

Queenstown Lakes District Council

Council Community Plan 2009 - 2019

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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 2009/10 to 2018/19 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 17 April 2009 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. The projections were completed in early 2008.

Projections have been derived for:

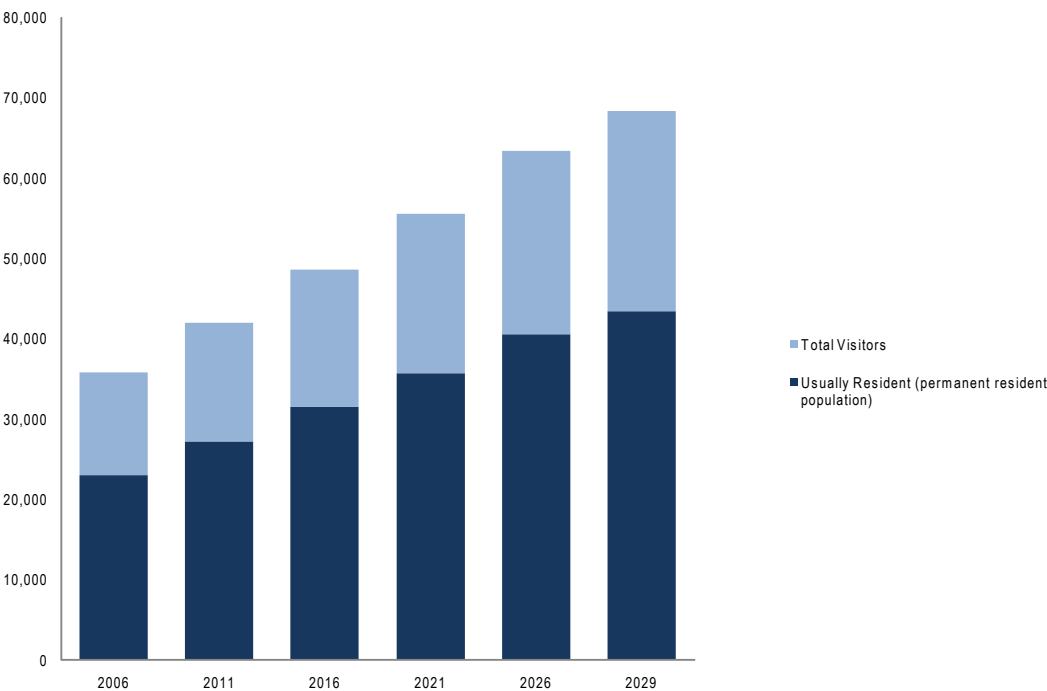
- The resident population (which is useful when looking at some service provisions such as educational needs).
- The number of visitors, which is then further broken down into day visitors and those staying in private residences and in commercial accommodation.
- The number of occupied and unoccupied 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 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 growth



Average day population	2006	2016	2029
Wanaka ward	10,637	15,157	22,116
Wakatipu ward	25,140	33,418	46,189
District	35,777	48,575	68,305

The average day population data for the District as a whole is expected to increase from an estimated 35,777 people in 2006 to an estimated 68,305 people in 2029 which is a growth rate of 2.9% per annum. This figure is comprised of residents, visitors staying in both commercial accommodation and private residences, and day visitors. Of the average day population:

- Approximately 65% is made up of usually resident population.
- Around 70% will stay/live in the Wakatipu ward and the remainder will be in the Wanaka ward.

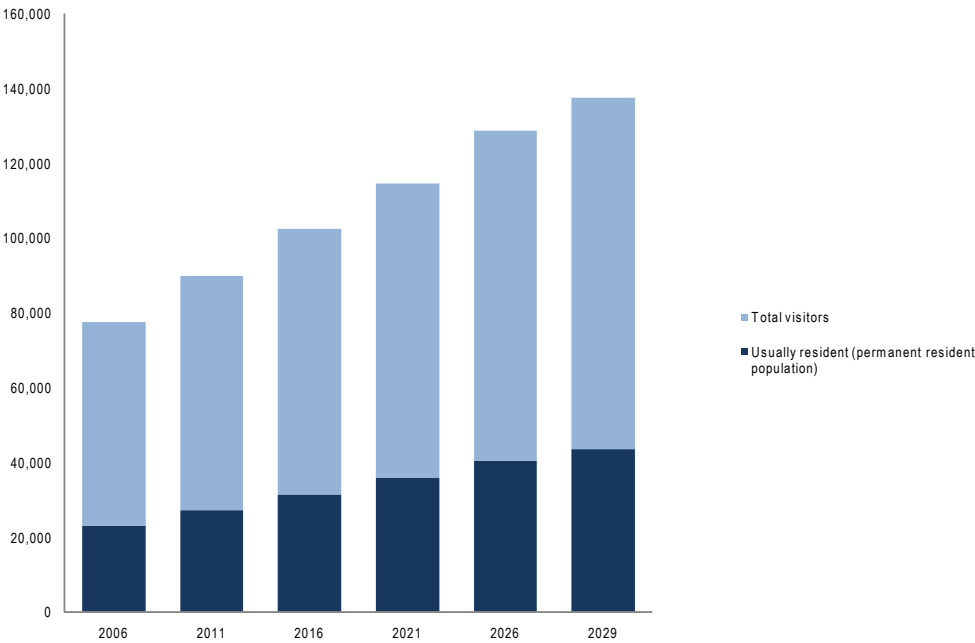
For clarity, the above figures also include Wanaka outlying areas of Cardrona, Luggate, Hawea and Makarora and Queenstown's outlying areas of Glenorchy and Kingston.

Average Day Population Indices by Year

The following table shows the average day growth rates which have been used to adjusted the items of operational expenditure which are affected by increasing population.

	District	Wanaka Ward	Wakatipu
2010/11	3.2%	3.6%	3.0%
2011/12	3.3%	3.8%	3.1%
2012/13	3.2%	3.8%	2.9%
2013/14	3.3%	4.0%	3.0%
2014/15	3.4%	4.1%	3.1%
2015/16	3.5%	4.2%	3.2%
2016/17	3.6%	4.4%	3.3%
2017/18	3.3%	3.8%	3.1%
2018/19	3.4%	3.9%	3.2%

The peak day population growth



Peak day population	2006	2016	2029
Wanaka ward	30,040	41,289	55,438
Wakatipu ward	47,503	61,021	81,966
District	77,543	102,310	137,404

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 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
2010/11	3.2%	2.7%	3.8%	3.5%
2011/12	3.0%	3.1%	3.1%	3.4%
2012/13	3.0%	2.8%	3.0%	2.5%
2013/14	2.6%	3.0%	2.9%	2.6%
2014/15	2.7%	3.1%	3.7%	2.4%
2015/16	2.6%	3.3%	3.4%	2.5%
2016/17	2.7%	3.6%	4.1%	2.6%
2017/18	2.9%	3.1%	3.9%	2.8%
2018/19	3.0%	2.8%	4.1%	2.9%

In respect of financial projections for 2009/10, these have been calculated in estimated 2009/10 dollars.

Interest Rates

Interest is charged on borrowed funds (both internal and external) on an expected medium term average interest rate of 6.5% 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 Rooding have recently been completely reviewed and updated in light of the latest growth scenario. Asset Management Plans 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 New Zealand Transport Agency 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 2010 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 hearing for Project Shotover (Queenstown Sewerage Treatment Scheme) was held in 2008 and Council expects the decision in early 2009. 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. Council has in place an existing borrowing facility of \$100m and will review its options for raising additional finance during the 2009/10 year.

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

A major recreational facility for Wanaka is likely to proceed during the next 10 years in the form of an indoor sports stadium.

The capital expenditure projections include an allowance for this project. They show an indicative capital cost of \$10m (2009 dollars) with construction of the indoor sports stadium commencing in 2011/12. These projections are indicative only and in no way represent a formal commitment to the project. Once a site is finally determined, work can continue on concept design which will allow for a more accurate capital cost estimate. This is expected to be reported back to Council during 2009/10.

Council has been evaluating its options regarding future staff accommodation and meeting space requirements for Council and its subsidiaries. Options considered include: continuing to rent; and building premises with or without a joint venture partner. As a result of the submission process, Council has deferred the Council office project.

Unlike the previous version of this plan, budget provision for the The Remarkables Centre (Pokapu Kawareau) has not been provided for during the next 10 years.

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. For the purposes of the draft Plan, this means that the existing arrangements for the delivery of Engineering Services are included.

Development Contributions

Council has updated its Policy on Development Contributions effective from 1 July 2009. Council has reduced the revenue expected from those indicated in the draft Development Contributions Policy by 30% in the first two years and by 20% in Year 3. These adjustments have been made to reflect the deteriorating economic climate.

Water Treatment Standards

The impact of the recently adopted Water Treatment Standards in the district is now better understood but is not yet fully defined. The capital programme for water supply does include physical works to upgrade water treatment service levels through both UV and filtration over the 10 years of the plan. Budgets for UV water treatment are included during the first 3 years of the plan, but at this stage it is not clear whether filtration will also be required. This will depend on testing yet to be undertaken. It is recognised that the costs of providing upgrade water treatment service levels may not be affordable for some of our smaller schemes. 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

Continued development of Council subdivisions at the Commonage (Queenstown Hill) and Scurr Heights at Wanaka are expected to occur in the next 3 years, although the actual timeframes will be dictated by market conditions. Budgets show development of the next stage of the Commonage (24 lots) and Scurr Heights (30 lots) in 2010/11 with subsequent sales over the next two years. This is repeated in 2013/14. 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 in the main to shifts in the levels of service for an activity which would otherwise be funded from rates.

Council has assumed that it will not receive any proceeds from the Lakeview project (former Queenstown Camp Ground) during the next ten years because of the worsening global economic climate.

Climate Change

The effects of climate change have not been incorporated into the financial estimates contained in this plan because the impact is not considered to be significant for the district.

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 prices 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 and include a 20% scope contingency.

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, New Zealand is experiencing a down turn in its' economy. This is largely due to international economic factors and there is some uncertainty about how this 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

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Operating Income (\$000)										
Targeted Rates	36,522	40,824	42,835	43,986	47,289	53,159	56,086	58,273	60,123	62,820
General Rates	9,957	11,223	12,299	12,525	13,379	14,070	14,588	15,088	15,565	16,006
User Charges	13,334	14,131	14,447	15,390	16,795	17,767	18,582	19,503	20,238	21,065
Grants and Subsidies	14,047	12,197	13,633	15,578	26,678	17,662	21,489	18,482	20,867	16,056
Property Sales	-	5,000	6,611	6,850	-	7,221	7,501	-	-	-
Vested Assets	9,166	9,430	9,683	9,936	10,201	10,472	10,767	11,072	11,375	11,679
Development Contributions	11,076	11,742	12,698	16,362	17,259	18,244	19,566	17,739	18,813	18,227
Other Income	4,696	4,135	3,972	4,064	4,158	4,249	4,343	4,441	4,539	4,640
Revaluation - Non Current Assets	-	-	-	4,648	4,880	5,124	5,380	5,649	5,932	6,228
Total Operating Income	98,798	108,682	116,178	129,338	140,640	147,968	158,302	150,248	157,453	156,722
Cost of Services (\$000)										
Governance	4,274	4,577	4,693	4,839	4,995	5,140	5,290	5,450	5,614	5,784
District Promotion	3,657	3,838	3,967	4,085	4,208	4,334	4,464	4,599	4,722	4,849
Community	13,832	14,949	15,778	16,929	19,156	21,440	22,755	23,732	24,722	25,612
Property	5,258	5,547	5,814	6,272	6,580	6,954	7,294	7,804	8,169	8,576
Regulatory and Resource Management	6,422	6,536	6,783	6,967	7,119	7,258	7,405	7,566	7,735	7,911
Roading and Parking	16,191	17,745	19,257	19,801	20,900	22,000	23,202	24,355	25,425	26,922
Utilities	25,896	27,934	29,437	31,733	34,595	40,454	43,612	48,157	51,890	54,604
Overhead	121	133	141	144	148	151	154	158	161	165
Total Operating Cost (See Table for detail)	75,651	81,259	85,870	90,770	97,701	107,731	114,176	121,821	128,438	134,423
Operating Surplus (\$000)	23,147	27,423	30,308	38,568	42,939	40,237	44,126	28,427	29,014	22,299

Prospective statement of movements in equity for the year ended 30 June

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Forecast Opening Equity (\$000)	747,872	771,019	872,922	903,230	941,798	1,039,044	1,079,281	1,123,407	1,219,166	1,248,180
Net Surplus from Operations	23,147	27,423	30,308	38,568	42,939	40,237	44,126	28,427	29,014	22,299
Revaluation Reserve	-	74,480	-	-	54,307	-	-	67,331	-	-
Total Recognised Revenues and Expenses	23,147	101,903	30,308	38,568	97,246	40,237	44,126	95,758	29,014	22,299
Forecast Closing Equity (\$000)	771,019	872,922	903,230	941,798	1,039,044	1,079,281	1,123,407	1,219,166	1,248,180	1,270,478

Prospective statement of financial position as at 30 June

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Current Assets (\$000)										
Bank and Cash	138	132	132	132	133	134	133	133	133	134
Short Term Investments	79	83	87	91	96	101	106	111	117	123
Accounts Receivable	13,372	13,375	13,375	13,375	13,375	13,375	13,375	13,375	13,375	13,375
Prepayments	277	277	277	277	277	277	277	277	277	277
Inventory - Development Property	292	4,914	2,603	292	5,212	2,752	292	292	292	292
Total Current Assets (\$000)	14,158	18,781	16,474	14,167	19,093	16,639	14,183	14,188	14,194	14,201
Non Current Assets (\$000)										
Investments	7,576	7,576	7,576	7,576	7,576	7,576	7,576	7,576	7,576	7,576
Investment Properties	92,951	92,951	92,951	97,599	102,479	107,603	112,983	118,632	124,564	130,792
Fixed Assets	784,766	898,609	941,070	1,009,936	1,164,842	1,229,456	1,306,859	1,435,650	1,488,241	1,528,093
Total Non Current Assets (\$000)	885,293	999,136	1,041,597	1,115,111	1,274,897	1,344,635	1,427,418	1,561,858	1,620,381	1,666,461
Total Assets (\$000)	899,451	1,017,917	1,058,071	1,129,279	1,293,990	1,361,274	1,441,601	1,576,046	1,634,575	1,680,662
Current Liabilities (\$000)										
Accounts Payable	16,714	16,716	16,716	16,720	16,726	16,730	16,735	16,739	16,745	16,752
Income In Advance	891	891	891	891	891	891	891	891	891	891
Current Term Debt	16,624	19,108	20,585	25,481	35,600	39,656	45,085	50,888	55,314	58,881
Total Current Liabilities (\$000)	34,229	36,715	38,192	43,092	53,217	57,277	62,711	68,518	72,950	76,524
Non Current Liabilities (\$000)	94,203	108,280	116,649	144,389	201,730	224,716	255,483	288,362	313,445	333,660
Total Liabilities (\$000)	128,432	144,995	154,841	187,481	254,947	281,993	318,194	356,880	386,395	410,184
Public Equity (\$000)										
Revaluation Reserve	265,821	340,301	340,301	344,949	404,136	409,260	414,640	487,620	493,552	499,780
Operating Reserves	8,619	6,759	4,945	2,771	3,131	3,449	3,652	4,463	5,930	6,460
Capital Reserve	10,009	9,202	14,080	12,892	20,940	26,905	33,806	38,604	47,996	53,747
Accumulated Funds	486,570	516,660	543,904	581,186	610,837	639,667	671,309	688,479	700,702	710,491
Total Public Equity (\$000)	771,019	872,922	903,230	941,798	1,039,044	1,079,281	1,123,407	1,219,166	1,248,180	1,270,478
Total Liabilities and Equity (\$000)	899,451	1,017,917	1,058,071	1,129,279	1,293,991	1,361,274	1,441,601	1,576,046	1,634,575	1,680,662

Prospective statement of cashflows for the year ended 30 June

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Cash Flows From Operating Activities										
Cash was provided from:										
Receipts from Ratepayers and Other Income	88,131	93,451	99,385	107,404	125,059	124,651	134,154	133,027	139,646	138,315
	88,131	93,451	99,385	107,404	125,059	124,651	134,154	133,027	139,646	138,315
Cash was applied to:										
Payments for Expenses and Services	(52,062)	(54,962)	(57,419)	(61,861)	(66,239)	(70,362)	(73,416)	(76,742)	(79,725)	(82,808)
Interest Paid on Loans	(5,931)	(7,657)	(8,665)	(8,765)	(10,505)	(14,287)	(16,134)	(18,754)	(21,037)	(22,759)
	(57,993)	(62,619)	(66,084)	(70,626)	(76,744)	(84,649)	(89,550)	(95,496)	(100,762)	(105,567)
Net Cash from Operating Activities	30,138	30,832	33,301	36,778	48,315	40,002	44,604	37,531	38,883	32,748
Cash Flows From Investing Activities										
Cash was provided from:										
Proceeds from Development Properties	-	-	8,922	9,161	-	9,681	9,961	-	-	-
Proceeds from Asset Sales	-	5,000	-	-	-	-	-	-	-	-
	-	5,000	8,922	9,161	-	9,681	9,961	-	-	-
Cash was applied to:										
Purchase of Plant and Assets	(61,178)	(52,399)	(52,069)	(78,574)	(115,775)	(76,724)	(90,762)	(76,213)	(68,392)	(56,529)
Net Cash used in Investing Activities	(61,178)	(47,399)	(43,147)	(69,413)	(115,775)	(67,043)	(80,801)	(76,213)	(68,392)	(56,529)
Cash Flows From Financing Activities										
Cash was provided from:										
Long Term Debt	46,039	33,185	28,954	53,221	92,941	62,642	75,852	83,767	80,397	79,096
Cash was applied to:										
Settlement of Long Term Debt	(15,000)	(16,625)	(19,108)	(20,585)	(25,481)	(35,600)	(39,656)	(45,085)	(50,888)	(55,314)
Net Cash from Financing Activities	31,039	16,561	9,846	32,636	67,460	27,042	36,196	38,682	29,509	23,782
Net Increase/(Decrease) in Cash Held	(1)	(6)	-	1	-	1	(1)	-	-	1
Total Cash Resources at 01 July	139	138	132	132	133	133	134	133	133	133
Total Cash Resources at 30 June	138	132	132	133	133	134	133	133	133	134
Cash Resources represented by:										
Bank and Cash	138	132	132	133	133	134	133	133	133	134
Bank Overdraft	-	-	-	-	-	-	-	-	-	-
Total Cash Resources	138	132	132	133	133	134	133	133	133	134

Operating expenditure by activity (\$000)

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Governance										
Community Leadership	3,324	3,582	3,663	3,776	3,898	4,011	4,128	4,253	4,381	4,513
Strategic Planning	950	995	1,030	1,063	1,097	1,129	1,162	1,197	1,233	1,271
Sub Total	4,274	4,577	4,693	4,839	4,995	5,140	5,290	5,450	5,614	5,784
District Promotion	3,657	3,838	3,967	4,085	4,208	4,334	4,464	4,599	4,722	4,849
Community										
Community Facilities	3,723	3,887	3,951	4,115	5,339	6,569	6,822	6,798	6,974	6,979
Active & Passive Recreation	5,169	5,746	6,157	7,028	7,820	8,680	9,497	10,301	10,943	11,656
Community Development	905	938	968	966	989	1,010	1,032	1,055	1,080	1,106
Community Grants	528	547	565	578	592	605	618	632	646	662
Libraries	1,982	2,121	2,293	2,317	2,407	2,467	2,527	2,590	2,644	2,697
Waterways Facilities	184	209	224	232	250	275	353	361	368	382
Cemeteries	134	148	155	170	181	190	199	209	218	227
Public Toilets	670	756	851	895	937	991	1,042	1,106	1,155	1,195
Emergency Services	537	597	614	628	641	653	665	680	694	708
Sub Total	13,832	14,949	15,778	16,929	19,156	21,440	22,755	23,732	24,722	25,612
Property										
Council Land	554	566	576	621	652	689	723	773	809	850
Housing	201	208	214	231	242	256	268	287	301	316
Wanaka Airport	290	329	411	443	465	492	516	552	577	606
Forestry	348	371	392	423	444	469	492	526	551	578
Holiday Parks	3,865	4,073	4,221	4,554	4,777	5,048	5,295	5,666	5,931	6,226
Sub Total	5,258	5,547	5,814	6,272	6,580	6,954	7,294	7,804	8,169	8,576
Regulatory and Resource Management										
Regulatory Services	3,559	3,633	3,763	3,880	4,005	4,122	4,243	4,372	4,505	4,641
Waterways Regulation	405	423	437	447	458	468	478	489	500	512
District Plan	2,458	2,480	2,583	2,640	2,656	2,668	2,684	2,705	2,730	2,758
Sub Total	6,422	6,536	6,783	6,967	7,119	7,258	7,405	7,566	7,735	7,911
Roading and Parking										
Roading	15,732	17,283	18,787	19,326	20,420	21,513	22,707	23,850	24,910	26,396
Parking Provision	459	462	470	475	480	487	495	505	515	526
Sub Total	16,191	17,745	19,257	19,801	20,900	22,000	23,202	24,355	25,425	26,922

Operating expenditure by activity (\$000) cont...

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Utilities										
Sewerage	8,390	9,320	10,303	11,010	11,733	14,853	15,522	16,159	16,839	18,160
Water Supply	7,056	7,676	8,281	8,462	9,714	10,921	12,891	15,903	18,508	19,300
Waste Management	8,320	8,751	8,605	9,937	11,340	12,808	13,242	13,931	14,308	14,865
Stormwater	2,130	2,187	2,248	2,324	1,808	1,872	1,957	2,164	2,235	2,279
Sub Total	25,896	27,934	29,437	31,733	34,595	40,454	43,612	48,157	51,890	54,604
Overhead	121	133	141	144	148	151	154	158	161	165
Total Operating Cost	75,651	81,259	85,870	90,770	97,701	107,731	114,176	121,821	128,438	134,423
Depreciation (included in above)	16,159	17,839	19,286	19,644	20,457	22,582	24,126	25,825	27,176	28,356
Interest (included in above)	5,931	7,659	8,645	8,765	10,505	14,287	16,134	18,754	21,037	22,759

Capital asset expenditure by activity (\$000)

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Governance	-	-	-	-	-	-	-	-	-	-
District Promotion	-	-	-	-	-	-	-	-	-	-
Community										
Community Facilities	1,828	1,374	7,317	9,280	20,948	4,526	254	262	212	252
Active & Passive Recreation	9,434	4,405	6,506	7,661	7,690	7,132	6,467	5,061	6,437	7,261
Community Development	-	-	-	-	-	-	-	-	-	-
Community Grants	-	-	-	-	-	-	-	-	-	-
Libraries	313	507	681	427	333	337	335	345	366	681
Waterways Facilities	395	226	42	250	592	994	83	85	162	38
Cemeteries	60	267	106	43	11	11	71	12	12	13
Public Toilets	470	966	254	745	648	362	496	664	319	518
Emergency Services	112	147	30	34	11	155	14	18	169	134
Sub Total	12,612	7,892	14,936	18,440	30,233	13,517	7,720	6,447	7,677	8,897
Property										
Council Land	3,506	3,378	-	-	3,869	-	-	-	-	-
Housing	108	70	70	72	74	76	78	81	83	84
Wanaka Airport	265	440	1,260	3,227	765	423	1,262	1,986	971	849
Forestry	-	-	-	-	-	-	-	-	-	-
Holiday Parks	1,770	2,570	90	92	95	98	100	104	106	109
Sub Total	5,649	6,458	1,420	3,391	4,803	597	1,440	2,171	1,160	1,042
Regulatory and Resource Management										
Regulatory Services	200	-	-	-	-	-	-	-	-	-
Waterways Regulation	-	-	-	-	-	-	-	-	-	-
District Plan	-	-	-	-	-	-	-	-	-	-
Sub Total	200	-	-	-	-	-	-	-	-	-
Roading and Parking										
Roading	25,755	23,446	20,761	26,438	29,171	29,559	33,536	28,607	36,329	25,936
Town Centres	418	310	-	2,137	2,188	2,240	2,290	2,342	2,398	2,456
Parking Provision	-	-	-	-	560	-	-	-	-	-
Sub Total	26,173	23,756	20,761	28,575	31,919	31,799	35,826	30,949	38,727	28,392

Capital asset expenditure by activity (\$000) cont...

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Utilities										
Sewerage	12,060	12,882	13,936	12,420	33,929	9,910	10,660	11,740	19,884	13,205
Water Supply	7,743	4,732	5,807	21,072	14,996	26,281	39,307	31,031	7,905	12,089
Waste Management	341	22	56	80	5,181	84	74	138	122	152
Stormwater	4,591	4,739	3,714	3,579	3,991	4,069	5,633	3,993	3,511	3,625
Sub Total	24,735	22,375	23,513	37,151	58,097	40,344	55,674	46,902	31,422	29,071
Overhead	974	1,349	1,123	950	922	938	870	818	781	803
Total Asset Capital Cost	70,343	61,830	61,753	88,507	125,974	87,195	101,530	87,287	79,767	68,205

Capital debt repayment expenditure by activity (\$000)

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Governance	-	-	-	-	-	-	-	-	-	-
District Promotion	-	-	-	-	-	-	-	-	-	-
Community										
Community Facilities	855	860	970	875	1,036	2,328	1,849	1,243	2,046	1,057
Active & Passive Recreation	220	220	220	244	381	504	672	850	992	1,159
Community Development	-	-	-	-	-	-	-	-	-	-
Community Grants	-	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	6	8	8	9	10	11
Waterways Facilities	8	8	8	8	13	14	47	49	51	56
Cemeteries	-	-	-	-	2	2	2	2	2	2
Public Toilets	47	47	47	49	77	90	100	118	133	141
Emergency Services	-	-	-	-	-	-	-	1	1	2
Sub Total	1,130	1,135	1,245	1,176	1,515	2,946	2,678	2,272	3,235	2,428
Property										
Council Land	-	-	-	186	258	2,184	2,362	2,221	2,459	3,066
Housing	50	69	69	66	62	59	55	52	49	47
Wanaka Airport	40	50	60	54	49	44	39	35	32	29
Forestry	-	-	-	-	-	-	-	-	-	-
Holiday Parks	100	200	300	289	279	269	259	250	241	232
Sub Total	190	319	429	595	648	2,556	2,715	2,558	2,781	3,374
Regulatory and Resource Management										
Regulatory Services	2	11	11	10	10	9	9	8	8	8
Waterways Regulation	-	-	-	-	-	-	-	-	-	-
District Plan	410	445	478	509	483	459	436	414	394	374
Sub Total	412	456	489	519	493	468	445	422	402	382
Roading and Parking										
Roading	356	1,200	1,557	1,473	1,582	1,739	3,126	3,355	3,212	4,713
Town Centres	-	40	40	38	79	121	172	216	257	304
Parking Provision	150	150	150	128	109	92	79	67	57	48
Sub Total	506	1,390	1,747	1,639	1,770	1,952	3,377	3,638	3,526	5,065

Capital debt repayment expenditure by activity (\$000) cont...

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Utilities										
Sewerage	152	1,223	1,516	1,192	1,440	2,761	2,976	3,229	3,504	4,401
Water Supply	17	1,317	935	634	966	1,351	2,226	3,752	5,263	5,783
Waste Management	130	170	378	353	331	565	546	528	516	504
Stormwater	13	350	380	822	459	285	287	348	350	337
Sub Total	312	3,060	3,209	3,001	3,196	4,962	6,035	7,857	9,633	11,025
Overhead	140	209	320	127	121	115	109	104	99	95
Total Debt Repayment Capital Cost	2,690	6,569	7,439	7,057	7,743	12,999	15,359	16,851	19,676	22,369

Total capital expenditure by activity

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Governance	-	-	-	-	-	-	-	-	-	-
District Promotion	-	-	-	-	-	-	-	-	-	-
Community										
Community Facilities	2,683	2,234	8,287	10,155	21,984	6,854	2,103	1,505	2,258	1,309
Active & Passive Recreation	9,654	4,626	6,726	7,905	8,071	7,636	7,139	5,911	7,429	8,419
Community Development	-	-	-	-	-	-	-	-	-	-
Community Grants	-	-	-	-	-	-	-	-	-	-
Libraries	313	507	681	427	339	344	343	354	376	692
Waterways Facilities	403	234	50	258	605	1,008	130	134	213	94
Cemeteries	60	267	106	43	13	13	73	14	14	15
Public Toilets	517	1,013	301	793	725	452	597	782	452	659
Emergency Services	112	147	30	34	11	155	15	19	170	136
Sub Total	13,742	9,028	16,181	19,615	31,748	16,462	10,400	8,719	10,912	11,324
Property										
Council Land	3,506	3,378	-	186	4,128	2,184	2,362	2,221	2,459	3,066
Housing	158	139	139	137	136	134	133	133	132	131
Wanaka Airport	305	490	1,320	3,281	814	466	1,302	2,021	1,002	877
Forestry	-	-	-	-	-	-	-	-	-	-
Holiday Parks	1,870	2,770	390	382	374	366	360	353	347	341
Sub Total	5,839	6,777	1,849	3,986	5,452	3,150	4,157	4,728	3,940	4,415
Regulatory and Resource Management										
Regulatory Services	202	11	11	10	10	9	9	8	8	8
Waterways Regulation	-	-	-	-	-	-	-	-	-	-
District Plan	410	445	478	509	483	459	436	414	394	374
Sub Total	612	456	489	519	493	468	445	422	402	382
Roading and Parking										
Roading	26,111	24,646	22,318	27,911	30,753	31,298	36,662	31,962	39,541	30,649
Town Centres	418	350	40	2,175	2,267	2,361	2,462	2,559	2,655	2,760
Parking Provision	150	150	150	128	668	92	79	67	57	48
Sub Total	26,679	25,146	22,508	30,214	33,688	33,751	39,203	34,588	42,253	33,457

Total capital expenditure by activity cont....

