



# 2013-14 *annual plan*

# Contents Page ANNUAL PLAN 2013/14

## **Introduction**

Introduction from the Mayor and Summary from the Chief Executive .....	2
Consultation Process .....	9
Statutory Planning Process .....	10

## **General Information**

District Map .....	11
Management Structure .....	12
Contact Us .....	13
Strategic Performance Framework .....	14

## **Activity Summaries**

Governance .....	16
Economic Development .....	17
Community .....	19
Environmental Management .....	23
Water Supply .....	27
Stormwater .....	28
Wastewater.....	30
Roading and Footpaths .....	31

## **Financial Information**

Financial Statements .....	34
Statement of Accounting Policies .....	46
Balancing the Budget .....	53
Funding Impact Statement .....	54
Proposed Rates and Charges for 2013/14 .....	57
Policy on Development Contributions and Financial Contributions .....	69
Capital Expenditure for 2013/14 .....	80

# The Year Ahead - A Summary from the Chief Executive

## Message from the Mayor

Good things take time. That saying makes me impatient. But I am happy to say the Annual Plan for 2013/14 is a good thing. My fellow Councillors and I set some very clear objectives for this Council, beginning and ending with change.

What you see in this document is some serious momentum towards our vision of a Council that delivers better service for less cost and what better way to demonstrate that commitment than a zero rates increase. Great for the pocket but let me be clear, it has not come at a cost to progress and a vision to make this the best Council in New Zealand serving a community in the greatest place to live. What you won't find here is any plan to ease off the accelerator any time soon.

Over the next year you will see a commitment to our local economy, as we work towards the potential development of a world class convention centre and an injection of support for events in our district. Over the next year we will see a streamlined, integrated Council emerge from a review process that will deliver efficiencies and you will see a Council that continues to be financially affordable across every activity.

I would like to extend my personal thanks to those of you who took the time to participate and write a submissions to the Annual Plan.

Vanessa van Uden  
Mayor

## From the Chief Executive

The 2013/14 Annual Plan signals a period of significant change for the Queenstown Lakes District Council. Central Government has signalled the need for change through a number of legislative and other changes including amendments to the Local Government Act; the Resource Management Act and the report of the Productivity Commission. Locally, the Mayor and her Council have set new performance expectations, virtually all of which revolve around organisational changes to the operations of QLDC and its council controlled organisations – Lakes Environmental and Lakes Leisure. This Annual Plan outlines some of the key initiatives which will flow from these changes, and what the residents of the District can expect.

## The Purpose of Local Government

Last year Parliament changed the Local Government Act. Council's job remains to "enable democratic local decision-making" for our communities, but there is a change of focus on what Council does. We have a new purpose. It is about delivering core services (i.e. local infrastructure, public service and regulatory functions) in a way that is "most cost-effective for households and businesses". The organisational review commenced in December provides the perfect platform to ensure that we re-focus our activities on this purpose and deliver better services at less cost.

## Zero Rates Increase

The elected members have set an expectation on Council to make savings across Council operations, without compromising services. The Annual Plan delivers an average rates increase of 0.0% (after allowing for growth). This is significant improvement on the 10-Year Plan for 2013/14 which proposed a 2.21%. Because the figure is an average, some ratepayers will receive a zero rate increase, some slightly less and some slightly more. The range is -1.71% to +2.03%, depending on the value, location and services of your property (see rates for more detail page 6).

## 2013/14 Financial Highlights

Council has used Year 2 of the Long Term Plan 2012-22 (10-Year Plan) as the base budget for preparing the Annual Plan 2013/14. We have also reviewed this against the actual expenditure for 2011/12 and the results for 2012/13 so far.

A fundamental step in the budgeting process for the Annual Plan is to review the key assumptions for the year:

### Key Assumption

**Growth** For the draft Annual Plan, the forecast for growth in the district was reduced down from 1.9% to 1.5% (last year the overall growth was 1.4%). This has been further reduced down from 1.5% to 1.0%.

**Inflation** We have asked managers to review any inflation adjustments where a specific index does not exist for the activity.

**Development Contributions** The 10-Year Plan allowed for 50% of the forecast revenue in 2013/14. We have reduced this to 40% for the Annual Plan (a reduction of \$1.38m)

**Vested Assets** The 10-Year Plan allowed for \$9.4m of vested assets in 13/14. We have reduced this to \$5.5m for the AP.

**QAC Dividend** The forecast dividend for 2013/14 is reduced from \$3.7m to \$2.83m and 100% of this has been applied to debt repayment.

**Holiday Park Contribution** The 10-Year Plan allowed for \$375k of contribution to rates in 2013/14. We have reduced this to \$100k for the Annual Plan (reduction of \$275k)

**Organisational Review** The budgets included in the Draft Annual Plan for 2013/14 reflected the Council organisations as they currently exist. Since the draft was adopted, the draft budgets for Lakes Leisure Ltd (LL) and Lakes Environmental Ltd (LE) have been incorporated into Council's budgets for 2013/14. This is primarily made up of adjustments to include the direct costs for LL (\$3.8m) and LE (\$5.2m) and adjustments to include the direct income for LL (\$3.3m) and LE (\$5.6m). Any potential budget changes accruing from the Organisational Review process will need to be separately identified and incorporated into Council's budgets as they are confirmed. Council will ensure that the details of any savings are explained in full.

The 10-Year Plan forecasts for Depreciation and Interest have also been reviewed as a result of changes to the capital programme since 2011 (i.e. deferrals, carry forwards). This has resulted in reductions in forecast depreciation and interest. Zero-based budgeting was undertaken for the Infrastructure Administration and Community Services Administration activities. A comprehensive review of maintenance activity costs for Roading, 3 Waters and Reserves was also completed. This has resulted in significant reductions for the proposed 2013/14 Annual Plan budgets in these areas.

The main features of the proposed Annual Plan budget for 2013/14 are:

A. Operating Costs of \$92.7m which represents an increase of \$5.18m (5.92%) from the original 10-Year Plan budget for 2013/14 (\$87.5m) – this is primarily made up of adjustments to include the direct costs for LL (\$3.8m) and LE (\$5.2m) and are offset by decreases in depreciation \$870k, interest \$247k and maintenance costs (Roading \$644k, 3 Waters \$747k and Reserves \$230k). These reductions have been due in part, to a different approach to risk management in some areas. Instead of budgeting for the a worst case scenario and providing budgets for emergency works (required in the event of extreme bad weather) or contingencies for extra mowing (required in the event of a wet summer), we have taken the approach that if these events do occur, we will deal with them by transferring budget from other activities. This approach benefits ratepayers through lower rates but there is an element of increased risk. There are also reductions in the electricity budgets (\$245k) and Waste Management costs (\$462k) due to the lower cost of emission trading.

B. Operating Revenue (excluding rates) of \$49.1m which represents an increase of \$1.4m (3.0%) from the original 10-Year Plan budget for 2013/14 (\$47.7m) – this is primarily made up of adjustments to include the direct income for LL (\$3.3m) and LE (\$5.6m) and are offset by decreases in development contributions \$1.57m; forecast QAC dividend \$830k and vested assets \$3.96m (non-cash item). There are also reductions in user charges (\$408k) which includes \$290k of Waste Management revenue because of reduced costs in this activity.

C. The capital expenditure budget is forecasted at \$49.5m down \$7.3m (12.8%) from the original 10-Year Plan budget for 2013/14 of \$56.8m. Several capital projects have been deferred as a result of the continuing review of the capital programme. Most notable of these is the deferral of \$4.4m for Project Shotover as a result of the latest staged approach. Debt repayment has increased to \$13.2m from \$9.4m in the 10-Year Plan. This increase in debt repayment is financially prudent and is tied directly to the rates effect for the year (see below).

D. The rating effect of the proposed Annual Plan budget for 2013/14 is an average overall rates increase of 0% (after allowing for growth at 1.0%). The 10-Year Plan signalled an average overall rates increase of 2.21% (after allowing for growth at 1.9%) for 2013/14.

## The Big Issues for 2013/14

### Organisational Review

Council announced a comprehensive organisational review in December 2012 involving QLDC, Lakes Environmental and Lakes Leisure Limited staff. The review is focusing on delivering Council services that are better, more affordable and faster. The outcome of the review will not be known in time to reflect the implications in the Annual Plan.

On 20 March, 2013, Council formally resolved to disestablish two Council controlled organisations – Lakes Environmental Limited and Lakes Leisure Limited. The Council's decision was based on recommendations made to it by the Organisational Review Team lead by chair Peter Winder. The team had considered a number of factors as to whether the functions sat better within a CCO model or as core Council functions. These included considerations such as fragmentation

of Council services; the need for public accountability to the community; the need to avoid unnecessary governance and administration costs; and whether the services performed were true commercial activities or simply core local government activities.

The impact of this decision for the Annual Plan 2013/14 will be that budgets will need to be adjusted to reflect the transition from the CCO model (3 separate organisations) to the in-house model with Council picking up all the CCO functions. These adjustments will occur after the draft Annual Plan has been approved for public consultation. The overall financial position represented in the draft Annual Plan will not alter as a result of the budget consolidation process.

The draft budgets for 2013/14 reflect the organisations (Council and CCO's) as they currently exist. Any budget changes accruing from the review process will need to be separately identified and incorporated at a later date. Implementation is scheduled to occur by June 2013.

The cost of the review process, prior to implementation is \$280k, which will be met in the current financial year through efficiencies and deferrals.

## Convention Centre

Council has selected a consortium led by investors Ngai Tahu Property Limited and Morrison & Co to build and operate an international quality convention centre in Queenstown. The proposal follows a public request for proposal process, driven by community feedback that a centre would drive major benefit for the local economy.

The consortium team includes convention centre architects, Populous; project management firm, RCP; Queenstown-based construction company Naylor Love, and award winning New Zealand architects Fearon Hay, along with SKYCITY Entertainment Group as its preferred operator. The preferred site at this stage is the Council-owned Lakeview site. Any contribution from Council will be capped and fully disclosed with no surprises for ratepayers. It is not the intention that Council would be involved in either the ownership or operation of a Convention Centre.

As at Annual Plan time, the Council is continuing to negotiate the potential funding arrangements. On this basis the Council will undertake a separate consultation process (this year) once the draft terms have been established.

## Camp Grounds

The nature and scale of the Queenstown Lakes District Council's role in the future operation of camp grounds is under review. A report into camp grounds found that financial performance was mixed. Overall the holiday parks and campgrounds lose money and visitor accommodation is therefore effectively being subsidised by ratepayers.

The Council elected in March to ensure that there were traditional Kiwi camping facilities in the District to provide affordable accommodation based on the following amended policy on provision of camping facilities:

Council will not operate camping facilities which: (i) compete with equivalent or greater facilities

being operated by the private sector; and (ii) require ratepayers to materially subsidise visitor accommodation in the District.

The goal is to reduce operational costs at the four main holiday parks (Queenstown, Wanaka, Arrowtown, and Glendhu Bay), and, if viable, recommend a commercial arrangement for private provision of camping facilities at these sites.

A detailed report on a preferred option for the future and scale of Council's involvement in campground management in the District will be completed before 30 June, 2013.

# Big Issues from 10 Year Plan - Update

## Water Demand Management

The message for ratepayers is a simple one – the more that peak water demand can be reduced the longer the time will be before Council has to make significant capital investment in major water-pipe upgrades.

A dedicated campaign designed to reduce water use in the Queenstown Lakes District got underway in December. Awareness has grown around the way we use water and in general water use reduced during the summer period, although peak use and leakage continue to be a challenge.

## Wanaka Sports Facility

The most significant project is the progression of the Wanaka Sports Facility. Council has now designated the site and a project manager has been engaged. A construction programme is yet to be finalised. Title is to be issued no later than 2016 but could occur earlier. This facility which will deliver an essential home for soccer, basketball, netball, hockey and the many other sports and recreation activities that will make use of the indoor facility in particular, continues to be a Council priority.

## Project Shotover

Project Shotover is the upgrade to the Wakatipu wastewater treatment facility on the Shotover Delta. Funding of \$35.9 million has been included in the 10-Year Plan, based on a full upgrade. To find the best solution for the environment and the most cost effective way to deliver this project, the Council tested the market for good ideas.

The goal was to find options to do a staged upgrade that would meet the future wastewater requirements of the District and improve the quality of discharge over time. It has a completion date of 2025 which spreads the cost over a longer period and allows growth to fund the project as it happens. The next stage of this process is to advertise for someone to deliver a staged upgrade.

Council has consulted on options to deliver the project over stages which will better spread,

and ultimately minimise, costs. An application for the initial consents is underway and due to be lodged by May 2013.

In the meantime the ponds have been de-sludged improving the discharge quality as a result. A \$2.6 million contract has been awarded for the construction of the Inlet Works which will improve the initial screening process at the treatment facility. It is due to be completed by August 2013.

## Events Strategy

Major sporting and cultural events are an important part of any community, particularly a tourism driven economy like Queenstown Lakes. The revised Draft QLDC Events Strategy proposes to establish an Events Fund for commercial events from 2013/14 in recognition of the economic benefit of events in the district. It is proposed that this fund be provided at \$500k for 2013/14. For 2013/14 this represents an increase over current funding of \$425k.

The strategy includes the establishment of an Events Office to help facilitate events through regulatory processes; assist with the public interface; and ensure cornerstone events continue to be attracted to the district, including financial support for key events.

The strategy was initiated by the Shaping Our Future forums, and then driven by the newly created position of Events Facilitator. The detail regarding implementation of the strategy, funding and allocation guidelines will be captured in a report to Council in June, 2013.

## Economic Future Agency

The Shaping Our Future Economic Future Forum identified a vision to ensure a complementary, diversified, high value, knowledge based, sustainable economy. The forum submitted to the Annual Plan to fund a study to consider the development of an Economic Development Agency.

The Council has agreed to fund \$80k.

## Financial Affordability

Council is proposing to manage its debt by actively repaying it sooner. In 2013/14, debt repayment is proposed to increase to \$13.2m from \$9.4m, as outlined in the 10-Year Plan. The \$3.8m increase in debt repayment is optional but is recommended, as such action is financially prudent, and provides headroom & flexibility for future capital related decisions. The main activities benefitting from increased debt repayment are: Roothing (\$1.35m); Wastewater (\$939k) Water (\$462k) and District Plan (\$771k).

The \$3.8m increase in debt repayment is optional but shows a responsible approach that will give room to deal with any unexpected issues.

## QAC Dividend

The 10-Year Plan indicated that 50% of the QAC Dividend income may be available to fund local community projects. The other 50% has been applied to debt repayment. There is an

expectation that Council will clarify its intentions in this regard in the draft Annual Plan. A working party of councillors and staff could not agree on the scope or criteria for the proposed fund. Having reconsidered the matter, the consensus of Council is that there is little justification for the establishment of such a fund. Most projects that would benefit from such a fund should be considered as part of the wider Annual Plan process. It is also thought that such a fund is not necessary as our community is already well served by large community based trusts. The Council has considered options for the use of the 50% of the QAC dividend which is now not currently committed. For 2013/14, this is expected to amount to \$1.43m. The Council has considered funding operational expenditure, which will have the impact of reducing rates. However, this approach was not favoured as there is always some risk attached to dividend income and it is not considered prudent to rely on projected dividends to fund operational expenditure.

The preferred option is to apply the remaining 50% uncommitted portion to debt repayment. This means that 100% of the QAC dividend will be used for this purpose. The intention is to reduce loans that otherwise would rely on the General Rate for repayment. The logic here is that the reduction of these loans benefits all ratepayers.

There are approximately \$22m of loans funded by the General Rate. This represents around 16.5% of the total loans. They cover such items as District Plan, Landfill, Civic Centre, Arrowtown Cottages, Wanaka Airport and Lakes Engineering. These loans would be repaid in just over 15 years by applying 50% of the QAC Dividend. The proposal to increase repayments (by using 100% of the dividend) would seem them repaid within 8 years. This will result in an overall interest saving of \$5.5m and will benefit all ratepayers through reduced rates.

The Annual Plan 2013/14 shows a revised QAC dividend of \$2.85m with 50% (\$1.43m) of this applied to debt repayment. The final decision after consultation was to increase debt repayments by \$1.4m to reflect utilisation of 100% of the expected QAC dividend.

## Other Issues 13/14

### Roothing

Roothing is Council's single biggest cost. This fact combined with a cut in the level of subsidy available from the New Zealand Transport Agency and the level of debt (\$30m) attributable to the Council's transport activity, means a change must be considered.

Council recognises the need to consider cost efficiencies, how good the roads are and which roads can go without work being done this year. Council is also thinking about the way the work is undertaken and funded. This could result in some changes to the standard of roads in the coming years.

Roothing projects are still planned for next year, including sections of the following roads: The Crown Range Road (zig-zag), Fernhill Road, Sainsbury Road, Ramshaw Lane, Glenorchy Road, Isle Street, Wynyard Terrace, Gorge Road.

This year Council is building a model to help prioritise what needs to be done, and when.

Council has also taken the new position of not providing in advance for emergency reinstatement work. This work cannot be planned for and Council's preference is to seek to fund such work through underspends in other budgets in the first instance rather than rate for such expenditure in advance.

## Organic Waste

The Council consulted on seeking proposals from the private sector to provide a user pays organic waste (food and green waste) collection service in the district and to build a composting facility on Council land next to Victoria Flats Landfill. No capital budget was provided for this project.

The Council has decided to reconsider this issue and explore options on a smaller scale.

## Sorting Glass

Council consulted on the introduction of the separation of glass recycling in the Wakatipu, which was successfully introduced in Wanaka, last year. The separation allows the collector to sort colours on collection. This enables the glass to be recycled for re-use.

Currently glass collected as part of the Wakatipu recycling service is crushed and used in the district's roads at a cost to the ratepayer. Council has supported this initiative which will see an additional crate provided for each household to put glass into - to be collected fortnightly.

This is a change to what we do now, but will result in a better environmental option for recycled glass and is estimated to reduce the annual cost by \$35,000. Sorting Glass will be introduced in the Wakatipu in the coming financial year.

## Rates for 2013/14 in more detail

The rating effect of the proposed Annual Plan budget for 2013/14 is an average overall rates increase of 0% (after allowing for growth at 1.0%). The LTP signalled an average overall rates increase of 2.21% (after allowing for growth at 1.9%) for 2013/14.

This does not mean that every property in the district will see a zero increase for 13/14. Depending on valuation, location and the nature of services received, the likely range of movements is:

Lower Values: -1.71% to +2.03%  
 Median Values: -1.59% to +1.31%  
 Higher Values: -0.86% to +1.49%

For more detail on expected rates movements see pages 64,65.  
 The main features of the proposed rates for 2013/14 are:

1. UAGC increases by \$1.00 to \$57.00 per property.
2. Waste Management Charge has decreased by \$14.00 for residential property to \$126.00.
3. Waste Management Charge has decreased by \$10.00 per non-residential property to \$90.00.
4. Aquatic Centre Charge (Wakatipu only) has increased by \$2.00 per property to \$97.00 per annum.
5. Sports, Halls & Libraries Charge (Residential types only) has decreased by \$1.00 per property to \$292.00 per annum.
6. Recreation & Events Charge (differentially set) has increased by around 11.0% (up \$11.00 per property for Residential).
7. Governance & Regulatory Charge (differentially set) has decreased by around 1.2% (down \$1.00 per property for Residential).
8. There are both increases and decreases for targeted rates for Water Supply & Wastewater mainly as a result of movements in depreciation and interest:

<b>Water Supply</b>	<b>Existing</b>	<b>Proposed</b>
Queenstown	\$234.00	\$250.00
Wanaka	\$170.00	\$170.00
Arrowtown	\$190.00	\$190.00
Glenorchy	\$680.00	\$690.00
Hawea	\$334.00	\$354.00
Arthurs Point	\$630.00	\$610.00
Lake Hayes	\$576.00	\$576.00
Luggate	\$520.00	\$540.00
<b>Sewerage</b>	<b>Existing</b>	<b>Proposed</b>
Queenstown	\$330.00	\$322.00
Wanaka	\$504.00	\$500.00
Arrowtown	\$410.00	\$400.00
Hawea	\$530.00	\$540.00
Arthurs Point	\$460.00	\$440.00
Lake Hayes	\$324.00	\$310.00
Luggate	\$540.00	\$560.00

## Revised Policy on Development Contributions

The Council adopted the last Policy on Development Contributions along with the 10-Year Plan in June 2012. The Council may amend the Policy but, the Act requires that the special consultative procedure be used in order to do so. For the sake of efficiency, it was therefore proposed to consult on the draft Annual Plan and the proposed amendments to the Policy concurrently. In practical terms this will mean that the Annual Plan will include a separate section dedicated to the revised Policy on Development Contributions.

The Policy was introduced on 1 July 2004. Generally it is working well; however, there is a requirement for regular update in order to ensure its effectiveness. We therefore need to:

- a) Update the calculations of the contributions payable on an annual basis.
- b) Introduce new "Industrial" category for Transportation contributions.

In the 2013 version of the Policy, Council proposes to introduce a new "Industrial" differential category. The new category recognises that the demand on transportation for industrial uses is significantly different to other commercial activities. Previously, industrial developments were assessed within the commercial differential category.

The impact of the change is limited to the assessment of the transportation contributions. The proposed changes are highlighted in the table below:

	Dwelling Equivalents per 100m2 GFA			
	2012 Wakatipu	2012 Wanaka	2013 Wakatipu	2013 Wanaka
Commercial	1.68	2.19	2.08	2.76
Industrial	n/a	n/a	1.01	1.25

## Conclusion

This Annual Plan signals a year of change ahead. The impact of the Organisational Review, including the future delivery of camp grounds in the district will not be fully reflected until we begin to work on next year's Annual Plan but the intent is clear - the cost of running Council will go down and service quality will increase.

