689	1,522	18,567	7,456	7,114	(1,447)	14,224
Net Increase/(Decrease) in Cash Held	(374)	525	(459)	617	(173)	(143)	150	(86)	(11)	278
Total Cash Resources at 01 July	436	62	587	128	745	572	429	579	493	482
Total Cash Resources at 30 June	62	587	128	745	572	429	579	493	482	760
Cash Resources represented by:										
Bank and Cash	62	587	128	745	572	429	579	493	482	760
Bank Overdraft										
Total Cash Resources	62	587	128	745	572	429	579	493	482	760

OPERATING EXPENDITURE BY ACTIVITY (\$000)

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Governance and District Promotion										
Community Leadership	2,629	2,809	2,833	3,025	3,131	3,236	3,338	3,435	3,524	3,615
Tourism Promotion	2,207	2,372	2,554	2,671	2,795	2,928	3,064	3,201	3,341	3,482
Strategic Planning	616	633	653	668	692	715	737	759	779	799
Sub Total	5,452	5,814	6,040	6,364	6,618	6,879	7,139	7,395	7,644	7,896
Community										
Community Facilities	1,380	2,000	2,429	2,387	2,327	2,254	2,283	2,551	2,713	2,643
Active & Passive Recreation	2,941	3,233	3,571	3,629	4,054	4,506	4,906	5,283	5,573	5,821
Community Development	676	679	698	716	734	751	767	781	794	806
Community Grants	382	346	357	366	375	384	392	399	406	412
Libraries	1,246	1,292	1,356	1,363	1,293	1,369	1,398	1,410	1,452	1,432
Waterways Facilities	100	110	105	111	143	159	164	178	181	186
Cemeteries	69	72	77	128	133	141	145	148	151	151
Public Toilets	472	528	576	611	669	722	767	808	844	885
Emergency Services	296	292	289	303	302	301	303	306	308	310
Sub Total	7,562	8,552	9,458	9,614	10,030	10,587	11,125	11,864	12,422	12,646
Property										
Council Land	498	477	501	539	554	570	586	603	620	634
Housing	110	103	87	94	96	99	102	105	108	110
Wanaka Airport	185	226	291	312	321	330	339	349	359	367
Forestry	467	228	290	311	319	329	338	348	358	365
Holiday Parks	2,896	2,887	2,750	2,961	3,039	3,128	3,216	3,312	3,403	3,477
Sub Total	4,156	3,921	3,919	4,217	4,329	4,456	4,581	4,717	4,848	4,953
Regulatory and Resource Management										
Regulatory Services	3,027	3,070	3,117	3,186	3,289	3,389	3,484	3,575	3,658	3,741
Waterways Regulation	297	306	315	323	331	339	346	353	358	364
District Plan	2,102	1,825	1,940	1,948	1,943	1,936	1,927	1,915	1,899	1,884
Sub Total	5,426	5,201	5,372	5,457	5,563	5,664	5,757	5,843	5,915	5,989
Roading and Parking										
Roading	11,591	13,091	14,605	16,085	17,001	17,909	18,958	20,012	21,015	22,058
Town Centres	1,118	1,200	1,298	1,379	1,474	1,600	1,726	1,753	1,795	1,887
Parking Provision	445	467	477	480	491	511	525	532	538	536
Sub Total	13,154	14,758	16,380	17,944	18,966	20,020	21,209	22,297	23,348	24,481

OPERATING EXPENDITURE BY ACTIVITY (\$000) cont

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Utilities										
Sewerage	4,121	5,201	6,396	6,917	7,544	8,110	8,895	9,436	9,836	10,275
Water Supply	4,747	5,020	5,611	6,763	7,179	7,790	8,907	9,713	10,296	10,934
Waste Management	4,233	5,548	6,805	6,942	7,068	7,191	7,304	7,409	7,498	7,586
Stormwater	1,144	1,233	1,280	1,349	1,424	1,514	1,585	1,651	1,733	1,811
Sub Total	14,245	17,002	20,092	21,971	23,215	24,605	26,691	28,209	29,363	30,606
Overhead	23	18	22	18	20	21	22	23	25	26
Total Operating Cost	50,018	55,266	61,283	65,585	68,741	72,232	76,524	80,348	83,565	86,597
Depreciation (included in above)	10,298	11,946	13,621	15,115	15,860	16,691	17,854	18,544	19,237	19,963

CAPITAL ASSET EXPENDITURE (GROWTH) BY ACTIVITY GROUP (\$000)

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Governance and District Promotion	-	-	-	-	-	-	-	-	-	-
Community	11,789	9,278	5,856	11,277	8,559	9,219	14,884	7,409	5,822	7,164
Property	-	-	-	-	-	-	-	-	-	-
Regulatory and Resource Management	-	-	-	-	-	-	-	-	-	-
Roading and Parking	9,947	10,398	9,173	19,593	21,514	14,756	14,007	13,707	15,881	18,149
Utilities	12,939	20,156	20,749	17,466	13,419	22,813	11,911	12,563	14,119	22,363
Overhead	-	-	-	-	-	-	-	-	-	-
Total Capital Asset Cost (Growth)	34,675	39,832	35,778	48,336	43,492	46,788	40,802	33,679	35,822	47,676

CAPITAL ASSET EXPENDITURE (RENEWAL) BY ACTIVITY GROUP (\$000)

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Governance and District Promotion	-	-	-	-	-	-	-	-	-	-
Community	1,085	828	1,473	2,323	1,463	1,240	1,694	1,289	1,223	1,928
Property	614	168	706	512	524	535	545	554	563	571
Regulatory and Resource Management	-	-	-	-	-	-	-	-	-	-
Roading and Parking	7,545	7,468	7,509	6,886	8,700	9,515	8,774	8,696	8,637	8,957
Utilities	4,054	3,649	3,013	3,361	3,746	3,169	3,636	3,532	3,964	2,810
Overhead	79	77	76	71	71	71	71	71	71	71
Total Capital Asset Cost (Renewal)	13,377	12,190	12,777	13,153	14,504	14,530	14,720	14,142	14,458	14,337

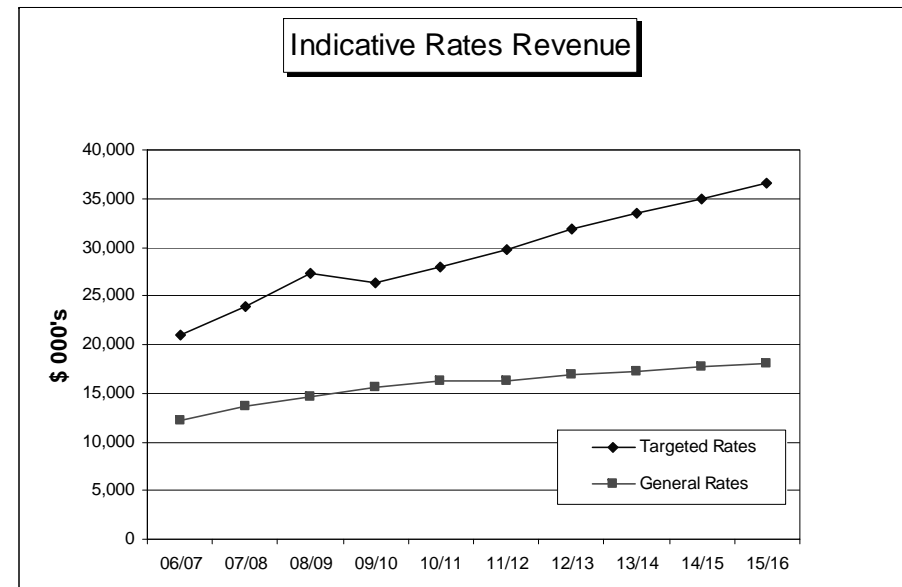
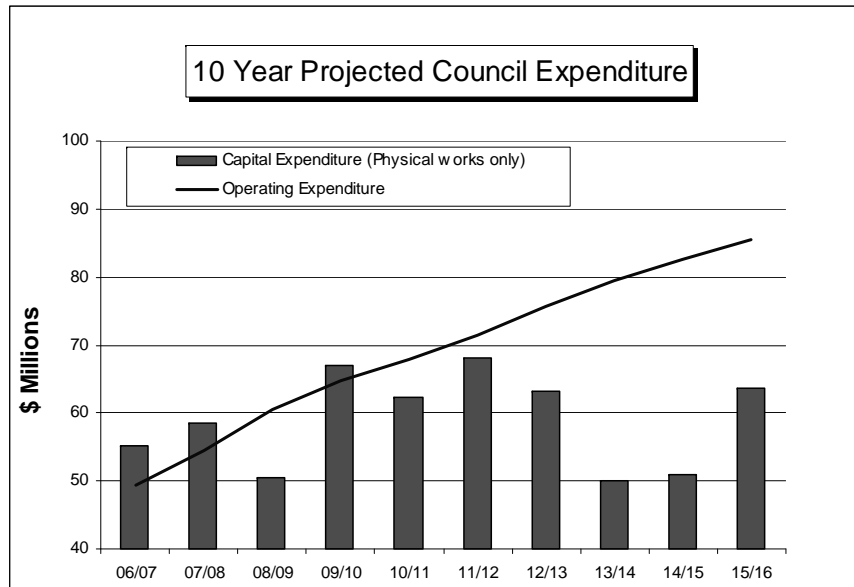
CAPITAL ASSET EXPENDITURE (OTHER) BY ACTIVITY GROUP (\$000)

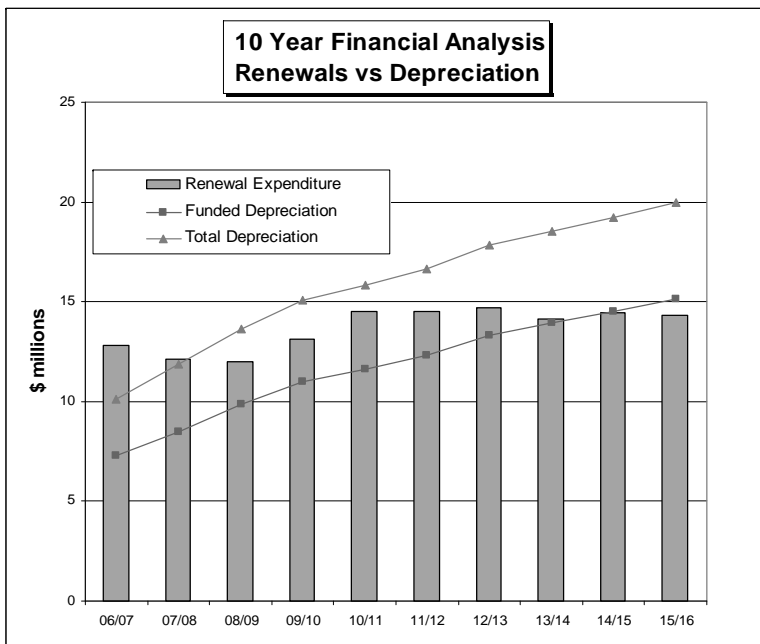
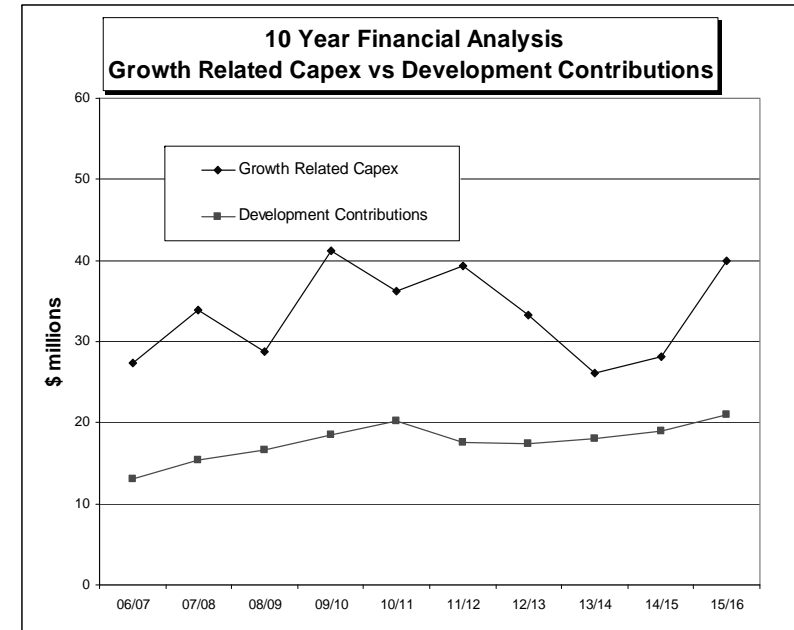
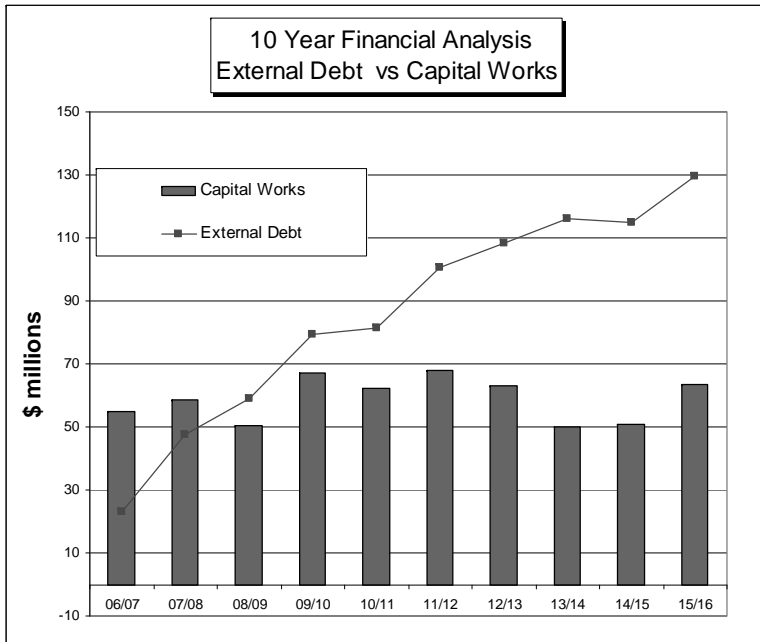
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Governance and District Promotion	-	-	-	-	-	-	-	-	-	-
Community	4,852	2,553	945	795	723	2,223	8,726	575	585	654
Property	1,008	351	652	3,087	2,749	2,922	561	3,045	579	588
Regulatory and Resource Management	-	-	-	-	-	-	-	-	-	-
Roading and Parking	3,622	4,196	3,812	4,316	4,770	5,244	5,124	4,898	6,095	6,555
Utilities	5,380	4,954	4,211	4,207	2,926	3,369	488	853	861	1,126
Overhead	234	246	238	214	218	215	218	215	214	216
Total Capital Asset Cost (Other)	15,096	12,300	9,858	12,619	11,386	13,973	15,117	9,586	8,334	9,139
TOTAL CAPITAL ASSET COST	63,148	64,322	58,413	74,108	69,382	75,291	70,639	57,407	58,614	71,152

CAPITAL DEBT REPAYMENT EXPENDITURE BY ACTIVITY GROUP (\$000)

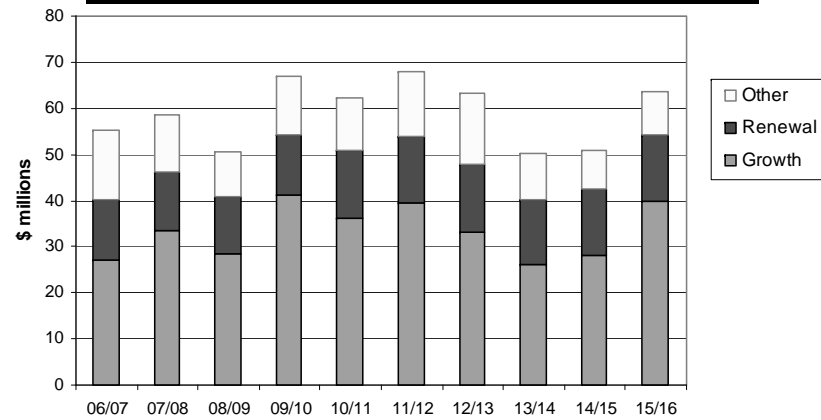
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Governance and District Promotion	-	-	-	-	-	-	-	-	-	-
Community	287	562	1,188	1,299	1,950	2,846	2,259	4,492	5,498	6,548
Property	161	143	4,373	507	2,743	2,421	2,630	210	2,872	877
Regulatory and Resource Management	480	524	564	580	580	580	580	580	580	580
Roading and Parking	266	577	524	393	538	1,179	1,897	2,632	3,379	4,425
Utilities	3,239	1,856	2,991	2,885	3,710	5,263	6,959	6,434	7,626	10,883
Overhead	47	47	47	37	36	31	31	31	31	31
Total Capital Debt Repayment	4,480	3,709	9,687	5,701	9,557	12,320	14,356	14,379	19,986	23,344

FINANCIAL ANALYSIS GRAPHS

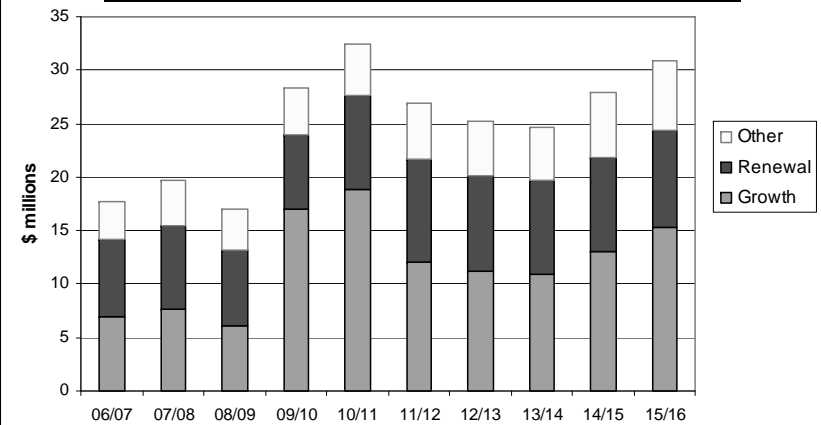




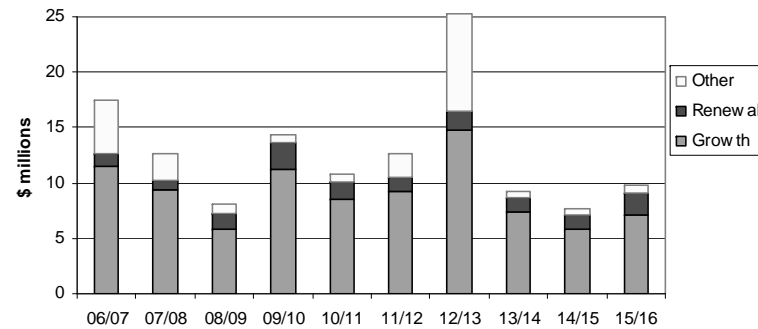
Capital Expenditure by Cost Driver - Whole Council
(Physical Works only)



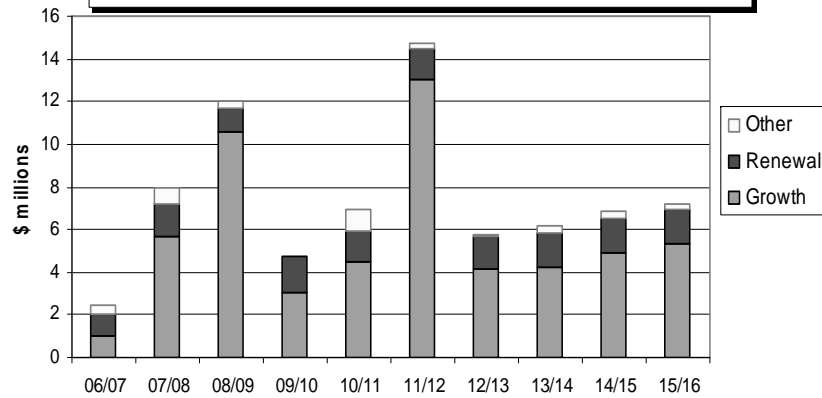
Capital Expenditure by Cost Driver - Roading and
Parking (Physical Works Only)



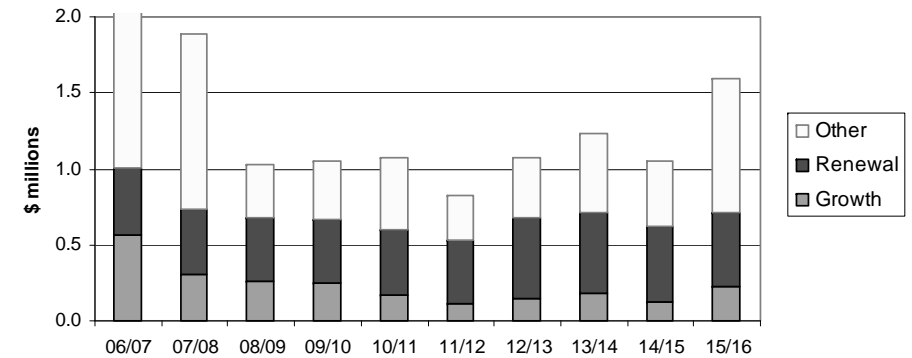
Capital Expenditure by Cost Driver - Community
(Physical Works Only)



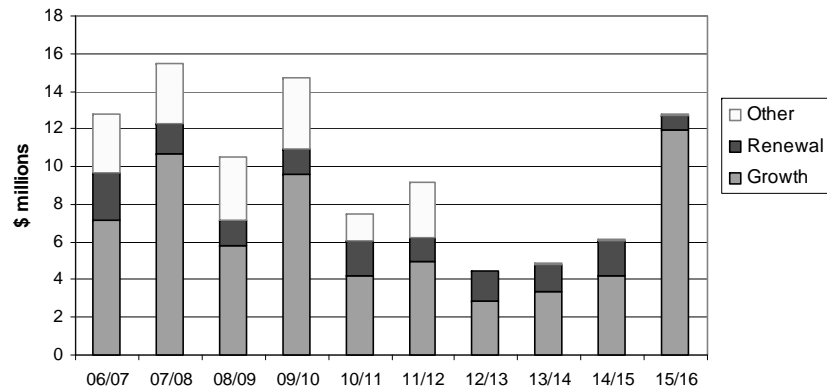
Capital Expenditure by Cost Driver - Water Supply
(Physical Works Only)



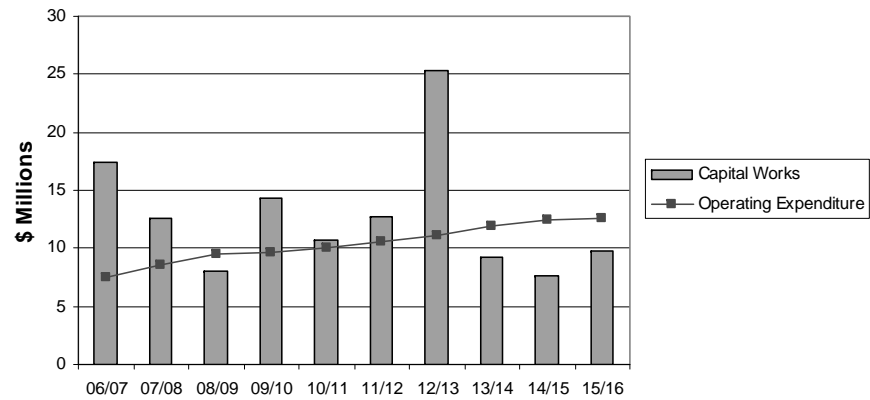
Capital Expenditure by Cost Driver - Stormwater
(Physical Works Only)



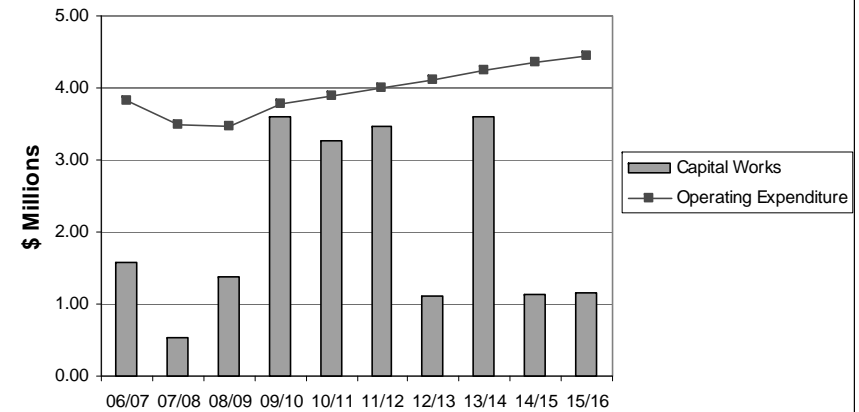
Capital Expenditure by Cost Driver - Wastewater
(Physical Works Only)



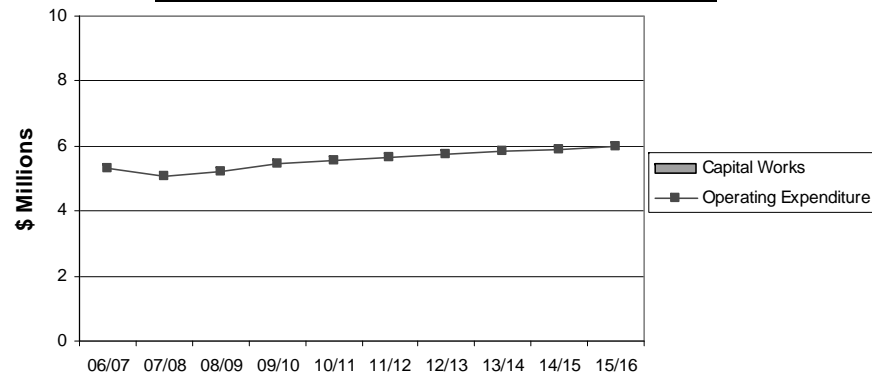
Expenditure for Community Activity Group



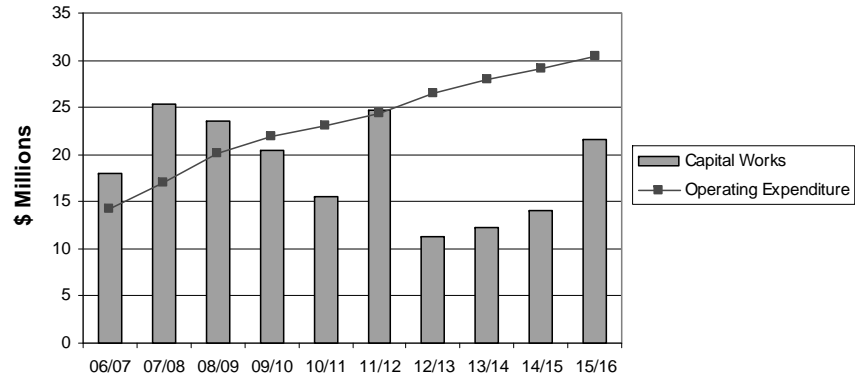
Expenditure for Property Activity Group



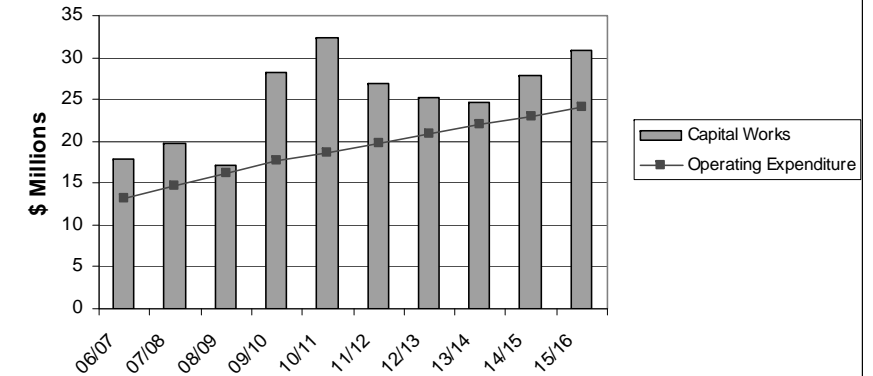
Expenditure for Regulatory and Resource Management Activity Group



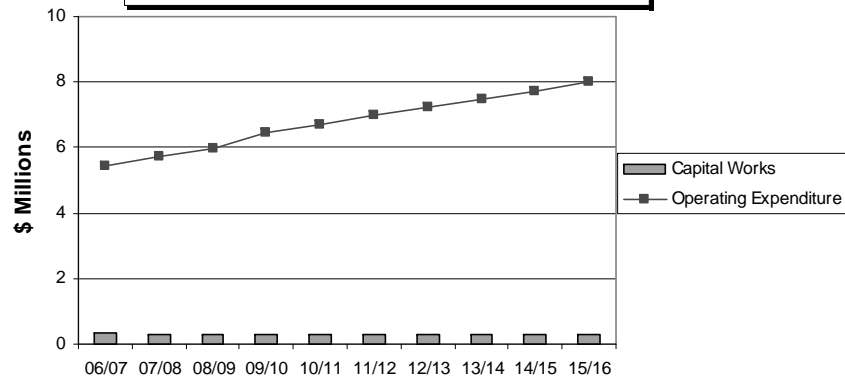
Expenditure for Utilities Activity Group



Expenditure for Roothing and Parking Activity Group



Expenditure for Governance and District Promotion Activity Group



STATEMENT OF ACCOUNTING POLICIES

a Reporting Entity

The Queenstown Lakes District Council (the Council) is a Territorial Local Authority governed by the Local Government Act 2002.

The prospective financial statements have been prepared in accordance with Section 111 of the Local Government Act 2002, the Financial Reporting Act 1993 and generally accepted accounting practice. The prospective financial statements comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS). These are the Council's first prospective financial statements complying with NZ IFRS.

The prospective financial statements presented here are for the reporting entity Queenstown Lakes District Council. They do not include the consolidated prospective financial statements of Queenstown Airport Limited or the Queenstown Events Centre Trust.

The Council is a public benefit entity whose primary objective is to provide goods and services for community and social benefit rather than for a financial return.

All available public benefit entity reporting exemptions under NZ IFRS have been adopted.

b Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these prospective financial statements and in preparing an opening NZ IFRS Statement of Financial Position as at 1 July 2005 for the purposes of the transition to NZ IFRS.

The following accounting policies which materially affect the measurement of results and financial position have been applied:

Basis of Accounting

The preparation of financial statements in conformity with NZ IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The prospective financial statements have been prepared on the historical cost basis, except for the revaluation of certain land, buildings, forestry and infrastructure assets.

The accounting policies set out below have been applied consistently to all periods in these prospective financial statements and in preparing an opening NZ IFRS Statement of Financial Position at 1 July 2005 for the purposes of the transition to NZ IFRS.

The functional currency is New Zealand dollars.

Equity

Equity is the community's interest in the Council as measured by total assets less total liabilities. Equity consists of a number of reserves to enable clearer identification of the specified uses that the Council makes of its accumulated surpluses. The components of equity are:

- Accumulated Funds
- Operating Reserves
- Capital Reserves
- Revaluation Reserves

Accounts Receivable

Accounts receivable are stated at expected realisable value after providing for doubtful or uncollectible debts.

Inventories – Development Properties

Development properties classified within Inventory are stated at the lower of cost or net realisable value. Cost includes planning expenditure and any other expenditure to bring the Development property to its present condition.

Investments

Investments in debt and equity securities are financial instruments classified as held for trading and are measured at fair value at balance date. Any resultant gains or losses are recognised in the Statement of Financial Performance for the period.

Investments in subsidiaries are included in the parent entity at cost less any impairment losses.

Properties Intended for Sale

Properties intended for sale are measured at the lower of carrying amount and fair value less costs to sell. Properties are classified as intended for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

Investment Properties

Investment properties are held to earn rentals and / or for capital gains. The investment properties are measured at fair value at reporting date. Gains or losses arising from changes in the fair value of the investment property are included in the Statement of Financial Performance in the period in which they arise.

Property, Plant & Equipment

Queenstown Lakes District Council has the following classes of Property, Plant and Equipment:

- Operational assets :
 - Land
 - Buildings and Building improvements
 - Plant and equipment, including motor vehicles
 - Furniture and Office Equipment
 - Library books
- Infrastructure assets – Infrastructure assets are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function:
 - Sewer, stormwater, water
 - Roads, bridges and lighting
 - Land under roads

Land

Land (including parks) has been stated at its deemed cost, which is fair value as valued by Duffill Watts and King, Consulting Engineers as at 31 March, 1992.

Acquisitions subsequent to 31 March, 1992 are at cost.

Buildings & Building Improvements

Buildings and Building Improvements have been stated at their deemed cost, which is fair value as valued by Duffill Watts and King, Consulting Engineers as at 31 March, 1992.

Acquisitions subsequent to 31 March, 1992 are at cost.

Plant & Equipment (including motor vehicles)

Plant and Equipment (including motor vehicles) are at cost less provision for depreciation.

Furniture and Office Equipment

Furniture and Office Equipment are at cost less provision for depreciation.

Library Books

The Library collections have been stated at deemed cost, based on valuation performed as at 30 June, 1993 using actual cost where available or estimated cost if this was not.

Acquisitions subsequent to 30 June, 1993 are at cost.

Sewer, Stormwater, Water

Sewer, stormwater and water assets are stated at valuation which is optimised depreciated replacement cost value as at 1 July, 2004 by Rationale independent valuers.

Acquisitions subsequent to 1 July, 2004 are at cost.

Roads, Bridges and Lighting

Roading assets are stated at valuation, which is optimised depreciated replacement costs value as at 1 July, 2004 by Montgomery Watson Harza Limited. Bridges and lighting are stated at valuation which is optimised depreciated replacement cost value as at 1 July, 2004 by Rationale, independent valuers.

Acquisitions subsequent to 1 July, 2004 are at cost.

Land under Roads

Land under roads has been stated at deemed cost which is assessed by analysing the sales of both vacant rural and residential land to give an average rate per hectare for the part of the district in question as at 1 July, 2001.

Acquisitions subsequent to 1 July, 2001 are at cost.

Depreciation

Depreciation is provided on a straight line basis for all assets except motor vehicles where diminishing value is used. Depreciation rates are calculated to allocate the cost less estimated realisable value over their estimated useful life.

The estimated useful lives of the major asset classes have been estimated as follows:

	Years	Rate (%)	Method
Buildings & Building Improvements			
Buildings	40-100	1-2.5	CP
Building Improvements	15	6.5	CP
Foreshore Structures	33	3	CP
Plant & Equipment			
Plant, and Equipment	5-18	5.5-20	CP
Motor Vehicles		20	DV
Furniture & Office Equipment			
Furniture and Office Equipment	10	10	CP
Computer Equipment	4	25	CP
Library Books	10	10	CP
Sewer, Stormwater & Water			
Water Network	10-60	1.67 – 10	CP
Sewer Network	10-60	1.67 – 10	CP
Stormwater Network	10-60	1.67 – 10	CP
Roads, Bridges, Lighting			
Roading - Basecourse	25	4	CP
Roading - Bridges	100	1	CP
Roading - Surfacing	12	8.33	CP
Roading - Other	12-50	2-8.33	CP

Impairment

The carrying amount of the non current assets is reviewed at each balance date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Financial Performance.

Vested Assets

The assets vested in the Council were valued at existing market rates for the quantities taken from as-built plans provided as part of the subdivision process.

Forestry

Forest valuations are completed on a single rotation basis. The forest crop has been revalued separately from the land. The fair value of the forests will be determined at each reporting period with the change in fair value being included in the Statement of Financial Performance.

The valuation was performed by Wrightson Forestry Services at 30 June 2005.

Employee Entitlements

Entitlements to salary and wages and annual leave are recognised when they accrue to employees. This includes the estimated liability for salaries and wages and annual leave as a result of services rendered by employees up to balance date at current rates of pay.

Entitlements to sick leave are calculated based on an actuarial approach to assess the level of leave that is expected to be taken over and above the annual entitlement, and calculated using anticipated future pay rates.