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Utilities Total										
Sewerage	12,212	14,104	15,452	13,612	35,370	12,671	13,636	14,969	23,389	17,606
Water Supply	7,760	6,049	6,742	21,706	15,962	27,632	41,533	34,783	13,168	17,872
Waste Management	471	192	434	434	5,511	649	620	667	638	655
Stormwater	4,604	5,089	4,094	4,401	4,450	4,354	5,921	4,341	3,861	3,962
Sub Total	25,047	25,434	26,722	40,153	61,293	45,306	61,710	54,760	41,056	40,095
Overhead	1,114	1,558	1,443	1,077	1,043	1,057	974	921	880	901
Total Capital Cost	73,033	68,399	69,192	95,564	133,717	100,194	116,889	104,138	99,443	90,574

Capital asset expenditure (growth) by activity group (\$000)

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Governance	-	-	-	-	-	-	-	-	-	-
District Promotion	-	-	-	-	-	-	-	-	-	-
Community	9,028	3,671	7,500	7,447	12,420	5,935	4,561	3,318	4,079	5,439
Property	-	-	-	-	-	-	-	-	-	-
Regulatory and Resource Management	-	-	-	-	-	-	-	-	-	-
Roading and Parking	10,884	9,855	9,016	12,980	12,252	12,559	16,600	13,934	15,610	11,967
Utilities	14,040	14,623	15,535	21,108	23,942	24,373	33,039	30,365	22,432	18,894
Overhead	-	-	-	-	-	-	-	-	-	-
Total Capital Asset Cost (Growth)	33,952	28,149	32,051	41,535	48,614	42,867	54,200	47,617	42,121	36,300

Capital asset expenditure (renewal) by activity group (\$000)

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Governance	-	-	-	-	-	-	-	-	-	-
District Promotion	-	-	-	-	-	-	-	-	-	-
Community	1,668	2,028	1,948	2,325	2,042	1,712	1,327	1,742	1,875	1,829
Property	1,055	1,585	1,005	2,403	683	448	1,040	1,551	845	763
Regulatory and Resource Management	-	-	-	-	-	-	-	-	-	-
Roading and Parking	11,143	10,810	9,211	9,384	11,861	12,481	9,273	8,409	7,143	5,174
Utilities	6,710	4,546	5,607	5,468	6,270	4,097	4,755	5,558	4,709	4,921
Overhead	244	337	281	236	227	233	218	205	195	201
Total Capital Asset Cost (Renewal)	20,820	19,306	18,052	19,816	21,083	18,971	16,613	17,465	14,767	12,888

Capital asset expenditure (other) by activity group (\$000)

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Governance	-	-	-	-	-	-	-	-	-	-
District Promotion	-	-	-	-	-	-	-	-	-	-
Community	1,916	2,194	5,490	8,669	15,773	5,870	1,832	1,389	1,722	1,629
Property	4,594	4,873	415	989	4,120	148	401	619	315	279
Regulatory and Resource Management	200	-	-	-	-	-	-	-	-	-
Roading and Parking	4,146	3,092	2,534	6,211	7,806	6,760	9,953	8,606	15,975	11,250
Utilities	3,984	3,205	2,370	10,575	27,886	11,874	17,879	10,978	4,281	5,255
Overhead	731	1,011	841	712	692	705	652	613	586	604
Total Capital Asset Cost (Other)	15,571	14,375	11,650	27,156	56,277	25,357	30,717	22,205	22,879	19,017

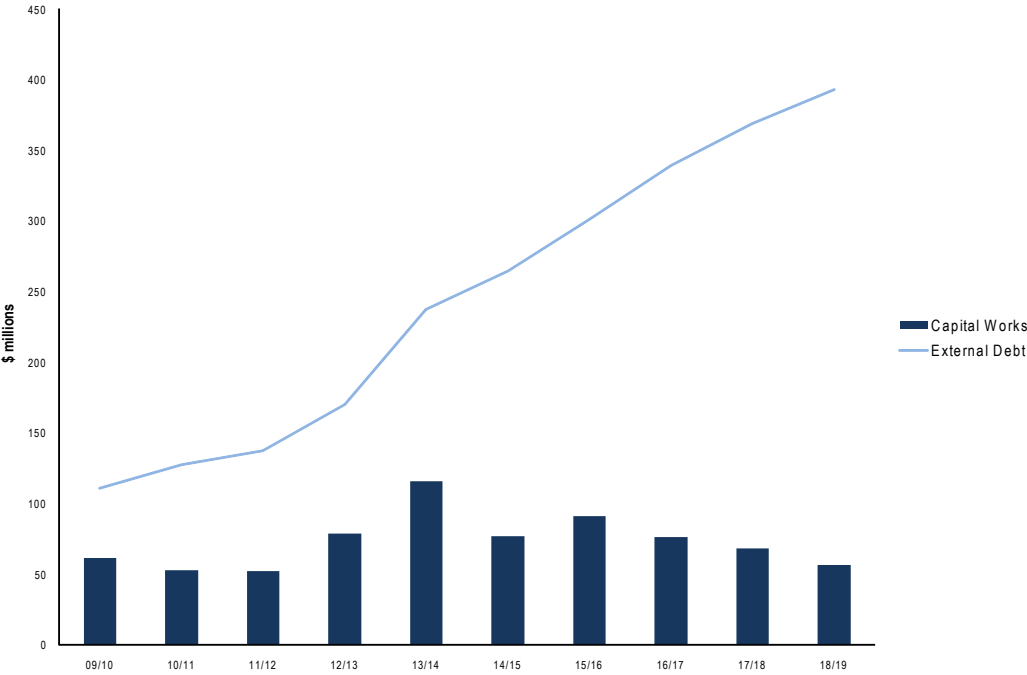
Total Capital Asset Cost	70,343	61,830	61,753	88,507	125,974	87,195	101,530	87,287	79,767	68,205
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Capital debt repayment expenditure by activity group (\$000)

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Governance	-	-	-	-	-	-	-	-	-	-
District Promotion	-	-	-	-	-	-	-	-	-	-
Community	1,130	1,135	1,245	1,176	1,515	2,946	2,678	2,272	3,235	2,428
Property	190	319	429	595	648	2,556	2,715	2,558	2,781	3,374
Regulatory and Resource Management	412	456	489	519	493	468	445	422	402	382
Roading and Parking	506	1,390	1,747	1,639	1,770	1,952	3,377	3,638	3,526	5,065
Utilities	312	3,060	3,209	3,001	3,196	4,962	6,035	7,857	9,633	11,025
Overhead	140	209	320	127	121	115	109	104	99	95
Total Capital Debt Repayment	2,690	6,569	7,439	7,057	7,743	12,999	15,359	16,851	19,676	22,369

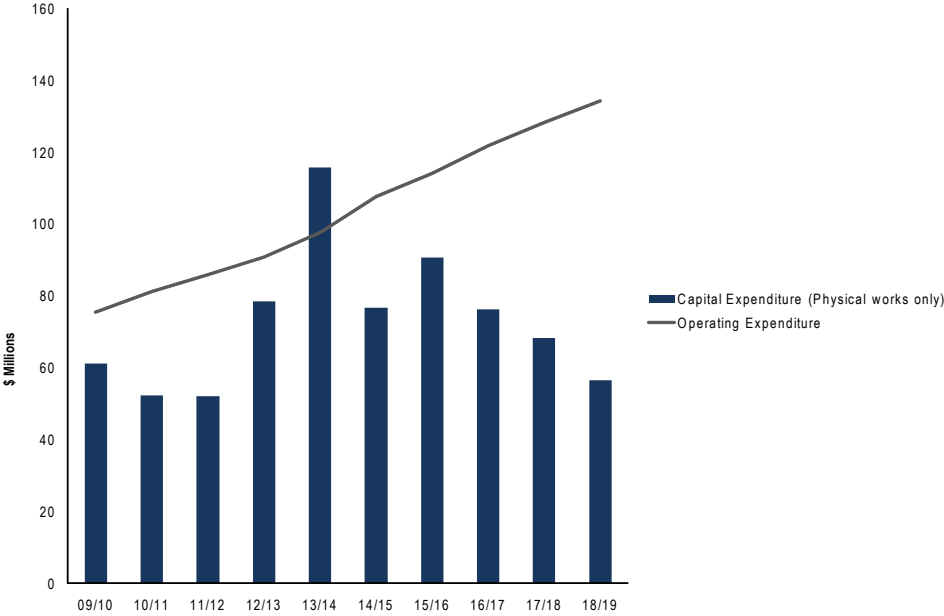
Financial Analysis Graphs

10 Year Financial Analysis: External Debt vs Capital Works

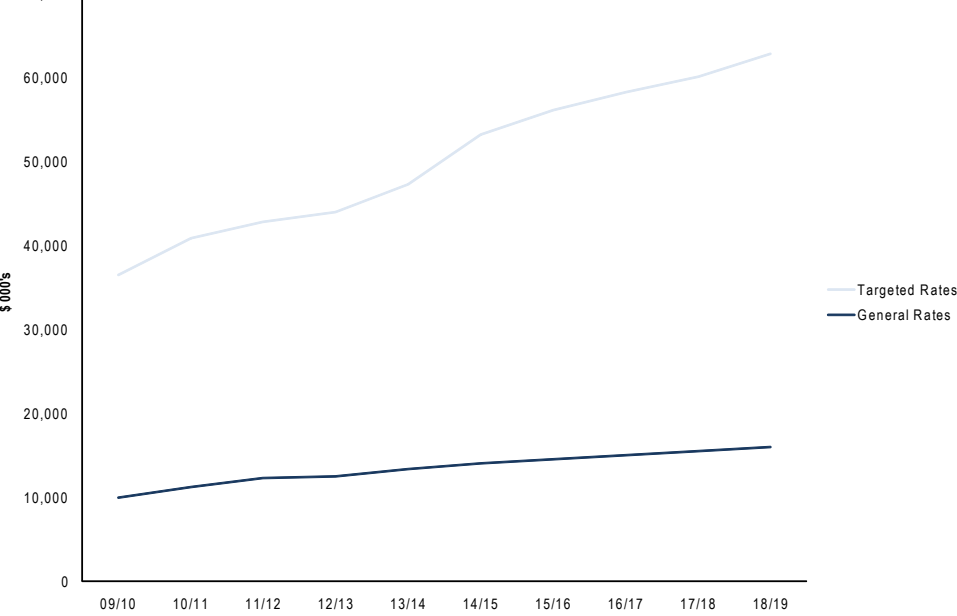


Debt Parameters	Limit	Estimates			
		30 June 10	30 June 11	30 June 12	30 June 19
Interest Expense/ Operating Revenue	<20%	6.6%	7.7%	8.1%	16.4%
Interest Expense/ Total Revenue	<15%	6.0%	7.0%	7.5%	14.5%
Net Debt/Total Revenue	<200%	112.2%	117.2%	118.1%	250.5%
Net Debt/Equity	<20%	14.4%	14.6%	15.2%	30.9%

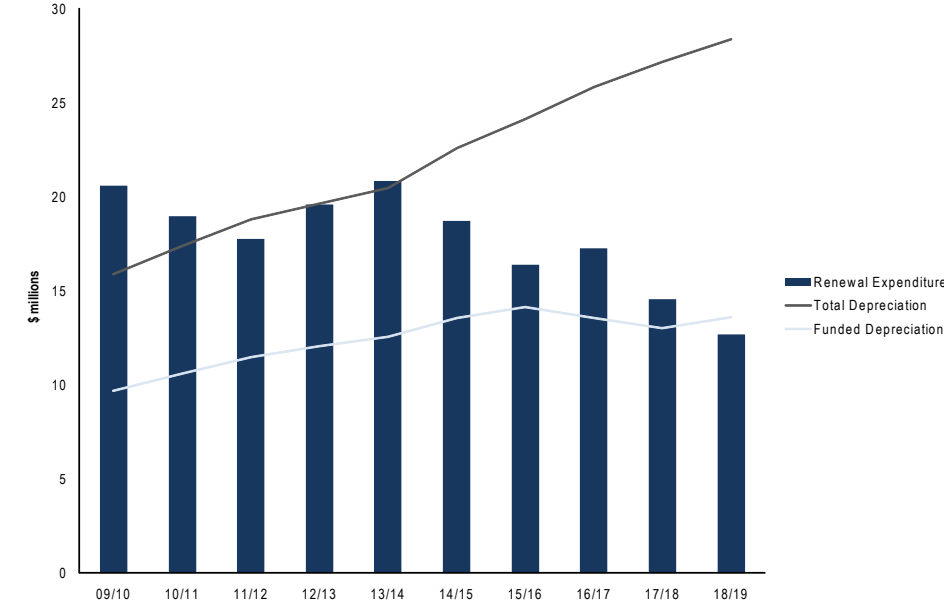
10 Year Projected Council Expenditure



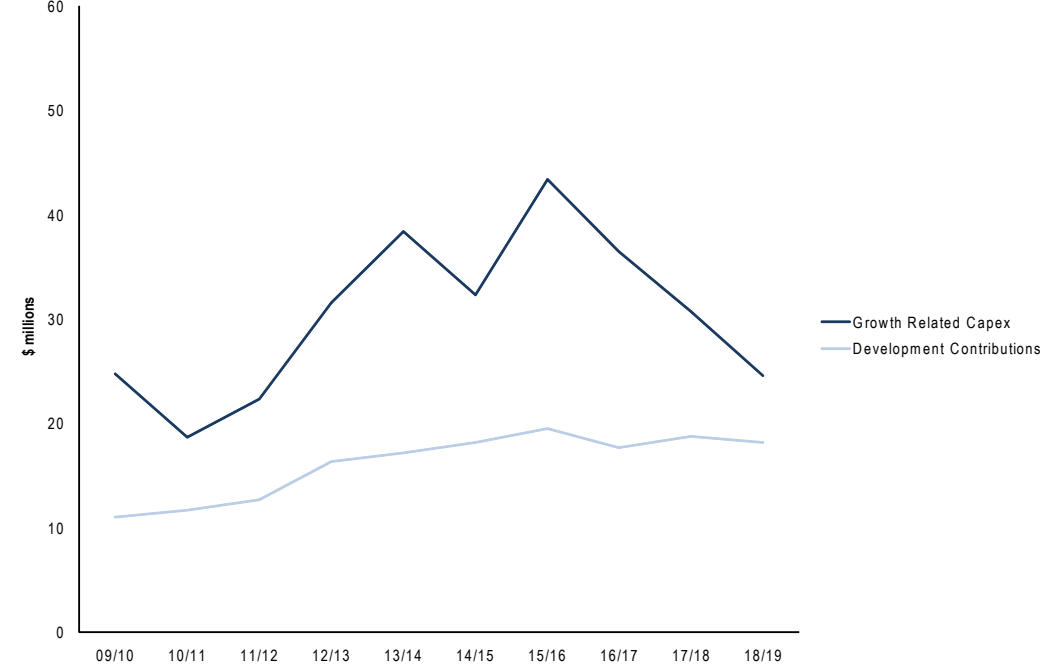
Indicative Rates Revenue



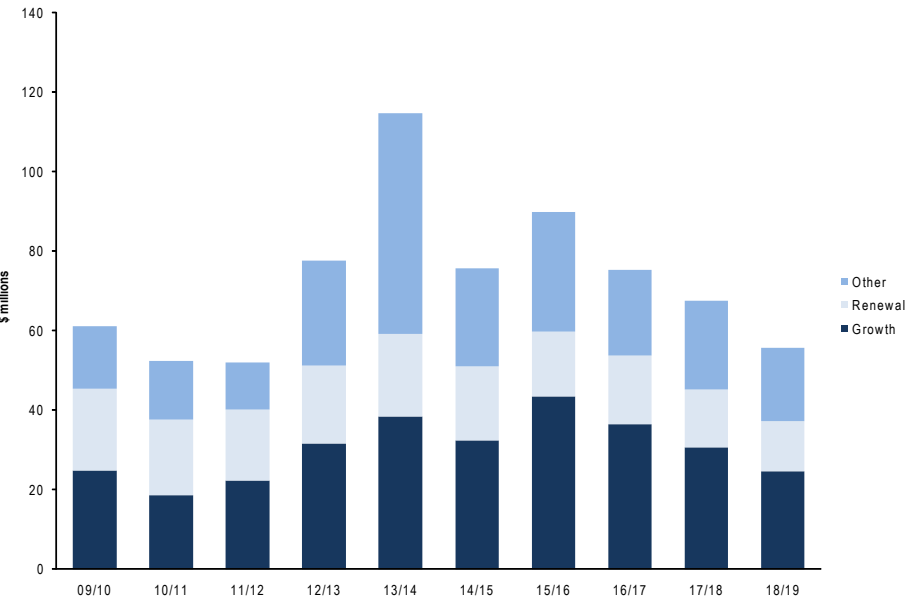
10 Year Financial Analysis Renewals vs Depreciation



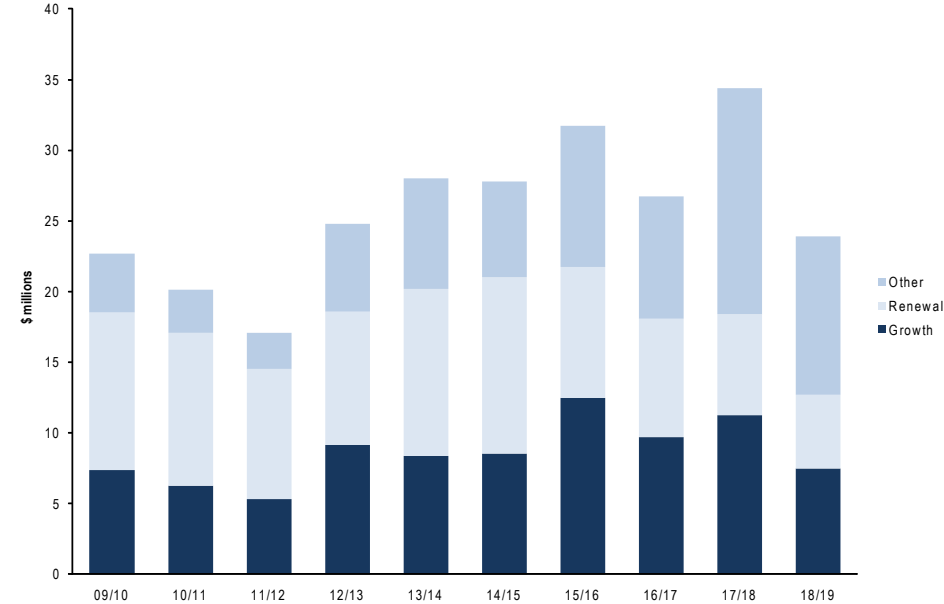
10 Year Financial Analysis Growth Related Capex vs Development Contributions



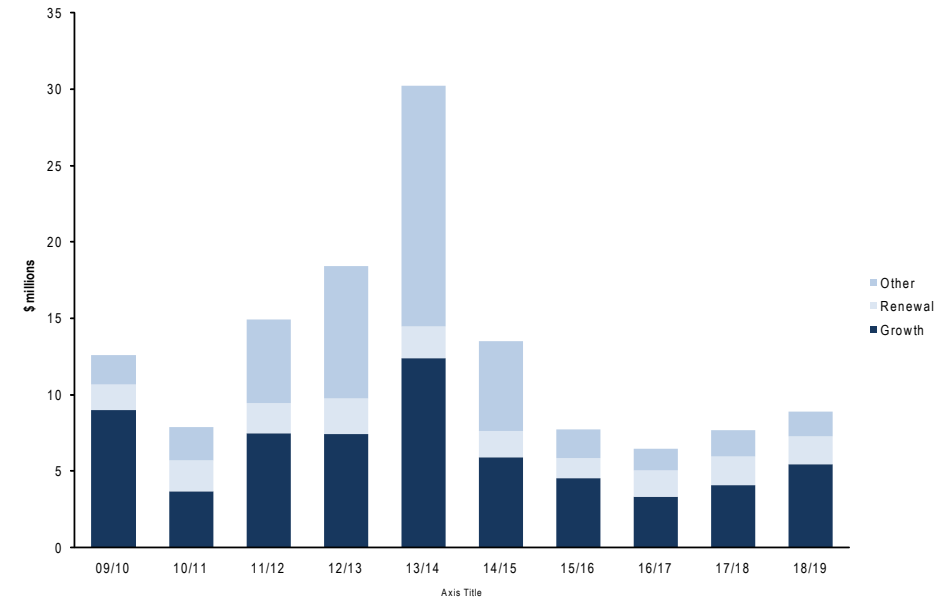
Capital Expenditure by Cost Driver - Whole Council
(Physical Works only)



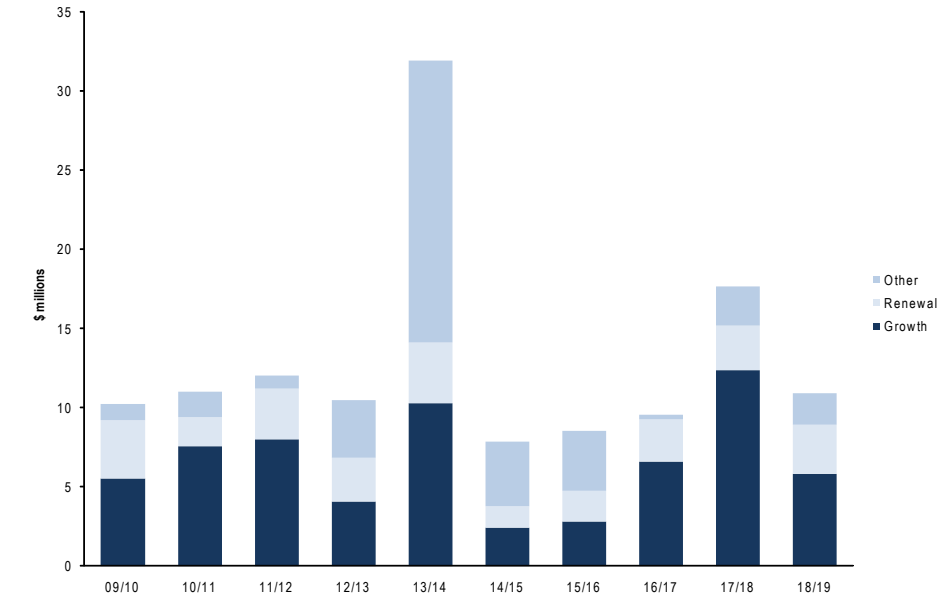
Capital Expenditure by Cost Driver - Roading and Parking
(Physical Works only)



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

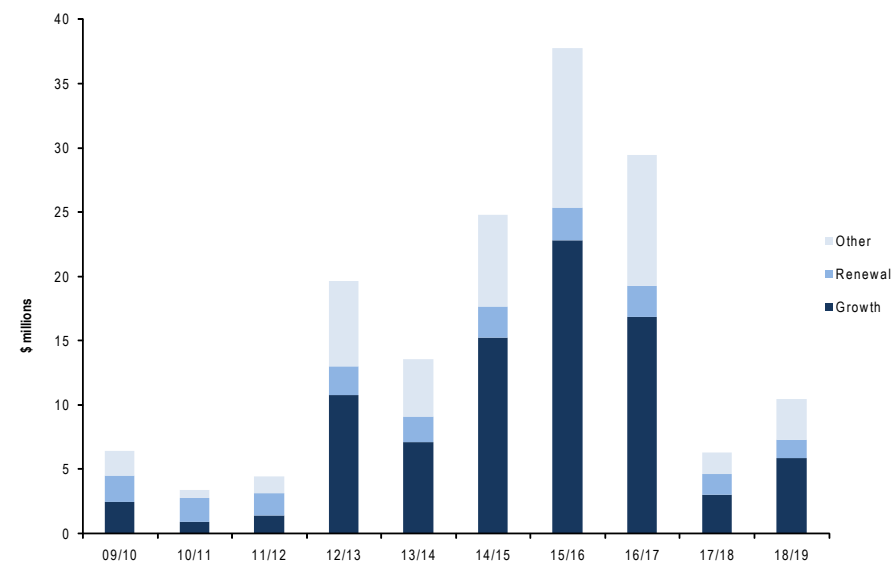


Capital Expenditure by Cost Driver - Wastewater
(Physical Works only)

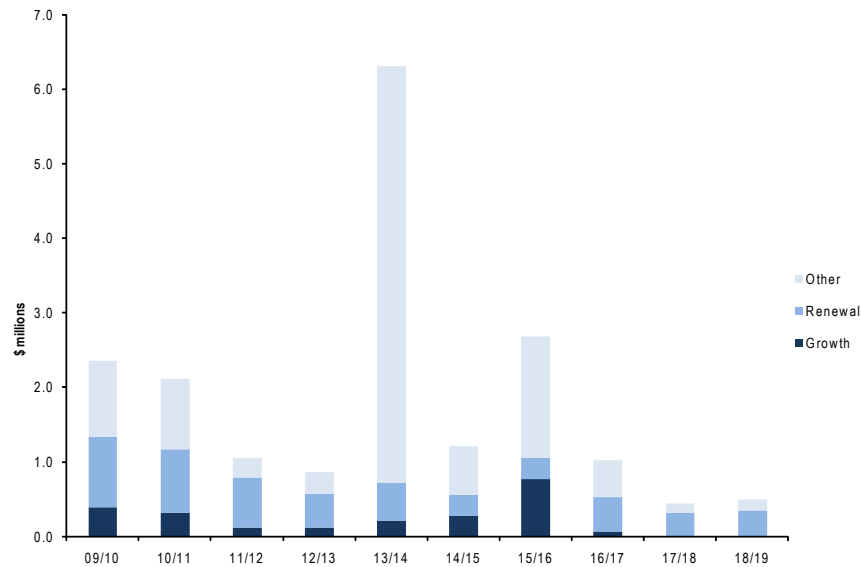


Financial Analysis Graphs

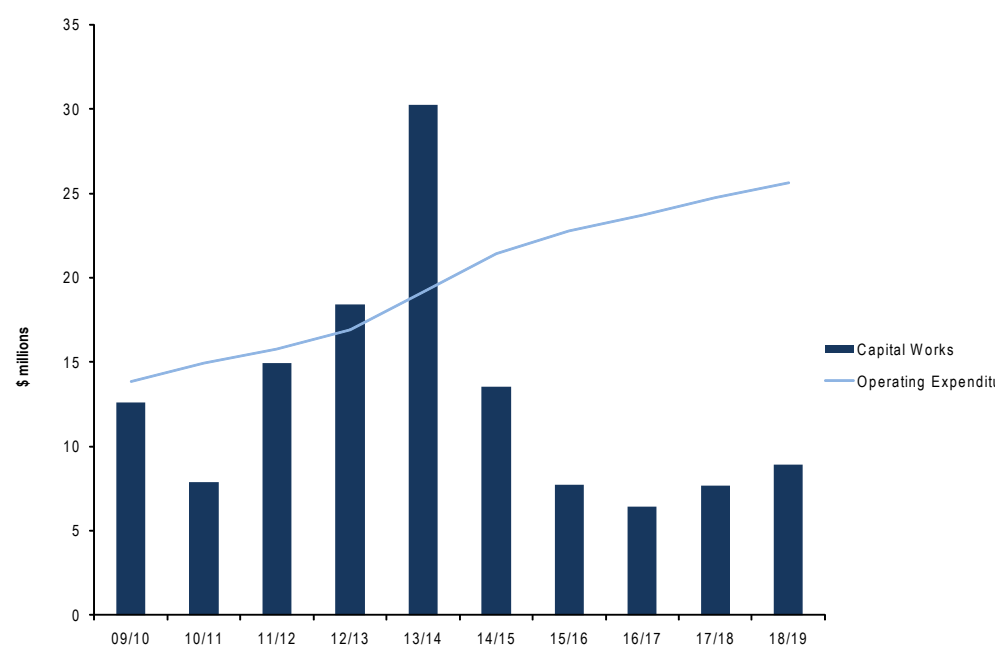
Capital Expenditure by Cost Driver - Water Supply
(Physical Works only)



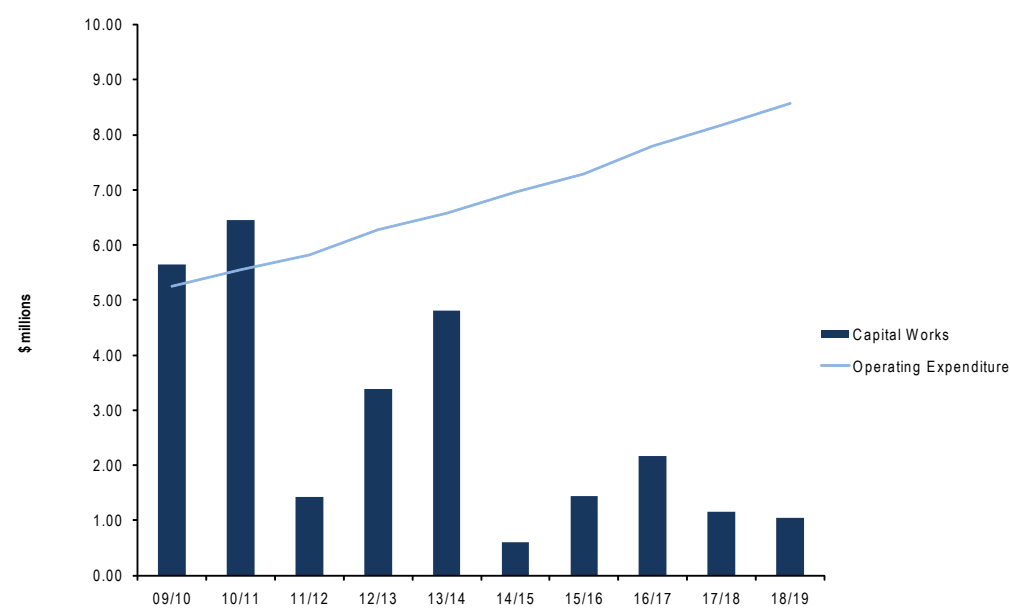
Capital Expenditure by Cost Driver - Stormwater
(Physical Works only)