This Council is working responsibly towards the new purpose of Local Government, which in short will deliver a more cost effective outcome for our residents and ratepayers. The political position continues to strongly support the need to do better, work smarter and deliver improved service across all facets of Council.

That drive has enabled this Annual Plan to deliver a zero rates increase, while working towards building our economy through projects like the revised events strategy and the proposed convention centre.

Adam Feeley  
Chief Executive

# Annual Plan 2013/14 Consultation Process

## Consultation

The Annual Plan is an important part of the process of managing the Council. It provides an opportunity for ratepayers and residents to have their say prior to the Council confirming its plans and budgets.

## The submission process April-May 2013

### Timeline 2013

**Council Adopted Draft Plan 12 April**  
**Submissions Opened 13 April**  
**Submissions Closed 13 May**  
**Submissions Heard 29 and 30 May**  
**Plan Adopted 25 June**

## Consultation

This Council received a total of 300 submissions by the closing date compared with 291 for the 10 Year Plan last year and 403 in 2011/12 for the Annual Plan.

The following is a summary of the responses to the survey questions posed on the submission form:

Issue	Oppose	Support
Project Shotover	0	4
Events Strategy	9	30
Economic Future Agency	7	18
Repaying debt	4	30
Roading	6	7
Organic Waste	5	16
Sorting Glass	3	21
Development Contribution	4	2
Zero Rates	2	18

There were also comments received on Council's future involvement in campgrounds (45) and facilitation of a Convention Centre (27). Council will undertake specific consultation on the Convention Centre once a draft proposal is agreed among the parties.

Hearings were held to consider the submissions on 29th and 30th of May and deliberations continued on the 31st. 73 submitters took the opportunity to speak to their submissions and Council is grateful to those who took the time to do so.

Unfortunately, it is never possible for Council to meet all of the requests; however, submitters can be assured that all submissions are considered. Apart from the obvious funding constraints, there are often policy issues or jurisdictional considerations that must be taken into account as well. Council did, however, make a number of changes to the budgets as a direct result of the submission process.

The following is a summary of the changes to the 2013/14 Annual Plan that have been approved as a result of external submissions:

- a. Increase grant for Upper Clutha Trails Trust by \$10,000 to \$35,000 for 2013/14 for project management
- b. Increase grant for Community Networks Wanaka by \$3,989 to \$34,229 for 2013/14 for increased rent.
- c. Approve grant for Upper Clutha Historic Records Trust of \$1,000 for 2013/14.
- d. Approve grant for Queenstown Mountain Bike Club of \$7,500 for 2013/14 for maintenance.
- e. Increase grant for Luggate Community Assoc. by \$2,000 for 2013/14.
- f. Increase grant for Glenorchy Community Assoc. by \$3,500 for 2013/14.
- g. Approve funding of \$3,500 for Arrowtown CCTV annual maintenance.
- h. Increase budget for Event Fund by \$200,000 to \$500,000 per annum.
- i. Approve funding of \$80,000 for Economic Futures Agency.
- j. Approve capital budget of \$16,000 for Queenstown Cycle-way toilets.
- k. Bring forward \$35,000 of capital funding to 2013/14 (from 2021/22) for Lakes Hayes bike track.
- l. Reinstate \$30,000 of capital funding to 2013/14 for Jardine Park courts.
- m. Reinstate \$18,000 of capital funding to 2013/14 for Glendhu Bay boat ramp.
- n. Approve capital budget of \$29,000 for Pembroke Park (east) 3 phase power.
- o. Increase budget for Minor Improvements (non-sub) by \$10,000 for Wakatipu (bus shelters) and by \$50,000 for Wanaka (WCB to prioritise).
- p. Increase debt repayments by \$1,414,150 to reflect utilisation of 100% of expected QAC dividend.
- q. Commit to a review of library services during 2013/14

The following is a summary of the changes that have been approved as a result of internal submissions:

- r. Increase budget for Structures maintenance (non-sub) by \$50,000 for Old Shotover Bridge repairs.
- s. Increase budget for Shotover Cemetery by \$14,000 to \$120,000 for 2013/14.
- t. Increase budget for Earnslaw Park by \$17,000 to \$88,000 for 2013/14.
- u. Cost adjustments to reflect Lakes Leisure operational budgets: eliminate payments to LL - reduce by \$2,634,447; provide for LL costs - increase by \$6,439,000.
- v. Revenue adjustments to reflect Lakes Leisure operational budgets: eliminate revenue from LL - reduce by \$78,016; provide for LL direct revenue - increase by \$3,407,000.
- w. Cost adjustments to reflect Lakes Environmental operational budgets: eliminate payments to LE - reduce by \$2,100,000; provide for LE costs - increase by \$7,302,776.
- x. Revenue adjustments to reflect Lakes Environmental operational budgets: eliminate revenue from LE - reduce by \$40,224; provide for LE direct revenue - increase by \$5,569,000.

## What does the Council do?

The Council delivers 26 core activities, which fall into eight different group activities. These are: Governance, Economic Development, Community, Environmental Management, Water Supply, Stormwater, Wastewater and Roading and Footpaths. The activities are summarised in Volume 1 of the 10-Year Plan and in more detail in Volume 2.

## Change in Purpose for Local Government

The Local Government Act 2002 Amendment Bill was passed by Parliament on November 29 and commenced (in part) on December 5, 2012

The purpose of local government, as defined in the Local Government Act, continues to be to “enable democratic local decision-making and action by, and on behalf of, communities”. This hasn’t changed.

What the change does do is focus local authorities on doing the things only they can do. The most fundamental change for Councils is that the purpose of the Act and of local government has been amended by removing the four well-beings (to promote the social, economic, environmental and cultural well-being of communities). In its place it is Council’s role to: ‘Meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.’ This Council has elected to retain Community Outcomes. Refer to page 14.

It encourages Councils to reduce red tape and compliance costs; minimise rates; lower debt and provide high quality infrastructure in a cost-effective way. It also enables financial prudence benchmarks for local authorities.

## Organisational Review

Council announced a comprehensive organisational review in December 2012 involving QLDC, Lakes Environmental and Lakes Lesiure Limited staff. The review is focusing on cost, efficiency and effectiveness. The outcome of the review will not be known in time to reflect the implications in the draft Annual Plan. Implementation is scheduled to occur by June 2013.

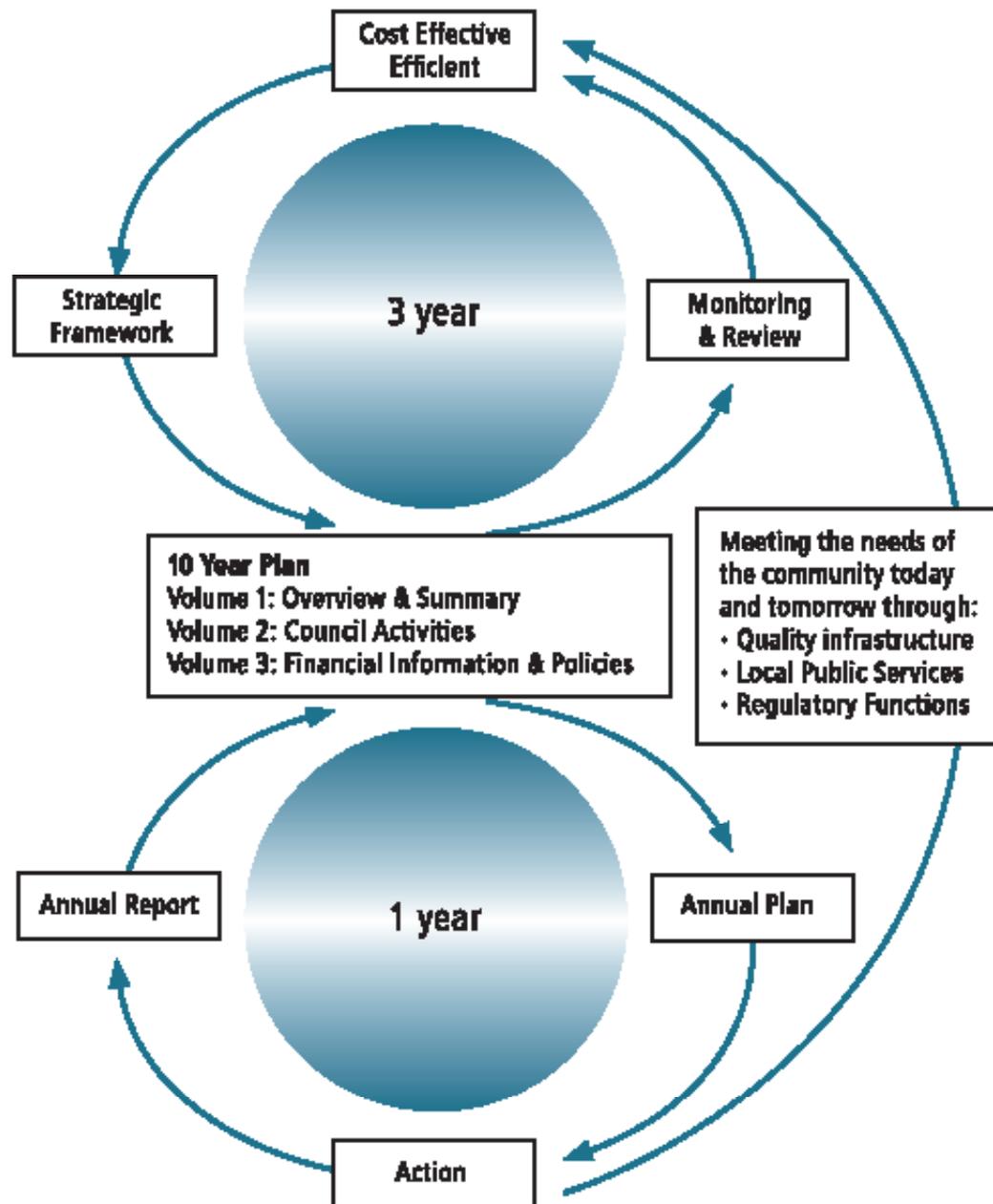
## Strategic Framework

The Council has developed a Strategic Performance Framework. It includes the community well-beings (Community Outcomes) which feed into the Council’s outcomes, levels of service and the organisation’s vision, mission, objectives and values.

These influence all Council activities, each of which has a set of community and organisational accountabilities. Targets (levels of service framework) were adopted in the 2013 10-Year Plan and are reported in this Annual Plan alongside the relevant activity.

Through the framework, the Council and the community can monitor progress towards achieving Community Outcomes. The Council issues its report card (Annual Report) in October each year which says how well we did. Refer to the diagram on Page 14.

# The Statutory Planning Process



# District Map



## Fact File

**Area:** 8467 square kilometres

**Peak Population 2011:** 89,346

**Average Day Population 2011:** 46,612

**Residential dwellings and units 2011:**

**Wanaka:** 8101

**Wakatipu:** 16,734

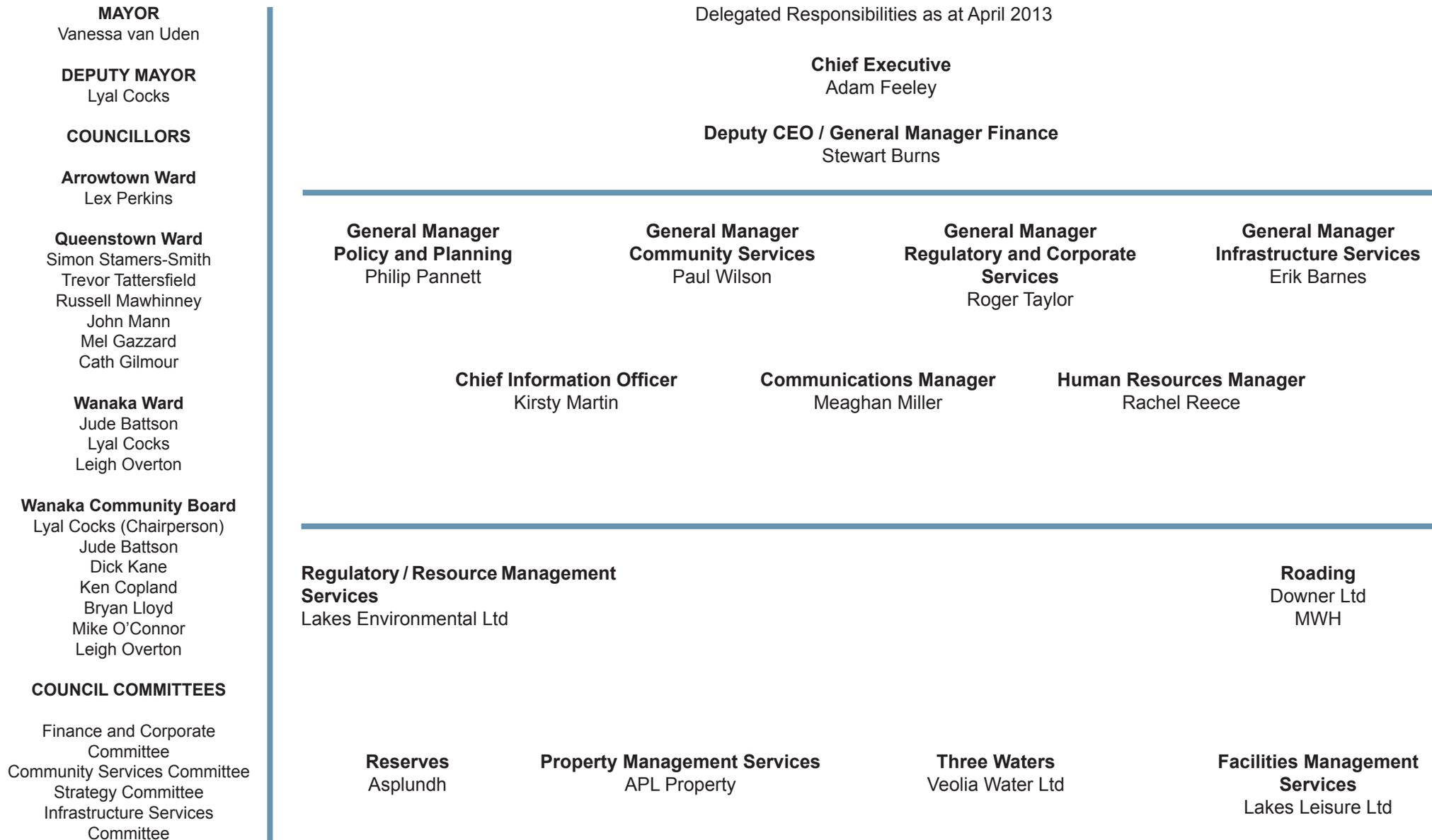
**Rateable properties 2012:** 22,500

**Resident population (average day) 2011:** 28,440

**Visitor population (average day) 2011:** 18,172

**Source - Growth Projections 10-Year-Plan**

# Management Structure



# Contact Us

## Council Offices

Civic Centre  
10 Gorge Road  
Private Bag 50072  
Queenstown

Telephone and Facsimile  
Telephone: (03) 441 0499  
Facsimile: (03) 450 2223  
Email: [services@qldc.govt.nz](mailto:services@qldc.govt.nz)  
Website: [www.qldc.govt.nz](http://www.qldc.govt.nz)

## Service Centres

Arrowtown Library  
58 Buckingham Street  
Arrowtown  
Phone: (03) 442 1607

Wanaka Office  
47 Ardmore Street  
Wanaka  
Phone: (03) 443 0024  
Fax: (03) 443 8826

## Lakes Environmental Limited

Private Bag 50077  
Queenstown  
Phone: (03) 450 0300

## Lakes Leisure Limited

Joe O'Connell Drive, Frankton  
P O Box 2009  
Queenstown  
Phone: (03) 442 9005

## Queenstown Airport Corporation Limited

Terminal Building, Queenstown Airport  
P O Box 64  
Queenstown  
Phone: (03) 450 9031

## Auditors

Deloitte on behalf of the Auditor General  
Dunedin

## Bankers

Bank of New Zealand  
Queenstown

## Solicitors

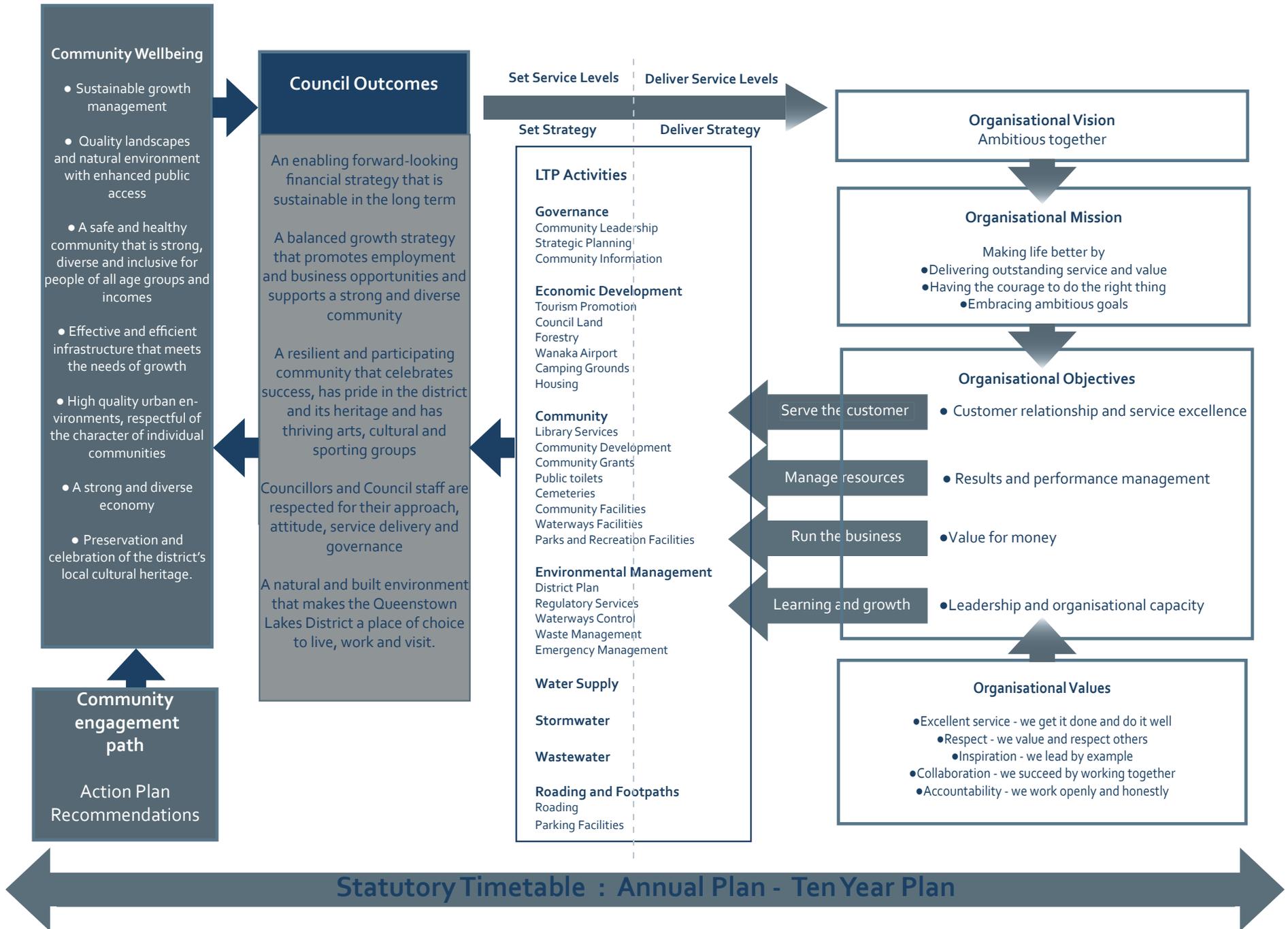
MacTodd  
Simpson Grierson

## Sister Cities

Aspen, Colorado, USA (Queenstown)  
Hikimi, Shimane, Japan (Wanaka)

# Strategic Performance Framework

The Council has developed a Strategic Performance Framework that includes community wellbeings (Community Outcomes) which feed into Council Outcomes, levels of service, the organisation's vision, mission, objectives and values, which in turn feed into all Council activities. The Council and the community can monitor progress towards achieving Community Outcomes on behalf of the community.



# Summary of Council Activities

The performance measurement information that appears in the 'Our Accountability' section of the following activity statements is taken directly from Volume 2 of the 2012-22 10-Year-Plan. The 10-Year-Plan provides much more detail around the performance measurement framework for each activity.

## Governance

- Community Leadership
- Community Engagement

## Economic Development

- Tourism Marketing
- Council Land
- Forestry
- Wanaka Airport
- Camping Grounds

## Community

- Library Services
- Community Development
- Community Grants
- Public Toilets
- Cemeteries
- Community Facilities
- Waterways Facilities
- Parks and Recreation Facilities

## Environmental Management

- Emergency Management
- District Plan
- Regulatory Services
- Waterways Control
- Waste Management

## Water Supply

## Stormwater

## Wastewater

## Roading and Footpaths

# Governance

## Community Leadership

This activity supports elected members (Council, Committees and Wanaka Community Board) in their leadership role, enabling them make informed decisions and monitor the delivery of services. The activity enables community participation in strategic agenda setting.