Financial Instruments

The Council is party to financial instruments as part of its normal operations. These financial instruments include bank and cash, short term investments, accounts receivable, accounts payable and current term debt. The relevant accounting policies are stated under separate headings.

There are no derivative financial instruments held by the Council.

Goods and Services Tax (GST)

The prospective financial statements are prepared on a GST exclusive basis except accounts receivable and accounts payable which are shown inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and GST.

Revenue from services rendered is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity. The stage

of completion at balance date is assessed based on the value of services performed to date as a percentage of the total services to be performed.

Rates revenue is recognised when it is levied.

Government contributions are recognised as income when eligibility has been established with the grantor agency.

Roading subsidies are recognised when the claims are approved by Land Transport New Zealand.

Dividends are recognised on an accrual basis net of imputation credits, when the entitlement to the dividends is established.

Revenue on sale of Development properties is recognised when sales become unconditional.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Certain infrastructural assets have been vested to the Council as part of the subdivision covenant process. Such vested assets are recognised as revenue when the significant risks and rewards of ownership have been transferred to the Council and when the obligation to accept the transfer of the assets to the Council has been determined.

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. All other leases are classified as operating leases.

Rentals payable under an operating lease are charged to the Statement of Financial Performance on a basis representative of the pattern of benefits to be derived from the leased asset.

Statement of Cash flows

Cash means cash balances on hand, held in bank accounts and demand deposits that Council invests in as part of its day to day cash management.

Operating activities include cash received from all income sources of Council and record the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt structure of the Council.

Allocation of Overheads

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

Direct costs are those costs that are directly attributable to a significant activity. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

c Changes in Accounting Policies

These are the Council's first financial statements that apply and conform to the New Zealand International Financial Reporting Standards (NZ IFRS).

The impacts of adopting NZ IFRS on the total equity reported under New Zealand Generally Accepted Accounting Practice (NZ GAAP) are illustrated below.

Reconciliation of opening equity as presented under NZ GAAP to that under NZ IFRS

	Note	30 June 2005 \$ 000
Total Equity under NZ GAAP		604,527
<i>Adjustments:</i>		
Recognition of Investment Property at Fair Value	(a)	2,257
Recognition of Minority Interest in Forestry Asset	(b)	474
Recognition of Contract Cancellation Fee direct to Statement of Financial Performance	(c)	(238)
		2,493
Total Equity under NZ IFRS		607,020

Notes:

- (a) NZ IAS 40 "Investment Property" requires properties to be recognised at Fair Value which does not include the deduction of disposal costs that were previously allowable under NZ GAAP.
- (b) NZ IFRS 3 "Business Combinations" requires the joint ownership in the Forestry asset to be consolidated and the 25% share held by Central Otago District Council to be shown as a minority interest.
- (c) NZ IAS 39 "Financial Instruments: Recognition and Measurement" requires the Imtech contract cancellation fee to be expensed directly to the Statement of Financial Performance in the period incurred rather than spread over the remaining life of the contract.

Otherwise as a result of changing from New Zealand Generally Accepted Accounting Practice (NZ GAAP) to NZ IFRS, there are no significant or material effects on the financial information to report.

BALANCING THE BUDGET

The Local Government Act 2002 contains a requirement to balance the budget. Section 100 states:

1. *A local authority must ensure that each year's projected operating revenues are set at a level sufficient to meet that years projected operating expenses.*
2. *Despite subsection (1), a local authority may set projected operating revenues at a different level from that required by that subsection if the local authority resolves that it is financially prudent to do so, having regard to:*
 - a) The estimated expenses of achieving and maintaining the predicted levels of service provision set out in the long term Council community plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life.
 - b) The projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity to assets throughout their useful life.
 - c) The equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life.
 - d) The funding and financial policies adopted under section 102.

Council comfortably meets these requirements over the timeframe of the plan. The forecasted 10 year statement of Financial Performance shows strong operating surpluses, which demonstrates that Council balances its budget requirements overall.

Funding of Depreciation

The funding of depreciation is an implied requirement of the "balanced budget" provision of the new Local Government Act. It requires that the Council fully fund all operating costs, including reductions in the useful life or quality of assets. The requirement arises from Government concern that some local authorities were not adequately maintaining infrastructural assets. In instances where this occurred, current ratepayers were paying too little and leaving a major financial burden for future generations.

Queenstown Lakes District has in recent years provided adequately for asset renewal. A major effort has been made over the past decade to address deferred maintenance and the budgets have provided for the renewal of infrastructure.

The Council now has far more reliable asset information and a much better understanding of the life cycle of its assets.

The new Act provides a more flexible approach in the requirement to fully fund depreciation. The revised interpretation has allowed Councils flexibility in four key areas which we have taken advantage of in preparing these budgets:

- (i) The Council needs to fund depreciation only on its share of roading funding. The component attributable to Transfund is excluded. Allowing for SPR roading arrangements and other subsidisable costs 65% of roading depreciation will be funded (2005/06 – 65%).
- (ii) Depreciation on Community facilities may not need to be funded as they are often funded by non-Council sources and will never be replaced in the same form at the end of their useful life. Depreciation on halls, libraries, and other facilities (including the Events Centre) will therefore not be funded.
- (iii) The Council has accepted that it is not reasonable to fund depreciation where a community has funded a water or sewerage scheme, by lump sum contributions or loan charges. That community ends up paying twice – for loan charges and depreciation.
- (iv) Because we have generally maintained the value of our infrastructure the Council will use funded depreciation to finance renewal projects and repay loans. It cannot be used to fund new assets or asset improvements.

These changes have focused on the intent of legislation, the maintenance of the capacity of major operational assets. This Council has had this focus for some time now and so is not greatly affected by the new provisions. The impact of the above decision has lead to the following amounts of depreciation not being funded:

	Total Depreciation 2006/07 (\$000)	Depreciation Not Funded 2006/07 (\$000)
Roading	5,274	1,799
Sewerage	1,473	245
Water	1,294	219
Stormwater	678	-
Community/other	1,576	715
Total	10,298	2,978

CAPITAL EXPENDITURE PROJECTS FOR FIRST THREE YEARS

Community Capital Expenditure Projects

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>RESERVE IMPROVEMENTS WAKATIPU CAPEX</u>			
<u>Walkways Wakatipu</u>			
Walkway Structure Upgrades	40	26	26
Ladies Mile to Shotover bridge	-	51	53
Arthurs Point - Gorge Road Walkway planning and design	25	51	53
Walkway planning and design	25	26	26
Shotover Bridge to Frankton Industrial	50	-	-
Frankton Industrial to Frankton Walkway	20	77	79
Kelvin Peninsula Walkway	-	-	232
Visitor Monitoring	5	5	5
Shotover Bridge to Arrowtown	25	51	53
Residential Accessway upgrades	100	103	106
	290	391	634
<u>Reserve Improvements Wakatipu</u>			
Signs and Furniture	50	51	53
Playground Renewals	60	62	63
Asset Registers, Condition Assessments and Valuations	10	10	11
Reserve management planning	10	10	11
Queenstown Gardens Development	50	257	264
Park and open space planning and design	20	21	21
Marine Parade and Earnslaw Park	15	-	-
Arrowtown Campground Sports Field and Playground development	180	-	-
Queenstown Gardens Depot	-	360	-
Lake Hayes Pavilion	80	-	-
Trees - renewal planting	25	26	26
Kelvin Peninsula Network Plan implementation	150	10	159

Community Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
Frankton Queenstown Network Plan implementation	-	-	16
Rose Douglas Park	50	-	-
Arrowtown River Reserve development	175	-	-
Arrowtown parks paths and entrances	-	-	53
Kingston Foreshore Development	15	-	159
Glenorchy Foreshore Development	90	41	-
Glenorchy School Reserve	-	-	16
Horne Creek Revegetation	5	5	5
Gorge Road Wetland restoration	50	-	-
Fernhill Playground	-	-	53
Frankton Lakefront	30	72	-
Reserve Revegetation	60	82	85
Gibbston Reserve development	5	51	-
Jardine Park	-	-	106
Arthurs Point Playground	-	-	63
Lakes Hayes Estate Playground/Reserve Dev.	400	-	-
Queenstown Bay Playground	-	10	264
Queenstown Gardens Bridge/Entrance	80	-	-
Warren Park Cricket Nets	20	-	-
	1,630	1,070	1,427
<u>WAKATIPU RESERVE IMPROVEMENTS - DEBT SERVICING</u>			
Loan repayment - Growth	160	323	-
Loan repayment - Renewal	5	4	22
Loan repayment - Other	5	20	42
	170	346	65
Wakatipu Reserve Improvements Total	2090	1,808	2,125

Community Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>Reserve Land Wakatipu</u>			
Land Acquisition - Queenstown	2,566	2,891	2,121
Land Acquisition - Arrowtown	1,727	525	908
Land Acquisition - Kingston	105	-	-
Land Acquisition - Wakatipu Rural	-	238	-
	4,398	3,654	3,029
Wakatipu Reserves Total	4,398	3,654	3,029
 <u>CEMETERIES - WAKATIPU CAPEX</u>			
Queenstown Cemetery Plan	15	-	-
Shotover Cemetery	-	-	317
	15	-	317
 <u>WAKATIPU CEMETERIES - DEBT SERVICING</u>			
Loan repayment - Other	10	10	10
	10	10	10
Cemeteries Wakatipu Total	25	10	327
 <u>WATERWAYS FACILITIES - WAKATIPU CAPEX</u>			
Frankton Marina	50	-	-
Queenstown Bay Jetty	3	-	-
Sunshine Bay Launching Facility	-	-	21
Bayview Jetty	80	-	-
Kingston	5	-	-
Wakatipu Renewal	5	-	-
Waterways Enforcement (Signage, Buoys, Beacons)	4	4	4
	147	4	25
 <u>WAKATIPU WATERWAYS - DEBT SERVICING</u>			
Loan repayment - Renewal	3	34	61
Loan repayment - Other	3	34	51
	6	67	113
Waterways Facilities Wakatipu Total	153	71	138

Community Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>TOILETS - WAKATIPU CAPEX</u>			
Frankton Bus Stop	350	-	-
Bayview Toilet	90	-	-
CBD toilets	-	206	211
	440	206	211
<u>WAKATIPU TOILETS - DEBT SERVICING</u>			
Loan repayment - Renewal	-	10	13
	-	10	13
Toilets Wakatipu Total	440	216	225
<u>HALLS - WAKATIPU CAPEX</u>			
Lake Hayes Pavillion	-	15	-
Arrowtown Hall	2	-	-
Glenorchy Hall	-	-	26
Glenorchy Hall	10	-	-
Lake Hayes Pavillion	-	-	5
Lake Hayes Pavillion	-	-	21
Events Centre Minor Works	145	237	264
Remarkables Centre	180	179	184
	337	431	501
<u>WAKATIPU HALLS - DEBT SERVICING</u>			
Loan repayment - Growth	100	100	100
Loan repayment - Other	-	10	17
	100	110	117
Halls Wakatipu Total	437	541	618

Community Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>SWIMMING POOLS - WAKATIPU CAPEX</u>			
Arrowtown Pool Surrounds & Solar Upgrade	10	15	-
Queenstown Aquatic Centre	9,148	4,116	-
	9,158	4,131	-
<u>WAKATIPU POOLS - DEBT SERVICING</u>			
Loan repayment - Growth	-	-	809
Loan repayment - Renewal	-	-	1
Loan repayment - Other	-	3	24
	-	3	834
Pools Wakatipu Total	9,158	4,134	834
<u>LIBRARIES - WAKATIPU CAPEX</u>			
<u>Queenstown</u>			
Book Replacements	60	62	63
Minor Furniture/Equipment	4	-	-
	64	62	63
<u>Arrowtown</u>			
Book Replacements	25	26	26
Minor Furniture/Equipment	2	2	2
Review Library Service - additional branches	3	-	-
	30	28	29
<u>Glenorchy</u>			
Book Replacements	5	5	5
Minor Furniture/Equipment	2	-	-
	7	5	5
<u>Kingston</u>			
Book Replacements	2	2	2
Minor Furniture/Equipment	10	-	-
	12	2	2
Libraries Wakatipu Total	113	97	99

Community Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
RESERVE IMPROVEMENTS WANAKA CAPEX			
<u>Walkways Wanaka</u>			
Walkway Structure Upgrades	40	21	21
Mt Iron - Beacon Point - Clutha River Walkway	200	-	-
Walkway planning and design	10	10	11
Visitor Monitoring	5	5	5
Hawea Foreshore Walkway	50	62	-
Albert Town walkways	10	-	-
Residential Accessswway upgrades	70	72	74
	385	170	111
<u>Reserves Wanaka</u>			
Asset Registers, Condition Assessments and Valuations	10	-	-
Signs and Furniture	50	51	53
Park and open space planning and design	20	21	21
Playground Renewals	20	62	63
Reserve management planning	40	10	11
Trees - renewal planting	10	10	11
Albert Town Lagoon Upgrade	-	5	53
Wanaka Waterfront 1	-	-	53
Kingan Road/Luggate Creek revegetation	-	-	11
Lismore Park	-	-	79
Pembroke Park	-	51	-
Wanaka Station Park	20	21	106
Beacon Pt planting	10	10	11
Sports Ground Wanaka	-	-	53
Hawea Foreshore Domain	-	-	79
Kiwi street reserves	25	-	-
Cardrona Reserve	10	-	85
Waterfall Creek	10	-	53
Little Pembroke Park	-	-	159
	225	242	898

Community Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>WANAKA RESERVE IMPROVEMENTS - DEBT SERVICING</u>			
Loan repayment - Other	-	7	14
	-	7	14
Reserves Wanaka Total	610	419	1,023
<u>Reserve Land Wanaka</u>			
Land Acquisition - Wanaka	298	2,059	448
Land Acquisition - Luggate/Hawea	-	-	-
Land Acquisition - Makarora	-	-	-
Land Acquisition - Wanaka Rural	-	-	-
	298	2,059	448
Reserves Wanaka Total	298	2,059	448
<u>CEMETERIES - WANAKA CAPEX</u>			
Wanaka Cemetery Plan	-	26	159
Makarora Cemetery	25	-	-
	25	26	159
<u>WANAKA CEMETERIES - DEBT SERVICING</u>			
Loan repayment - Other	-	2	3
	-	2	3
Cemeteries Wanaka Total	25	28	162

Community Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>WATERWAYS FACILITIES - WANAKA CAPEX</u>			
Main Town Pier Wanaka	8	-	-
Eely Point Facility	-	-	-
Hawea Launching Facility	1	-	-
Glendhu Bay Jetty	5	-	-
Hawea Jetty	-	-	85
Wanaka Renewal	3	-	-
Waterways Enforcement (Signage, Buoys, Beacons)	3	3	3
Wanaka Marina	3	-	-
	23	3	88
<u>WANAKA WATERWAYS - DEBT SERVICING</u>			
Loan repayment - Renewal	-	3	-
Loan repayment - Other	-	2	2
	-	5	2
Waterways Facilities Wanaka Total	23	8	90
<u>TOILETS - WANAKA CAPEX</u>			
Wanaka Marina Renewal	-	93	-
Roys Bay Upgrade	80	-	-
Ardmore Street/Upper town centre	-	-	106
Albert Town Campground toilets	5	-	-
	85	93	106
<u>WANAKA TOILETS - DEBT SERVICING</u>			
Loan repayment - Renewal	1	2	18
Loan repayment - Other	-	1	1
	1	3	19
Public Toilets Wanaka Total	86	96	124
<u>HALLS - WANAKA CAPEX</u>			
Luggate Hall	-	10	-
Luggate Hall	2	-	-
Hawea Hall	-	-	26
Albert Town Hall Feasibility	10	-	-
Wanaka Arts & Community Centre Feasibility	25	-	-
	37	10	26
Wanaka Facilities Total	37	10	26

Community Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>SWIMMING POOLS - WANAKA CAPEX</u>			
Wanaka Pool Upgrade Feasibility	25	-	-
	25	-	-
Wanaka Facilities Total	25	-	-
<u>LIBRARIES - WANAKA CAPEX</u>			
<u>Wanaka</u>			
Book Replacements	40	41	42
Minor Furniture/Equipment	4	-	-
	44	41	42
<u>Hawea</u>			
Book Replacements	5	5	5
Minor Furniture/Equipment	2	-	-
Review Library Service - additional branches	3	-	-
	10	5	5
<u>WANAKA LIBRARIES - DEBT SERVICING</u>			
	-	-	-
Wanaka Libraries Total	54	46	48
<u>RURAL FIRE CAPEX</u>			
New Pumps	-	-	6
Replacement Protective Clothing/Equipment	10	10	11
Rural Fire Appliance	-	-	126
Upgrade Radios/Pagers	30	15	2
	40	26	145
Rural Fire Total	40	26	145

Property Capital Expenditure Projects

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>CAMPING GROUNDS - CAPEX</u>			
Wanaka Camp Ground- Planning for New Camp	30	21	-
Glendhu Bay Motor Park- Planning for New Camp	30	21	-
Arrowtown Camp Ground	780	-	1,057
Queenstown Lakeview Holiday Park	28	10	11
Arrowtown Camp Ground	-	-	-
	868	51	1,067
<u>LAKEVIEW PROJECT - CAPEX</u>			
Lakeview Project (front zone) Stg 1	-	-	-
Lakeview Project	145	-	-
	145	-	-
<u>MOTOR CAMPS - DEBT SERVICING</u>			
Loan repayment - Growth	-	-	-
Loan repayment - Renewal	70	48	4,260
Loan repayment - Other	68	76	76
	138	124	4,336
Camping Grounds Total	1,151	175	5,403
<u>HOUSING CAPEX</u>			
Elderly Person Flats Arrowtown-Replace Vinyl kitchens	-	-	-
Elderly Person Flats Wanaka	-	-	-
Elderly Person Flats Wanaka-Refurbish interiors	-	31	48
Other Residential Wanaka	18	-	-
Other Residential Wanaka	15	15	-
	33	46	48
<u>HOUSING - DEBT SERVICING</u>			
Loan repayment - Renewal	2	2	2
	2	2	2
Housing Total	35	49	50

Property Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 Budget (\$000)	2008/09 (\$000)
<u>COUNCIL LAND WAKATIPU CAPEX</u>			
Commonage Development Costs			
Glenorchy Fire Station	15	-	-
	15	-	-
<u>COUNCIL LAND WANAKA CAPEX</u>			
Scurr Hts Devpt Costs	290	-	-
	290	-	-
Council Land Total	305	-	-
<u>WANAKA AIRPORT - CAPEX</u>			
Land Purchase	-	-	-
Minor Works	146	127	141
Runway Resealing	75	51	63
Terminal Building	50	257	53
	271	435	257
<u>WANAKA AIRPORT - DEBT SERVICING</u>			
Loan repayment - Renewal	5	9	12
Loan repayment - Other	6	8	23
	11	17	35
Wanaka Airport Total	282	452	292

Regulatory Capital Expenditure Projects

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>ENFORCEMENT - CAPEX</u>			
New Dog Pound	-	-	-
	-	-	-
<u>ENFORCEMENT - DEBT SERVICING</u>			
Loan repayment - Growth	-	-	-
Loan repayment - Renewal	-	-	-
Loan repayment - Other	4	4	4
	4	4	4
Enforcement Total	4	4	4
<u>DISTRICT PLAN - DEBT SERVICING</u>			
Loan repayment	476	520	560
	476	520	560
District Plan Total	480	524	564

Roading Capital Expenditure Projects

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>ROADING TNZ WAKATIPU - CAPEX</u>			
Maintenance Chip Seals	115	67	346
Thin Asphaltic Surfacing	836	1,056	834
Bridge Renewals	500	-	-
Minor Safety Projects	488	371	395
Road Reconstruction	490	1,701	3,485
Pavement Smoothing	2,650	3,181	1,164
Professional Services (Investigations)	168	154	228
Transportation Studies	125	31	-
Strategic Studies	23	-	-
Cycleway Construction	342	154	263
Passenger Transport	200	1,026	1,051
Advanced Property Purchase	1,500	1,129	1,051
Major Drainage Control	133	141	150
Walking and Cycling Strategies	10	31	-
	7,579	9,041	8,966
<u>ROADING TNZ GLENORCHY SPR - CAPEX</u>			
Maintenance Chip Seals	234	355	150
Seal Widening	-	513	525
Bridge Renewals	-	308	-
Minor Safety Projects	112	120	127
Major Drainage Control	25	26	28
	370	1,322	830
<u>ROADING TNZ UPPER SHOTOVER - CAPEX</u>			
Minor Safety Improvements	-	5	5
Major Drainage Control	9	9	10
General Maintenance (Metalling Programme)	-	31	32
	9	45	47
<u>ROADING TNZ - DEBT SERVICING</u>			
Loan repayment - Growth	-	-	-
Loan repayment - Other	65	-	-
	65	-	-
Wakatipu Roding TNZ Total	8,023	10,407	9,842

Roading Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>NON-SUB'D ROADING WAKATIPU - TOWN CENTRES CAPEX</u>			
Footpath Construction	45	46	47
Roading General	105	282	-
Town Centre Improvements	1,000	1,026	1,051
Street Furniture	-	67	69
Kerb & Channel Construction	25	51	53
Streetlighting	50	51	53
	1,225	1,524	1,272
<u>TOWN CENTRE WAKATIPU - DEBT SERVICING</u>			
Loan repayment - Growth	-	-	50
Loan repayment - Renewal	-	-	32
	-	-	82
Town Centre Wakatipu Total	1,225	1,524	1,354
<u>NON-SUB'D ROADING WAKATIPU - OTHER CAPEX</u>			
Seal Extensions	650	308	315
Footpath Construction	90	185	189
Roading General	355	51	53
Kerb & Channel Construction	150	51	53
Streetlighting	50	51	53
Emergency Works Contingency	140	144	147
	1,435	790	809
<u>NON SUB ROADING - DEBT SERVICING</u>			
Loan repayment - Growth	-	-	-
Loan repayment - Renewal	-	21	36
	-	21	36
Non Sub Roading Wakatipu Total	1,435	811	845

Roading Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>ROADING TNZ WANAKA - CAPEX</u>			
Seal Extension	730	257	263
Maintenance Chip Seals	294	150	254
Thin Asphaltic Surfacing	662	877	690
Minor Safety Projects	269	287	306
Transportation Studies	-	21	-
Road Reconstruction	1,351	-	-
Pavement Smoothing	-	-	727
New Roads	-	871	-
Professional Services (Investigations)	604	410	210
Seal Widening	-	-	-
Strategic Studies	48	-	-
Cycleway Construction	100	103	105
Major Drainage Control	382	406	431
Advanced Property Purchase	-	-	-
	4,440	3,382	2,985
<u>ROADING TNZ CROWN RANGE SPR - CAPEX</u>			
Thin Asphaltic Surfacing	20	21	23
Minor Safety Projects	67	72	77
Road Reconstruction	750	770	788
Major Drainage Control	23	25	26
Strategic Studies	5	-	-
	865	887	913
<u>ROADING TNZ - DEBT SERVICING</u>			
Loan repayment - Growth	-	-	89
Loan repayment - Other	86	98	86
	86	98	167
Wanaka Roding TNZ Total	5,391	4,367	4,074
<u>NON-SUB'D ROADING WANAKA - TOWN CENTRES CAPEX</u>			
Footpath Construction	17	236	242
Roding General	75	77	79
Town Centre Improvements	250	308	315
Street Furniture	-	-	32
Kerb & Channel Construction	25	77	79
Streetlighting	50	51	53
	417	749	798

Roading Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>NON SUB ROADING - DEBT SERVICING</u>			
Loan repayment - Renewal	6	79	-
Loan repayment - Other	6	15	30
	11	95	30
Town Centre Wanaka Total	428	843	828
<u>NON-SUB'D ROADING WANAKA - OTHER CAPEX</u>			
Seal Extensions	700	513	525
Seal Widening	150	154	158
Footpath Construction	275	103	105
Roading General	130	174	179
Kerb & Channel Construction	30	51	53
Power Reticulation Undergrounding	300	-	-
Streetlighting	50	82	84
	1,635	1,077	1,103
<u>NON SUB ROADING - DEBT SERVICING</u>			
Loan repayment - Renewal	-	95	-
Loan repayment - Other	-	35	46
	-	130	46
Non Sub Roding Wanaka Total	1,635	1,206	1,149
<u>CARPARKING PROVISION CAPEX</u>			
Carparking Facilities	100	516	-
On Street Carparks	-	-	80
Signage	40	21	21
Management Tools	130	21	-
Investigations	30	21	21
Renewals	290	72	21
Carparking Investigation - Wanaka	50	-	-
Carparking Investigation - Arrowtown	-	31	-
	640	680	143
<u>CARPARKING PROVISION - DEBT SERVICING</u>			
Loan repayment - Renewal	-	130	29
Loan repayment - Other	104	104	204
	104	234	233
Carparking Provision Total	744	914	376

Utilities Capital Expenditure Projects

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>QUEENSTOWN Wastewater - CAPEX</u>			
Reticulation	2,089	1,643	200
Pump Stations	3,739	5,156	1,628
Treatment Facilities	875	260	357
Management	174	110	90
Renewals	80	-	407
	6,957	7,169	2,682
<u>QUEENSTOWN Wastewater - DEBT SERVICING</u>			
Loan repayment - Renewal	18	-	151
	18	-	151
Queenstown Wastewater Total	6,976	7,169	2,832
<u>ARROWTOWN Wastewater - CAPEX</u>			
Reticulation	2,892	259	60
Pump Stations	-	-	69
Management	4	8	7
Renewals	39	41	109
	2,935	308	244
<u>ARROWTOWN Wastewater - DEBT SERVICING</u>			
Loan repayment - Growth	-	146	214
Loan repayment - Renewal	-	52	12
Loan repayment - Other	-	60	58
	-	259	283
Arrowtown Wastewater Total	2,935	566	527
<u>GLENORCHY Wastewater - CAPEX</u>			
Investigations	20	21	483
	20	21	483
Glenorchy Wastewater Total	20	21	483

Utilities Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>LAKE HAYES Wastewater - CAPEX</u>			
Reticulation	1,398	-	-
Pump Station	-	-	96
Management	4	60	7
Renewals	-	24	66
	1,402	84	168
<u>LAKE HAYES Wastewater - DEBT SERVICING</u>			
Loan repayment - Growth	-	170	128
Loan repayment - Renewal	-	29	31
Loan repayment - Other	-	27	28
	-	227	187
Lake Hayes Wastewater Total	1,402	311	354
<u>ARTHURS POINT Wastewater - CAPEX</u>			
New Scheme - Reticulation and Storage	-	-	-
Reticulation	-	31	33
Management	4	8	7
Renewals	42	30	51
	46	69	90
<u>ARTHURS POINT Wastewater - DEBT SERVICING</u>			
Loan repayment - Growth	108	119	131
	108	119	131
Arthurs Point Wastewater Total	154	187	221
<u>KINGSTON Wastewater - CAPEX</u>			
New Scheme - Reticulation, Treatment and Storage	20	21	-
	20	21	-
Kingston Wastewater Total	20	21	-

Utilities Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>WANAKA Wastewater - CAPEX</u>			
Reticulation	29	406	87
Pump Stations	50	935	-
Treatment Facilities	900	5,627	5,852
Management	43	85	70
Renewals	135	86	122
	1,157	7,139	6,131
<u>WANAKA Wastewater - DEBT SERVICING</u>			
Loan repayment - Growth	371	-	-
Loan repayment - Renewal	65	-	-
	436	-	-
Wanaka Wastewater Total	1,593	7,139	6,131
<u>HAWEA Wastewater - CAPEX</u>			
Treatment Facilities	30	-	-
Management	4	8	7
Renewals	46	13	25
	80	21	32
<u>HAWEA Wastewater - DEBT SERVICING</u>			
Loan repayment - Growth	87	61	-
Loan repayment - Renewal	-	27	15
Loan repayment - Other	-	1	5
	87	89	20
Hawea Wastewater Total	167	110	52
<u>ALBERT TOWN Wastewater - CAPEX</u>			
Reticulation	-	8	-
Treatment Facilities	100	625	650
Management	4	8	7
Renewals	33	7	17
	137	649	674
<u>ALBERT TOWN Wastewater - DEBT SERVICING</u>			
Loan repayment - Growth	12	-	-
Loan repayment - Renewal	3	27	32
Loan repayment - Other	3	3	3
	18	30	35
Albert Town Wastewater Total	156	679	708

Utilities Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>QUEENSTOWN WATER SUPPLY - CAPEX</u>			
Reticulation	121	1,092	-
Pump Stations	-	980	43
Intakes	113	61	-
Storage	50	924	490
Treatment Facilities	20	250	-
Flow Metering	25	-	-
Asset Management Systems	239	514	140
Renewals	400	417	433
	967	4,328	1,106
<u>QUEENSTOWN Water - DEBT SERVICING</u>			
Loan repayment - Growth	668	-	651
Loan repayment - Renewal	65	-	193
	733	-	842
Queenstown Water Supply Total	1,700	4,328	1,952
<u>ARROWTOWN WATER SUPPLY - CAPEX</u>			
Reticulation	-	200	-
Pump Stations	-	117	-
Treatment Facilities	12	153	-
Intake / Bore Facilities	-	240	-
Asset Management Systems	133	11	12
Renewals	60	63	65
Unspecified Expenditure	-	-	-
	205	784	77
<u>ARROWTOWN Water - DEBT SERVICING</u>			
Loan repayment - Growth	195	-	369
Loan repayment - Renewal	61	-	80
Loan repayment - Other	13	13	13
	270	13	462
Arrowtown Water Supply Total	475	796	539

Utilities Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>GLENORCHY WATER SUPPLY - CAPEX</u>			
Reticulation	172	-	-
Pump Station	61	-	-
Intake	169	-	-
Treatment Facilities	12	33	-
Asset Management Systems	70	11	12
Renewals	-	-	-
New Scheme	-	-	-
Unspecified Expenditure	-	-	-
	484	44	12
<u>GLENORCHY Water - DEBT SERVICING</u>			
Loan repayment - Growth	-	42	54
Loan repayment - Renewal	2	12	12
Loan repayment - Other	2	3	2
	4	57	69
Glenorchy Water Supply Total	488	101	81
<u>LAKE HAYES WATER SUPPLY - CAPEX</u>			
Treatment Facilities	2	-	-
Asset Management Systems	113	167	12
Renewals	-	-	13
Unspecified Expenditure	-	-	-
	115	167	25
<u>LAKE HAYES Water - DEBT SERVICING</u>			
Loan repayment - Growth	65	77	91
Loan repayment - Renewal	-	-	-
Loan repayment - Other	-	-	-
	65	77	91
Lake Hayes Water Supply Total	180	273	118

Utilities Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>ARTHUR'S POINT WATER SUPPLY - CAPEX</u>			
Reticulation	-	-	840
Treatment Facilities	2	-	125
Intake	-	-	341
Asset Management Systems	191	44	12
Renewals	10	-	-
	202	44	1,318
<u>ARTHUR'S POINT Water - DEBT SERVICING</u>			
Loan repayment - Growth	80	140	-
Loan repayment - Other	-	10	10
	80	150	10
Arthurs Point Water Supply Total	283	194	1,327
<u>KINGSTON WATER SUPPLY - CAPEX</u>			
New Scheme - Reticulation, Treatment and Storage	20	21	22
Reticulation	-	-	-
Intakes	-	-	-
Storage	-	-	-
Treatment	-	-	-
Asset Management Systems	-	-	-
Renewals	-	-	-
Unspecified Expenditure	-	-	-
	20	21	22
Kingston Water Supply Total	20	21	22

Utilities Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>WANAKA/ALBERT TOWN WATER SUPPLY - CAPEX</u>			
Reticulation	21	872	4,219
Pump Stations	-	-	398
Intakes	-	-	38
Storage	61	297	1,726
Treatment Facilities	10	-	-
Asset Management Systems	107	250	68
Renewals	186	209	239
Unspecified Expenditure	-	-	-
	384	1,628	6,687
<u>WANAKA/ALBERT TOWN Water - DEBT SERVICING</u>			
Loan repayment - Growth	516	-	-
Loan repayment - Renewal	181	116	160
Loan repayment - Other	-	-	-
	698	116	160
Wanaka Water Supply Total	1,081	1,744	6,847
<u>HAWEA WATER SUPPLY - CAPEX</u>			
Reticulation	-	11	2,315
Pump Stations	-	47	145
Treatment Facilities	2	-	303
Asset Management Systems	19	44	12
Renewals	13	11	-
Unspecified Expenditure	-	-	-
	34	113	2,774
<u>HAWEA Water - DEBT SERVICING</u>			
Loan repayment - Growth	162	32	-
Loan repayment - Renewal	-	-	-
Loan repayment - Other	-	-	-
	162	32	-
Hawea Water Supply Total	196	145	2,774

Utilities Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>LUGGATE WATER SUPPLY - CAPEX</u>			
New Scheme	30	-	-
Reticulation	-	-	-
Intakes	-	-	-
Treatment Facilities	2	-	-
Asset Management Systems	19	44	12
Renewals	4	-	2
Unspecified Expenditure	-	-	-
	55	44	14
<u>LUGGATE Water - DEBT SERVICING</u>			
Loan repayment - Growth	1	15	22
Loan repayment - Renewal	-	-	-
Loan repayment - Other	-	-	-
	1	15	22
Luggate Water Supply Total	56	59	36

Utilities Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>QUEENSTOWN Stormwater - CAPEX</u>			
Sunshine Bay - Upgrades	32	62	46
Fernhill - Upgrades	61	-	-
Frankton - Upgrades	132	-	-
Lake Hayes - Upgrades	2	2	2
Queenstown - Upgrades	82	53	44
Horne Creek Catchment - Upgrades	50	52	54
Kelvin Peninsula - Upgrades	158	106	-
Minor Works, Projects, GIS	77	126	163
Treatment Facilities	50	52	54
Asset Management	59	64	72
Investigations	8	-	-
	711	518	435
<u>QUEENSTOWN StormWater - DEBT SERVICING</u>			
Loan repayment - Growth	-	30	115
Loan repayment - Renewal	83	169	202
Loan repayment - Other	200	131	-
	283	331	316
Queenstown Stormwater Total	993	849	752
<u>ARROWTOWN Stormwater - CAPEX</u>			
Arrowtown - Upgrades	21	9	9
Minor Works	3	9	9
Investigations	2	-	-
	26	18	19
Arrowtown Stormwater Total	26	18	19

Utilities Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>GLENORCHY Stormwater - CAPEX</u>			
Glenorchy - Upgrades	89	58	2
	89	58	2
Glenorchy Stormwater Total	89	58	2
<u>KINGSTON Stormwater - CAPEX</u>			
Kingston - Upgrades	218	56	-
Investigations	-	-	13
	218	56	13
Kingston Stormwater Total	218	56	13
<u>ARTHURS POINT Stormwater - CAPEX</u>			
Arthurs Point - Upgrades	1	1	21
Investigations	-	19	-
	2	20	21
Arthurs Point Stormwater Total	2	20	21
<u>WANAKA Stormwater - CAPEX</u>			
Wanaka - Upgrades	157	94	256
Minor Works	67	109	106
Treatment Facilities	50	31	33
Flood Protection	51	-	-
Asset Management	53	49	72
Investigations	5	-	-
	381	283	467
<u>WANAKA StormWater - DEBT SERVICING</u>			
Loan repayment - Growth	9	94	44
Loan repayment - Renewal	152	101	-
Loan repayment - Other	-	6	-
	160	201	44
Wanaka Stormwater Total	542	485	511

Utilities Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>HAWEA Stormwater - CAPEX</u>			
Hawea - Upgrades	55	3	4
Investigations	1	-	-
Minor Works	-	-	39
	56	3	43
<u>HAWEA StormWater - DEBT SERVICING</u>			
Loan repayment - Growth	-	12	-
Loan repayment - Renewal	-	-	-
Loan repayment - Other	-	-	-
	-	12	-
Hawea Stormwater Total	56	15	43
<u>ALBERT TOWN Stormwater - CAPEX</u>			
Albert Town - Upgrades	28	28	2
Investigations	-	-	-
Minor Works	-	45	-
	28	73	2
Albert Town Stormwater Total	28	73	2
<u>LUGGATE Stormwater - CAPEX</u>			
Luggate - Upgrades	1	1	1
Investigations	30	-	-
	31	1	1
Luggate Stormwater Total	31	1	1

Utilities Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>WASTE MANAGEMENT - CAPEX</u>			
Composting Site for Queenstown	450	821	-
Resource Recovery Centre at Frankton TS (includes c/fwd)	600	-	-
Township Drop off centres (includes c/fwd)	70	-	-
Glass Stockpile at Frankton & Wanaka	80	-	-
Minor Works	145	-	-
Landfill Management	65	36	21
	1,410	857	21
<u>WASTE MANAGEMENT - DEBT SERVICING</u>			
Loan repayment - Growth	-	-	-
Loan repayment - Renewal	-	-	-
Loan repayment - Other	115	131	167
	115	131	167
Waste Management Total	1,525	988	188

Overhead Capital Expenditure Projects

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>INFORMATION SYSTEMS ADMIN - CAPEX</u>			
Terminal Server, Printers	15	-	-
Councillors on-line	-	31	-
Projects	50	26	21
PC's & Printers	20	-	-
Unix/Firewall	8	10	16
Upgrade QLHP Server	-	10	-
Fixed Asset Purchase	10	-	21
Terminal Server, Printers	-	19	-
QLDC Web Page	35	21	21
NCS Software Improvements	5	10	11
Document Camera & Video conferencing Units	-	15	-
Mobile Computing	3	3	6
Library PC's, Scanners, faxes	6	10	42
	151	155	139
<u>GIS - CAPEX</u>			
Asset Management system	54	31	21
Upgrade GIS software	30	31	32
Hardware	15	15	21
	99	77	74
<u>RECORDS - CAPEX</u>			
Upgrade TRIM	13	10	21
Fixed Asset Purchase	10	31	32
	23	41	53
Information System Total	272	274	266

Overhead Capital Expenditure Projects cont...