Expenditure for Community Activity Group

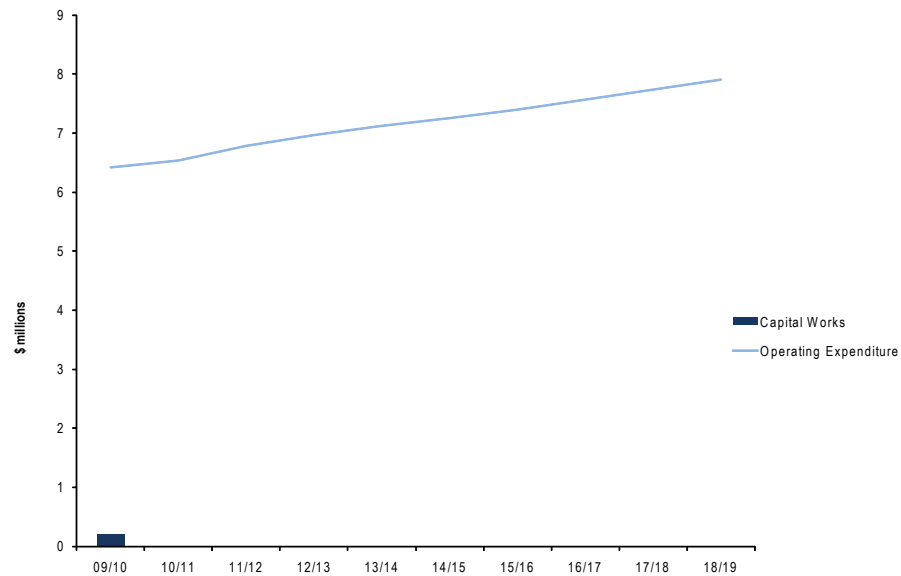


Expenditure for Property Activity Group

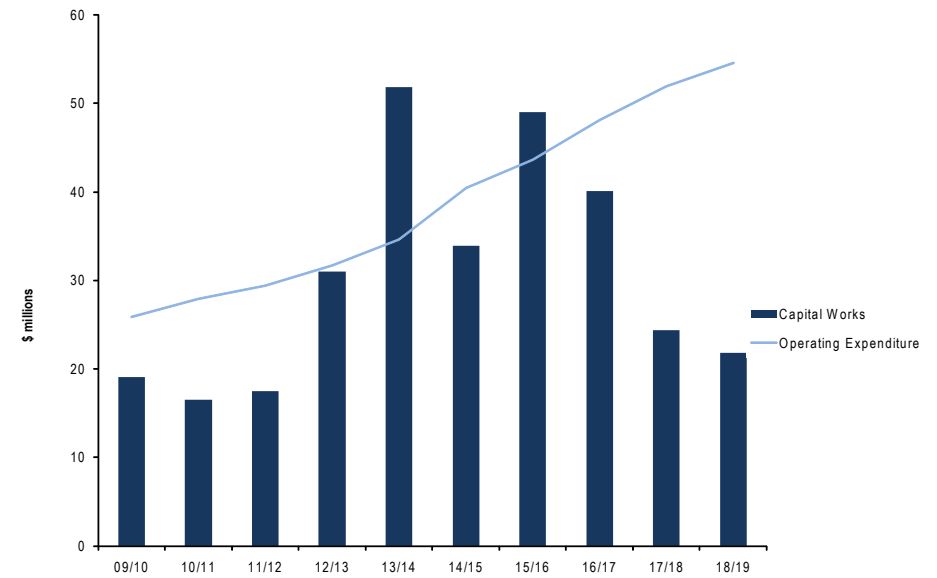


Financial Analysis Graphs

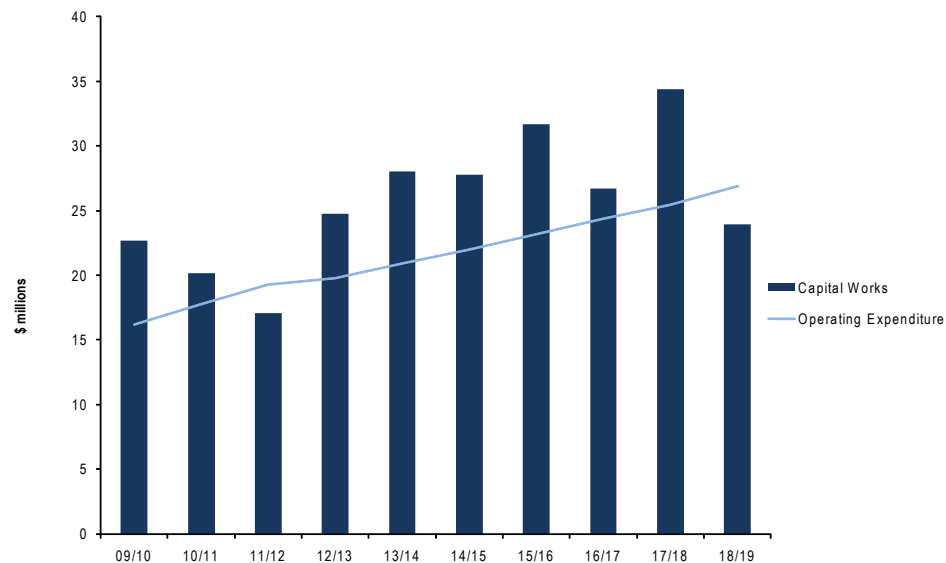
Expenditure for Regulatory and Resource Management Activity Group



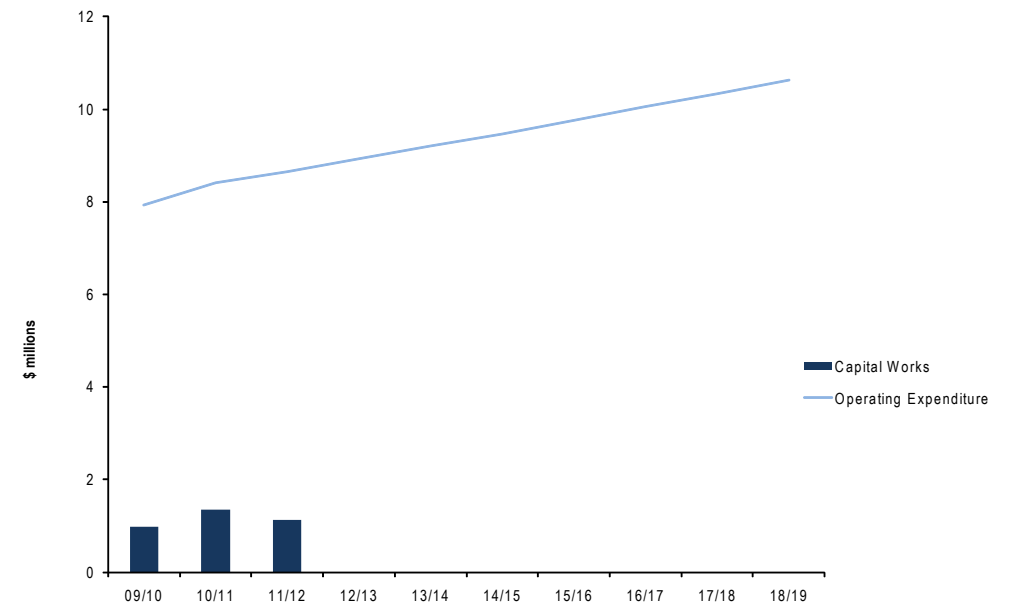
Expenditure for Utilities Activity Group



Expenditure for Roading 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).

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; Lakes Environmental Limited, Lakes Engineering Limited, or Lakes Leisure Limited.

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

Statement of Compliance

The financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

The financial statements comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) as appropriate for public benefit entities.

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

Basis of Preparation

The preparation of financial statements in conformity with NZ IFRS requires management to make judgements, 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 judgements 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 in future periods if the revision affects both current and future periods.

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

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

The financial statements are presented in thousands of New Zealand dollars. New Zealand dollars are the Council's and Group's functional currency.

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

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.

Rates Revenue

Rates revenue is recognised when it is levied.

Other Revenue

(a) Rendering of Services

Revenue from the rendering of services 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.

(b) Interest Revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and 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.

(c) Dividend Revenue

Dividends are recognised when the entitlement to the dividends is established.

(d) Fees and Charges

Fees and charges are recognised as income when supplies and services have been rendered.

(e) Contracts and Consents

Revenue relating to contracts and consent applications that are in progress at balance date is recognised by reference to the stage of completion at balance date.

(f) Grant Revenue

Government grants are received from Land Transport New Zealand, which subsidises part of the Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Grants and subsidies are recognised upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

(g) Development Contributions

The revenue recognition point for development and financial contributions is at the later of the point when the Council is ready to provide the service for which the contribution was levied, or the event that will give rise to a requirement for a development or financial contribution under the legislation.

Development contributions are classified as part of the "Other Revenue".

Other Gains and Losses**(a) Sale of investment property, property, plant and equipment, property intended for sale and financial assets.**

Net gains or losses on the sale of investment property, property plant and equipment, property intended for sale and financial assets are recognised when an unconditional contract is in place and it is probable that the Council and/or Group will receive the consideration due.

(b) Assets Acquired for Nil or Nominal Consideration

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.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the Council's decision.

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 operating leases are charged to the Statement of Financial Performance on a basis representative of the pattern of benefits to be derived from the leased asset.

(a) Council and/or Group as Lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease.

(b) Council and/or Group as Lessee

Assets held under finance leases are recognised at their fair value or, if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised.

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

(c) Lease Incentives

Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight line basis over the lease term.

Goods and Services Tax

Revenues, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and other short-term highly liquid deposits that are readily convertible to a known amount of cash.

Financial Instruments

Financial assets and financial liabilities are recognised on the Council's or Group's Statement of Financial Position when the Council and/or Group becomes a party to contractual provisions of the instrument.

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract, whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs, except for those financial assets classified as fair value through profit or loss which are initially valued at fair value.

(i) Financial Assets

Financial Assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'held-to-maturity' investments, 'available-for-sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The effective interest method, referred to below, is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the interest rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Financial Assets at Fair Value Through Profit or Loss

Financial assets are classified as financial assets at fair value through profit or loss where the financial asset:

- Has been acquired principally for the purpose of selling in the near future;
- Is a part of an identified portfolio of financial instruments that the Council and Group manages together and has a recent actual pattern of short-term profit-taking; or
- Is a derivative that is not designated and effective as a hedging instrument.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in the Statement of Financial Performance. The net gain or loss is recognised in the Statement of Financial Performance and incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described later in this note.

Held-to-Maturity Investments

Investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

The Council and Group does not hold any financial assets in this category.

Available-for-Sale Financial Assets

Equity Investments held by the Council and Group classified as being available-for-sale are stated at fair value. Fair value is determined in the manner described later in this note. Gains and losses arising from changes in fair value are recognised directly in the available-for-sale revaluation reserve, with the exception of impairment losses which are recognised directly in the Statement of Financial Performance. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the available-for-sale revaluation reserve is included in the Statement of Financial Performance for the period.

Dividends on available-for-sale equity instruments are recognised in the Statement of Financial Performance when the Council's and Group's right to receive payments is established.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is

established when there is objective evidence that the Council or Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is expensed in the Statement of Financial Performance.

Loans, including loans to community organisations made by the Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows and discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the Statement of Financial Performance as a grant.

Until 1 July 1998 in certain circumstances funds were required to be set aside each year to meet future payments of loans and commitments. These funds, described as Sinking Funds, are administered by independent Sinking Fund Commissioners appointed by the Council. The funds are included in the Statement of Financial Position. The Council now voluntarily contributes to sinking funds to build up funds to pay off debt principal.

Deposits are included within this classification.

Impairment of Financial Assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the Statement of Financial Performance.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Financial Performance to the extent the carrying amount of the investment at the date of impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(ii) Financial Liabilities

Trade and Other Payables

Trade payables and other accounts payable are recognised when the Council and Group becomes obliged to make future payments resulting from the purchase of goods and services.

Trade and other payables are initially recognised at fair value and are subsequently measured at amortised cost, using the effective interest method.

Borrowings

Borrowings are recorded initially at fair value, net of transaction costs.

Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the Statement of Financial Performance over the period of the borrowing using the effective interest method.

Fair Value Estimation

The fair value of financial instruments traded in active markets (such as listed equities) is based on quoted market prices at the balance date. The quoted market price used for financial assets held by the Council and Group is the current bid price; the appropriate quoted market price for financial liabilities is the current offer price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council and Group uses a variety of methods and makes assumptions that are based on market conditions existing as each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term investment and debt instruments held.

Embedded Derivatives

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not measured at fair value with changes in fair value recognised in the Statement of Financial Performance.

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.

Other inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis with an appropriate allowance for obsolescence and deterioration.

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.

Property, Plant and Equipment

The Council and Group have the following classes of property, plant and equipment:

Operational Assets

- Council owned land, buildings and building improvements, foreshore structures, plant and equipment, furniture and office equipment and library books; and
- Subsidiary owned land, buildings, runway and plant and equipment.

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

Cost

Operational Assets and Land under Roads are recorded at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets. Where an asset is acquired for no cost, or for a nominal cost, it is recognised at fair value at the date of acquisition. When significant, interest costs incurred during the period required to construct an item of property, plant and equipment are capitalised as part of the asset's total cost.

Accounting for Revaluations

Infrastructural assets other than Land under Roads are stated at fair value.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed to the Statement of Financial Performance. Any subsequent increase in revaluation that offsets a previous decrease in value recognised in the Statement of Financial Performance will be recognised first in the Statement of Financial Performance up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Sewer, Stormwater, Water

Sewer, stormwater and water assets are stated at fair value, which is optimised depreciated replacement cost value as at 1 July, 2007 by Rationale, independent valuers. Acquisitions subsequent to 1 July, 2007 are at cost.

Roads, Bridges and Lighting

Roading assets are stated at fair value, which is optimised depreciated replacement cost value as at 1 July, 2007 by GHD Limited, independent valuers. Bridges and lighting are stated at valuation which is optimised depreciated replacement cost value.

Depreciation

Operational assets with the exception of land, are depreciated on a straight-line basis to write-off the asset to its estimated residual value over its estimated useful life.

Infrastructural assets, with the exception of land under roads, are depreciated on a straight-line basis to write off the fair value of the asset to its estimated residual values over its estimated useful life.

Expenditure incurred to maintain these assets at full operating capability is charged to the Statement of Financial Performance in the year incurred.

The following estimated useful lives are used in the calculation of depreciation.

Operational Assets	Rate (%)	Method
Buildings	2.0% - 33%	SL
Building improvements	1.67% - 6.67%	SL
Runway	1.25% - 6.67%	SL
Plant and equipment	5.5% - 28%	SL
Motor vehicles	20% - 26%	DV
Furniture and office equipment	10% - 33%	SL
Computer equipment	25%	SL
Library books	10%	SL
Infrastructural Assets		
Sewerage	1.67% - 10%	SL
Water Supply	1.67% - 10%	SL
Stormwater	1.67% - 10%	SL
Roading - Basecourse	4%	SL
Roading - Bridges	1%	SL
Roading - Surfacing	8.33%	SL
Roading - Other	2% - 8.33%	SL

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

Disposal

An item of property, plant and equipment is derecognised upon disposal or recognised as impaired when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Financial Performance in the period the asset is derecognised.

Forestry assets

Forestry assets are independently revalued annually at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the Statement of Financial Performance.

The costs to maintain the forestry assets are included in the Statement of Financial Performance.

Investment Properties

Investment properties are held to earn rentals and/or for capital gains. Property held to meet service delivery objectives are excluded from Investment Properties and included with Property, Plant and Equipment. The investment properties are measured at fair value at the reporting date. Gains or losses arising from changes in the fair value of the investment properties are included in the Statement of Financial Performance in the period in which they arise.

Finite life intangible assets

Finite life intangible assets are recorded at cost less accumulated amortisation. Amortisation is charged on a straight line basis over their estimated useful life. The estimated useful life and amortisation period is reviewed at the end of each annual reporting period.

Intangible assets acquired in a business combination

All potential intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair value can be measured reliably.

Intangible Assets - Software acquisition and development

Acquired computer software licenses are recorded at cost less accumulated amortisation. Amortisation is charged on a straight line basis over their estimated useful life. The estimated useful life and amortisation period is reviewed at the end of each annual reporting period.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by the Council and Group, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Impairment of Non-Financial Assets

At each reporting date, the Council and Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Council and Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. An impairment of goodwill is not subsequently reversed.

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace it's remaining future economic benefits or service potential. In assessing value in use for cash-generating assets, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Financial Performance immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in the Statement of Financial Performance immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

Employee Benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Council and Group in respect of services provided by employees up to reporting date.

Provisions

Provisions are recognised when the Council and Group has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Statement of Cashflows

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

Operating activities include cash received from all income sources of the Council and Group 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 and Group.

Equity

Equity is the community's interest in the Council and Group and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

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

Restricted and Council Created Reserves

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

Restricted reserves are those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

The Council's objectives, policies and processes for managing capital are described in Note 32.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the Council or Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received a provision is recognised based on the probability the Council or Group will be required to reimburse a holder for a loss incurred, discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation, however if the Council or Group assesses that it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value of the future expenditure.

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.

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 expenditure. The component attributable to NZTA is excluded. Allowing for SPR roading arrangements and other subsidisable costs 65% of roading depreciation will be funded (2008/09 - 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 2009/10	Depreciation not funded 2009/10
Roading	6,857	2,349
Sewerage	2,995	1,682
Water	1,871	485
Stormwater	1,114	272
Community/other	3,321	1,687
Total	16,158	6,475

Rates and Funding Review

The Council last undertook a comprehensive review of the Funding Policy and Rating system during the 2005/06 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 2009 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 2008/09 year, which will have effect for the 2009/10 year.

The review was conducted by a working party known as the Funding and Rating Review Working Party. From the outset, the working party recognised the importance of maintaining a structured approach to the review. For this reason, the review commenced with an overview of the current system including the statutory framework and the relationship between the Revenue and Financing Policy and the rates system.

The guiding principles that were adopted during the last review were endorsed:

- equity, i.e. as far as possible the system should be fair to all ratepayers.
- transparency, i.e. the system should be able to be understood by ratepayers and all activities within it should be clear for all to observe.
- enforceability, i.e. the system should be administratively simple to operate and able to be complied with,
- The rates system should deliver allocations of costs that are justifiable.
- Those who benefit from Council services (including secondary beneficiaries) should contribute to costs.
- The rating system should be consistent with Council's objectives, so that desired outcomes are complemented or advanced.

Revenue and Financing Policy

The Revenue and Financing Policy indicates which funding tools are most appropriate for any given activity. A good understanding of this was considered essential before examining the rating mechanisms themselves.

The current version of the Revenue and Financing Policy published as part of the 2006 Council Community Plan included new tables in order to fully comply in terms of the Section 101(3) requirements.

The first table "Summary of Community Outcomes By Activity" shows the community outcomes to which each activity primarily contributes and thereby satisfies the requirement of a) above. The second table on "Summary of Funding Principles By Activity" shows how the funding principles in b) to e) above relate to each activity.

It has been recommended that to improve the logical flow of the policy that these tables are broken down & that the relevant data for each group of activities is included with the narrative for each group. This should enhance understanding and interpretation of users.

The working party then reviewed a number of issues relating to the Revenue and Financing Policy in relation to the structure of particular activities and groups of activities.

Governance & Tourism Promotion

Currently, the activities of Governance & Tourism Promotion are grouped together. It has been recommended that these two activities be separated for reporting purposes into separate groups.

Waste Management

Waste management activities are split into two for the purposes of the Policy; Refuse Collection and Landfill Provision and Management. Since the policy was last reviewed the scope and cost of recycling activities in the district has increased significantly. It has therefore been recommended that a new activity be created for Recycling. See the following section for a discussion on the proposed funding of recycling activities including the landfill levy.

Community Facilities

Since the policy was last reviewed the Queenstown Aquatic Centre (Alpine Aqualand) has been completed and is now operational. The cost of aquatics activities in the district has therefore increased significantly and is funded quite differently from the community halls and indoor sports facilities. It has therefore been recommended that a new activity be created for Aquatics.

Regulatory Services

Historically, this activity has included all the activities covered by the fixed management fee of the regulatory services contract held with CivicCorp, which commenced in July 1998. It included 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. Since Council has acquired CivicCorp in March 2007 and now has better data and increased control over the funding of these services, it is recommended that this activity be broken down into the following separate activities:

- Building Consent Administration
- Resource Consent Administration
- Parking Administration
- Environmental Health
- Liquor Licensing
- By-law and General enforcement
- Animal Control

See the following section for a discussion on the proposed funding of these activities.

Funding Issues

The working party then reviewed a number of issues relating to the Revenue and Financing Policy in relation to the funding of particular activities.

Tourism Promotion

This activity is currently 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. Historically, the grant paid to the Arrowtown Promotion Board (APB) has been funded by the "Arrowtown share" of Wakatipu Ward Targeted Rate for Tourism Promotion. Recently, the APB has requested that a separate Targeted Rate for Tourism Promotion be established for the Arrowtown ward. This will enable better matching of local expenditure to the rates collected and provide a much more transparent funding mechanism. Arrowtown commercial properties will no longer be liable for the Wakatipu Ward Tourism Promotion rate which will now solely fund the activities of Destination Queenstown.

Waterways

The current policy for Waterways Facilities reads:

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.

Since 2006, significant investment has occurred to improve ramps and jetties in both the Wakatipu and Wanaka wards. The working party recommends that the target for recovery from user charges should increase from 10% to 40%. It is recognised that there are real difficulties in terms of designing an effective and efficient regime for the collection of boating user fees. There is no apparent political appetite in central government for the introduction of a boat licence, which means that we must rely on our local by-law for fees. It is recommended that the existing \$30 season pass be more aggressively promoted as a "boat launch fee" to cover the cost of all waterways infrastructure. It is also recommended that all existing fees in the waterways by-law be reviewed with a view to reaching the user fee target (35%) for Waterways Control (actual is 20%).

Aquatics

In line with the statement of proposal issued for the Queenstown Aquatic Centre (Alpine Aqualand), the Council and Lakes Leisure Limited have adopted a user charge policy that provides for the recovery of 60% of operational costs from users directly.

The 40% balance of costs is recovered from a Targeted Rate for Queenstown Aquatic Centre on flat fee per property and applied on a ward basis. It is envisaged that the proposed Wanaka Aquatic Centre will be funded on a similar basis.

Community Facilities

An analysis of historic costs and revenues for community facilities managed now by Lakes Leisure Limited has indicated that the funding targets for this activity should be amended to reflect current levels of cost recovery. The analysis shows that 30% of operational costs are currently being recovered from users directly with the balance of costs recovered from the Uniform Annual General Charge (UAGC). Please note that in the future this will be funded from the proposed Recreation Charge; a district-wide fixed targeted rate.

The previous versions of this policy excluded revenue paid by users of the Queenstown Events Centre and Memorial Hall and included a funding target of 10% for user fees. The correct approach in determining funding targets should include all the operating costs whether incurred by Council or its CCO's and all the revenue. This delivers a funding target of 30% for user fees.

Parks and Reserves

There is a general lack of clarity around the current funding targets for Parks and Reserves. This has been caused by the treatment of commercial lease income derived from reserves. The current policy includes this income as part of the 40% Private Funding Target but does not differentiate it from the income derived from users of sports fields.

This means that the current policy could be interpreted as requiring a 40% cost recovery from users of sports fields for example. This would be incorrect and current analysis shows that less than 5% of operational costs are actually being recovered from users directly.

The correct approach in determining funding targets should include all the operating costs whether incurred by Council or its CCO's and all the revenue. This delivers a funding target of 5% for user fees with the balance of 35% (for the Private Funding Target) being met from commercial lease income derived from reserves. This leaves 60% recovered equally from the UAGC and the General Rate. Please note that in the future the UAGC portion will be funded from the proposed Recreation Charge; a district-wide fixed targeted rate.

Emergency Services

In the previous version of the policy, the emergency services activity was assumed to have an economic benefit analysis of 100% public good. A revised analysis of costs and the nature of activities undertaken reveal that a 10% exacerbator provision is justified. This reflects the common situation where we pursue the recovery of costs for rural fire from any identifiable liable third party.

Waste Management

Since the last policy review, the nature and scope of recycling activities have been better defined and have been implemented to a large degree. In 2006, the working party agreed in principle to the introduction of a landfill levy at such time as the waste minimisation infrastructure was fully operable. It was agreed that a revised analysis of costs and the nature of activities undertaken will need to be undertaken once these are finalised.

Rationale presented a detailed report to the working party on the options for waste management funding "Landfill Levy – Forecast for 2009/19 LTCCP". It concludes that "the landfill model is robust, and that it will provide a significant incentive to waste minimisation behaviour through higher fees and charges..."

The funding objective of the landfill levy will be to collect enough revenue to fund 50% of the cost of recycling initiatives. A proposal to fund 100% of the cost was rejected on the basis that it was inequitable, especially to those parties who deal with unrecyclable waste.

The introduction of such a levy is consistent with principle of exacerbator (polluter) pays. It is therefore proposed that the Recycling activity will be funded 50% from user charges in the form of landfill levy and disposal fees, and 50% coming from the Targeted Uniform Waste Management Charge.

Regulatory Services

The CEO of Lakes Environmental presented a paper to the working party on the proposed funding of the activities covered by the "public good" payment of the regulatory services contract, which commenced in July 2008. After some further analysis and discussion the following funding targets were agreed for each activity:

	Private %	Public %
Bulding Consent Administration	95	5
Resource Consent Administration	90	10
Parking Administration	100	0
Environmental Health	50	50
Liquor Licensing	60	40
By-law and General Enforcement	30	70
Animal Control	55	45

The impact of the application of these funding targets is thought to be relatively minor. User charges for Environmental Health have already been increased and recoveries in By-law and General Enforcement and Animal Control will need to be reviewed

Greater Use of Targeted Rates

As part of the review process the working party considered the findings of the Report of the Independent Inquiry into Local Government Rating - (the "Shand" Report). Of particular interest were the recommendations of the Inquiry panel on rating tools currently available to local authorities.

Although the Report has gained no real political traction in Wellington, the panel has made some interesting recommendations with regard to the structure of rating systems. The panel found that "there is considerable public misunderstanding about how the rating system works". The panel recommended that the power to set differential (general) rates and the Uniform Annual General Charge (UAGC) be removed by 2012/13. These changes are designed to make the rating system less complex and more transparent by forcing local authorities to introduce more targeted rates. This would also assist with the objective of making more informative rates assessment notices.

The working party have considered these recommendations and have decided that some breakout of the activities currently funded by the UAGC may be desirable. The following is an extract from our resolution to set rates for 2008/09:

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 \$418.00 on each separately used or inhabited part of every rating unit in the district.

The uniform annual general charge revenue (\$8,543,929) 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.
- 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.

It shows that the activities currently funded by the UAGC fall into 3 broad categories:

1. **Recreation** - Community Grants (for Sports & Recreation); District library services; Public halls and other community facilities; Active recreation facilities.
2. **Governance** - Civic function.
3. **Other** - Cemeteries; Community development; Regulatory and advisory services relating to public enquiries, health, animal control, general enforcement and waterways control; a general contribution to the promotion of the district.

The current year cost of the UAGC is \$418.00 per property. The following table illustrates the effect of introducing a system whereby categories (1) and (2) above were funded by a district-wide targeted rate with category 3 continuing to be funded by the UAGC:

Recreation Charge (district-wide)	\$240
Governance Charge (district-wide)	\$118
UAGC (district-wide)	\$60
Total	\$418

The option of charging the Recreation charge on a ward basis was considered but the difference in charge between the wards was less than 1% and was not deemed necessary at this stage. It is also dubious to attempt to charge for an activity like library services on a ward basis as the service is clearly district-wide in nature. The main effect of this change will therefore be one of disclosure rather than any change to rating incidence.

Proposed Rating Differential Levels

New Rating Valuations

At this point it was necessary to take into account the overall effect of the change in district valuations on rating incidence. This resulted in the recalculation of some differential levels. New district-wide rating valuations come into effect from 1st July 2009 for rating purposes.

The new values show an overall 10% increase over the last ones completed in 2005. As always, the increase was not uniform across all properties, with some property types and locations increasing more than others. From a rating policy perspective it is important to "recalibrate the rates system" to ensure that the new values do not cause inequities in terms of rating incidence.

General Rate/ Water Supply Rate

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.

Category	Existing	Proposed	Notes
Residential	1.00	1.00	Base
Vacant	1.50	1.50	Maintain existing differential
Hydro	0.85	0.73	Maintain at 50% Commercial
Accommodation	1.70	1.80	Increase to maintain existing cost allocation
Commercial	1.70	1.46	Decrease to maintain existing cost allocation
Primary Industry	0.75	0.74	Reduce to maintain existing cost allocation
Country Dwelling	0.85	0.82	Reduce to maintain existing cost allocation
Mixed Use / Accommodation	1.18	1.20	75% Res / 25% Accom
Mixed Use / Accommodation	1.18	1.11	75% Res / 25% Accom
CBD Accommodation	1.70	1.80	As per accommodation above
CBD Commercial	1.70	1.46	As per commercial above

Roading Rate

The recalculation of the road rating differentials was the most complex and time consuming task. The existing funding models needed to be updated with new inputs; the most important of these being the updated 10 year Roothing expenditure forecasts and the new valuation data.

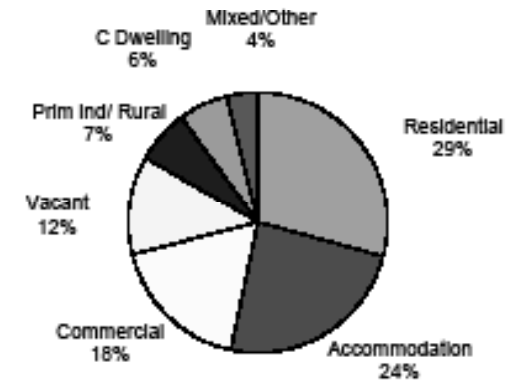
The new 10 year Roothing Asset Management Plan has been developed incorporating the district's transportation & parking strategies and the forecasted expenditure for both capital and operations will be incorporated into the draft 2009 Council Community Plan. The quantum of rate funded roading expenditure over the next 10 years is expected to be \$134m, which equates to \$112m for the 2006 version. The nature of the expenditure has also changed with a large rehabilitation programme in the Wakatipu ward as well increases in levels of service for rural roads.

Council introduced Roothing Development Contributions as part of the 2006 Council Community Plan. The total roading capital expenditure for the next 10 years has been assessed at \$294m with \$123m or 42% attributable to growth.

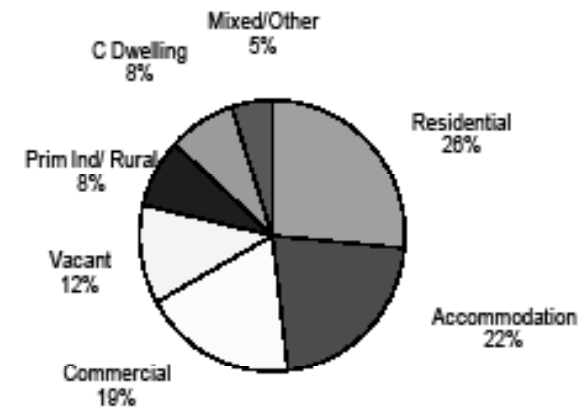
The following table shows the proposed road rating differentials and compares them to existing. A simple comparison at this level is not particularly meaningful however, because so many of the key variables in the funding model have changed since the previous version. The pie charts that follow do, however, 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	3.40	3.60	Per new rating differential model
Commercial	2.60	2.60	Per new rating differential model
Primary Industry	0.60	0.80	Per new rating differential model
Country Dwelling	0.80	1.10	Per new rating differential model
Mixed Use / Accommodation	1.60	1.65	75% Res / 25% Accom
Mixed Use / Accommodation	1.40	1.40	75% Res / 25 % Comm
CBD Accommodation	3.40	3.60	As per accommodation above
CBD Commercial	2.60	2.60	As per commercial above

ROAD RATE ANALYSIS - DISTRICT 2008/09



ROAD RATE ANALYSIS - DISTRICT 2008/09
(new values)



New Rating Category - Undeveloped Land

The working party has also considered the application of the current differential that applies to Vacant Land. The differential description as it appears in Council's Funding Impact Statement is as follows:

2. Vacant Sections

All rating units which are vacant properties and suitable for development and for which there is no apparent land use.

The key phrases to this definition are "suitable for development" and "no apparent land use". This has meant that this definition applies only to land that has been subdivided but sits passively awaiting development or sale by the owner. The working party has also considered the application of the same 1.5 differential to land that is zoned for development but which is currently used for another purpose. There are, for example, large areas of zoned land in the Frankton Flats and Kelvin Heights area which is currently used for "farming activities" and is rated as Primary Industry (see below):

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.*

The rating legislation certainly allows Council to differentiate on the basis of existing or proposed zoning (Schedule 2 Local Government (Rating) Act 2002). The objective of any proposal to place a higher differential on such land will need to be explicit. The concerns of the working party are around:

- a) Encouraging release of zoned land
- b) Promoting affordability
- c) Recovering "holding costs" incurred by Council in relation to infrastructure planning & provision.
- d) Deterring "land banking" by land owners
- e) Avoiding expensive plan changes to enable development elsewhere

There are some difficulties with this proposal however. The first relates to the mis-match that often exists between cadastral boundaries and zoning areas. This means that the existing rating unit will often comprise more than one zone. In order to set rates on the zoning, a series of rating divisions will be necessary. Another issue is that some areas of zoned land currently rated as Primary Industry have increased in value significantly since 2005. One such property has increased in value 10 fold, and the effect on rates payable of placing a 1.5 differential on top of this value change will be extreme. The last issue to consider is the proposed change in differential for Rooding rates on Primary Industry. Previously the differential was 0.6 and it is set to increase to 0.8 – this will see rural properties paying a higher proportion of rooding costs than previously.