Simply stated, this activity enables the exercise of powers to rate property owners and to use those funds in the wider public interest, enhancing the well-being of the community, establishing a strategic direction and advocating for and on behalf of the community.

## Community Engagement

The current Local Government Act changed the basis of local democracy from a model of representative democracy – where elected members represent the community and make decisions on their behalf – to participative democracy where the community is engaged and involved in making decisions about the community they live in.

This activity aims to empower the communities of the Queenstown Lakes District to participate meaningfully in shaping the district's services, facilities and policies.

### Shaping Our Future

Shaping Our Future is a community engagement initiative designed to engage the community and other organisations and agencies to work together towards our well-being as a district, into the future. The Council is one of many active partners in Shaping Our Future, which is an incorporated society.

## Our Accountability

Performance measure	Target 2009-2012
Community satisfaction with overall Council performance.	65%
Community satisfaction with overall Elected Member performance.	80%
Community satisfaction in District pride.	80%
Community satisfaction with Council's consultation.	55%

Percentage of community that feels well informed	65%
Council's websites benchmarked nationally, scored out of a possible 100%	80%
(NB: QLDC is benchmarked nationally with other local governments on a range of best practice website functionality)	

## Forecasted Financial Performance

Governance Summary of Forecasted Financial Performance			
10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14
<b>\$000</b>	<b>Expenditure</b>	<b>\$000</b>	<b>\$000</b>
4,155	Governance	4,178	4,389
365	Community Engagement	403	388
<b>4,520</b>	<b>Operating Costs</b>	<b>4,581</b>	<b>4,777</b>
<b>2,492</b>	<b>Group Activity Income</b>	<b>2,876</b>	<b>3,702</b>
2,028	<b>Net Cost/(Surplus) of Service</b>	1,705	1,075
-	<b>Capital Expenditure</b>	-	-
<b>2,028</b>	<b>Funding Required/(Generated)</b>	<b>1,705</b>	<b>1,075</b>
	<b>Funded By:-</b>		
4,307	Targeted Rates	4,404	4,569
(2,279)	Transfers (to)/from Reserves	(2,699)	(3,494)
<b>2,028</b>	<b>Total Funding</b>	<b>1,705</b>	<b>1,075</b>
	<b>Activity Income Includes (1)</b>		
2,492	Other	2,876	3,702
<b>2,492</b>	<b>Total Activity Income</b>	<b>2,876</b>	<b>3,702</b>

## Highlights of Governance

- Organisational Review
- Convention Centre
- Shaping Our Future Events Strategy

# Economic Development

This includes:

- Tourism Promotion
- Council Land
- Forestry
- Wanaka Airport
- Camping Grounds
- Housing

## Tourism Promotion

This activity supports the commercial interests of the district by collecting tourism promotional funding and providing it to the representative bodies of those commercial interests for distribution through targeted promotion. Tourism is this district's single biggest economic driver.

### Grants paid to promotional organisations

Expenditure \$000	2013/14
Destination Queenstown	3,219
Lake Wanaka Tourism	635
Arrowtown Promotion	115

## Council Land

The Council is involved in this activity to provide the maximum possible return and benefit for the community. The Council portfolio includes residential and commercial subdivisions, freehold land, leased camping grounds, reserve land, airports, rental properties.

Land under cemeteries, community and recreational facilities or utility land are regarded as part of those activities. The Council is involved in land ownership for many reasons and with many restrictions.

Land is owned for the provision of community facilities including the various types of community buildings, recreational facilities and infrastructural requirements such as parking, cemeteries, oxidation ponds, water reservoirs and airports.

## Forestry

QLDC owns three forests, Ben Lomond Reserve, Queenstown Hill Reserve and owns part of the Coronet Forest with Central Otago District Council (CODC), 75:25 split.

## Wanaka Airport

Airports are drivers of economic growth and Wanaka Airport is set to experience significant growth over the next 30 years. The Airport is a business hub for the Wanaka Community and the host of the internationally recognised biannual Warbirds Over Wanaka Airshow.

In terms of airport locations, Wanaka Airport is well sited. It is located away from populated urban areas and has topographical and climatic advantages. It has frontage and vehicle access to State Highway 6. The Council has made a significant investment in the current Airport site to acquire additional land and seal the 1200m main runway.

## Camping Grounds

Council involvement in camping grounds has traditionally assisted to ensure an affordable accommodation option is available, while giving a regular and market based income from both leased camps and the Council managed Queenstown Lakeview Holiday Park.

The nature and scale of the Queenstown Lakes District Council's role in the future operation of camp grounds is under review. A report into camp grounds found that financial performance was mixed. Overall the holiday parks and campgrounds lose money and visitor accommodation is therefore effectively being subsidised by ratepayers.

The Council elected in March to ensure that there were traditional Kiwi camping facilities in the District to provide affordable accommodation based on the following amended policy on provision of camping facilities: Council will not operate camping facilities which: (i) compete with equivalent or greater facilities being operated by the private sector; and (ii) require ratepayers to materially subsidise visitor accommodation in the District.

The goal is to reduce operational costs at the four main holiday parks (Queenstown, Wanaka, Arrowtown, and Glendhu Bay), and, if viable, recommend a commercial arrangement for private provision of camping facilities at these sites.

A detailed report on a preferred option for the future and scale of Council's involvement in campground management in the District is due by 30 June, 2013.

## Housing

Residential properties are generally owned by the Council as an investment for future infrastructure development (for example a Queenstown CBD bypass). Elderly housing was introduced to Arrowtown and Wanaka in the 1970's and 1980's respectively to meet the demand. The Council supports the provision of affordable housing in the District.

### Highlights of Economic Development

- Camp Ground Review 2013
- Wanaka Airport Upgrade and land investment.
- Destination Queenstown 10-Year Marketing Strategic Plan (2014 review).
- Destination Queenstown commitment to deliver \$1 billion per annum in visitor spend by 2015 (\$800 million 2011).
- Continued implementation of Wakatipu Wilding Conifer Control Group Strategy 2013-17 at \$130,000 per annum.
- Shaping Our Future Forum on Economic Development (Council has agreed to fund \$80k towards a study).

## Our Accountability

Performance measure	Target 2012-2015
<b>Tourism Promotion</b>	
Annual Visitor spend is increasing (Queenstown).	\$1B
Annual Visitor bed nights increase (Queenstown).	2.6M guest nights (3% increase per annum as per DQ target)
<b>Camping Grounds</b>	
Cost to ratepayer.	\$0
Average cost per night tent site (Queenstown).	\$22 Charge



## Forecast Financial Performance

Economic Development Summary of Forecasted Financial Performance			
10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14
	<b>\$000 Expenditure</b>	<b>\$000</b>	<b>\$000</b>
3,958	Tourism Promotion	4,024	4,036
512	Council Land	454	497
201	Housing	164	207
473	Wanaka Airport	527	568
296	Forestry	358	308
4,919	Camping Grounds	5,094	5,027
<b>10,359</b>	<b>Operating Costs</b>	<b>10,621</b>	<b>10,643</b>
<b>6,278</b>	<b>Group Activity Income (1)</b>	<b>6,355</b>	<b>6,465</b>
<b>4,081</b>	<b>Net Cost/(Surplus) of Service</b>	<b>4,266</b>	<b>4,178</b>
	<b>Capital Expenditure</b>		
8	Council Land	0	0
5	Housing	40	56
965	Wanaka Airport	428	685
104	Holiday Parks	107	107
<b>1,082</b>	<b>Capital Works</b>	<b>575</b>	<b>848</b>
211	Debt Repayment	730	722
<b>1,293</b>	<b>Capital and Debt Repayment</b>	<b>1,305</b>	<b>1,570</b>
<b>5,734</b>	<b>Funding Required/(Generated)</b>	<b>5,571</b>	<b>5,748</b>
	<b>Funded By:-</b>		
3,672	Targeted Rates	3,719	3,741
755	General Rates	674	784
1,159	Loans (Internal & External)	549	916
(241)	Transfers (to)/from Reserves	600	278
29	Depreciation not Funded	29	29
<b>5,374</b>	<b>Total Funding</b>	<b>5,571</b>	<b>5,748</b>
	<b>Activity Income Includes (1)</b>		
6,278	User Charges	6,355	6,465
<b>6,278</b>	<b>Total Activity Income</b>	<b>6,355</b>	<b>6,465</b>

# Community

The Community activity includes:

- Library Services
- Community development
- Community Grants
- Public Toilets
- Cemeteries
- Community Facilities
- Waterways Facilities
- Parks and Recreation Facilities

The delivery of community services throughout the district has been consolidated over the last three years, maintaining current levels of services, such as clean toilets and well maintained parks and gardens.

There has been a small amount of renewal for high priority issues and some improvements made to facilities.

The capital works programme is focused on continuing to renew existing assets that have reached the end of their service life and make minor improvements to facilities across the spectrum of community services.

The most significant project is the progression of the Wanaka Sports Facility. Council has now designated the site and in 2013/14 will advance the developed design in preparation for construction in 2014/15.

More detailed information on community activities is contained in Volume 2 of the 10-Year Plan.

## Library Services

Internationally, libraries are seen as one of the most fundamental facilities in our democratic society. They promote education and the exchange of information and ideas. They are also a focus for the communities they serve. There are seven libraries in the Queenstown Lakes District. They are Queenstown, Wanaka, Arrowtown, Kingston, Glenorchy, Hawea and Makarora. The libraries are jointly managed together with Central Otago District Libraries and offer the Symphony system of electronic book co-resourcing. The Council considers library services to be an essential part of community's resource, providing high quality library services to a NZ standard. This activity will:

- Provide libraries in Queenstown, Arrowtown, Wanaka, Lake Hawea, Kingston, Glenorchy and Makarora
- Operate libraries as a joint library service with the Central Otago District Council
- Provide professional assistance and training to customers seeking information.
- Provide events and activities which support literacy, learning and cultural experience.
- Provide informal community space where people meet, read, study and attend programmes.
- Provide a wide range of resources for the community that individuals may not afford for themselves. These include books, magazines, newspapers, talking books, music, videos, DVDs, e- resources and access to information databases.

Library services are now available online [www.libraries.codc.qldc.govt.nz](http://www.libraries.codc.qldc.govt.nz)

## Community Development

This activity captures the Council's relationships with its community, providing programmes and communications that strengthen the networks that are based around social agencies, community groups and volunteers. The Council's role in this area is generally undertaken through communication, promotion, advocacy and support. Community development is aimed at informing, involving and empowering the community.

The Council is also a central point for information about community funding and funds and supports arts, culture and sporting events. The Council also financially supports an independent regional film office and allocates funding to Sports Central.

## Community Grants

This activity provides financial support to community associations for the delivery of small projects and encouragement of community engagement. It ensures community groups can access funding available through other agencies. The Council provides grants to community associations to support their activities. It also administers other grants such as the Sport New Zealand Rural Travel Fund and Creative Communities Fund. It provides advice and support to groups seeking to raise funds for community projects.

## Public Toilets

The Council provides 50 public toilets across the district to meet the needs of residents and visitors. The objective of the activity is to protect the public environment through the provisions of clean, accessible and conveniently located public toilets.

The introduction of counters to new toilet facilities and radio frequency tags for maintenance monitoring enables the Council to consistently improve toilet facilities available to the community.

## Cemeteries

This activity promotes wellness in the community by enabling healthy grieving and memorialisation. There are twelve designated cemeteries under the ownership of the Queenstown Lakes District Council. There are 10 operating cemeteries. These are situated at Makarora, Queenstown, Glenorchy, Frankton, Kingston, Cardrona, Wanaka, Lake Hawea, Skippers and Arrowtown.

All cemeteries in the district are of major historical importance, including Skippers and Macetown Cemeteries. Of these only Macetown is 'closed'. A cemetery has been provided at Lower Shotover to meet future demand, once Wakatipu cemeteries are no longer operational. Its development will continue with the area's opening dependent on need.

Service enhancements that have occurred in the last three years include establishing levels of service for each facility, introducing on-line cemetery records data and ensuring data management is accurate and linked to Council's GIS system.

## Community Facilities

The purpose of this function is to provide a range of aquatic facilities, halls and similar multi-use indoor facilities throughout the District. Major facilities such as the Queenstown Event Centre, Queenstown Memorial Centre, Lake Hayes Pavilion, Athenaeum Hall and Lake Wanaka Centre are multi-purpose recreation and community venues.

Community halls such as Kingston, Glenorchy, Hawea Flat, Cardrona and Luggate support local needs and are generally managed in association with hall committees supported by the Council.

Aquatic facilities include Alpine Aqualand, Arrowtown Memorial Pool and the Wanaka Community Pool. The Council also supports the operation of the Glenorchy and Hawea community pools via annual operating grant. The aim of this activity is to provide affordable and accommodating facilities to a wide range of recreational, community, and cultural groups.

## Waterways Facilities

Council provides a range of recreational boating facilities so the community can safely utilise waterways for recreation and commercial activity. This includes a harbourmaster to administer bylaws and regulations and promote water safety.

The activity provides a range of boat ramps, jetties and moorings to facilitate the use of waterways and maintains a register of waterway structures and foreshore licences.

This includes the maintenance and development of Council owned waterways facilities including ramps and jetties. The Council maintains boat ramps and associated structures at Glenorchy, Sunshine Bay, St Omer Park, Bay View (Kelvin Peninsula), Frankton Marina, Kingston, Hawea foreshore, Roys Bay (Wanaka).

A programme of regular inspections are undertaken by qualified personnel to ensure waterway facilities are safe that routine maintenance is being undertaken and that capital repairs are forecast and planned well ahead of time. The Council has also developed a Jetties and Moorings Policy which gives guidance to those who already own a jetty or mooring and those wishing to do so, on Frankton Arm, Queenstown Bay and Kingston Arm. It allows the Council to fully consider the cumulative effects of new applications and it sets out the issues of public access.

## Parks and Recreation Facilities

This activity provides for the health and well being of the community, protects the ecological health of the district and enhances and protects the landscape.

Council provides, manages and maintains over 2084 hectares of parks and reserves from neighbourhood parks to natural areas, forests and sports parks.

It provides an extensive network of modern playgrounds and facilitates a wide range of activity including golf, bowls, specialised mountain biking parks, skateparks, cross country skiing and other sporting activities. This activity provides and maintains a network of walking and cycle trails across the district including the New Zealand Cycleway and Te Araroa Walkway.

Multi-use indoor facilities are covered in Community Facilities. Council-assisted (not operated) facilities are covered under the Community Grants activity. The Council undertakes maintenance of the Queenstown

Gardens and all amenity horticulture work with its own staff, while mowing, tree maintenance and building maintenance is undertaken under contract by Asplundh (NZ) Limited. Sports Turf is maintained by a specialist turf team, with the Events Centre meeting international standards.

Some of the facilities supported and/or maintained by Council include:

- Queenstown Gardens and Wanaka Station Park.
- 37 playgrounds and four skate parks.
- Three BMX jump parks in association with local mountain bike clubs.
- 30 ha of sports fields in Queenstown, Arrowtown and Wanaka and Hawea.
- Over 150km of walkways, tracks and mountain bike trails.

### *Cycleway*

The New Zealand Cycleway Queenstown Trail was completed in October 2012 providing a 100 kilometre circuit connecting Queenstown, Arrowtown, Gibbston, Lake Hayes and Frankton and providing access to iconic view corridors and stunning vistas. As well as providing increased access and recreational opportunities for locals, the trails provide day and multi-day options for visitors. The Council envisages the cycleway will provide opportunities for small business and other economic activities. The 10-Year Plan provides for funding for upkeep and on-going enhancement of the cycleway. There were over 70,000 users of the cycleway in the first three months of opening.

### *Mountain biking*

The success of downhill and cross country mountain biking has been huge and continues to grow district-wide. The Council is committed to work with operators such as Skyline, the Upper Clutha and Wakatipu Trails Trusts and clubs to maintain and enhance these trails across the district. This is an exciting new industry already having an impact in terms of visitor numbers and international exposure. The Council supports this growing recreation opportunity.

### *CCTV Camera – Crime Prevention*

The Council is continuing to provide funding for its Queenstown Community Guides service as a first response and crime prevention initiative in the Central Business District. The guides have proved an important success, both as a support to the community and other agencies including the police. The Council continues to support the 'Mellow Yellow' initiative, which enables close co-operation between police, bar staff and the community guides.

## Highlights of Community Activities

- Review of Events Office and major events contestable fund
- Continued development of walkways.
- On-going support and facilitation of an independent regional film office.
- Increased the number of smaller communities being funded through community association grants and provided a funding structure.

## Our Accountability

Performance measure	Target 2012-2015
<b>Library Services</b>	
Increase in active members	As population rises maintain 55% of the usually resident population
Cost of the library service per ratepayer	< \$82.79 per rateable property per year
Customer satisfaction around the enjoyment of the community space	85%
<b>Community Facilities</b>	
Number of health and safety incidents decrease (Aquatic Centre)	<1% of total visitors
Community satisfaction with pools (safe and clean)	65%
Community satisfaction with the community halls	70%
<b>Parks and Recreation Facilities</b>	
Maintain approximately the same amount of sportfields	2.4ha/1000
Presentation of parks is of a high standard with service levels met or exceeded	>75%
Use of the Queenstown Trail (NZ Cycleway) increases	30,000
Customer Satisfaction with the Queenstown Trail	>75%

## Forecasted Financial Performance

Community			
Summary of Forecasted Financial Performance			
10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/24
<b>\$000</b>	<b>Expenditure</b>	<b>\$000</b>	<b>\$000</b>
4,231	Community Facilities	7,837	4,420
6,749	Active & Passive Recreation	7,063	7,389
623	Community Development	1,348	662
646	Community Grants	722	596
2,091	Libraries	2,117	2,159
206	Waterways	215	208
164	Cemeteries	177	172
770	Public Toilets	766	816
<b>15,480</b>	<b>Operating Costs</b>	<b>20,245</b>	<b>16,442</b>
<b>3,516</b>	<b>Group Activity Income (1)</b>	<b>7,478</b>	<b>4,928</b>
<b>11,964</b>	<b>Net Cost/(Surplus) of Service</b>	<b>12,767</b>	<b>11,494</b>
	<b>Capital Expenditure</b>		
1,679	Community Facilities	854	895
5,606	Active & Passive Recreation	5,794	6,242
290	Libraries	273	326
83	Waterways	52	34
66	Cemeteries	131	166
324	Public Toilets	16	294
<b>8,048</b>	<b>Capital Works</b>	<b>7,120</b>	<b>7,957</b>
732	Debt Repayment	1,561	1,496
-	- Vested Interests	-	-
<b>8,780</b>	<b>Capital and Debt Repayment</b>	<b>8,681</b>	<b>9,453</b>
<b>20,744</b>	<b>Funding Required/(Generated)</b>	<b>21,448</b>	<b>20,947</b>
	<b>Funded By:-</b>		
10,771	Targeted Rates	11,398	11,704
582	General Rates	652	541
3,982	Loans (Internal & External)	2,238	2,776

3,864	Transfers (to)/from Reserves	4,956	4,201
1,545	Depreciation not Funded	2,204	1,725
<b>20,744</b>	<b>Total Funding</b>	<b>21,448</b>	<b>20,947</b>
	<b>Activity Income Includes (1)</b>		
1,421	User Charges	4,799	1,480
80	Grants & Subsidies	81	82
197	Other	207	199
1,818	Capital Contributions	2,391	3,167
<b>3,516</b>	<b>Total Activity Income</b>	<b>7,478</b>	<b>4,928</b>

## Capital Expenditure

Major Projects (\$000)	2013/14
<b>Halls - Wanaka Sports Facility</b>	
Wanaka sports facilities building - Stage 1	614
<b>Parks and Reserves - Wakatipu Ward</b>	
Frankton Track beautification	57
Signs and Furniture	60
<b>Parks and Reserves - Wanaka Ward</b>	
Wanaka Cemetery development	107
<b>Libraries - Queenstown</b>	
Book Replacements - Queenstown	75
<b>Libraries - Wanaka</b>	
Wanaka - Book Replacement	80

# Environmental Management

This activity includes:

- The District Plan
- Regulatory Services
- Waterways Control
- Waste Management
- Emergency Management

## The District Plan

The single most effective way the Council can manage the effects of growth and development in the district is the District Plan. The primary purpose of this activity is to continue to align the District Plan with the objectives of this 10-Year Plan. The form and nature of the plan is governed by the Resource Management Act 1991 (RMA). That legislation contains extensive checks and balances to protect all parties to the process.

The District Plan activity includes work on the development, adoption, ongoing changes to, and monitoring of the District Plan. This activity also develops wider strategy for the Council including town centre strategies, a heritage strategy and an urban design strategy.

The District Plan is now operative. Over the last few years multiple plan changes have been developed and notified for public submission. These covered a number of areas from town centres and small communities, growth management, urban design and rural areas to a number of district wide issues such as trails and visitor accommodation.

The Council has agreed to move from its programme of a series of separate plan changes each year to a comprehensive review of most of the District Plan. The process will allow the plan to be restructured and simplified. Council will be able to take advantage of reforms to the RMA and fix the numerous minor problems with the plan.

## Regulatory Services

There are a number of reasons why Council is involved in the delivery of regulatory services:

### *Legal Compliance*

As a territorial authority, the Council has certain regulatory functions that it is obliged to administer. The Council is generally obliged to observe the wording of the relevant act and must generally act as an impartial decision maker weighing the evidence placed in front of it by the parties. To the extent possible, Council is required to separate its regulatory functions from the other activities it is involved with. The principle statutes that Council is required to administer are the: Resource Management Act 1991, Building Act 2004, Local Government Act 2002, Food Act 1981 and Food Hygiene Regulations, Health Act 1956, Sale of Liquor Act 1989, Dog Control Act 1996 and the Litter Act. Council also makes bylaws to deal with specific issues of public health and safety.