Description	2006/07 (\$000)	2007/08 (\$000)	2008/09 (\$000)
<u>ADMINISTRATION BUILDING CAPEX</u>			
Wanaka Service Centre	10	-	-
	-	-	-
	10	-	-
<u>ADMIN BLDG - DEBT SERVICING</u>			
Loan repayment - Growth	-	-	-
Loan repayment - Renewal	-	-	-
Loan repayment - Other	47	47	47
	47	47	47
Admin Buildings Total	57	47	47
<u>OTHER - CAPEX</u>			
K base-Customer Services	35	36	37
	35	36	37



RATES AND FUNDING REVIEW

The Council last undertook a comprehensive review of the Funding Policy and Rating system during the 2002/03 year. Council has previously given a commitment that the funding/rating system would be reviewed on a three yearly basis. New district-wide rating valuations come into effect from 1st July 2006 and the new Council Community Plan must also be adopted by the same date. It was therefore considered timely to instigate a funding/rating review during the 2005/06 year, which will have effect for the 2006/07 year.

The review was conducted by a working party known as the Funding and Rating Review Working Party. This working party was made up of members of the Finance Audit Property and Corporate Committee (FAPAC).

From the outset, the working party recognised the importance of maintaining a structured approach. For this reason, the review commenced with an overview of the current system including new statutory framework and the relationship between the Revenue and Financing Policy and the rates system.

Revenue and Financing Policy

The Revenue and Financing Policy indicates which funding tools are most appropriate for any given activity. It was recognised that a good understanding of this is essential before examining the rating mechanisms themselves. The working party then reviewed a number of issues relating to the Revenue and Financing Policy in relation to the funding of particular activities.

Parks and Recreation Facilities

In the previous version of the policy, active and passive reserves were split into two separate activities with different funding recommendations. In reality, it is difficult to maintain a classification regime for reserves on such a basis, as many reserves cater for a mixture of uses. It is recommended therefore, that these activities be combined and that all income derived from reserves be recorded against this activity (previously this income was allocated to Property) and incorporated into the funding targets:

After allowing for any revenue derived from permitted activities on reserves (40%), this activity will be funded 30% from the capital value based General Rate and 30% coming from the Uniform Annual General Charge.

Waterways Control

In the previous version of the policy, waterways control was assumed to have an economic benefit analysis of 70% private good versus 30% public good. This analysis was based on the costs and activities provided for under the previous contract for the Harbourmaster. A revised analysis of costs and the nature of activities undertaken reveals that 35% is private good versus 65% public good. It is recommended therefore, that the charges allowed for under the By-law be increased to allow for the recovery of the private benefit cost. This will mean an approximate doubling of the various fees and charges under the by-law, which have not been increased since 1993:

Waterways Control will be funded from user charges under the By-law as far as practicable (estimated at 35%), and thereafter from the revenue generated from waterways based concessions.

Waste Management

Waste management activities are split into two for the purposes of the Policy; Refuse Collection and Landfill Provision and Management. Refuse Collection is seen as 100% private benefit with the costs recovered in full through user charges (bag charges and wheelie bin levies). In the previous version of the policy, the cost of recycling initiatives was to be met from the Waste Management Charge (i.e. a targeted rate). Since this time, the nature and scope of recycling activities have been better defined and it is necessary to review the funding model. Council's Waste Minimisation Officer presented a paper to the working party on the case for implementing a Waste Minimisation Landfill Levy (Landfill Levy) to assist with the funding of recycling initiatives.

The introduction of such a levy is consistent with principle of exacerbator (polluter) pays. The working party agreed in principle with the introduction of such a levy at such time as the waste minimisation infrastructure is fully operable. A revised analysis of costs and the nature of activities undertaken will need to be undertaken once these are finalised.

This activity will be funded 60% from user charges in the form of transfer station fees and disposal fees (including landfill levy), 35% coming from the Targeted Uniform Waste Management Charge, with the balance of 5% coming from the general capital value based rate to cover the cost of existing waste management loans and the rehabilitation of disused tips.

Rating of Residential Property Used as Visitor Accommodation

From here, the working party looked at the different types of rates currently charged. This included an examination of which activities are funded by each rate and how the rate is

applied. This led to a review of the rating categories. Considerable time and effort has been spent in discussing the best approach to the rating of dwellings used for visitor accommodation in particular.

Within our district there are a significant number of residential properties that are used for the accommodation of paying guests on a short term basis (i.e. nightly, weekly or monthly). At one end of the scale, this activity is characterised by the occasional renting of the family home whilst the owners are away temporarily. At the other end, we have holiday homes, which are available for rental most of the year and are managed by professional property managers or real estate agents.

From rating perspective, there is little or no justification for treating the occasional visitor rental of the family home as anything but residential. It has been suggested however, that the more “commercial” operations should be rated at a higher differential than residential. This “commercial” activity can be characterised by the following features:

- Residence is Holiday Home (i.e. owner not in permanent residence).
- Consistent availability for rental on short term basis.

The main reasons put forward for rating these properties at a higher differential than residential include:

- a) These properties are competing directly with commercial accommodation operators and should therefore pay equivalent rates.
- b) These properties should pay the Tourism Promotion rate because they benefit from the destination marketing activities.
- c) These properties have high occupancy at peak times creating more demand on Council services.

The working party recommends altering the current definition of Mixed Use to include those properties used for part of the year as Visitor Accommodation and part of the year as Residential. This represents a pragmatic response to the issue and covers most of the equity concerns. It does pose some difficult rating administration issues however.

The working party also considers that it would be desirable to introduce a licensing system for all providers of visitor accommodation within the district. In doing so, Council would significantly increase its understanding of this important business activity which is fundamental to the economic well-being of the region. It is recognised that any new licensing regime would need to be kept as simple as possible, in order to keep compliance and enforcement costs to a minimum.

Proposed Rating Differentials

At this point it was necessary to take into account the overall effect of the change in district valuations on rating incidence, which has led to the recalculation of differential levels

General Rate/ Water Supply Rate

Category	Existing	Proposed	Notes
Residential	1.00	1.00	Base
Vacant	1.50	1.50	Maintain existing differential
Hydro	0.75	0.85	Maintain at 50% Commercial
Accommodation	1.50	1.70	Increase to maintain existing cost allocation
Commercial	1.50	1.70	Increase to maintain existing cost allocation
Primary Industry	1.00	0.75	Reduce to maintain existing cost allocation
Country Dwelling	1.00	0.85	Reduce to maintain existing cost allocation
Mixed Use/Accom	1.10	1.18	75% Res/ 25% Accom
Mixed Use/Comm	1.10	1.18	75% Res/ 25% Comm
CBD Accommodation	1.50	1.70	As per Accommodation above
CBD Commercial	1.50	1.70	As per Commercial above

This table shows the proposed general rate/ water supply rate differential levels for the various differential categories. The changes have been made in order to preserve as closely as possible the existing cost recovery proportions. This effectively means that the differentials have been recalculated to neutralise the effects of the valuation changes between rating categories. The working party recommends this as a way of maintaining the status quo as there are no compelling reasons to deviate from this.

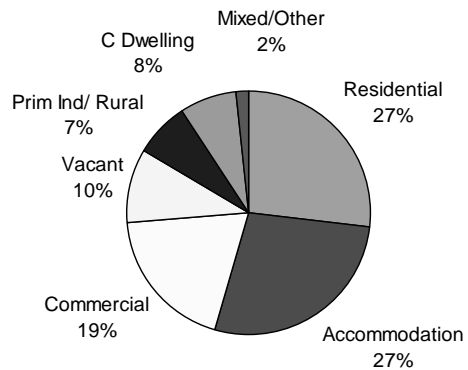
Road Rating

The recalculation of the road rating differentials was the most complex and time consuming task. The original models provided by Beca and Rationale had to be updated with new inputs; the most important of these being the updated 10 year Road rating expenditure forecasts and the new valuation data.

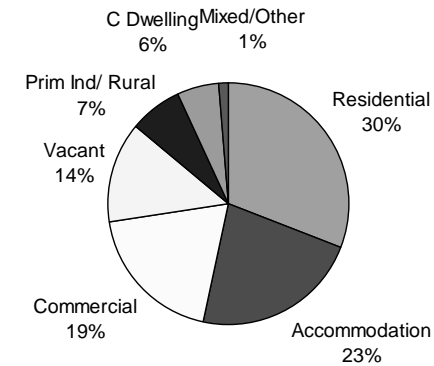
The following table shows the proposed road rating differentials and compares them to existing. A simple comparison at this level is not particularly meaningful however, because so many of the key variables in the funding model have changed so much since the previous version. The pie charts that follow do, however, indicate how the overall rating incidence has shifted.

Category	Existing	Proposed	Notes
Residential	1.00	1.00	Base
Vacant	1.50	1.50	Maintain existing differential
Hydro	0.25	0.25	No change
Accommodation	4.30	3.40	Per new Rating Differential model
Commercial	2.80	2.60	Per new Rating Differential model
Primary Industry	1.00	0.60	Per new Rating Differential model
Country Dwelling	1.50	0.80	Per new Rating Differential model
Mixed Use/Accom	1.83	1.60	75% Res/ 25% Accom
Mixed Use/Comm	1.45	1.40	75% Res/ 25% Comm
CBD Accommodation	4.30	3.40	As per Accommodation above
CBD Commercial	2.80	2.60	As per Commercial above

ROAD RATE ANALYSIS - DISTRICT 2005/06
(Existing)



ROAD RATE ANALYSIS - DISTRICT 2005/06
(New Values & Differentials)



Waste Management Charge

The Waste Management Charge is currently charged as a uniform amount (\$113.00) to all rating categories except Vacant. The charge is used to fund the operating deficit of the Transfer Stations and to fund recycling initiatives. It is proposed that the 50% of the full charge be applied to vacant sections from 1 July 2006. The reasons for this are:

- Council has provided waste management infrastructure which is available for use by all ratepayers including owners of vacant sections and as such everybody should contribute to some degree (i.e. Option Value).
- Vacant sections produce both green waste and construction waste during development.

The effect of this change had it been introduced for the 2005/06 year would be to reduce the full charge to \$102.00 from \$113.00 (a reduction of 10%) and to increase total rates on Vacant Sections by \$51.00 per annum or around 4-5%.

Rates Remission & Postponement Policies

The next task involved a review of the existing Rates Remission and Postponement Policies. These policies were first introduced in the 2004 Council Community Plan and the review focussed on their effectiveness in meeting the stated objectives. Having now worked with these policies for 3 years, the review presents an excellent opportunity to address any problem areas. The following is a summary of the recommended changes with the full version of the proposed policies included in Volume 3:

- Policy C - Residential Land in Commercial or Industrial Areas: Change scope of policy to include any Residential Land subject to zone changes and change policy type from remission to postponement.
- Policy H - Extreme Financial Hardship: Delete requirement for ratepayer to pay minimum of \$520 of annual rates.
- Policy I - Maori Freehold Land: Redraft policy to comply with statutory requirements as defined by Sections 102, 108 and Schedule 11 of the Local Government Act 2002.
- Policy L - Policy for Sewerage Charge Remission on Non Residential Rating Units: Delete policy as now redundant (never used).
- Policy N - Policy of Rates Remission for Sewerage Charges for Schools, Places of Religious Worship and Instruction, Marae, Children's Health Camps, Hospital and Welfare Homes, Community Health Services, and Charitable Institutions that provide Free Maintenance or relief: Delete policy as now redundant (never used).
- New Policy - Policy on Rates Postponement for the Elderly: Introduce new policy which gives ratepayers 65 years of age and over a choice between paying rates now or later subject to the full cost of postponement being met by that ratepayer and Council being satisfied that the risk of loss in any case is minimal. A consortium of five Councils has developed a comprehensive policy template for this particular policy. The cost of joining the consortium will be around \$15,000 and will enable Council to benefit from all the research undertaken to date including the provision of standard documentation and procedures which has been developed and tested by professional advisors. (see Appendix D - Rates Postponement Scheme for the Elderly for further details).

Finally, it was necessary to evaluate the impacts of the proposed changes by recalculating the 2005/06 rates using the new framework; including the effect of the new 2005 rating valuations. A number of sample rate accounts for a comprehensive range property types were produced to assess the effects of the changes to the different sectors of the community.

It is important to remember that this analysis is based on a rework of the 2005/06 rates and is not an estimate of what the rates requirement will be for 2006/07, which has yet to be determined through the Council Community Plan (Annual Plan) process.

The table shows that residential properties in the main urban areas face increases of between 1.78% and 3.30% whilst those in the smaller townships (particularly Glenorchy and

Kingston) can expect larger increases due to the relatively large valuation changes. The reductions in total rate liability are primarily due to the effect of the revised road rating differentials. The combined effect of the new 10 year roading expenditure profiles, the introduction of roading development contributions and the new rating capital valuation data has resulted in less road rate funding being required from these sectors.

These examples do not represent actual properties but are indicative in terms of the recent valuation movement. It is very important to understand that these movements are indicative only. The level of movement is influenced by amongst other things, the level of valuation movement, location, and property type.

INDICATIVE REWORKED TOTAL RATES FOR 05/06 - NEW VALUES, NEW DIFFERENTIALS

PROPERTY TYPE	CV		MOVEMENT		MOVEMENT %	\$
	CV	CV	CV	LOCATION		
RESIDENTIAL	\$354,000	\$605,340	71.00%	QUEENSTOWN	2.22%	\$35.42
COMMERCIAL	\$1,100,000	\$1,628,000	48.00%	QUEENSTOWN	6.76%	\$457.16
ACCOMMODATION	\$1,400,000	\$2,100,000	50.00%	QUEENSTOWN	-7.29%	-\$825.13
M/U ACCOMMODATION	\$690,000	\$1,179,900	71.00%	QUEENSTOWN	-11.60%	-\$354.82
VACANT	\$275,000	\$470,250	71.00%	QUEENSTOWN	8.37%	\$110.03
M/U COMMERCIAL	\$340,000	\$581,400	71.00%	QUEENSTOWN	2.60%	\$47.90
RESIDENTIAL	\$351,000	\$600,210	71.00%	WANAKA	3.30%	\$53.07
COMMERCIAL	\$720,000	\$1,065,600	48.00%	WANAKA	6.64%	\$314.41
ACCOMMODATION	\$1,100,000	\$1,650,000	50.00%	WANAKA	-6.42%	-\$595.03
M/U ACCOMMODATION	\$664,000	\$1,135,440	71.00%	WANAKA	-10.28%	-\$309.09
PRIMARY INDUSTRY	\$835,000	\$1,962,250	135.00%	WANAKA	0.41%	\$7.18
COUNTRY DWELLING	\$475,000	\$926,250	95.00%	WANAKA	-11.71%	-\$158.91
VACANT	\$250,000	\$427,500	71.00%	WANAKA	9.00%	\$111.59
M/U COMMERCIAL	\$305,000	\$521,550	71.00%	WANAKA	3.25%	\$56.89
RESIDENTIAL	\$270,000	\$461,700	71.00%	ARROWTOWN	1.78%	\$25.62
COMMERCIAL	\$350,000	\$518,000	48.00%	ARROWTOWN	5.06%	\$140.07
ACCOMMODATION	\$800,000	\$1,200,000	50.00%	ARROWTOWN	-6.65%	-\$458.17
M/U ACCOMMODATION	\$475,000	\$812,250	71.00%	ARROWTOWN	-9.71%	-\$234.47
VACANT	\$135,000	\$230,850	71.00%	ARROWTOWN	8.47%	\$79.91
M/U COMMERCIAL	\$210,000	\$359,100	71.00%	ARROWTOWN	1.88%	\$27.76
PRIMARY INDUSTRY	\$1,050,000	\$2,467,500	135.00%	WAKATIPU	0.41%	\$8.72
COUNTRY DWELLING	\$700,000	\$1,365,000	95.00%	WAKATIPU	-12.96%	-\$232.94
RESIDENTIAL	\$165,000	\$363,000	120.00%	GLENORCHY	8.47%	\$108.36
RESIDENTIAL	\$175,000	\$299,250	71.00%	ALBERT TOWN	1.76%	\$23.14
RESIDENTIAL	\$215,000	\$367,650	71.00%	HAWEA	1.82%	\$24.65
RESIDENTIAL	\$80,000	\$192,000	140.00%	KINGSTON	11.62%	\$67.11
RESIDENTIAL	\$215,000	\$367,650	71.00%	ARTHURS POINT	1.61%	\$30.10

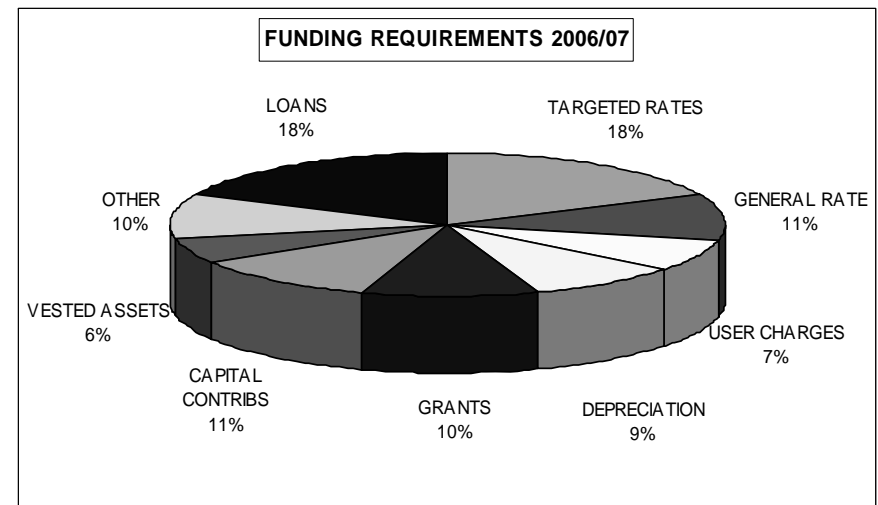
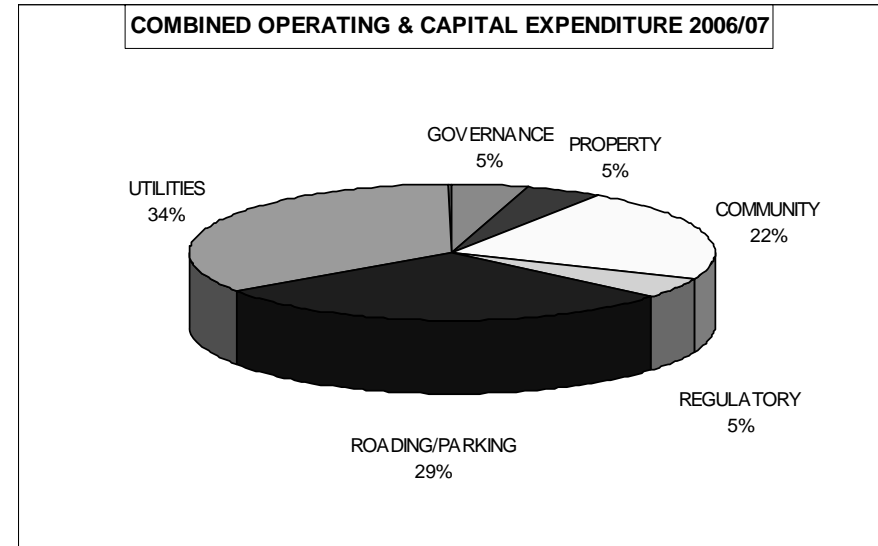
FUNDING IMPACT STATEMENT

Background

Clause 10 of Schedule 10 to the Local Government Act 2002 requires each Council to prepare a Funding Impact Statement as part of its Long Term Council Community Plan, which states:

- (a) The revenue and financing mechanisms to be used by the local authority each year.
- (b) An indication of the level or amount of funds to be funded by each mechanism for each year.
- (c) In relation to any general rate:
 - (i) The valuation system on which the general rate is to be assessed.
 - (ii) Whether a uniform annual general charge is to be included.
 - (iii) If a uniform annual general charge is to be included, how that uniform annual general charge will be calculated.
 - (iv) Whether the general rate is to be set differentially, and if so:
 - The categories of rateable land, within the meaning of section 14 of the Local Government (rating) Act 2002, to be used.
 - The objectives of the differential rate, in terms of the total revenue sought from each category of rateable land or of the relationship between the rates set of rateable land in each category.
- (d) In relation to each targeted rate:
 - (i) The activities or groups of activities for which the targeted rate is to be set.
 - (ii) The category, or categories, of rateable land, within the meaning of section 17 of the Local Government (rating) Act 2002, to be used.
 - (iii) For each such category, how liability for the targeted rate is to be calculated.
 - (iv) If the targeted rate is set differentially, the total revenue sought from each category of rateable land or the relationship between the rates set on the rateable land in each category.

Following is the Funding Impact Statement for the period commencing 1 July 2006.



LONG TERM FUNDING IMPACT STATEMENT

Queenstown Lakes District Council will use the following revenue and financing mechanisms to fund its expenses for the 2006/07 financial year and the following 9 years.

Funding Mechanisms	2006/07 \$000	2007/08 \$000	2008/09 \$000	2009/10 \$000	2010/11 \$000	2011/12 \$000	2012/13 \$000	2013/14 \$000	2014/15 \$000	2015/16 \$000
General Rates	12,449	13,830	14,882	15,526	16,198	16,268	16,839	17,128	17,681	18,004
Targeted Rates										
Water Supply	4,035	4,382	4,838	5,220	5,629	6,145	6,868	7,335	7,827	8,356
Wastewater	3,583	3,973	4,619	5,072	5,479	5,887	6,497	6,923	7,239	7,579
Stormwater	1,251	1,257	1,231	1,277	1,358	1,452	1,529	1,601	1,684	1,763
Roading	8,320	9,451	10,353	10,270	10,802	11,435	12,073	12,613	13,122	13,670
Waste Management	1,869	2,807	3,962	2,231	2,241	2,247	2,250	2,247	2,239	2,231
Tourism Promotion	2,097	2,254	2,426	2,538	2,655	2,781	2,911	3,041	3,174	3,308
Total Rates	33,604	37,954	42,311	42,134	44,362	46,215	48,967	50,888	52,966	54,911
User Charges	8,619	8,642	9,007	11,493	12,105	12,732	13,362	13,984	14,587	15,206
Grants & Subsidies	12,231	11,846	11,212	11,642	14,297	17,790	21,641	16,495	18,371	19,645
Capital Contributions	19,598	22,129	23,454	25,730	27,561	25,065	25,107	25,881	26,922	28,985
Capital Contribution – Carpark	-	-	-	9,787	10,188	-	-	-	-	-
Land Sales	2,711	-	4,000	-	5,026	3,798	5,623	-	4,006	-
Other Income	3,292	3,359	3,435	3,663	3,738	3,815	3,890	3,964	4,035	4,108
Loans (internal & external)	21,080	20,797	18,570	23,295	20,750	35,832	26,926	26,380	29,673	43,193
Depreciation	7,014	8,107	7,742	10,979	11,622	12,345	13,343	13,955	14,534	15,127
Transfers (to)/from Reserves	9,497	10,484	9,664	6,671	(1,969)	2,251	2,663	588	(2,930)	(81)
Total Funding	117,646	123,318	129,395	145,394	147,680	159,843	161,522	152,135	162,164	181,094

TOTAL EXPENDITURE FUNDING BY ACTIVITY GROUP (\$000)										
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Governance and District Promotion										
Operating Expenditure	5,452	5,814	6,040	6,364	6,618	6,879	7,139	7,395	7,644	7,896
Capital Asset Expenditure	-	-	-	-	-	-	-	-	-	-
Debt Repayment	-	-	-	-	-	-	-	-	-	-
Total Expenditure	5,452	5,814	6,040	6,364	6,618	6,879	7,139	7,395	7,644	7,896
<i>Funded By:</i>										
Rates - General	3,355	3,560	3,614	3,826	3,963	4,098	4,228	4,354	4,470	4,588
Rates - Targeted	2,097	2,254	2,426	2,538	2,655	2,781	2,911	3,041	3,174	3,308
Total Funding	5,452	5,814	6,040	6,364	6,618	6,879	7,139	7,395	7,644	7,896
Community										
Operating Expenditure	7,562	8,552	9,458	9,614	10,030	10,587	11,125	11,864	12,422	12,646
Capital Asset Expenditure	17,725	12,661	8,273	14,396	10,747	12,683	25,303	9,273	7,629	9,748
Debt Repayment	287	562	1,188	1,299	1,950	2,846	2,259	4,492	5,498	6,548
Total Expenditure	25,574	21,775	18,919	25,309	22,727	26,116	38,687	25,629	25,549	28,942
<i>Funded By:</i>										
Rates - General	5,688	6,407	7,255	7,990	8,328	8,235	8,631	8,843	9,190	9,472
User Charges	1,052	1,108	1,170	1,099	1,170	1,242	1,314	1,385	1,454	1,525
Grants & Subsidies	2,099	324	157	69	72	76	5,080	83	86	90
Capital Contributions	4,623	6,313	6,770	7,241	7,731	6,449	6,726	7,054	7,365	7,768
Other Income	96	181	307	459	463	467	470	473	476	479
Loans (internal & external)	4,863	4,765	1,714	5,329	3,313	5,737	11,597	5,109	5,428	6,881
Depreciation	608	695	848	1,194	1,283	1,446	1,579	1,717	1,787	1,809
Transfers (to)/from Reserves	6,545	1,982	698	1,928	367	2,464	3,290	965	(237)	918
Total Funding	25,574	21,775	18,919	25,309	22,727	26,116	38,687	25,629	25,549	28,942

TOTAL EXPENDITURE FUNDING BY ACTIVITY GROUP (\$000)

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Property										
Operating Expenditure	4,156	3,921	3,919	4,217	4,329	4,456	4,581	4,717	4,848	4,953
Capital Asset Expenditure	1,622	534	1,372	3,599	3,273	3,457	1,106	3,599	1,141	1,159
Debt Repayment	161	143	4,373	507	2,743	2,421	2,630	210	2,872	877
Total Expenditure	5,939	4,598	9,664	8,323	10,345	10,334	8,317	8,526	8,861	6,989
<i>Funded By:</i>										
Rates - General	141	243	276	217	363	342	344	255	321	219
User Charges	4,576	4,158	4,341	4,772	5,075	5,384	5,690	5,992	6,289	6,591
Land Sales	2,711	-	4,000	-	5,026	3,798	5,623	-	4,006	-
Loans (internal & external)	1,181	426	1,187	2,666	2,423	2,607	529	2,730	719	844
Depreciation	103	111	137	155	167	180	193	206	220	227
Transfers (to)/from Reserves	(2,773)	(340)	(277)	513	(2,709)	(1,977)	(4,062)	(657)	(2,694)	(892)
Total Funding	5,939	4,598	9,664	8,323	10,345	10,334	8,317	8,526	8,861	6,989
Regulatory & Resource Management										
Operating Expenditure	5,426	5,201	5,372	5,457	5,563	5,664	5,757	5,843	5,915	5,989
Capital Asset Expenditure	-	-	-	-	-	-	-	-	-	-
Debt Repayment	480	524	564	580	580	580	580	580	580	580
Total Expenditure	5,906	5,725	5,936	6,037	6,143	6,244	6,337	6,423	6,495	6,569
<i>Funded By:</i>										
Rates - General	4,202	4,175	4,292	4,587	4,649	4,705	4,755	4,798	4,830	4,863
User Charges	108	111	115	118	121	123	126	128	131	133
Other Income	711	756	802	843	885	929	971	1,014	1,055	1,097
Loans (internal & external)	908	724	785	549	548	547	545	543	539	536
Transfers (to)/from Reserves	(23)	(41)	(58)	(60)	(60)	(60)	(60)	(60)	(60)	(60)
Total Funding	5,906	5,725	5,936	6,037	6,143	6,244	6,337	6,423	6,495	6,569

TOTAL EXPENDITURE FUNDING BY ACTIVITY GROUP (\$000)										
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Roading and Parking										
Operating Expenditure	13,154	14,758	16,380	17,944	18,966	20,020	21,209	22,297	23,348	24,481
Capital Asset Expenditure	21,115	22,063	20,492	30,795	34,983	29,513	27,907	27,302	30,614	33,662
Debt Repayment	266	577	524	393	538	1,179	1,897	2,632	3,379	4,425
Total Expenditure	34,535	37,398	37,396	49,132	54,487	50,712	51,013	52,231	57,341	62,568
<i>Funded By:</i>										
Rates - Targeted	8,320	9,451	10,353	10,270	10,802	11,435	12,073	12,613	13,122	13,670
User Charges	716	761	806	859	915	973	1,030	1,087	1,142	1,198
Grants & Subsidies	10,132	11,522	11,055	11,573	14,225	17,714	16,561	16,412	18,285	19,555
Capital Contributions	5,270	5,536	5,808	6,085	6,366	6,041	6,271	6,501	6,727	6,964
Capital Contribution - Carpark	-	-	-	9,787	10,188	-	-	-	-	-
Other Income	391	411	438	466	491	518	544	569	594	619
Loans (internal & external)	3,323	1,963	1,895	3,987	4,747	6,554	6,939	7,499	10,047	12,082
Depreciation	3,475	4,061	3,381	5,291	5,465	5,655	5,885	6,043	6,217	6,430
Transfers (to)/from Reserves	2,908	3,693	3,660	814	1,288	1,822	1,710	1,507	1,207	2,050
Total Funding	34,535	37,398	37,396	49,132	54,487	50,712	51,013	52,231	57,341	62,568

TOTAL EXPENDITURE FUNDING BY ACTIVITY GROUP (\$000)

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Utilities										
Operating Expenditure	14,245	17,002	20,092	21,971	23,215	24,605	26,691	28,209	29,363	30,606
Capital Asset Expenditure	22,373	28,762	27,974	25,033	20,090	29,352	16,037	16,948	18,944	26,297
Debt Repayment	3,239	1,856	2,991	2,885	3,710	5,263	6,959	6,434	7,626	10,883
Total Expenditure	39,857	47,620	51,057	49,889	47,015	59,220	49,687	51,591	55,933	67,786
<i>Funded By:</i>										
Rates - General	310	713	758	222	213	205	199	196	190	183
Rates - Targeted	10,738	12,419	14,650	13,800	14,707	15,731	17,144	18,106	18,989	19,929
User Charges	2,152	2,488	2,558	4,627	4,804	4,989	5,180	5,369	5,546	5,733
Capital Contributions	9,705	10,280	10,876	12,404	13,464	12,575	12,110	12,326	12,830	14,253
Other Income	300	217	92	95	97	100	102	104	105	107
Loans (internal & external)	10,795	12,919	12,989	10,764	9,719	20,387	7,316	10,499	12,940	22,850
Depreciation	2,828	3,240	3,376	4,339	4,707	5,064	5,686	5,989	6,310	6,661
Transfers (to)/from Reserves	3,029	5,344	5,758	3,638	(696)	169	1,950	(998)	(977)	(1,930)
Total Funding	39,857	47,620	51,057	49,889	47,015	59,220	49,687	51,591	55,933	67,786
Overhead										
Operating Expenditure	23	18	22	18	20	21	22	23	25	26
Capital Asset Expenditure	313	323	314	285	289	286	289	286	285	287
Debt Repayment	47	47	47	37	36	31	31	31	31	31
Total Expenditure	383	388	383	340	345	338	342	340	341	344
<i>Funded By:</i>										
Rates - General	(1,247)	(1,268)	(1,313)	(1,316)	(1,318)	(1,317)	(1,318)	(1,318)	(1,320)	(1,321)
User Charges	15	16	17	18	20	21	22	23	25	26
Other Income	1,794	1,794	1,796	1,800	1,802	1,801	1,803	1,804	1,805	1,806
Loans (internal & external)	10	-	-	-	-	-	-	-	-	-
Transfers (to)/from Reserves	(189)	(154)	(117)	(162)	(159)	(167)	(165)	(169)	(169)	(167)
Total Funding	383	388	383	340	345	338	342	340	341	344

PROPOSED RATES AND CHARGES FOR 2006/07

The rating system used by Council is based on Capital Value, Property valuations produced by Quotable Value as at 1 September 2005 are to be used for the 2006/07 rating year. All proposed rates in the section that follows are inclusive of GST and are indicative only until the rate database for 2006/07 is finalised.

Uniform Annual General Charge

Pursuant to sections 15 of the Local Government (Rating) Act 2002 (the Act), Council resolves to set a uniform annual general charge of \$364.00 on each separately used of inhabited part of every rating unit in the district.

The uniform annual general charge revenue (\$6,559,233) will be used to fund the costs associated with the following activities:

- Cemeteries.
- Community Development and grants.
- District library services.
- Public halls and other community facilities including swimming pools.
- Regulatory and advisory services relating to public enquiries, health, animal control, general enforcement and waterways control.
- Civic Function (including cost of democracy, communications, management of Council including corporate, financial and rating administration services).
- Active Recreation facilities.
- A general contribution to the promotion of the district.

General Rate

Pursuant to Sections 13 and 14 of the Act, Council resolves to set a differential general rate based on land use on the rateable capital value of all property within the Queenstown Lakes District as follows:

1. Residential	0.000478 cents in the \$
2. Hydro Electric Power	0.000406 cents in the \$
3. Vacant Sections	0.000717 cents in the \$
4. Accommodation	0.000813 cents in the \$
5. CBD Accommodation	0.000813 cents in the \$
6. Commercial	0.000813 cents in the \$
7. CBD Commercial	0.000813 cents in the \$
8. Primary Industry	0.000359 cents in the \$
9. Country Dwelling	0.000406 cents in the \$
10. Other	0.000478 cents in the \$
11. Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential or Country Dwelling as appropriate.

The general rate revenue (\$7,446,431) will be used to fund the costs associated with the following activities:

- Passive recreation areas, gardens, walkways and reserves.
- Civic Function (including cost of democracy, communications, management of Council including corporate, financial and rating administration services).
- The provision on public toilets.
- Provision of emergency services.
- Waste management including landfill establishment.
- Regulatory and advisory services relating to planning and resource management, the district plan, building control and, health liquor licensing.