On balance, taking all of these factors into consideration, the working party has not recommended the application of the same 1.5 differential to land that is zoned for development but which is currently used for another purpose. However, it is recommended that the potential for such a new category be recognised with a view to identifying all such property and that the land owners be advised that Council reserves the right to apply a differential of some kind in the future.

It is also recommended that a slight amendment to the current definition of Vacant Sections be applied. The differential description will now drop the phrase "and for which there is no apparent land use":

2. Vacant Sections

All rating units which are vacant properties and suitable for development and for which there is no apparent land use.

This clarifies the situation as it relates to vacant sections in rural and special zones which are consented for development (with building platforms) and which may be used for small scale agricultural purposes in the interim (i.e. grazing). Previously, it could have been argued that these properties fell into the Primary Industry category, which is not Council's intention.

Rates Remission & Postponement Policies

Council adopted a number of Rates Remission and Postponement Policies as part of the 2006 CCP. These policies were subject to detailed review 3 years ago and there have been no real issues with them since this time. It is therefore recommended that the policies be retained as they are currently drafted until the next review.

Effects of Proposed Changes to the QLDC Rates System

The last stage of the rates review process involved a series of calculations to assess the impact of the proposed new framework. The approach taken was to rework the rates requirement for the current 2008/09 year applying it to the new (2008) valuations, which will take effect from 1st July 2009. The following proposed changes to the rates system were incorporated into the calculations:

- New differentials for general rate
- New differentials for roading rate
- New differentials for water rate
- New Targeted rates for Recreation and Governance

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. The table that follows summarises the information.

It is important to remember that this analysis is based on a rework of the 2008/09 rates and is not an estimate of what the rates requirement will be for 2009/10, which has yet to be determined through the Council Community Plan (Annual Plan) process.

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

The table shows that most residential, mixed use, commercial and vacant properties enjoy small reductions. The effect on Primary Industry properties is also moderate with those in Wanaka showing a small decrease (0.18%) and those in the Wakatipu a small increase (2.77%).

Country Dwellings show increases of between 9.9% and 12.29%, whilst Accommodation properties in Queenstown and Arrowtown properties can expect to pay between 2.35% and 2.9% more. These increases 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 and the new rating capital valuation data has resulted in more road rate funding being required from these sectors.

Summary of Indicative Total Rate Movements 08/09 (reworked)

Property Type	CV	Location	Movement	
			%	\$
Residential	\$691,200	Queenstown	-0.53%	-\$10.05
Commercial	\$1,287,600	Queenstown	-3.59%	-\$193.93
Accommodation	\$1,287,600	Queenstown	2.90%	\$215.10
M/U Accommodation	\$831,600	Queenstown	0.17%	\$4.55
Vacant	\$432,000	Queenstown	-0.99%	-\$14.93
M/u Commercial	\$831,600	Queenstown	-0.30%	-\$7.73
Residential	\$583,200	Wanaka	-4.18%	-\$82.32
Commercial	\$777,000	Wanaka	-10.22%	-\$382.79
Accommodation	\$777,000	Wanaka	-2.58%	-\$151.44
M/U Accommodation	\$648,000	Wanaka	-4.75%	-\$117.68
Primary Industry	\$3,597,000	Wanaka	-0.18%	-\$5.84
Country Dwelling	\$1,187,200	Wanaka	9.97%	\$159.46
Vacant	\$324,000	Wanaka	-3.05%	-\$43.36
M/U Commercial	\$648,000	Wanaka	-5.09%	-\$122.53
Residential	\$507,600	Arrowtown	-1.22%	-\$21.31
Commercial	\$1,221,000	Arrowtown	-4.67%	-\$249.67
Accommodation	\$1,221,000	Arrowtown	2.35%	\$156.41
M/U Accommodation	\$680,400	Arrowtown	-0.73%	-\$17.78
Vacant	\$270,000	Arrowtown	-0.73%	-\$9.33
M/U Commercial	\$680,400	Arrowtown	-1.17%	-\$27.84
Primary Industry	\$2,943,000	Wakatipu	2.77%	\$69.46
Country Dwelling	\$1,534,400	Wakatipu	12.29%	\$219.95
Residential	\$496,800	Glenorchy	-0.65%	-\$11.31
Residential	\$324,000	Albert Town	-1.80%	-\$30.32
Residential	\$399,600	Hawea	-2.15%	-\$37.39
Residential	\$496,800	Kingston	-0.98%	-\$11.31
Residential	\$540,000	Arthurs Point	-0.55%	-\$12.29

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; and
 - (ii) differential rating; and
 - (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; and
- b) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
- c) the period in or over which those benefits are expected to occur; and
- d) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
- 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. Comprehensive reviews under the Local Government Act 2002 were undertaken during 2005/06 and 2008/09. It is expected that future reviews of this policy will be undertaken on a three yearly basis.

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 - Include Uniform Annual General Charge (UAGC) and capital valued based rate.
- Targeted rates - Include capital valued based Roothing Rate, Tourism Promotion Rate, Water Supply Rate and Stormwater Rate, and fixed annual charges for Sewerage, Water Supply, Waste Management, Queenstown Aquatic Centre, Recreation and Governance.

In the next section of the policy "Funding Operational Expenditure by Activity" the tables illustrate the outcome of the analysis undertaken by the Council in relation to Section 101 (3). The last table for each activity details how the activity is proposed to be funded. Generally, these tables show 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 general 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 Controlled Organisations (i.e. Consent fees to Lakes Environmental Limited).

Grants and subsidies

Some activities of Council qualify for a grant or subsidy from the Crown. In particular, Council receives a subsidy from New Zealand Transport Agency (NZTA) 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.

Funding Operational Expenditure By Activity

The tables in the following section illustrate the outcome of the analysis undertaken by the Council in relation to Section 101 (3). The first table in each activity analysis labelled “Community Outcome” shows the community outcomes to which each 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 second table in each activity analysis labelled “Funding Principles” shows how the funding principles in Section 101(3) b) to e) above relate to the 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. The low/medium/high rating relates to the degree by which each activity conforms to the following economic principles:

1. **Distribution of Benefit** - Degree to which benefits can be attributed to individuals/groups rather than community as a whole.
2. **Period of Benefit** - Degree to which benefits can be attributed to future period.
3. **Extent of Action/Inaction** - Degree to which action or inaction of group or individuals give rise to need for expenditure.
4. **Cost/Benefit of Separate Funding** - Degree to which cost and benefits justify separate funding of this activity.

The third table in each activity 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 general rate funded, with the capital value rate used to fund ‘property’ related activities and the UAGC used to fund ‘people’ related activities.

Governance

Community Leadership

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Community Leadership	Y	Y	Y	Y	Y	Y

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Separate Funding
Community Leadership	Low	Med	Low	Low

This activity is completely public good with no scope for user charges and will therefore be funded 50% from the proposed district-wide targeted fixed Governance Charge, and 50% from the capital value based General Rate.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Community Leadership	0%	100%	0%	0%	100%	-	UAGC (50%)/ General CV Rate (50%)

Tourism Promotion

Tourism Promotion

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Tourism Marketing	Y	-	-	-	-	-

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Separate Funding
Tourism Marketing	High	Med	Low	High

This activity exhibits a large degree of private benefit with a distinct group of beneficiaries and 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.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Tourism Marketing	95%	5%	0%	95%	5%	Targeted CV Rate (Tourism Promotion)	UAGC

Property

Community Assets

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Community Assets	Y	Y	Y	-	-	Y

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Community Assets	High	High	Low	High

This activity almost exclusively provides private goods to clearly distinct groups of beneficiaries and will be funded by user charges with any surplus derived used to reduce general rate requirement.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Community Assets	100%	0%	0%	100%	0%	Fees & Charges	-

Community

Library Services

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Library Services	-	Y	-	-	Y	-

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Library Services	Med	Low	Low	Low

This activity provides a relatively high degree of private good but there is also a significant element of public good. Council wishes to encourage the use of library facilities and will therefore limit the user charge element to the minimum. The activity will therefore be funded 90% from the proposed district-wide targeted fixed Recreation Charge and 10% from user charges for some specialised or high demand services.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Library Services	65%	35%	0%	10%	90%	Fees, Charges & Fines	Fixed Recreation Charge

Community Development

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Community Development	-	Y	-	-	-	-

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Community Development	Low	Low	Low	Low

This activity is largely public good with for the recreational and cultural activities and 45% from the proposed no scope for user charges and will therefore be funded 45% from the proposed district-wide targeted fixed Recreation Charge district-wide targeted fixed Governance Charge for the communication activities with the remainder provided by cost recoveries.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Community Development	0%	100%	0%	10%	90%	Fees & Charges	Fixed Recreation Charge (45%) / UAGC (45%)

Community Grants

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Community Grants	-	Y	-	-	Y	-

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 various community associations.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Community Grants	Low	Low	Low	Low

This activity is largely public good with no scope for user charges and will therefore will be 75% funded from the Uniform Annual General Charge and 25% funded from the proposed district-wide targeted fixed Recreation Charge for the grants made to organisations for recreational purposes. This analysis relates to the cost of the activity after allowing for the receipt of grants by Council in its role as agent.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Community Grants	0%	100%	0%	0%	100%	-	Fixed Recreation Charge (42%) / UAGC (75%)

Public Toilets

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Public Toilets	-	Y	Y	-	-	Y

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Public Toilets	Med	Med	Low	Low

This activity provides a relatively high degree of private good but there is also a significant element of public good. Council recognises that these facilities are used to large degree by visitors to the district and has considered the option of user charges but has rejected this on the basis of efficiency. The activity will therefore be funded 100% from the capital value based General Rate.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Public Toilets	80%	20%	0%	0%	100%	-	General CV Rate

Cemeteries

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Cemeteries	-	Y	-	-	Y	-

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, interment of human ashes, the maintenance of burial records and the maintenance of grounds.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Cemeteries	High	Med	Low	Med

This activity provides a relatively high degree of private good but there is also a significant element of public good. This activity will therefore 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.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Cemeteries	60%	40%	0%	60%	40%	Fees & Charges	UAGC

Community Facilities

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Community Facilities	-	Y	Y	-	-	Y

The purpose of this activity is to help provide community halls, community swimming pools and other multi-use indoor facilities for the district. This includes the facilities at the Queenstown Events Centre; Lake Wanaka Centre; Memorial Hall; Lake Hayes Pavilion; Arrowtown Hall; Arrowtown Pool and Wanaka Community Pool which are managed by Lakes Leisure Limited. The user charges for these facilities are paid to the CCO directly. The Queenstown Aquatic Centre is included in a separate activity – Aquatics (see below).

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Community Facilities	High	Med	Low	Med

This activity provides a relatively high degree of private good but there is also a significant element of public good. Council wishes to encourage the use of community facilities and will therefore limit the user charge element to 30%. Council has also determined that it will not seek to fund the depreciation expense associated with these assets. The activity will therefore be funded 70% from the proposed district-wide targeted fixed Recreation Charge and 30% from user charges.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Community Facilities	70%	30%	0%	30%	70%	Fees & Charges	Fixed Recreation Charge

Aquatics

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Aquatics	-	Y	Y	-	-	Y

The purpose of this activity is to help provide indoor aquatic facilities for the district. This includes the Queenstown Aquatic Centre (Alpine Aqualand), which are managed by a Lakes Leisure Limited. The user charges for these facilities are paid to the CCO directly.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Aquatics	High	High	Low	Med

This activity provides a relatively high degree of private good but there is also a significant element of public good. Council wishes to encourage the use of aquatic facilities and will therefore limit the user charge element to 60%; this is in line with the original feasibility report which indicated that 60% of operational costs should be recovered from users directly. Council has also determined that it will not seek to fund the depreciation expense associated with these assets.

This activity will therefore be funded 40% from the Aquatic Centre Charge which is targeted to the Queenstown/Wakatipu and Arrowtown wards only and 60% from user charges. It is expected that a similar policy will apply to the operational funding of the proposed Wanaka Aquatic Centre.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Aquatics	70%	30%	0%	60%	40%	Fees & Charges	Fixed Aquatic Charge

Waterways Facilities

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Waterways Facilities	-	Y	-	Y	-	Y

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Waterways Facilities	High	Med	Low	Med

Over the past five years, Council has made a substantial investment to improve waterways assets throughout the district. It is now appropriate for the target for recovery from user charges be increased from 10% to 40%. It is recognised that there are real difficulties in terms of designing an effective and efficient regime for the collection of boating user fees and that we must rely on our local by-law for fees.

This activity will be funded 40% from user charges with the balance of 60% coming from the revenue generated from waterways based concessions.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Waterways Facilities	90%	10%	0%	40%	60%	Fees & Charges	Waterways Concession

Parks & Recreation Facilities

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Parks & Recreation Facilities	-	Y	Y	Y	Y	Y

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. The districts sportsfields including those at the Queenstown Events Centre are maintained and managed by a Lakes Leisure Limited. The user charges for these facilities are paid to the CCO directly.

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Parks & Recreation Facilities	Low	Med	Low	Low

The revised approach in determining funding targets for this activity takes account of all the operating costs whether incurred by Council or its CCO's and all the revenue. This delivers a funding target of 5% for user fees with the balance of 35% (for the Private Funding Target) being met from commercial lease income derived from reserves. This leaves 60% recovered equally from the UAGC and the General Rate. Please note that in the future the UAGC portion will be funded from the proposed district-wide targeted fixed Recreation Charge.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Parks & Recreation Facilities	35%	65%	0%	40%	60%	Lease Income (35%)/ Fees & Charges (5%)	Fixed Recreation Charge (30%) / General CV Rate (30%)

Emergency Services

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Emergency Services	-	Y	-	Y	-	Y

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Emergency Services	Low	Low	Med	Low

This activity is largely public good with no scope for user charges and will therefore will be funded by the capital value based General Rate. This analysis relates to the cost of the activity after allowing for any central government subsidies in this area (estimated at 30%).

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Emergency Services	0%	100%	0%	0%	100%	-	General CV Rate (70%) / Grants (30%)

Resource Management & Regulatory

District Plan

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
District Plan	Y	Y	Y	Y	Y	Y

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".

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
District Plan	Low	High	Med	Low

This activity is largely public good with some scope for user charges (private plan changes and district plan sales). It is also recognised that 80% of the cost of preparing variations or plan changes will be funded from borrowing because of the intergenerational issues associated with this functions. The balance of the cost of this activity will be funded from the capital value based General Rate.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
District Plan	5%	95%	0%	5%	95%	Fees & Charges	General CV Rate (40%) / Loan (60%)

Resource Consent Administration

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Resource Consent Administration	Y	Y	Y	Y	Y	Y

This activity includes all aspects of the resource consent process, including receiving and processing the applications; managing files; monitoring consents and responding to public enquiries. This activity is delivered under contract by Lakes Environmental Limited. The user charges related to this activity are paid to the CCO directly.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Resource Consent Administration	Low	High	Med	Low

The private benefit element of resource consent processing activities (assessed at 90%) will be funded from user charges, with the public element funded by the capital value based General Rate.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Resource Consent Administration	5%	95%	0%	5%	95%	Fees & Charges	General CV Rate (40%) / Loan (60%)

Building Consent Administration

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Building Consent Administration	-	Y	Y	-	-	Y

This activity includes all aspects of the building consent process, including receiving and processing the applications; managing files; inspecting building work; issuing PIMS and LIMs and responding to public enquiries. This activity is delivered under contract by Lakes Environmental Limited. The user charges related to this activity are paid to the CCO directly.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Building Consent Administration	High	Med	Med	High

The private benefit element of building consent processing activities (assessed at 95%) will be funded from user charges, with the public element funded by the capital value based General Rate.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Building Consent Administration	90%	5%	5%	95%	5%	Application Fees & Hourly Charges	General CV Rate

Bylaw and General Enforcement

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Bylaw and General Enforcement	-	Y	Y	Y	-	-

This activity includes the management and enforcement of QLDC bylaws; managing files; issuing permits and responding to public enquiries. This activity is delivered under contract by Lakes Environmental Limited. The user charges related to this activity are paid to the CCO directly.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Bylaw and General Enforcement	High	Low	High	Med

This activity provides some degree of private good but there is also a significant element of public good and exacerbator factor. The private benefit element of bylaw and enforcement activities (assessed at 30%) will be funded from user charges, with the public element funded by the capital value based General Rate.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Bylaw and General Enforcement	25%	50%	25%	30%	70%	Permit Fees and Hourly Charges	General CV Rate

Parking Administration

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Parking Administration	Y	Y	Y	Y	Y	Y

This activity includes the patrolling of all designated, time restricted and metered areas in Queenstown, Wanaka and Arrowtown and other general patrolling; managing files; issuing and processing of parking infringement notices and responding to public enquiries. This activity is delivered under contract by Lakes Environmental Limited. The user charges related to this activity are paid to the CCO directly.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Parking Administration	Med	Low	High	Med

The private benefit element of parking administration activities (assessed at 100%) will be funded from infringement fees and user charges.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Parking Administration	15%	15%	70%	100%	0%	Infringement Fines and Rental Charges	N/A

Environmental Health

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Environmental Health	-	Y	-	-	-	-

This activity includes the inspection and licensing of premises involved in the manufacture/preparation/sale of food, hair dressers, mortuaries, camping grounds, winemakers etc.; managing files; investigation and enforcement of public health issues and responding to public enquiries. This activity is delivered under contract by Lakes Environmental Limited. The user charges related to this activity are paid to the CCO directly.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Environmental Health	High	Low	Med	High

This activity provides some degree of private good but there is also a significant element of public good. Environmental health will therefore be funded 50% from user charges and 50% from the capital value based General Rate.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Environmental Health	45%	50%	5%	50%	50%	Certification Fees and Hourly Charges	General CV Rate

Liquor Licensing

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Liquor	-	Y	Y	-	-	-

This activity includes the inspection, monitoring and licensing of premises involved in the sale of liquor; managing files; issuing and renewal of licences and certificates and responding to public enquiries. This activity is delivered under contract by Lakes Environmental Limited. The user charges related to this activity are paid to the CCO directly.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Liquor	High	Low	Med	High

This activity provides some degree of private good but there is also a significant element of public good and exacerbator factor. Liquor licensing will therefore be funded 60% from user charges and 40% from the capital value based General Rate.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Liquor	50%	25%	25%	60%	40%	Licensing and Certification Fees and Hourly Charges	General CV Rate

Animal Control

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Animal Control	-	Y	Y	-	-	-

This activity includes provision of animal ranger services including impounding; managing files; disposal of animals and responding to public enquiries. This activity is delivered under contract by Lakes Environmental Limited. The user charges related to this activity are paid to the CCO directly.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Animal Control	Med	Low	High	High

This activity provides some degree of private good but there is also a significant element of public good and a significant exacerbator factor. Animal Control will therefore be funded 55% from registration fees and impounding charges and 45% from the UAGC.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Animal Control	10%	30%	60%	55%	45%	Registration and Impound Fees	UAGC

Waterways Control

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Waterways Control	-	Y	-	Y	-	-

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Waterways Control	Med	Low	Med	Med

This activity provides some degree of private good but there is also a significant element of public good. Waterways Control will therefore 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.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Waterways Control	35%	65%	0%	35%	65%	Fees & Charges	Waterways Concession

Utilities

Water Supply

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Water Supplies	Y	Y	-	Y	-	Y

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Water Supplies	High	High	Med	High

This activity is largely private good in nature and Council recognises that the best way of recovering cost would be via volumetric charges and water meters. However, the costs of introducing such a system are seen as prohibitive at present, and this activity will therefore 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.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Water Supplies	90%	10%	0%	100%	0%	Targeted Uniform Rate (water) / Targeted CV Rate (water)	-

Stormwater

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Stormwater	Y	Y	-	Y	-	Y

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Stormwater	Low	Med	Med	Med

This activity is largely public good in nature and will therefore be funded 100% from a Targeted Stormwater Rate based on Capital Value and applied on a ward basis to all urban properties.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Stormwater	0%	100%	0%	0%	100%	-	Targeted CV Rate (Stormwater)

Wastewater

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Wastewater	Y	Y	-	Y	-	Y

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Wastewater	High	High	Med	High

This activity is largely private good and the operational costs will therefore 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.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Wastewater	90%	10%	0%	100%	0%	Targeted Rate (Swerage)	-

Landfill Provision and Management

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Landfill Provision and Management	Y	Y	-	Y	-	Y

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Landfill Provision and Management	Med	High	High	Med

This activity provides some degree of private good but there is also a significant element of public good and exacerbator factor. This activity will therefore be funded 60% from user charges in the form of transfer station fees and disposal fees (excluding landfill levy), 35% coming from the targeted fixed 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.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Landfill Provision and Management	70%	20%	10%	60%	40%	Fees & Charges	Waste Management Charge (35%)/ General CV Rate (5%)

Recycling

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Recycling	Y	Y	-	Y	-	Y

The purpose of this activity is to provide refuse recycling services throughout the district. This includes the provision of residential kerbside recycling collection services in Queenstown, Arrowtown, Glenorchy, Kingston, Wanaka, Hawea, Albert Town Luggate and Makarora. It also includes the operation of resource recovery centres in Queenstown and Wanaka.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Recycling	Med	High	High	Med

This activity provides some degree of private good but there is also a significant element of public good and exacerbator factor. This activity will therefore be funded 50% from user charges in the form of landfill levy and disposal fees, and 50% coming from the targeted fixed Waste Management Charge.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Recycling	50%	20%	30%	50%	50%	Fees & Charges (includes landfill levy)	Waste Management Charge

Refuse Collection

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Refuse Collection	Y	Y	-	Y	-	Y

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

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Refuse Collection	High	Low	Med	High

This activity is largely private good and will be funded 100% from user charges.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Refuse Collection	90%	10%	0%	100%	0%	Fees & Charges	-

Transportation

Town Centres

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Town Centres	Y	Y	Y	-	Y	Y

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Seperate Funding
Town Centres	Med	Med	High	Med

This activity provides some degree of private good but there is also a significant element of public good. After allowing for any New Zealand Transport Agency (NZTA) subsidy this activity will be funded 100% from a Targeted Roding Rate based on Capital Value and applied on a ward basis to all properties.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Town Centres	50%	50%	0%	50%	50%	Targeted CV Rate (Roothing)	Targeted CV Rate (Roothing)

Parking Facilities

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Parking Facilities	Y	-	Y	-	-	Y

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Separate Funding
Parking Facilities	High	Med	Med	High

This activity provides a large degree of private good but there is also a minor element of public good. This activity will therefore be funded 100% from user charges.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Parking Facilities	80%	20%	0%	100%	0%	Fees & Charges	-

Roothing

Activity	Community Outcome					
	Strong, Diverse Economy	Safe, Healthy, Strong Community	High Quality Urban Environment	Landscapes Natural Environment	Local Cultural Heritage	Effective, Efficient Infrastructure
Roothing	Y	-	Y	Y	-	Y

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.

Activity	Funding Principles			
	Distribution of Benefit (user pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Separate Funding
Roothing	Low	Med	High	Med

This activity provides some degree of private good but there is also a significant element of public good and exacerbator factor. After allowing for any New Zealand Transport Agency (NZTA) 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.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Roothing	50%	20%	30%	45%	55%	Transfund Subsidy / Petrol Tax	Targeted CV Rate (Roothing)

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

The Queenstown Lakes District has experienced 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.

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.

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 has used:

- Financial Contributions imposed as a condition of a resource consent (Resource Management Act 1991) – applies to consents received prior to 8 May 2004.
- Development Contributions as defined by the provisions of the Local Government Act 2002 (LGA 2002) - applies to consents received after to 8 May 2004.

Council has had to adopt a Policy on Development Contributions as Part of the Council's Long Term Council Community Plan ("CCP"). This is updated on an annual basis.

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 policy making, 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.

Types of Assets included in the Development Contribution 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 of 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.

Funding Sources for Growth Capital Expenditure 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.

The cost driver for a significant portion of capital works within the Queenstown Lakes District relates to increasing of levels of service for the community. Sometimes these improvements to levels of service are required because of changes to legislation or resource consent conditions, which means that there is often little discretion with regard to the decision. An example of this would be the requirement to provide additional water treatment facilities as a result of the introduction of new Water Treatment Standards.

In other cases, the increase in level of service is a community driven decision. An example of this would be the construction of the Queenstown Aquatic Centre (Alpine Aqualand). Council's approach to funding for this type of Capital expenditure is to initially apply for grants from national and local funding organisations and to apply the proceeds of land sales from the Commonage in Queenstown or Scurr Heights in Wanaka.

Funding from the Commonage in Queenstown is restricted by statute to be applied for the benefit of the Old Queenstown Borough for the purposes of Water & Sewerage upgrades. Proceeds from Scurr Heights land in Wanaka is restricted for use to the Wanaka ward and can be applied to variety of infrastructure purposes including water, wastewater, roading or community (recreational) purposes.

Funding Sources for Other Capital Expenditure 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 Shifts Renewals.

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.

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.
- (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.

Funding Sources Renewal Capital Expenditure in order of priority:

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

Funding Impact Statement

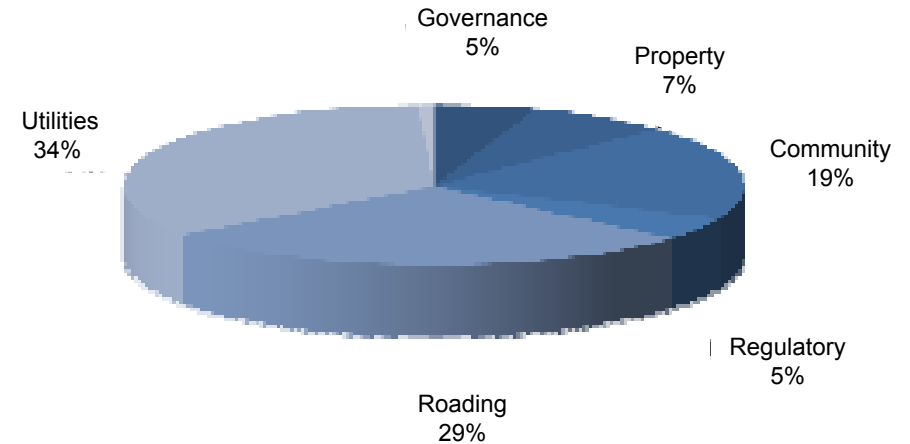
Background

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:

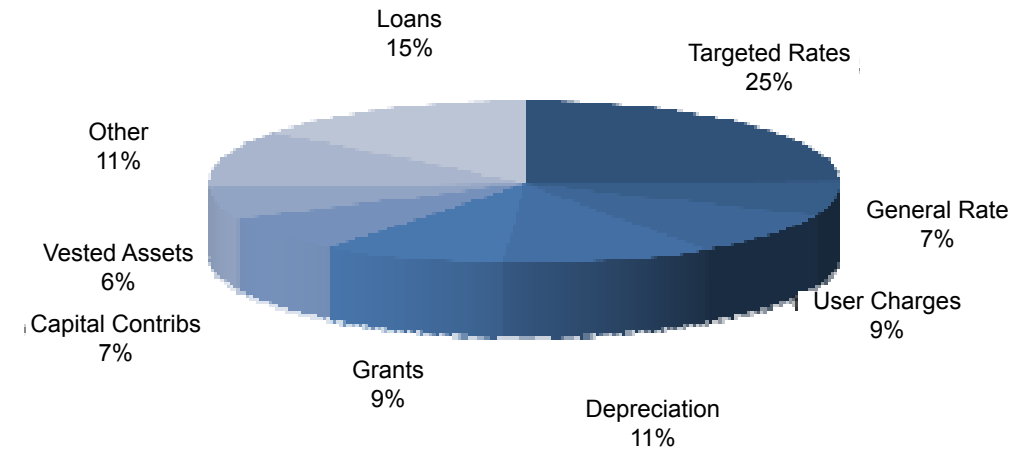
- (a) The revenue and financing mechanisms to be used by the local authority each year.
- (b) An indication of the level or amount of funds to be funded by each mechanism for each year.
- (c) In relation to any general rate:
 - (i) The valuation system on which the general rate is to be assessed.
 - (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 2009.