### *Community Choice*

There is a general expectation that a substantial amount of public information and assistance will be made available by Council in the area of Regulatory Services and that compliance will be sought when regulations and bylaws are breached.

### *Public Health and Safety*

Resource management helps protect public health and safety from negative effects associated with development and ensures environmental standards are met. Dog control and registration helps protect the public's health and safety from uncontrolled and wandering dogs. Several of these activities relate to road safety such as removal of abandoned vehicles and enforcement of no stopping areas and other safety regulations.

### *Environmental*

Resource management helps ensure protection of the environment from the negative effects of development. Where subdivision and development occurs provision is made for the development of recreational reserves to meet the recreational needs of new residents and for extensions to the current infrastructure.

### *Economic Development*

The District Plan establishes zones for alternative land use. The public then know where specific economic activity can occur within the district.

## Waterways Control

The purpose of this function is to control, by way of inspection, enforcement and promotion, the safe use of waterways and safety in waterways based activities in the District. It includes the provision of Harbourmaster services, which is contracted to Southern Lakes Monitoring Services. Harbour Master services are provided 365 days a year.

## Waste Management

This activity ensures sustainable waste management that protects public health and the environment. The Waste Management activity is managed in three sub-activities. These are:

- Waste Minimisation and Recycling provides recycling and waste diversion services throughout the district. This includes kerbside recycling collection, recycling litterbins, resource recovery parks, greenwaste drop off sites, composting facilities and promoting other waste minimisation initiatives.
- Refuse Collection provides a weekly residential kerbside refuse collection service in the urban areas in the district. Rural areas are serviced by rural drop off points where economically viable.
- Landfill Provision and Management provides facilities for disposing of solid waste and the provision of hazardous waste facilities. This sub-activity includes the Victoria Flats landfill, transfer stations in Queenstown and Wanaka, collection of litterbin waste and ongoing management of the closed landfills and dump sites.

There are only a small number of Waste Management assets. The most significant assets are the land where the landfills, transfer stations, resource recovery parks and greenwaste sites are located. Council also own

some buildings on these sites. The total asset value is around \$7M. Council contracts out the operation of the waste management sites and the delivery of waste management services to third parties.

Progress has been made towards achieving the targets set out in the Waste Management and Minimisation Plan 2011 with the exception of complaints about the effectiveness of the recycling and rubbish services, which has increased from 195 in 2010/11 to 240 in 2011/12. This increase is mainly attributable to an increase in complaints during the first three months of the new Wanaka Recycling Contract from March 2012 as the new contractor bedded in. Complaint levels have reduced since July 2012. The cost per tonne of waste minimisation and recycling services provided by the Council has decreased from \$275 in 2010/11 to \$260 in 2011/12. The quantity of residual waste per capita to landfill has decreased from 0.78 in 2010/11 to 0.69 in 2011/12 and the number of health and safety incidences has remained at zero.

Three waste minimisation projects have been identified in the 2013/14 Annual Plan:

- Layout and traffic flow changes at the waste transfer stations in Frankton and Wanaka aim to improve the ability for users to divert additional recyclable material such as metals, gib-board, treated and untreated wood and cleanfill from landfill. The project has a capital budget of \$43,560 with an operational budget saving of \$16,642 per annum and is expected to divert upwards of 161 tonnes of material from landfill per annum.
- The Council will seek proposals from the private sector to provide a user pays organic waste (food and green waste) collection service in the district and to build a composting facility on Council land next to Victoria Flats Landfill. No capital budget has been provided for this project, however, the Council will make available the land and will facilitate the process. It is estimated that a composting facility to process up to 5,400 tonnes of organic waste could be built for between \$1.49M and \$3.9M. The user pays collection service would need to be more cost effective than landfill disposal in order to provide an incentive for the community to use the service. Following consultation, Council has decided to reconsider this issue and explore options on a smaller scale.
- Council consulted on the separation of glass recycling in the Wakatipu, which was successfully introduced in Wanaka, last year. The separation allows the collector to sort colours on collection. This enables the glass to be recycled for re-use. Currently glass collected as part of the Wakatipu recycling service is crushed and used in the district's roads at a cost to the ratepayer. The proposal would see an additional crate provided for each household to put glass into which would be collected fortnightly. This is a change to what we do now, but would result in a better environmental option for recycled glass and is estimated to reduce the annual cost by \$35,000. Council agreed to introduce this service in the coming financial year.

## Emergency Management

The Council has broad responsibilities under the Civil Defence Emergency Management (CDEM) Act 2002 to:

- Identify the hazards and risks that the communities of the district face
- Reduce the likelihood and consequences of hazards, building resilience
- Enable communities, the Council, partner response organisations and infrastructure providers to be ready for emergencies
- Respond effectively to emergencies in partnership with communities, businesses and partner organisations
- Direct and coordinate response and recovery efforts when necessary
- Support communities to recover holistically and sustainably from emergencies

The Council is required to be an active member of the Otago CDEM Group. An Emergency Management Officer is employed by the Council to coordinate the delivery of its emergency management responsibilities within the Council and the district and with partner organisations in Queenstown, across the region and at a national level. The Emergency Management Officer maintains the Local Emergency Management Plan and coordinates the efforts of the Council, local partner organisation and communities in achieving the intent of the CDEM Act, National CDEM Strategy, National CDEM Plan, and the Otago CDEM Group Plan.

Council provides Rural Fire Units in Queenstown and Wanaka. These units comprise around 40 trained personnel and trailers containing fire suppression equipment.

Council also supports community Voluntary Rural Fire Forces at Kingston, Glenorchy, Arrowtown and Makarora by providing appliances, equipment buildings and training.

Council is responsible for rural fire control through:

- Monitoring of the fire danger.
- Implementation of fire restrictions.
- Administration of a fire permit system.
- Provision of public information.
- Suppression of all uncontrolled fires in rural areas except Department of Conservation property and urban townships covered by NZFS.

### Highlights of Environmental Management Activity

- District Plan Review.
- Online public access to property and development information.
- Organic Waste Proposals
- Glass sorting introduced for Wakatipu in line with Wanaka

## Our Accountability

Performance measure	Target 2012-2015
<b>District Plan</b>	
Proportion of new building consents that require resource consent	34%
Cost of processing private plan change compared to other Councils nationally	Cost < the median price identified by the Ministry for the Environment two yearly survey
<b>Regulatory Services</b>	
Cost per consent	<\$3,500
Building consent and LIM applications processed within statutory timeframes	100%
Community satisfaction with resource consent planning	30%
Building inspections completed within 24 hours of request to minimise risk to occupants and owners	100%
<b>Waste Management</b>	
Cost per tonne of waste minimisation and recycling services provided by the Council	\$225 per Tonne
The quantity of residential residual waste per capita to landfill for the district	0.72 Tonnes per person
Number of complaints about the effectiveness of the recycling and refuse service reduce	190
Number of health and safety incidences	Zero

## Forecasted Financial Performance

Environmental Management			
Summary of Forecasted Financial Performance			
10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14
<b>\$000</b>	<b>Expenditure</b>	<b>\$000</b>	<b>\$000</b>
4,116	Regulatory Services	9,581	4,234
452	Waterways Regulation	467	466
6,235	Waste Management	6,048	6,594
588	Emergency Services	593	625
2,528	District Plan	2,304	2,367
<b>13,919</b>	<b>Operating Costs</b>	<b>18,993</b>	<b>14,286</b>
<b>5,076</b>	<b>Group Activity Income (1)</b>	<b>10,705</b>	<b>5,509</b>
<b>8,843</b>	<b>Net Cost/(Surplus) of Service</b>	<b>8,288</b>	<b>8,777</b>
	<b>Capital Expenditure</b>		
556	Waste Management	49	49
19	Emergency Services	11	11
575	Capital Works	60	60
747	Debt Repayment	1,784	1,206
<b>1,322</b>	<b>Capital and Debt Repayment</b>	<b>1,844</b>	<b>1,266</b>
<b>10,165</b>	<b>Funding Required/(Generated)</b>	<b>10,132</b>	<b>10,043</b>
	<b>Funded By:-</b>		
7,833	Targeted Rates	7,527	7,929
567	General Rates	635	539
624	Loans (Internal & External)	86	164
1,009	Transfers (to)/from Reserves	1,769	1,280
132	Depreciation not Funded	115	131
<b>10,165</b>	<b>Total Funding</b>	<b>10,132</b>	<b>10,043</b>
	<b>Activity Income Includes (1)</b>		
3,602	User Charges	9,270	3,989
152	Grants & Subsidies	160	167
1,322	Other	1,275	1,353
<b>5,076</b>	<b>Total Activity Income</b>	<b>10,705</b>	<b>5,509</b>

# Water Supply

The Queenstown Lakes District Council (QLDC) is responsible for approximately 414km of water mains and 11 treatment plants serving approximately 15,000 properties that between them use a total of approximately 18,200 cubic metres of water per day.

The Council adopted a draft 3 Waters Strategy in June 2011. The strategy recognised that the key to the management of its infrastructure is balancing the affordability of maintaining the existing networks and creating additional capacity with a reduction in risk, aging networks, a demand for growth, and an improved level of service. The strategy reviewed the networks, identified key issues and likely problems with the drivers or challenges and planning assumptions which Council would apply when addressing these.

The strategy provided input to the drafting of the Activity Management Plans which has in turn provided the input to the 10-Year Plan. The adoption of a 10-Year Plan will in turn modify the next Activity Management Plan as the Council takes into account the factors that determine where the balance of affordability should be.

The Council provides safe, potable water at an agreed level of service to the community. This system is designed and managed in such a manner that the user of the system is able to give minimal thought and appreciation to the service and can assume that they have a right to a continuously available and efficient network. The Council:

- Manages, operates, maintains and renews existing intakes, pump stations, treatment plants, pipes and manholes.
- Complies with the requirements of legislation that govern this activity.
- Facilitates the planning and development that has been approved to occur within the district.
- Contracts work to various parties to complete the above works.
- Works with other external organisations to ensure that appropriate consultation and standard of work occurs.

The Council, in the last 10-Year Plan, identified a significant works in response to projected growth. It was identified that there were difficulties with the long term funding of these projects. The Council has determined that by managing the demand on its assets and by optimising the use of its existing assets some of the significant works in its forward programme can be postponed.

High water demand due to leakage, seasonal population growth (ie. visitors and holiday homes) and irrigation significantly affects the cost of operating and the requirement for capacity improvements on the water supplies. A reduction in water use can reduce both present and future costs to the networks. A dedicated campaign designed to reduce water use in the Queenstown Lakes District got underway in December. Awareness has grown around the way we use water and in general water use reduced during the summer period, although peak use and leakage continue to be a challenge.

By deferring upgrades the projected capital expenditure cost for water has reduced to \$72m (2009: \$171m) over the 10 years.

## Our Accountability

Performance Measure	Target 2012 - 2015
As pipes ages and increase, maintain the current level of unplanned outages	<70/year
Compliance with national drinking water quality standards	100%
Community satisfaction with the quality of their water.	70%
Per connection average consumption (exclusive of leakages)	1600L
Leakage of a measure of night flow per connection	825 litres per connection per day*

\*Council uses the results of night flow surveys to estimate total leakage across a scheme or zone. This is then divided by the number of connections to that scheme or zone to produce a meaningful measurement that Council wants to see reduce over time in line with Water Demand Management

## Capital Expenditure

Major Projects (\$000)	2013/14
<b>Queenstown</b>	
Water Supply - Renewals - Queenstown	437
Booster Station upgrade	100
Leary's Gully Pump Station	150
<b>Wanaka</b>	
Water Supply - Renewals - Wanaka	430
Beacon Point filtration/UV (provisional on testing outcomes)	50
Western filtration/UV (provisional on testing outcomes)	50
<b>Hawea</b>	
Hawea Water Supply Upgrades - Relocation of Intake to Scott's Beach Borefield	1,019
<b>Arrowtown</b>	
Water Supply - Renewals - Arrowtown	80
Arrowtown water supply treatment upgrade	201
<b>Arthurs Point</b>	
Arthurs Point Water Supply Upgrades, Stage 1 (Treatment Only)	208

## Forecasted Financial Performance

Water Supply			
Summary of Forecasted Financial Performance			
10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14
<b>\$000</b>	<b>Expenditure</b>	<b>\$000</b>	<b>\$000</b>
8,288	Water Supply	8,357	8,878
<b>8,288</b>	<b>Operating Costs</b>	<b>8,357</b>	<b>8,878</b>
<b>1,919</b>	<b>Group Activity Income (1)</b>	<b>1,760</b>	<b>2,372</b>
<b>6,369</b>	<b>Net Cost/(Surplus) of Service</b>	<b>6,597</b>	<b>6,506</b>
	<b>Capital Expenditure</b>		
5,149	Water Supply	3,562	4,475
5,149	Capital Works	3,562	4,475
117	Debt Repayment	965	503
1,331	Vested Assets	957	1,377
<b>5,149</b>	<b>Capital and Debt Repayment</b>	<b>5,484</b>	<b>6,355</b>
	<b>Funding Required/(Generated)</b>	<b>12,081</b>	<b>12,861</b>
	<b>Funded By:-</b>		
6,999	Targeted Rates	7,089	7,496
26	General Rates	19	27
3,925	Loans (Internal & External)	3,809	3,692
1,411	Transfers (to)/from Reserves	546	1,020
605	Depreciation not Funded	618	626
	<b>Total Funding</b>	<b>12,081</b>	<b>12,861</b>
	<b>Activity Income Includes (1)</b>		
56	Other	59	59
1,331	Vested Assets	957	1,377
532	Capital Contributions	744	936
<b>1,919</b>	<b>Total Activity Income</b>	<b>1,760</b>	<b>2,372</b>

## Stormwater

The Queenstown Lakes District Council (QLDC) is responsible for approximately 198km of stormwater mains, 13 detention basins and a number of interceptors (basic stormwater separators) serving approximately 10,900 properties that approximately cater for an average 10-year flood event. The 10-Year Plan did not include a significant forward programme of works.

The Council has determined that by aligning with associated projects, usually roading, and ensuring that the project is the most appropriate for the catchment an acceptable programme can be achieved.

### Our Accountability

Performance Measure	Target 2012 - 2015
The percentage of stormwater service requests responded to on time	100%
No flooding of buildings due to a failure of the public stormwater system (excluding a 1 in 50 year storm event)	0
Number of storm water blockages	Less than 20 blockages per year
Maintenance cost per ratepayer increases by less than the cost of inflation per year	Increase per ratepayer is less than inflation

### Capital Expenditure

Major Projects (\$000)	2013/14
<b>Wakatipu Ward</b>	
Stormwater - Renewals - Wakatipu	205
<b>Wanaka</b>	
Bremner Park Stormwater Upgrade - Interim Solution	176
Stormwater - Renewals - Wanaka	80

Storm Water			
Summary of Forecasted Financial Performance			
10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14
<b>\$000</b>	<b>Expenditure</b>	<b>\$000</b>	<b>\$000</b>
2,439	Storm Water	2,423	2,543
<b>2,439</b>	<b>Operating Costs</b>	<b>2,423</b>	<b>2,543</b>
<b>2,956</b>	<b>Group Activity Income (1)</b>	<b>1,797</b>	<b>3,169</b>
<b>(517)</b>	<b>Net Cost/(Surplus) of Service</b>	<b>626</b>	<b>(626)</b>
	<b>Capital Expenditure</b>		
1,167	Storm Water	505	475
1,167	Capital Works	505	475
669	Debt Repayment	732	616
2,527	Vested Assets	1,302	2,614
<b>4,363</b>	<b>Capital and Debt Repayment</b>	<b>2,539</b>	<b>3,705</b>
<b>3,846</b>	<b>Funding Required/(Generated)</b>	<b>3,165</b>	<b>3,079</b>
	<b>Funded By:-</b>		
1,350	Targeted Rates	1,348	1,436
1,682	Loans (Internal & External)	997	801
324	Transfers (to)/from Reserves	327	336
490	Depreciation not Funded	493	506
<b>3,846</b>	<b>Total Funding</b>	<b>3,165</b>	<b>3,079</b>
	<b>Activity Income Includes (1)</b>		
274	Other	285	285
2,527	Vested Assets	1,302	2,614
155	Capital Contributions	210	270
<b>2,956</b>	<b>Total Activity Income</b>	<b>1,797</b>	<b>3,169</b>

# Wastewater

The Council is responsible for approximately 362km of wastewater mains, 54 pump stations and three treatment plants serving approximately 13,400 properties that between them discharge a total of approximately 11,000 cubic metres of sewage per day. This includes the larger plants, namely Project Pure (wastewater treatment plant and disposal to land at Wanaka) and the Shotover Ponds (wastewater treatment and disposal to the Shotover River). The Council has determined that by managing the demand on its assets and by optimising the use of its existing assets some of the significant works in its forward programme can be postponed.

Project Shotover is the upgrade to the Wakatipu wastewater treatment facility on the Shotover Delta. Funding of \$35.9 million has been included in the 10-Year Plan, based on a full upgrade. To find the best solution for the environment and the most cost effective way to deliver this project, the Council tested the market for good ideas.

The goal was to find options to do a staged upgrade that would meet the future wastewater requirements of the District and improve the quality of discharge over time. It has a completion date of 2025 which spreads the cost over a longer period and allows growth to fund the project as it happens. The next stage of this process is to advertise for someone to deliver a staged upgrade. Council has consulted on options to deliver the project over stages which will better spread, and ultimately minimise, costs. An application for the initial consents is underway and due to be lodged by May 2013.

In the meantime the ponds have been de-sludged improving the discharge quality as a result. A \$2.6 million contract has been awarded for the construction of the Inlet Works which will improve the initial screening process at the treatment facility. It is due to be completed by August 2013.

## Our Accountability

Performance Measure	Target 2012 - 2015
Notice of any planned service interruptions (excluding emergencies)	100% customers get 24 hours notice
Customer satisfaction with wastewater	68%
No more than 30 odour complaints per year are received	Less than 30
Sewerage overflows into habitable buildings due to faults in the public wastewater system is zero	0

## Capital Expenditure

Major Projects (\$000)	2013/14
<b>Queenstown</b>	
Project Shotover - Stage 1	1,006
Wastewater - Renewals - Queenstown	482
Frankton Flats Development - WW Servicing (Stage 1)	482
<b>Arrowtown</b>	
Wastewater - Renewals - Arrowtown	80
<b>Wanaka</b>	
Wastewater - Renewals - Wanaka	260

Wastewater			
Summary of Forecasted Financial Performance			
10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14
<b>\$000</b>	<b>Expenditure</b>	<b>\$000</b>	<b>\$000</b>
9,424	Wastewater	8,998	9,831
<b>9,424</b>	<b>Operating Costs</b>	<b>8,998</b>	<b>9,831</b>
<b>2,624</b>	<b>Group Activity Income (1)</b>	<b>2,299</b>	<b>3,271</b>
<b>6,800</b>	<b>Net Cost/(Surplus) of Service</b>	<b>6,699</b>	<b>6,560</b>
	<b>Capital Expenditure</b>		
3,348	Wastewater	2,502	7,300
3,348	Capital Works	2,502	7,300
796	Debt Repayment	1,532	593
1,799	Vested Assets	1,129	1,861
<b>5,943</b>	<b>Capital and Debt Repayment</b>	<b>5,163</b>	<b>9,754</b>
<b>12,743</b>	<b>Funding Required/(Generated)</b>	<b>11,862</b>	<b>16,314</b>
	<b>Funded By:-</b>		
6,471	Targeted Rates	6,391	6,823
229	General Rates	293	237
3,319	Loans (Internal & External)	3,331	4,679
1,245	Transfers (to)/from Reserves	441	3,071
1,479	Depreciation not Funded	1,406	1,504
	<b>Total Funding</b>	<b>11,862</b>	<b>16,314</b>
	<b>Activity Income Includes (1)</b>		
34	Other	41	36
1,799	Vested Assets	1,129	1,861
791	Capital Contributions	1,129	1,374
<b>2,624</b>	<b>Total Activity Income</b>	<b>2,299</b>	<b>3,271</b>

# Roading and Footpaths

The Council is accountable for just over 800km of local roading and public carparks located in Arrowtown, Queenstown, and Wanaka. In addition there are 232km of State highways within the District and these are managed by New Zealand Transport Agency (NZTA).

The Council's transport activities are funded from a combination of local and central government funding sources.

## Council Transport Strategies

The development of transport strategies for the Wanaka and Wakatipu Wards took place over the period from 2006/07 to 2008/09 when the two key strategies the Wakatipu Transportation Strategy and the Wanaka Transportation and Parking Strategy were adopted. Both strategies were endorsed by NZTA (or its predecessors). The Council has also adopted strategies for road safety, cycling and walking, and the Transport Asset Management Plan.

The Council's strategies promote an integrated approach to projects that together will achieve significant changes to the district's transport system and travel behaviour over the next twenty years. Key drivers for the strategies have been the need to cater for growing transport demands (as a consequence of forecast resident and visitor growth) and the need to protect and – where possible - enhance district amenity.

These strategies have been instrumental to changes in the Council's transport activity over the past three years.

The transport strategies have provided input to this Annual Plan. It is proposed that the Council's strategies be reviewed next financial year to ensure that they remain current and provide reliable input to the next long term plan. The work on this review has been internal to date.