Roading Rate (Wanaka Ward)

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted differential roading rate based on land use on the rateable capital value of all property within the Wanaka ward on the Queenstown Lakes District as follows:

1. Residential	0.000560 cents in the \$
2. Hydro Electric Power	0.000140 cents in the \$
3. Vacant Sections	0.000840 cents in the \$
4. Accommodation	0.001904 cents in the \$
5. CBD Accommodation	0.001904 cents in the \$
6. Commercial	0.001456 cents in the \$
7. CBD Commercial	0.001456 cents in the \$
8. Primary Industry	0.000336 cents in the \$
9. Country Dwelling	0.000448 cents in the \$
10. Other	0.000560 cents in the \$
11. Mixed Use Apportioned	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential or Country Dwelling as appropriate.

The Wanaka roading rate revenue (\$2,752,645) will be used to fund the costs associated with the following activities:

- Wanaka wards roading network, which includes footpaths and other amenities within the road reserve.
- The development of commercial areas.
- The maintenance and upgrading of roading drainage systems.

Roading Rate (Queenstown/Wakatipu and Arrowtown Wards)

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted differential roading rate based on land use on the rateable capital value of all property within the Queenstown/Wakatipu and Arrowtown wards of the Queenstown Lakes District as follows:

1. Residential	0.000485 cents in the \$
2. Hydro Electric Power	0.000121 cents in the \$
3. Vacant Sections	0.000728 cents in the \$
4. Accommodation	0.001649 cents in the \$
5. CBD Accommodation	0.001649 cents in the \$
6. Commercial	0.001261 cents in the \$
7. CBD Commercial	0.001261 cents in the \$
8. Primary Industry	0.000291 cents in the \$
9. Country Dwelling	0.000388 cents in the \$
10. 1Other	0.000485 cents in the \$
11. 1Mixed Use Apportioned	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential or Country Dwelling as appropriate.

The Wakatipu/Arrowtown roading rate revenue (\$6,607,042) will be used to fund the costs associated with the following activities:

- Wakatipu/Arrowtown ward's roading network, which includes footpaths and other amenities within the road reserve.
- The development of commercial areas.
- The maintenance and upgrading of roading drainage systems.

Stormwater Rate (Wanaka Ward)

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted stormwater rate based on land use of the rateable capital value of the following categories of property within the Wanaka ward of the Queenstown Lakes District as follows:

1. Residential	0.000155 cents in the \$
2. Vacant Sections	0.000155 cents in the \$
3. Accommodation	0.000155 cents in the \$
4. CBD Accommodation	0.000155 cents in the \$
5. Commercial	0.000155 cents in the \$
6. CBD Commercial	0.000155 cents in the \$
7. Other	0.000155 cents in the \$
8. Mixed Use Apportioned	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential as appropriate.

The Wanaka stormwater rate revenue (\$449,100) will be used to fund the costs associated with the following activities:

- The maintenance and upgrading of stormwater reticulation systems.

Stormwater Rate (Queenstown/Wakatipu and Arrowtown Wards)

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted stormwater rate based on land use of the rateable capital value of the following categories of property within the Queenstown/Wakatipu and Arrowtown wards of the Queenstown Lakes District as follows:

1. Residential	0.000131 cents in the \$
2. Vacant Sections	0.000131 cents in the \$
3. Accommodation	0.000131 cents in the \$
4. CBD Accommodation	0.000131 cents in the \$
5. Commercial	0.000131 cents in the \$
6. CBD Commercial	0.000131 cents in the \$
7. Other	0.000131 cents in the \$
8. Mixed Use Apportioned	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential as appropriate.

The Wakatipu/Arrowtown stormwater rate revenue (\$958,322) will be used to fund the costs associated with the following activities:

- The maintenance and upgrading of stormwater reticulation systems.

Tourism Promotion Rate (Wanaka Ward)

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted tourism promotion rate based on land use on the rateable capital value of the following categories of property within the Wanaka ward of the Queenstown Lakes District as follows:

1. Accommodation 0.000864 cents in the \$
2. CBD Accommodation 0.000864 cents in the \$
3. Commercial 0.000864 cents in the \$
4. CBD Commercial 0.000864 cents in the \$
5. Mixed Use Apportioned See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential or Country Dwelling as appropriate.

The Wanaka tourism promotion rate revenue (\$387,572) will be used to fund the costs associated with the following activities:

- To finance promotional activities of Lake Wanaka Tourism.

Tourism Promotion Rate (Queenstown/Wakatipu and Arrowtown Wards)

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted tourism promotion rate based on land use on the rateable capital value of the following categories of property within the Queenstown/Wakatipu and Arrowtown Wards of the Queenstown Lakes District as follows:

1. Accommodation 0.000917 cents in the \$
2. CBD Accommodation 0.000917 cents in the \$
3. Commercial 0.000917 cents in the \$
4. CBD Commercial 0.000917 cents in the \$
5. Mixed Use Apportioned See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential as appropriate.

The Wakatipu/Arrowtown tourism promotion rate revenue (\$1,971,355) will be used to fund the costs associated with the following activities:

- To finance promotional activities of Destination Queenstown and Arrowtown Promotion Association.

Waste Management Charges

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted waste management charge of \$128.00 on each separately used or inhabited part of every rating unit in the district, except for vacant properties, which will be charged 50% of the full charge (\$64).

The Waste Management Charge revenue (\$2,102,566) will be used to fund the costs associated with the following activities:

- To fund the operating deficit of the transfer stations and the recycling initiatives proposed in the Waste Management Strategy.

Water Supply Rates

i. Queenstown and District Water Supply, Arrowtown Water Supply and Wanaka Water Supply

Pursuant to sections 16.17 and 18 of the Act, Council resolves to set a targeted rate for water supply on each separately used or inhabited part of every connected or serviceable rating unit within the respective water supply areas as follows:

- Queenstown and District water supply. \$140
- Arrowtown water supply. \$140
- Wanaka and District water supply. \$140

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted differential water supply rate based on land use on the rateable capital value of all rating units connected in the following water supply areas.

	Queenstown (cents in the \$)	Arrowtown (cents in the \$)	Wanaka (cents in the \$)
1. Residential	0.000176	0.000293	0.000258
2. Accommodation	0.000299	0.000498	0.000439
3. CBD Accommodation	0.000299	0.000498	0.000439
4. Commercial	0.000299	0.000498	0.000439
5. CBD Commercial	0.000299	0.000498	0.000439
6. Primary Industry	0.000132	0.000220	0.000194
7. Country Dwelling	0.000150	0.000249	0.000219
8. Other	0.000176	0.000293	0.000258
9. Mixed Use Apportioned	See note (i)	See note (i)	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential or Country Dwelling as appropriate.

(ii) Other Water Supplies

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted rate for water supply on each separately used or inhabited part of every rating unit connected to the respective scheme, and a half charge on each separately used or inhabited part of every serviceable rating unit.

Water Supply	Full Charge (\$)	Half Charge (\$)
Albert Town	240	120
Arthurs Point	550	275
Glenorchy	550	275
Hawea	230	115
Lake Hayes	390	195
Luggate	325	162.50

The Targeted Water Supply Rates revenue (\$4,499,751) will be used to fund the costs associated with the following activities:

- (i) To provide supplies of potable (drinkable) water to the above communities.

Water Scheme Loan Rate

(i) Luggate Water Supply

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted water scheme loan rate of \$415 on every connected or serviceable rating unit within the Luggate water supply area, other than those in respect of which the ratepayer has elected to make the lump sum contribution.

(ii) Lake Hayes Water Supply Area

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted water scheme loan rate of \$417 on every connected or serviceable rating unit within the Lake Hayes water supply area, other than those in respect of which ratepayer has elected to make the lump sum.

The Targeted Water Scheme Loan Revenue (\$32,436) will be used to fund the costs associated with the following activities:

- Revenue sought by way of annual loan charges is to cover the cost of financing loans raised to pay for the capital cost of water schemes.

Sewerage Rates

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted sewerage rate on every rating unit connected to a district sewerage scheme, on the basis on one full charge per first pan on urinal connected, with a discounted charge on every subsequent pan or urinal connected. A half charge will apply to every serviceable rating unit. The charges for each scheme are set out in the schedule below.

Note: every rating unit used exclusively or principally as a residence of not more than one household is deemed to have not more than one connection.

Sewerage Scheme	Charge for 1 st pan connected (\$)	Half Charge capable of connection (\$)	Charge per pan after 1 connected (\$)
Arrowtown	260	130	130
Arthur's Point	500	250	360
Albert Town	380	190	190
Hawea	320	160	160
Queenstown	240	120	120
Wanaka	280	140	140
Lake Hayes	290	145	145

The Targeted Sewerage Rates revenue (\$4,016,665) will be used to fund the costs associated with the following activities:

- To provide public sewerage services to the above communities.

Sewerage Scheme Loan Rates

(i) Arthur's Point (East) Sewerage Area

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted sewerage scheme loan rate on every serviceable rating unit within the Arthur's Point (east) Sewerage area, on the basis on one charge per pan or urinal connected or capable of being connected of \$282, on the first pan or urinal, and \$202 for each subsequent pan or urinal.

(ii) Lake Hayes Sewerage Area

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted sewerage scheme loan rate on every serviceable rating unit within the Lake Hayes Sewerage scheme area, on the basis of one charge per pan or urinal connected or capable of being connected of \$345.50, on the first pan or urinal, and \$172.50 for each subsequent pan or urinal.

Note:

- The targeted sewerage scheme loan rate will not apply to those properties in respect of which the ratepayer elected to make the lump sum contribution.

- Every rating unit used exclusively or principally as a residence of not more than one household is deemed to have not more than one connection.

The Targeted Sewerage Scheme Loan Rates revenue (\$56,943) will be used to fund the costs associated with the following activities:

- Revenue sought by way of annual loan charges is to cover the costs of financing loans raised to pay for the capital cost of sewerage schemes.

- (ii) A penalty of 10% will be added to the amount of rates or instalments (including penalties) levied in any previous financial year and remaining unpaid on **30 September 2006**.
- (iii) A second penalty of 10% will be added to the amount of rates or instalments (including penalties) levied in any previous financial year which remains unpaid on **31 March 2007**.

Due Dates for Payments

The Council resolves that the above rates and charges for the financial year commencing on the 1st day of July 2006 are payable in four instalments, the due dates and last days for payment without penalty being as follows:

	Due Date	Last Day for Payment (without 10% penalty)
Instalment One	21 July 2006	25 August 2006
Instalment Two	20 October 2006	24 November 2006
Instalment Three	19 January 2007	23 February 2007
Instalment Four	20 April 2007	25 May 2007

Payment of Rates

Rates payments can be made during normal office hours at:

- Civic Centre, 10 Gorge Road, Queenstown.
- Wanaka Service Centre, Ardmore Street, Wanaka.
- Arrowtown Public Library, Buckingham Street, Arrowtown.

Additional Charges (Penalties)

Pursuant to Sections 24, 57 and 58 of the Act, Council resolves that the following penalties will apply under delegated authority to the Rating Administrator:

- (i) A penalty of 10% will be added to the rates and charges levied in each instalment which remains unpaid on the day after the last day for payment date as shown above (ie the penalty will be added on **25 August 2006, 24 November 2006, 23 February 2007 and 25 May 2007** respectively).

Indicative Rate Movements for 2006/07

SUMMARY OF FINAL INDICATIVE TOTAL RATE MOVEMENTS 06/07				
PROPERTY TYPE	NEW CV	LOCATION	MOVEMENT %	\$
RESIDENTIAL	\$605,340	QUEENSTOWN	3.02%	\$48.15
COMMERCIAL	\$1,628,000	QUEENSTOWN	-4.78%	-\$323.01
ACCOMMODATION	\$2,100,000	QUEENSTOWN	-8.92%	-\$1,009.38
M/U ACCOMMODATION	\$1,179,900	QUEENSTOWN	1.66%	\$50.75
VACANT	\$470,250	QUEENSTOWN	8.67%	\$114.00
M/U COMMERCIAL	\$581,400	QUEENSTOWN	4.50%	\$82.74
RESIDENTIAL	\$600,210	WANAKA	10.99%	\$176.57
COMMERCIAL	\$1,065,600	WANAKA	3.07%	\$145.39
ACCOMMODATION	\$1,650,000	WANAKA	-0.68%	-\$63.06
M/U ACCOMMODATION	\$1,135,440	WANAKA	10.40%	\$312.47
PRIMARY INDUSTRY	\$1,962,250	WANAKA	5.62%	\$98.64
COUNTRY DWELLING	\$926,250	WANAKA	-5.39%	-\$73.10
VACANT	\$427,500	WANAKA	10.93%	\$135.64
M/U COMMERCIAL	\$521,550	WANAKA	12.17%	\$213.33
RESIDENTIAL	\$461,700	ARROWTOWN	6.54%	\$94.10
COMMERCIAL	\$518,000	ARROWTOWN	-0.15%	-\$4.15
ACCOMMODATION	\$1,200,000	ARROWTOWN	-5.96%	-\$410.88
M/U ACCOMMODATION	\$812,250	ARROWTOWN	5.65%	\$136.30
VACANT	\$230,850	ARROWTOWN	6.64%	\$62.65
M/U COMMERCIAL	\$359,100	ARROWTOWN	7.58%	\$111.99
PRIMARY INDUSTRY	\$2,467,500	WAKATIPU	-0.36%	-\$7.49
COUNTRY DWELLING	\$1,365,000	WAKATIPU	-12.32%	-\$221.43
RESIDENTIAL	\$363,000	GLENORCHY	12.50%	\$159.85
RESIDENTIAL	\$299,250	ALBERT TOWN	11.49%	\$151.37
RESIDENTIAL	\$367,650	HAWEA	8.43%	\$114.48
RESIDENTIAL	\$192,000	KINGSTON	21.56%	\$124.49
RESIDENTIAL	\$367,650	ARTHUR'S POINT	4.44%	\$83.09

In order to fund the expenditure for the 2006/07 year an overall rate increase of 3.9% is required (after allowing for growth).

The effect of this increase on individual properties will vary however according to a number of factors. These factors include location, services received, valuation and property usage. The table above indicates the expected rates movements for a range of property types.

Indicative Residential Rates 2006/07

Location	Queenstown	Wanaka	Arrowtown	Glenorchy	Kingston	Albert Town	Hawea
Capital Value	605,340	600,210	461,700	363,000	192,000	299,250	367,650
UAGC	364	364	364	364	364	364	364
General Rate	289	287	221	174	92	143	176
Roading Rate	294	336	224	176	93	168	206
Stormwater Rate	79	93	60	47	25	46	48
Water	246	295	275	550	-	240	230
Sewerage	240	280	260	-	-	380	320
Waste Mgmt	128	128	128	128	128	128	128
Total Rates	\$1,640	\$1,783	\$1,532	\$1,439	\$702	\$1,469	\$1,472
% Increase	3.02%	10.99%	6.54%	12.50%	21.56%	11.49%	8.43%
\$ Increase	\$48	\$177	\$94	\$160	\$124	\$151	\$114

Indicative Commercial Rates 2006/07

Location	Queenstown	Wanaka	Arrowtown	Queenstown	Wanaka	Arrowtown
Type	Commercial	Commercial	Commercial	Mixed Use	Mixed Use	Mixed Use
Capital Value	1,628,000	1,065,600	518,000	581,400	521,550	359,100
UAGC	364	364	364	364	364	364
General Rate	1,323	866	421	663	638	456
Roading Rate	2,053	1,553	653	916	1,018	630
Stormwater Rate	213	165	68	154	176	106
Promotion Rate	1,493	920	475	271	245	186
Water	627	607	398	260	298	263
Sewerage	240	280	260	240	280	260
Waste Mgmt	128	128	128	128	128	128
Total Rates	\$6,441	\$4,883	\$2,767	\$1,923	\$1,966	\$1,590
% Increase	-4.78%	3.07%	-0.15%	4.50%	12.17%	7.58%
\$ Increase	-\$323	\$145	-\$4	\$83	\$213	\$112

Indicative Accommodation Rates 2006/07

Location	Queenstown	Wanaka	Arrowtown	Queenstown	Wanaka	Arrowtown
Type	Accomm	Accomm	Accomm	Mixed Use	Mixed Use	Mixed Use
Capital Value	2,100,000	1,650,000	1,200,000	1,179,900	1,135,440	812,250
UAGC	364	364	364	364	364	364
General Rate	1,706	1,341	975	663	638	456
Roading Rate	3,463	3,144	1,979	916	1,018	630
Stormwater Rate	274	256	157	154	176	106
Promotion Rate	1,926	1,425	1,101	271	245	186
Water	768	863	737	373	469	419
Sewerage	1,680	1,680	1,040	240	280	260
Waste Mgmt	128	128	128	128	128	128
Total Rates	\$10,310	\$9,201	\$6,480	\$3,108	\$3,318	\$2,550
% Increase	-8.92%	-0.68%	-5.96%	1.66%	10.40%	5.65%
\$ Increase	-\$1,009	-\$63	-\$411	\$51	\$312	\$136

Indicative Rural Rates 2006/07

Location	Wakatipu	Wanaka	Wakatipu	Wanaka
Type	Primary Industry	Primary Industry	Country Dwelling	Country Dwelling
Capital Value	2,467,500	1,962,250	1,365,000	926,250
UAGC	364	364	364	364
General Rate	885	703	555	376
Roading Rate	718	660	530	415
Stormwater Rate	-	-	-	-
Promotion Rate	-	-	-	-
Water	-	-	-	-
Sewerage	-	-	-	-
Waste Mgmt	128	128	128	128
Total Rates	\$2,095	\$1,855	\$1,576	\$1,284
% Increase	-0.36%	5.62%	-12.32%	-5.39%
\$ Increase	-\$7	\$99	-\$221	-\$73

Differential Matters Used to Define Categories of Rateable Land

Where Council's propose to assess rates on a differential basis they are limited to the list of matters specified in Schedule Two of the Local Government (Rating) Act 2002. Council is required to state which matters will be used for what purpose, and the category or categories of any differentials.

Differentials by Land Use

The categories are:

- Residential**
All rating units which are used exclusively or principally for residential purposes, but excluding properties categorised as pursuant to clause 8 (Primary Industry), clause 9 (Country Dwelling) or to clause 11 (Mixed Use Apportioned).
- Hydro Electric Power**
All rating units on which there are structures used exclusively or principally for, or in connection with, the generation of hydro-electric power, including structures used to control the flow of water to other structures used for generating hydro-electric power.
- Vacant Sections**
All rating units which are vacant properties and suitable for development and for which there is no apparent land use.
- Accommodation**
All rating units used exclusively or principally for the accommodation of paying guests on a short term basis (nightly, weekly or for periods up to a month) including hotels, motels, houses and flats used for such purposes, commercial time share units, managed apartments, bed and breakfast properties, motor camps and home stay properties; but excluding properties categorised as pursuant to clause 11 (Mixed Use Apportioned) or clause 5 (CBD Accommodation).
- CBD Accommodation**
All rating units used exclusively or principally for the accommodation of paying guests on a short term basis including hotels, motels, houses and flats used for such purposes, commercial time share units, managed apartments, bed and breakfast properties, motor camps and home stay properties located within the Town Centre Zones contained in the Queenstown Lakes District Council's District Plan as at 1 July of the current rating year; but excluding properties categorised as pursuant to clause 11 (Mixed Use Apportioned).
- Commercial**
All rating units used exclusively or principally for commercial activities including industrial, retail, transport, utility services, storage, recreation and tourist operations, offices, or rest homes; but excluding properties categorised as Hydro-Electric Power, Accommodation, CBD Accommodation, Primary Industry, or pursuant to clause 11 (Mixed Use Apportioned) or clause 7 (CBD Commercial).

7. CBD Commercial

All rating units used exclusively or principally for commercial activities including industrial, retail, transport, utility services, storage, recreation and tourist operations, offices, or rest homes located within the Town Centre Zones contained in the Queenstown Lakes District Council's District Plan as at 1 July of the current rating year; but excluding properties categorised as CBD Accommodation or pursuant to clause 11 (Mixed Use Apportioned).

8. Primary Industry

All rating units:

- Used exclusively or principally for agricultural or horticultural purposes including dairying, stock fattening, arable farming, share sheep, market gardens, vineyards, orchards, specialist livestock, forestry or other similar uses, or
- Which are ten hectares or more in area and located in any of the Rural or Special Zones contained in the Queenstown Lakes District Council's District Plan as at 1 July of the current rating year.

9. Country Dwelling

All rating units of less than 10 hectares, located in any of the Rural Zones (except for the land zoned as Rural Residential north of Wanaka township in the vicinity of Beacon Point Road bounded by the low density residential zone to the south, Penrith Park zone to the north and Peninsula Bay to the east) or Special Zones (excluding Penrith Park; Remarkables Park; Quail Rise; Woodbury Park; Peninsula Bay; and Meadow Park) as shown in the Queenstown Lakes District Council's District Plan, which are used exclusively for Residential purposes.

10. Other

Any rating unit not classified under any of the other categories.

11. Mixed Use Apportioned

All rating units which are used in part, but not exclusively, for residential purposes, and in part, but not principally, for commercial or accommodation purposes. Usage in part may be determined by:

- a. The physical portion of the rating unit used for the purpose, or
- b. The amount of time (on an annual basis) that the rating unit is used for the purpose.

Note: the Mixed Use Apportioned classification will not be applied to residential rating units used for accommodation purposes for a single period of up to 28 consecutive days in any rating year.

These categories are used to differentiate the following rates:

- general rate, targeted rates; roading rate, stormwater rate, tourism promotion rate, waste management charge, water supply rates.

Targeted Rates Based on Location

The categories are:

1. Location within the Wanaka ward.
2. Location within the Queenstown/Wakatipu ward or the Arrowtown ward.

These categories are used to differentiate the following targeted rates:

- roading rate, stormwater rate, tourism promotion rate.

Targeted Rates Based on Availability of Service

The categories are:

2. Connected

Any rating unit that is connected to a Council operated water scheme or is connected to a public sewerage drain.

3. Serviceable

Any rating unit within the area of service that is not connected to a Council operated water scheme but is within 100 metres of any part of the waterworks and to which water can be supplied. Any rating unit within the area of service, that is not connected to a public sewerage drain, but is within 30 metres of such a drain, and is capable of being connected.

These categories are used to differentiate the following targeted rates:

- water supply rates, water scheme loan rates, sewerage rates, sewerage scheme loan rates.



REVENUE AND FINANCING POLICY

Background

Section 102(4) (a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy, which must be adopted through the special consultation process.

Section 103 outlines that this Policy must state the Council's policies in respect of the funding of both operating expenses and capital expenditure from listed sources, with the sources as outlined in section 103(2) being:

- a) General rates including:
 - (i) choice of valuation system.
 - (ii) differential rating.
 - (iii) uniform annual general charges.
- b) targeted rates.
- c) fees and charges.
- d) Interests and dividends from investments.
- e) borrowing.
- f) proceeds from asset sales.
- g) development contributions under the Local Government Act 2002.
- h) financial contributions under the Resource Management Act 1991.
- i) grants and subsidies.
- j) any other source.

Section 101(3) states that in identifying the appropriate sources the Council must consider 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. Council must also consider with regards to each activity to be funded:

- a) the community outcomes to which the activity primarily contributes.
- b) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals.
- c) the period in or over which those benefits are expected to occur.
- d) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity.

- e) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

Queenstown Lakes District Council has undertaken several comprehensive reviews of its funding principles in the past through the development, adoption and review of its Funding Policy. These reviews were completed in 1998, 2001 and again in 2002. The first comprehensive review under the Local Government Act 2002 was undertaken during 2005/06. It is expected that future reviews of this policy will be undertaken on a three yearly basis.

REVENUE AND FINANCING POLICY

A Funding Sources – Operational Expenditure

The “revenue” part of the title “revenue and financing policy” relates to funding of operating expenditure. The following sources of income are recognised in the operating statement:

Rates

A number of Council activities are funded by a combination of revenue types. Council practice is to initially account for income from fees and charges, and grants and subsidies or other income sources. If the activity still requires additional funding, the remainder is funded by way of a rate.

Council will use a capital value rating system across the district. Capital value is preferred to land value because Council believes that it generally provides a better surrogate for the allocation of cost for Council services. Rates are generally used where it is economically impractical to use fees and charges.

There are two classification types for rates:

- General rates - Includes UAGC and capital valued based rate.
- Targeted rates - Includes Tourism Promotion Rate, Water Supply Rate, Sewerage Rate, Storm water Rate, Waste Management Rate and Roading Rate.

The tables on the following pages illustrate the outcome of the analysis undertaken by the Council in relation to Section 101 (3). The Summary of Funding Decisions by Activity on page 81 details how each activity is proposed to be funded. Generally, this table shows that where a private benefit exists, the cost of this is recovered by user fees or a targeted rate. The cost of public benefits is usually rate funded, with the capital value rate used to fund ‘property’ related activities and the UAGC used to fund ‘people’ related activities.

Fees and charges

There is a wide range of revenue under this general title. Generally, Council will look to use fees and charges to recover the “private benefit” costs of a particular activity (see table on following page) if it is economically viable to do so. Some fees and charges referred to on the following page are paid to the Council directly, whilst others are paid direct to Council’s contractor (i.e. Consent fees to CivicCorp).

Grants and subsidies

Some activities of Council qualify for a grant or subsidy from the Crown. In particular, Council receives a subsidy from Land Transport NZ for qualifying roading expenditure. Other smaller grants are also received from the Crown, for example; NZ Fire Service and Creative NZ.

Interest and dividends from investments

Interest is recognised from all investment sources. The use of the interest depends on the investment source. The majority of investment income is used to offset rates.

Some income is derived from investments held for special reserve purposes. This income is funded to these reserves to fund capital expenditure.

Other sources of income

Other sources of income include parking infringement fines, petrol tax, rates penalties and concession income. This is a catch-all classification and the income is treated in the same way as fees and charges.

Summary of Community Outcomes by Activity

Summary of Community Outcomes By Activity

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Governance & District Promotion						
Community Leadership	Y	Y	Y	Y	Y	Y
Tourism Marketing	Y	-	-	-	-	-
Property						
Community Assets	Y	Y	Y	-	-	Y
Community						
Library Services	-	Y	-	-	Y	-
Community Liaison	-	Y	-	-	-	-
Community Grants	-	Y	-	-	Y	-
Public Toilets	-	Y	Y	-	-	Y
Cemetries	-	Y	-	-	Y	-
Community Facilities	-	Y	Y	-	-	Y
Waterways Facilities	-	Y	-	Y	-	Y
Parks & Recreation Facilities	-	Y	Y	Y	Y	Y
Emergency Services	-	Y	-	Y	-	Y
Resource Management & Regulation						
District Plan	Y	Y	Y	Y	Y	Y
Regulatory Services		Y	Y	Y	Y	Y
Waterways Control	-	Y	-	Y	-	-
Utilities						
Water Supplies	Y	Y	-	Y	-	Y
Stormwater	Y	Y	-	Y	-	Y
Wastewater	Y	Y	-	Y	-	Y
Landfill Provision & Management	Y	Y	-	Y	-	Y
Refuse Collection	Y	Y	-	Y	-	Y
Roading & Parking						
Parking Facilities	Y	-	Y	-	-	Y
Town Centres	Y	Y	Y	-	Y	Y
Roading	Y	-	Y	Y	-	Y

The table above shows the community outcomes to which each Council activity primarily contributes and thereby satisfies the requirement of Section 101(3) (a) referred to in the background section. This table shows only the primary contributions and it is acknowledged that some activities contribute to more outcomes than those shown.

The table on the following page labelled "Principles By Activity" shows how the funding principles in Section 101(3) b) to e) above relate to each activity. This analysis assists Council in determining which funding mechanisms are appropriate for each activity. Generally those activities which score low for user pays or for cost/benefit of separate funding are best funded by general rates, whilst those scoring higher in those areas are best funded by user charges or targeted rates.

Summary of Funding Principles By Activity

Activity	Funding Principles			
	Distribution of Benefit (User Pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Separate Funding
Governance & District Promotion				
Community Leadership	Low	Med	Low	Low
Tourism Marketing	High	Med	Low	High
Property				
Community Assets	High	High	Low	High
Community				
Library Services	Med	Low	Low	Low
Community Development	Low	Low	Low	Low
Community Grants	Low	Low	Low	Low
Public Toilets	Med	Med	Low	Low
Cemetries	High	Med	Low	Med
Community Facilities	High	High	Low	Med
Waterways Facilities	High	Med	Low	Med
Parks & Recreation Facilities	Low	Med	Low	Low
Emergency Services	Low	Low	Med	Low
Resource Management & Regulation				
District Plan	Low	High	Med	Low
Regulatory Services	High	Low	High	High
Waterways Control	Med	Low	Med	Med
Utilities				
Water Supplies	High	High	Med	High
Stormwater	Low	Med	Med	Med
Wastewater	High	High	Med	High
Landfill Provision & Management	Med	High	High	Med
Refuse Collection	High	Low	Med	High
Roading & Parking				
Parking Facilities	High	Med	Med	High
Town Centres	Med	Med	High	Med
Roading	Low	Med	High	Med

- 1. Distribution of Benefit**
- 2. Period of Benefit**
- 3. Extent of Action/Inaction**
- 4. Cost/Benefit of Separate Funding**

Degree to which benefits can be attributed to individuals/groups rather than community as a whole

Degree to which benefits can be attributed to future period

Degree to which action or inaction of group or individuals give rise to need for expenditure

Degree to which cost and benefits justify separate funding of this activity

Low/Med/High

Low/Med/High

Low/Med/High

Low/Med/High

Summary of Funding Decisions By Activity - Proposed

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
<u>Governance & District Promotion</u>							
Community Leadership	0%	100%	0%	0%	100%	-	UAGC (50%)/General CV Rate (50%)
Tourism Marketing	95%	5%	0%	95%	5%	Targeted CV Rate (Tourism Promotion)	UAGC
<u>Property</u>							
Community Assets	100%	0%	0%	100%	0%	Fees & Charges	-
<u>Community</u>							
Library Services	65%	35%	0%	10%	90%	Fees & Charges, Fines	UAGC
Community Development	0%	100%	0%	10%	90%	Fees & Charges	UAGC
Community Grants	0%	100%	0%	0%	100%	-	UAGC (90%)/Grants (10%)
Public Toilets	80%	20%	0%	0%	100%	-	General CV Rate
Cemeteries	60%	40%	0%	60%	40%	Fees & Charges	UAGC
Community Facilities	70%	30%	0%	10%	90%	Fees & Charges	UAGC
Waterways Facilities	90%	10%	0%	10%	90%	Fees & Charges	Waterways Concession
Parks & Recreation Facilities	35%	65%	0%	40%	60%	Fees & Charges	UAGC (30%)/General CV Rate (30%)
Emergency Services	0%	100%	0%	0%	100%	-	General CV Rate (70%)/Grants (30%)
<u>Resource Management & Regulation</u>							
District Plan	5%	95%	0%	5%	95%	Fees & Charges	General CV Rate (40%)/Loan (60%)
Regulatory Services	45%	30%	25%	67%	33%	Fees & Charges, Fines	General CV Rate
Waterways Control	35%	65%	0%	35%	65%	Fees & Charges	Waterways Concession
<u>Utilities</u>							
Water Supplies	90%	10%	0%	100%	0%	Targeted Uniform Rate (Water)/ Targeted CV Rate (Water)	-
Stormwater	0%	100%	0%	0%	100%	-	Targeted CV Rate (Stormwater)
Wastewater	90%	10%	0%	100%	0%	Targeted Rate (Sewerage)	-
Landfill Provision & Management	70%	20%	10%	60%	40%	Fees & Charges (includes Landfill Levy)	Waste Management Charge (35%)/ General CV Rate (5%)
Refuse Collection	90%	10%	0%	100%	0%	Fees & Charges	-
<u>Roading & Parking</u>							
Parking Facilities	80%	20%	0%	100%	0%	Fees & Charges	-
Town Centres	50%	50%	0%	50%	50%	Targeted CV Rate (Roading)	Targeted CV Rate (Roading)
Roading	50%	20%	30%	45%	55%	Transfund Subsidy/Petrol Tax	Targeted CV Rate (Roading)

Note 1 Amend target to allow for cost recoveries associated with activity

Note 2 Amend target to reflect net funding position which does not take into account Events Centre user charges

Note 3 Amend target to reflect existing funding position which takes into account current poor state of many facilities

Note 4 Combine Active & Passive Reserves into new activity & account for lease income & user fees from Reserves to this activity (previously Commercial Property)

Note 5 Amend target to allow for grants associated with activity

Note 6 Amend target to reflect proposed funding position which takes into account a 100% increase of fees payable under the By-law

Note 7 Amend target to reflect existing funding position and the introduction of landfill levy to cover exacerbator factor

FUNDING OPERATIONAL EXPENDITURE BY ACTIVITY

Governance & Tourism Promotion

Community Leadership

This activity includes strategic planning and the setting of the overall direction by the Council, Community Board and various committees. This also includes all activities undertaken in relation to public involvement in the democratic process including elections, the holding of public meetings as well as the preparation of the statutory plans and reports, including the Council Community Plan, Annual Plan and Annual Report.

This activity will be funded 50% from the Uniform Annual General Charge, and 50% from the capital value based General Rate.

Tourism Promotion

Council makes grants to ward based promotion organisations, which market the district as a visitor destination and therefore increases the economic benefits to the district from its major industry.

This activity will be funded 95% from the Targeted Rate for Tourism Promotion based on capital value and applied on a ward basis, and 5% from the Uniform Annual General Charge.

Property

Community Assets

The Council is involved in these activities to provide the maximum possible return from assets involved. This activity includes residential and commercial subdivisions, Queenstown Lakeview Holiday Park, leased camping grounds, Wanaka Airport, forests, rental housing, elderly person housing, and road closing/legalisation. This activity also includes any undeveloped areas of land which will be maintained at a minimum level until decisions about their final use is made.

This activity will be funded by user charges with any surplus derived used to reduce general rate requirement.

Community

Library Services

The purpose of this activity is to help meet the information, cultural, educational and recreational needs of its users in a timely, convenient and cost effective manner. This is achieved through the joint management of libraries with the Central Otago District. There are six libraries within the District; at Queenstown, Arrowtown, Wanaka, Hawea, Kingston and Glenorchy. The services include book and magazine loans, a reference and information

service, compact disc and video rentals, and research. Some of the specialist services provided include a local history collection and a special needs service including large print and talking books, and foreign language text. The libraries also act as community information centres holding community information and contact names and addresses.

This activity will be funded 90% from the Uniform Annual General Charge, and 10% from user charges for some specialised or high demand services.

Community Development

The purpose of this activity is to provide for the distribution of information to residents and ratepayers. It is also designed to help keep residents informed of the recreational, social and cultural opportunities in the area and to assist groups in maximising the benefits they provide to the community. Assistance will also be provided to those seeking financial support from organisations other than Council. The Council is also involved in programmes at New Year in order to minimise the impact of this traditionally challenging time of year.

This activity will be funded primarily from the Uniform Annual General Charge (90%) with the remainder provided by cost recoveries.

Community Grants

The purpose of this activity is the provision of grants to assist community groups to provide a range of activities and services in the District. These include the Lakes District Museum; Aspiring Arts Trust; Sports Central; the Wakatipu Trails Trust and six community associations.

After allowing for the receipt of grants by Council in its role as agent, this activity will be funded from the Uniform Annual General Charge.

Public Toilets

The purpose of this activity is to provide a range of public toilets throughout the District to meet the needs of locals and visitors. The principal objective is to protect the public environment through the provision of clean, accessible and conveniently located public toilets.

This activity will be funded 100% from the capital value based General Rate.