Combined Operating and Capital Expenditure 2009/10



Funding Requirements 2009/10



Long Term Funding Impact Statement

Funding Mechanisms	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
General Rates	9,957	11,223	12,299	12,525	13,379	14,070	14,588	15,088	15,565	16,006
Targeted Rates:										
Water Supply	6,076	6,761	7,398	7,473	8,116	8,936	9,993	9,819	10,100	10,749
Wastewater	5,594	6,174	6,685	7,190	7,664	9,953	10,424	10,822	11,115	11,613
Stormwater	1,401	2,105	1,628	1,605	1,384	1,461	1,552	1,764	1,843	1,896
Roading	9,217	10,590	11,516	10,898	11,570	12,168	12,576	13,433	13,872	14,600
Waste Management	2,389	2,475	2,343	3,129	3,571	4,521	4,613	4,883	4,977	5,150
Aquatic Centre	876	975	964	1,039	1,097	1,159	1,226	1,298	1,365	1,432
Governance	2,560	2,727	2,799	2,871	2,960	3,042	3,127	3,218	3,311	3,409
Recreation	4,934	5,371	5,734	5,901	6,930	7,800	8,335	8,668	9,053	9,363
Tourism Promotion	3,475	3,646	3,768	3,881	3,998	4,118	4,241	4,369	4,486	4,607
Total Rates	46,479	52,047	55,134	56,511	60,670	67,228	70,675	73,363	75,688	78,826
User Charges	13,334	14,131	14,447	15,390	16,795	17,767	18,582	19,503	20,238	21,065
Grants & Subsidies	14,047	12,197	13,633	15,578	26,678	17,662	21,489	18,482	20,867	16,056
Capital Contributions	20,242	21,172	22,381	26,298	27,460	28,716	30,333	28,811	30,188	29,906
Property Sales	-	5,000	8,922	9,161	-	9,681	9,961	-	-	-
Other Income	4,696	4,135	3,972	4,064	4,158	4,249	4,343	4,441	4,539	4,640
Loans (internal & external)	32,859	31,325	29,856	49,306	85,081	60,261	74,951	72,861	66,932	65,908
Depreciation not Funded	6,438	7,112	7,620	8,178	8,662	10,009	11,196	13,630	15,701	16,503
Transfers (to)/from Reserves	10,590	2,538	(904)	1,846	1,911	(7,648)	(10,465)	(5,132)	(6,271)	(7,905)
Total Funding	148,685	149,657	155,061	186,332	231,415	207,925	231,065	225,959	227,881	224,999

Total Expenditure Funding By Activity Group

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Governance										
Operating Expenditure	4,274	4,577	4,693	4,839	4,995	5,140	5,290	5,450	5,614	5,784
Capital Asset Expenditure	-	-	-	-	-	-	-	-	-	-
Debt Repayment	-	-	-	-	-	-	-	-	-	-
Total Expenditure	4,274	4,577	4,693	4,839	4,995	5,140	5,290	5,450	5,614	5,784
Funded By:										
Rates - General	2,137	2,289	2,347	2,419	2,497	2,570	2,645	2,725	2,807	2,892
Rates - Targeted	2,137	2,289	2,347	2,420	2,498	2,570	2,645	2,725	2,807	2,892
Total Funding	4,274	4,577	4,693	4,839	4,995	5,140	5,290	5,450	5,614	5,784
District Promotion										
Operating Expenditure	3,657	3,838	3,967	4,085	4,208	4,334	4,464	4,599	4,722	4,849
Capital Asset Expenditure	-	-	-	-	-	-	-	-	-	-
Debt Repayment	-	-	-	-	-	-	-	-	-	-
Total Expenditure	3,657	3,838	3,967	4,085	4,208	4,334	4,464	4,599	4,722	4,849
Funded By:										
Rates - General	182	192	199	204	210	216	223	230	236	242
Rates - Targeted	3,475	3,646	3,768	3,881	3,998	4,118	4,241	4,369	4,486	4,607
Total Funding	3,657	3,838	3,967	4,085	4,208	4,334	4,464	4,599	4,722	4,849
Community										
Operating Expenditure	13,832	14,949	15,778	16,929	19,156	21,440	22,755	23,732	24,722	25,612
Capital Asset Expenditure	12,612	7,892	14,936	18,440	30,233	13,517	7,720	6,447	7,677	8,897
Debt Repayment	1,130	1,135	1,245	1,176	1,515	2,946	2,678	2,272	3,235	2,428
Total Expenditure	27,574	23,976	31,959	36,545	50,904	37,903	33,153	32,451	35,634	36,937
Funded By:										
Rates - General	3,957	4,389	4,699	4,927	5,660	6,287	6,696	6,973	7,282	7,542
Rates - Targeted	6,233	6,784	7,150	7,391	8,489	9,431	10,043	10,459	10,922	11,312
User Charges	1,446	1,518	1,599	1,679	1,762	1,847	1,937	2,032	2,117	2,200
Grants & Subsidies	165	162	1,044	2,206	10,705	2,391	97	101	104	108
Capital Contributions	3,291	3,473	3,779	4,965	5,230	5,500	5,805	5,273	5,523	4,168
Other Income	180	204	219	219	219	219	220	220	220	220
Loans (internal & external)	6,508	4,419	6,271	10,718	17,458	9,938	7,931	7,385	7,991	10,866
Depreciation not Funded	1,352	1,515	1,584	1,718	1,965	2,500	2,710	2,819	2,910	3,013
Transfers (to)/from Reserves	4,442	1,512	5,614	2,722	(584)	(210)	(2,286)	(2,811)	(1,435)	(2,492)
Total Funding	27,574	23,976	31,959	36,545	50,904	37,903	33,153	32,451	35,634	36,937

Total Expenditure Funding By Activity Group cont...

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Property										
Operating Expenditure	5,258	5,547	5,814	6,272	6,580	6,954	7,294	7,804	8,169	8,576
Capital Asset Expenditure	5,649	6,458	1,420	3,391	4,803	597	1,440	2,171	1,160	1,042
Debt Repayment	190	319	429	595	648	2,556	2,715	2,558	2,781	3,374
Total Expenditure	11,097	12,324	7,663	10,258	12,031	10,107	11,449	12,533	12,110	12,992
Funded By:										
Rates - General	109	219	279	307	298	344	344	443	459	475
User Charges	5,608	5,789	5,991	6,308	6,639	6,980	7,337	7,714	8,052	8,380
Grants & Subsidies	-	-	-	-	-	-	-	-	-	-
Property Sales	-	5,000	8,922	9,161	-	9,681	9,961	-	-	-
Loans (internal & external)	2,138	3,010	1,350	2,234	1,292	653	1,883	2,415	1,826	1,904
Depreciation not Funded	36	38	40	41	41	41	41	41	41	41
Transfers (to)/from Reserves	3,206	(1,732)	(8,919)	(7,793)	3,761	(7,592)	(8,117)	1,920	1,732	2,192
Total Funding	11,097	12,324	7,663	10,258	12,031	10,107	11,449	12,533	12,110	12,992
Regulatory & Resource Management										
Operating Expenditure	6,422	6,536	6,783	6,967	7,119	7,258	7,405	7,566	7,735	7,911
Capital Asset Expenditure	200	-	-	-	-	-	-	-	-	-
Debt Repayment	412	456	489	519	493	468	445	422	402	382
Total Expenditure	7,034	6,992	7,272	7,486	7,612	7,726	7,850	7,988	8,137	8,293
Funded By:										
Rates - General	4,142	4,338	4,523	4,422	4,485	4,541	4,601	4,670	4,746	4,827
User Charges	68	70	73	74	76	78	80	81	83	85
Other Income	1,454	1,541	1,623	1,711	1,773	1,834	1,896	1,962	2,027	2,094
Loans (internal & external)	1,354	1,052	1,087	1,336	1,335	1,330	1,330	1,332	1,338	1,344
Depreciation not Funded	3	3	3	3	3	3	3	3	3	3
Transfers (to)/from Reserves	13	(12)	(37)	(60)	(60)	(60)	(60)	(60)	(60)	(60)
Total Funding	7,034	6,992	7,272	7,486	7,612	7,726	7,850	7,988	8,137	8,293

Total Expenditure Funding By Activity Group cont....

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Roading and Parking										
Operating Expenditure	16,191	17,745	19,257	19,801	20,900	22,000	23,202	24,355	25,425	26,922
Capital Asset Expenditure	26,173	23,756	20,761	28,575	31,919	31,799	35,826	30,949	38,727	28,392
Debt Repayment	506	1,390	1,747	1,639	1,770	1,952	3,377	3,638	3,526	5,065
Total Expenditure	42,870	42,891	41,765	50,015	54,589	55,751	62,405	58,942	67,678	60,379
Funded By:										
Rates - Targeted	9,574	10,736	11,570	10,952	11,624	12,222	12,630	13,488	13,927	14,655
User Charges	582	618	654	687	721	754	788	824	860	896
Grants & Subsidies	13,748	11,892	12,438	13,212	15,806	15,095	21,208	18,188	20,563	15,739
Capital Contributions	6,247	6,540	6,739	7,826	8,149	8,489	8,844	8,444	8,774	9,114
Other Income	423	450	477	504	529	554	580	606	633	659
Loans (internal & external)	8,415	8,668	5,857	12,678	13,178	13,479	13,650	12,761	17,334	14,218
Depreciation not Funded	2,349	2,690	2,999	3,014	3,119	3,316	3,861	3,995	4,431	4,912
Transfers (to)/from Reserves	1,532	1,297	1,032	1,142	1,463	1,842	844	636	1,156	186
Total Funding	42,870	42,891	41,766	50,015	54,589	55,751	62,405	58,942	67,678	60,379
Utilities										
Operating Expenditure	25,896	27,934	29,437	31,733	34,595	40,454	43,612	48,157	51,890	54,604
Capital Asset Expenditure	24,735	22,375	23,513	37,151	58,097	40,344	55,674	46,902	31,422	29,071
Debt Repayment	312	3,060	3,209	3,001	3,196	4,962	6,035	7,857	9,633	11,025
Total Expenditure	50,943	53,369	56,159	71,885	95,888	85,760	105,321	102,916	92,945	94,700
Funded By:										
Rates - General	245	138	378	370	355	239	205	175	163	158
Rates - Targeted	15,460	17,515	18,054	19,397	20,735	24,871	26,582	27,288	28,035	29,408
User Charges	5,610	6,115	6,108	6,619	7,572	8,081	8,413	8,823	9,097	9,473
Grants & Subsidies	134	143	152	160	168	176	184	192	201	209
Capital Contributions	10,704	11,160	11,862	13,507	14,081	14,727	15,684	15,095	15,893	16,622
Other Income	392	385	392	365	368	369	371	373	376	378
Loans (internal & external)	14,052	13,493	14,730	22,340	51,818	34,861	50,157	48,968	38,443	37,576
Depreciation not Funded	2,413	2,543	2,671	2,820	2,748	3,158	3,380	5,382	6,749	6,799
Transfers (to)/from Reserves	1,933	1,877	1,812	6,307	(1,957)	(722)	345	(3,380)	(6,012)	(5,923)
Total Funding	50,943	53,369	56,159	71,885	95,888	85,760	105,321	102,916	92,945	94,700

Total Expenditure Funding By Activity Group cont...

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Overhead										
Operating Expenditure	121	133	141	144	148	151	154	158	161	165
Capital Asset Expenditure	975	1,348	1,122	948	919	938	870	818	781	805
Debt Repayment	140	209	320	127	121	115	109	104	99	95
Total Expenditure	1,236	1,690	1,583	1,219	1,188	1,204	1,133	1,080	1,041	1,065
Funded By:										
Rates - General	(815)	(340)	(125)	(126)	(126)	(126)	(127)	(127)	(128)	(128)
Rates - Targeted	(357)	(146)	(54)	(54)	(54)	(54)	(54)	(55)	(55)	(55)
User Charges	20	21	22	23	25	26	27	28	29	31
Other Income	2,246	1,553	1,261	1,265	1,269	1,272	1,276	1,280	1,284	1,289
Loans (internal & external)	393	684	560	-	-	-	-	-	-	-
Depreciation not Funded	284	324	324	582	786	991	1,201	1,390	1,567	1,735
Transfers (to)/from Reserves	(535)	(406)	(405)	(471)	(712)	(905)	(1,190)	(1,436)	(1,656)	(1,807)
Total Funding	1,236	1,690	1,583	1,219	1,188	1,204	1,133	1,080	1,041	1,065



Proposed Rates and Charges for 2009/10

The rating system used by Council is based on Capital Value. Property valuations produced by Quotable Value as at 1 September 2008 are to be used for the 2009/10 rating year. All proposed rates in the section that follows are inclusive of GST.

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 \$66.00 on each separately used or inhabited part of every rating unit in the district.

The uniform annual general charge revenue (\$1,396,919) will be used to fund the costs associated with the following activities:

- Cemeteries.
- Community development and grants.
- Regulatory and advisory services relating to public enquiries, health, animal control, general enforcement and waterways control.
- A general contribution to the promotion of the district.

Recreation Charge

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted recreation charge of \$250.00 on each separately used or inhabited part of every rating unit in the district.

The targeted recreation charge revenue (\$5,348,315) will be used to fund the costs associated with the following activities:

- Community grants (for recreational activities).
- District library services.
- Public halls and other community facilities.
- Active recreation facilities.

Governance Charge

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted Governance charge of \$126.00 on each separately used or inhabited part of every rating unit in the district.

The uniform annual general charge revenue (\$2,681,932) will be used to fund the costs associated with the following activities:

- Civic function (including cost of democracy, communications, management of Council including corporate, financial and rating administration services).

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	0.000500 cents in the \$
2. Hydro Electric Power	0.000365 cents in the \$
3. Vacant Sections	0.000750 cents in the \$
4. Accommodation	0.000900 cents in the \$
5. CBD Accommodation	0.000900 cents in the \$
6. Commercial	0.000730 cents in the \$
7. CBD Commercial	0.000730 cents in the \$
8. Primary Industry	0.000370 cents in the \$
9. Country Dwelling	0.000410 cents in the \$
10. Other	0.000500 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 (\$9,804,149) 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	0.000476 cents in the \$
2. Hydro Electric Power	0.000119 cents in the \$
3. Vacant Sections	0.000714 cents in the \$
4. Accommodation	0.001714 cents in the \$
5. CBD Accommodation	0.001714 cents in the \$
6. Commercial	0.001238 cents in the \$
7. CBD Commercial	0.001238 cents in the \$
8. Primary Industry	0.000381 cents in the \$
9. Country Dwelling	0.000524 cents in the \$
10. Other	0.000476 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 (\$3,418,622) 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 town centre 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	0.000397 cents in the \$
2. Hydro Electric Power	0.000099 cents in the \$
3. Vacant Sections	0.000596 cents in the \$
4. Accommodation	0.001429 cents in the \$
5. CBD Accommodation	0.001429 cents in the \$
6. Commercial	0.001032 cents in the \$
7. CBD Commercial	0.001032 cents in the \$
8. Primary Industry	0.000318 cents in the \$
9. Country Dwelling	0.000437 cents in the \$
10. Other	0.000397 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 Wakatipu/Arrowtown roading rate revenue (\$7,351,973) 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 town centre 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	0.000160 cents in the \$
2. Vacant Sections	0.000160 cents in the \$
3. Accommodation	0.000160 cents in the \$
4. CBD Accommodation	0.000160 cents in the \$
5. Commercial	0.000160 cents in the \$
6. CBD Commercial	0.000160 cents in the \$
7. Other	0.000160 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 (\$618,316) 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	0.000106 cents in the \$
2. Vacant Sections	0.000106 cents in the \$
3. Accommodation	0.000106 cents in the \$
4. CBD Accommodation	0.000106 cents in the \$
5. Commercial	0.000106 cents in the \$
6. CBD Commercial	0.000106 cents in the \$
7. Other	0.000106 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 (\$957,459) 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	0.000734 cents in the \$
2. CBD Accommodation	0.000734 cents in the \$
3. Commercial	0.000734 cents in the \$
4. CBD Commercial	0.000734 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 (\$557,806) 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 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 Wards of the Queenstown Lakes District as follows:

1. Accommodation	0.001118 cents in the \$
2. CBD Accommodation	0.001118 cents in the \$
3. Commercial	0.001118 cents in the \$
4. CBD Commercial	0.001118 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 tourism promotion rate revenue (\$3,235,429) will be used to fund the costs associated with the following activities:

- To finance promotional activities of Destination Queenstown

Tourism Promotion Rate (Arrowtown 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 Arrowtown Ward of the Queenstown Lakes District as follows:

1. Accommodation	0.001172 cents in the \$
2. CBD Accommodation	0.001172 cents in the \$
3. Commercial	0.001172 cents in the \$
4. CBD Commercial	0.001172 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 Arrowtown tourism promotion rate revenue (\$115,705) will be used to fund the costs associated with the following activities:

- To finance promotional activities of the 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 on each separately used or inhabited part of every rating unit in the district, as follows:

1. Residential	\$139.00
2. Hydro Electric Power	\$102.00
3. Vacant Sections	\$102.00
4. Accommodation	\$102.00
5. CBD Accommodation	\$102.00
6. Commercial	\$102.00
7. CBD Commercial	\$102.00
8. Primary Industry	\$139.00
9. Country Dwelling	\$139.00
10. Other	\$102.00
11. Mixed Use Apportioned	\$139.00

The Waste Management Charge revenue (\$2,688,078) 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.

Aquatic Centre Charge (Queenstown/Wakatipu and Arrowtown Wards)

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted Aquatic Centre charge of \$72.00 on each separately used or inhabited part of every rating unit in the Queenstown / Wakatipu and Arrowtown Wards

The Aquatic Centre Charge revenue (\$985,880) will be used to fund the costs associated with the following activities:

- To fund the operating deficit of the Queenstown Aquatic Centre

Water Supply Rates

- 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	\$180
Arrowtown water supply.	\$150
Wanaka and District water supply.	\$180

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	0.000252	0.000314	0.000284
2. Accommodation	0.000454	0.000565	0.000511
3. CBD Accommodation	0.000454	0.000565	0.000511
4. Commercial	0.000368	0.000458	0.000415
5. CBD Commercial	0.000368	0.000458	0.000415
6. Primary Industry	0.000186	0.000232	0.000210
7. Country Dwelling	0.000207	0.000257	0.000233
8. Other	0.000252	0.000314	0.000284
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 (\$)
Arthur's Point	580	290
Glenorchy	580	290
Hawea	280	140
Lake Hayes	440	220
Luggate	390	195

The Targeted Water Supply Rates revenue (\$6,520,521) 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 1st pan connected (\$)	Half Charge capable of connection (\$)	Charge per pan after 1 connected (\$)
Albert Town	520	260	260
Arrowtown	340	170	170
Arthur's Point	500	250	360
Hawea	480	240	240
Lake Hayes	360	180	180
Luggate	450	225	225
Queenstown	270	135	135
Wanaka	520	260	260

The Targeted Sewerage Rates revenue (\$6,209,206) 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; and

- 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.

Due Dates for Payments

The Council resolves that the above rates and charges for the financial year commencing on the 1st day of July 2009 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	17 July 2009	21 August 2009
Instalment Two	16 October 2009	20 November 2009
Instalment Three	15 January 2010	19 February 2010
Instalment Four	16 April 2010	21 May 2010

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:

- 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 (i.e. the penalty will be added on 21 August 2009, 20 November 2009, 19 February 2010 and 21 May 2010 respectively).
- 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 2009.
- 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 2010.

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:

1. 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).

2. 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.

3. Vacant Sections

All rating units which are vacant properties and suitable for development.

4. 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).

5. 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).

6. 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:

- The physical portion of the rating unit used for the purpose, or
- 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:

1. Connected

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

2. 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.

Indicative Rates Movements for 2009/10

Property Type	CV	Location	%	\$
Residential	\$691,200	Queenstown	3.46%	\$65.89
Commercial	\$1,287,600	Queenstown	-0.24%	-\$13.13
Accommodation	\$1,287,600	Queenstown	6.50%	\$429.42
M/U Accommodation	\$831,600	Queenstown	3.85%	\$100.70
Vacant	\$432,000	Queenstown	6.08%	\$91.46
M/U Commercial	\$831,600	Queenstown	1.91%	\$48.86
Residential	\$583,200	Wanaka	6.99%	\$137.83
Commercial	\$777,000	Wanaka	1.17%	\$43.85
Accommodation	\$777,000	Wanaka	12.88. %	\$616.75
M/U Accommodation	\$648,000	Wanaka	5.87%	\$145.31
Primary Industry	\$3,597,000	Wanaka	3.92%	\$123.70
Country Dwelling	\$1,187,200	Wanaka	3.84%	\$61.45
Vacant	\$324,000	Wanaka	6.24%	\$88.86
M/U Commercial	\$648,000	Wanaka	4.58%	\$110.12
Residential	\$507,600	Arrowtown	3.52%	\$61.59
Commercial	\$1,221,000	Arrowtown	0.60%	\$31.94
Accommodation	\$1,221,000	Arrowtown	8.52%	\$567.07
M/U Accommodation	\$680,400	Arrowtown	4.12%	\$99.99
Vacant	\$270,000	Arrowtown	4.10%	\$52.28
M/U Commercial	\$680,400	Arrowtown	2.43%	\$57.57
Primary Industry	\$2,943,000	Wakatipu	6.75%	\$169.22
Country Dwelling	\$1,534,400	Wakatipu	9.10%	\$162.76
Residential	\$496,800	Glenorchy	0.00%	-\$0.01
Residential	\$324,000	Albert Town	3.23%	\$54.46
Residential	\$399,600	Hawea	3.24%	\$56.35
Residential	\$496,800	Kingston	0.00%	-\$0.01
Residential	\$540,000	Arthurs Point	1.33%	\$29.89

Rates in 2009/10

To implement the initiatives we have described, rates will increase for the 2009/10 year. On average the increase is 6.3% (after allowing for growth in the district) although the actual increase will be dependent on the nature of the property, the services it receives and where it is located. The increases for Wanaka properties connected to Project Pure show a disproportionate increase to the rest. This reflects the increased operating costs required for this new plant. This level of increase was anticipated however, and was forecasted in previous consultation with the community. As a result of the submission process the Council agreed to fund an increase for Lake Wanaka Tourism. The additional \$119,000 is funded from commercial and accommodation businesses in the Wanaka Ward.

Indicative Residential Rates 2009-10

Location Capital Value	Queenstown 691,200	Wanaka 583,200	Arrowtown 507,600	Glenorchy 496,800	Kingston 496,800	Albert Town 324,000	Hawea 399,600	Lake Hayes 496,800
UAGC	66	66	66	66	66	66	66	66
Recreation	250	250	250	250	250	250	250	250
Governance	126	126	126	126	126	126	126	126
Aquatic Centre	72	-	72	72	72	-	-	72
General Rate	345	291	254	248	248	162	200	248
Roading Rate	275	277	202	197	197	154	190	197
Stormwater Rate	73	93	54	53	53	52	64	53
Water	354	346	309	580	-	272	280	440
Sewerage	270	520	340	-	-	520	480	360
Waste Mgmt	139	139	139	139	139	139	139	139
Total Rates	\$1,970	\$2,109	\$1,811	\$1,731	\$1,151	\$1,741	\$1,795	\$1,951
% Increase	3.46%	6.99%	3.52%	0.00%	0.00%	3.23%	3.24%	4.27%
\$ Increase	\$66	\$138	\$62	\$0	\$0	\$54	\$56	\$80

Indicative Commercial Rates 2009-10

Location Type Capital Value	Queenstown Commercial 1,287,600	Wanaka Commercial 777,000	Arrowtown Commercial 1,221,000	Queenstown Mixed Use 831,600	Wanaka Mixed Use 648,000	Arrowtown Mixed Use 680,400
UAGC	66	66	66	66	66	66
Recreation	250	250	250	250	250	250
Governance	126	126	126	126	126	126
Aquatic Centre	72	-	72	72	-	72
General Rate	939	567	891	499	389	408
Roading Rate	1,330	961	1,261	545	508	446
Stormwater Rate	136	124	129	88	104	72
Promotion Rate	1,440	570	1,431	232	119	199
Water	654	503	709	432	401	406
Sewerage	270	520	340	270	520	340
Waste Mgmt	102	102	102	139	139	139
Total Rates	\$5,385	\$3,789	\$5,337	\$2,601	\$2,517	\$2,428
% Increase	0.24%	1.17%	0.60%	1.91%	4.58%	2.43%
\$ Increase	-\$13	\$44	\$32	\$49	\$110	\$58

Indicative Accommodation Rates 2009-10

Location Type Capital Value	Queenstown Accommodation 1,287,600	Wanaka Accommodation 777,000	Arrowtown Accommodation 1,221,000	Queenstown Mixed Use 831,600	Wanaka Mixed Use 648,000	Arrowtown Mixed Use 680,400
UAGC	66	66	66	66	66	65
Recreation	250	250	250	250	250	250
Governance	126	126	126	126	126	126
Aquatic Centre	72	-	72	72	-	72
General Rate	1,158	699	1,098	499	389	408
Roading Rate	1,841	1,330	1,746	545	508	446
Stormwater Rate	136	124	129	88	104	72
Promotion Rate	1,440	570	1,431	232	119	199
Water	764	578	839	432	401	406
Sewerage	1,080	1,560	1,360	270	520	340
Waste Mgmt	102	102	102	139	139	139
Total Rates	\$7,036	\$5,405	\$7,220	\$2,719	\$2,622	\$2,524
% Increase	6.50%	12.88%	8.52%	3.85%	5.87%	4.12%
\$ Increase	\$429	\$617	\$567	\$101	\$145	\$100

Indicative Rural Rates 2009-10

Location Type Capital Value	Wakatipu Primary Industry 2,943,000	Wanaka Primary Industry 3,597,000	Wakatipu Country Dwelling 1,534,400	Wanaka Country Dwelling 1,187,200
UAGC	66	66	66	66
Recreation	250	250	250	250
Governance	126	126	126	126
Aquatic Centre	72	-	72	-
General Rate	1,088	1,330	629	459
Roading Rate	935	1,368	670	621
Stormwater Rate	-	-	-	-
Promotion Rate	-	-	-	-
Water	-	-	-	-
Sewerage	-	-	-	-
Waste Mgmt	139	139	139	139
Total Rates	\$2,677	\$3,280	\$1,952	\$1,661
% Increase	6.75%	3.92%	9.10%	3.84%
\$ Increase	\$169	\$124	\$163	\$61

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:

- The land is unoccupied and no income is derived from that land; and/or
- The land is better set aside for non-use (whenua rahui) because of its natural features;
- and/or
- 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 it's 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 Councils 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 31 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 2009.



2009 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 2009 Annual Review process. These changes will apply to any application for resource consent, building consent or service connection lodged on or after 17 April 2009 and granted on or after 1 July 2009. For applications received prior to 17 April 2009, Council will apply the provisions of the pre-existing policies.

Annual Calculation Updates:

- Updated 2007/08 capital expenditure with actual figures from 2008 Annual Report.
- Updated past capital expenditure to 2009 dollars.
- Inflated present and future capital expenditure to 2009 dollars.

Annual Policy Reviews:

- Updated capital expenditure for the 2008/09 to 2018/19 financial years.
- Updated capital expenditure for the 2008/09 financial year based on the 2008/09 Budget (including carry-overs).
- Updated new growth projections for the district out until 2029.
- Land Use Differentials have been reviewed and recalculated using the latest Gross Floor Area (GFA) information from Quotable Value Limited.
- The way contributions are calculated for residential dwellings applying for consent to operate as visitor accommodation has been reviewed.
- The study period has been modified to ensure that historical projects are fully funded.
- The Roading development contribution has been renamed as the Transportation development contribution.

The New Visitor Accommodation Definition

The 2009 policy is the first time Council has introduced the new visitor accommodation definition that means residential dwellings wanting to be rented out for more than 90 days must apply for resource consent to operate as visitor accommodation.

Those residential dwellings applying for a change of use to operate as visitor accommodation under this new definition will be assessed development contributions as Mixed Use Accommodation. Furthermore it has been assessed that this change in use will not create additional demand for reserve land. However as our differentials for reserve improvements and community facilities are based on a person's free time (of which a visitor has more) it is considered that this change in use will create additional demand for these activities.

Changes to the Study Period

Previous policies stated in the calculation methodology that projects with expenditure occurring more than 10 years before would be excluded. This meant that the portion of this growth expenditure would not have been fully funded by development contributions.

As the quantum of expenditure undertaken before 10 years ago increases, Council has decided to change the methodology to allow it to be included. Removing the 10 year back exclusion allows Council to fully fund the growth apportionment of these and future projects.

Transportation - More than just Roads

This name change is to better reflect the Council's focus on providing a range of transport initiatives. These include implementing the Walking and Cycling Strategy and public transport projects.

Submission Process

In total four submissions were received in relation to the draft Development Contributions Policy. The Council has authorised a number of relatively minor amendments to the policy as a result of the submission process.

The main changes are highlighted below:

- Agree to review the recovery timeframe of historical expenditure for the next version of the Policy (i.e. 2010/11)
- Agree to delete the "Other" category from the Dwelling Equivalent Calculation Table on Page 86.
- Agree to update the narrative relating to the status of Chapter 15 (Financial Contributions) of the District Plan.

Council rejected the proposal to delay the timing of development contribution payments on the basis that the existing framework already allows developers to mitigate their risk by opting to stage developments. Council is already under considerable financial pressure and any proposal to delay further the collection of development contributions would further exacerbate its funding problems.

This policy has been amended as part of the 2010-11 Annual Plan Process.
Please see the 2010-11 Annual Plan for the amended policy.

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:

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

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

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:

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

Council's Revenue & Financing Policy considers each of these factors in relation to each activity to be funded. In addition, Council has specifically considered these factors in relation to the Development Contributions and Financial Contributions Policy:

- (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 policy making, calculations, collection, accounting and distribution of funding for development and financial contributions.
- (vi) **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 transportation.
- 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 of 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 in the process of removing parts of the Financial Contributions rules, policies and objectives 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.

Until the 2007 version of the Policy, Council has assessed 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. It is now deemed appropriate to amend the application date of the Policy so that Development Contributions may also be assessed on any application for resource consent, building consent or service connection lodged before 8 May 2004 and granted on or after 1 July 2007. This amendment will affect very few applications as most applications received prior to 8 May 2004 have either been granted previously or withdrawn.

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

Type of Contributions Required By Geographic Area - Within Rural Areas

Water Supply	Wastewater	Stormwater	Transportation	Reserve Land	Reserve Improvements	Community Facilities	Other/ Miscellaneous
<p>Rural General and other rural zonings.</p> <p>Nil - Unless supplied by a scheme. Scheme charge to apply and any network extension costs</p>	<p>Rural General and other rural zonings.</p> <p>Nil - Unless supplied by a scheme. Scheme charge to apply and any network extension costs.</p>	<p>Rural General and other rural zonings.</p> <p>Nil - Unless supplied by a scheme. Scheme charge to apply and any network extension costs</p>	<p>Rural General and other rural zonings.</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>Rural General and other rural zonings.</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>Rural General and other rural zonings.</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>Rural General and other rural zonings.</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>Rural General and other rural zonings.</p> <p>Financial Contributions Environmental Effects - Chapter 15 District Plan and variations i.e. Environmental Considerations.</p>
<p>Hawea Rural Residential Development Contributions</p> <p>Hawea development contributions payable</p>	<p>Hawea Rural Residential Development Contributions</p> <p>Hawea development contributions payable.</p>	<p>Hawea Rural Residential Development Contributions</p> <p>Hawea development contributions payable.</p>					
<p>Aubrey Road Rural Residential Development Contributions</p> <p>Wanaka development contributions payable.</p>	<p>Aubrey Road Rural Residential Development Contributions</p> <p>Wanaka development contributions payable.</p>	<p>Aubrey Road Rural Residential Development Contributions</p> <p>Wanaka development contributions payable.</p>					

Schedule of Development Contributions per Dwelling Equivalent Required by Contributing Area 2009/10 (Excluding GST)

Contributing Area	Water Supply (\$)	Wastewater (\$)	Stormwater (\$)	Transportation (\$)	Reserve Improvements * (\$)	Community Facilities (\$)	Total Cash Contribution (\$)	Reserve Land Contribution (\$ or Land)
Urban Areas - Including All Land Uses								
Queenstown	3,282	5,415	1,191	2,822	1,684	3,342	17,736	27.5m ²
Arrowtown	4,057	5,749	729	2,822	1,684	3,342	18,383	27.5m ²
Glenorchy	6,906	-	1,133	2,822	1,684	3,342	15,887	27.5m ²
Lake Hayes	3,634	6,153	34	2,822	1,684	3,342	17,669	27.5m ²
Arthur's Point	4,157	5,226	69	2,822	1,684	3,342	17,299	27.5m ²
Kingston	-	-	123	2,822	1,684	3,342	7,970	
Wanaka	4,653	6,615	1,770	2,985	1,881	2,522	20,426	27.5m ²
Hawea	8,892	8,743	808	2,985	1,881	2,522	25,832	27.5m ²
Albert Town	4,653	6,615	1,247	2,985	1,881	2,522	19,904	27.5m ²
Luggate	3,400	-	-	2,985	1,881	2,522	10,789	27.5m ²
Other Wakatipu Townships				2,822	1,684	3,342	7,847	27.5m ²
Other Wanaka Townships				2,985	1,881	2,522	7,388	27.5m ²
Rural Areas - Including all Rural Residential/Rural Life Style								
Wakatipu Rural				2,822	1,684	3,342	7,847	27.5m ²
Wanaka Rural				2,985	1,881	2,522	7,388	27.5m ²
Hawea Rural Res.	8,892	8,743	808	2,985	1,881	2,522	25,832	27.5m ²
Aubrey Road Rural Res.	4,653	6,615	1,770	2,985	1,881	2,522	20,426	27.5m ²

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

Notes:

- 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.
- Transportation development contributions have been assessed and will be collected using the LGA 2002 from 1 July 2006.
- Council is in the process of removing some of 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. Where necessary Council may introduce further financial contributions where it is considered appropriate.
- Development contributions are triggered and may become payable on the granting of:
 - A Resource Consent.
 - A Building Consent.
 - 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 QLDC 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 Transportation.