Within the next three years the key projects to have come out of transport strategies relate to the design of new roads in Wanaka and Wakatipu, and ongoing parking management. These include

- Further design work for the Inner Links project, which is proposing the development of a peripheral route around the Queenstown Town Centre
- The commencement of design work for the North Western corridor (otherwise known as the Ballantyne / Hedditch / Lismore route) in Wanaka. This follows from the Wanaka Transportation Strategy which proposes the strengthening of cross town routes in Wanaka as a means of dealing with forecast traffic growth.

Perhaps the most significant roading project within the 10-Year Plan and Council's transport strategy has been the development of the local roads linking to the proposed state highway roundabout near Glenda Drive. This project has been repeatedly frustrated by uncertainty over the decisions on the future development of the Frankton Flats.

Over the 5 years since the Wakatipu Strategy was adopted there have been significant changes to the economic factors and central government priorities. It is planned that the Council's transport strategies will be reviewed in 2013/14 in order to continue strategic input to the next 10-Year Plan. An input to the strategy review will be the development of an economic network plan for the district.

The Economic Network Plan (ENP) is a tool to assist decision making on transport expenditure by assessing the economic value of each section of road. It encourages decision makers to give priority to those roads that deliver the highest economic benefit to the community.

As well as enabling Council to better priorities its roading projects, the ENP will provide national decision makers, particularly those within NZTA, to better understand the economic drivers for investment in the Queenstown Lakes District's roading projects.

## Roading

The Council's roading activity seeks to provide a cost effective transport system that meets the district's changing needs.

Roading is Council's single biggest cost. This fact combined with a cut in the level of subsidy available from the New Zealand Transport Agency and the level of debt (\$30m) attributable to the Council's transport activity, means a change must be considered.

Council recognises the need to consider cost efficiencies, how good the roads are and which roads can go without work being done this year. Council is also thinking about the way the work is undertaken and funded. This could result in some changes to the standard of roads in the coming years. Roading projects are still planned for next year, including sections of the following roads: The Crown Range Road (zig zag sections), Fernhill Road, Sainsbury Road, Ramshaw Lane, Glenorchy Road, Isle Street, Wynyard Terrace, Gorge Road. This year Council is building a model to help prioritise what needs to be done and when.

Council has also taken the new position of not providing in advance for emergency reinstatement work. This work cannot be planned for and Council's preference is to seek to fund such work through underspends in other budgets in the first instance rather than rate for such expenditure in advance.

## Parking Facilities

Parking is a fundamental part of the transport activity and as such contributes to provision of a cost effective transport system that meets the district's changing needs.

The Council uses parking supply and management to ensure that high demand destinations such as town centres are accessible and, where alternatives to car based travel exist, to influence how people travel. Key drivers of the parking activity, particularly in the Queenstown Town Centre (which is serviced by a public transport network) are:

Work will continue to renew existing facilities in the manner that the Brownstown Street carpark was re-sealed last year and the Brecon Street carpark is being re-sealed this year.

- To reduce debt associated with the past acquisition of land for parking
- Ensure parking is available for visitors
- Encourage awareness and use of alternative to the single occupant car

## Our Accountability

Performance measure	Target 2012-2015
<b>Roading</b>	
Annual increase in total cost of maintaining the transport networks are less than the cost of inflation (accounting for population growth)	100%
Use of non-car and ride sharing options increases (measured travellers through Queenstown CBD from all directions)	40%
Community satisfaction with :	70.5%
Roads	55%
Unsealed Roads	63%
Footpaths	
Sealed Roads do not exceed the maximum roughness - National Association of Australian State Roads Authority (NAASRA) Survey	>5% exceeds limits
3 year average serious casualties (fatal and serious injuries) on the local road network does not increase above the 2008-10 average (17)	3 yr average <15
<b>Parking</b>	
Percentage of designated short term parking spaces available	20% available on audit
Customer satisfaction with street lighting	65%

## Capital Expenditure

Major Projects (\$000)	2013/14
<b>Wakatipu - NZTA</b>	
Wakatipu - Sealed Road Resurfacing	2,080
Wakatipu - Unsealed Road Metalling	617
Wakatipu - Associated Improvements	773
Wakatipu - Minor Improvements	629
Fernhill Road	552
Inner Links, Stage 1 - Melbourne Henry (Design and Land Purchase)	920
Wakatipu - Sealed Road Pavement Upgrade (Design)	276
Malaghans Road	1,563
Crown Range Road	2,127
Ramshaw Lane	485
Glenorchy Road (SPR)	592
Eastern Access Road - New Roads	300
<b>Wanaka - NZTA</b>	
Wanaka - Sealed Road Resurfacing	1,700
Wanaka - Unsealed Road Metalling	586
Wanaka Mount Aspiring Rd - Road Reconstruction	100
Brownston Street Parking	173
Wanaka CBD Intersection Improvements	168
<b>Wakatipu Other</b>	
Wakatipu Transportation - Minor Improvements, Non-Sub	649
<b>Wanaka Other</b>	
Wanaka Transportation - Minor Improvements, Non-Sub	325

## Forecast Financial Performance

Roading and Parking				
Summary of Forecasted Financial Performance				
Annual Plan 2011/12		Annual Plan 2013/14	10 Year Plan 2013/14	
<b>\$000</b>	<b>Expenditure</b>	<b>\$000</b>	<b>\$000</b>	
18,073	Roading and Parking	18,089	19,709	
420	Parking Provision	399	414	
<b>18,493</b>	<b>Operating Costs</b>	<b>18,488</b>	<b>20,123</b>	
<b>18,449</b>	<b>Group Activity Income (1)</b>	<b>15,157</b>	<b>16,760</b>	
<b>44</b>	<b>Net Cost/(Surplus) of Service</b>	<b>3,331</b>	<b>3,363</b>	
<b>Capital Expenditure</b>				
19,739	Roading	14,892	15,153	
-	Parking Provision	173	173	
19,739	Capital Works	15,065	15,326	
3,903	Debt Repayment	5,056	3,705	
3,473	Vested	2,098	3,593	
<b>27,115</b>	<b>Capital and Debt Repayment</b>	<b>22,219</b>	<b>22,624</b>	
<b>27,159</b>	<b>Funding Required/(Generated)</b>	<b>25,550</b>	<b>25,987</b>	
<b>Funded By:-</b>				
12,651	Targeted Rates	12,861	12,836	
9,420	Loans (Internal & External)	7,498	7,623	
1,847	Transfers (to)/from Reserves	1,909	1,944	
3,241	Depreciation not Funded	3,282	3,584	
<b>27,159</b>	<b>Total Funding</b>	<b>25,550</b>	<b>25,987</b>	
<b>Activity Income Includes (1)</b>				
928	User Charges	963	963	
12,906	Grants & Subsidies	10,682	10,491	
391	Other	414	414	
3,473	Vested Assets	2,098	3,593	
751	Capital Contributions	1,000	1,299	
<b>18,449</b>	<b>Total Activity Income</b>	<b>15,157</b>	<b>16,760</b>	

# Financial Statements

## Prospective Statement of Financial Performance for the Year Ended 30 June 2014

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14	Variance \$	Explanation
<b>Operating Income (\$000)</b>					
54,060	Targeted Rates (1)	54,455	56,420	(1,965)	Reduced rate funding due to reduced costs
1,975	General Rates	2,116	1,943	173	
12,232	User Charges	21,386	12,895	8,491	Direct revenue ex Lakes Environmental (LE) \$5.6m and Lakes Leisure (LL) \$3.3m
13,138	Grants and Subsidies	10,922	10,740	182	
9,129	Vested Assets	5,486	9,444	(3,958)	Decreased estimate (non-cash)
4,048	Development Contributions	5,474	7,047	(1,573)	Allow for 40% of forecast DC's (LTP was 50%)
2,469	Dividend Income	2,858	3,688	(830)	Forecast QAC Dividend
3,052	Other Income	3,017	3,119	(102)	
<b>100,103</b>	<b>Total Operating Income</b>	<b>105,714</b>	<b>105,296</b>	<b>418</b>	
<b>Cost of Services (\$000)</b>					
4,520	Governance	4,581	4,776	(195)	See Below
15,361	Community	20,245	16,300	3,945	See Below
10,254	Economic Development	10,621	10,539	82	See Below
13,844	Environmental Management	18,993	14,217	4,776	See Below
18,313	Roading and Footpaths	18,488	19,944	(1,456)	See Below
9,260	Sewerage	8,998	9,666	(668)	See Below
8,202	Water Supply	8,357	8,786	(429)	See Below
2,410	Stormwater	2,423	2,514	(91)	See Below
9	Overhead and Internal Charges	(13)	15	(28)	
<b>82,173</b>	<b>Total Operating Cost (See Table for detail)</b>	<b>92,693</b>	<b>86,757</b>	<b>5,936</b>	
<b>17,930</b>	<b>Net Surplus (\$000)</b>	<b>13,021</b>	<b>18,539</b>	<b>(5,518)</b>	

(1) The Council does not levy any Targeted Rates for water supply as defined by Section 19 of the the Local Government (Rating) Act 2002

## Prospective Statement of Comprehensive Income for the Year Ended 30 June 2014

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14
17,930	Net Surplus (\$000)	13,021	18,539
	<b>Other Comprehensive Income (\$000)</b>		
-	Gain/(Loss) on Revaluation	73,033	73,033
<b>17,930</b>	<b>Total Comprehensive Income (\$000)</b>	<b>86,054</b>	<b>91,572</b>

## Prospective Statement of Changes in Equity for the Year Ended 30 June 2014

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14
821,426	Forecast Opening Equity (\$000)	846,357	839,356
17,930	Total Comprehensive Income	86,054	91,572
<b>839,356</b>	<b>Forecast Closing Equity (\$000)</b>	<b>932,411</b>	<b>930,928</b>

## Prospective Statement of Financial Position as at 30 June 2014

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14	Variance \$	Explanation
<b>Current Assets (\$000)</b>					
382	Bank and Cash	382	381	1	
13	Short Term Investments	13	13	-	
8,489	Accounts Receivable	9,139	8,489	650	Lakes Environmental and Lakes Leisure
348	Prepayments	348	348	-	
292	Inventory - Development Property	292	292	-	
<b>9,524</b>	<b>Total Current Assets (\$000)</b>	<b>10,174</b>	<b>9,523</b>	<b>651</b>	
<b>Non Current Assets (\$000)</b>					
6,626	Investments	6,626	6,626	-	
66,332	Investment Properties	66,332	66,332	-	
899,234	Fixed Assets	984,251	998,749	(14,498)	Reduced capital programme, deferral of projects and reduced vested asset estimate
<b>972,192</b>	<b>Total Non Current Assets (\$000)</b>	<b>1,057,209</b>	<b>1,071,707</b>	<b>(14,498)</b>	
<b>981,716</b>	<b>Total Assets (\$000)</b>	<b>1,067,383</b>	<b>1,081,230</b>	<b>(13,847)</b>	
<b>Current Liabilities (\$000)</b>					
11,958	Accounts Payable	12,958	11,958	1,000	Lakes Environmental and Lakes Leisure
2,309	Other Financial Liabilities	3,259	2,309	950	Lakes Environmental and Lakes Leisure
19,214	Current Term Debt	17,813	20,405	(2,592)	Reduced capital programme and deferral of projects
<b>33,481</b>	<b>Total Current Liabilities (\$000)</b>	<b>34,030</b>	<b>34,672</b>	<b>(642)</b>	
108,879	<b>Non Current Liabilities (\$000)</b>	100,942	115,630	(14,688)	Reduced capital programme and deferral of projects
<b>142,360</b>	<b>Total Liabilities (\$000)</b>	<b>134,972</b>	<b>150,302</b>	<b>(15,330)</b>	
<b>Public Equity (\$000)</b>					
308,103	Revaluation Reserve	381,136	381,136	-	
8,100	Operating Reserves	10,402	5,014	5,388	
10,936	Capital Reserve	9,510	9,058	452	
512,217	Accumulated Funds	531,363	535,720	(4,357)	
<b>839,356</b>	<b>Total Public Equity (\$000)</b>	<b>932,411</b>	<b>930,928</b>	<b>1,483</b>	
<b>981,716</b>	<b>Total Liabilities and Equity (\$000)</b>	<b>1,067,383</b>	<b>1,081,230</b>	<b>(13,847)</b>	

## Prospective Statement of Cash Flows for the Year Ended 30 June 2014

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14	Variance \$	Explanation
<b>Cash Flows From Operating Activities (\$000)</b>					
Cash was provided from:					
90,974	Receipts from Ratepayers and Other Income	100,229	95,852	4,377	Increased Operating Revenue (explained above)
90,974		100,229	95,852	4,377	
Cash was applied to:					
(55,262)	Payments for Expenses and Services	(64,157)	(57,663)	(6,494)	Increased Operating Expenditure (explained below)
(7,745)	Interest Paid on Loans	(7,869)	(8,168)	299	
(63,007)		(72,026)	(65,831)	(6,195)	
<b>27,967</b>	<b>Net Cash from Operating Activities</b>	<b>28,203</b>	<b>30,021</b>	<b>(1,818)</b>	
<b>Cash Flows from Investing Activities (\$000)</b>					
Cash was provided from:					
-	Proceeds from Development Properties	-	-	-	
-	Proceeds from Asset Sales	-	-	-	
-		-	-	-	
Cash was applied to:					
(41,046)	Purchase of Plant and Assets	(30,865)	(37,964)	7,099	Reduced capital programme and deferral of projects
-	Purchase of Development Property	-	-	-	
(41,046)		(30,865)	(37,964)	7,099	
<b>(41,046)</b>	<b>Net Cash used in Investing Activities</b>	<b>(30,865)</b>	<b>(37,964)</b>	<b>7,099</b>	
<b>Cash Flows from Financing Activities (\$000)</b>					
Cash was provided from:					
32,349	Long Term Debt	21,933	27,156	(5,223)	Reduced capital programme and deferral of projects
Cash was applied to:					
(19,271)	Settlement of Long Term Debt	(19,271)	(19,214)	(57)	
<b>13,078</b>	<b>Net Cash from Financing Activities</b>	<b>2,662</b>	<b>7,942</b>	<b>(5,280)</b>	
(1)	<b>Net Increase/(Decrease) in Cash Held</b>	-	(1)	1	
383	<b>Total Cash Resources at 01 July</b>	382	382	-	
<b>382</b>	<b>Total Cash Resources at 30 June</b>	<b>382</b>	<b>381</b>	<b>1</b>	
<b>Cash Resources represented by:</b>					
382	Bank and Cash	382	381	1	
-	Bank Overdraft	-	-	-	
<b>382</b>	<b>Total Cash Resources (\$000)</b>	<b>382</b>	<b>381</b>	<b>1</b>	

## Prospective Operating Expenditure By Activity (\$000)

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14	Variance \$	Explanation
<b>Governance</b>					
4,155	Community Leadership	4,178	4,388	(210)	Overhead adjustments to CEO dept
365	Community Information	403	388	15	
<b>4,520</b>	<b>Sub Total</b>	<b>4,581</b>	<b>4,776</b>	<b>(195)</b>	
<b>Community</b>					
4,153	Community Facilities	7,837	4,341	3,496	Reduced interest \$87k; \$3.8m direct costs ex LL
6,716	Active & Passive Recreation	7,063	7,353	(290)	Decrease Reserves Mtce \$237k
623	Community Development	1,348	662	686	Increase in Events funding \$462k; ex LL Programmes \$217k
646	Community Grants	722	596	126	Reflects increased grants to small communities/social agencies/sof
2,091	Libraries	2,117	2,159	(42)	
204	Waterways Facilities	215	207	8	
164	Cemeteries	177	172	5	
764	Public Toilets	766	810	(44)	
<b>15,361</b>	<b>Sub Total</b>	<b>20,245</b>	<b>16,300</b>	<b>3,945</b>	
<b>Economic Development</b>					
3,959	Tourism Promotion	4,024	4,037	(13)	
513	Council Land	454	497	(43)	
201	Housing	164	206	(42)	
473	Wanaka Airport	527	568	(41)	
296	Forestry	358	307	51	Increased felling
4,812	Holiday Parks	5,094	4,924	170	Overhead adjustments
<b>10,254</b>	<b>Sub Total</b>	<b>10,621</b>	<b>10,539</b>	<b>82</b>	
<b>Environmental Management</b>					
4,115	Regulatory Services	9,581	4,232	5,349	\$5.2m direct costs ex LE; Incr legal provision by \$100k (leaky bldgs) & new liquor law
452	Waterways Regulation	467	466	1	
2,485	District Plan	2,304	2,330	(26)	
587	Emergency Management	593	625	(32)	
6,205	Waste Management	6,048	6,564	(516)	Decrease Waste Mgmt Cost \$462k
<b>13,844</b>	<b>Sub Total</b>	<b>18,993</b>	<b>14,217</b>	<b>4,776</b>	

### Prospective Operating Expenditure By Activity (\$000) continued...

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14	Variance \$	Explanation
<b>Roading and Footpaths</b>					
17,893	Roading	18,089	19,530	(1,441)	Depn reduced \$755k; Decrease Rdg Mtce \$694k
420	Parking Facilities	399	414	(15)	
<b>18,313</b>	<b>Sub Total</b>	<b>18,488</b>	<b>19,944</b>	<b>(1,456)</b>	
<b>9,260</b>	<b>Sewerage</b>	<b>8,998</b>	<b>9,666</b>	<b>(668)</b>	Reductions for: Depn \$47k; Int \$348k; Mtce \$339k;
<b>8,202</b>	<b>Water Supply</b>	<b>8,357</b>	<b>8,786</b>	<b>(429)</b>	Reductions for: Depn \$18k; Mtce \$308k; Power \$132k
<b>2,410</b>	<b>Stormwater</b>	<b>2,423</b>	<b>2,514</b>	<b>(91)</b>	Reductions for: Depn \$48k; Mtce \$100k
<b>9</b>	<b>Overhead and Internal Charges</b>	<b>(13)</b>	<b>15</b>	<b>(28)</b>	
<b>82,173</b>	<b>Total Operating Cost</b>	<b>92,693</b>	<b>86,757</b>	<b>5,936</b>	
<b>19,165</b>	<b>Depreciation (included in above)</b>	<b>20,666</b>	<b>20,926</b>	<b>(260)</b>	
<b>7,745</b>	<b>Interest (included in above)</b>	<b>7,869</b>	<b>8,168</b>	<b>(299)</b>	

## Capital Asset Expenditure By Activity (\$000)

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14	Variance \$	Explanation
	<b>Community</b>				
1,680	Community Facilities	854	894	(40)	
5,603	Active and Passive Recreation	5,794	6,243	(449)	Deferral Queenstown Gardens roading improvements
291	Libraries	273	326	(53)	
83	Waterways Facilities	52	34	18	
66	Cemeteries	131	166	(35)	
324	Public Toilets	16	294	(278)	Deferral new toilets (QT & Wan)
<b>8,047</b>	<b>Sub Total</b>	<b>7,120</b>	<b>7,957</b>	<b>(837)</b>	
	<b>Economic Development</b>				
8	Council Land	-	-	-	
5	Housing	40	56	(16)	
965	Wanaka Airport	428	685	(257)	Programme reduced
104	Holiday Parks	107	107	-	
<b>1,082</b>	<b>Sub Total</b>	<b>575</b>	<b>848</b>	<b>(273)</b>	
	<b>Environmental Management</b>				
19	Emergency Management	11	11	-	
556	Waste Management	49	50	(1)	
<b>575</b>	<b>Sub Total</b>	<b>60</b>	<b>61</b>	<b>(1)</b>	
	<b>Roading and Parking</b>				
23,212	Roading	16,990	18,747	(1,757)	Reduced capex programme \$0.3m; Reduced estimate vested assets (non-cash) 1.5m
-	Parking Facilities	173	173	-	
<b>23,212</b>	<b>Sub Total</b>	<b>17,163</b>	<b>18,920</b>	<b>(1,757)</b>	
5,147	<b>Sewerage</b>	3,631	9,161	(5,530)	Deferral Project Shotover \$4.8m; Reduced estimate vested assets (non cash) \$0.7m
6,479	<b>Water Supply</b>	4,519	5,852	(1,333)	Reduced capex programme \$0.9m; Reduced estimate vested assets (non-cash) 0.4m
3,695	<b>Stormwater</b>	1,807	3,089	(1,282)	Reduced estimate vested assets (non-cash) \$1.3m
1,937	<b>Overhead</b>	1,477	1,523	(46)	
<b>50,174</b>	<b>Total Asset Capital Cost</b>	<b>36,352</b>	<b>47,411</b>	<b>(11,059)</b>	

## Capital Debt Repayment Expenditure by Activity (\$000)

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14	Variance \$	Explanation
<b>Community</b>					
378	Community Facilities	574	658	(84)	
204	Active & Passive Recreation	793	668	125	Increased debt repayment (ex QAC dividend)
29	Waterways Facilities	41	41	-	
121	Public Toilets	153	129	24	
732	<b>Sub Total</b>	1,561	1,496	65	
<b>Economic Development</b>					
69	Housing	559	559	-	
60	Wanaka Airport	68	60	8	
82	Holiday Parks	103	103	-	
211	<b>Sub Total</b>	730	722	8	
<b>Environmental Management</b>					
11	Regulatory Services	11	11	-	
650	District Plan	1,573	922	651	Increased debt repayment (ex QAC dividend)
86	Waste Management	200	273	(73)	
747	<b>Sub Total</b>	1,784	1,206	578	
<b>Roading and Parking</b>					
3,506	Roading	4,641	3,290	1,351	Increased debt repayments (ex Depn/rates)
397	Parking Facilities	415	415	-	
3,903	<b>Sub Total</b>	5,056	3,705	1,351	
796	<b>Sewerage</b>	1,532	593	939	Increased debt repayments (ex Depn/rates)
117	<b>Water Supply</b>	965	503	462	Increased debt repayments (ex Depn/rates)
669	<b>Stormwater</b>	732	616	116	Increased debt repayments (ex Depn/rates)
800	<b>Overhead</b>	817	578	239	Increased debt repayment (ex QAC dividend)
<b>7,975</b>	<b>Total Debt Repayment Capital Cost</b>	<b>13,177</b>	<b>9,419</b>	<b>3,758</b>	