Cemeteries

The purpose of this activity is to provide for cemeteries throughout the District. Services provided by the Council include areas for the burial of human remains, internment of human ashes, the maintenance of burial records and the maintenance of grounds. This activity will be funded 60% from user charges in the form of plot sales and burial fees with the balance of 40% coming from the Uniform Annual General Charge.

Community Facilities

The purpose of this activity is to help provide community halls, swimming pools and other multi-use indoor facilities for the district. This includes the indoor facilities at the Queenstown Events Centre and Lake Wanaka Centre. The facilities at the Queenstown Events Centre

and Memorial Hall are managed by a Trust which sees the user charges paid to the Trust directly.

Council has also determined that it will not seek to fund the depreciation expense associated with these assets. It is also recognised that the user charge policy in relation to the proposed Queenstown Aquatic Centre is yet to be finalised, although the feasibility report indicated that 60% of operational costs should be recovered from users directly.

This activity will therefore be funded 90% from the Uniform Annual General Charge and 10% from user charges until such time as the Aquatic Centre is commissioned at which time the policy will need to be reviewed.

Waterways Facilities

The purpose of this activity is to help provide affordable and accessible water based recreation facilities throughout the District that may also be used by commercial operators. This activity includes the maintenance and development of Council owned waterways facilities including ramps, jetties and marinas. This does not include facilities which are attached to Council land but owned by other organisations i.e. yacht clubs, individuals or companies, nor does it include facilities that are leased out such as the Queenstown Main Town Pier.

It is recognised that the relatively poor condition of some of the waterways assets means that it is not equitable to charge more than a minimum fee. Until such time that the assets are upgraded, this activity will be funded 10% from user charges with the balance of 90% coming from the revenue generated from waterways based concessions.

Parks & Recreation Facilities

The purpose of the activity is to help provide affordable and accessible recreation facilities throughout the District. This includes the maintenance and development of primarily outdoor recreation facilities that are owned by Council. This activity includes most items that are traditionally called parks and reserves and covers the maintenance and development of outdoor passive recreation areas as well as sports fields, playgrounds and the trail network.

This activity does not include facilities which are on Council land but are owned by other organisations i.e. some bowling, tennis and golf clubs. Multi-use indoor facilities are covered in the Community Facilities activity.

After allowing for any revenue derived from permitted activities on reserves (40%), this activity will be funded 30% from the capital value based General Rate and 30% coming from the Uniform Annual General Charge.

Emergency Services

The purpose of this activity is to ensure the district is prepared to respond appropriately to Civil Defence or Rural Fire emergencies by having appropriate plans and procedures in place. This is primarily achieved by the development of a Civil Defence Plan and the establishment and maintenance of the required communications and other infrastructure. With rural fire this also includes supporting one Rural Fire Unit, two volunteer fire brigades based at Kingston and Glenorchy, and providing limited financial support to the Arrowtown, Hawea and Luggate volunteer fire brigades with respect to rural fire response. There are

also arrangements in place to ensure additional trained resources are available when required.

After allowing for any central government subsidies in this area (estimated at 30%), this activity will be funded by the capital value based General Rate.

Resource Management & Regulatory

District Plan

This activity includes work on the development, adoption and refinement of the District Plan. (NB Processing of resource consents is covered under Regulatory Services). The objectives of the District Plan are set out in the Resource Management Act, "The establishment, implementation and review of the objectives, policies and methods of achieving integrated management of the effects of the use, development or management of land and associated natural and physical resources of the district".

80% of the cost of preparing variations or plan changes will be funded from borrowing because of the intergenerational issues associated with them. The balance of the cost of this activity will be funded from the capital value based General Rate.

Regulatory Services

This activity includes all activities covered by the fixed management fee of the regulatory services contract, which commenced in July 1998. It includes all aspects of the resource consent process, environmental health services, dog control, building control as well as general enforcement issues with regard to by-laws.

Building control and resource consent processing activities will be funded from user charges, apart from the public enquiry service provided in this area which is funded by the Uniform Annual General Charge.

Environmental health and licensing will be funded from user charges as far as possible and then from the capital value based General Rate.

General by-law enforcement & dog control will be funded from user charges as far as possible and then from the Uniform Annual General Charge.

Waterways Control

The purpose of this activity is to control waterways based activities in the District. This is achieved under the Waterways By-law through the activities of the Harbourmaster in the inspection, enforcement and promotion of the safe use of local waterways.

Waterways Control will be funded from user charges under the By-law as far as practicable (estimated at 35%), and thereafter from the revenue generated from waterways based concessions.

Utilities

Water Supply

The purpose of this activity is to provide reliable, high quality water supplies for domestic and commercial consumers and for fire fighting purposes. Council has provided water schemes in Queenstown, Arrowtown, Glenorchy, Lake Hayes, Arthurs Point, Wanaka, Hawea, Albert Town and Luggate.

This activity will be funded 40% from the Targeted Uniform Rate (Water) which will be charged to all serviceable properties in the nature of a supply charge and 60% from a Targeted Water Rate based on Capital Value and applied on a scheme basis to all properties connected to the public water supply.

Stormwater

The primary purpose is to provide reliable and efficient stormwater collection and disposal systems from buildings and land in Queenstown, Arrowtown, Glenorchy, Wanaka, Hawea and Albert Town.

This activity will be funded 100% from a Targeted Stormwater Rate based on Capital Value and applied on a ward basis to all urban properties.

Wastewater

The primary purpose is to provide reliable and efficient sewage collection, treatment and disposal systems that meet all discharge consent conditions. Sewerage schemes are provided in Queenstown, Arrowtown, Arthur's Point, Wanaka, Hawea, Albert Town and Lake Hayes with feasibility studies underway for Kingston, Glenorchy.

Wastewater operational costs will be funded by a Targeted Uniform Sewerage Rate which is charged out on the basis of the number of connected pans / urinals within the property. A rating unit used primarily as a residence for one household shall be deemed to have not more than one pan / urinal in accordance with the Local Government (Rating) Act 2002. Remission policies have been developed in relation to the application of this rate to businesses with multiple connections and to various non profit organisations.

Landfill Provision and Management

The purpose of this activity is to provide facilities for the purpose of disposing of solid waste and the provision of hazardous waste facilities for the District in accordance with Regional Council and environmental requirements. This activity includes the operation of one sanitary landfill and transfer stations in Queenstown and Wanaka. In addition, the Council is required to monitor and rehabilitate its disused landfill sites at Hawea, Tuckers Beach, Wanaka, Kingston, Glenorchy and Makarora.

This activity will be funded 60% from user charges in the form of transfer station fees and disposal fees (including landfill levy), 35% coming from the Targeted Uniform Waste Management Charge, with the balance of 5% coming from the general capital value based rate to cover the cost of existing waste management loans and the rehabilitation of disused tips.

Refuse Collection

The purpose of this activity is to provide a kerbside refuse collection service in Queenstown, Arrowtown, Glenorchy, Kingston, Wanaka, Hawea, Albert Town and Luggate.

This activity will be funded 100% from user charges.

Roading & Parking

Town Centres

The purpose of this activity is to provide attractive and safe town centres that are well maintained and developed to meet the changing needs of the District. This includes the maintenance and development of street furniture, specialised lighting, signage and other facilities that contribute to the atmosphere of the Town Centres. It also includes street cleaning in these areas. This is considered as a separate activity as the requirements of these areas are significantly different to that of an urban street.

After allowing for any Land Transport NZ subsidy this activity will be funded 100% from a Targeted Roothing Rate based on Capital Value and applied on a ward basis to all properties.

Parking Facilities

The objective of this activity is to provide a range of on and off street parking in the town centres of the District. The enforcement of parking and other restrictions are covered as a separate activity within Regulatory Services.

This activity will be funded 100% from user charges.

Roothing

The purpose of this activity is to provide a reliable, efficient and safe roading network that is well maintained and developed to meet the changing needs of the District. This covers all the requirements of a "boundary to boundary" corridor and includes pavement, footpath and bridge maintenance and development. It also includes traffic safety services such as road marking, sign posting, street lighting and accident. It does not include the items covered under the Town Centre activity.

After allowing for any Land Transport NZ subsidy and Petrol Tax (estimated at 45%), this activity will be funded from a Targeted Roothing Rate based on Capital Value and applied on a ward basis to all properties.

B Funding Sources – Capital Expenditure

Funding to pay for new assets will come from a mix of borrowing, development or financial contributions, grants and subsidies, capital revenue, reserves and asset sales. Generally the costs of new assets will not be met from rates; however a portion the costs of servicing loans will be.

Funding for new capital works will depend on the nature of the work in particular the reasons (cost drivers) which have made the work necessary. There are 3 main cost drivers recognised by Council:

- Growth
- Level of Service Shift
- Renewal

a) Capital Expenditure due to Growth

Funding Sources in order of priority:

- i. Vested Assets
- ii. Development or Financial Contributions
- iii. Capital Grants and subsidies attributable to growth portion
- iv. Borrowing

b) Capital Expenditure due to shifts in levels of service, statutory requirements or other reasons but not including Growth or Renewals.

Funding Sources in order of priority:

- i. Capital Grants and subsidies
- ii. Capital Revenues and Asset sale proceeds
- iii. Capital Reserves
- iv. Borrowing
- v. Rates

c) Capital expenditure due to Renewals

Funding Sources in order of priority:

- i. Depreciation Reserves
- ii. Borrowing
- iii. Rates

Renewal capital works are those capital expenditure costs that are incurred in restoring an asset to previous service levels, usually reflected in the amount that an asset has depreciated. Therefore by using those depreciation funds Council is attempting to maintain infrastructural networks to at least their existing service level.

RATES REMISSION AND POSTPONEMENT POLICIES

These policies are prepared pursuant to Sections 102, 109 and 110 of the Local Government Act 2002.

Remission Policies

A. Community, Sporting and Other Organisations

Objective

To facilitate the ongoing provision of community services or recreational opportunities for the residents of the Queenstown Lakes District Council.

The purpose of granting rates remission to an organisation is to:

- Assist the organisation's survival.
- Make membership of the organisation more accessible to the general public, particularly children, youth, young families, aged people, and economically disadvantaged people.

Conditions and Criteria

The land must be owned by the Council or owned, occupied or leased by an organisation (with liability for rates), which is used exclusively or principally for sporting, recreation, or community purposes.

The organisation must not operate for private pecuniary profit.

The application for rate remission must be made to the Council prior to 31st October of the rating year in question. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

Organisations making application should include the following documents in support of their application:

- Statement of Objectives.
- Full financial accounts.
- Details of any Leases (where applicable).
- Information on activities and programmes.
- Details of membership or clients.

Application

Generally, the Policy will not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting, or community services as a secondary purpose only.

Remissions to any qualifying organisation shall be on the basis of 100% reduction in rates and charges except that no remission will be granted on targeted rates/charges for water supply, sewerage disposal or refuse collection, or areas used for bars.

The policy shall apply to the ratepayers who meet the relevant criteria as jointly approved by the Chairperson of the Finance, Audit, Property and Corporate Committee and the Accounting Manager.

B. Land Protected for Natural, Historic or Cultural Conservation Purposes

Objective

To preserve and promote natural resources and heritage, to encourage the protection of land for natural, historic or cultural purposes.

Conditions and Criteria

Ratepayers with rating units which have some feature of cultural, natural or historic heritage which is voluntarily protected may qualify for remission of rates under this part of the Policy.

Land that is non-rateable under Section 8 of the Local Government (Rating) Act 2002 and is liable only for targeted rates covering water supply, sewage disposal or refuse collection will not qualify for remission under this part of the Policy.

Application

Applications must be in writing and should be supported by documentary evidence of the protected status of the rating unit e.g. a copy of the Covenant or other legal mechanism.

In considering any application for remission of rates under this part of the policy the Council will consider the following criteria:

- The extent to which the preservation of natural, cultural and historic heritage will be promoted by granting remission of rates on the rating unit.
- The degree to which features of natural, cultural or historic heritage are present on the land.
- The degree to which features of natural, cultural or historic heritage inhibit the economic utilisation of the land.

The extent of any remission shall be determined by the Finance, Audit, Property and Corporate Committee on a case by case basis.

If an application is approved the Council will direct its valuation service provider to inspect the rating unit and prepare a valuation that will take into account any restrictions on the use that may be made of the land imposed by the protection mechanism. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal, for valuations of this nature.

In granting remissions under this part of the Policy, the Council may specify certain conditions before remission will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.

C. Land Affected by Natural Calamity

Objective

To enable rate relief to be provided where the use that may be made of any land has been detrimentally affected by natural calamity.

Conditions and Criteria

Council may remit wholly or in part, any rate or charge made and levied in respect of the land, where it considers it to be fair and reasonable to do so.

Application

The extent of any remission shall be determined by the Finance, Audit, Property and Corporate Committee on a case by case basis.

If an application is approved the Council may direct its valuation service provider to inspect the rating unit and prepare a valuation that will take into account any restrictions on the use that may be made of the land as a result of the natural calamity. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal, for valuations of this nature.

D. Uniform Annual Charges and Targeted Rates on Contiguous Rating Units in Separate Ownership, Used Jointly as a Single Entity.

Objective

To limit the incidence of multiple charges where a farming or other business entity consists of a number of contiguous rating units with different owners.

Conditions and Criteria

Each rating unit must be leased to the operator for a term not less than five years.

The operator must provide Council with a statutory declaration confirming that each unit will be operated as part of the entity.

The ratepayer will remain liable for at least one uniform annual general charge and one set of each type of targeted rate calculated as a fixed amount per rating unit.

Application

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Accounting Manager.

E. Rate Penalties

Objective

To enable Council to remit penalties where:

- Payment has not been received by the penalty date, due to circumstances outside the ratepayer's control; or
- it is deemed equitable to remit the penalty for other reasons.

Conditions and Criteria

Each application will be considered on its merits and remission may be granted where it is considered just an equitable to do so.

The Council will consider remission of rate penalties where an application is made and meets any of the following criteria:

- payment has been late due to significant family disruption. [Significant family disruption would include death, illness, or accident]; or
- the ratepayer is able to provide evidence that their payment has gone astray in the post, or the late payment has otherwise resulted from matters outside their control; or
- penalties have arisen through processing errors in Council's records or an outstanding balance has arisen as a result of a shortfall caused by the operation of an agreed payment plan; or
- the ratepayer provides a reasonable explanation of the circumstances which caused the late payment, and this is the first occasion on which late payment has occurred.

Application

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Accounting Manager.

F. Sundry Remissions

Objective

To remit rates and charges that are the result of fundamental errors; or where the balance owing is considered uneconomic to recover; or where the amount levied is unable to be recovered pursuant to Sections 67-76 of the Local Government (Rating) Act 2002, or where Council or its delegated officer(s) consider the levy impractical to recover.

Conditions and Criteria

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Accounting Manager.

Application

Postponed rates will be registered as a Statutory Land Charge on the rating unit's title.

The policy shall apply to the ratepayers who meet the relevant criteria as jointly approved by the Chairperson or the Finance, Audit, Property and Corporate Committee and the Accounting Manager.

G. Policy for Remission and Postponement of Rates on Maori Freehold Land

Section 102(4)(f) of the Local Government Act 2002 requires Council to adopt a policy on the remission and postponement of rates on Maori freehold land; section 108 and Schedule 11 set out the matters to be considered.

Objective

To recognise that certain Maori Freehold land may have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide for remission from certain rates and to avoid further alienation of Maori freehold land.

Conditions and Criteria

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 of such an order may qualify for remission under this policy.

Council will consider remission of rates on land that comes within the following criteria:

- (a) The land is unoccupied and no income is derived from that land; and/or
- (b) The land is better set aside for non-use (whenua rahui) because of its natural features; and/or
- (c) The land is inaccessible and unoccupied.

Application

The policy shall apply to ratepayers who meet the relevant criteria as approved by the Accounting Manager.

H. Remission of Postponed Rates

Objective

Council has adopted a number of policy statements that grants a postponement of rates to ratepayers under certain circumstances. A number of these policies contain a provision that allow the postponed rates to be written off or remitted after a predetermined period, subject to the terms and conditions of the policy being complied with.

This policy statement provides the power for those postponements to be remitted in accordance with the postponement policies.

Conditions and Criteria

1. The conditions that gave rise to the postponement of the rates must have been fully complied with over the term of the postponement period.
2. Subject to the conditions and criteria being complied with as set out in (1) above, Council will remit the applicable postponed rates without any further applications being required from the ratepayer.
3. This policy statement will only apply to those rate postponement policy statements that provide for the rates to be remitted after a predetermined period of time.

Application

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Accounting Manager.

I. Remission of Rates on Land that has Made Lump Sum Contributions

Objective

A number of water and sewerage schemes have been developed using loans. In certain cases the ratepayers were offered the opportunity to make a lump sum contribution rather than paying an annual loan rate. Because some ratepayers made the lump sum contributions it would be inappropriate to charge them any costs relating to these loans. The most appropriate solution to resolving this problem would be to offer these ratepayers a remission of rates equal to the amount of the rate that they were previously exempt from paying.

This policy statement provides the authority to make the necessary remissions.

Conditions and Criteria

1. Rating unit must have previously paid a lump sum contribution in lieu of paying a loan rate.
2. The amount of the remission must not exceed the amount of the exemption from paying the loan rate.
3. The remission will only apply for so long as the underlying loan which gave rise to the loan rate remains in existence.

Application

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Accounting Manager.

J. Rating of Separately Used or Inhabited Parts of a Rating Unit

Objective

To limit the incidence of multiple charges on a property containing separate uses or separate inhabitants, where it is equitable to do so.

Conditions and Criteria

The Council will charge multiple uniform charges against each separately used or inhabited part of a rating unit.

The basis of a unit of occupancy is that which can be separately let and permanently occupied. For the purpose of this charge, where the occupancy is an accessory one or is ancillary to another property or part thereof no separately used part exists. For example:

- Not separately used parts of a rating unit:
 - A residential sleep-out or granny flat without independent kitchen facilities.
 - A hotel room with or without kitchen facilities.
 - Motel rooms with or without kitchen facilities.
 - Individual storage garages/sheds/partitioned areas of a warehouse.
 - Individual offices/premises of partners in a partnership.
- These are separately used parts of a rating unit:
 - Flats/apartments.
 - Flats which share kitchen/bathroom facilities.
 - Separately leased commercial areas even though they may share a reception.
 - Rooms in a residential hostel with a common kitchen.

Application

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Accounting Manager.

Postponement Policies

K. Residential Land Subject to Zone Changes

Objective

To ensure that owners of residential rating units which are rezoned are not unduly penalised by an increase rates as a result of the zone change.

Conditions and Criteria

To qualify for postponement under this part of the Policy, the rating unit must:

- Be situated within the area of land that has been rezoned.
- Be listed as a “residential” property for differential rating purposes.

In addition the ratepayer must:

- Have been the property owner prior to the zone change being initiated.
- Reside permanently in the rating unit.
- Will not have actively sort rezoning.

Postponement of rates will apply to the change in land value only of the property as a result of zoning changes.

Any postponed rates will be postponed until:

- The death of 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 determined by the Council in any particular case.

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 to this Policy by paying the postponed rates or any part thereof.

Postponed rates will be registered as a Statutory Land Charge on the rating unit's title.

Council will add to the postponed rates all financial and administrative costs to ensure neutrality. The financial cost will be the interest Council will incur at the rate of Council's cost of borrowing for funding rates postponed, plus a margin to cover other costs (these will include Council's own in-house administrative costs).

Application

The application for rate postponement must be made to the Council prior to 31st October of the rating year in question. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

If an application is approved the Council will direct its valuation service provider to inspect the rating unit and prepare a valuation that will treat the rating unit as if it were a comparable rating unit elsewhere in the district. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal, for valuations of this nature.

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Accounting Manager. The extent of any postponement will be based on valuations supplied by its valuation service provider.

L. Postponement Policy – Extreme Financial Hardship

Objective

To assist ratepayers experiencing extreme financial hardship.

Conditions and Criteria

The ratepayer must make written application to the Council.

When considering whether extreme financial circumstances exist, all of the ratepayer's personal circumstances will be relevant.

The Council must postpone rates in accordance with the Policy where the application meets all of the following criteria:

- The ratepayer must be the current owner of the rating unit.
- Generally, this policy will apply to rating units used for residential purposes.
- The Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over after the payment of rates, for normal health care, appropriate provision for maintenance of his/her home and chattels at an adequate standard, as well as making provision for normal day to day living expense.
- The ratepayer must not own any other rating units or investment properties or other realisable assets.
- The ratepayer must make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.

The Council may add a postponement fee to the rating year in which the application is made although the Council may consider backdating past the rating year in which the application is made depending on the circumstances.

Any postponed rates will be postponed until:

- The death of 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 determined by the Council in any particular case.

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 to this Policy by paying the postponed rates or any part thereof.

Application

Postponed rates will be registered as a Statutory Land Charge on the rating unit's title.

The policy shall apply to the ratepayers who meet the relevant criteria as jointly approved by the Chairperson or the Finance, Audit, Property and Corporate Committee and the Accounting Manager.

M. Policy for Rate Postponement for Farmland

Objective

To ensure that owners of rural rating units used as farmland but with the potential for non-farming development are not unduly penalised by rating valuations which reflect in some measure the potential use to which the land may be put.

Conditions and Criteria

The policy will apply to the rating units that are:

- Actively farmed by the ratepayer as an economic farming unit and be the primary source of income for the property owner.
- Ten hectares in area or more.
- Farmland whose rateable value in some measure is attributed to the potential use to which the land may be put for residential, commercial, industrial, or other non-farming development.

The application for rate postponement must be made to the Council prior to 31st October of the rating year in question. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

Ratepayers making application should include the following documents in support of their application:

- Details of ownership of the rating unit.
- Full financial accounts.
- Information on the farming activities.

Application

If an application is approved the Council will request its Valuation Service Provider to determine a rates-postponement value of the land. The purpose of this requirement is to exclude any potential value that, at the date of valuation, the land may have for residential purposes, or for commercial, industrial, or other non-farming use in order to preserve uniformity and equitable relativity with comparable parcels of farmland whose valuation do not contain any such potential value.

The rates postponed for any rating period will be an amount equal to the difference between the amount of the rates for that period calculated according to the rateable land value of the property and the amount of the rates that would be payable for that period if the rates postponement land value of the property were its rateable land value.

No objection to the amount of any rate-postponement value determined by the Council and its Valuation Service Provider will be upheld.

- All rates whose payment has been postponed and which have not been written off become due and payable immediately on.
- The land ceasing to be farmland.
- The land being subdivided.
- The value of the land ceasing to include a portion of its value attributable to the potential use to which the land may be put for residential, commercial, industrial, or other non-farming development.
- The interest of the person who was the ratepayer at the date on which the rates postponement land value was entered on the Council's Rating Information Database becoming vested in another person other than the ratepayer's spouse, the executor/administrator of the ratepayer's estate or where the ratepayer was the proprietor of the interest as a trustee, a new trustee under the trust.

Postponed rates may be registered as a charge against the land so that in the event that the property is sold the Council has first call against any of the proceeds of that sale.

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Accounting Manager.

N. Policy for Rate Postponement for Elderly

Objective

To give ratepayers 65 years of age and over a choice between paying rates now or later subject to the full cost of postponement being met by that ratepayer and Council being satisfied that the risk of loss in any case is minimal.

General Approach

Only rating units defined as Residential or Country Dwelling and resided in permanently by the applicant(s) will be eligible for consideration of rates postponement under the criteria and conditions of this policy.

Current and all future rates may be postponed indefinitely if at least one ratepayer (or, if the ratepayer is a family trust, at least one named occupier) is 65 years of age or older, until one of the conditions a-c (under conditions) becomes applicable.

Owners of units in retirement villages will be eligible provided that Council is satisfied payment of postponed rates can be adequately secured.

Council will add to the postponed rates all financial and administrative costs to ensure neutrality.

Council will establish a reserve fund out of which to meet any shortfall between the net realisation on sale of a property and the amount outstanding for postponed rates and accrued charges, at the time of sale. This will ensure, that neither the ratepayer(s) nor the ratepayer(s)' estate will be liable for any shortfall.

Conditions and Criteria

a) Eligibility

Ratepayers are eligible for postponement provided that the following criteria are met by the ratepayer(s):

- Be at least 65 years of age.
- Reside permanently in the residence and use for personal residential purposes.
- Be a New Zealand citizen.
- Own no other property.
- The rateable property must be classified as "Residential" or "Country Dwelling" in the council's rates database.

b) Risk

Council must be satisfied, on reasonable assumptions, that the risk of any shortfall when postponed rates and accrued charges are ultimately paid is negligible. To determine this, a financial model has been developed that will forecast expected equity when the payment falls due. Eligibility for full postponement is dependent upon remaining equity forecast by this model being acceptable to the Council. If it is not, Council will adjust its postponement offer to bring it within an acceptable level.

c) Insurance

The property must be insured for its full value and evidence of this produced annually. To assist ratepayers who are currently uninsured, Council is arranging through its insurers for the development of a group insurance policy to provide all risks cover, with an excess of \$2,500. This will achieve cover against catastrophic loss at minimum cost. The premium will be added to rates and thus come within the postponement arrangements.

Conditions

Any postponed rates (under this policy) will be postponed until:

- a)** The death of the ratepayer(s) or named individual or couple; or
- b)** Until the ratepayer(s) ceases to be the owner or occupier of the rating unit (if the ratepayer sells the property in order to purchase another within the Council's District, Council will consider transferring the outstanding balance, or as much as is needed, to facilitate the

purchase, provided it is satisfied that there is adequate security in the new property for eventual repayment); or

c) Until the ratepayer(s) ceases to use the property as his/her residence.

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 Council's administrative and financial costs and may vary from year to year.

The financial cost will be the interest Council will incur at the rate of Council's cost of borrowing for funding rates postponed, plus a margin to cover other costs (these will include Council's own in-house costs, a 1% p.a. levy on outstanding balances to cover external management and promotion costs, and a reserve fund levy of 0.25% p.a., and a contribution to cover the cost of counselling).

To protect Council against any suggestion of undue influence, applicants will be asked to obtain advice from an appropriately qualified and trained counsellor. A counsellor's certificate confirming this, will be required before postponement is granted. This service will be provided by a council approved and suitably qualified organisation.

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

Review or Suspension of Policy

The policy is in place indefinitely and can be reviewed subject to the requirements of the Local Government Act 2002 at any time. Any resulting modifications will not change the entitlement of people already in the scheme. This includes the suspension while the ratepayers having to pay future rates but not previously postponed rates, until the ratepayer is required under conditions (a-c) to make payment.

Council reserves the right not to postpone any further rates once the total of postponed rates and accrued charges exceeds 80% of the rateable value of the property as recorded in Council's rating information database.

The policy consciously acknowledges that future changes in policy could include withdrawal of the postponement option.

Application

Applications for rate postponement must be made on the required application form which will be available from the QLDC offices.

The application must be made to the Council prior to 31st October of the rating year in question. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

Once adopted, this policy will be implemented from 1 July 2006.

POLICY ON DEVELOPMENT CONTRIBUTIONS AND FINANCIAL CONTRIBUTIONS

2006 Annual Review of Council's Policy on Development Contributions and Financial Contributions

Following is a list of the changes made as a result of the 2006 Annual Review process. It is proposed that these changes will apply to any application for resource consent, building consent or service connection lodged after 6 May 2006 and granted on or after 1 July 2006. For applications received prior to 6 May 2006, which are granted on or after 1 July 2005, Council will apply the provisions of the 2005 Policy.

Annual Calculation Updates:

- Updated 2004/05 capital expenditure with actual figures from 2005 Annual Report.
- Updated past capital expenditure to 2006 dollars.

Annual Policy Reviews:

- Updated new capital expenditure for the 2006/07 to 2015/16 financial years.
- Updated new growth projections for the district out until 2026.
- Land Use Differentials have been reviewed and recalculated using actual Gross Floor Area (GFA) information from Quotable Value Limited.
- Gross Floor Area (GFA) has been defined in the policy to exclude car parking areas.
- The way contributions are calculated for multiple unit residential developments has been reviewed.
- Roothing contributions have been calculated and included in the policy for the first time.

Roothing Development Contributions

The 2006 policy allows Council to assess roading contributions for the first time. Council considers this essential as the consequences of growth on the districts roading costs are substantial and those causing the need for that investment should contribute fairly.

Council reserves the right to assess Roothing Contributions on any application for resource consent, building consent or service connection lodged after 6 May 2006 and granted on or after 1 July 2006. For the purposes of clarity, Council intends to assess Roothing Contributions on developments which may have had resource consents lodged prior to 6 May 2006, but which still require subsequent building and/or resource consents to be lodged after 1 July 2006 in order to give effect to the development.

Deemed credits will be available for each type of service (including Roothing) and will be based on the characteristics of the site immediately preceding the proposed development.

Roothing contributions have been assessed using the same methodology as used for the existing contributions. The roading land use differentials have been assessed using the same approach as reserve land, reserve improvements and community facilities differentials.

Council completed and adopted its Transport and Parking Strategy – *Future Link* in April 2005. This strategy focuses purely on growth issues. A transport model has been developed to support the strategy. The strategy defines Council's level of service expectations and the future projects required to maintain those. Future Link has enabled Council to prepared more detailed roading estimates for future works. These projects have been included in Council's LTCCP and have been used to assess the development contributions identified in this policy. There are some projects not identified in Future Link which are required because of growth and these have also been included in the calculations.

Beca Infrastructure Limited (Beca) have provided technical support from a transportation perspective. Beca have provided input on growth apportionments, exacerbator impact percentages and activity factors describing the relative impacts of land uses compared to the residential land use. The activity factors play a key role in the development of the land use differentials.

Multi Unit Residential Developments

Residential units have always been treated in the past as creating one unit of demand or one dwelling equivalent. With the number of developments being proposed for both residential and/or visitor accommodation activities this has highlighted a discrepancy between the contributions calculated on a per unit basis for residential activities and a per 100m² GFA basis for visitor accommodation activities.

In order to more clearly define the impact compared to visitor accommodation and make residential units more affordable, multi unit residential developments now have their contributions calculated on a per 100m² GFA basis.

Residential Flats

In order to more clearly define the impact and make residential flats more affordable, residential flat developments will now have their contributions calculated on a per 100m² GFA basis.

POLICY ON DEVELOPMENT CONTRIBUTIONS AND FINANCIAL CONTRIBUTIONS

Overview

The Queenstown Lakes District is experiencing significant growth in its population, visitors, development and the local economy. This growth generates high levels of subdivision and development activity which places increasing pressure on the assets and services provided by the Council. Significant investment in additional assets and services is accordingly required to meet the demands of growth.

Historically, QLDC has sought a contribution towards the expansion of the District's reserves, community facilities and infrastructure from those developments which place additional demands 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, 220, 407 or 409 of the Resource Management Act (RMA) 1991. Chapter 15 of the District Plan (not operative) 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 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 existing 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:

- (i) *the community outcomes to which the activity primarily contributes.*
- (ii) *the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals.*
- (iii) *the period in or over which those benefits are expected to occur.*
- (iv) *the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity.*
- (v) *the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.*
- (vi) *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:

(i) Community Outcomes

This policy contributes to:

- Managing growth in a sustainable way.
- Quality landscapes, natural environment and enhanced public access.
- Effective and efficient infrastructure that meets the needs of growth.
- High quality urban environments respectful of the character of the individual communities.

(ii) 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.

(iii) **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).

(iv) **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.

(v) **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.

(iv) **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 maybe impacts of this nature, Council may revisit this Policy.

Assets Included in the Development and Financial Contributions Policy

Assets included in this policy are:

- Network infrastructure for water supplies, wastewater, stormwater and roading.
- Reserve land.
- Community infrastructure including the development and acquisition of reserve land to use as reserve and facilities needed on that reserve and other public amenities such as halls, libraries, public toilets, parking facilities and the like.
- 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). As the Development Contributions provisions of the LGA 2002 specifically relate to fiscal impacts or effects of growth, Financial Contributions for non-fiscal impacts or effects of development will need

to be assessed through the RMA and District Plan processes. Chapter 15 of the District Plan (not operative) and any subsequent variations shall be considered in this policy.

Which Contributions Will Apply

Council is continuing in its efforts to conclude and have made operative the Financial Contributions rules, policies and objectives under the provisions of Part 15 of the Queenstown Lakes District Plan. Until Part 15 of the plan is operative, Council is able to impose Financial Contributions pursuant to Section 409 of the RMA during the transitional phase. Sections 407 and 409 of the RMA allow Council to collect contributions under the LGA 1974.

It is intended to assess Development Contributions on any application for resource consent, building consent or service connection lodged after 8 May 2004 and granted on or after 1 July 2004. For applications received prior to 8 May 2004, which are granted on or after 1 July 2006, Council will rely upon its previous policy under the transitional provisions (Sections 407 and 409 RMA).

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 15 on the District Plan are made operative. Council shall in requiring contributions, clearly identify under what circumstances and upon which legislation (RMA 1991, LGA 2002) a contribution is required.

In the event that the provisions of this Policy are the subject of any legal challenge that would prevent or hinder the Council from collecting Development Contributions pursuant to this policy (and during the transitional period when Part 15 of the District Plan is not operative) then the Council's intention is to require contributions pursuant to the provisions of Sections 407 and 409 of the RMA.

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.
- How much is to be charged per dwelling equivalent for each asset type within each area.

Type of Contributions Required By Geographic Area - Within Urban Areas and Townships (includes all land uses with an urban area)

Water Supply	Wastewater	Stormwater	Roading	Reserve Land	Reserve Improvements	Community Facilities	Other/ Miscellaneous
<p>Queenstown Arrowtown Glenorchy Lake Hayes Arthur's Point Wanaka Albert Town Hawea Luggate</p> <p>Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2004.</p>	<p>Queenstown Arrowtown Lake Hayes Arthur's Point Wanaka Albert Town Hawea</p> <p>Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2004.</p>	<p>Queenstown Arrowtown Glenorchy Wanaka Albert Town Hawea Luggate Arthur's Point</p> <p>Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2004.</p>	<p>Queenstown Arrowtown Glenorchy Lake Hayes Arthur's Point Kingston Wanaka Albert Town Hawea Luggate Cardrona</p> <p>Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2006.</p>	<p>Queenstown Arrowtown Glenorchy Lake Hayes Arthur's Point Kingston Wanaka Albert Town Hawea Luggate Cardrona</p> <p>Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2004.</p> <p>Land, Money or Combination of Both</p>	<p>Queenstown Arrowtown Glenorchy Lake Hayes Arthur's Point Kingston Wanaka Albert Town Hawea Luggate Cardrona</p> <p>Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2004.</p>	<p>Queenstown Arrowtown Glenorchy Lake Hayes Arthur's Point Kingston Wanaka Albert Town Hawea Luggate Cardrona</p> <p>Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2004.</p>	<p>Queenstown Arrowtown Glenorchy Lake Hayes Arthur's Point Kingston Wanaka Albert Town Hawea Luggate Cardrona</p> <p>Financial Contributions Environmental Effects – Chapter 15 District Plan and variations i.e. Environmental Considerations.</p> <p>Development Contributions Develop parking contributions, adopt 1 July 2007.</p>
<p>Kingston</p> <p>No Scheme Available To be assessed at the time a scheme is required and charged to all connections.</p>	<p>Glenorchy Kingston Luggate</p> <p>No Scheme Available To be assessed at the time a scheme is required and charged to all connections.</p>	<p>Lake Hayes Kingston</p> <p>No Scheme assets of significance. No Contributions to be sought.</p>					

Type of Contributions Required By Geographic Area - Within Rural Areas

Water Supply	Wastewater	Stormwater	Roading	Reserve Land	Reserve Improvements	Community Facilities	Other/ Miscellaneous
Rural General and other rural zonings. Nil - Unless supplied by a scheme. Scheme charge to apply and any network extension costs.	Rural General and other rural zonings. Nil - Unless supplied by a scheme. Scheme charge to apply and any network extension costs.	Rural General and other rural zonings. Nil - Unless supplied by a scheme. Scheme charge to apply and any network extension costs.	Rural General and other rural zonings. Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2006.	Rural General and other rural zonings. Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2004. Land, Money or Combination of Both.	Rural General and other rural zonings. Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2004.	Rural General and other rural zonings. Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2004.	Rural General and other rural zonings. Financial Contributions Environmental Effects – Chapter 15 District Plan and variations i.e. Environmental Considerations. Development Contributions Develop parking contributions, adopt 1 July 2007.
Hawea Rural Residential Development Contributions Hawea development contributions payable.	Hawea Rural Residential Development Contributions Hawea development contributions payable.	Hawea Rural Residential Development Contributions Hawea development contributions payable.					
Aubrey Road Rural Residential Development Contributions Wanaka development contributions payable.	Aubrey Road Rural Residential Development Contributions Wanaka development contributions payable.	Aubrey Road Rural Residential Development Contributions Wanaka development contributions payable.					