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) and
- 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 (WaterGEMS - Bentley Systems), wastewater (SewerGEMS - Bentley Systems) 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).

Dwelling Equivalent Calculation Table

Category	Water Supply		Wastewater	Stormwater	Reserve Improvements & Community Facilities		Reserve Land		Transportation	
	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	0.45	-	0.75	0.37	0.75	0.75	0.75	0.75	0.77	0.72
Multi Unit Residential	0.45	0.40	0.75	0.37	0.75	0.75	0.75	0.75	0.77	0.72
Accommodation	0.29	1.30	0.66	0.37	1.05	1.01	1.05	1.01	1.26	1.86
Commercial	0.06	1.17	0.19	0.37	0.05	0.03	0.05	0.03	1.37	1.55
Country Dwelling	1 DE per Dwelling		1 DE per Dwelling	1 DE per Dwelling	1 DE per Dwelling		0.66 DE's per Dwelling		1.7 DE's per Dwelling	2.9 DE's per Dwelling
CBD Accommodation	0.29	1.30	0.66	0.37	1.05	1.01	1.05	1.01	1.26	1.86
CBD Commercial	0.06	1.17	0.19	0.37	0.05	0.03	0.05	0.03	1.37	1.55
Mixed Use Accommod.	1 DE per Dwelling		1 DE per Dwelling	0.37	0.86	0.74	0.86	0.74	0.95	1.04
Mixed Use Comm.	1 DE per Dwelling		1 DE per Dwelling	0.37	0.86	0.74	0.86	0.74	0.91	0.79
Primary Industry	1 DE per Dwelling		1 DE per Dwelling	1 DE per Dwelling	1 DE per Dwelling		0.66 DE's per Dwelling		1.3 DE's per 27Ha	1.3 DE's per 41Ha
Restaurant/Bar	0.43	1.17	1.39	0.37	0.05	0.03	0.05	0.03	1.37	1.55

Note: A residential property is always 1 Dwelling Equivalent (DE) or has 133m² 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 133m ² per Dwelling Unit	
Accommodation	55%	2
Commercial	75%	1
Country Dwelling	Assume 133m ² Dwelling Unit	
CBD Accommodation	80%	2
CBD Commercial	80%	2
Mixed Use Accommodation	55%	1
Mixed Use Commercial	55%	1
Primary Industry	Assume 133m 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. 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.

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:

- 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.
- The market value of the new sites shall be capped at \$1500 per m² and this maximum value will be reviewed by Council annually.
- Lots for roads, utilities, reserves, access or similar purposes shall be excluded from the calculation.
- 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.
- 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.
- 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, 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 \$62.13m. 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 43% 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 \$26.77m for the 10 year period (2009 to 2019), which equates to an average annual value of \$2.33m for the Wakatipu Ward and \$0.34m for Wanaka. 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 does not include the necessary detail to enable this. However, Council has updated 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: Council will ensure that the statutory maximum is not exceeded in the application of the policy and calculation methods.

Significant Assumptions Used in the Calculation of Development Contributions

As both the Council Community Plan (CCP) and this Policy rely on the same base data, the significant forecasting assumptions disclosed in Volume 3 of the CCP pp 3-7 also apply to this Policy. 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.

Financial Considerations

The following are key financial considerations applied in the model:

- All figures are in current New Zealand dollars - effective 1 July 2009.
- 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 2009. 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 6.5% interest rate has been applied.
- Capital expenditure projections are those that have been applied in the CCP effective at 1 July 2009. 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.

- 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 transportation. These growth projections have been updated in 2007/08 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

Contributing Area	Growth Projections Used
Wakatipu Ward	Growth Options Study 2004 (Updated 2008)
Queenstown	Growth Options Study 2004 (Updated 2008)
Arrowtown	Growth Options Study 2004 (Updated 2008)
Glenorchy	Growth Options Study 2004 (Updated 2008)
Lake Hayes	Growth Options Study 2004 (Updated 2008)
Arthur's Point	Growth Options Study 2004 (Updated 2008)
Wanaka Ward	Growth Options Study 2004 (Updated 2008)
Wanaka	Growth Options Study 2004 (Updated 2008)
Hawea	Growth Options Study 2004 (Updated 2008)
Albert Town	Growth Options Study 2004 (Updated 2008)
Luggate	Growth Options Study 2004 (Updated 2008)
Kingston	Growth Options Study 2004 (Updated 2008)

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

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

Any Development contributions assessed 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’; and
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.

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’ and no Development Contribution will be payable on the residual lot.
- Where a residential subdivision is developed (i.e. vacant lot built upon) one ‘Dwelling Equivalent’ credit will be allocated to each underlying lot.
- Redevelopment of sites containing non-residential activities will be given historical credits 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 dwelling 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	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Queenstown							
Reticulation	27,003,437	19,878,154	7,125,283	74%	5,221,053	4,516	1,156
Pump Station	4,168,905	2,788,521	1,380,384	67%	1,585,351	4,516	351
Decommissioning Works	-	-	-	0%	-	4,516	-
Unspecified Expenditure	-	-	-	0%	86,535	4,516	19
Storage	11,125,026	9,535,344	1,589,683	86%	4,241,019	4,516	939
New Scheme	-	-	-	0%	-	4,516	-
Intake	23,944,545	12,104,743	11,839,802	51%	2,662,628	4,516	590
Renewals	6,545,701	-	6,545,701	0%	-	4,516	-
Investigations	-	-	-	0%	-	4,516	-
Management	1,339,235	172,916	1,166,319	13%	249,629	4,516	55
Conveyance	-	-	-	0%	-	4,516	-
Emergency Conveyance	-	-	-	0%	7,439	4,516	2
Flow Metering	139,000	56,573	82,427	41%	282,548	4,516	63
Treatment Facility	1,929,174	349,984	1,579,190	18%	457,261	4,516	101
Forward Design	-	-	-	0%	-	4,516	-
Minor Works	-	-	-	0%	13,364	4,516	3
Asset Management System	-	-	-	0%	15,749	4,516	3
Total	76,195,023	44,886,235	31,308,787	59%	14,822,575	4,516	3,282

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

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Arrowtown							
Reticulation	140,000	23,803	116,197	17%	311,593	251	1,242
Pump Station	-	-	-	0%	5,840	251	23
Decomissioning Works	-	-	-	0%	-	251	-
Unspecified Expenditure	-	-	-	0%	74,484	251	297
Storage	42,357	6,592	35,765	16%	200,108	251	798
New Scheme	-	-	-	0%	-	251	-
Intake	1,118,613	160,376	958,237	14%	352,118	251	1,404
Renewals	1,400,000	-	1,400,000	0%	-	251	-
Investigations	-	-	-	0%	-	251	-
Management	283,391	17,969	265,422	6%	25,566	251	102
Conveyance	-	-	-	0%	-	251	-
Emergency Conveyance	-	-	-	0%	-	251	-
Flow Metering	-	-	-	0%	9,805	251	39
Treatment Facility	374,160	63,615	310,545	17%	30,902	251	123
Forward Design	-	-	-	0%	-	251	-
Minor Works	-	-	-	0%	4,139	251	17
Asset Management System	-	-	-	0%	3,046	251	12
Total	3,358,521	272,355	3,086,165	8%	1,017,602	251	4,057

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

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Glenorchy							
Reticulation	-	-	-	0%	57,048	27	2,144
Pump Station	-	-	-	0%	4,472	27	168
Decomissioning Works	-	-	-	0%	-	27	-
Unspecified Expenditure	-	-	-	0%	13,003	27	489
Storage	2,706,040	623,153	2,082,887	23%	92,693	27	3,484
New Scheme	-	-	-	0%	-	27	-
Intake	-	-	-	0%	-	27	-
Renewals	161,748	-	161,748	0%	-	27	-
Investigations	-	-	-	0%	-	27	-
Management	41,371	2,020	39,351	5%	4,592	27	173
Conveyance	-	-	-	0%	-	27	-
Emergency Conveyance	-	-	-	0%	-	27	-
Flow Metering	-	-	-	0%	697	27	26
Treatment Facility	-	-	-	0%	277	27	10
Forward Design	-	-	-	0%	7,844	27	295
Minor Works	-	-	-	0%	2,693	27	101
Asset Management System	-	-	-	0%	439	27	16
Total	2,909,158	625,173	2,283,985	21%	183,787	27	6,906

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

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Lake Hayes							
Reticulation	-	-	-	0%	296,584	142	2,085
Pump Station	-	-	-	0%	-	142	-
Decommissioning Works	-	-	-	0%	-	142	-
Unspecified Expenditure	-	-	-	0%	5,837	142	41
Storage	100,818	23,277	77,541	23%	87,017	142	612
New Scheme	-	-	-	0%	84,862	142	597
Intake	-	-	-	0%	-	142	-
Renewals	50,000	-	50,000	0%	-	142	-
Investigations	-	-	-	0%	-	142	-
Management	125,295	9,503	115,792	8%	9,588	142	67
Conveyance	-	-	-	0%	-	142	-
Emergency Conveyance	-	-	-	0%	-	142	-
Flow Metering	75,000	21,000	54,000	28%	9,579	142	67
Treatment Facility	231,720	62,921	168,799	27%	17,496	142	123
Forward Design	-	-	-	0%	-	142	-
Minor Works	-	-	-	-	-	142	-
Asset Management System	-	-	-	0%	6,016	142	42
Total	582,833	116,701	466,132	20%	516,979	142	3,634

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

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Arthurs Point							
Reticulation	-	-	-	0%	384,711	310	1,239
Pump Station	-	-	-	0%	-	310	-
Decommissioning Works	-	-	-	0%	-	310	-
Unspecified Expenditure	-	-	-	0%	30,660	310	99
Storage	-	-	-	0%	-	310	-
New Scheme	-	-	-	0%	487,136	310	1,569
Intake	2,810,615	1,205,442	1,605,173	43%	352,446	310	1,135
Renewals	150,000	-	150,000	0%	4,816	310	16
Investigations	-	-	-	0%	-	310	-
Management	70,922	15,087	55,834	21%	16,414	310	53
Conveyance	-	-	-	0%	-	310	-
Emergency Conveyance	-	-	-	0%	-	310	-
Flow Metering	-	-	-	0%	-	310	-
Treatment Facility	-	-	-	0%	886	310	3
Forward Design	-	-	-	0%	-	310	-
Minor Works	-	-	-	0%	1,578	310	5
Asset Management System	-	-	-	0%	12,004	310	39
Total	3,031,537	1,220,529	1,811,007	40%	1,290,651	310	4,157

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

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Wanaka / Albert Town							
Reticulation	13,374,023	9,276,367	4,097,657	69%	3,256,130	2,039	1,597
Pump Station	5,485,782	3,662,361	1,823,422	67%	782,855	2,039	384
Decommissioning Works	-	-	-	0%	-	2,039	-
Unspecified Expenditure	-	-	-	0%	364,172	2,039	179
Storage	4,821,092	4,035,737	785,355	84%	3,952,563	2,039	1,939
New Scheme	-	-	-	0%	17,041	2,039	8
Intake	1,760,485	1,450,370	310,115	82%	524,899	2,039	257
Renewals	4,206,253	-	4,206,253	0%	-	2,039	-
Investigations	-	-	-	0%	-	2,039	-
Management	937,051	118,829	818,222	13%	154,644	2,039	76
Conveyance	-	-	-	0%	-	2,039	-
Emergency Conveyance	-	-	-	0%	-	2,039	-
Flow Metering	-	-	-	0%	151,462	2,039	74
Treatment Facility	1,412,500	485,450	927,050	34%	172,515	2,039	85
Forward Design	-	-	-	0%	82,016	2,039	40
Minor Works	-	-	-	0%	18,439	2,039	9
Asset Management System	-	-	-	0%	9,831	2,039	5
Total	31,997,187	19,029,113	12,968,074	60%	9,486,566	2,039	4,653

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

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Hawea							
Reticulation	1,388,000	794,121	593,879	57%	540,492	127	4,261
Pump Station	-	-	-	0%	28	127	-
Decommissioning Works	-	-	-	0%	-	127	-
Unspecified Expenditure	-	-	-	0%	5,634	127	44
Storage	895,033	499,147	395,885	56%	94,503	127	745
New Scheme	-	-	-	0%	30,037	127	237
Intake	2,456,500	1,405,446	1,051,054	57%	308,790	127	2,435
Renewals	50,000	-	50,000	0%	-	127	-
Investigations	-	-	-	0%	-	127	-
Management	95,744	7,733	88,011	8%	8,088	127	64
Conveyance	-	-	-	0%	-	127	-
Emergency Conveyance	-	-	-	0%	-	127	-
Flow Metering	19,000	5,130	13,870	27%	3,129	127	25
Treatment Facility	1,070,717	612,593	458,124	57%	121,104	127	955
Forward Design	-	-	-	0%	14,797	127	117
Minor Works	-	-	-	0%	-	127	-
Asset Management System	-	-	-	0%	1,230	127	10
Total	5,974,994	3,324,171	2,650,822	56%	1,127,831	127	8,892

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

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Luggate							
Reticulation	-	-	-	0%	-	72	-
Pump Station	-	-	-	0%	-	72	-
Decommissioning Works	-	-	-	0%	-	72	-
Unspecified Expenditure	-	-	-	0%	115,597	72	1,616
Storage	490,000	157,943	332,057	32%	46,407	72	649
New Scheme	-	-	-	0%	20,640	72	289
Intake	-	-	-	0%	-	72	-
Renewals	121,690	-	121,690	0%	-	72	-
Investigations	-	-	-	0%	-	72	-
Management	62,056	8,472	53,584	14%	12,515	72	175
Conveyance	-	-	-	0%	-	72	-
Emergency Conveyance	-	-	-	0%	-	72	-
Flow Metering	38,000	-	38,000	0%	-	72	-
Treatment Facility	237,720	95,623	142,097	40%	39,640	72	554
Forward Design	-	-	-	0%	-	72	-
Minor Works	-	-	-	0%	4,523	72	63
Asset Management System	-	-	-	0%	3,926	72	55
Total	949,467	262,038	687,429	28%	243,248	72	3,400

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Queenstown									
	Existing Debt			2,407,163					
Queenstown	2009	2,802,409	1,208,479	3,615,642	432	1,417,228	1,417,228	2,198,413	5%
Queenstown	2010	1,725,837	610,972	4,226,614	445	1,460,668	2,877,897	1,348,717	3%
Queenstown	2011	1,945,142	522,127	4,748,741	424	1,392,350	4,270,247	478,494	1%
Queenstown	2012	7,297,840	4,113,788	8,862,529	436	1,431,821	5,702,068	3,160,461	7%
Queenstown	2013	6,101,199	3,631,631	12,494,160	449	1,472,412	7,174,480	5,319,680	11%
Queenstown	2014	11,189,146	7,325,172	19,819,333	461	1,514,153	8,688,633	11,130,699	24%
Queenstown	2015	24,669,442	15,901,498	35,720,831	474	1,557,078	10,245,711	25,475,120	54%
Queenstown	2016	16,747,053	9,623,427	45,344,259	453	1,486,174	11,731,885	33,612,374	71%
Queenstown	2017	660,070	8,990	45,353,249	465	1,525,278	13,257,163	32,096,086	68%
Queenstown	2018	3,056,885	1,940,150	47,293,398	477	1,565,411	14,822,575	32,470,824	69%
			44,886,235				Queenstown Weighted Debt Funding Ratio		31%
Arrowtown									
	Existing Debt			1,027,776					
Arrowtown	2009	1,139,051	140,307	1,168,083	36	145,250	145,250	1,022,834	79%
Arrowtown	2010	316,480	24,539	1,192,622	37	148,179	293,429	899,193	69%
Arrowtown	2011	181,513	2,714	1,195,336	29	118,823	412,251	783,084	60%
Arrowtown	2012	179,991	3,169	1,198,505	30	120,706	532,958	665,547	51%
Arrowtown	2013	728,593	91,383	1,289,888	30	122,620	655,578	634,310	49%
Arrowtown	2014	191,069	6,470	1,296,358	31	124,564	780,142	516,216	40%
Arrowtown	2015	154,762	906	1,297,264	31	126,539	906,680	390,584	30%
Arrowtown	2016	157,536	1,054	1,298,318	9	36,807	943,487	354,831	27%
Arrowtown	2017	154,762	906	1,299,225	9	36,974	980,460	318,764	25%
Arrowtown	2018	154,762	906	1,300,131	9	37,141	1,017,602	282,529	22%
			272,355				Arrowtown Weighted Debt Funding Ratio		45%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Glenorchy									
	Existing Debt			92,983					
Glenorchy	2009	56,300	303	93,286	3	17,387	17,387	75,900	11%
Glenorchy	2010	57,515	366	93,652	3	17,560	34,947	58,705	8%
Glenorchy	2011	6,060	293	93,945	2	16,422	51,369	42,576	6%
Glenorchy	2012	31,004	6,228	100,173	2	16,573	67,942	32,231	4%
Glenorchy	2013	45,109	9,418	109,591	2	16,727	84,669	24,922	3%
Glenorchy	2014	1,084,433	246,940	356,531	2	16,881	101,550	254,981	36%
Glenorchy	2015	438,104	98,177	454,708	2	17,037	118,587	336,120	47%
Glenorchy	2016	565,257	126,790	581,498	3	21,474	140,062	441,436	61%
Glenorchy	2017	608,816	136,552	718,050	3	21,772	161,784	556,266	77%
Glenorchy	2018	16,560	106	718,156	3	21,973	183,757	534,399	74%
			625,173				Glenorchy Weighted Debt Funding Ratio		33%
Lake Hayes									
	Existing Debt			-					
Lake Hayes	2009	149,080	31,427	31,427	19	67,358	67,358	-35,931	-31%
Lake Hayes	2010	47,761	7,147	38,574	19	68,922	136,281	-97,706	-84%
Lake Hayes	2011	23,354	1,380	39,954	12	43,999	180,280	-140,326	-120%
Lake Hayes	2012	70,825	15,425	55,378	12	44,637	224,917	-169,538	-145%
Lake Hayes	2013	21,233	1,242	56,620	12	45,283	270,200	-213,580	-183%
Lake Hayes	2014	223,247	57,989	114,109	13	45,940	316,140	-201,530	-173%
Lake Hayes	2015	11,527	499	115,109	13	46,605	362,745	-247,636	-212%
Lake Hayes	2016	12,753	594	115,702	14	50,662	413,367	-297,665	-255%
Lake Hayes	2017	11,527	499	116,202	14	51,407	464,774	-348,573	-299%
Lake Hayes	2018	11,527	499	116,701	14	52,205	516,979	-400,278	-343%
			116,701				Lake Hayes Weighted Debt Funding Ratio		0%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Arthurs Point									
	Existing Debt			-					
Arthurs Point	2009	75,800	23,737	23,737	30	124,564	124,564	-100,827	-8%
Arthurs Point	2010	82,333	26,089	49,826	32	132,098	256,661	-206,835	-17%
Arthurs Point	2011	254,079	100,290	150,116	27	111,591	368,252	-218,136	-18%
Arthurs Point	2012	1,411,969	597,312	747,428	28	116,967	485,219	262,209	21%
Arthurs Point	2013	24,189	1,959	749,386	29	122,602	607,821	141,565	12%
Arthurs Point	2014	18,694	787	750,173	31	128,509	736,330	13,843	1%
Arthurs Point	2015	18,694	787	750,960	32	134,700	871,031	-120,070	-10%
Arthurs Point	2016	19,389	935	751,896	32	133,682	1,004,713	-252,818	-21%
Arthurs Point	2017	18,694	787	752,682	34	139,781	1,144,494	-391,811	-32%
Arthurs Point	2018	1,107,694	467,847	1,220,529	35	146,157	1,290,651	-70,121	-6%
			1,220,529					Arthurs Point Weighted Debt Funding Ratio	0%
Wanaka & Albert Town									
	Existing Debt			-					
Wanaka	2009	1,793,880	836,509	836,509	227	1,057,637	1,057,637	-221,128	-1%
Wanaka	2010	747,556	84,404	920,913	235	1,094,506	2,152,143	-1,231,230	-6%
Wanaka	2011	1,489,186	593,368	1,514,281	195	907,499	3,059,642	-1,545,361	-8%
Wanaka	2012	4,667,689	2,670,342	4,184,624	200	932,879	3,992,521	192,102	1%
Wanaka	2013	3,994,902	1,992,436	6,177,060	206	958,971	4,951,492	1,225,568	6%
Wanaka	2014	7,203,371	4,947,139	11,124,199	212	985,793	5,937,285	5,186,914	27%
Wanaka	2015	3,232,740	1,996,228	13,120,427	218	1,013,368	6,950,653	6,169,773	32%
Wanaka	2016	3,212,764	2,316,193	15,436,620	178	826,816	7,777,469	7,659,151	40%
Wanaka	2017	2,249,057	1,643,006	17,079,626	182	845,168	8,622,637	8,456,989	44%
Wanaka	2018	3,406,041	1,949,487	19,029,113	186	863,929	9,486,566	9,542,547	50%
			19,029,113					Wanaka Weighted Debt Funding Ratio	19%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Hawea									
	Existing Debt			-					
Hawea	2009	368,580	195,127	195,127	10	91,165	91,165	103,961	3%
Hawea	2010	222,393	115,837	310,963	10	92,495	183,660	127,303	4%
Hawea	2011	219,025	115,569	426,533	13	117,245	300,905	125,628	4%
Hawea	2012	4,044,867	2,303,891	2,730,424	13	119,381	420,285	2,310,139	69%
Hawea	2013	888,122	499,162	3,229,586	14	121,556	541,841	2,687,745	81%
Hawea	2014	46,284	10,048	3,239,634	14	123,770	665,612	2,574,022	77%
Hawea	2015	9,987	399	3,240,033	14	126,025	791,637	2,448,397	74%
Hawea	2016	10,925	473	3,240,506	12	110,328	901,964	2,338,542	70%
Hawea	2017	9,987	399	3,240,906	13	112,056	1,014,020	2,226,886	67%
Hawea	2018	154,824	83,266	3,324,171	13	113,811	1,127,831	2,196,340	66%
			3,324,171				Hawea Weighted Debt Funding Ratio		52%
Luggate									
	Existing Debt			-					
Luggate	2009	50,450	1,306	1,306	6	20,648	20,648	-19,342	-7%
Luggate	2010	63,951	14,437	15,743	6	21,237	41,885	-26,142	-10%
Luggate	2011	21,769	1,252	16,994	7	24,438	66,323	-49,328	-19%
Luggate	2012	33,311	1,011	18,005	7	25,218	91,540	-73,535	-28%
Luggate	2013	28,580	1,091	19,096	8	26,022	117,563	-98,466	-38%
Luggate	2014	703,437	241,110	260,206	8	26,853	144,415	115,791	44%
Luggate	2015	15,717	438	260,644	8	27,710	172,125	88,519	34%
Luggate	2016	16,324	518	261,162	7	23,107	195,232	65,931	25%
Luggate	2017	11,543	438	261,600	7	23,703	218,934	42,666	16%
Luggate	2018	4,384	438	262,038	7	24,314	243,248	18,790	7%
			262,038				Luggate Debt Funding Ratio		2%
District Totals			69,736,316			28,689,209			

Wastewater Capital Expenditure for Development Contributions (excluding GST)

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Queenstown							
Asset Management System	-	-	-	0%	8,224	3,222	3
Investigations	486,804	73,883	414,921	15%	50,218	3,222	16
Management	118,791	14,827	103,964	12%	148,813	3,222	46
Minor Works	-	-	-	0%	29,972	3,222	9
New Scheme	-	-	-	0%	-	3,222	-
Pump Station	6,632,106	6,117,561	514,545	92%	4,278,528	3,222	1,328
Renewals	5,201,809	-	5,201,809	0%	-	3,222	-
Reticulation	19,275,928	16,690,769	2,585,160	87%	7,447,722	3,222	2,311
Storage	700,000	248,900	415,100	41%	152,292	3,222	47
Treatment Facility	29,769,743	13,940,456	15,829,287	47%	4,814,137	3,222	1,494
Unspecified Expenditure	-	-	-	0%	518,565	3,222	161
Total	62,185,182	37,120,396	25,064,786		17,448,470		5,415
Arrowtown							
Asset Management System	-	-	-	0%	1,647	212	8
Investigations	223,597	16,220	207,377	7%	14,019	212	66
Management	25,146	1,928	23,218	8%	13,621	212	64
Minor Works	-	-	-	0%	-	212	-
New Scheme	-	-	-	0%	-	212	-
Pump Station	379,081	58,599	320,482	15%	337,610	212	1,595
Renewals	2,060,413	-	2,060,413	0%	6,023	212	28
Reticulation	1,392,092	826,763	565,329	39%	620,266	212	2,931
Storage	-	-	-	0%	-	212	-
Treatment Facility	3,799,189	1,046,429	2,752,760	28%	216,508	212	1,023
Unspecified Expenditure	-	-	-	0%	6,993	212	33
Total	7,879,518	1,949,939	5,929,579		1,216,688		5,749

Wastewater Capital Expenditure for Development Contributions (excluding GST)

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Lake Hayes							
Asset Management System	-	-	-	0%	1,371	109	13
Investigations	42,577	651	41,926	2%	518	109	5
Management	10,600	517	10,083	5%	4,473	109	41
Minor Works	-	-	-	0%	-	109	-
New Scheme	-	-	-	0%	-	109	-
Pump Station	-	-	-	0%	199,205	109	1,821
Renewals	757,872	-	757,872	0%	-	109	-
Reticulation	691,878	410,906	280,972	59%	371,638	109	3,397
Storage	-	-	-	0%	-	109	-
Treatment Facility	1,762,841	573,541	1,189,301	33%	95,912	109	877
Unspecified Expenditure	-	-	-	0%	-	109	-
Total	3,265,769	985,615	2,280,154		673,118		6,153
Arthurs Point							
Asset Management System	-	-	-	0%	406	257	2
Investigations	69,472	21,602	47,870	31%	12,756	257	50
Management	6,293	1,142	5,151	18%	4,070	257	16
Minor Works	-	-	-	0%	-	257	-
New Scheme	-	-	-	0%	34,265	257	133
Pump Station	72,186	32,290	38,896	45%	1,949	257	8
Renewals	414,096	-	414,096	0%	-	257	-
Reticulation	125,290	53,928	71,362	43%	1,075,176	257	4,188
Storage	-	-	-	0%	-	257	-
Treatment Facility	1,375,312	788,986	586,325	57%	203,260	257	792
Unspecified Expenditure	-	-	-	0%	9,842	257	38
Total	2,062,649	897,949	1,164,700		1,341,725		5,226

Wastewater Capital Expenditure for Development Contributions (excluding GST)

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Wanaka (incl Albert Town)							
Asset Management System	-	-	-	0%	6,439	1,768	4
Investigations	1,482,587	339,474	1,143,114	23%	188,584	1,768	107
Management	83,071	11,007	72,065	13%	64,509	1,768	36
Minor Works	-	-	-	0%	-	1,768	-
New Scheme	-	-	-	0%	-	1,768	-
Pump Station	5,941,807	3,756,296	2,185,511	63%	2,645,958	1,768	1,496
Renewals	1,710,631	-	1,710,631	0%	2,461	1,768	1
Reticulation	6,689,351	4,632,829	2,056,522	69%	1,955,809	1,768	1,106
Storage	-	-	-	0%	-	1,768	-
Treatment Facility	1,079,053	118,955	960,098	11%	6,585,729	1,768	3,724
Unspecified Expenditure	-	-	-	0%	248,274	1,768	140
Total	16,986,501	8,858,561	8,127,940		11,697,764		6,615
Hawea							
Asset Management System	-	-	-	0%	603	122	5
Investigations	226,965	32,402	194,563	14%	23,574	122	193
Management	8,511	695	7,816	8%	3,696	122	30
Minor Works	-	-	-	0%	-	122	-
New Scheme	-	-	-	0%	-	122	-
Pump Station	-	-	-	0%	9,757	122	80
Renewals	192,354	-	192,354	0%	-	122	-
Reticulation	206,000	206,000	-	100%	329,334	122	2,694
Storage	1,001,222	270,330	730,892	27%	97,602	122	798
Treatment Facility	5,533,191	1,388,944	4,144,247	25%	588,518	122	4,815
Unspecified Expenditure	-	-	-	0%	15,683	122	128
Total	7,168,243	1,898,371	5,269,873		1,068,766		8,743