## Total Capital Expenditure (Including Debt Repayment) By Activity (\$000)

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14	Variance \$
	<b>Community</b>			
2,058	Community Facilities	1,428	1,552	(124)
5,807	Active & Passive Recreation	6,587	6,911	(324)
291	Libraries	273	326	(53)
112	Waterways Facilities	93	75	18
66	Cemeteries	131	166	(35)
445	Public Toilets	169	423	(254)
<b>8,779</b>	<b>Sub Total</b>	<b>8,681</b>	<b>9,453</b>	<b>(772)</b>
	<b>Economic Development</b>			
8	Council Land	-	-	-
74	Housing	599	615	(16)
1,025	Wanaka Airport	496	745	(249)
186	Holiday Parks	210	210	-
<b>1,293</b>	<b>Sub Total</b>	<b>1,305</b>	<b>1,570</b>	<b>(265)</b>
	<b>Environmental Management</b>			
11	Regulatory Services	11	11	-
650	District Plan	1,573	922	651
19	Emergency Management	11	11	-
642	Waste Management	249	323	(74)
<b>1,322</b>	<b>Sub Total</b>	<b>1,844</b>	<b>1,267</b>	<b>577</b>
	<b>Roading and Footpaths</b>			
26,718	Roading	21,631	22,037	(406)
397	Parking Facilities	588	588	-
<b>27,115</b>	<b>Sub Total</b>	<b>22,219</b>	<b>22,625</b>	<b>(406)</b>
5,943	<b>Sewerage</b>	5,163	9,754	(4,591)
6,596	<b>Water Supply</b>	5,484	6,355	(871)
4,364	<b>Stormwater</b>	2,539	3,705	(1,166)
2,737	<b>Overhead</b>	2,294	2,101	193
<b>58,149</b>	<b>Total Capital Cost</b>	<b>49,529</b>	<b>56,830</b>	<b>(7,301)</b>

### Capital Asset Expenditure (Growth) By Activity Group (\$000)

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14	Variance \$
4,318	Community	5,465	5,725	(260)
266	Economic Development	118	189	(71)
1	Environmental Management	25	23	2
11,875	Roading and Footpaths	7,845	9,283	(1,438)
2,360	Sewerage	2,082	3,419	(1,337)
2,753	Water Supply	2,324	2,579	(255)
3,331	Stormwater	1,405	2,698	(1,293)
-	Overhead	14	-	14
<b>24,904</b>	<b>Total Capital Asset Cost (Growth)</b>	<b>19,278</b>	<b>23,916</b>	<b>(4,638)</b>

### Capital Asset Expenditure (Renewal) By Activity Group (\$000)

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14	Variance \$
1,289	Community	621	863	(242)
343	Economic Development	235	303	(68)
62	Environmental Management	14	13	1
4,683	Roading and Footpaths	4,410	4,726	(316)
1,332	Sewerage	1,018	2,032	(1,014)
2,277	Water Supply	1,471	1,874	(403)
295	Stormwater	285	295	(10)
484	Overhead	904	381	523
<b>10,765</b>	<b>Total Capital Asset Cost (Renewal)</b>	<b>8,958</b>	<b>10,487</b>	<b>(1,529)</b>

### Capital Asset Expenditure (Other) By Activity Group (\$000)

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14	Variance \$
2,440	Community	1,034	1,369	(335)
473	Economic Development	222	356	(134)
512	Environmental Management	22	25	(3)
6,654	Roading and Footpaths	4,907	4,911	(4)
1,455	Sewerage	531	3,710	(3,179)
1,449	Water Supply	724	1,399	(675)
69	Stormwater	117	96	21
1,453	Overhead	559	1,142	(583)
<b>14,505</b>	<b>Total Capital Asset Cost (Other)</b>	<b>8,116</b>	<b>13,008</b>	<b>(4,892)</b>
<b>50,174</b>	<b>Total Capital Asset Cost</b>	<b>36,352</b>	<b>47,411</b>	<b>(11,059)</b>

### Capital Debt Repayment Expenditure By Activity Group (\$000)

10 Year Plan 2012/13		Annual Plan 2013/14	10 Year Plan 2013/14	Variance \$
732	Community	1,561	1,496	65
211	Economic Development	730	722	8
747	Environmental Management	1,784	1,206	578
3,903	Roading and Footpaths	5,056	3,705	1,351
796	Sewerage	1,532	593	939
117	Water Supply	965	503	462
669	Stormwater	732	616	116
800	Overhead	817	578	239
<b>7,975</b>	<b>Total Capital Debt Repayment</b>	<b>13,177</b>	<b>9,419</b>	<b>3,758</b>

## Statement of Reserve Funds

Reserve Fund - Purpose of the Fund	Opening Balance 2013/14 \$000	Deposits \$000	Withdrawals \$000	Closing Balance 2013/14 \$000
<b>Development Funds</b>	13,800	5,474	(8,872)	10,402
<p>These arise from Development and Financial Contributions levied by the Council for capital works and are intended to contribute to the growth related capital expenditure of Roading, Water Supply, Sewerage, Stormwater, Reserve Land and Improvements and Community Facilities.</p>				
<b>Asset Renewal Funds</b>	393	11,252	(11,178)	467
<p>The Council sets aside funding to meet the renewal of its infrastructural and operating assets to ensure the continued ability to provide services.</p>				
<b>Emergency Reserve</b>	2,188	-	-	2,188
<p>Funds set aside to assist with the repair of infrastructural assets such as Roading, Water Supply and Sewerage, in case of natural disaster.</p>				
<b>Asset Sale Reserves</b>	5,258	-	-	5,258
<b>Arrowtown Endowment Land Reserve</b>	740	-	-	740
<b>Trust Funds</b>	12	-	-	12
<b>Queenstown Airport Dividend Reserve</b>	845	2,858	(2,858)	845
<b>Total Reserve Funds</b>	<b>23,237</b>	<b>19,584</b>	<b>(22,908)</b>	<b>19,912</b>

# 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.

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 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 NZTA 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 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 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 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 Statement of Financial Position when the Council 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 does not hold any financial assets in this category.

## Available-for-Sale Financial Assets

Equity Investments held by the Council 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 in Other Comprehensive Income, with the exception of impairment losses which are recognised 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 Other Comprehensive Income 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 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 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 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.

## (iii) Derivative Financial Instruments

The Council enters into certain derivative financial instruments to manage its exposure to interest rate risk, including interest rate swaps.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re measured to their fair value at each balance date. The resulting gain or loss is recognised in the Statement of Financial Performance immediately unless the derivative is designated and effective as a hedging instrument, in which event the nature and timing of the recognition in profit or loss depends on the nature of the hedging relationship. Council does not undertake hedge accounting in relation to it's derivative financial instruments.

A derivative is presented as a non current asset or a non current liability if the remaining maturity of the instrument is more than 12 months and is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

### 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 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 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 has 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

### 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 less accumulated depreciation and any impairment losses recognised after the date of revaluation.

Infrastructure assets, land and buildings acquired or constructed after the date of the latest revaluation are carried at cost, which approximates fair value. Revaluations are carried out with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the balance sheet date.

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, 2010 by Rationale, independent valuers. Acquisitions subsequent to 1 July, 2010 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, 2010 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	2.1%	SL
Roading - Bridges	2.6%	SL
Roading - Surfacing	8.6%	SL
Roading - Other	1% - 10%	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.

### Emission Trading Scheme Accounting Policy

New Zealand Units (NZUs) allocated as a result of the company's participation in the Emissions Trading Scheme (ETS) are treated as intangible assets, and recorded at cost.

The difference between initial cost and the disposal price of the units is treated as revenue in Surplus/(Deficit) for the period.

Liabilities for surrender of NZUs (or cash) are accrued at the time the forests are harvested, or removed in any other way, in accordance with the terms of the ETS legislation.

Liabilities are accounted for at settlement value, being the cost of any NZUs on hand to meet the obligation plus the fair value of any shortfall in NZUs to meet the obligation.

### 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 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 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 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, via other comprehensive income.

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, via other comprehensive income.

### 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 in respect of services provided by employees up to reporting date.

### Provisions

Provisions are recognised when the Council 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 invests in as part of its day to day cash management.

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

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

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

### Equity

Equity is the community's interest in the Council 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.

### Financial guarantee contracts

A financial guarantee contract is a contract that requires the Council 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 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 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 10 Year Plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and
  - b) The projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity to assets throughout their useful life; and
  - c) The equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life; and
  - d) The funding and financial policies adopted under section 102.

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

## Funding of Depreciation

The funding of depreciation is an implied requirement of the "balanced budget" provision of the new Local Government Act. It requires that the Council fully fund all operating costs, including reductions in the useful life or quality of assets.

The requirement arises from Government concern that some local authorities were not adequately maintaining infrastructural assets. In instances where this occurred, current ratepayers were paying too little and leaving a major financial burden for future generations.

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

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

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

- (i) The Council needs to fund depreciation only on its share of roading funding. The component attributable to Transfund is excluded. Allowing for SPR roading arrangements and other subsidisable costs 60% of roading depreciation will be funded (2012/13 – 60%);
- (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 led to the following amounts of depreciation not being funded:

	Total Depreciation 2013/14 (\$000)	Depreciation Not Funded 2013/14 (\$000)
Roading	8,222	3,282
Sewerage	3,427	1,406
Water	2,261	618
Stormwater	1,404	494
Community/other	5,352	2,998
<b>Total</b>	<b>20,666</b>	<b>8,798</b>

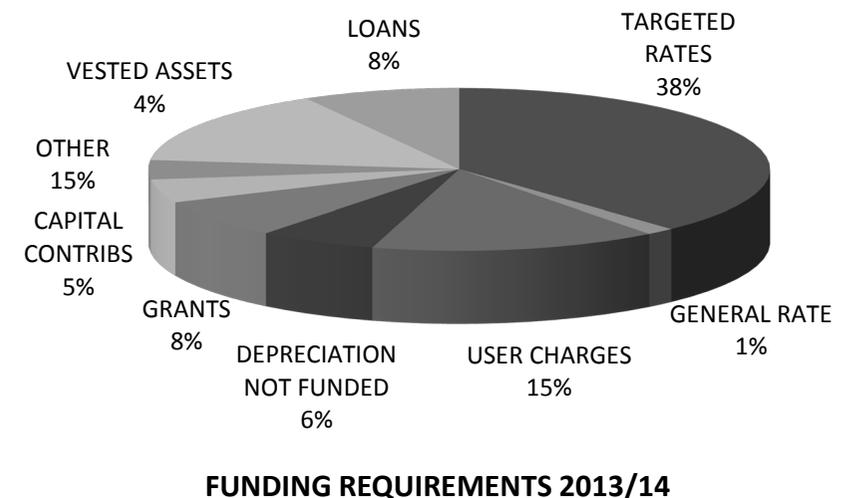
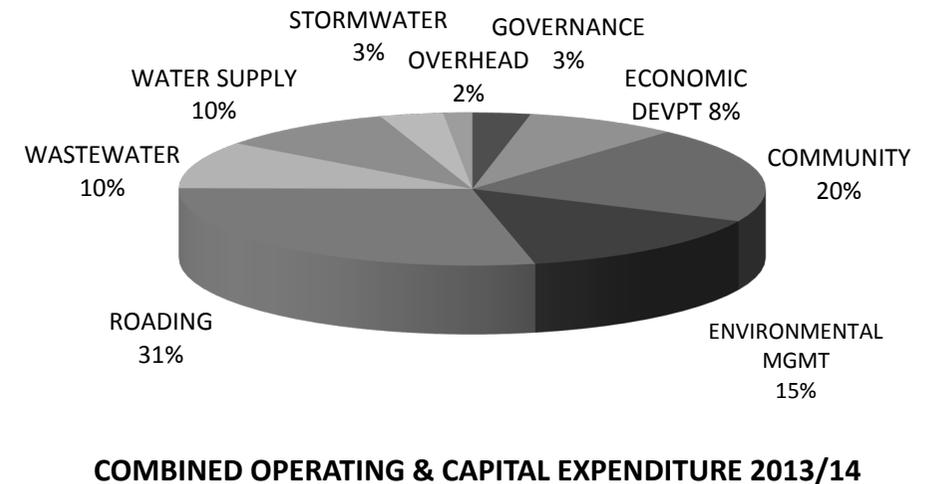
# Funding Impact Statement

## 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 Annual Plan, which states:

- (a) The revenue and financing mechanisms to be used by the local authority for the year; and
- (b) The nature of and any reasons for any departure from the funding impact statement in the 10 Year Plan for that 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; and if so:
    - How that uniform annual general charge will be calculated; and
    - The local authority's definition of a separately used or inhabited part of a rating unit, if the charge is to be calculated on this basis.
  - (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; and
    - 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; and
- (d) In relation to each targeted rate -
  - (i) The activities or groups of activities for which the targeted rate is to be set; and
  - (ii) The category, or categories, of rateable land, within the meaning of section 17 of the Local Government (rating) Act 2002, to be used; and
  - (iii) For each such category, how liability for the targeted rate is to be calculated; and
  - (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 2013.



# Funding Impact Statement

10 Year Plan		Annual Plan	10 Year Plan		
2012/13	Funding Mechanisms	2013/14	2013/14	Variance \$	Explanation
\$000		\$000	\$000		
<b>Sources of Operating Funding</b>					
1,975	General Rates	2,116	1,943	173	
54,060	Targeted Rates	54,455	56,420	(1,965)	Reduced rate funding due to reduced operating costs
12,232	User Charges	21,386	12,895	8,491	Direct revenue ex Lakes Environmental (LE) \$5.6m and Lakes Leisure (LL) \$3.3m
3,698	Grants & Subsidies for Operating expenditure	3,749	3,840	(91)	
2,469	Dividends from Investments	2,858	3,688	(830)	Forecast QAC Dividend
3,052	Other Operating Funding	3,017	3,119	(102)	
77,486	<b>Total Sources of Operating Funding</b>	87,581	81,905	5,676	
<b>Applications of Operating Funding</b>					
55,263	Payments to Staff and Suppliers	64,158	57,663	6,495	Direct costs ex LE \$5.2m and LL \$4m, offset by reduced QLDC operating costs
7,745	Finance Costs	7,869	8,168	(299)	
63,008	<b>Total Applications of Operating Funding</b>	72,027	65,831	6,196	
<b>14,478</b>	<b>Surplus/(Deficit) of Operating Funding</b>	<b>15,554</b>	<b>16,074</b>	<b>(520)</b>	
<b>Sources of Capital Funding</b>					
9,440	Grants & Subsidies for Capital expenditure	7,173	6,900	273	
4,048	Development Contributions	5,474	7,047	(1,573)	Allow for 40% of forecast DC's (10-Year Plan was 50%)
-	Gross Proceeds from Property Sales	-	-	-	
13,078	Increase/(Decrease) in Debt	2,662	7,942	(5,280)	Reduced capital programme and deferral of projects
26,566	<b>Total Sources of Capital Funding</b>	15,309	21,889	(6,580)	
<b>Applications of Capital Funding</b>					
Capital Expenditure					
15,775	- to meet additional demand	13,788	14,472	(684)	
10,765	- to replace existing assets	8,958	10,487	(1,529)	Reduced capital programme and deferral of projects
14,505	- to improve the level of service	8,119	13,008	(4,889)	Reduced capital programme and deferral of projects
(1)	Increase/(Decrease) in Reserves	(2)	(4)	2	
-	Increase/(Decrease) of Investments	-	-	-	
41,044	<b>Total Applications of Capital Funding</b>	30,863	37,963	(7,100)	
<b>(14,478)</b>	<b>Surplus/(Deficit) of Capital Funding</b>	<b>(15,554)</b>	<b>(16,074)</b>	<b>520</b>	
-	<b>Funding Balance</b>	-	-	-	

## Reconciliation of Funding Impact Statement to Prospective Statement of Financial Performance

10 Year Plan 2012/13 \$000		Annual Plan 2013/14 \$000	10 Year Plan 2013/14 \$000	Variance \$
<b>INCOME</b>				
<b>Statement of Financial Performance:</b>				
<b>100,103</b>	<b>Total Operating Income</b>	<b>105,714</b>	<b>105,296</b>	<b>418</b>
<b>Funding Impact Statement:</b>				
77,486	Total Sources of Operating Funding	87,581	81,905	5,676
Plus Sources of Capital Funding:				
9,440	Grants & Subsidies for Capital expenditure	7,173	6,900	273
4,048	Development Contributions	5,474	7,047	(1,573)
-	- Gross Proceeds from Property Sales	-	-	-
-	- Less Cost of Property Sales	-	-	-
Plus Non Cash Items:				
9,129	Vested Assets	5,486	9,444	(3,958)
-	- Revaluation - Non Current Assets	-	-	-
<b>100,103</b>	<b>Total Income</b>	<b>105,714</b>	<b>105,296</b>	<b>418</b>
<b>EXPENDITURE</b>				
<b>Statement of Financial Performance:</b>				
<b>82,173</b>	<b>Total Operating Cost</b>	<b>92,693</b>	<b>86,757</b>	<b>5,936</b>
<b>Funding Impact Statement:</b>				
63,008	Total Applications of Operating Funding	72,027	65,831	6,196
Plus Non Cash Items:				
19,165	Depreciation	20,666	20,926	(260)
<b>82,173</b>	<b>Total Expenditure</b>	<b>92,693</b>	<b>86,757</b>	<b>5,936</b>

# Proposed Rates and Charges for 2013/14

The rating system used by Council is based on Capital Value. Property valuations produced by Quotable Value as at 1 September 2011 are to be used for the 2013/14 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 proposes to set a uniform annual general charge of \$57.00 on each separately used or inhabited part of every rating unit in the district.

The uniform annual general charge revenue (\$1,256,193) will be used to fund the costs associated with the following activities:

- Cemeteries.
- Community development and grants.
- Property including housing and Wanaka airport
- A general contribution to the promotion of the district.

## Sports, Halls & Libraries Annual Charge

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted annual charge of \$292.00 on each separately used or inhabited part of every rating unit with a residential component in the district:

1.	Residential	\$292.00
2.	Hydro Electric Power	\$0.00
3.	Vacant Sections	\$292.00
4.	Accommodation	\$0.00
5.	CBD Accommodation	\$0.00
6.	Commercial	\$0.00
7.	CBD Commercial	\$0.00
8.	Primary Industry	\$292.00
9.	Country Dwelling	\$292.00
10.	Other	\$0.00
11.	Mixed Use Apportioned	\$292.00

The targeted recreation charge revenue (\$5,472,173) 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 including sportsfields and community swimming pools (excludes Alpine Aqualand).

## Governance Rate

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

1.	Residential	0.000238 cents in the \$
2.	Hydro Electric Power	0.000119 cents in the \$
3.	Vacant Sections	0.000238 cents in the \$
4.	Accommodation	0.000238 cents in the \$
5.	CBD Accommodation	0.000238 cents in the \$
6.	Commercial	0.000238 cents in the \$
7.	CBD Commercial	0.000238 cents in the \$
8.	Primary Industry	0.000169 cents in the \$
9.	Country Dwelling	0.000238 cents in the \$
10.	Other	0.000238 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 governance rate revenue (\$3,793,493) will be used to fund 80% of the costs associated with the following activities:

- Cost of democratic functions including Council and standing committees
- Cost of communications and management of Council including corporate, financial and rating administration services.

## Regulatory Rate

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

:

1.	Residential	0.000315 cents in the \$
2.	Hydro Electric Power	0.000142 cents in the \$
3.	Vacant Sections	0.000315 cents in the \$
4.	Accommodation	0.000331 cents in the \$
5.	CBD Accommodation	0.000331 cents in the \$
6.	Commercial	0.000284 cents in the \$
7.	CBD Commercial	0.000284 cents in the \$
8.	Primary Industry	0.000205 cents in the \$
9.	Country Dwelling	0.000205 cents in the \$
10.	Other	0.000315 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 regulatory rate revenue (\$4,906,456) will be used to fund 80% of the costs associated with the following activities:

- Regulatory and advisory services relating to planning and resource management, the district plan, building control, dog control and health and liquor licensing.

## Governance & Regulatory Charge

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted Governance & Regulatory Charge on each separately used or inhabited part of every rating unit in the district as follows:

1.	Residential	\$85.00
2.	Hydro Electric Power	\$166.00
3.	Vacant Sections	\$85.00
4.	Accommodation	\$123.00
5.	CBD Accommodation	\$123.00
6.	Commercial	\$166.00
7.	CBD Commercial	\$166.00
8.	Primary Industry	\$213.00
9.	Country Dwelling	\$85.00
10.	Other	\$85.00
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 Governance & Regulatory Charge revenue (\$2,174,987) will be used to fund 20% of the costs associated with the following activities:

- Cost of democratic functions including Council and standing committees
- Cost of communications and management of Council including corporate, financial and rating administration services.
- Regulatory and advisory services relating to planning and resource management, the district plan, building control, dog control and health and liquor licensing.