Notes

Development Contributions are contributions defined by the provisions of Part 8 Subpart 5 and Schedule 13 of LGA 2002. Contributions are assessed based on the fiscal implications of growth.

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 15 of the Queenstown Lakes District Plan. Chapter 15 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. Council will continue to prosecute Chapter 15 of the District Plan

Schedule of Development Contributions per Dwelling Equivalent Required by Contributing Area 2006/07 (Excluding GST)

Contributing Area	Water Supply (\$)	Wastewater (\$)	Stormwater (\$)	Roading (\$)	Reserve Improvements * (\$)	Community Facilities (\$)	Parking (\$)	Total Cash Contribution (\$)	Reserve Land Contribution (\$ or Land)
Urban Areas - Including All Land Uses									
Queenstown	3,472	3,777	624	2,588	1,759	2,050	To be assessed	14,270	27.5m ²
Arrowtown	8,026	5,692	281	2,588	1,759	2,050	To be assessed	20,396	27.5m ²
Glenorchy	7,982		1,177	2,588	1,759	2,050	To be assessed	15,556	27.5m ²
Lake Hayes	5,565	7,887		2,588	1,759	2,050	To be assessed	19,849	27.5m ²
Arthur's Point	6,213	5,236	192	2,588	1,759	2,050	To be assessed	18,038	27.5m ²
Wanaka	3,633	5,937	861	2,677	1,600	1,345	To be assessed	16,053	27.5m ²
Hawea	5,382	3,625	398	2,677	1,600	1,345	To be assessed	15,027	27.5m ²
Albert Town	3,633	4,780	879	2,677	1,600	1,345	To be assessed	14,914	27.5m ²
Luggate	4,295			2,677	1,600	1,345	To be assessed	9,917	27.5m ²
Other Wakatipu Townships				2,588	1,759	2,050	To be assessed	6,397	27.5m ²
Other Wanaka Townships				2,677	1,600	1,345	To be assessed	5,622	27.5m ²
Rural Areas - Including all Rural Residential/Rural Life Style									
Wakatipu Rural				2,588	1,759	2,050	To be assessed	6,397	27.5m ²
Wanaka Rural				2,677	1,600	1,345	To be assessed	5,622	27.5m ²
Hawea Rural Res.	5,382	3,625	398	2,677	1,600	1,345	To be assessed	15,027	27.5m ²
Aubrey Road Rural Res.	3,633	5,937	861	2,677	1,600	1,345	To be assessed	16,053	27.5m ²

* Reserve Improvements contribution excludes requirement for 27.5m² reserve land contribution.

Notes:

1. Development Contributions for water supply, wastewater, stormwater, reserves and community facilities have been assessed and will be collected using the LGA 2002 from 1 July 2004.
2. Roothing development contributions have been assessed and will be collected using the LGA 2002 from 1 July 2006.
3. Parking development contributions will be investigated and assessed during 2006/07.
4. Council will continue in its efforts to make operative the provisions of Part 15 of the District Plan, including Financial Contributions for water supply, wastewater, stormwater, open space, recreation and public amenity and other environmental considerations. Council has communicated this to the Environment Court. Where necessary Council may introduce further financial contributions where it is considered appropriate.
5. Development contributions are triggered and become payable on the granting of:
 - a. A Resource Consent
 - b. A Building Consent
 - c. An authorisation for a service connection.

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.

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 available from QDLC for public inspection at:

- Wanaka Service Centre, Ardmore Street, Wanaka.
- Civic Centre, 10 Gorge Road, Queenstown.

The current Development Contributions model applies to Water Supply, Wastewater, Stormwater, Reserves, Community Facilities and Roothing; a similar methodology is planned for the calculation of contributions for Parking Facilities.

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 (dwelling equivalents) over the same time period. This defines the long run average cost of growth per unit of demand, defined as the dwelling equivalent contribution. This can be represented by the following formula.

$$\text{Dwelling Equivalent Contribution} = \frac{\text{Sum of CAPEX for Growth Consumed In Analysis Period}}{\text{Sum of New Dwelling Equivalents in Analysis Period}}$$

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 (dwelling equivalents) 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 dwelling equivalents) projected over the analysis period to determine the dwelling equivalent 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.

- a) Activity Management Plans (formally Asset Management plans).
- b) 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.

Following the completion of the growth study, Council updated its infrastructure models for water supply (WaterCAD – Haestad Methods), wastewater (SewerCAD – Haestad Methods) and developed a Transportation and Parking model (Tracks – Gabities Porter). These models provide a detailed insight into the effects of growth and consequently accurate growth apportionments can be made.

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 activities can be described using a common unit of demand, which in this case is the dwelling equivalent.

The following table summarises how to calculate the number of dwelling equivalents (DE's) for a non-residential subdivision or development based on the Gross Floor Area (GFA).

Category	Water Supply		Wastewater	Stormwater	Reserve Improvements & Community Facilities		Reserve Land		Roothing	
	Dwelling Equivalents per 100m ² GFA	Plus Network Factor Dwelling Equivalents	Dwelling Equivalents per 100m ² GFA	Dwelling Equivalents per 100m ² Impervious Surface Area	Dwelling Equivalents per 100m ² GFA for Wakatipu	Dwelling Equivalents per 100m ² GFA for Wanaka	Dwelling Equivalents per 100m ² GFA for Wakatipu	Dwelling Equivalents per 100m ² GFA for Wanaka	Dwelling Equivalents per 100m ² GFA for Wakatipu	Dwelling Equivalents per 100m ² GFA for Wanaka
Residential	1 Dwelling Equivalent (DE) per Dwelling Unit									
Residential Flat	0.42	0.40	0.70	0.37	0.70	0.70	0.70	0.70	0.70	0.69
Multi Unit Residential	0.42	0.40	0.70	0.37	0.70	0.70	0.70	0.70	0.70	0.69
Accommodation	0.27	1.3	0.61	0.37	1.01	1.12	1.01	1.12	0.84	1.63
Commercial	0.05	1.2	0.17	0.37	0.04	0.04	0.04	0.04	0.94	1.07
Country Dwelling	1 DE per Dwelling		1 DE per Dwelling	1 DE per Dwelling	1 DE per Dwelling		0.66 DE's per Dwelling		1.2 DE's per Dwelling	1.1 DE's per Dwelling
Other	To be individually assessed at the time of application									
CBD Accommodation	0.27	1.3	0.61	0.37	1.01	1.12	1.01	1.12	0.84	1.63
CBD Commercial	0.05	1.2	0.17	0.37	0.04	0.04	0.04	0.04	0.94	1.07
Mixed Use Accom.	1 DE per Dwelling		1 DE per Dwelling	0.37	0.79	0.82	0.79	0.82	0.52	0.52
Mixed Use Comm.	1 DE per Dwelling		1 DE per Dwelling	0.37	0.79	0.82	0.79	0.82	0.59	0.51
Primary Industry	1 DE per Dwelling		1 DE per Dwelling	1 DE per Dwelling	1 DE per Dwelling		0.66 DE's per Dwelling		1.4 DE's per 27Ha	1.4 DE's per 41Ha
Restaurant/Bar	0.40	1.2	1.30	0.37	0.04	0.04	0.04	0.04	0.94	1.07

Note: A residential property is always 1 Dwelling Equivalent (DE) or has 143m² GFA and 269m² impervious surface area (ISA). Gross Floor Area (GFA) is defined, as in the Partially Operative District Plan, as 'the sum of the gross area of the several floors of all buildings on a site, measured from the exterior faces of the exterior walls, or from the centre lines of walls separating two buildings'. For the purpose of this policy this definition of GFA, excluding car parking areas, will be used.

The detailed methodology and formulas used to develop the above table are explained in the Detailed Supporting Document.

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.

Category	Building Coverage	No. of Floors
Residential	Assume 143m ² per Dwelling Unit	
Accommodation	55%	2
Commercial	75%	1
Country Dwelling	Assume 143m ² Dwelling Unit	
Other	To be individually assessed	
CBD Accommodation	80%	2

CBD Commercial	80%	2
Mixed Use Accommodation	55%	1
Mixed Use Commercial	55%	1
Primary Industry	Assume 143m ² per Dwelling Unit	
Restaurant/Bar	Use Commercial or CBD Commercial	

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.

Multi Unit Residential Developments

This relates to any development that involves the development of three or more residential units within a single site, it does not include additions, alterations or accessory buildings. When assessing the number of dwelling equivalents for multi unit developments, instead of allowing one dwelling equivalent per unit, the assessment will be done using the GFA of the development and the multi unit residential differentials shown in the above table. This method more clearly defines the impact of multi unit residential developments when compared to visitor accommodation and will make most developments of this type more affordable.

Residential Flats

When assessing the number of dwelling equivalents for residential flat developments instead of allowing one (or half) dwelling equivalent per unit the assessment will be done using the GFA of the flat and the residential flat differentials shown in the above table. This method more clearly defines the impact of residential flats and will make them more affordable.

Reserve Land Contribution

The land contribution has been assessed at 27.5m² for each residential property. At Council's discretion the contribution can be either land or cash or a combination of land and cash. In some instances, Council may accept or require a contribution to the equivalent value in the form of land or infrastructure (see Section on Remission and Postponement). Whether the financial contribution is or includes land, the value of the land shall be determined by Council. In granting the consent the Council shall in its decision give reasons for the valuation of the land.

Where a cash contribution is to be made in lieu of land, payment shall be calculated as follows:

- a) The market value of the new sites is the sale value of the sites at the date on which the subdivision consent is granted, as if the sites had been subdivided in accordance with the subdivision consent.
- b) The market value of the new sites shall be capped at \$1500 per m² and this maximum value will be reviewed by Council annually.
- c) Lots for roads, utilities, reserves, access or similar purposes shall be excluded from the calculation.
- d) Market value of a new site in the case of a stratum title under the Unit Titles Act, where the site is not situated on the ground, shall be calculated as if the site were on the ground.
- e) In Rural Zones (except for Rural Visitor Zones), where the lots created are greater than 4000m², the market value of each lot shall be the market value of the rural residential site of 4000m² within that lot, being the most likely site for a building platform.
- f) The value of the land contribution per m², in Rural Zones (except for Rural Visitor Zones) shall be the market value as defined in (e) above divided by 1000m².

The Parks Strategy, approved by council on 18 October 2002 reviewed the current land provision that has been made for parks and reserves. Each land block has been categorised

as a specific type of reserve. Policies have been established about the quantity, quality, location and size of future categories of reserves.

Historically it seems that where reserve contributions have been made in terms of land, the land in some situations has been of a poor quality, difficult topography, poor access and at times of too large or too small a size to meet any specific need. The Parks Strategy has identified that the major need in the next 20 years, assuming that development continues at its current pace, will be for neighbourhood and local reserve. The land for district reserves has been secured and developed or partly developed. Some of the existing neighbourhood reserves have been developed or are partly developed and there are a few that have yet to be created although land provision has been made. Local reserves, which provide the opportunity to preserve amenity features and create green links, will continue to be needed. Local Reserves and Neighbourhood Reserves will need to be allowed for in keeping with the terms of the policies in this Strategy. It is suggested that 5m² per person or 12.5m² per residential dwelling will provide sufficient land for Local Reserves for the purposes described above in the future. For Neighbourhood Reserves the assessment is 6m² per person or 15m² per residential dwelling.

This contribution of 27.5m² per dwelling equivalent has been reviewed and is still considered appropriate. The Parks Strategy does however need to be updated to incorporate new information such as the 2004 Growth Options Study.

Council is able to take either land or cash compensation in lieu of the land contribution or a combination of both as a condition of subdivision and development approval. Most of the existing reserve land is under developed and funding is needed to enhance reserves, particularly to provide for future population. Generally land should not be taken for reserves unless the criteria for a Neighbourhood Reserve are met or for a Local Reserve to protect amenity or landscape features, to create green corridors or to protect scenic backdrops and heritage landscapes.

An analysis of projected demand for reserve land has been completed using nine contributing areas for the district. It is expected that the total value of reserve land that will be needed over the next 10 years is estimated to be \$75.66m. This is based on the 27.5m² (12.5m² local reserves and 15m² neighbourhood reserves) desired level of service for each new dwelling equivalent. 100% of this demand can be attributed to growth and will be provided through development contributions either through the provision of land or as cash contribution. Forecasts show that 41% of this total demand is likely to be provided through the provision of vested land from developers.

The total value of reserve land that is expected to be vested in Council amounts to a total of \$31.24m for the 10 year period (2006/07 – 2015/2016), which equates to an average annual value of \$2.51m for the Wakatipu Ward and \$0.61m for Wanaka. Other than for the first three years (\$13.54m), Council has not included any provision for specific reserve purchases within its CCP 10 year capital expenditure. This is because the Asset Management Plan for Reserves at the time did not include the necessary detail to enable this. However, Council has now improved its projections in this area and has produced a reserve land acquisition programme. This detail will be included in future versions of the Parks Strategy, Activity Management Plan and CCP.

The reserve land acquisition programme is a guide only due to its reliance on average land values rather than actual land values and the effect of the statutory maximums and the land value cap. Therefore it will require frequent monitoring and adjustment.

Maximum Contributions

Section 203 of the Local Government Act 2002 allows the following maximum contributions.

“Development contributions for reserves must not exceed the greater of:

- a) 7.5% of the value of the additional allotments created by a subdivision and
 - b) the value equivalent of 20 square metres of land for each additional household unit created by the development.”
- Note: In the application of this policy, Council will ensure that the statutory maximum contributions for Reserves are not exceeded.

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 2006.
- 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 2006. 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% interest rate has been applied.
- Capital expenditure projections are those that have been applied in the CCP effective at 1 July 2006. 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.

Growth Projections

These have been estimated using the best information available. Source data can be broken down into three groups, namely:

- Growth Options Study 2004 – Council engaged services from the market place to complete its own growth study. These projections detailed residential, visitor and commercial/industrial growth. Volume 4 of the Council Community Plan (CCP) explains the results and process in detail. The results of this study have been applied to all infrastructure studies completed since including water, wastewater and roading. These

growth projections have been updated in 2005/06 using the latest Tourism Research Council projections and the results of the 2004/05 Peak Population Survey.

- Statistics New Zealand Projections (2001 Base) – Standard projections prepared by Statistics New Zealand (SNZ) following the 2001 Census.
- Site Specific Projections – One off studies completed by Council for specific projects.

The following table identifies what growth projections have been applied to different contributing areas or catchments used in specific calculations.

Growth Projections – Source Data

	Growth Projections Used
Wakatipu Ward	Updated Growth Options Study & SNZ Projections (2001 Base)
Queenstown	Updated Growth Options Study
Arrowtown	Updated Growth Options Study
Glenorchy	Site Specific and SNZ Projections (2001 Base)
Lake Hayes	Updated Growth Options Study
Arthur's Point	Updated Growth Options Study
Wanaka Ward	Updated Growth Options Study & SNZ Projections (2001 Base)
Wanaka	Updated Growth Options Study
Hawea	Site Specific and SNZ Projections (2001 Base)
Albert Town	Updated Growth Options Study
Luggate	Site Specific and SNZ Projections (2001 Base)

Council produces a six monthly dwelling capacity study. This study identifies the ultimate number of dwellings in specific areas given the existing district plan zonings. This is used as a guide to define where growth in specific contributing areas will cease. Growth projections are converted into units of demand or dwelling equivalents which are used to apportion the growth cost to define a dwelling equivalent contribution. Assessing total dwelling equivalents involves converting non-residential land uses into dwelling equivalents and adding this to the number of dwellings. This is completed using land use conversion factors.

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.

a) Annual Policy Reviews:

- Any changes to the policy direction of Council that affects this policy. This may include changes to the CCP, Revenue and Financing Policy and strategic studies.
- New information affecting the land use differential analysis.
- Inclusion of any Financial Contributions as derived from a variation to the District Plan and in particular Chapter 15.

Postponement or Remission

Council may allow for postponement or remission of contributions in the following circumstances:

- a) 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 reserve assets to vest in Council through the subdivision consent process, where they meet Council's reserve 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.
- b) Where an applicant can demonstrate that a development creates a significantly different demand on infrastructure than could usually be expected under the relevant land use category, Council will individually assess any such development taking into account the unusual demand characteristics.

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

Refunds and Reimbursement

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.

When Will Payment be required

Development contributions will be payable 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.

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.

Credits

There are three types of credits anticipated:

1. Historic Credits – 'Deemed'
2. Historic Credits – 'Cash'
3. Actual Credits

1. Historic Credits – 'Deemed'

In assessing Development Contributions the Council will determine if a site has a historic entitlement. Sites within existing contributing areas that have existed prior to financial contribution requirements and those that have already paid in full under Council policy at the time will be eligible.

Historic entitlement will be recognised and given a 'deemed' credit based on the characteristics of the site immediately preceding the proposed development. Deemed credits will be identified on the 'Development Contribution Notice' and will be converted to 'dwelling equivalents units' for each type of service (including Roadway).

The following deemed credits are anticipated (not intended as an exclusive list):

- For residential subdivisions (where the residual lot remains residential) the existing lot will be allocated a credit of one 'Dwelling Equivalent' for all available services and no Development Contribution will therefore be payable on the residual lot.
- Where a residential subdivision is developed (i.e. vacant lot built upon) one 'Dwelling Equivalent' credit for all available services will be allocated to each underlying lot.
- Redevelopment of sites containing non-residential activities will be given historical credits for all available services based on 'Dwelling Equivalents' assessed in terms of the relevant 'unit' (i.e. GFA) prior to redevelopment.
- Any excess historical credits that are identified as a result of an amalgamation of individual titles will accrue on the new amalgamated title but will lapse if not utilised within a period of three years.

2. Historic Credits – Cash

On sites that have been subdivided and contributions paid, but which have not been developed prior to the new policy being implemented, developers may request an assessment of 'cash' credits for the site.

The Council will invite applicants to submit with their applications, records of the amount(s) paid at the time of the subdivision. The Council will then take into account the actual amounts paid for each service in determining the total development contributions payable for each service.

In some instances, particularly industrial and commercial sites, the amount paid may exceed the amount required under the new policy. If there is a surplus this will be recorded on the 'Development Contribution Notice'. This cash credit may be used to off-set contributions that would otherwise be payable on future development and expansion of activities on the site. It should be noted that these credits will be specific to the service for which they were paid (i.e. not transferable between services, for example, a positive reserve contribution will not be able to off-set a water contribution). They will also be site specific (not transferable) and non refundable unless the refund provisions of the Act apply.

3. Actual Credits – Credits accrued under the new policy

The term 'actual' credit refers to credits accrued under the new policy. As indicated above, details of assessments made and payments received will be recorded on the 'Development Contribution Notice'. The balance of the 'Development Contribution Notice' may in some circumstances be positive.

The Council is able to assess the amount of contributions payable at successive stages of the development cycle (i.e. resource consent, building consent and service connection). Should the development contribution assessment be based on an estimate of the future building Gross Floor Area (GFA), which is likely to be the case at subdivision consent stage, then this assessment will be based on 75% of the maximum GFA allowed for on the site under the existing provisions of the District Plan. Council may review the percentage to be charged at this stage should the applicant satisfactorily demonstrate that the actual site utilisation will be significantly less than the estimate.

This may mean that additional contributions are assessed at the building consent stage. This approach will limit the amount of actual credits accumulated. There will be no time limit within which these credits must be used.

Delegations

The Elected Members of Council shall determine where a development or financial contribution will be sought. They have the authority to set the quantum of those contributions.

The Chief Executive will ensure the Policy is implemented.

Capital Expenditure Attributed to Growth

The following 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 residential equivalent.

Additional tables are provided which detail the debt funding ratio which will apply to each area.

Water Supply Capital Expenditure for Development Contributions (Excluding GST)

Project Summaries	Capital Cost				Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
	10 Year Total Capital Cost	Growth Funded	Funded by Other Sources	Percentage Attributable to Growth			
WATER SUPPLY - QUEENSTOWN							
Reticulation	17,628,355	17,617,284	11,071	100%	6,132,619	3,218	1,906
Pump Stations	2,843,670	2,420,596	423,074	85%	1,283,254	3,218	399
Intakes	260,322	251,945	8,377	97%	112,098	3,218	35
Storage	6,946,460	6,946,460	-	100%	3,003,664	3,218	933
Emergency Conveyance	-	-	-	0%	28,133	3,218	9
Conveyance	-	-	-	0%	-	3,218	-
Treatment Facilities	575,079	235,881	339,198	41%	196,636	3,218	61
Flow Metering	24,596	24,596	-	100%	76,012	3,218	24
Asset Management Systems	1,287,853	218,481	1,069,373	17%	282,308	3,218	88
Renewals	6,169,641	-	6,169,641	0%	-	3,218	-
Unspecified Expenditure	-	-	-	0%	58,196	3,218	18
Total Water Supply - Queenstown	35,735,976	27,715,243	8,020,734		11,172,921		3,472
WATER SUPPLY - ARROWTOWN							
Reticulation	516,548	337,266	179,282	65%	950,911	308	3,085
Pump Stations	112,333	20,884	91,449	19%	24,562	308	80
Conveyance	-	-	-	0%	-	308	-
Treatment Facilities	159,698	122,752	36,946	77%	363,435	308	1,179
Storage	33,594	33,594	-	100%	615,120	308	1,996
Intake / Bore Facilities	230,643	230,643	-	100%	270,772	308	878
Flow Metering	-	-	-	0%	3,221	308	10
Asset Management Systems	190,393	129,577	60,817	68%	162,753	308	528
Renewals	836,430	-	836,430	0%	-	308	-
Unspecified Expenditure	-	-	-	0%	83,103	308	270
Total Water Supply - Arrowtown	2,079,639	874,716	1,204,923		2,473,878		8,026

Water Supply Capital Expenditure for Development Contributions (Excluding GST) cont...

Project Summaries	Capital Cost			Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
	10 Year Total Capital Cost	Growth Funded	Funded by Other Sources				
WATER SUPPLY - GLENORCHY							
Reticulation	642,631	338,549	304,082	53%	119,503	69	1,733
Pump Station	60,549	36,329	24,220	60%	22,673	69	329
Intake	168,980	101,388	67,592	60%	63,275	69	918
Storage	263,326	157,996	105,330	60%	76,379	69	1,108
Treatment Facilities	387,137	216,779	170,357	56%	184,197	69	2,671
Flow Metering	-	-	-	0%	1,228	69	18
Asset Management Systems	127,714	46,250	81,464	36%	52,686	69	764
Renewals	13,171	-	13,171	0%	-	69	-
Unspecified Expenditure	-	-	-	0%	30,515	69	442
Total Water Supply - Glenorchy	1,663,508	897,291	766,216		550,456		7,982
WATER SUPPLY - LAKE HAYES							
New Scheme	-	-	-	0%	205,011	156	1,311
Reticulation	-	-	-	0%	627,549	156	4,013
Intake	-	-	-	0%	-	156	-
Treatment Facilities	1,697	287	1,410	17%	380	156	2
Storage	-	-	-	0%	-	156	-
Asset Management Systems	320,905	29,307	291,598	9%	36,997	156	237
Renewals	107,638	-	107,638	0%	-	156	-
Unspecified Expenditure	-	-	-	0%	400	156	3
Total Water Supply - Lake Hayes	430,239	29,595	400,645		870,337		5,565

Water Supply Capital Expenditure for Development Contributions (Excluding GST) cont...

Project Summaries	Capital Cost			Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
	10 Year Total Capital Cost	Growth Funded	Funded by Other Sources				
WATER SUPPLY – ARTHUR'S POINT							
New Scheme - Reticulation and Storage	-	-	-	0%	406,762	271	1,499
Reticulation	795,682	401,723	393,959	50%	828,377	271	3,052
Pump Station	90,000	90,000	-	100%	44,941	271	166
Treatment Facilities	116,838	52,879	63,959	45%	54,778	271	202
Storage	-	-	-	0%	-	271	-
Intake	314,626	314,626	-	100%	218,206	271	804
Flow Metering	-	-	-	0%	-	271	-
Asset Management Systems	280,899	79,317	201,582	28%	96,260	271	355
Renewals	45,050	-	45,050	0%	-	271	-
Unspecified Expenditure	-	-	-	0%	37,012	271	136
Total Water Supply - Arthur's Point	1,643,095	938,545	704,550		1,686,336		6,213
WATER SUPPLY - WANAKA/ALBERT TOWN							
Reticulation	9,751,525	9,715,566	35,958	100%	3,135,881	2,158	1,453
Pump Stations	367,005	347,005	20,000	95%	162,026	2,158	75
Intakes	35,000	8,750	26,250	25%	60,409	2,158	28
Storage	2,079,367	2,079,367	-	100%	3,864,948	2,158	1,791
Conveyance	-	-	-	0%	-	2,158	-
Treatment Facilities	180,007	142,032	37,975	79%	15,195	2,158	7
Flow Metering	-	-	-	0%	35,968	2,158	17
Decommissioning Works	-	-	-	0%	-	2,158	-
Asset Management Systems	616,538	104,592	511,946	17%	147,140	2,158	68
Renewals	2,488,974	-	2,488,974	0%	-	2,158	-
Unspecified Expenditure	-	-	-	0%	418,458	2,158	194
Total Water Supply - Wanaka/Albert Town	15,518,415	12,397,312	3,121,103		7,840,025		3,633

Water Supply Capital Expenditure for Development Contributions (Excluding GST) cont...

Project Summaries	Capital Cost			Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
	10 Year Total Capital Cost	Growth Funded	Funded by Other Sources				
WATER SUPPLY - HAWEA							
New Scheme - Hawea	-	-	-	0%	-	348	-
Reticulation - Hawea	2,412,361	2,228,249	184,112	92%	1,274,484	348	3,659
Pump Stations	178,680	178,680	-	100%	118,200	348	339
Intakes	-	-	-	0%	1,564	348	4
Storage	582,730	582,730	-	100%	177,544	348	510
Treatment Facilities	281,127	280,064	1,064	100%	265,878	348	763
Asset Management Systems	108,805	22,575	86,229	21%	27,452	348	79
Renewals	184,477	-	184,477	0%	-	348	-
Unspecified Expenditure	-	-	-	0%	9,417	348	27
Total Water Supply - Hawea	3,748,180	3,292,298	455,882		1,874,540		5,382
WATER SUPPLY - LUGGATE							
New Scheme	30,000	15,000	15,000	50%	13,703	53	257
Reticulation	-	-	-	0%	-	53	-
Intakes	-	-	-	0%	-	53	-
Storage	-	-	-	0%	-	53	-
Treatment Facilities	1,697	525	1,172	31%	15,758	53	296
Pump Stations	-	-	-	0%	-	53	-
Asset Management Systems	108,805	18,724	90,081	17%	20,946	53	393
Renewals	46,771	-	46,771	0%	-	53	-
Unspecified Expenditure	-	-	-	0%	178,406	53	3,349
Total Water Supply - Luggate	187,273	34,249	153,024		228,813		4,295

Water Supply – Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Debt	Debt %
QUEENSTOWN									
QT	Existing Debt			2,272,896					
QT	2006	967,102	358,200	2,631,096	297	1,030,284	1,030,284	1,600,812	6%
QT	2007	4,067,067	2,858,167	5,489,262	309	1,072,434	2,102,718	3,386,544	12%
QT	2008	1,020,492	513,699	6,002,962	322	1,116,308	3,219,026	2,783,936	10%
QT	2009	2,317,293	1,540,254	7,543,216	335	1,161,977	4,381,003	3,162,213	11%
QT	2010	3,657,512	2,877,167	10,420,382	348	1,209,514	5,590,517	4,829,865	17%
QT	2011	9,451,942	8,648,397	19,068,779	301	1,043,302	6,633,819	12,434,960	45%
QT	2012	3,620,365	2,843,123	21,911,902	311	1,078,672	7,712,491	14,199,411	51%
QT	2013	3,374,605	2,597,368	24,509,270	321	1,115,241	8,827,732	15,681,538	57%
QT	2014	3,164,523	2,261,018	26,770,288	332	1,153,049	9,980,781	16,789,507	61%
QT	2015	4,095,076	3,217,851	29,988,139	343	1,192,140	11,172,921	18,815,218	68%
			27,715,243				Queenstown Weighted Debt Funding Ratio		50%
ARROWTOWN									
AT	Existing Debt			1,011,240					
AT	2006	205,002	128,103	1,139,343	40	323,541	323,541	815,802	93%
AT	2007	751,981	564,344	1,703,687	41	332,220	655,761	1,047,926	120%
AT	2008	71,036	1,061	1,704,748	43	341,132	996,893	707,855	81%
AT	2009	113,975	298	1,705,047	44	350,284	1,347,177	357,870	41%
AT	2010	114,292	289	1,705,336	45	359,681	1,706,857	- 1,521	0%
AT	2011	116,692	469	1,705,805	19	150,095	1,856,953	- 151,148	-17%
AT	2012	113,917	181	1,705,986	19	151,732	2,008,685	- 302,698	-35%
AT	2013	328,595	145,840	1,851,826	19	153,386	2,162,071	- 310,244	-35%
AT	2014	116,654	388	1,852,214	19	155,058	2,317,129	- 464,915	-53%
AT	2015	147,495	33,742	1,885,956	20	156,749	2,473,878	- 587,922	-67%
			874,716				Arrowtown Weighted Debt Funding Ratio		100%

Water Supply – Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Debt	Debt %
GLENORCHY									
GY	Existing Debt			128,918					
GY	2006	484,184	282,181	411,098	6	48,612	48,612	362,486	40%
GY	2007	42,267	9,892	420,990	6	50,176	98,787	322,203	36%
GY	2008	11,036	1,593	422,584	6	51,790	150,577	272,007	30%
GY	2009	609,550	364,066	786,650	7	53,456	204,033	582,617	65%
GY	2010	4,286	610	787,260	7	55,176	259,209	528,051	59%
GY	2011	8,893	1,256	788,516	7	54,756	313,965	474,552	53%
GY	2012	10,262	497	789,013	7	56,449	370,414	418,599	47%
GY	2013	314,034	155,674	944,688	7	58,195	428,609	516,078	58%
GY	2014	175,352	81,078	1,025,766	8	59,996	488,605	537,161	60%
GY	2015	3,643	443	1,026,209	8	61,851	550,456	475,753	53%
			897,291					Glenorchy Weighted Debt Funding Ratio	52%
LAKE HAYES									
LH	Existing Debt			2,247,657					
LH	2006	115,055	11,954	2,259,611	15	81,956	81,956	2,177,655	7358%
LH	2007	159,867	14,365	2,273,976	15	83,529	165,485	2,108,490	7125%
LH	2008	23,062	982	2,274,958	15	85,133	250,618	2,024,340	6840%
LH	2009	18,012	321	2,275,279	16	86,767	337,385	1,937,894	6548%
LH	2010	18,364	374	2,275,653	16	88,433	425,817	1,849,836	6251%
LH	2011	20,897	769	2,276,423	15	85,716	511,534	1,764,889	5964%
LH	2012	18,011	254	2,276,677	16	87,281	598,815	1,677,862	5669%
LH	2013	18,016	193	2,276,870	16	88,875	687,690	1,589,179	5370%
LH	2014	20,932	317	2,277,186	16	90,497	778,187	1,498,999	5065%
LH	2015	18,025	66	2,277,252	17	92,150	870,337	1,406,915	4754%
			29,595					Lake Hayes Weighted Debt Funding Ratio	100%

Water Supply – Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Debt	Debt %
ARTHURS POINT									
AP	Existing Debt			1,459,586					
AP	2006	202,227	55,942	1,515,529	22	136,284	136,284	1,379,245	147%
AP	2007	42,267	12,033	1,527,562	24	146,065	282,349	1,245,212	133%
AP	2008	1,215,943	761,209	2,288,770	25	156,548	438,897	1,849,873	197%
AP	2009	3,643	976	2,289,747	27	167,783	606,680	1,683,067	179%
AP	2010	17,323	1,112	2,290,859	29	179,824	786,504	1,504,356	160%
AP	2011	119,435	102,503	2,393,362	26	159,786	946,290	1,447,072	154%
AP	2012	14,885	900	2,394,262	27	169,294	1,115,584	1,278,679	136%
AP	2013	3,643	886	2,395,148	29	179,367	1,294,950	1,100,197	117%
AP	2014	20,086	2,127	2,397,275	31	190,039	1,484,990	912,285	97%
AP	2015	3,643	857	2,398,131	32	201,347	1,686,336	711,795	76%
			938,545	Arthur's Point Weighted Debt Funding Ratio				100%	
WANAKA & ALBERT TOWN									
WA	Existing Debt			2,948,620					
WA	2006	383,936	96,263	3,044,883	169	612,720	612,720	2,432,162	20%
WA	2007	1,562,081	1,136,608	4,181,491	175	636,415	1,249,136	2,932,355	24%
WA	2008	6,170,849	5,852,157	10,033,648	182	661,027	1,910,163	8,123,485	66%
WA	2009	1,115,304	820,823	10,854,470	189	686,590	2,596,752	8,257,718	67%
WA	2010	422,193	126,172	10,980,642	196	713,142	3,309,894	7,670,748	62%
WA	2011	2,419,835	2,112,951	13,093,593	187	680,392	3,990,287	9,103,307	73%
WA	2012	297,805	3,159	13,096,752	194	704,562	4,694,848	8,401,904	68%
WA	2013	679,468	384,729	13,481,480	201	729,589	5,424,437	8,057,043	65%
WA	2014	1,765,025	1,457,461	14,938,941	208	755,506	6,179,943	8,758,998	71%
WA	2015	701,919	406,991	15,345,932	215	782,343	6,962,286	8,383,646	68%
			12,397,312	Wanaka Weighted Debt Funding Ratio				64%	

Water Supply – Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Debt	Debt %
HAWEA									
HA	Existing Debt			193,379					
HA	2006	33,973	4,842	198,221	31	166,529	166,529	31,693	1%
HA	2007	108,858	64,854	263,075	33	175,343	341,872	- 78,797	-2%
HA	2008	2,560,180	2,367,374	2,630,449	34	184,624	526,496	2,103,953	64%
HA	2009	27,193	745	2,631,194	36	194,397	720,893	1,910,301	58%
HA	2010	27,563	844	2,632,038	38	204,686	925,579	1,706,458	52%
HA	2011	80,837	52,234	2,684,271	32	174,230	1,099,809	1,584,462	48%
HA	2012	559,332	532,846	3,217,117	34	181,685	1,281,494	1,935,623	59%
HA	2013	27,145	649	3,217,767	35	189,459	1,470,953	1,746,813	53%
HA	2014	30,211	1,537	3,219,304	37	197,566	1,668,520	1,550,784	47%
HA	2015	292,889	266,374	3,485,678	38	206,020	1,874,540	1,611,138	49%
			3,292,298				Hawea Weighted Debt Funding Ratio		54%
LUGGATE									
LG	Existing Debt			94,458					
LG	2006	54,977	19,343	113,801	5	20,622	20,622	93,179	272%
LG	2007	42,267	7,406	121,207	5	21,454	42,075	79,132	231%
LG	2008	12,962	1,887	123,094	5	22,319	64,395	58,699	171%
LG	2009	3,643	607	123,701	5	23,220	87,614	36,087	105%
LG	2010	19,178	696	124,398	6	24,156	111,771	12,627	37%
LG	2011	8,893	1,407	125,804	5	21,825	133,595	- 7,791	-23%
LG	2012	16,451	560	126,364	5	22,589	156,184	- 29,820	-87%
LG	2013	3,643	544	126,908	5	23,381	179,565	- 52,657	-154%
LG	2014	21,616	1,288	128,196	6	24,200	203,765	- 75,569	-221%
LG	2015	3,643	511	128,707	6	25,048	228,813	- 100,106	-292%
			34,249				Luggate Debt Funding Ratio		84%

Wastewater Capital Expenditure for Development Contributions (Excluding GST)

Project Summaries	Capital Cost			Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
	10 Year Total Capital Cost	Growth Funded	Funded by Other Sources				
WASTEWATER QUEENSTOWN							
Reticulation	9,472,919	5,912,897	3,560,022	62%	2,391,210	3,060	781
Pump Stations	15,575,773	14,917,161	658,612	96%	6,393,217	3,060	2,089
Treatment Facilities	6,971,019	3,202,543	3,768,476	46%	1,621,357	3,060	530
Management	660,218	212,331	447,888	32%	241,641	3,060	79
Renewals	1,459,012	-	1,459,012	0%	-	3,060	-
Unspecified Expenditure	-	-	-	0%	910,938	3,060	298
Total WASTEWATER - Queenstown	34,138,941	24,244,932	9,894,010		11,558,363		3,777
WASTEWATER - ARROWTOWN							
Reticulation	3,180,806	666,056	2,514,749	21%	1,004,868	245	4,104
Pump Stations	274,291	229,192	45,099	84%	166,809	245	681
Treatment Facilities	701,874	233,078	468,796	33%	193,594	245	791
Management	40,128	2,623	37,505	7%	11,396	245	47
Renewals	653,386	-	653,386	0%	7,452	245	30
Unspecified Expenditure	-	-	-	0%	9,742	245	40
Total WASTEWATER - Arrowtown	4,850,484	1,130,950	3,719,535		1,393,862		5,692
WASTEWATER - LAKE HAYES							
Reticulation	1,564,864	468,062	1,096,802	30%	1,232,682	188	6,550
Pump Station	166,809	121,721	45,089	73%	124,704	188	663
Treatment Facilities	363,720	120,784	242,936	33%	113,816	188	605
Management	90,128	10,392	79,735	12%	13,116	188	70
Unspecified Expenditure	-	-	-	0%	-	188	-
Total WASTEWATER - Lake Hayes	2,185,521	720,959	1,464,562		1,484,318		7,887
WASTEWATER - ARTHURS POINT							
Reticulation	90,000	-	90,000	0%	1,260,352	271	4,652
Pump Station	62,380	44,736	17,644	72%	6,228	271	23
Treatment Facilities	345,361	114,688	230,673	33%	113,627	271	419
Management	40,128	10,283	29,845	26%	15,482	271	57
Renewals	376,220	-	376,220	0%	-	271	-
Unspecified Expenditure	-	-	-	0%	23,153	271	85
Total WASTEWATER - Arthurs Point	914,088	169,707	744,382		1,418,841		5,236

Wastewater Capital Expenditure for Development Contributions (Excluding GST) cont...