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Queenstown									
	Existing Debt			2,406,188					
Queenstown	2009	4,804,750	2,939,276	5,345,464	308	1,665,913	1,665,913	3,679,550	9%
Queenstown	2010	9,307,411	7,107,801	12,453,265	317	1,717,998	3,383,912	9,069,353	23%
Queenstown	2011	9,102,126	7,092,953	19,546,218	305	1,651,168	5,035,079	14,511,138	37%
Queenstown	2012	5,113,713	2,434,828	21,981,046	314	1,699,279	6,734,359	15,246,687	39%
Queenstown	2013	19,853,198	7,205,270	29,186,315	323	1,748,792	8,483,151	20,703,164	52%
Queenstown	2014	345,599	20,439	29,206,755	332	1,799,748	10,282,899	18,923,855	48%
Queenstown	2015	347,126	1,129	29,207,884	342	1,852,189	12,135,088	17,072,796	43%
Queenstown	2016	4,230,339	2,948,120	32,156,004	319	1,725,230	13,860,318	18,295,686	46%
Queenstown	2017	5,649,795	5,061,367	37,217,371	327	1,770,727	15,631,045	21,856,326	55%
Queenstown	2018	3,431,126	2,309,213	39,526,584	336	1,817,425	17,448,470	22,078,114	56%
			37,120,396				Queenstown Weighted Debt Funding Ratio		41%
Arrowtown									
	Existing Debt			684,436					
Arrowtown	2009	329,650	18,031	702,467	32	182,486	182,486	519,891	20%
Arrowtown	2010	473,616	41,158	743,625	32	186,143	368,629	374,996	14%
Arrowtown	2011	411,465	31,296	774,921	26	148,292	516,921	258,000	10%
Arrowtown	2012	685,581	63,792	838,704	26	150,613	667,535	171,169	6%
Arrowtown	2013	2,795,225	355,033	1,193,737	27	152,971	820,506	373,231	14%
Arrowtown	2014	112,805	5,205	1,198,942	27	155,366	975,872	223,070	8%
Arrowtown	2015	280,515	79,391	1,278,333	27	157,798	1,133,670	114,663	5%
Arrowtown	2016	807,791	331,438	1,609,771	5	27,598	1,161,269	448,502	17%
Arrowtown	2017	1,702,786	1,024,558	2,634,329	5	27,673	1,188,941	1,445,388	55%
Arrowtown	2018	280,085	46	2,634,375	5	27,747	1,216,688	1,417,687	54%
			1,949,939				Arrowtown Debt Funding Ratio		20%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Glenorchy									
	Existing Debt			150,812					
Glenorchy	2009	-	-	150,812	-	-	-	150,812	19%
Glenorchy	2010	-	-	150,812	-	-	-	150,812	19%
Glenorchy	2011	-	-	150,812	-	-	-	150,812	19%
Glenorchy	2012	21,780	5,235	156,047	-	-	-	156,047	20%
Glenorchy	2013	21,780	5,235	161,282	-	-	-	161,282	21%
Glenorchy	2014	21,780	5,235	166,517	-	-	-	166,517	21%
Glenorchy	2015	21,780	5,235	171,752	399	153,171	153,171	18,582	2%
Glenorchy	2016	218,275	52,465	224,218	6	2,441	155,611	68,606	9%
Glenorchy	2017	384,748	92,479	316,697	6	2,480	158,091	158,606	20%
Glenorchy	2018	1,944,017	467,270	783,966	7	2,519	160,610	623,356	80%
			633,154				Glenorchy Debt Funding Ratio		23%
Kingston									
	Existing Debt			148,714					
Kingston	2009	21,780	8,081	156,795	-	-	-	156,795	5%
Kingston	2010	21,780	8,081	164,877	-	-	-	164,877	5%
Kingston	2011	21,780	8,081	172,958	-	-	-	172,958	6%
Kingston	2012	108,900	40,406	213,364	-	-	-	213,364	7%
Kingston	2013	180,180	66,854	280,218	-	-	-	280,218	9%
Kingston	2014	2,919,745	1,083,344	1,363,563	289	1,291,541	1,291,541	72,022	2%
Kingston	2015	4,495,755	1,668,108	3,031,671	3	11,490	1,303,032	1,728,639	57%
Kingston	2016	-	-	3,031,671	7	29,438	1,332,471	1,699,201	56%
Kingston	2017	-	-	3,031,671	7	30,103	1,362,574	1,669,097	55%
Kingston	2018	-	-	3,031,671	7	30,784	1,393,357	1,638,314	54%
			2,882,957				Kingston Debt Funding Ratio		26%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Lake Hayes									
	Existing Debt			-					
Lake Hayes	2009	57,165	9,821	9,821	14	84,303	84,303	-74,481	-8%
Lake Hayes	2010	93,172	9,882	19,703	14	85,852	170,154	-150,452	-15%
Lake Hayes	2011	92,221	9,827	29,530	10	58,939	229,094	-199,564	-20%
Lake Hayes	2012	245,917	38,514	68,044	10	59,669	288,763	-220,720	-22%
Lake Hayes	2013	1,198,808	230,508	298,551	10	60,409	349,172	-50,621	-5%
Lake Hayes	2014	47,050	54	298,606	10	61,157	410,329	-111,723	-11%
Lake Hayes	2015	182,103	39,489	338,095	10	61,914	472,243	-134,148	-14%
Lake Hayes	2016	354,488	153,301	491,395	11	66,091	538,334	-46,939	-5%
Lake Hayes	2017	875,938	494,166	985,561	11	66,955	605,289	380,272	39%
Lake Hayes	2018	118,908	54	985,615	11	67,829	673,118	312,497	32%
			985,615					Lake Hayes Debt Funding Ratio	0%
Makarora									
	Existing Debt			-					
Makarora	2009	-	-	-	-	-	-	-	0%
Makarora	2010	-	-	-	-	-	-	-	0%
Makarora	2011	-	-	-	-	-	-	-	0%
Makarora	2012	-	-	-	-	-	-	-	0%
Makarora	2013	-	-	-	-	-	-	-	0%
Makarora	2014	-	-	-	-	-	-	-	0%
Makarora	2015	-	-	-	-	-	-	-	0%
Makarora	2016	-	-	-	-	-	-	-	0%
Makarora	2017	-	-	-	-	-	-	-	0%
Makarora	2018	-	-	-	-	-	-	-	0%
			-					Makarora Debt Funding Ratio	0%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Arthurs Point									
	Existing Debt			-					
Arthurs Point	2009	79,931	18,986	18,986	25	129,250	129,250	-110,265	-12%
Arthurs Point	2010	80,523	19,080	38,066	26	136,521	265,771	-227,705	-25%
Arthurs Point	2011	79,958	18,980	56,046	22	116,727	382,498	-325,452	-36%
Arthurs Point	2012	220,459	83,998	141,044	23	122,042	504,541	-363,496	-40%
Arthurs Point	2013	955,287	449,577	590,622	24	127,599	632,140	-41,518	-5%
Arthurs Point	2014	56,900	5,417	596,038	26	133,409	765,549	-169,511	-19%
Arthurs Point	2015	27,954	100	596,138	27	139,484	905,033	-308,895	-34%
Arthurs Point	2016	263,954	166,941	763,079	27	139,408	1,044,441	-281,362	-31%
Arthurs Point	2017	105,776	102,480	865,559	28	145,476	1,189,917	-324,358	-36%
Arthurs Point	2018	191,906	32,390	897,949	29	151,808	1,341,725	-443,776	-49%
			897,949					Arthurs Point Debt Funding Ratio	0%
Wanaka and Albert Town									
	Existing Debt			7,356,002					
Wanaka	2009	4,728,774	2,486,003	9,842,005	208	1,376,292	1,376,292	8,465,713	52%
Wanaka	2010	401,295	43,253	9,885,258	216	1,430,259	2,806,551	7,078,707	44%
Wanaka	2011	1,018,100	24,076	9,909,334	166	1,097,986	3,904,537	6,004,797	37%
Wanaka	2012	2,086,945	804,003	10,713,337	171	1,129,790	5,034,327	5,679,010	35%
Wanaka	2013	920,547	252,647	10,965,984	176	1,162,519	6,196,846	4,769,138	29%
Wanaka	2014	1,050,841	387,061	11,353,044	181	1,196,199	7,393,045	3,960,000	24%
Wanaka	2015	1,053,142	356,072	11,709,116	186	1,230,858	8,623,903	3,085,214	19%
Wanaka	2016	1,728,812	1,629,678	13,338,794	151	1,001,516	9,625,419	3,713,375	23%
Wanaka	2017	1,765,122	1,283,375	14,622,169	155	1,024,445	10,649,863	3,972,305	24%
Wanaka	2018	2,232,923	1,592,394	16,214,563	158	1,047,900	11,697,764	4,516,799	28%
			8,858,561					Wanaka Weighted Debt Funding Ratio	32%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Cardrona									
	Existing Debt			48,359					
Cardrona	2009	-	-	48,359	-	-	-	48,359	3%
Cardrona	2010	-	-	48,359	-	-	-	48,359	3%
Cardrona	2011	-	-	48,359	-	-	-	48,359	3%
Cardrona	2012	21,780	10,857	59,216	-	-	-	59,216	3%
Cardrona	2013	21,780	10,857	70,074	157	180,461	180,461	-110,387	-6%
Cardrona	2014	43,560	21,715	91,788	15	16,971	197,432	-105,644	-6%
Cardrona	2015	107,547	53,612	145,400	16	18,567	215,999	-70,598	-4%
Cardrona	2016	102,441	51,067	196,467	11	12,134	228,132	-31,665	-2%
Cardrona	2017	3,226,423	1,608,367	1,804,834	11	12,815	240,948	1,563,886	87%
Cardrona	2018	-	-	1,804,834	12	13,535	254,483	1,550,351	86%
			1,756,475				Cardrona Debt Funding Ratio		17%
Hawea									
	Existing Debt			722,134					
Hawea	2009	233,300	58,574	780,708	10	86,230	86,230	694,477	27%
Hawea	2010	246,876	48,702	829,409	10	87,466	173,697	655,712	25%
Hawea	2011	529,369	292,666	1,122,075	13	111,360	285,057	837,018	32%
Hawea	2012	1,016,628	250,165	1,372,240	13	113,364	398,421	973,819	37%
Hawea	2013	2,310,034	553,025	1,925,265	13	115,404	513,824	1,411,441	54%
Hawea	2014	2,138,734	536,727	2,461,992	13	117,480	631,304	1,830,688	70%
Hawea	2015	606,864	158,300	2,620,292	14	119,594	750,898	1,869,394	71%
Hawea	2016	1,527	106	2,620,398	12	104,339	855,237	1,765,162	67%
Hawea	2017	73,637	53	2,620,452	12	105,948	961,184	1,659,267	63%
Hawea	2018	11,274	53	2,620,505	12	107,581	1,068,766	1,551,739	59%
			1,268,536				Hawea Weighted Debt Funding Ratio		51%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Luggate									
	Existing Debt			-					
Luggate	2009	2,130	610	610	6	215	215	396	4%
Luggate	2010	2,668	597	1,207	6	229	444	764	8%
Luggate	2011	2,175	539	1,747	7	244	688	1,059	12%
Luggate	2012	493	57	1,804	7	261	949	855	9%
Luggate	2013	30,986	6,889	8,693	8	278	1,227	7,466	83%
Luggate	2014	493	57	8,751	8	297	1,524	7,226	80%
Luggate	2015	493	57	8,808	9	317	1,842	6,966	77%
Luggate	2016	986	115	8,923	41	1,468	3,309	5,614	62%
Luggate	2017	12,141	57	8,980	53	1,896	5,205	3,776	42%
Luggate	2018	50,723	57	9,038	69	2,449	7,653	1,385	15%
			9,038				Luggate Debt Funding Ratio		39%

Stormwater Capital Expenditure for Development Contributions (exc GST)

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Queenstown							
Asset Management System	-	-	-	0%	-	2,609	-
Emergency Conveyance	-	-	-	0%	-	2,609	-
Flood Protection	-	-	-	0%	402,094	2,609	154
Flow Metering	-	-	-	0%	-	2,609	-
Intake	-	-	-	0%	-	2,609	-
Investigations	-	-	-	0%	31,241	2,609	12
Management	501,475	66,449	435,026	13%	548,985	2,609	210
Minor Works	-	-	-	0%	27,805	2,609	11
Pump Station	-	-	-	0%	-	2,609	-
Renewals	-	-	-	0%	63,142	2,609	24
Reticulation	2,747,693	917,954	1,829,739	33%	1,790,099	2,609	686
Storage	-	-	-	0%	-	2,609	0
Stormwater Upgrades	-	-	-	0%	228,799	2,609	88
Treatment Facility	-	-	-	0%	14,356	2,609	6
Total	3,249,168	984,403	2,264,765		3,106,522		1,191
Arrowtown							
Flood Protection	-	-	-	0%	-	260	-
Forward Design	-	-	-	0%	-	260	-
Investigations	-	-	-	0%	947	260	4
Management	151,850	10,736	141,114	7%	14,449	260	56
Minor Works	-	-	-	0%	-	260	-
Renewals	-	-	-	0%	1,616	260	6
Reticulation	300,000	49,892	250,108	17%	170,195	260	654
Storage	-	-	-	0%	-	260	-
Stormwater Upgrades	-	-	-	0%	2,466	260	9
Treatment Facility	-	-	-	0%	-	260	-
Total	451,850	60,629	391,221		189,673		729

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

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Glenorchy							
Flood Protection	-	-	-	0%	4,887	40	122
Forward Design	-	-	-	0%	-	40	-
Investigations	-	-	-	0%	85	40	2
Management	40,740	2,353	38,387	6%	1,865	40	46
Minor Works	-	-	-	0%	-	40	-
Renewals	-	-	-	0%	-	40	-
Reticulation	-	-	-	0%	38,613	40	963
Storage	-	-	-	0%	-	40	-
Treatment Facility	-	-	-	0%	-	40	-
Total	40,740	2,353	38,387		45,450		1,133
Arthurs Point							
Flood Protection	-	-	-	0%	-	138	-
Forward Design	-	-	-	0%	-	138	-
Investigations	-	-	-	0%	79	138	1
Management	61,110	9,989	51,121	16%	9,061	138	66
Minor Works	-	-	-	0%	-	138	-
Renewals	-	-	-	0%	-	138	-
Reticulation	-	-	-	0%	346	138	3
Storage	-	-	-	0%	-	138	-
Treatment Facility	-	-	-	0%	-	138	-
Total	61,110	9,989	51,121		9,486		69

Stormwater Capital Expenditure for Development Contributions (exc GST)

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attrib- utable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Kingston							
Flood Protection	-	-	-	0%	-	28	-
Forward Design	-	-	-	0%	-	28	-
Investigations	-	-	-	0%	-	28	-
Management	61,110	3,760	57,350	6%	3,378	28	123
Minor Works	-	-	-	0%	-	28	-
Renewals	-	-	-	0%	-	28	-
Reticulation	-	-	-	0%	-	28	-
Storage	-	-	-	0%	-	28	-
Treatment Facility	-	-	-	0%	-	28	-
Total	61,110	3,760	57,350		3,378		123
Lake Hayes							
Flood Protection	-	-	-	0%	-	138	-
Forward Design	-	-	-	0%	-	138	-
Investigations	-	-	-	0%	-	138	-
Management	61,110	5,062	56,048	8%	4,698	138	34
Minor Works	-	-	-	0%	-	138	-
Renewals	-	-	-	0%	-	138	-
Reticulation	-	-	-	0%	-	138	-
Storage	-	-	-	0%	-	138	-
Treatment Facility	-	-	-	0%	-	138	-
Total	61,110	5,062	56,048		4,698		34

Stormwater Capital Expenditure for Development Contributions (exc GST)

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Wanaka							
Asset Management System	-	-	-	0%	-	1,536	-
Emergency Conveyance	-	-	-	0%	-	1,536	-
Flood Protection	-	-	-	0%	29,100	1,536	19
Forward Design	-	-	-	0%	-	1,536	-
Intake	-	-	-	0%	-	1,536	-
Investigations	-	-	-	0%	66,169	1,536	43
Management	251,850	36,492	215,358	14%	155,185	1,536	101
Minor Works	-	-	-	0%	17,186	1,536	11
Pump Station	-	-	-	0%	-	1,536	-
Renewals	-	-	-	0%	50,496	1,536	33
Reticulation	2,665,193	917,276	1,747,917	34%	2,368,135	1,536	1,542
Stormwater Upgrades	-	-	-	0%	32,998	1,536	21
Treatment Facility	-	-	-	0%	-	1,536	-
Total	2,917,043	953,768	1,963,274		2,719,270		1,770
Hawea							
Flood Protection	-	-	-	0%	-	121	-
Forward Design	-	-	-	0%	-	121	-
Investigations	-	-	-	0%	182	121	1
Management	50,925	3,989	46,936	8%	3,158	121	26
Minor Works	-	-	-	0%	-	121	-
Renewals	-	-	-	0%	-	121	-
Reticulation	-	-	-	0%	91,458	121	753
Storage	-	-	-	0%	-	121	-
Stormwater Upgrades	-	-	-	0%	3,298	121	27
Treatment Facility	-	-	-	0%	-	121	-
Total	50,925	3,989	46,936		98,096		808

Stormwater Capital Expenditure for Development Contributions (exc GST)

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attrib- utable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Luggate							
Flood Protection	-	-	-	0%	-	103	-
Forward Design	-	-	-	0%	-	103	-
Investigations	-	-	-	0%	9,688	103	94
Management	50,925	8,810	42,115	17%	7,932	103	77
Minor Works	-	-	-	0%	-	103	-
Renewals	-	-	-	0%	-	103	-
Reticulation	-	-	-	0%	1,130	103	11
Storage	-	-	-	0%	-	103	-
Treatment Facility	-	-	-	0%	-	103	-
Total	50,925	8,810	42,115		18,750		183
Albert Town							
Flood Protection	-	-	-	0%	26,350	106	247
Forward Design	-	-	-	0%	-	106	-
Investigations	-	-	-	0%	1,686	106	16
Management	131,110	8,853	122,257	7%	8,483	106	80
Minor Works	-	-	-	0%	-	106	-
Renewals	-	-	-	0%	-	106	-
Reticulation	-	-	-	0%	94,294	106	886
Storage	-	-	-	0%	-	106	-
Stormwater Upgrades	-	-	-	0%	2,015	106	19
Treatment Facility	-	-	-	0%	-	106	-
Total	131,110	8,853	122,257		132,828		1,247
District Total	7,075,090	2,041,615	5,033,476		6,328,149		

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %	
Queenstown	Existing Debt			1,604,200						
	Queenstown	2009	922,683	268,960	1,873,160	249	296,720	296,720	1,576,440	61%
	Queenstown	2010	429,505	107,601	1,980,761	257	306,123	602,843	1,377,919	53%
	Queenstown	2011	300,000	114,508	2,095,270	248	294,739	897,581	1,197,688	46%
	Queenstown	2012	-	-	2,095,270	255	303,455	1,201,036	894,233	35%
	Queenstown	2013	-	-	2,095,270	262	321,429	1,513,465	581,804	22%
	Queenstown	2014	98,515	32,663	2,127,933	270	321,668	1,835,134	292,799	11%
	Queenstown	2015	1,316,990	436,652	2,564,585	278	331,181	2,166,315	398,270	15%
	Queenstown	2016	181,475	24,018	2,588,603	256	305,250	2,471,564	117,038	5%
	Queenstown	2017	-	-	2,588,603	263	313,331	2,784,895	-196,293	-8%
	Queenstown	2018	-	-	2,588,603	270	321,626	3,106,522	-517,919	-20%
				984,403				Queenstown Weighted Debt Funding Ratio		22%
	Arrowtown	Existing Debt			308,461					
Arrowtown		2009	70,000	6,861	315,322	38	27,521	27,521	287,801	78%
Arrowtown		2010	330,000	50,101	365,423	39	28,186	55,707	309,717	84%
Arrowtown		2011	-	-	365,423	31	22,469	78,176	287,247	78%
Arrowtown		2012	-	-	365,423	31	22,892	101,068	264,355	72%
Arrowtown		2013	-	-	365,423	32	23,323	124,391	241,033	65%
Arrowtown		2014	-	-	365,423	33	23,761	148,152	217,271	59%
Arrowtown		2015	-	-	365,423	33	24,208	172,360	193,063	52%
Arrowtown		2016	51,850	3,666	369,089	8	5,746	178,106	190,983	52%
Arrowtown		2017	-	-	369,089	8	5,771	183,877	185,212	50%
Arrowtown		2018	-	-	369,089	8	5,796	189,673	179,416	49%
				60,629				Arrowtown Debt Funding Ratio		64%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Glenorchy									
	Existing Debt			17,586					
Glenorchy	2009	-	-	17,586	4	4,393	4,393	13,193	66%
Glenorchy	2010	20,000	1,155	18,741	4	4,446	8,839	9,903	50%
Glenorchy	2011	-	-	18,741	4	4,113	12,952	5,790	29%
Glenorchy	2012	-	-	18,741	4	4,157	17,109	1,633	8%
Glenorchy	2013	-	-	18,741	4	4,203	21,311	-2,570	-13%
Glenorchy	2014	-	-	18,741	4	4,248	25,560	-6,818	-34%
Glenorchy	2015	-	-	18,741	4	4,294	29,854	-11,112	-56%
Glenorchy	2016	20,740	1,198	19,940	5	5,132	34,986	-15,047	-75%
Glenorchy	2017	-	-	19,940	5	5,198	40,185	-20,245	-102%
Glenorchy	2018	-	-	19,940	5	5,265	45,450	-25,510	-128%
			2,353				Glenorchy Weighted Debt Funding Ratio		0%
Arthurs Point									
	Existing Debt			66,498					
Arthurs Point	2009	-	-	66,498	13	913	913	65,585	86%
Arthurs Point	2010	30,000	4,904	71,402	14	951	1,864	69,538	91%
Arthurs Point	2011	-	-	71,402	12	848	2,712	68,690	90%
Arthurs Point	2012	-	-	71,402	13	878	3,590	67,812	89%
Arthurs Point	2013	-	-	71,402	13	910	4,501	66,901	87%
Arthurs Point	2014	-	-	71,402	14	943	5,444	65,958	86%
Arthurs Point	2015	-	-	71,402	14	977	6,421	64,981	85%
Arthurs Point	2016	31,110	5,085	76,487	14	986	7,408	69,080	90%
Arthurs Point	2017	-	-	76,487	15	1,021	8,429	68,059	89%
Arthurs Point	2018	-	-	76,487	15	1,057	9,486	67,002	88%
			9,989				Arthurs Point Weighted Debt Funding Ratio		88%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Kingston									
	Existing Debt			8,683					
Kingston	2009	-	-	8,683	1	134	134	8,549	69%
Kingston	2010	30,000	1,846	10,528	1	135	269	10,260	82%
Kingston	2011	-	-	10,528	1	133	402	10,127	81%
Kingston	2012	-	-	10,528	1	133	535	9,993	80%
Kingston	2013	-	-	10,528	1	134	669	9,859	79%
Kingston	2014	-	-	10,528	1	134	804	9,725	78%
Kingston	2015	-	-	10,528	1	135	939	9,590	77%
Kingston	2016	31,110	1,914	12,442	6	796	1,734	10,708	86%
Kingston	2017	-	-	12,442	7	813	2,547	9,895	80%
Kingston	2018	-	-	12,442	7	831	3,378	9,064	73%
			3,760				Kingston Weighted Debt Funding Ratio		79%
Lake Hayes									
	Existing Debt			306,441					
Lake Hayes	2009	-	-	306,441	16	552	552	305,889	98%
Lake Hayes	2010	30,000	2,485	308,926	17	564	1,116	307,810	99%
Lake Hayes	2011	-	-	308,926	12	424	1,540	307,386	99%
Lake Hayes	2012	-	-	308,926	13	431	1,970	306,955	99%
Lake Hayes	2013	-	-	308,926	13	438	2,408	306,517	98%
Lake Hayes	2014	-	-	308,926	13	445	2,854	306,072	98%
Lake Hayes	2015	-	-	308,926	13	453	3,307	305,619	98%
Lake Hayes	2016	31,110	2,577	311,503	13	456	3,763	307,740	99%
Lake Hayes	2017	-	-	311,503	14	464	4,226	307,276	99%
Lake Hayes	2018	-	-	311,503	14	471	4,698	306,805	98%
			5,062				Lake Hayes Weighted Debt Funding Ratio		98%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Wanaka									
	Existing Debt			1,529,417					
Wanaka	2009	343,462	113,347	1,642,763	182	322,190	322,190	1,320,573	53%
Wanaka	2010	414,800	129,823	1,772,586	189	335,139	657,329	1,115,256	45%
Wanaka	2011	-	-	1,772,586	144	254,550	911,880	860,706	35%
Wanaka	2012	308,899	108,167	1,880,753	148	262,021	1,173,901	706,852	28%
Wanaka	2013	547,409	186,129	2,066,882	152	269,710	1,443,610	623,271	25%
Wanaka	2014	625,311	204,395	2,271,277	157	277,625	1,721,235	550,042	22%
Wanaka	2015	625,311	204,395	2,475,672	161	285,772	2,007,008	468,665	19%
Wanaka	2016	51,850	7,513	2,483,185	131	232,009	2,239,017	244,168	10%
Wanaka	2017	-	-	2,483,185	134	237,379	2,476,396	6,789	0%
Wanaka	2018	-	-	2,483,185	137	242,874	2,719,270	-236,085	-10%
			953,769				Wanaka Weighted Debt Funding Ratio		23%
Hawea									
	Existing Debt			36,312					
Hawea	2009	-	-	36,312	10	7,916	7,916	28,397	70%
Hawea	2010	25,000	1,958	38,271	10	8,030	15,946	22,325	55%
Hawea	2011	-	-	38,271	13	10,211	26,157	12,113	30%
Hawea	2012	-	-	38,271	13	10,396	36,554	1,717	4%
Hawea	2013	-	-	38,271	13	10,585	47,138	-8,868	-22%
Hawea	2014	-	-	38,271	13	10,777	57,915	-19,644	-49%
Hawea	2015	-	-	38,271	14	10,972	68,887	-30,616	-76%
Hawea	2016	25,925	2,031	40,301	12	9,586	78,473	-38,172	-95%
Hawea	2017	-	-	40,301	12	9,736	88,209	-47,908	-119%
Hawea	2018	-	-	40,301	12	9,887	98,096	-57,795	-143%
			3,989				Hawea Debt Funding Ratio		0%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Cardrona									
	Existing Debt			-					
Cardrona	2009	-	-	-	4	-	-	-	0%
Cardrona	2010	-	-	-	4	-	-	-	0%
Cardrona	2011	-	-	-	4	-	-	-	0%
Cardrona	2012	-	-	-	4	-	-	-	0%
Cardrona	2013	-	-	-	4	-	-	-	0%
Cardrona	2014	-	-	-	5	-	-	-	0%
Cardrona	2015	-	-	-	5	-	-	-	0%
Cardrona	2016	-	-	-	3	-	-	-	0%
Cardrona	2017	-	-	-	4	-	-	-	0%
Cardrona	2018	-	-	-	4	-	-	-	0%
			-						
							Cardrona Debt Funding Ratio		0%
Luggate									
	Existing Debt			72,147					
Luggate	2009	-	-	72,147	10	1,786	1,786	70,361	87%
Luggate	2010	25,000	4,325	76,472	10	1,870	3,655	72,817	90%
Luggate	2011	-	-	76,472	10	1,771	5,426	71,046	88%
Luggate	2012	-	-	76,472	10	1,846	7,272	69,200	85%
Luggate	2013	-	-	76,472	11	1,925	9,197	67,275	83%
Luggate	2014	-	-	76,472	11	2,006	11,203	65,269	81%
Luggate	2015	-	-	76,472	11	2,092	13,295	63,177	78%
Luggate	2016	25,925	4,485	80,957	10	1,757	15,052	65,904	81%
Luggate	2017	-	-	80,957	10	1,818	16,870	64,087	79%
Luggate	2018	-	-	80,957	10	1,880	18,750	62,207	77%
			8,810						
							Luggate Debt Funding Ratio		83%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Albert Town									
	Existing Debt			112,146					
Albert Town	2009	50,000	3,376	115,522	13	15,673	15,673	99,849	83%
Albert Town	2010	50,000	3,376	118,899	13	16,154	31,827	87,072	72%
Albert Town	2011	-	-	118,899	10	12,671	44,498	74,401	61%
Albert Town	2012	-	-	118,899	10	12,966	57,464	61,435	51%
Albert Town	2013	-	-	118,899	11	13,269	70,733	48,165	40%
Albert Town	2014	-	-	118,899	11	13,579	84,312	34,587	29%
Albert Town	2015	-	-	118,899	11	13,896	98,208	20,691	17%
Albert Town	2016	31,110	2,101	120,999	9	11,328	109,536	11,463	9%
Albert Town	2017	-	-	120,999	9	11,539	121,075	-75	0%
Albert Town	2018	-	-	120,999	9	11,753	132,828	-11,829	-10%
			8,853				Albert Town Debt Funding Ratio		35%

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

Project Summaries (GL Code Location)	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Reserve Improvements - Wakatipu							
Parks and Reserves - Wakatipu Ward	14,186,000	2,366,224	11,819,776	17%	4,084,555	3,567	1,145
Walkways - Wakatipu Ward	1,450,709	395,804	1,098,905	24%	976,440	3,567	274
Council Land - Reserve Land - Wakatipu	-	-	-	0%	45,622	3,567	13
Cemeteries - Wakatipu Ward	405,000	375,000	30,000	93%	485,775	3,567	136
	16,041,709	3,093,029	12,948,680		5,592,392		1,568
Reserve Improvements - Wanaka							
Parks and Reserves - Wanaka Ward	5,913,000	969,999	4,943,001	16%	2,583,767	2,292	1,127
Walkways - Wanaka Ward	1,020,000	332,494	687,506	33%	726,579	2,292	317
Council Land - Reserve Land - Wanaka	-	-	-	0%	599,078	2,292	261
Council Land - Reserve Land - Hawea	-	-	-	0%	2,185	2,292	1
Cemeteries - Wanaka Ward	165,000	165,000	-	100%	133,416	2,292	58
	7,098,000	1,467,494	5,630,506		4,045,024		1,765
Reserve Improvements - District Wide							
Parks and Reserves - Wakatipu Ward	848,877	229,751	609,126	27%	554,159	5,859	93
Parks and Reserves - Wanaka Ward	775,000	236,552	538,448	31%	135,455	5,859	23
	1,623,877	466,303	1,157,574		679,614		116

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

Project Summaries (GL Code Location)	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Community Facilities - Wakatipu							
Council Land - Non-Reserve - Wakatipu	-	-	-	0%	92,444	3,567	26
Waterways Facilities - Wakatipu Ward	360,000	57,382	302,618	16%	328,246	3,567	92
Halls - Queenstown	410,000	25,050	384,950	6%	680,325	3,567	191
Halls - Events Centre	30,132,500	5,188,451	24,944,049	17%	5,896,748	3,567	1,653
Halls - Lake Hayes Pavillion	-	-	-	0%	-	3,567	-
Halls - Arrowtown	322,700	10,390	311,770	3%	24,699	3,567	7
Halls - Glenorchy	150,000	-	150,000	0%	2,605	3,567	1
Halls - Queenstown Community Centre	25,000	8,678	16,322	35%	163,607	3,567	46
Buildings - Heritage	-	-	-	0%	111,615	3,567	31
Buildings - Toilets - Wakatipu Ward	3,285,000	315,435	2,969,565	10%	673,296	3,567	189
Community Development - Swimming Pools	15,900	3,269	12,631	21%	3,639,733	3,567	1,020
Libraries - Queenstown	1,740,000	50,915	1,689,085	3%	73,553	3,567	21
Libraries - Arrowtown	630,000	55,992	574,008	9%	37,244	3,567	10
Libraries - Glenorchy	220,000	3,628	216,372	2%	10,622	3,567	3
Libraries - Kingston	50,000	-	50,000	0%	678	3,567	-
	37,341,100	5,719,731	31,621,369		11,735,415		3,290

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

Project Summaries (GL Code Location)	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Community Facilities - Wanaka							
Waterways Facilities - Wanaka Ward	2,220,000	1,207,763	1,012,237	54%	908,624	2,292	396
Halls - Arts & Community Centre	80,000	4,148	75,852	5%	1,318,503	2,292	575
Halls - Hawea	30,000	-	30,000	0%	1,880	2,292	1
Halls - Luggate	30,000	-	30,000	0%	17,430	2,292	8
Halls - Cardrona	40,000	-	40,000	0%	32,871	2,292	14
Halls - Wanaka Community Centre	284,000	30,880	253,120	11%	1,492,985	2,292	651
Halls - Wanaka Sports Facility	10,000,000	3,613,147	6,386,853	36%	1,229,551	2,292	536
Buildings - Toilets - Wanaka Ward	1,570,000	247,341	1,322,659	16%	375,123	2,292	164
Community Development - Swimming Pools	490,000	8,939	481,061	2%	56,060	2,292	24
Wanaka Aquatic Centre	-	-	-	0%	-	2,292	-
Libraries - Wanaka	1,055,000	21,985	1,033,015	2%	212,614	2,292	93
Libraries - Hawea	130,000	7,624	122,376	6%	15,979	2,292	7
	15,929,000	15,141,827	10,787,173		5,661,621		2,470
Community Facilities - District Wide							
Halls - Events Centre	-	-	-	0%	-	5,859	-
Rural Fire - District Wide	676,000	31,478	644,522	5%	67,815	5,859	12
Halls - Lake Hayes Pavillion	87,500	10,084	77,416	12%	94,344	5,859	16
Community Development - District Wide	-	-	-	0%	144,437	5,859	25
	763,500	41,562	721,938		307,597		52