## Recreation & Events Rate

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

:

1.	Residential	0.000191 cents in the \$
2.	Hydro Electric Power	0.000070 cents in the \$
3.	Vacant Sections	0.000191 cents in the \$
4.	Accommodation	0.000691 cents in the \$
5.	CBD Accommodation	0.000691 cents in the \$
6.	Commercial	0.000139 cents in the \$
7.	CBD Commercial	0.000139 cents in the \$
8.	Primary Industry	0.000025 cents in the \$
9.	Country Dwelling	0.000073 cents in the \$
10.	Other	0.000191 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 recreation and events rate revenue (\$3,192,311) will be used to fund 50% of the costs associated with the following activities:

- Passive recreation areas, gardens, walkways and reserves.
- The provision on public toilets.
- Provision of events and facilitation events.
- Contribution to the operating shortfall of Alpine Aqualand attributable to non residents

## Recreation & Events Charge

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a new targeted Recreation & Events Charge on each separately used or inhabited part of every rating unit in the district as follows:

1.	Residential	\$106.00
2.	Hydro Electric Power	\$177.00
3.	Vacant Sections	\$106.00
4.	Accommodation	\$572.00
5.	CBD Accommodation	\$572.00
6.	Commercial	\$177.00
7.	CBD Commercial	\$177.00
8.	Primary Industry	\$75.00
9.	Country Dwelling	\$75.00
10.	Other	\$106.00
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 recreation and events charge revenue (\$3,192,311) will be used to fund 50% of the costs associated with the following activities:

- Passive recreation areas, gardens, walkways and reserves.
- The provision on public toilets.
- Provision of events and facilitation events.
- Contribution to the operating shortfall of Alpine Aqualand attributable to non residents

## General Rate

Pursuant to Sections 13 and 14 of the Act, Council proposes 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	0.000069 cents in the \$
2.	Hydro Electric Power	0.000028 cents in the \$
3.	Vacant Sections	0.000069 cents in the \$
4.	Accommodation	0.000087 cents in the \$
5.	CBD Accommodation	0.000087 cents in the \$
6.	Commercial	0.000056 cents in the \$
7.	CBD Commercial	0.000056 cents in the \$
8.	Primary Industry	0.000080 cents in the \$
9.	Country Dwelling	0.000075 cents in the \$
10.	Other	0.000069 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 (\$1,176,757) will be used to fund the costs associated with the following activities:

- Provision of emergency services (civil defense & rural fire).
- Waste management including landfill establishment.
- Forestry including wilding pine control

## Roading Rate (Wanaka Ward)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes 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	0.000643 cents in the \$
2.	Hydro Electric Power	0.000161 cents in the \$
3.	Vacant Sections	0.000965 cents in the \$
4.	Accommodation	0.002411 cents in the \$
5.	CBD Accommodation	0.002411 cents in the \$
6.	Commercial	0.002411 cents in the \$
7.	CBD Commercial	0.002411 cents in the \$
8.	Primary Industry	0.000521 cents in the \$
9.	Country Dwelling	0.000656 cents in the \$
10.	Other	0.000643 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 (\$4,802,832) 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 proposes 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	0.000507 cents in the \$
2.	Hydro Electric Power	0.000127 cents in the \$
3.	Vacant Sections	0.000761 cents in the \$
4.	Accommodation	0.001901 cents in the \$
5.	CBD Accommodation	0.001901 cents in the \$
6.	Commercial	0.001901 cents in the \$
7.	CBD Commercial	0.001901 cents in the \$
8.	Primary Industry	0.000411 cents in the \$
9.	Country Dwelling	0.000517 cents in the \$
10.	Other	0.000507 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 (\$9,987,179) 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 proposes 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	0.000196 cents in the \$
2.	Vacant Sections	0.000196 cents in the \$
3.	Accommodation	0.000196 cents in the \$
4.	CBD Accommodation	0.000196 cents in the \$
5.	Commercial	0.000196 cents in the \$
6.	CBD Commercial	0.000196 cents in the \$
7.	Other	0.000196 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 (\$719,432) 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 proposes 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 (ii)	0.000099 cents in the \$
2.	Vacant Sections (ii)	0.000099 cents in the \$
3.	Accommodation	0.000099 cents in the \$
4.	CBD Accommodation	0.000099 cents in the \$
5.	Commercial	0.000099 cents in the \$
6.	CBD Commercial	0.000099 cents in the \$
7.	Other	0.000099 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.

Note (ii) Excludes property within the Jacks Point Special Zone.

The Wakatipu/Arrowtown stormwater rate revenue (\$830,866) 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 proposes 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	0.000977 cents in the \$
2.	CBD Accommodation	0.000977 cents in the \$
3.	Commercial	0.000977 cents in the \$
4.	CBD Commercial	0.000977 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 (\$693,807) 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 proposes 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	0.001255 cents in the \$
2.	CBD Accommodation	0.001255 cents in the \$
3.	Commercial	0.001255 cents in the \$
4.	CBD Commercial	0.001255 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 (\$3,579,396) 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 proposes 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	0.001304 cents in the \$
2.	CBD Accommodation	0.001304 cents in the \$
3.	Commercial	0.001304 cents in the \$
4.	CBD Commercial	0.001304 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 (\$123,549) will be used to fund the costs associated with financing the

- To finance promotional activities of the Arrowtown Promotion Association.

## Waste Management Charges

Pursuant to sections 16, 17 and 18 of the Act, Council proposes 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	\$126.00
2.	Hydro Electric Power	\$90.00
3.	Vacant Sections	\$90.00
4.	Accommodation	\$90.00
5.	CBD Accommodation	\$90.00
6.	Commercial	\$90.00
7.	CBD Commercial	\$90.00
8.	Primary Industry	\$126.00
9.	Country Dwelling	\$126.00
10.	Other	\$90.00
11.	Mixed Use Apportioned	\$126.00

The Waste Management Charge revenue (\$2,524,240) 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 proposes to set a targeted Aquatic Centre charge of \$97.00 on each separately used or inhabited part of every rating unit with a residential component in the Queenstown / Wakatipu and Arrowtown Wards:

1.	Residential	\$97.00
2.	Hydro Electric Power	\$0.00
3.	Vacant Sections	\$97.00
4.	Accommodation	\$0.00
5.	CBD Accommodation	\$0.00
6.	Commercial	\$0.00
7.	CBD Commercial	\$0.00
8.	Primary Industry	\$97.00
9.	Country Dwelling	\$97.00
10.	Other	\$0.00
11.	Mixed Use Apportioned	\$97.00

The Aquatic Centre Charge revenue (\$1,128,951) will be used to fund the costs associated with the following activities:

- To fund the operating shortfall of Alpine Aqualand attributable to residents

### Water Supply Rates

#### 1. Queenstown and District Water Supply, Arrowtown Water Supply and Wanaka Water Supply

Pursuant to sections 16, 17 and 18 of the Act, Council proposes 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:	\$250.00
Arrowtown water supply:	\$190.00
Wanaka and District water supply:	\$170.00

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	0.000312	0.000427	0.000294
2. Accommodation	0.000562	0.000769	0.000529
3. CBD Accommodation	0.000562	0.000769	0.000529
4. Commercial	0.000456	0.000623	0.000429
5. CBD Commercial	0.000456	0.000623	0.000429
6. Primary Industry	0.000231	0.000316	0.000218
7. Country Dwelling	0.000256	0.000350	0.000241
8. Other	0.000312	0.000427	0.000294
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 proposes 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 (\$)
Arthurs Point	610.00	305.00
Glenorchy	690.00	345.00
Hawea	354.00	177.00
Lake Hayes	576.00	288.00
Luggate	540.00	270.00

The Targeted Water Supply Rates revenue (\$8,069,008) 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 proposes to set a targeted water scheme loan rate of \$424.22 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 proposes to set a targeted water scheme loan rate of \$426.27 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 (\$28,832) 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 proposes 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 or 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 (\$)
Wanaka/Albert Town	500.00	250.00	250.00
Arrowtown	400.00	200.00	200.00
Arthurs Point	440.00	220.00	316.80
Hawea	540.00	270.00	270.00
Lake Hayes	310.00	165.00	165.00
Luggate	560.00	280.00	280.00
Queenstown	322.00	161.00	161.00

The Targeted Sewerage Rates revenue (\$7,321,671) will be used to fund the costs associated with providing public sewerage services to the above communities.

## Sewerage Scheme Loan Rates

### (i) Arthurs Point (East) Sewerage Area

Pursuant to sections 16, 17 and 18 of the Act, Council proposes 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 \$288.27, on the first pan or urinal, and \$207.55 for each subsequent pan or urinal.

### (ii) Lake Hayes Sewerage Area

Pursuant to sections 16, 17 and 18 of the Act, Council proposes 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 \$353.18, on the first pan or urinal, and \$176.59 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 (\$50,616) 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 proposes that the above rates and charges for the financial year commencing on the 1st day of July 2013 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	23 August 2013	27 September 2013
Instalment Two	18 October 2013	22 November 2013
Instalment Three	17 January 2014	21 February 2014
Instalment Four	18 April 2014	23 May 2014

## 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

Or by direct debit and internet banking.

### Additional Charges (Penalties)

Pursuant to Sections 24, 57 and 58 of the Act, Council proposes 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 28 September 2013, 23 November 2013, 22 February 2014 and 24 May 2014 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 2013.
- 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 2014.

### Indicative Rate Movements for 2013/14 - Lower Values

Property Type	CV	Location	Movement	
			%	\$
Residential	\$395,000	Queenstown	0.36%	\$7
Commercial	\$260,000	Queenstown	0.80%	\$18
Accommodation	\$440,000	Queenstown	2.03%	\$73
M/U Accommodation	\$445,000	Queenstown	0.91%	\$24
Vacant	\$175,000	Queenstown	0.95%	\$14
M/U Commercial	\$420,000	Queenstown	0.43%	\$10
Residential	\$465,000	Wanaka	-0.82%	-\$18
Commercial	\$440,000	Wanaka	0.02%	\$1
Accommodation	\$410,000	Wanaka	1.26%	\$47
M/U Accommodation	\$400,000	Wanaka	-0.10%	-\$3
Primary Industry	\$950,000	Wanaka	-0.60%	-\$10
Country Dwelling	\$720,000	Wanaka	-0.24%	-\$4
Vacant	\$190,000	Wanaka	-0.13%	\$2
M/U Commercial	\$360,000	Wanaka	-0.61%	-\$14
Residential	\$490,000	Arrowtown	-0.39%	-\$9
Commercial	\$380,000	Arrowtown	0.03%	\$1
Accommodation	\$325,000	Arrowtown	1.42%	\$45
M/U Accommodation	\$400,000	Arrowtown	0.17%	\$4
Vacant	\$215,000	Arrowtown	-0.21%	-\$3
M/U Commercial	\$500,000	Arrowtown	-0.24%	-\$6
Primary Industry	\$960,000	Wakatipu	-0.92%	-\$16
Country Dwelling	\$715,000	Wakatipu	-0.56%	-\$9
Residential	\$275,000	Glenorchy	0.44%	\$8
Residential	\$250,000	Albert town	-0.79%	-\$14
Residential	\$280,000	Hawea	1.28%	\$25
Residential	\$275,000	Kingston	-0.17%	-\$2
Residential	\$390,000	Arthur's Point	-1.71%	-\$41

## Indicative Rate Movements for 2013/14 - Median Values

Property Type	CV	Location	Movement	
			%	\$
Residential	\$626,918	Queenstown	0.38%	\$9
Commercial	\$1,167,853	Queenstown	0.66%	\$41
Accommodation	\$1,167,853	Queenstown	1.31%	\$108
M/U Accommodation	\$754,261	Queenstown	0.94%	\$32
Vacant	\$391,824	Queenstown	0.86%	\$15
M/U Commercial	\$754,261	Queenstown	0.46%	\$15
Residential	\$528,962	Wanaka	-0.82%	-\$20
Commercial	\$704,739	Wanaka	0.04%	\$2
Accommodation	\$704,739	Wanaka	0.85%	\$54
M/U Accommodation	\$587,736	Wanaka	-0.09%	-\$3
Primary Industry	\$3,262,479	Wanaka	-0.01%	-\$1
Country Dwelling	\$1,076,790	Wanaka	-0.11%	-\$2
Vacant	\$293,868	Wanaka	-0.05%	-\$1
M/U Commercial	\$587,736	Wanaka	-0.60%	-\$18
Residential	\$460,393	Arrowtown	-0.42%	-\$9
Commercial	\$1,107,447	Arrowtown	0.26%	\$16
Accommodation	\$1,107,447	Arrowtown	0.87%	\$75
M/U Accommodation	\$617,123	Arrowtown	0.33%	\$10
Vacant	\$244,890	Arrowtown	-0.19%	-\$3
M/U Commercial	\$617,123	Arrowtown	-0.16%	-\$5
Primary Industry	\$2,669,301	Wakatipu	-0.68%	-\$22
Country Dwelling	\$1,391,338	Wakatipu	-0.53%	-\$13
Residential	\$450,598	Glenorchy	0.45%	\$9
Residential	\$293,868	Albert town	-0.80%	-\$15
Residential	\$362,437	Hawea	1.21%	\$26
Residential	\$450,598	Kingston	-0.05%	-\$1
Residential	\$489,780	Arthur's Point	-1.59%	-\$40

## Indicative Rate Movements for 2013/14 - Higher Values

Property Type	CV	Location	Movement	
			%	\$
Residential	\$2,100,000	Queenstown	0.43%	\$21
Commercial	\$20,750,000	Queenstown	0.50%	\$499
Accommodation	\$40,500,000	Queenstown	0.81%	\$2,093
M/U Accommodation	\$2,675,000	Queenstown	0.99%	\$82
Vacant	\$640,000	Queenstown	0.78%	\$17
M/U Commercial	\$920,000	Queenstown	0.46%	\$17
Residential	\$1,200,000	Wanaka	-0.86%	-\$32
Commercial	\$7,250,000	Wanaka	-0.20%	-\$83
Accommodation	\$8,700,000	Wanaka	1.49%	\$855
M/U Accommodation	\$2,500,000	Wanaka	-0.06%	-\$5
Primary Industry	\$6,850,000	Wanaka	0.00%	\$0
Country Dwelling	\$2,000,000	Wanaka	0.06%	\$2
Vacant	\$800,000	Wanaka	0.17%	\$5
M/U Commercial	\$690,000	Wanaka	-0.59%	-\$19
Residential	\$1,175,000	Arrowtown	-0.06%	-\$2
Commercial	\$2,875,000	Arrowtown	0.21%	-\$32
Accommodation	\$1,100,000	Arrowtown	1.42%	\$100
M/U Accommodation	\$1,400,000	Arrowtown	0.59%	\$31
Vacant	\$550,000	Arrowtown	-0.03%	-\$1
M/U Commercial	\$690,000	Arrowtown	-0.12%	-\$4
Primary Industry	\$7,000,000	Wakatipu	-0.54%	-\$38
Country Dwelling	\$4,100,000	Wakatipu	-0.49%	-\$28
Residential	\$630,000	Glenorchy	0.45%	\$11
Residential	\$550,000	Albert town	-0.82%	-\$20
Residential	\$650,000	Hawea	1.05%	\$27
Residential	\$670,000	Kingston	0.05%	\$1
Residential	\$750,000	Arthur's Point	-0.81%	-\$19

## 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, 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; Lake Hayes Estate; Jacks Point; Peninsula Bay; and Meadow Park) as shown in the Queenstown Lakes District Council's District Plan, which are used exclusively for Residential purposes.

#### 10. Other

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

#### 11. Mixed Use Apportioned

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

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

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

These categories are used to differentiate the following rates:

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

## Targeted Rates Based on Location

The categories are:

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

These categories are used to differentiate the following targeted rates:

- roading rate, stormwater rate, tourism promotion rate.

## Targeted Rates Based on Availability of Service

The categories are:

### 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.

## Definition of “Separately Used or Inhabited Parts of a Rating Unit”

Where rates are calculated on each separately used or inhabited part of a rating unit, the following definition will apply:

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.



## 2013 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 2013 Annual Review process. These changes will apply to any application for resource consent, building consent or service connection lodged on or after 12 April 2013 and granted on or after 1 July 2013. For applications received prior to 12 April 2013, Council will apply the provisions of the pre-existing policies.

### Annual Calculation Updates:

- Updated 2011/12 capital expenditure with actual figures from 2012 Annual Report.
- Updated past capital expenditure to 2013 dollars.
- Inflated present and future capital expenditure to 2013 dollars.

### Annual Policy Reviews:

- Updated capital expenditure for the 2013/14 to 2021/22 financial years.
- Updated capital expenditure for the 2012/13 financial year based on the 2012/13 Budget (including carry-overs).
- Land Use Differentials have been reviewed and recalculated using the latest Gross Floor Area (GFA) information from Quotable Value Limited.

### New Category: Industrial

In the 2013 version of the Policy, Council will introduce a new "Industrial" differential category. The new category recognises that the demand on transportation for industrial uses is significantly different to other commercial activities. Previously, industrial developments were assessed within the commercial differential category.

The impact of the change is limited to the assessment of the transportation contributions. The proposed changes are highlighted in the table below:

	Dwelling Equivalents per 100m <sup>2</sup> GFA			
	2012	2012	2013	2013
	Wakatipu	Wanaka	Wakatipu	Wanaka
Commercial	1.68	2.19	2.08	2.76
Industrial	n/a	n/a	1.01	1.25

The objective of the change is to more fairly assess industrial developments by separating them from other commercial activities.

# 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. Council has withdrawn most of the provision relating to Financial Contributions from Section 15 of the District Plan.
- 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 Plan ("LTP"). 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 may be 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 has recently completed the process of removing parts of the Financial Contributions rules, policies and objectives under the provisions of Part 15 of the Queenstown Lakes District Plan. This has made Section 15 operative and Council can no longer impose Financial Contributions pursuant to Section 489 of the RMA.

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 shall in requiring contributions, clearly identify under what circumstances and upon which legislation (RMA 1991, LGA 2002) a contribution is required.

The following tables indicate:

- Where Financial and Development Contributions are to be sought such that no duplication of levy for the same effect/benefit will occur.
- How much is to be charged per dwelling equivalent for each asset type within each area.

#### **Changes to Assessment Policy 2012**

Council has revised the development contribution policy process to allow for the recalculation of unpaid development contributions. Before 2012, an assessment of contributions payable was made at the time the consent was issued and this assessment stood for the duration of a valid consent. Under revised policy, if development contributions are not paid within 24 months of a consent being issued contributions will be recalculated under the latest version of the policy.

Effectively this means that any Development Contribution Notice (DCN) is valid for 24 months from the time of issue:

- All DCN's issued after 1 July 2012 will be valid for 24 months from the date of issue and then recalculated for payment under the policy relevant at that time.

## 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 Arthurs Point Wanaka Albert Town Hawea Luggate	Queenstown Arrowtown Lake Hayes Arthurs Point Wanaka Albert Town Hawea	Queenstown Arrowtown Glenorchy Wanaka Albert Town Hawea Luggate Arthur's Point Lake Hayes Kingston	Queenstown Arrowtown Glenorchy Lake Hayes Arthurs Point Kingston Wanaka Albert Town Hawea Luggate Cardrona	Queenstown Arrowtown Glenorchy Lake Hayes Arthurs Point Kingston Wanaka Albert Town Hawea Luggate Cardrona	Queenstown Arrowtown Glenorchy Lake Hayes Arthurs 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 Arthurs 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
Rural General and other rural zonings.  Nil - Unless supplied by a scheme. Scheme charge to apply and any network extension costs	Rural General and other rural zonings.  Nil - Unless supplied by a scheme. Scheme charge to apply and any network extension costs.	Rural General and other rural zonings.  Nil - Unless supplied by a scheme. Scheme charge to apply and any network extension costs	Rural General and other rural zonings.  Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2006.	Rural General and other rural zonings.  Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2004.  Land, Money or Combination of Both	Rural General and other rural zonings.  Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2004.	Rural General and other rural zonings.  Development Contributions Assess and Collect development contributions as provided by Part 8, Subpart 5 and Schedule 13 of LGA 2002 from 1 July 2004.	Rural General and other rural zonings.  Financial Contributions Environmental Effects - Chapter 15 District Plan and variations i.e. Environmental Considerations.
Hawea Rural Residential Development Contributions Hawea development contributions payable	Hawea Rural Residential Development Contributions Hawea development contributions payable.	Hawea Rural Residential Development Contributions Hawea development contributions payable.					
Aubrey Road Rural Residential Development Contributions Wanaka development contributions payable.	Aubrey Road Rural Residential Development Contributions Wanaka development contributions payable.	Aubrey Road Rural Residential Development Contributions Wanaka development contributions payable.					