Project Summaries	Capital Cost				Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
	10 Year Total Capital Cost	Growth Funded	Funded by Other Sources	Percentage Attributable to Growth			
WASTEWATER - WANAKA							
Reticulation	6,318,354	3,503,643	2,814,711	55%	2,229,674	1,787	1,248
Pump Stations	4,242,305	3,954,371	287,934	93%	1,974,271	1,787	1,105
Treatment Facilities	17,127,071	9,573,025	7,554,046	56%	5,865,936	1,787	3,282
Management	421,340	68,303	353,037	16%	92,034	1,787	51
Renewals	705,522	-	705,522	0%	2,202	1,787	1
Unspecified Expenditure	-	-	-	0%	447,194	1,787	250
Total WASTEWATER - Wanaka	28,814,592	17,099,342	11,715,250		10,611,311		5,937
WASTEWATER - HAWEA							
Reticulation	1,679,014	1,242,933	436,081	74%	779,343	324	2,404
Pump Stations	481,725	447,827	33,898	93%	216,300	324	667
Treatment Facilities	300,000	151,949	148,051	51%	130,474	324	403
Management	40,128	7,994	32,133	20%	12,441	324	38
Renewals	215,480	-	215,480	0%	-	324	-
Unspecified Expenditure	-	-	-	0%	36,279	324	112
Total WASTEWATER - Hawea	2,716,347	1,850,704	865,643		1,174,837		3,625
WASTEWATER - ALBERT TOWN							
Reticulation	652,369	463,633	188,736	71%	289,741	226	1,280
Pump Stations	211,491	211,491	-	100%	211,407	226	934
Treatment Facilities	1,903,008	694,140	1,208,868	36%	558,255	226	2,465
Management	40,128	6,489	33,639	16%	9,253	226	41
Renewals	155,890	-	155,890	0%	-	226	-
Unspecified Expenditure	-	-	-	0%	13,777	226	61
Total WASTEWATER - Albert Town	2,962,886	1,375,753	1,587,133		1,082,433		4,780

Wastewater – Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Debt Balance	Debt %
QUEENSTOWN									
QT	Existing Debt			2,465,189					
QT	2006	6,957,482	5,372,900	7,838,089	281	1,060,102	1,060,102	6,777,987	28%
QT	2007	6,880,349	5,799,454	13,637,543	293	1,106,428	2,166,530	11,471,013	47%
QT	2008	2,474,664	1,528,280	15,165,824	306	1,154,779	3,321,309	11,844,515	49%
QT	2009	1,097,681	374,399	15,540,223	319	1,205,243	4,526,552	11,013,671	45%
QT	2010	3,326,002	1,698,467	17,238,690	333	1,257,912	5,784,464	11,454,226	47%
QT	2011	4,808,639	2,476,259	19,714,949	285	1,075,040	6,859,504	12,855,445	53%
QT	2012	1,376,557	931,165	20,646,114	295	1,113,509	7,973,013	12,673,101	52%
QT	2013	1,639,154	1,049,704	21,695,818	305	1,153,354	9,126,366	12,569,452	52%
QT	2014	534,049	282,324	21,978,142	316	1,194,624	10,320,991	11,657,152	48%
QT	2015	5,044,365	4,731,979	26,710,121	328	1,237,372	11,558,363	15,151,758	62%
			24,244,932				Queenstown Weighted Debt Funding Ratio		50%
ARROWTOWN									
AT	Existing Debt			2,762,425					
AT	2006	2,768,523	508,144	3,270,568	39	219,731	219,731	3,050,837	270%
AT	2007	295,424	84,281	3,354,849	40	225,550	445,281	2,909,568	257%
AT	2008	224,981	32,999	3,387,849	41	231,523	676,804	2,711,045	240%
AT	2009	158,271	23,657	3,411,505	42	237,654	914,457	2,497,048	221%
AT	2010	311,401	84,928	3,496,433	43	243,947	1,158,404	2,338,029	207%
AT	2011	621,133	248,161	3,744,595	8	46,629	1,205,033	2,539,561	225%
AT	2012	88,054	70	3,744,665	8	46,859	1,251,893	2,492,772	220%
AT	2013	193,762	74,183	3,818,848	8	47,090	1,298,983	2,519,865	223%
AT	2014	57,940	144	3,818,992	8	47,323	1,346,306	2,472,686	219%
AT	2015	130,997	74,382	3,893,374	8	47,556	1,393,862	2,499,513	221%
			1,130,950				Arrowtown Debt Funding Ratio		100%

Wastewater – Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Debt Balance	Debt %
LAKE HAYES									
LH	Existing Debt			2,859,878					
LH	2006	1,569,002	468,597	3,328,475	20	159,763	159,763	3,168,713	440%
LH	2007	80,553	7,021	3,335,496	21	164,251	324,014	3,011,482	418%
LH	2008	154,908	57,365	3,392,861	21	168,865	492,879	2,899,982	402%
LH	2009	78,942	12,445	3,405,306	22	173,609	666,488	2,738,818	380%
LH	2010	158,613	44,431	3,449,737	23	178,487	844,975	2,604,762	361%
LH	2011	320,374	129,909	3,579,646	16	123,137	968,112	2,611,534	362%
LH	2012	42,557	240	3,579,885	16	125,459	1,093,571	2,486,314	345%
LH	2013	31,195	248	3,580,134	16	127,824	1,221,395	2,358,739	327%
LH	2014	32,447	437	3,580,571	17	130,234	1,351,629	2,228,943	309%
LH	2015	31,204	266	3,580,838	17	132,689	1,484,318	2,096,520	291%
			720,959				Lake Hayes Debt Funding Ratio		100%
ARTHURS POINT									
AP	Existing Debt			883,298					
AP	2006	45,656	1,148	884,446	22	113,096	113,096	771,350	455%
AP	2007	66,159	2,120	886,566	23	120,691	233,787	652,779	385%
AP	2008	83,053	1,629	888,195	25	128,796	362,583	525,613	310%
AP	2009	95,474	12,232	900,427	26	137,445	500,028	400,399	236%
AP	2010	154,896	36,318	936,745	28	146,675	646,703	290,042	171%
AP	2011	259,565	68,652	1,005,397	26	137,277	783,980	221,417	130%
AP	2012	51,007	631	1,006,028	28	145,362	929,341	76,686	45%
AP	2013	37,404	618	1,006,646	29	153,923	1,083,264	- 76,618	-45%
AP	2014	38,743	1,030	1,007,676	31	162,989	1,246,253	- 238,577	-141%
AP	2015	82,132	45,329	1,053,004	33	172,588	1,418,841	- 365,837	-216%
			169,707				Arthurs Point Debt Funding Ratio		100%

Wastewater – Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Debt Balance	Debt %
WANAKA									
WA	Existing Debt			915,313					
WA	2006	1,157,085	561,393	1,476,707	157	932,676	932,676	544,030	3%
WA	2007	6,879,597	4,075,353	5,552,060	163	970,000	1,902,677	3,649,383	21%
WA	2008	5,657,162	3,029,367	8,581,427	170	1,008,818	2,911,495	5,669,932	33%
WA	2009	6,546,258	3,620,723	12,202,150	177	1,049,190	3,960,685	8,241,465	48%
WA	2010	906,791	545,817	12,747,967	184	1,091,176	5,051,861	7,696,106	45%
WA	2011	339,114	150,794	12,898,761	174	1,033,728	6,085,589	6,813,172	40%
WA	2012	1,985,094	1,365,012	14,263,773	180	1,071,410	7,156,999	7,106,774	42%
WA	2013	1,444,625	1,058,663	15,322,436	187	1,110,466	8,267,465	7,054,971	41%
WA	2014	3,577,211	2,499,194	17,821,631	194	1,150,945	9,418,410	8,403,220	49%
WA	2015	321,655	193,024	18,014,655	201	1,192,900	10,611,311	7,403,344	43%
			17,099,342				Wanaka Weighted Debt Funding Ratio		42%
HAWEA									
HA	Existing Debt			290,909					
HA	2006	80,096	17,710	308,619	29	104,484	104,484	204,135	11%
HA	2007	20,461	1,710	310,329	30	109,997	214,481	95,848	5%
HA	2008	29,457	1,295	311,624	32	115,801	330,281	-	-1%
HA	2009	470,478	299,698	611,322	34	121,911	452,192	159,130	9%
HA	2010	1,461,147	1,088,975	1,700,298	35	128,343	580,536	1,119,762	61%
HA	2011	547,557	439,194	2,139,492	30	109,150	689,686	1,449,806	78%
HA	2012	50,250	473	2,139,965	31	113,803	803,488	1,336,476	72%
HA	2013	5,671	459	2,140,424	33	118,653	922,142	1,218,282	66%
HA	2014	45,558	757	2,141,181	34	123,711	1,045,853	1,095,329	59%
HA	2015	5,671	431	2,141,613	36	128,984	1,174,837	966,776	52%
			1,850,704				Hawea Weighted Debt Funding Ratio		63%
ALBERT TOWN									
AB	Existing Debt			191,175					
AB	2006	137,366	40,674	231,850	20	93,929	93,929	137,921	10%
AB	2007	622,395	233,281	465,130	20	97,693	191,622	273,508	20%
AB	2008	621,590	218,898	684,028	21	101,609	293,231	390,797	28%
AB	2009	639,252	207,931	891,959	22	105,681	398,912	493,047	36%
AB	2010	88,525	73,014	964,973	23	109,917	508,828	456,145	33%
AB	2011	774,743	600,321	1,565,294	22	106,470	615,299	949,996	69%
AB	2012	36,125	400	1,565,695	23	110,444	725,743	839,952	61%
AB	2013	4,631	367	1,566,062	24	114,567	840,310	725,752	53%
AB	2014	6,441	567	1,566,629	25	118,843	959,153	607,475	44%
AB	2015	31,819	299	1,566,928	26	123,279	1,082,433	484,496	35%
			1,375,753				Albert Town Weighted Debt Funding Ratio		47%

Stormwater Capital Expenditure for Development Contributions (Excluding GST)

Project Summaries	Capital Cost			Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
	10 Year Total Capital Cost	Growth Funded	Funded by Other Sources				
STORMWATER - QUEENSTOWN							
Sunshine Bay - Upgrades	133,000	69,181	63,819	52%	363,730	3,492	104
Fernhill - Upgrades	61,000	28,060	32,940	46%	135,653	3,492	39
Queenstown - Frankton - Upgrades	-	-	-	0%	35,057	3,492	10
Frankton - Upgrades	131,880	60,665	71,215	46%	103,754	3,492	30
Lake Hayes - Upgrades	5,880	1,530	4,351	26%	941	3,492	-
Queenstown - Upgrades	175,321	57,492	117,829	33%	569,422	3,492	163
Horne Creek Catchment - Upgrades	200,000	82,617	117,383	41%	66,563	3,492	19
Kelvin Peninsula - Upgrades	260,000	134,400	125,600	52%	309,563	3,492	89
Minor Works, Projects, GIS	1,631,755	-	1,631,755	0%	21,968	3,492	6
Treatment Facilities	499,520	231,569	267,951	46%	112,075	3,492	32
Flood Protection	-	-	-	0%	287,483	3,492	82
Asset Management	557,192	251,957	305,235	45%	136,727	3,492	39
Investigations	7,615	599	7,016	8%	36,950	3,492	11
TOTAL STORMWATER - QUEENSTOWN	3,663,164	918,071	2,745,093		2,179,885		624
STORMWATER - ARROWTOWN							
Arrowtown - Upgrades	158,269	19,222	139,047	12%	86,306	321	269
Minor Works	92,819	-	92,819	0%	14	321	-
Treatment Facilities	30,000	4,688	25,312	16%	2,157	321	7
Flood Protection	-	-	-	0%	-	321	-
Investigations	1,666	-	1,666	0%	1,556	321	5
TOTAL STORMWATER - ARROWTOWN	282,754	23,911	258,844		90,032		281
STORMWATER - GLENORCHY							
Glenorchy - Upgrades	253,738	119,925	133,813	47%	99,138	98	1,009
Treatment Facilities	30,000	9,474	20,526	32%	732	98	7
Flood Protection	90,000	32,045	57,955	36%	15,753	98	160
Investigations	281	6	275	2%	7	98	-
TOTAL STORMWATER - GLENORCHY	374,019	161,450	212,569		115,629		1,177
STORMWATER - ARTHURS POINT							
Arthurs Point - Upgrades	102,661	63,659	39,002	62%	33,109	223	148
Treatment Facilities	-	-	-	0%	-	223	-
Flood Protection	-	-	-	0%	-	223	-
Investigations	18,218	9,229	8,989	51%	9,863	223	44
TOTAL STORMWATER - ARTHURS POINT	120,879	72,888	47,991		42,972		192

Stormwater Capital Expenditure for Development Contributions (Excluding GST) cont...

Project Summaries	Capital Cost			Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
	10 Year Total Capital Cost	Growth Funded	Funded by Other Sources				
STORMWATER - WANAKA							
Wanaka - Upgrades	864,080	289,141	574,939	33%	1,385,035	1,952	710
Minor Works	1,126,145	-	1,126,145	0%	26,581	1,952	14
Treatment Facilities	319,520	122,916	196,604	38%	70,732	1,952	36
Flood Protection	50,600	23,276	27,324	46%	24,551	1,952	13
Asset Management	536,336	204,282	332,054	38%	144,571	1,952	74
Investigations	4,585	287	4,299	6%	29,272	1,952	15
TOTAL STORMWATER - WANAKA	2,901,266	639,901	2,261,366		1,680,742		861
STORMWATER - HAWEA							
Hawea - Upgrades	301,731	123,689	178,042	41%	133,570	338	396
Treatment Facilities	30,000	11,482	18,518	38%	791	338	2
Flood Protection	0	-	0	0%	-	338	-
Investigations	606	75	532	12%	75	338	-
Minor Works	86,045	-	86,045	0%	-	338	-
TOTAL STORMWATER - HAWEA	418,382	135,245	283,137		134,436		398
STORMWATER - ALBERT TOWN							
Albert Town - Upgrades	181,541	63,198	118,343	35%	141,211	221	640
Treatment Facilities	30,000	8,229	21,771	27%	3,066	221	14
Flood Protection	180,000	49,374	130,626	27%	45,878	221	208
Investigations	404	48	356	12%	3,718	221	17
Minor Works	92,806	-	92,806	0%	-	221	-
TOTAL STORMWATER - ALBERT TOWN	484,751	120,849	363,901		193,874		879

Stormwater – Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Debt Balance	Debt %
QUEENSTOWN									
QT	Existing Debt			1,670,111					
QT	2006	710,745	292,706	1,962,816	319	198,870	198,870	1,763,946	192%
QT	2007	497,302	178,831	2,141,648	333	207,754	406,624	1,735,023	189%
QT	2008	401,798	111,355	2,253,002	348	217,035	623,660	1,629,342	177%
QT	2009	321,938	66,597	2,319,599	363	226,731	850,391	1,469,208	160%
QT	2010	286,770	47,059	2,366,658	379	236,860	1,087,251	1,279,406	139%
QT	2011	298,420	52,781	2,419,439	325	203,079	1,290,330	1,129,109	123%
QT	2012	283,556	42,336	2,461,775	337	210,525	1,500,855	960,920	105%
QT	2013	283,210	40,901	2,502,676	350	218,244	1,719,099	783,577	85%
QT	2014	296,935	47,587	2,550,263	362	226,245	1,945,344	604,919	66%
QT	2015	282,489	37,918	2,588,181	376	234,541	2,179,885	408,296	44%
			918,071				Queenstown Weighted Debt Funding Ratio		100%
ARROWTOWN									
AT	2006	25,825	2,491	2,491	42	11,669	11,669	- 9,178	-38%
AT	2007	17,510	-	2,491	43	11,980	23,650	- 21,159	-88%
AT	2008	17,419	-	2,491	44	12,299	35,949	- 33,458	-140%
AT	2009	12,000	-	2,491	45	12,627	48,576	- 46,085	-193%
AT	2010	42,000	4,688	7,179	46	12,964	61,540	- 54,360	-227%
AT	2011	12,000	-	7,179	20	5,573	67,112	- 59,933	-251%
AT	2012	12,000	-	7,179	20	5,635	72,747	- 65,568	-274%
AT	2013	12,000	-	7,179	20	5,698	78,445	- 71,266	-298%
AT	2014	120,000	16,731	23,911	21	5,761	84,206	- 60,296	-252%
AT	2015	12,000	-	23,911	21	5,826	90,032	- 66,121	-277%
			23,911				Arrowsmith Debt Funding Ratio		0%

Stormwater – Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Debt Balance	Debt %
GLENORCHY									
GY	2006	89,044	48,882	48,882	9	10,490	10,490	38,393	24%
GY	2007	55,494	31,582	80,464	9	10,845	21,335	59,130	37%
GY	2008	1,480	239	80,704	10	11,213	32,547	48,156	30%
GY	2009	-	-	80,704	10	11,593	44,140	36,564	23%
GY	2010	54,000	20,710	101,414	10	11,985	56,125	45,288	28%
GY	2011	-	-	101,414	10	11,194	67,319	34,094	21%
GY	2012	90,000	32,045	133,458	10	11,537	78,856	54,602	34%
GY	2013	54,000	18,517	151,976	10	11,890	90,746	61,230	38%
GY	2014	-	-	151,976	10	12,254	103,000	48,976	30%
GY	2015	30,000	9,474	161,450	11	12,629	115,629	45,821	28%
								Glenorchy Weighted Debt Funding Ratio	30%
ARTHURS POINT									
AP	2006	1,389	583	583	18	3,411	3,411	2,829	-4%
AP	2007	19,220	9,687	10,270	19	3,707	7,118	3,151	4%
AP	2008	19,270	12,193	22,462	21	4,029	11,147	11,315	16%
AP	2009	81,000	50,426	72,888	23	4,378	15,525	57,363	79%
AP	2010	-	-	72,888	25	4,758	20,283	52,605	72%
AP	2011	-	-	72,888	21	3,972	24,255	48,633	67%
AP	2012	-	-	72,888	22	4,237	28,492	44,396	61%
AP	2013	-	-	72,888	23	4,519	33,011	39,878	55%
AP	2014	-	-	72,888	25	4,820	37,831	35,058	48%
AP	2015	-	-	72,888	27	5,141	42,972	29,916	41%
								Arthurs Point Weighted Debt Funding Ratio	61%

Stormwater – Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Debt Balance	Debt %
WANAKA									
WA	Existing Debt			882,895					
WA	2006	380,966	136,119	1,019,014	171	147,609	147,609	871,405	136%
WA	2007	271,186	65,661	1,084,675	178	153,502	301,110	783,565	122%
WA	2008	430,747	118,764	1,203,439	185	159,630	460,740	742,698	116%
WA	2009	428,518	100,492	1,303,931	193	166,003	626,744	677,187	106%
WA	2010	359,149	75,871	1,379,802	201	172,631	799,374	580,428	91%
WA	2011	215,089	35,845	1,415,647	190	163,884	963,258	452,388	71%
WA	2012	201,202	27,165	1,442,812	197	169,857	1,133,116	309,696	48%
WA	2013	200,833	25,869	1,468,681	204	176,048	1,309,164	159,518	25%
WA	2014	213,508	30,941	1,499,622	212	182,464	1,491,628	7,994	1%
WA	2015	200,069	23,174	1,522,796	220	189,114	1,680,742	- 157,946	-25%
			639,901						
							Wanaka Weighted Debt Funding Ratio		100%
HAWEA									
HA	2006	55,740	30,057	30,057	30	11,948	11,948	18,109	13%
HA	2007	3,284	952	31,009	32	12,580	24,528	6,481	5%
HA	2008	39,359	896	31,905	33	13,244	37,772	- 5,868	-4%
HA	2009	-	-	31,905	35	13,944	51,717	- 19,812	-15%
HA	2010	-	-	31,905	37	14,681	66,398	- 34,494	-26%
HA	2011	-	-	31,905	31	12,494	78,892	- 46,987	-35%
HA	2012	-	-	31,905	33	13,027	91,919	- 60,014	-44%
HA	2013	50,000	-	31,905	34	13,584	105,503	- 73,598	-54%
HA	2014	-	-	31,905	36	14,164	119,667	- 87,762	-65%
HA	2015	270,000	103,341	135,245	37	14,769	134,436	810	1%
			135,245						
							Hawea Debt Funding Ratio		0%
ALBERT TOWN									
AB	2006	27,937	11,997	11,997	19	16,339	16,339	- 4,342	-4%
AB	2007	70,497	10,741	22,738	19	17,143	33,482	- 10,744	-9%
AB	2008	2,190	318	23,056	20	17,986	51,468	- 28,412	-24%
AB	2009	32,400	12,042	35,098	21	18,870	70,338	- 35,240	-29%
AB	2010	-	-	35,098	23	19,798	90,136	- 55,038	-46%
AB	2011	24,000	7,727	42,825	22	18,966	109,102	- 66,277	-55%
AB	2012	117,727	20,420	63,246	23	19,818	128,920	- 65,674	-54%
AB	2013	210,000	57,604	120,849	24	20,707	149,627	- 28,778	-24%
AB	2014	-	-	120,849	25	21,637	171,265	- 50,415	-42%
AB	2015	-	-	120,849	26	22,609	193,874	- 73,024	-60%
			120,849						
							Albert Town Debt Funding Ratio		0%

Reserve Improvements & Community Facilities – Capital Expenditure for Development Contributions (Excluding GST)

Project Summaries (GL Area)	Capital Cost			Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
	10 Year Total Capital Cost	Growth Funded	Funded by Other Sources				
RESERVE IMPROVEMENTS – WAKATIPU							
1101	11,185,000	7,359,000	3,826,000	66%	6,446,471	5103	1,263
1102	4,865,000	3,122,000	1,743,000	64%	1,749,589	5103	343
2101	10,815,000	-	10,815,000	0%	90,079	5103	18
2120	1,745,000	1,192,500	552,500	68%	597,420	5103	117
	28,610,000	11,673,500	16,936,500		8,883,559		1,741
RESERVE IMPROVEMENTS - WANAKA							
1151	6,635,000	3,980,000	2,655,000	60%	3,851,693	3805	1,012
1152	2,520,000	2,019,000	501,000	80%	1,079,257	3805	284
2151	2,723,000	-	2,723,000	0%	934,571	3805	246
2152	-	-	-	0%	3,601	3805	1
2170	365,000	345,000	20,000	95%	150,906	3805	40
	12,243,000	6,344,000	5,899,000		6,020,029		1,582
RESERVE IMPROVEMENTS - WAKATIPU/WANAKA							
1101	1,965,000	353,500	1,611,500	18%	153,943	8908	17
1151	300,000	300,000	-	100%	6,504	8908	1
2203	-	-	-	0%	-	8908	-
	2,265,000	653,500	1,611,500		160,447		18
COMMUNITY FACILITIES - WAKATIPU							
2103	-	-	-	0%	113,931	5103	22
2160	897,500	25,000	872,500	3%	187,247	5103	37
2201	-	-	-	0%	699,035	5103	137
2202	-	-	-	0%	-	5103	-
2203	-	-	-	0%	-	5103	-
2204	127,000	40,000	87,000	31%	33,675	5103	7
2205	589,500	555,000	34,500	94%	175,986	5103	34
2206	17,399,997	8,311,766	9,088,231	48%	1,968,582	5103	386
2302	-	-	-	0%	134,414	5103	26
2311	2,690,000	1,770,000	920,000	66%	1,328,607	5103	260
2504	13,213,140	7,692,292	5,520,848	58%	3,056,319	5103	599
2601	2,117,163	1,199,393	917,771	57%	952,034	5103	187
2602	602,881	301,500	301,381	50%	193,992	5103	38
2603	116,547	-	116,547	0%	2,354	5103	-
2606	69,188	-	69,188	0%	780	5103	-
	37,822,917	19,894,950	17,927,967		8,846,956		1,734

Reserve Improvements & Community Facilities – Capital Expenditure for Development Contributions (Excluding GST) cont...

Project Summaries (GL Area)	Capital Cost			Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
	10 Year Total Capital Cost	Growth Funded	Funded by Other Sources				
COMMUNITY FACILITIES – WANAKA							
2161	914,500	3,000	911,500	0%	187,532	3805	49
2251	-	-	-	0%	1,338,723	3805	352
2252	550,000	500,000	50,000	91%	210,658	3805	55
2253	86,500	25,000	61,500	29%	10,446	3805	3
2254	70,000	20,000	50,000	29%	38,029	3805	10
2255	175,000	-	175,000	0%	1,450,489	3805	381
2361	700,000	135,000	565,000	19%	258,932	3805	68
2504	25,000	-	25,000	0%	15,856	3805	4
2651	780,508	345,607	434,900	44%	298,511	3805	78
2652	261,000	203,000	58,000	78%	105,619	3805	28
	3,562,508	1,231,607	2,330,900		3,914,794		1,029
COMMUNITY FACILITIES - WAKATIPU/WANAKA							
2202	2,375,000	969,310	1,405,690	41%	2,727,607	8908	306
2203	167,500	51,250	116,250	31%	13,736	8908	2
2502	-	-	-	0%	71,790	8908	8
	2,542,500	1,020,560	1,521,940		2,813,133		316

Reserve Improvements & Community Facilities - Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Cost Balance	Debt %
WAKATIPU - Reserve Improvements									
Wakatipu	Existing Debt			1,060,664.18					
Wakatipu	2006	6,733,000	1,715,000	2,775,664	464	820,902	820,902	1,954,762	17%
Wakatipu	2007	5,021,000	1,012,000	3,787,664	484	856,159	1,677,061	2,110,603	18%
Wakatipu	2008	4,896,000	1,305,000	5,092,664	505	892,931	2,569,992	2,522,672	22%
Wakatipu	2009	2,075,000	1,399,000	6,491,664	527	931,281	3,501,273	2,990,391	26%
Wakatipu	2010	2,035,000	1,317,500	7,809,164	549	971,279	4,472,552	3,336,612	29%
Wakatipu	2011	1,305,000	780,000	8,589,164	466	824,008	5,296,560	3,292,604	28%
Wakatipu	2012	1,590,000	1,047,500	9,636,664	482	852,796	6,149,355	3,487,309	30%
Wakatipu	2013	1,310,000	520,000	10,156,664	499	882,589	7,031,945	3,124,719	27%
Wakatipu	2014	1,420,000	1,025,000	11,181,664	516	913,424	7,945,369	3,236,295	28%
Wakatipu	2015	2,225,000	1,552,500	12,734,164	535	945,336	8,890,704	3,843,460	33%
Wakatipu			11,673,500				Wakatipu Weighted Debt Funding Ratio		27%
WAKATIPU - Community Facilities									
Wakatipu	2006	10,049,140	5,718,397	5,718,397	464	822,307	822,307	4,896,090	25%
Wakatipu	2007	4,512,000	2,497,395	8,215,792	484	857,624	1,679,931	6,535,861	33%
Wakatipu	2008	542,000	187,000	8,402,792	505	894,458	2,574,389	5,828,402	29%
Wakatipu	2009	2,420,251	1,743,235	10,146,027	527	932,875	3,507,264	6,638,763	33%
Wakatipu	2010	928,311	544,320	10,690,346	549	972,941	4,480,205	6,210,142	31%
Wakatipu	2011	3,754,851	2,118,614	12,808,960	466	825,418	5,305,622	7,503,338	38%
Wakatipu	2012	14,174,098	6,567,542	19,376,503	482	854,255	6,159,877	13,216,626	66%
Wakatipu	2013	303,306	131,168	19,507,670	499	884,099	7,043,977	12,463,694	63%
Wakatipu	2014	386,972	206,149	19,713,819	516	914,987	7,958,964	11,754,856	59%
Wakatipu	2015	751,988	181,130	19,894,950	535	946,953	8,905,917	10,989,033	55%
Wakatipu			19,894,950				Wakatipu Weighted Debt Funding Ratio		48%

Reserve Improvements & Community Facilities - Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Cost Balance	Debt %
WANAKA - Reserve Improvements									
Wanaka	2006	883,000	643,500	643,500	318	523,180	523,180	120,320	2%
Wanaka	2007	2,416,000	216,000	859,500	334	549,176	1,072,356	- 212,856	-3%
Wanaka	2008	1,589,000	798,500	1,658,000	350	576,463	1,648,819	9,181	0%
Wanaka	2009	1,345,000	837,500	2,495,500	368	605,106	2,253,925	241,575	4%
Wanaka	2010	955,000	553,500	3,049,000	386	635,172	2,889,098	159,902	3%
Wanaka	2011	945,000	605,000	3,654,000	352	578,560	3,467,658	186,342	3%
Wanaka	2012	980,000	630,000	4,284,000	367	603,506	4,071,164	212,836	3%
Wanaka	2013	895,000	555,000	4,839,000	383	629,527	4,700,691	138,309	2%
Wanaka	2014	880,000	495,000	5,334,000	399	656,670	5,357,361	- 23,361	0%
Wanaka	2015	1,355,000	1,010,000	6,344,000	416	684,984	6,042,345	301,655	5%
								Wanaka Weighted Debt Funding Ratio	3%
WANAKA - Community Facilities									
Wanaka	Existing Debt			21,413					
Wanaka	2006	253,000	6,000	27,413	318	340,003	340,003	- 312,590	-25%
Wanaka	2007	163,000	-	27,413	334	356,897	696,901	- 669,488	-54%
Wanaka	2008	268,000	100,000	127,413	350	374,631	1,071,532	- 944,119	-77%
Wanaka	2009	1,232,765	733,765	861,178	368	393,245	1,464,777	- 603,599	-49%
Wanaka	2010	309,581	47,680	908,858	386	412,785	1,877,562	- 968,703	-79%
Wanaka	2011	176,795	8,795	917,654	352	375,994	2,253,555	- 1,335,902	-108%
Wanaka	2012	332,814	8,814	926,467	367	392,205	2,645,761	- 1,719,294	-140%
Wanaka	2013	76,832	8,832	935,300	383	409,116	3,054,877	- 2,119,577	-172%
Wanaka	2014	126,851	8,851	944,151	399	426,756	3,481,633	- 2,537,482	-206%
Wanaka	2015	632,870	308,870	1,253,020	416	445,156	3,926,789	- 2,673,768	-217%
								Wanaka Debt Funding Ratio	0%
WAKATIPU / WANAKA - Reserve Improvements									
Wakatipu/Wanaka	Existing Debt								
Wakatipu/Wanaka	2006	595,000	38,500	38,500	782	14,450	14,450	24,050	4%
Wakatipu/Wanaka	2007	270,000	82,500	121,000	818	15,110	29,559	91,441	14%
Wakatipu/Wanaka	2008	350,000	162,500	283,500	855	15,800	45,359	238,141	36%
Wakatipu/Wanaka	2009	320,000	82,500	366,000	894	16,522	61,882	304,118	47%
Wakatipu/Wanaka	2010	10,000	2,500	368,500	935	17,278	79,160	289,340	44%
Wakatipu/Wanaka	2011	270,000	82,500	451,000	818	15,104	94,264	356,736	55%
Wakatipu/Wanaka	2012	10,000	2,500	453,500	849	15,685	109,948	343,552	53%
Wakatipu/Wanaka	2013	30,000	22,500	476,000	882	16,288	126,236	349,764	54%
Wakatipu/Wanaka	2014	300,000	75,000	551,000	916	16,915	143,151	407,849	62%
Wakatipu/Wanaka	2015	110,000	102,500	653,500	951	17,566	160,718	492,782	75%
								Wakatipu/Wanaka Weighted Debt Funding	54%

Reserve Improvements & Community Facilities - Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Cost Balance	Debt %
WAKATIPU / WANAKA - Community Facilities									
Wakatipu/Wanaka	2006	185,000	12,500	12,500	782	253,537	253,537	- 241,037	-24%
Wakatipu/Wanaka	2007	270,000	187,500	200,000	818	265,121	518,658	- 318,658	-31%
Wakatipu/Wanaka	2008	413,000	200,000	400,000	855	277,237	795,895	- 395,895	-39%
Wakatipu/Wanaka	2009	377,500	136,825	536,825	894	289,910	1,085,805	- 548,980	-54%
Wakatipu/Wanaka	2010	250,000	89,318	626,143	935	303,164	1,388,969	- 762,827	-75%
Wakatipu/Wanaka	2011	250,000	85,428	711,571	818	265,019	1,653,988	- 942,417	-92%
Wakatipu/Wanaka	2012	250,000	82,247	793,818	849	275,210	1,929,198	- 1,135,380	-111%
Wakatipu/Wanaka	2013	250,000	78,976	872,794	882	285,798	2,214,995	- 1,342,201	-132%
Wakatipu/Wanaka	2014	250,000	75,612	948,406	916	296,797	2,511,792	- 1,563,386	-153%
Wakatipu/Wanaka	2015	250,000	72,153	1,020,560	951	308,225	2,820,017	- 1,799,457	-176%
			1,020,560				Wakatipu/Wanaka Debt Funding		0%

Reserve Land – Capital Expenditure for Development Contributions (Excluding GST)