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Net Cost Balance (2009\$)	Debt %
Wakatipu - Reserve Improvements									
	Existing Debt			1,931,389					
Wakatipu	2009	1,055,209	219,074	2,150,463	349	546,421	546,421	1,604,042	32%
Wakatipu	2010	1,380,000	432,431	2,582,894	357	560,311	1,106,732	1,476,162	29%
Wakatipu	2011	1,934,000	343,200	2,926,094	345	541,497	1,648,229	1,277,865	25%
Wakatipu	2012	2,870,000	500,501	3,426,594	354	554,470	2,202,698	1,123,896	24%
Wakatipu	2013	1,720,000	299,312	3,725,907	362	567,753	2,770,451	955,456	19%
Wakatipu	2014	1,764,000	340,062	4,065,969	371	581,355	3,351,806	714,163	14%
Wakatipu	2015	1,500,000	334,120	4,400,089	380	595,283	3,947,089	453,000	9%
Wakatipu	2016	935,000	114,279	4,514,367	343	537,020	4,484,109	30,258	1%
Wakatipu	2017	1,953,5000	379,588	4,893,955	350	548,355	5,032,463	-138,508	-3%
Wakatipu	2018	930,000	130,463	5,024,418	357	559,929	5,592,392	-567,974	-11%
			3,093,029				Wakatipu Weighted Debt Funding Ratio		14%
Wakatipu - Community Facilities									
	Existing Debt			9,541,669					
Wakatipu	2009	1,478,400	234,263	9,775,932	349	1,146,643	1,146,643	8,629,289	57%
Wakatipu	2010	1,975,000	265,914	10,041,846	357	1,175,790	2,322,433	7,719,413	51%
Wakatipu	2011	1,667,500	269,825	10,311,671	345	1,136,310	3,458,743	6,852,928	45%
Wakatipu	2012	6,324,500	1,340,530	11,652,201	354	1,163,533	4,622,276	7,029,925	46%
Wakatipu	2013	19,080,700	2,825,259	14,447,460	362	1,191,408	5,813,683	8,663,777	57%
Wakatipu	2014	4,349,000	611,342	15,088,802	371	1,219,950	7,033,634	8,055,168	53%
Wakatipu	2015	589,000	61,911	15,150,713	380	1,249,177	8,282,811	6,867,902	45%
Wakatipu	2016	604,000	20,540	15,171,253	343	1,126,915	9,409,726	5,761,527	38%
Wakatipu	2017	494,000	45,532	15,216,785	350	1,150,701	10,560,427	4,656,358	31%
Wakatipu	2018	779,000	44,615	15,261,400	357	1,174,988	11,735,415	3,525,985	23%
			5,719,731				Wakatipu Weighted Debt Funding Ratio		44%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Net Cost Balance (2009\$)	Debt %
Wanaka - Reserve Improvements									
Wanaka	2009	463,000	234,511	234,511	261	460,828	460,828	-226,317	-15%
Wanaka	2010	625,000	113,409	347,920	270	476,801	937,629	-589,710	-40%
Wanaka	2011	335,000	112,941	460,861	219	386,991	1,327,621	-863,760	-59%
Wanaka	2012	1,290,000	270,821	731,682	225	397,513	1,722,134	-990,452	-67%
Wanaka	2013	665,000	107,149	838,831	231	408,322	2,130,456	-1,291,625	-88%
Wanaka	2014	860,000	187,991	1,026,821	238	419,424	2,549,880	-1,523,058	-104%
Wanaka	2015	685,000	60,431	1,087,253	244	430,828	2,980,708	-1,893,455	-129%
Wanaka	2016	850,000	168,866	1,256,119	197	347,308	3,328,016	-2,071,897	-141%
Wanaka	2017	465,000	68,008	1,324,127	201	354,719	3,682,735	-2,358,608	-161%
Wanaka	2018	860,000	143,367	1,467,494	205	362,289	4,045,024	-2,577,530	-176%
			1,467,494				Wanaka Weighted Debt Funding Ratio		0%
Wanaka - Community Facilities									
	Existing Debt			169,629					
Wanaka	2009	1,523,500	579,703	749,332	261	644,999	644,999	104,333	2%
Wanaka	2010	1,010,000	277,503	1,026,835	270	667,355	1,312,354	-285,518	-5%
Wanaka	2011	6,156,500	2,170,565	3,197,400	219	541,653	1,854,006	1,343,394	25%
Wanaka	2012	3,510,000	1,146,846	4,344,246	225	556,380	2,410,386	1,933,860	36%
Wanaka	2013	1,074,000	569,430	4,913,676	231	571,508	2,981,894	1,931,782	36%
Wanaka	2014	1,064,000	269,624	5,183,300	238	587,047	3,568,941	1,614,358	30%
Wanaka	2015	349,000	44,405	5,227,705	244	603,009	4,171,950	1,055,755	20%
Wanaka	2016	509,000	39,570	5,267,275	197	486,110	4,658,060	609,214	11%
Wanaka	2017	354,000	27,432	5,294,706	201	496,483	5,154,544	140,163	3%
Wanaka	2018	379,000	16,750	5,311,456	205	507,077	5,661,621	350,165	-7%
			5,141,827				Wanaka Weighted Debt Funding Ratio		15%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Net Cost Balance (2009\$)	Debt %
District Wide - Reserve Improvements									
	Existing Debt			-					
District Wide	2009	378,877	126,411	126,411	610	70,715	70,715	55,696	12%
District Wide	2010	120,000	27,583	153,994	628	72,793	143,508	10,486	2%
District Wide	2011	250,000	76,307	230,301	565	66,498	209,005	21,296	5%
District Wide	2012	-	-	230,301	579	67,149	276,155	-45,854	-10%
District Wide	2013	275,000	84,193	314,494	594	68,842	344,997	-30,503	-7%
District Wide	2014	600,000	151,809	466,303	609	70,578	415,575	50,728	11%
District Wide	2015	-	-	466,303	624	72,358	487,934	-31,631	-5%
District Wide	2016	-	-	466,303	539	62,558	550,492	-84,189	-18%
District Wide	2017	-	-	466,303	551	63,884	614,376	-148,073	-32%
District Wide	2018	-	-	466,303	562	65,238	679,614	-213,311	-46%
			466,303				District Wide Weighted Debt Funding Ratio		0%
District Wide - Community Facilities									
	Existing Debt			1,954,314					
District Wide	2009	66,500	5,544	1,959,858	610	31,902	31,902	1,927,956	97%
District Wide	2010	148,000	796	1,990,654	628	32,839	64,741	1,895,913	95%
District Wide	2011	38,500	2,347	1,963,000	565	29,548	94,289	1,868,711	94%
District Wide	2012	41,000	497	1,963,498	579	30,293	124,583	1,838,915	92%
District Wide	2013	10,000	497	1,963,995	594	31,057	155,640	1,808,355	91%
District Wide	2014	135,000	497	1,964,492	609	31,840	187,480	1,777,012	89%
District Wide	2015	62,000	11,396	1,975,888	624	32,643	220,123	1,755,765	88%
District Wide	2016	15,000	497	1,976,385	539	28,222	248,345	1,728,040	87%
District Wide	2017	135,000	497	1,976,883	551	28,820	277,166	1,699,717	85%
District Wide	2018	112,500	18,993	1,995,876	562	29,431	306,597	1,689,280	85%
			41,562				District Wide Weighted Debt Funding Ratio		90%

* Where the debt funding proportion is negative, it is assumed to be zero,

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

Project Summaries (GL Code Location)	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Queenstown - Reserve Land							
Reserves	21,737,681	21,737,681	-	100%	10,862,359	2349	27.5m ²
		21,737,681	-		10,862,359		27.5m²
Arrowtown - Reserve Land							
Reserves	1,525,645	1,525,645	-	100%	985,030	268	27.5m ²
		1,525,645	-		985,030		27.5m²
Glenorchy - Reserve Land							
Reserves	1,025,971	1,025,971	-	100%	351,716	402	27.5m ²
		1,025,971	-		351,716		27.5m²
Kingston - Reserve Land							
Reserves	320,837	320,837	-	100%	30,131	58	27.5m ²
		320,837	-		30,131		27.5m²
Wakatipu Rural - Reserve Land							
Reserves	-	-	-	0%	-	-	27.5m ²
		-	-		-		27.5m²
Wanaka - Reserve Land							
Reserves	8,357,673	8,357,673	-	100%	3,214,512	1283	27.5m ²
		8,357,673	-		3,214,512		27.5m²
Luggate / Hawea - Reserve Land							
Reserves	2,977,803	2,977,803	-	100%	1,395,136	301	27.5m ²
		2,977,803	-		1,395,136		27.5m²
Makarora - Reserve Land							
Reserves	200,936	200,936	-	100%	89,921	37	27.5m ²
		200,936	-		89,921		27.5m²
Wanaka Rural - Reserve Land							
Reserves	-	-	-	0%	-	-	27.5m ²
		-	-		-		27.5m²

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Cost Balance	Debt %
Queenstown - Reserve Land									
QT	2009	2,000,567	2,000,567	2,000,567	244	1,126,697	1,126,697	873,870	4%
QT	2010	1,878,781	1,878,781	3,879,348	265	1,224,212	2,350,910	1,528,438	7%
QT	2011	1,948,691	1,948,691	5,828,039	250	1,155,214	3,506,123	2,321,916	11%
QT	2012	1,913,589	1,913,589	7,741,628	254	1,175,925	4,682,049	3,059,579	14%
QT	2013	2,647,787	2,647,787	10,389,415	260	1,204,461	5,886,510	4,502,905	21%
QT	2014	1,994,781	1,994,781	12,384,196	259	1,198,772	7,085,282	5,298,914	24%
QT	2015	2,488,578	2,488,578	14,872,773	261	1,205,001	8,290,283	6,582,491	30%
QT	2016	2,124,436	2,124,436	16,997,209	237	1,096,849	9,387,131	7,610,077	35%
QT	2017	1,434,828	1,434,828	18,432,037	242	1,120,542	10,507,673	7,924,364	36%
QT	2018	3,305,644	3,305,644	21,737,681	77	354,686	10,862,359	10,875,322	50%
			21,737,682				Queenstown Weighted Debt Funding Ratio		23%
Arrowtown - Reserve Land									
AT	2009	-	-	-	44	162,116	162,116	-162,116	-11%
AT	2010	-	-	-	24	88,590	250,706	-250,706	-16%
AT	2011	179,989	179,989	179,989	25	90,683	341,389	-161,400	-11%
AT	2012	-	-	179,989	26	93,953	435,341	-255,353	-17%
AT	2013	948,271	948,271	1,128,260	26	96,062	531,403	596,857	39%
AT	2014	-	-	1,128,260	28	104,128	635,531	492,729	32%
AT	2015	-	-	1,128,260	30	110,348	745,880	382,380	25%
AT	2016	-	-	1,128,260	27	99,765	845,645	282,615	19%
AT	2017	397,385	397,385	1,525,645	28	101,757	947,402	578,244	38%
AT	2018	-	-	1,525,645	10	37,628	985,030	540,616	35%
			1,525,645				Arrowtown Weighted Debt Funding Ratio		13%

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Cost Balance	Debt %
Glenorchy - Reserve Land									
GY	2009	-	-	-	29	25,600	25,600	-25,600	-2%
GY	2010	-	-	-	36	31,733	57,334	-57,334	-6%
GY	2011	465,908	465,908	465,908	39	34,586	91,920	373,988	36%
GY	2012	399,139	399,139	865,047	42	36,493	128,413	736,634	72%
GY	2013	-	-	865,047	43	37,358	165,771	699,276	68%
GY	2014	-	-	865,047	50	43,435	209,206	655,841	64%
GY	2015	160,923	160,923	1,025,971	55	47,868	257,074	768,897	75%
GY	2016	-	-	1,025,971	49	43,063	300,136	725,834	71%
GY	2017	-	-	1,025,971	50	43,958	344,094	681,877	66%
GY	2018	-	-	1,025,971	9	7,622	351,716	674,255	66%
			1,025,970				Glenorchy Weighted Debt Funding Ratio		51%
Kingston - Reserve Land									
KG	2009	-	-	-	6	3,122	3,122	-3,122	-1%
KG	2010	320,837	320,837	320,837	6	3,216	6,338	314,499	98%
KG	2011	-	-	320,837	6	3,103	9,441	311,396	97%
KG	2012	-	-	320,837	6	3,184	12,625	308,212	96%
KG	2013	-	-	320,837	6	3,265	15,889	304,948	95%
KG	2014	-	-	320,837	7	3,356	19,245	301,592	94%
KG	2015	-	-	320,837	7	3,447	22,692	298,145	93%
KG	2016	-	-	320,837	6	2,974	25,666	295,172	92%
KG	2017	-	-	320,837	6	3,037	28,703	292,134	91%
KG	2018	-	-	320,837	3	1,428	30,131	290,706	91%
			320,837				Kingston Weighted Debt Funding Ratio		85%

[illegible]

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

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Cost Balance	Debt %
Luggate / Hawea - Reserve Land									
LG	2009	320,512	320,512	320,512	26	118,969	118,969	201,544	7%
LG	2010	-	-	320,512	26	121,887	240,855	79,657	3%
LG	2011	696,851	696,851	1,017,363	25	117,566	358,421	658,942	22%
LG	2012	-	-	1,017,363	26	120,264	478,685	538,678	18%
LG	2013	315,548	315,548	1,332,912	27	123,025	601,710	731,201	25%
LG	2014	606,992	606,992	1,939,903	34	159,742	761,452	1,178,451	40%
LG	2015	387,370	387,370	2,327,273	45	208,839	970,291	1,356,982	46%
LG	2016	-	-	2,327,273	40	183,290	1,153,581	1,173,692	39%
LG	2017	650,530	650,530	2,977,803	40	187,044	1,340,625	1,637,178	55%
LG	2018	-	-	2,977,803	12	54,511	1,395,136	1,582,667	53%
			2,977,803				Luggate Weighted Debt Funding Ratio		31%
Makarora - Reserve Land									
MK	2009	-	-	-	3	6,495	6,495	-6,495	-3%
MK	2010	-	-	-	3	6,629	13,124	-13,124	-7%
MK	2011	200,936	200,936	200,936	3	6,426	19,550	181,387	90%
MK	2012	-	-	200,936	3	6,550	26,100	174,836	87%
MK	2013	-	-	200,936	3	6,677	32,777	168,160	84%
MK	2014	-	-	200,936	4	10,467	43,244	157,692	78%
MK	2015	-	-	200,936	6	15,590	58,834	142,102	71%
MK	2016	-	-	200,936	6	13,857	72,691	128,245	64%
MK	2017	-	-	200,936	6	14,130	86,822	114,115	57%
MK	2018	-	-	200,936	1	3,099	89,921	111,016	55%
			200,936				Makarora Weighted Debt Funding Ratio		58%

Contributing Area	Year	CAPEX (2009 \$)	CAPEX for Growth	Cumulative Growth Cost	New Dwelling Equivalents	Contributions Received	Cumulative Contributions Received	Net Cost Balance	Debt %
Wanaka Rural - Reserve Land									
WA - Rural	2009	-	-	-	-	-	-	-	0%
WA - Rural	2010	-	-	-	-	-	-	-	0%
WA - Rural	2011	-	-	-	-	-	-	-	0%
WA - Rural	2012	-	-	-	-	-	-	-	0%
WA - Rural	2013	-	-	-	-	-	-	-	0%
WA - Rural	2014	-	-	-	-	-	-	-	0%
WA - Rural	2015	-	-	-	-	-	-	-	0%
WA - Rural	2016	-	-	-	-	-	-	-	0%
WA - Rural	2017	-	-	-	-	-	-	-	0%
WA - Rural	2018	-	-	-	-	-	-	-	0%
Wanaka Rural Weighted Debt Funding Ratio									0%

Transportation - Capital Expenditure for Development Contributions

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Wakatipu							
Advance property purchase	-	-	-	0%	773,559	8,876	87
Amenity Enhancement	4,385,000	667,500	3,717,500	15%	275,021	8,876	31
Associated improvements	855,000	299,250	555,750	35%	405,991	8,876	46
Cycle facilities	-	-	-	0%	-	8,876	-
Demand management	188,000	150,400	37,600	80%	100,351	8,876	11
Drainage renewals	1,710,000	513,000	1,197,000	30%	470,629	8,876	53
Emergency Works Contingency	1,050,000	-	1,050,000	0%	-	8,876	-
Kerb & Channel Construction	1,100,000	330,000	770,000	30%	497,814	8,876	56
Minor Improvements	1,925,355	385,071	1,540,284	20%	586,647	8,876	66
New roads	4,612,475	3,709,980	902,495	80%	1,696,544	8,876	191
New traffic management facilities	-	-	-	0%	41,264	8,876	5
Other Structures	-	-	-	0%	3,097	8,876	-
Parking Equipment	-	-	-	0%	-	8,876	-
Passenger transport infrastructure	2,239,000	447,800	1,791,200	20%	345,876	8,876	39
Passenger transport road improvements	23,500	4,700	18,800	20%	3,372	8,876	-
Pedestrian and Cycle facilities	5,572,500	1,671,750	3,900,750	30%	2,167,699	8,876	244
Pedestrian facilities	253,256	75,977	177,279	30%	606,764	8,876	68
Power Reticulation Undergrounding	1,620,000	-	1,620,000	0%	-	8,876	-
Preventive maintenance	-	-	-	0%	-	8,876	-
Property purchase (local roads)	235,000	188,000	47,000	80%	432,916	8,928	49
Replacement of bridges & other structures	47,000	14,100	32,900	30%	9,416	8,876	1
Road reconstruction	8,183,168	2,786,112	5,397,056	34%	984,987	8,876	111
Roading General	-	-	-	0%	1,162,635	8,876	131
Seal extension	-	-	-	0%	1,397,760	8,876	157
Sealed road pavement rehabilitation	23,575,283	8,251,349	15,323,934	35%	6,742,474	8,876	760
Sealed road resurfacing	7,212,821	1,803,205	5,409,616	25%	2,233,910	8,876	252
Street Furniture	-	-	-	0%	47,811	8,876	5
Streetlighting	1,100,000	220,000	880,000	20%	241,501	8,876	27

Transportation - Capital Expenditure for Development Contributions cont...

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Wakatipu continued....							
Structures component replacements	900,600	270,180	630,420	30%	54,136	8,876	6
Studies and strategies	100,000	80,000	20,000	80%	1,131,640	8,876	128
Town Centre Improvements	10,500,000	2,100,000	8,400,000	20%	2,082,010	8,876	235
Traffic services renewals	456,000	136,800	319,200	30%	103,765	8,876	12
Unsealed road metalling	2,801,550	280,155	2,521,395	10%	213,839	8,876	24
Total	80,645,507	24,385,329	56,260,178		24,813,431		2,796
Wanaka							
Advance property purchase	-	-	-	0%	-	4,284	-
Amenity Enhancement	2,000,000	-	2,000,000	0%	23,132	4,284	5
Associated improvements	1,862,000	558,600	1,303,400	30%	247,703	4,284	58
Cycle facilities	-	-	-	0%	-	4,284	-
Demand management	-	-	-	0%	67,553	4,284	16
Drainage renewals	285,000	85,500	199,500	30%	217,197	4,284	51
Emergency Works Contingency	735,000	-	735,000	0%	-	4,284	-
Kerb & Channel Construction	1,350,000	405,000	945,000	30%	862,609	4,284	201
Minor Improvements	879,069	175,814	703,255	20%	299,568	4,284	70
New roads	2,381,400	1,726,050	655,350	72%	461,236	4,284	108
New traffic management facilities	-	-	-	0%	1,866	4,284	-
Other Structures	-	-	-	0%	11,009	4,284	3
Parking Equipment	-	-	-	0%	-	4,284	-
Passenger transport infrastructure	50,000	10,000	40,000	20%	4,414	4,284	1
Pedestrian and Cycle facilities	3,758,933	1,123,358	2,635,575	30%	761,983	4,284	178
Pedestrian facilities	-	-	-	0%	644,552	4,284	150
Power Reticulation Undergrounding	860,000	-	860,000	0%	-	4,284	-
Preventive maintenance	-	-	-	0%	-	4,284	-
Property purchase (local roads)	-	-	-	0%	-	4,284	-

Transportation - Capital Expenditure for Development Contributions cont...

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
Wanaka continued....							
Replacement of bridges & other structures	-	-	-	0%	114,816	4,284	27
Road reconstruction	2,648,350	1,059,340	1,589,010	40%	896,975	4,284	209
Roading General	-	-	-	0%	381,669	4,284	89
Seal extension	10,194,000	4,077,600	6,116,400	40%	2,447,074	4,284	571
Seal extension - residential	-	-	-	0%	1,756,636	4,284	410
Sealed road pavement rehabilitation	4,823,153	1,527,021	3,296,131	32%	815,917	4,284	190
Sealed road resurfacing	3,643,943	728,789	2,915,154	20%	1,407,967	4,284	329
Street Furniture	7,448	1,862	5,586	25%	7,084	4,284	2
Streetlighting	1,414,859	283,715	1,131,144	20%	243,077	4,284	57
Structures component replacements	342,000	102,600	239,400	30%	15,259	4,284	4
Studies and strategies	75,000	60,000	15,000	80%	430,710	4,284	101
Town Centre Improvements	2,784,404	562,351	2,222,053	20%	354,177	4,284	83
Traffic services renewals	171,000	51,300	119,700	30%	37,682	4,284	9
Unsealed road metalling	2,280,000	228,000	2,052,000	10%	167,476	4,284	39
Total	42,545,559	12,766,900	29,778,659		12,679,341		2,960
District Wide							
Advance property purchase	-	-	-	0%	-	13,160	-
Amenity Enhancement	-	-	-	0%	-	13,160	-
Associated improvements	30,000	10,500	19,500	35%	4,757	13,160	-
Cycle facilities	-	-	-	0%	-	13,160	-
Demand management	-	-	-	0%	-	13,160	-
Drainage renewals	29,000	8,700	20,300	30%	5,840	13,160	-
Emergency Works Contingency	-	-	-	0%	-	13,160	-
Kerb & Channel Construction	-	-	-	0%	2,628	13,160	-
Minor Improvements	26,691	5,338	21,353	20%	9,137	13,160	1
New roads	-	-	-	0%	-	13,160	-
New traffic management facilities	-	-	-	0%	-	13,160	-
Other Structures	-	-	-	0%	-	13,160	-

Transportation - Capital Expenditure for Development Contributions cont...

Project Summaries	10 Year Total Capital Cost (2009 \$)	Capital Cost Funded by Growth (2009 \$)	Capital Cost Funded by Other Sources (2009 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2009 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2009 \$)
District Wide continued...							
Parking Equipment	-	-	-	0%	-	13,160	-
Passenger transport infrastructure	-	-	-	0%	-	13,160	-
Pedestrian and Cycle facilities	-	-	-	0%	-	13,160	-
Pedestrian facilities	-	-	-	0%	-	13,160	-
Power Reticulation Undergrounding	-	-	-	0%	-	13,160	-
Preventive maintenance	42,140	8,428	33,712	20%	4,155	13,160	-
Property purchase (local roads)	-	-	-	0%	-	13,160	-
Replacement of bridges & other structures	-	-	-	0%	4,660	13,160	-
Road reconstruction	-	-	-	0%	21,827	13,160	2
Roading General	-	-	-	0%	-	13,160	-
Seal extension	-	-	-	0%	128,979	13,160	10
Sealed road pavement rehabilitation	402,825	140,989	261,836	35%	119,042	13,160	9
Sealed road resurfacing	148,596	37,149	111,447	25%	35,881	13,160	3
Street Furniture	-	-	-	0%	-	13,160	-
Streetlighting	-	-	-	0%	-	13,160	-
Structures component replacements	30,000	9,000	21,000	30%	966	13,160	-
Studies and strategies	-	-	-	0%	921	13,160	-
Town Centre Improvements	-	-	-	0%	-	13,160	-
Traffic services renewals	10,000	3,500	6,500	35%	1,903	13,160	-
Unsealed road metalling	-	-	-	0%	-	13,160	-
Total	719,252	223,604	495,648		340,697		26

Transportation - Debt Funding Ratio - 10 Year Net Growth vs. Revenue Assessment

Contributing Area	Year	CAPEX - QLDC (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Wakatipu									
	Existing Debt			10,532,856					
Wakatipu	2009	8,598,980	2,805,614	13,338,470	894	2,498,528	2,498,528	10,839,942	31%
Wakatipu	2010	7,506,223	2,380,396	15,718,866	926	2,588,843	5,087,371	10,631,496	30%
Wakatipu	2011	5,393,305	1,720,583	17,439,449	834	2,332,373	7,419,743	10,019,706	29%
Wakatipu	2012	8,153,279	3,062,216	20,501,665	860	2,405,680	9,825,423	10,676,242	31%
Wakatipu	2013	8,767,560	2,329,819	22,831,484	888	2,481,291	12,306,714	10,524,770	30%
Wakatipu	2014	10,548,826	2,925,770	25,757,253	915	2,559,278	14,865,991	10,891,262	31%
Wakatipu	2015	8,536,713	2,909,487	28,666,740	944	2,639,717	17,505,708	11,161,032	32%
Wakatipu	2016	6,601,328	1,947,275	30,614,015	848	2,370,451	19,876,159	10,737,856	31%
Wakatipu	2017	10,375,780	2,916,440	33,530,456	871	2,435,316	22,311,475	11,218,981	32%
Wakatipu	2018	6,163,512	1,387,730	34,918,185	895	2,501,956	24,813,431	10,104,754	29%
		80,645,507	24,385,329				Wakatipu Weighted Debt Funding Ratio		31%
District Wide									
	Existing Debt								
District Wide	2009	246,221	77,847	77,847	1,363	35,274	35,274	42,573	19%
District Wide	2010	151,627	51,568	129,416	1,412	36,561	71,836	57,580	26%
District Wide	2011	171,413	54,910	184,326	1,243	32,186	104,022	80,304	36%
District Wide	2012	9,902	2,587	186,913	1,282	33,184	137,206	49,707	22%
District Wide	2013	45,235	11,920	198,833	1,321	34,212	171,418	27,415	12%
District Wide	2014	8,788	2,309	201,142	1,362	35,273	206,691	-5,549	-2%
District Wide	2015	9,670	2,529	203,671	1,405	36,366	243,057	-39,386	-18%
District Wide	2016	50,825	13,318	216,988	1,225	31,705	274,762	-57,774	-26%
District Wide	2017	6,569	1,754	218,742	1,257	32,539	307,302	-88,559	-40%
District Wide	2018	19,000	4,862	223,604	1,290	33,395	340,697	-117,093	-52%
		719,252	223,604				Wakatipu/Wanaka Weighted Debt Funding Ratio		0%

Transportation - Debt Funding Ratio - 10 Year Net Growth vs. Revenue Assessment cont....

Contributing Area	Year	CAPEX - QLDC (2009 \$)	CAPEX for Growth (2009 \$)	Cumulative Growth Cost (2009 \$)	New Dwelling Equivalents	Contributions Received (2009 \$)	Cumulative Contributions Received (2009 \$)	Debt Balance (2009 \$)	Debt %
Wanaka									
	Existing Debt			5,540,261					
Wanaka	2009	3,237,415	949,350	6,489,611	469	1,387,464	1,387,464	5,102,147	28%
Wanaka	2010	3,578,933	1,041,597	7,531,208	486	1,438,956	2,826,420	4,704,788	26%
Wanaka	2011	2,081,111	578,285	8,109,493	409	1,210,342	4,036,762	4,072,731	22%
Wanaka	2012	6,010,237	1,638,723	9,748,216	421	1,246,773	5,283,535	4,464,682	24%
Wanaka	2013	5,287,616	1,605,641	11,353,857	434	1,284,300	6,567,834	4,786,023	26%
Wanaka	2014	4,304,243	1,253,668	12,607,525	447	1,322,956	7,890,790	4,716,735	26%
Wanaka	2015	4,283,718	1,280,060	13,887,585	460	1,362,776	9,253,566	4,634,019	25%
Wanaka	2016	4,418,759	1,318,468	15,206,053	377	1,115,053	10,368,620	4,837,433	26%
Wanaka	2017	4,907,667	1,597,735	16,803,787	386	1,141,712	11,510,332	5,293,455	29%
Wanaka	2018	4,435,861	1,503,373	18,307,161	395	1,169,009	12,679,341	5,627,820	31%
		42,545,559	12,766,900				Wanaka Weighted Debt Funding Ratio		26%

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:

- A need has been defined in measurable output terms.
- There is scope for the private sector to demonstrate particular skills and/or innovative capacity.
- The project size justifies the transaction and ongoing management costs of a partnership.
- Such a partnership is likely to deliver better value for money, based on cost, time and financial arrangements than 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 \$2 million of budgeted or \$200,000 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 Road 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	<20
Interest Expense/ Total Revenue	<15
Net Debt / Total Revenue	<200
Net Debt / Equity	<20

For the purpose of calculating the ratios above:

Interest Expense =	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 / 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:

- Ensure QLDC's continued ability to meet its debts in an orderly manner as and when they fall due in both the short and long term, through appropriate liquidity and funding risk management.
- Arrange appropriate funding facilities for QLDC, ensuring they are at market related margins utilising bank debt facilities and/or capital markets as appropriate.
- Maintain lender relationships and QLDC's general borrowing profile in the local debt and, if applicable, capital markets, so that QLDC is able to fund itself appropriately at all times.
- Control QLDC's cost of borrowing through the effective management of its interest rate risk, within the interest rate risk management limits established by the LMP.
- Ensure compliance with any financing/borrowing covenants and ratios.
- Maintain adequate internal controls to mitigate operational risks.
- Produce accurate and timely information that can be relied on by senior management and Council for control and exposure monitoring purposes in relation to the debt raising activities of QLDC.

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 maturity dates no more than \$50 million or 50% of debt, whichever is the lesser, can be subject to refinancing in any 12 month period;
- QLDC must maintain committed funding lines of not less than 110% of projected core debt.

Core debt is defined as that contained in the Annual Plan or as otherwise determined by the Chief Financial Officer.

Credit Exposure Policy

Council will only enter incidental arrangements with credit worthy counter parties.

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 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:

 - The expenditure, borrowing, or lending of money; or*
 - The local authority undertaking to make payments in exchange for another person undertaking to make payments to the local authority; or*
 - The creation or acquisition or disposal of any property or right; or**
- 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.

The following table details the Fixed Rate Hedging Percentages which shall apply to the projected core debt of QLDC:

	Minimum Fixed Rate Amount	Maximum Fixed Rate Amount
0 - 2 Years	50%	100%
2 - 5 Years	30%	80%
5 - 10 Years	0%	50%

That the following interest rate risk management instruments may be used to manage the core debt of QLDC:

- Interest rate swaps.
- Swaptions (options on swaps).
- Interest rate options, including collar type structures but only in a ratio of 1:1.
- Forward rate agreements.

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.