		Capital Cost				Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
Project Summaries (GL Area)		10 Year Total Capital Cost	Growth Funded	Funded by Other Sources	Percentage Attributable to Growth			
QUEENSTOWN - Reserve Land								
QT	1101	25,347,000	25,347,000	-	100%	16,160,532	2991	27.5m²
		25,347,000	25,347,000	-		16,160,532		27.5m²
ARROWTOWN - Reserve Land								
AT	1101	4,146,000	4,146,000	-	100%	4,112,226	417	27.5m²
		4,146,000	4,146,000	-		4,112,226		27.5m²
GLENORCHY - Reserve Land								
GY	1101	411,000	411,000	-	100%	144,294	450	27.5m²
		411,000	411,000	-		144,294		27.5m²
KINGSTON - Reserve Land								
KG	1101	105,000	105,000	-	100%	105,000	9	27.5m²
		105,000	105,000	-		105,000		27.5m²
WAKATIPU Rural - Reserve Land								
WK - Rural	1101	231,000	231,000	-	100%	440,076	104	27.5m²
		231,000	231,000	-		440,076		27.5m²
WANAKA - Reserve Land								
WA	1101	11,228,000	11,228,000	-	100%	8,313,279	2092	27.5m²
		11,228,000	11,228,000	-		8,313,279		27.5m²
LUGGATE/HAWEA - Reserve Land								
LG	1101	2,130,000	2,130,000	-	100%	1,540,337	857	27.5m²
		2,130,000	2,130,000	-		1,540,337		27.5m²
MAKARORA - Reserve Land								
MK	1101	646,000	646,000	-	100%	612,916	177	27.5m²
		646,000	646,000	-		612,916		27.5m²
WANAKA Rural - Reserve Land								
WA - Rural	1101	177,000	177,000	-	100%	177,000	101	27.5m²
		177,000	177,000	-		177,000		27.5m²

Reserve Land - Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Cost Balance	Debt %
QUEENSTOWN - Reserve Land									
QT	2006	2,566,000	2,566,000	2,566,000	338	1,826,673	1,826,673	739,327	3%
QT	2007	2,810,000	2,810,000	5,376,000	360	1,945,904	3,772,577	1,603,423	6%
QT	2008	2,007,000	2,007,000	7,383,000	376	2,033,860	5,806,437	1,576,563	6%
QT	2009	3,702,000	3,702,000	11,085,000	392	2,116,185	7,922,622	3,162,378	12%
QT	2010	2,484,000	2,484,000	13,569,000	409	2,208,553	10,131,175	3,437,825	14%
QT	2011	3,125,000	3,125,000	16,694,000	213	1,149,274	11,280,450	5,413,550	21%
QT	2012	2,792,000	2,792,000	19,486,000	217	1,175,000	12,455,449	7,030,551	28%
QT	2013	2,913,000	2,913,000	22,399,000	222	1,201,680	13,657,130	8,741,870	34%
QT	2014	1,350,000	1,350,000	23,749,000	229	1,237,847	14,894,977	8,854,023	35%
QT	2015	1,598,000	1,598,000	25,347,000	234	1,265,556	16,160,532	9,186,468	36%
			25,347,000				Queenstown Weighted Debt Funding Ratio		27%
ARROWTOWN - Reserve Land									
AT	2006	1,727,000	1,727,000	1,727,000	52	516,106	516,106	1,210,894	29%
AT	2007	510,000	510,000	2,237,000	51	499,896	1,016,002	1,220,998	29%
AT	2008	859,000	859,000	3,096,000	53	522,670	1,538,672	1,557,328	38%
AT	2009	120,000	120,000	3,216,000	56	550,787	2,089,459	1,126,541	27%
AT	2010	484,000	484,000	3,700,000	58	575,985	2,665,444	1,034,556	25%
AT	2011	-	-	3,700,000	29	286,232	2,951,676	748,324	18%
AT	2012	73,000	73,000	3,773,000	30	292,220	3,243,896	529,104	13%
AT	2013	373,000	373,000	4,146,000	30	297,476	3,541,373	604,627	15%
AT	2014	-	-	4,146,000	29	282,471	3,823,843	322,157	8%
AT	2015	-	-	4,146,000	29	288,382	4,112,226	33,774	1%
			4,146,000				Arrowtown Weighted Debt Funding Ratio		26%

Reserve Land - Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Cost Balance	Debt %
GLENORCHY - Reserve Land									
GY	2006	-	-	-	46	14,764	14,764	- 14,764	-4%
GY	2007	-	-	-	55	17,578	32,342	- 32,342	-8%
GY	2008	-	-	-	57	18,234	50,576	- 50,576	-12%
GY	2009	-	-	-	60	19,343	69,919	- 69,919	-17%
GY	2010	-	-	-	63	20,257	90,176	- 90,176	-22%
GY	2011	-	-	-	32	10,316	100,492	- 100,492	-24%
GY	2012	-	-	-	33	10,535	111,027	- 111,027	-27%
GY	2013	411,000	411,000	411,000	34	10,764	121,791	289,209	70%
GY	2014	-	-	411,000	35	11,133	132,924	278,076	68%
GY	2015	-	-	411,000	35	11,370	144,294	266,706	65%
			411,000	Glenorchy Weighted Debt Funding Ratio				100%	
KINGSTON - Reserve Land									
KG	2006	105,000	105,000	105,000	9	105,000	105,000	-	0%
KG	2007	-	-	105,000	-	-	105,000	-	0%
KG	2008	-	-	105,000	-	-	105,000	-	0%
KG	2009	-	-	105,000	-	-	105,000	-	0%
KG	2010	-	-	105,000	-	-	105,000	-	0%
KG	2011	-	-	105,000	-	-	105,000	-	0%
KG	2012	-	-	105,000	-	-	105,000	-	0%
KG	2013	-	-	105,000	-	-	105,000	-	0%
KG	2014	-	-	105,000	-	-	105,000	-	0%
KG	2015	-	-	105,000	-	-	105,000	-	0%
			105,000	Kingston Weighted Debt Funding Ratio				0%	
WAKATIPU Rural - Reserve Land									
WK - Rural	2006	-	-	-	13	53,080	53,080	- 53,080	-23%
WK - Rural	2007	231,000	231,000	231,000	13	55,434	108,515	122,485	53%
WK - Rural	2008	-	-	231,000	14	57,892	166,407	64,593	28%
WK - Rural	2009	-	-	231,000	14	60,459	226,866	4,134	2%
WK - Rural	2010	-	-	231,000	15	63,140	290,006	- 59,006	-26%
WK - Rural	2011	-	-	231,000	7	28,871	318,877	- 87,877	-38%
WK - Rural	2012	-	-	231,000	7	29,431	348,308	- 117,308	-51%
WK - Rural	2013	-	-	231,000	7	30,003	378,311	- 147,311	-64%
WK - Rural	2014	-	-	231,000	7	30,585	408,896	- 177,896	-77%
WK - Rural	2015	-	-	231,000	7	31,179	440,076	- 209,076	-91%
			231,000	Wakatipu Rural Weighted Debt Funding Ratio				100%	

Reserve Land - Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Cost Balance	Debt %
WANAKA - Reserve Land									
WA	2006	298,000	298,000	298,000	151	598,633	598,633	- 300,633	-3%
WA	2007	2,001,000	2,001,000	2,299,000	156	620,327	1,218,960	1,080,040	10%
WA	2008	424,000	424,000	2,723,000	162	642,806	1,861,766	861,234	8%
WA	2009	674,000	674,000	3,397,000	168	666,101	2,527,867	869,133	8%
WA	2010	2,025,000	2,025,000	5,422,000	174	690,239	3,218,105	2,203,895	20%
WA	2011	699,000	699,000	6,121,000	291	1,155,348	4,373,453	1,747,547	16%
WA	2012	1,706,000	1,706,000	7,827,000	260	1,033,442	5,406,895	2,420,105	22%
WA	2013	1,716,000	1,716,000	9,543,000	248	984,276	6,391,170	3,151,830	28%
WA	2014	672,000	672,000	10,215,000	234	931,426	7,322,596	2,892,404	26%
WA	2015	1,013,000	1,013,000	11,228,000	249	990,683	8,313,279	2,914,721	26%
			11,228,000				Wanaka Weighted Debt Funding Ratio		22%
LUGGATE/HAWEA - Reserve Land									
LG	2006	-	-	-	31	56,607	56,607	- 56,607	-3%
LG	2007	-	-	-	33	58,613	115,220	- 115,220	-5%
LG	2008	-	-	-	34	60,690	175,911	- 175,911	-8%
LG	2009	983,000	983,000	983,000	35	62,841	238,752	744,248	35%
LG	2010	-	-	983,000	36	65,068	303,820	679,180	32%
LG	2011	-	-	983,000	64	114,379	418,200	564,800	27%
LG	2012	-	-	983,000	105	188,443	606,642	376,358	18%
LG	2013	443,000	443,000	1,426,000	147	264,377	871,020	554,980	26%
LG	2014	438,000	438,000	1,864,000	182	326,234	1,197,254	666,746	31%
LG	2015	266,000	266,000	2,130,000	191	343,083	1,540,337	589,663	28%
			2,130,000				Luggate Weighted Debt Funding Ratio		31%
MAKARORA - Reserve Land									
MK	2006	-	-	-	5	18,005	18,005	- 18,005	-3%
MK	2007	-	-	-	5	18,654	36,659	- 36,659	-6%
MK	2008	-	-	-	6	19,327	55,986	- 55,986	-9%
MK	2009	-	-	-	6	20,024	76,010	- 76,010	-12%
MK	2010	-	-	-	6	20,746	96,756	- 96,756	-15%
MK	2011	646,000	646,000	646,000	10	35,495	132,251	513,749	80%
MK	2012	-	-	646,000	21	73,292	205,544	440,456	68%
MK	2013	-	-	646,000	32	111,990	317,534	328,466	51%
MK	2014	-	-	646,000	41	143,111	460,645	185,355	29%
MK	2015	-	-	646,000	44	152,271	612,916	33,084	5%
			646,000				Makarora Weighted Debt Funding Ratio		74%

Reserve Land - Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Cost Balance	Debt %
WANAKA Rural - Reserve Land									
WA - Rural	2006	-	-	-	10	17,735	17,735	- 17,735	-10%
WA - Rural	2007	-	-	-	11	18,362	36,097	- 36,097	-20%
WA - Rural	2008	-	-	-	11	19,011	55,108	- 55,108	-31%
WA - Rural	2009	-	-	-	11	19,683	74,791	- 74,791	-42%
WA - Rural	2010	177,000	177,000	177,000	12	20,379	95,170	81,830	46%
WA - Rural	2011	-	-	177,000	20	35,763	130,932	46,068	26%
WA - Rural	2012	-	-	177,000	22	37,905	168,837	8,163	5%
WA - Rural	2013	-	-	177,000	5	8,163	177,000	-	0%
WA - Rural	2014	-	-	177,000	0	-	177,000	-	0%
WA - Rural	2015	-	-	177,000	0	-	177,000	-	0%
			177,000				Wanaka Rural Weighted Debt Funding Ratio		0%

Roading - Capital Expenditure for Development Contributions (Excluding GST)

Project Summaries	10 Year Total Capital Cost (QLDC)	Capital Cost Growth Funded	Funded by Other Sources	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
WAKATIPU							
Bridge Renewals	310,000	151,200	158,800	49%	55,295	6,853	8
Cycleway Construction	983,240	344,134	639,106	35%	343,948	6,853	50
Walking and Cycling Strategies	9,200	3,220	5,980	35%	8,930	6,853	1
Emergency Works Contingency	1,400,000	-	1,400,000	0%	-	6,853	-
Footpath Construction	2,160,000	756,000	1,404,000	35%	1,078,774	6,853	157
Kerb & Channel Construction	2,040,064	714,023	1,326,042	35%	873,630	6,853	127
Maintenance Chip Seals	2,303,977	575,994	1,727,983	25%	915,046	6,853	134
General Maintenance (Metalling Programme)	126,900	19,035	107,865	15%	13,323	6,853	2
Rehabilitations	-	-	-	0%	-	6,853	-
Minor Safety Projects	2,384,516	596,129	1,788,387	25%	605,623	6,853	88
New Roads	6,433,125	5,146,500	1,286,625	80%	1,254,686	6,853	183
Other Structures	-	-	-	0%	1,909	6,853	-
Advanced Property Purchase	7,802,000	6,241,600	1,560,400	80%	2,279,376	6,853	333
Professional Services (Investigations)	1,372,401	480,340	892,061	35%	343,892	6,853	50
Pavement Smoothing	6,974,303	2,092,291	4,882,012	30%	1,690,557	6,853	247
Passenger Transport	2,914,000	582,800	2,331,200	20%	249,397	6,853	36
Roading General	1,185,000	296,250	888,750	25%	746,026	6,853	109
Road Reconstruction	10,825,693	3,788,992	7,036,700	35%	1,646,020	6,853	240
Reseals	-	-	-0	0%	-	6,853	-
Seal Extension	4,615,050	2,307,525	2,307,525	50%	1,783,809	6,853	260
Street Furniture	589,500	147,375	442,125	25%	63,499	6,853	9
Streetlighting	1,046,500	261,625	784,875	25%	186,816	6,853	27
Strategic Studies	18,975	15,180	3,795	80%	15,310	6,853	2
Seal Widening	250,000	75,000	175,000	30%	44,481	6,853	6
Thin Asphaltic Surfacing	5,234,206	1,308,551	3,925,654	25%	1,328,702	6,853	194
Town Centre Improvements	11,000,000	2,750,000	8,250,000	25%	1,549,868	6,853	226
Traffic Management	249,100	199,280	49,820	80%	285,298	6,853	42
Transportation Studies	56,350	45,080	11,270	80%	140,958	6,853	21
Traffic Services	-	-	-	0%	1,798	6,853	-
Power Reticulation Undergrounding	1,750,000	-	1,750,000	0%	-	6,853	-
	74,034,101	28,898,125	45,135,976				2,555

Roading - Capital Expenditure for Development Contributions (Excluding GST) cont...

Project Summaries	10 Year Total Capital Cost (QLDC)	Capital Cost Growth Funded	Funded by Other Sources	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
WANAKA							
Bridge Renewals	470,000	329,000	141,000	70%	230,034	4,925	47
Cycleway Construction	470,000	211,500	258,500	45%	172,840	4,925	35
Walking and Cycling Strategies	-	-	-	0%	-	4,925	-
Emergency Works Contingency	890,000	-	890,000	0%	-	4,925	-
Footpath Construction	2,352,000	1,058,400	1,293,600	45%	1,320,601	4,925	268
Kerb & Channel Construction	3,787,296	1,704,283	2,083,013	45%	1,392,053	4,925	283
Maintenance Chip Seals	1,518,229	455,469	1,062,760	30%	673,435	4,925	137
Rehabilitations	-	-	-	0%	-	4,925	-
Minor Safety Projects	1,520,450	532,158	988,293	35%	487,476	4,925	99
New Roads	1,541,130	1,232,904	308,226	80%	364,354	4,925	74
Advanced Property Purchase	1,880,000	1,504,000	376,000	80%	263,494	4,925	53
Professional Services (Investigations/Forward Designs/Designations)	1,223,880	550,746	673,134	45%	519,762	4,925	106
Pavement Smoothing	2,865,590	1,146,236	1,719,354	40%	502,357	4,925	102
Roading General	2,410,000	723,000	1,687,000	30%	644,958	4,925	131
Road Reconstruction	2,853,370	1,426,685	1,426,685	50%	689,248	4,925	140
Reseals	-	-	-	0%	-	4,925	-
Seal Extension	6,406,100	3,843,660	2,562,440	60%	3,371,475	4,925	685
Street Furniture	30,000	7,500	22,500	25%	5,014	4,925	1
Streetlighting	1,690,000	422,500	1,267,500	25%	235,064	4,925	48
Strategic Studies	20,125	16,100	4,025	80%	18,137	4,925	4
Seal Widening	1,500,000	750,000	750,000	50%	364,457	4,925	74
Thin Asphaltic Surfacing	4,313,603	1,294,081	3,019,522	30%	1,287,344	4,925	261
Town Centre Improvements	2,950,000	737,500	2,212,500	25%	446,887	4,925	91
Traffic Management	9,400	7,520	1,880	80%	10,232	4,925	2
Transportation Studies	18,400	14,720	3,680	80%	21,271	4,925	4
Power Reticulation Undergrounding	825,000	-	825,000	0%	-	4,925	-
Total Wanaka	41,544,572	17,967,961	23,576,611				2,644

Roading - Capital Expenditure for Development Contributions (Excluding GST) cont...

Project Summaries	10 Year Total Capital Cost (QLDC)	Capital Cost Growth Funded	Funded by Other Sources	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot
WAKATIPU/WANAKA							
Bridge Renewals	-	-	-	0%	2,667	11,778	-
Major Drainage Control	27,686	12,459	15,227	45%	7,019	11,778	1
Maintenance Chip Seals	150,000	45,000	105,000	30%	61,469	11,778	5
Minor Safety Projects	80,800	28,280	52,520	35%	21,054	11,778	2
Road Reconstruction	55,701	22,280	33,421	40%	27,280	11,778	2
Road Reconstruction	600,000	300,000	300,000	50%	102,722	11,778	9
Reseals	-	-	-	0%	-	11,778	-
Seal Extensions	-	-	-	0%	158,413	11,778	13
Strategic Studies	500	400	100	80%	434	11,778	-
Thin Asphaltic Surfacing	24,012	7,204	16,809	30%	4,062	11,778	-
Total Wakatipu/Wanaka	938,699	415,623	523,077				33

Roading – Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment

Contributing Area	Year	CAPEX (QLDC)	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Cost Balance	Debt %
WAKATIPU									
Wakatipu	Existing Debt			3,982,143					
Wakatipu	2006	6,383,920	2,313,705	6,295,848	630	1,608,379	1,608,379	4,687,468	16%
Wakatipu	2007	6,838,319	2,258,734	8,554,582	656	1,675,940	3,284,319	5,270,263	18%
Wakatipu	2008	6,321,503	2,104,346	10,658,927	684	1,746,340	5,030,659	5,628,269	19%
Wakatipu	2009	5,485,256	1,733,330	12,392,257	712	1,819,696	6,850,355	5,541,902	19%
Wakatipu	2010	7,486,687	2,766,159	15,158,417	742	1,896,134	8,746,488	6,411,928	22%
Wakatipu	2011	9,032,907	3,930,059	19,088,476	640	1,634,485	10,380,973	8,707,502	30%
Wakatipu	2012	8,184,315	3,514,182	22,602,657	662	1,691,283	12,072,256	10,530,402	36%
Wakatipu	2013	7,794,732	3,346,743	25,949,400	685	1,750,054	13,822,310	12,127,090	42%
Wakatipu	2014	8,114,132	3,483,155	29,432,555	709	1,810,868	15,633,178	13,799,377	48%
Wakatipu	2015	8,392,332	3,447,713	32,880,268	733	1,873,795	17,506,973	15,373,296	53%
		74,034,101	28,898,125				Wakatipu Weighted Debt Funding Ratio		36%
WAKATIPU/WANAKA									
Wakatipu/Wanaka	Existing Debt								
Wakatipu/Wanaka	2006	86,513	41,886	41,886	1056	34,518	34,518	7,367	2%
Wakatipu/Wanaka	2007	86,475	41,652	83,537	1104	36,095	70,614	12,924	3%
Wakatipu/Wanaka	2008	86,947	41,822	125,359	1154	37,745	108,358	17,001	4%
Wakatipu/Wanaka	2009	87,431	41,997	167,356	1207	39,470	147,829	19,527	5%
Wakatipu/Wanaka	2010	114,142	37,662	205,018	1262	41,276	189,104	15,913	4%
Wakatipu/Wanaka	2011	88,438	42,362	247,380	1110	36,287	225,391	21,988	5%
Wakatipu/Wanaka	2012	88,953	42,549	289,929	1153	37,689	263,080	26,849	6%
Wakatipu/Wanaka	2013	118,962	54,534	344,463	1197	39,146	302,226	42,237	10%
Wakatipu/Wanaka	2014	90,103	42,966	387,429	1244	40,660	342,886	44,542	11%
Wakatipu/Wanaka	2015	90,736	28,194	415,623	1292	42,234	385,120	30,503	7%
		938,699	415,623				Wakatipu/Wanaka Weighted Debt Funding Ratio		7%

Roading – Debt Funding Ratio - 10 Year Net Growth Cost vs. Revenue Assessment cont...

Contributing Area	Year	CAPEX (QLDC)	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Cost Balance	Debt %
WANAKA									
Wanaka	Existing Debt			3,007,401					
Wanaka	2006	4,321,028	1,786,865	4,794,266	426	1,126,434	1,126,434	3,667,833	20%
Wanaka	2007	3,563,951	1,578,657	6,372,923	448	1,184,008	2,310,441	4,062,482	23%
Wanaka	2008	3,376,275	1,338,984	7,711,907	471	1,244,525	3,554,966	4,156,941	23%
Wanaka	2009	4,260,823	1,862,873	9,574,780	495	1,308,135	4,863,101	4,711,679	26%
Wanaka	2010	3,647,766	1,447,480	11,022,260	520	1,374,996	6,238,096	4,784,163	27%
Wanaka	2011	3,776,855	1,500,004	12,522,264	470	1,242,401	7,480,497	5,041,766	28%
Wanaka	2012	3,841,025	1,523,111	14,045,375	491	1,296,989	8,777,486	5,267,889	29%
Wanaka	2013	3,838,351	1,519,455	15,564,829	512	1,353,975	10,131,461	5,433,369	30%
Wanaka	2014	4,821,002	2,132,681	17,697,511	535	1,413,465	11,544,926	6,152,585	34%
Wanaka	2015	6,097,498	3,277,851	20,975,362	558	1,475,569	13,020,494	7,954,868	44%
		41,544,572	17,967,961				Wanaka Weighted Debt Funding Ratio		30%

POLICY ON PARTNERSHIPS WITH THE PRIVATE SECTOR

Sections 102(4) (e) and 107 of the Local Government Act 2002 requires each Council to adopt a Policy on Partnerships with the Private Sector. For the purposes of this policy, a partnership with the private sector is defined according to section 107(2) the Local Government Act 2002 as:

“...any arrangement or agreement that is entered into between 1 or more local authorities and 1 or more persons engaged in business, but does not include:

(a) Any such agreement to which the only parties are:

(i) Local authorities; or

(ii) 1 or more local authorities and 1 or more Council organisations; or

(b) A contract for”

This policy sets out the circumstances and terms for the commitment of Council resources to partnerships with the private sector.

Circumstances Where Partnerships with the Private Sector Will be considered:

Queenstown Lakes District Council will consider partnership arrangements with the private sector for the provision of infrastructure and service where:

- c) A need has been defined in measurable output terms.
- d) There is scope for the private sector to demonstrate particular skills and/or innovative capacity.
- e) The project size justifies the transaction and ongoing management costs of a partnership.
- f) Such a partnership is likely to deliver better value for money, based on cost, time and financial arrangements that alternative delivery methods.

Consultation

Consultation procedures mandated under sections 78 and 79 of the LGA 2002 will be applied in regard to any proposal for a partnership with the private sector to carry out significant activity.

Conditions to be imposed

Before committing any resources to any form of private sector partnership, Queenstown Lakes District Council will establish the following conditions:

- Private participation will be subject to competitive tendering processes, with an emphasis on transparency and disclosure of processes and outcomes, acknowledging the need to protect commercial confidentialities where appropriate.

- Outputs will be clearly specified including measurable performance standards.
- Payments will only be made upon delivery of the specified services to the required standards.
- A clear and enforceable risk management regime will be agreed.
- All private sector parties will be fully accountable to the Queenstown Lakes District Council for the delivery of the specified products and/or services.
- Queenstown Lakes District Council's information requirements for monitoring of outcomes will be agreed.
- Risk Assessment and Management.

A comprehensive assessment of risks associated with any partnership proposal will be undertaken before any commitment to proceed.

A risk management regime will be agreed to as a condition of the partnership.

The prime principle for risk management within a partnership shall be to transfer risk to the party best placed to manage it.

Monitoring and Reporting

Partnership contracts will be monitored and reported in accordance with an agreed financial and programme reporting regime.

The contribution of any partnership arrangement to community outcomes will be assessed and monitored as required under the Local Government Act 2002.

POLICY ON SIGNIFICANCE

Section 90 of the Local Government Act 2002 requires each Council to adopt a Policy on Significance, which:

- Sets out that Council's general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters;
- Set out 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; and
- Lists the assets considered by the local authority to be strategic assets.

Each Council will therefore define its own interpretation of significance, but the Local Government Act 2002 gives the following three definitions with regards to significance, significant and strategic assets respectively:

"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.*

Following is the adopted Policy on Significance.

Policy on Significance

General Approach in Determining Significance

When determining the question of the significance of proposals and decisions in relation to issues, assets or other matters the Council will determine the extent to which:

- The consequences or impacts of the issue, assets, or other matters, affect a large number of residents and ratepayers to a moderate extent.
- The consequences or impacts of the issue, assets, or other matters, affect a small number of residents and ratepayers to a large extent.
- The issue, asset, or other matters have a history of generating wide public interest within Queenstown Lakes District, the Otago Region of New Zealand generally.

These will be considered within the context of the likely impact of that decision on:

- The current and future social, economic, environmental, or cultural well-being of the district or region.
- The achievement of, or ability to achieve, the Council's strategic issues and objectives as currently set out in the Strategic Plan (or Community Outcomes once determined).
- Any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter.
- The capacity of the local authority to perform its role and carry out its activities, now and in the future.
- The financial, resource and other costs of the decision.

Thresholds, Criteria and Procedures

When undertaking a process to determine the extent to which issues, proposals, decisions and other matters are significant, the Council will use the following thresholds, criteria and procedures:

Thresholds:

- Issues, assets, or other matters that incur more than \$1 million of budgeted or \$100,000 of unbudgeted expenditure.
- Any transfer of ownership or control, or the construction, replacement or abandonment, of a strategic asset as defined by the Act or listed in this policy.
- The sale of the Council's shareholding in any Council controlled trading organisation, or Council controlled organisation.
- The decision that will, directly or indirectly, significantly affect the capacity of the Council to carry out, or the cost to the Council in carrying out, in relation to any activity identified in the Long-Term Council Community Plan.

Criteria:

- Whether the asset is a strategic asset within the meaning of the Act or listed in this policy.
- The extent to which there is, or is likely to be, a change in the level of service in carrying out any significant activity.
- The extent to which there is, or is likely to be, a change in the way in which any significant activity is carried out.
- The extent to which there is, or is likely to be, a change in the capacity of the Council to provide any significant service or carry out any significant activity.

Procedures:

- Decisions on significance will be made in accordance with Council's adopted documents and delegation manual.
- When a significant issue is taken to a Council or Committee meeting it will be specifically identified as a significant issue and any impact highlighted.
- If determined to be significant then the issue, decision, asset or other matter will be addressed as required by the relevant sections of the Local Government Act 2002.

Strategic Assets

Council has determined the following Council-owned assets to be strategic in nature:

- Queenstown Lakes District Roading network.
- Wastewater network and treatment.
- Water treatment, storage and supply network.
- Stormwater network.
- Reserves listed and managed under the Reserves Act.
- Shares held in Queenstown Airport Corporation.
- Housing for the Elderly.

Note: Queenstown Lakes District Council considers all asset classes listed above as single whole assets. This is because the asset class as a whole delivers the service. Strategic decisions therefore only concern the whole asset class and not individual components, unless that component substantially affects the ability of the Council to deliver the service, or would be deemed significant and strategic under the thresholds, criteria or procedures noted above.

TREASURY MANAGEMENT POLICY

a) Liability Management Policy

Introduction and Application

Introduction

This liability management policy has been prepared pursuant to sections 102(4)(b) and 104 of the Local Government Act 2002.

The Council's borrowing programme for any particular year will be approved as part of the Council's Annual Planning process, which is affected by projections made in the Council Community Plan.

Generally, borrowing will be identified as a funding mechanism only for capital or long term projects which will provide benefits into the future.

The only borrowing to meet operating costs will be the use of overdraft facilities or other short term facilities to cover temporary fluctuations in cash flow.

General Provisions

Borrowing Limits

Council's borrowing limits are:

Ratios	Acceptable Range %
Interest Expense/Operating Revenue	<10
Total Servicing Cost/ Total Revenue	<20
Net Debt / Total Revenue	<100
Net Debt / Equity	<15

For the purpose of calculating the ratios above:

Interest Expenses =	Interest expenses recorded in Council's accounts
Operating Revenue =	Operating revenue recorded in Council's accounts excluding income from vested assets and income from asset revaluations
Net Debt / Total Revenue =	Total interest and principle payments
Net Debt / Equity =	Debt less any repayment reserves

Form of Borrowing

Primary Instruments

The primary instrument for Council borrowing will be the committed cash advance facility with Council's banker, or fixed interest stocks, modelled on Government stocks. Floating rate securities, finance leases and credit lines may be used, but to a lesser extent.

Hire Purchase, Deferred Purchase and Trade Credit

These arrangements are not considered to be borrowing under the terms of the Act.

Other

Instruments not specifically referred to in this policy may only be used with specific Council approval.

Security

It is Council's general policy to offer security for its borrowing by way of negative pledge or a charge over its rates.

In the normal course, the Council's policy is not to offer security over any of the other assets of the Council. However:

- where borrowing is by way of finance lease, or some other form of trade credit under which it is normal practice to provide security over the asset concerned, or
- Where the Council considers doing so would help further its community goals and objectives, the Council may decide to offer security over the asset.

Policies

Interest Rate Exposure Policy

Council will manage its borrowing activities prudently in the best interests of the District, its inhabitants and ratepayers. In furtherance of this goal, Council will keep the following objectives firmly in mind:

1. Cost minimisation
2. Cost stabilisation/Risk minimisation

Prudent selection of funding instruments and mix should help the Council achieve its low debt servicing costs and risk minimisation objectives.

Debt Repayment Policy

It is Council's general policy to repay debt as it falls due. This will be repaid from accumulated funds, reserve funds, contributions, land sales or a combination of these methods depending on the project the loan was raised for. If the loan was raised for a period

less than a term the Council considers appropriate for the project, part of the balance will be financed with new debt.

The Council may repay debt before maturity in special cases where the circumstances suggest that this would be in the best interest of residents and ratepayers.

Total debt levels are determined through the Council Community Plan and Annual Plans.

Liquidity Policy

The Council will strive to ensure the timely availability of funds to meet the Council's various expenditure needs, preferably without incurring penalties or holding unnecessary cash reserves. The Council will:

- match revenue requirements with expenditure streams, ensuring any timing differences, if any, are favourable for the Council;
- ensure replacement funds are available no later than the debt repayment date;
- avoid concentration of debt repayment dates.

Credit Exposure Policy

Council will only enter incidental arrangements with credit worthy counterparties.

Credit worthy counterparties are selected on the basis of their current Standard and Poors (S&P) rating which must be A- or better.

Other Matters

Borrowing for Cash Management Purposes

This section applies to what might be described as borrowing to manage day to day fluctuations in cash flow.

Council will maintain an overdraft facility not exceeding a limit of \$500,000 for day to day cash management purposes.

Council may maintain a standby credit facility for urgent financing in emergencies.

Incidental Arrangements

"Incidental arrangement" is defined to mean:

- a) *A contract or arrangement for the management, reduction, sharing, limiting, assumption, offset, or hedging of financial risks and liabilities in relation to any investment or investments or any loan or loans or other incidental arrangement, whether or not that contract or arrangement involves:*
 - i. *The expenditure, borrowing, or lending of money; or*
 - ii. *The local authority undertaking to make payments in exchange for another person undertaking to make payments to the local authority; or*

iii. *The creation or acquisition or disposal of any property or right; or*

b) *A contract or arrangement with any bank, financial institution, or other person providing for any person to act as underwriter, broker, indemnifier, guarantor, accommodation party, manager, dealer, trustee, registrar, or paying, fiscal, or other agent for, or in connection with, any loan or investment.*

Hedging

Hedging instruments may be used for risk management purposes, on advice from financial advisors.

Agents

Council may appoint only reputable persons or companies to fulfil the following roles:

- Registrars/paying agents
- Brokers
- Trustees

Other

Other forms of incidental arrangement may only be entered into with a specific resolution of Council.

b) Investment Policy

General

Introduction

This investment policy has been prepared pursuant to sections 102(4)(c) and 105 of the Local Government Act 2002. It applies to the management of the Council's financial and equity investments.

Overview

The Council has a variety of investments which at any time may include cash, trust funds, special funds, shares, property held for investment purposes and financial reserves.

These investments are acquired, held and realised by the Council in furtherance of the community goals and objectives which are identified in the Council's Community Plan and each Annual Plan.

In managing its investments the Council is not driven by commercial considerations alone. As a public body the Council is accountable to the community in terms of community health, safety, benefit and well-being and these considerations may lead to the Council making investment decisions which would not have been made on commercial/financial considerations alone.

In managing its investments in accordance with its general policy the Council seeks to:

- achieve the goals and objectives set out in the Council Community Plan and the Annual Plan.
- balance the protection of its investment with maximising investment return.
- ensure investments are of a type which provide the Council with funds when required.

Policies

Mix of Investments

Nature of Investment	Term	Rationale for retention
Cash Investments	Short term	To meet cash flow requirements
Shares/equity	Long term	To support the strategic objectives of the Council and the District
Investment Property	Variable	To provide a commercial return to Council

It should be noted that Council does have some investments that do not currently meet these criteria, particularly some land holdings. The future of these are under review and it will be decided if these will be held to meet future core function requirements or will be disposed when it is considered that it is appropriate.

Acquisitions of New Investments

Call and short term: delegated to Council staff to invest in approved institutions.

Medium to long term: through the Council, having regard to the goals, objectives and provisions of the Council's long term financial strategy and annual plans.

Use of Revenue from Investments

Revenue from funds which are reserved for particular purposes is added to that fund. Revenue from other investments used to offset general rates.

Revenue from Asset Sales

Revenue from asset sales will be used to repay debt or fund the purchase of new assets. If there are no appropriate uses available at the time of disposal, it will be held in a separate fund until there are.

Other Matters

Procedures for Management and Reporting to Council

The Council's procedures for the management of investments and associated reporting to Council involve reporting results of investment to the Council through the Finance Committee on a bi-monthly basis.

Risk Management

In managing its investments Council always seeks to protect its investments and manage its risk.

When investing the Council seeks to minimise its risk by investing only in institutions with a high degree of security or credit rating. A list of approved financial institutions will be reviewed and will be updated annually. These institutions will primarily be trading banks and there will be a cap as to how much can be placed with any one institution.

The Council also has statutory obligations to properly administer, manage, and account for its funds. In particular the Council must make its investments in accordance with the provisions of the Trustee Act 1956 as they apply to the investment of trust funds. This requires the Council to exercise the care, diligence, and skill that a prudent person of business would exercise in managing the affairs of others. The Council may consider, in making any investment decisions:

- The desirability of diversifying investments.
- The nature of existing investments.
- The risk of capital loss or depreciation.
- The potential for capital appreciation.
- The likely income return.
- The length of the term of the proposed investment.
- The marketability of the proposed investment during, and on the determination of, the term of the proposed investment.
- The effect of the proposed investment in relation to tax liability.
- The likelihood of inflation affecting the value of the proposed investment.

EQUAL EMPLOYMENT OPPORTUNITY

Policy Statement

Everybody in New Zealand is entitled by law to equal treatment in their employment. The Queenstown Lakes District Council supports this and has an Equal Employment Opportunity Policy to help ensure that this is a reality.

When making employment related decisions, the Council will make sure that employees are not treated unfairly because of their: age, sex, ethnic or national origins, marital status, religious or ethical beliefs or disability.

Employment related decisions include: appointments, terms of employment, conditions of work, training, promotion, transfer, dismissal or other disciplinary action.

The Council will provide a working environment which is free from sexual harassment.