## Schedule of Development Contributions per Dwelling Equivalent Required by Contributing Area 2013/14 (Excluding GST)

Contributing Area	Water Supply (\$)	Wastewater (\$)	Stormwater (\$)	Transportation (\$)	Reserve Improvements * (\$)	Community Facilities (\$)	Total Cash Contribution (\$)	Reserve Land Contribution (\$ or Land)
<b>Urban Areas - Including All Land Uses</b>								
Queenstown	2,550	6,077	1,306	2,412	1,336	3,505	17,185	27.5m <sup>2</sup>
Arrowtown	5,597	7,991	758	2,412	1,336	3,505	21,598	27.5m <sup>2</sup>
Glenorchy	8,888	-	748	2,412	1,336	3,505	16,888	27.5m <sup>2</sup>
Lake Hayes	2,401	5,612	-	2,412	1,336	3,505	15,266	27.5m <sup>2</sup>
Arthurs Point	2,396	4,779	-	2,412	1,336	3,505	14,428	27.5m <sup>2</sup>
Kingston	-	-	-	2,412	1,336	3,505	7,253	
Wanaka	3,715	6,097	1,980	2,748	1,299	2,682	18,521	27.5m <sup>2</sup>
Hawea	6,932	6,074	539	2,748	1,299	2,682	20,276	27.5m <sup>2</sup>
Albert Town	3,715	6,097	1,037	2,748	1,299	2,682	17,579	27.5m <sup>2</sup>
Luggate	1,933	1,320	-	2,748	1,299	2,682	8,664	27.5m <sup>2</sup>
Other Wakatipu Townships	-	-	-	2,412	1,336	3,505	7,253	27.5m <sup>2</sup>
Other Wanaka Townships	-	-	-	2,748	1,299	2,682	6,730	27.5m <sup>2</sup>
<b>Rural Areas - Including all Rural Residential/Rural Life Style</b>								
Wakatipu Rural	-	-	-	2,412	1,336	3,505	7,253	27.5m <sup>2</sup>
Wanaka Rural	-	-	-	2,748	1,299	2,682	6,730	27.5m <sup>2</sup>
Hawea Rural Res.	6,932	6,074	539	2,748	1,299	2,682	20,276	27.5m <sup>2</sup>
Aubrey Road Rural Res.	3,715	6,097	1,980	2,748	1,299	2,682	18,521	27.5m <sup>2</sup>

\* Reserve Improvements contribution excludes requirement for 27.5m<sup>2</sup> reserve land contribution.

### Notes:

1. Development Contributions for water supply, wastewater, stormwater, reserves and community facilities have been assessed and will be collected using the LGA 2002 from 1 July 2004.
2. Transportation development contributions have been assessed and will be collected using the LGA 2002 from 1 July 2006.
3. Development contributions are triggered and may become payable on the granting of:
  - a. A Resource Consent.
  - b. A Building Consent.
  - c. An authorisation for a service connection.

As the sequence of development is not always consistent, development contributions shall be required at the first available opportunity. At each and every subsequent opportunity the development will be reviewed and additional contributions required if the units of demand assessed for the development exceed those previously paid for.

## Overview of Calculation Methodology

A brief introduction to the development contributions calculation method is presented herein. A full disclosure of the methodology and calculations is available from 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:

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

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

## CAPEX for Growth Apportionments

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

These are:

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

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 - Gabites 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 <sup>2</sup> GFA	Plus Network Factor Dwelling Equivalents	Dwelling Equivalents per 100m <sup>2</sup> GFA	Dwelling Equivalents per 100m <sup>2</sup> Impervious Surface Area	Dwelling Equivalents per 100m <sup>2</sup> GFA for Wakatipu	Dwelling Equivalents per 100m <sup>2</sup> GFA for Wanaka	Dwelling Equivalents per 100m <sup>2</sup> GFA for Wakatipu	Dwelling Equivalents per 100m <sup>2</sup> GFA for Wanaka	Dwelling Equivalents per 100m <sup>2</sup> GFA for Wakatipu	Dwelling Equivalents per 100m <sup>2</sup> GFA for Wanaka
Residential	1 Dwelling Equivalent (DE) per Dwelling Unit									
Residential Flat	0.37	0.40	0.62	0.38	0.62	0.62	0.62	0.62	0.62	0.62
Multi Unit Residential Accommodation	0.37	0.40	0.62	0.38	0.62	0.62	0.62	0.62	0.62	0.62
Commercial	0.25	1.30	0.50	0.38	0.81	0.96	0.81	0.96	1.26	1.86
Industrial	0.16	1.17	0.02	0.38	0.04	0.02	0.04	0.02	2.08	2.76
Country Dwelling	1 DE per Dwelling		1 DE per Dwelling	1 DE per Dwelling	1 DE per Dwelling		0.66 DE's per Dwelling		1.73 DE's per Dwelling	2.87 DE's per Dwelling
CBD Accommodation	0.25	1.30	0.50	0.38	0.81	0.96	0.81	0.96	1.26	1.86
CBD Commercial	0.16	1.17	0.02	0.38	0.04	0.02	0.04	0.02	2.08	2.76
Mixed Use Accommod.	1 DE per Dwelling		1 DE per Dwelling	0.38	0.70	0.65	0.70	0.65	0.95	1.04
Mixed Use Comm.	1 DE per Dwelling		1 DE per Dwelling	0.38	0.70	0.65	0.70	0.65	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		1.34 DE's per 27Ha	1.3 DE's per 41Ha
Restaurant/Bar	0.83	1.17	0.46	0.38	0.04	0.02	0.04	0.02	2.08	2.76

Note: A residential property is always 1 Dwelling Equivalent (DE) or has 160m<sup>2</sup> GFA and 260m<sup>2</sup> impervious surface area (ISA). Gross Floor Area (GFA) is defined, as in the 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 Accommodation	Assume 160m <sup>2</sup> per Dwelling Unit 55%	2
Commercial	75%	1
Industrial	30%	1
Country Dwelling	Assume 160m <sup>2</sup> Dwelling Unit	
CBD Accommodation	80%	2
CBD Commercial	80%	2
Mixed Use Accommodation	55%	1
Mixed Use Commercial	55%	1
Primary Industry	Assume 160m <sup>2</sup> 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 27.5m<sup>2</sup> 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 m<sup>2</sup> 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 4000m<sup>2</sup>, the market value of each lot shall be the market value of the rural residential site of 4000m<sup>2</sup> within that lot, being the most likely site for a building platform.
- The value of the land contribution per m<sup>2</sup>, in Rural Zones (except for Rural Visitor Zones) shall be the market value as defined in (e) above divided by 1000m<sup>2</sup>.

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 5m<sup>2</sup> per person or 12.5m<sup>2</sup> per residential dwelling will provide sufficient land for Local Reserves for the purposes described above in the future. For Neighbourhood Reserves the assessment is 6m<sup>2</sup> per person or 15m<sup>2</sup> per residential dwelling.

This contribution of 27.5m<sup>2</sup> 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 \$58.51m. This is based on the 27.5m<sup>2</sup> (12.5m<sup>2</sup> local reserves and 15m<sup>2</sup> 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 46% 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 \$26.96m for the 10 year period, which equates to an average annual value of \$2.39m for the Wakatipu Ward and \$0.26m for Wanaka. Council has not included any provision for specific reserve purchases within its LTP 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 LTP.

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 Long Term Plan (LTP) and this Policy rely on the same base data, the significant

forecasting assumptions disclosed in Volume 3 of the LTP 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 2013.
- Inflation is applied to past capital projects only.
- Interest costs have been assessed based on the weighted average cost of capital (WACC) over the first 10 year period from 1 July 2012. The cumulative net deficit between the contributions anticipated to be collected and the growth costs over the 10 year period are used to determine the proportion of the growth cost that will be funded by debt. A 6.5% interest rate has been applied.
- Capital expenditure projections are those that have been applied in the LTP effective at 1 July 2012 and subsequent Annual Plans. 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. 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 2011 using the latest Tourism Research Council projections and the results of the 2004/05 Peak Population Survey.

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 2011)
Queenstown	Growth Options Study 2004 (Updated 2011)
Arrowtown	Growth Options Study 2004 (Updated 2011)
Glenorchy	Growth Options Study 2004 (Updated 2011)
Lake Hayes	Growth Options Study 2004 (Updated 2011)
Arthurs Point	Growth Options Study 2004 (Updated 2011)
Wanaka Ward	Growth Options Study 2004 (Updated 2011)
Wanaka	Growth Options Study 2004 (Updated 2011)
Hawea	Growth Options Study 2004 (Updated 2011)
Albert Town	Growth Options Study 2004 (Updated 2011)
Luggate	Growth Options Study 2004 (Updated 2011)
Kingston	Growth Options Study 2004 (Updated 2011)

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 LTP, 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 development contributions are not paid within 24 months of a consent being issued contributions will be recalculated under the latest version of the policy.

Effectively this means that any Development Contribution Notice (DCN) is valid for 24 months from the time of issue:

- All DCN's issued after 1 July 2012 will be valid for 24 months from the date of issue and then recalculated for payment under the policy relevant at that time.

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 Study Period Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Queenstown</b>							
Reticulation	1,679,350	1,188,352	490,998	71%	2,995,607	3,579	837
Pump Station	1,053,669	399,046	654,624	38%	1,702,544	3,579	476
Decommissioning Works	0	0	0	0%	-	3,579	0
Unspecified Expenditure	0	0	0	0%	77,751	3,579	22
Storage	6,158,452	5,882,640	275,812	96%	2,848,677	3,579	796
New Scheme	0	0	0	0%	-	3,579	0
Intake	0	0	0	0%	928,177	3,579	259
Renewals	6,849,925	0	6,849,925	0%	-	3,579	0
Investigations	0	0	0	0%	-	3,579	0
Management	564,567	159,140	405,426	28%	121,377	3,579	34
Conveyance	0	0	0	0%	-	3,579	0
Emergency Conveyance	0	0	0	0%	-	3,579	0
Flow Metering	41,684	15,840	25,844	38%	103,871	3,579	29
Treatment Facility	861,300	267,689	593,611	31%	265,973	3,579	74
Forward Design	0	0	0	0%	-	3,579	0
Minor Works	0	0	0	0%	-	3,579	0
Asset Management System	0	0	0	0%	82,578	3,579	23
<b>Total Water Supply - Queenstown</b>	<b>17,208,948</b>	<b>7,912,708</b>	<b>9,296,240</b>	<b>46%</b>	<b>9,126,555</b>	<b>3,579</b>	<b>2,550</b>

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

Project Summaries	10 Year Study Period Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Arrowtown</b>							
Reticulation	166,711	18,338	148,373	11%	303,758	175	1,737
Pump Station	0	0	0	0%	5,524	175	32
Decommissioning Works	0	0	0	0%	-	175	0
Unspecified Expenditure	0	0	0	0%	72,435	175	414
Storage	653,400	0	653,400	0%	223,099	175	1,276
New Scheme	0	0	0	0%	-	175	0
Intake	0	0	0	0%	302,794	175	1,732
Renewals	2,331,863	0	2,331,863	0%	-	175	0
Investigations	0	0	0	0%	-	175	0
Management	163,486	13,274	150,212	8%	27,081	175	155
Conveyance	0	0	0	0%	-	175	0
Emergency Conveyance	0	0	0	0%	-	175	0
Flow Metering	0	0	0	0%	8,665	175	50
Treatment Facility	201,256	23,599	177,657	12%	20,096	175	115
Forward Design	0	0	0	0%	-	175	0
Minor Works	0	0	0	0%	136	175	1
Asset Management System	0	0	0	0%	14,952	175	86
<b>Total Water Supply - Arrowtown</b>	<b>3,516,716</b>	<b>55,211</b>	<b>3,461,505</b>	<b>2%</b>	<b>978,543</b>	<b>175</b>	<b>5,597</b>

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

Project Summaries	10 Year Study Period Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Glenorchy</b>							
Reticulation	132,313	59,033	73,280	45%	73,416	35	2,107
Pump Station	0	0	0	0%	1,824	35	52
Decommissioning Works	0	0	0	0%	-	35	0
Unspecified Expenditure	0	0	0	0%	12,269	35	352
Storage	619,507	266,546	352,962	43%	72,161	35	2,071
New Scheme	0	0	0	0%	123,226	35	3,537
Intake	56,169	13,994	42,175	25%	10,856	35	312
Renewals	132,276	0	132,276	0%	-	35	0
Investigations	0	0	0	0%	-	35	0
Management	12,290	1,701	10,589	14%	1,634	35	47
Conveyance	0	0	0	0%	-	35	0
Emergency Conveyance	0	0	0	0%	-	35	0
Flow Metering	0	0	0	0%	942	35	27
Treatment Facility	0	0	0	0%	119	35	3
Forward Design	0	0	0	0%	7,968	35	229
Minor Works	108,900	25,731	83,169	24%	4,982	35	143
Asset Management System	0	0	0	0%	253	35	7
<b>Total Water Supply - Glenorchy</b>	<b>1,061,455</b>	<b>367,004</b>	<b>694,451</b>	<b>35%</b>	<b>309,650</b>	<b>35</b>	<b>8,888</b>

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

Project Summaries	10 Year Study Period Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Lake Hayes</b>							
Reticulation	388,705	162,371	226,334	42%	138,351	104	1,334
Pump Station	0	0	0	0%	-	104	0
Decomissioning Works	0	0	0	0%	-	104	0
Unspecified Expenditure	0	0	0	0%	598	104	6
Storage	0	0	0	0%	16,884	104	163
New Scheme	0	0	0	0%	32,890	104	317
Intake	0	0	0	0%	-	104	0
Renewals	100,352	0	100,352	0%	-	104	0
Investigations	0	0	0	0%	-	104	0
Management	40,802	5,716	35,085	14%	3,654	104	35
Conveyance	0	0	0	0%	-	104	0
Emergency Conveyance	0	0	0	0%	-	104	0
Flow Metering	462,825	41,116	421,709	9%	20,853	104	201
Treatment Facility	0	0	0	0%	33,457	104	323
Forward Design	0	0	0	0%	-	104	0
Minor Works	0	0	0	0%	-	104	0
Asset Management System	0	0	0	0%	2,262	104	22
<b>Total Water Supply - Lake Hayes</b>	<b>992,683</b>	<b>209,203</b>	<b>783,480</b>	<b>21%</b>	<b>248,948</b>	<b>104</b>	<b>2,401</b>

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

Project Summaries	10 Year Study Period Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Arthurs Point</b>							
Reticulation	220,000	114,386	105,614	52%	323,762	451	718
Pump Station	0	0	0	0%	-	451	0
Decommissioning Works	0	0	0	0%	-	451	0
Unspecified Expenditure	0	0	0	0%	30,378	451	67
Storage	0	0	0	0%	416	451	1
New Scheme	0	0	0	0%	431,983	451	957
Intake	1,297,466	753,932	543,534	58%	210,428	451	466
Renewals	298,847	0	298,847	0%	3,483	451	8
Investigations	0	0	0	0%	-	451	0
Management	41,105	17,580	23,525	43%	12,096	451	27
Conveyance	0	0	0	0%	-	451	0
Emergency Conveyance	0	0	0	0%	-	451	0
Flow Metering	0	0	0	0%	-	451	0
Treatment Facility	208,421	134,181	74,240	64%	37,298	451	83
Forward Design	0	0	0	0%	-	451	0
Minor Works	60,000	31,196	28,804	52%	20,033	451	44
Asset Management System	0	0	0	0%	11,089	451	25
<b>Total Water Supply - Arthurs Point</b>	<b>2,125,838</b>	<b>1,051,275</b>	<b>1,074,563</b>	<b>49%</b>	<b>1,080,967</b>	<b>451</b>	<b>2,396</b>

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

Project Summaries	10 Year Study Period Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Wanaka / Albert Town</b>							
Reticulation	6,537,899	3,138,844	3,399,055	48%	1,952,648	1,588	1,230
Pump Station	353,599	72,938	280,661	21%	148,608	1,588	94
Decomissioning Works	0	0	0	0%	-	1,588	0
Unspecified Expenditure	0	0	0	0%	108,301	1,588	68
Storage	3,009,260	2,496,646	512,614	83%	3,124,811	1,588	1,968
New Scheme	0	0	0	0%	-	1,588	0
Intake	448,320	223,874	224,446	50%	137,289	1,588	86
Renewals	4,008,015	0	4,008,015	0%	-	1,588	0
Investigations	0	0	0	0%	8	1,588	0
Management	332,437	70,549	261,888	21%	51,208	1,588	32
Conveyance	0	0	0	0%	-	1,588	0
Emergency Conveyance	0	0	0	0%	-	1,588	0
Flow Metering	31,263	11,255	20,008	36%	33,942	1,588	21
Treatment Facility	4,849,392	1,131,690	3,717,702	23%	259,522	1,588	163
Forward Design	0	0	0	0%	74,233	1,588	47
Minor Works	0	0	0	0%	591	1,588	0
Asset Management System	0	0	0	0%	9,145	1,588	6
<b>Total Water Supply - Wanaka/Albert Town</b>	<b>19,570,185</b>	<b>7,145,795</b>	<b>12,424,390</b>	<b>37%</b>	<b>5,900,306</b>	<b>1,588</b>	<b>3,715</b>

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

Project Summaries	10 Year Study Period Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Hawea</b>							
Reticulation	0	0	0	0%	249,883	78	3,205
Pump Station	0	0	0	0%	14	78	0
Decommissioning Works	0	0	0	0%	-	78	0
Unspecified Expenditure	0	0	0	0%	5,423	78	70
Storage	114,111	21,284	92,826	19%	13,095	78	168
New Scheme	0	0	0	0%	24,851	78	319
Intake	1,726,650	794,581	932,069	46%	199,835	78	2,563
Renewals	97,570	0	97,570	0%	-	78	0
Investigations	0	0	0	0%	-	78	0
Management	30,834	3,972	26,862	13%	3,668	78	47
Conveyance	0	0	0	0%	-	78	0
Emergency Conveyance	0	0	0	0%	-	78	0
Flow Metering	0	0	0	0%	10,142	78	130
Treatment Facility	191,226	89,989	101,237	47%	32,143	78	412
Forward Design	0	0	0	0%	-	78	0
Minor Works	0	0	0	0%	1,187	78	15
Asset Management System	0	0	0	0%	221	78	3
<b>Total Water Supply - Hawea</b>	<b>2,160,390</b>	<b>909,826</b>	<b>1,250,564</b>	<b>42%</b>	<b>540,462</b>	<b>78</b>	<b>6,932</b>

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

Project Summaries	10 Year Study Period Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Luggate</b>							
Reticulation	41,448	7,699	33,749	19%	6,054	42	145
Pump Station	0	0	0	0%	-	42	0
Decomissioning Works	0	0	0	0%	-	42	0
Unspecified Expenditure	0	0	0	0%	-	42	0
Storage	0	0	0	0%	2,576	42	62
New Scheme	0	0	0	0%	-	42	0
Intake	54,450	15,719	38,731	29%	11,150	42	267
Renewals	153,376	0	153,376	0%	-	42	0
Investigations	0	0	0	0%	-	42	0
Management	15,449	2,808	12,641	18%	4,026	42	96
Conveyance	0	0	0	0%	-	42	0
Emergency Conveyance	0	0	0	0%	-	42	0
Flow Metering	4,339	1,692	2,647	39%	8,645	42	207
Treatment Facility	352,936	147,297	205,639	42%	48,266	42	1,156
Forward Design	0	0	0	0%	-	42	0
Minor Works	0	0	0	0%	6	42	0
Asset Management System	0	0	0	0%	-	42	0
<b>Total Water Supply - Luggate</b>	<b>621,998</b>	<b>175,215</b>	<b>446,783</b>	<b>28%</b>	<b>80,723</b>	<b>42</b>	<b>1,933</b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Debt Balance (2013/14 \$)	Annual Debt %
<b>Queenstown</b>									
Queenstown							Existing Debt	<b>4,907,625</b>	
Queenstown	2012/13	3,798,409	818,641	818,641	330	841,876	841,876	4,884,390	85%
Queenstown	2013/14	787,390	179,158	997,798	330	841,876	1,683,752	4,221,672	71%
Queenstown	2014/15	1,519,150	284,831	1,282,630	330	841,876	2,525,627	3,664,627	59%
Queenstown	2015/16	955,521	245,288	1,527,918	330	841,876	3,367,503	3,068,040	48%
Queenstown	2016/17	570,755	-	1,527,918	378	963,235	4,330,738	2,104,805	33%
Queenstown	2017/18	2,851,844	2,178,000	3,705,918	378	963,235	5,293,973	3,319,570	39%
Queenstown	2018/19	4,251,880	3,771,190	7,477,108	378	963,235	6,257,209	6,127,524	49%
Queenstown	2019/20	707,850	-	7,477,108	378	963,235	7,220,444	5,164,289	42%
Queenstown	2020/21	1,143,450	435,600	7,912,708	378	963,235	8,183,679	4,636,654	36%
Queenstown	2021/22	980,100	-	7,912,708	370	942,876	9,126,555	3,693,777	29%
			<b>7,912,708</b>		<b>3,579</b>				<b>Queenstown Weighted Debt Funding Ratio 51%</b>
<b>Arrowtown</b>									
Arrowtown							Existing Debt	<b>1,914,170</b>	
Arrowtown	2012/13	301,596	11,261	11,261	33	183,477	183,477	1,741,954	90%
Arrowtown	2013/14	281,256	23,599	34,860	33	183,477	366,954	1,582,077	81%
Arrowtown	2014/15	327,341	20,351	55,211	33	183,477	550,430	1,418,950	72%
Arrowtown	2015/16	813,211	-	55,211	33	183,477	733,907	1,235,474	63%
Arrowtown	2016/17	159,811	-	55,211	7	40,794	774,701	1,194,680	61%
Arrowtown	2017/18	326,700	-	55,211	7	40,794	815,494	1,153,887	59%
Arrowtown	2018/19	326,700	-	55,211	7	40,794	856,288	1,113,093	57%
Arrowtown	2019/20	326,700	-	55,211	7	40,794	897,082	1,072,299	54%
Arrowtown	2020/21	326,700	-	55,211	7	40,794	937,875	1,031,506	52%
Arrowtown	2021/22	326,700	-	55,211	7	40,668	978,543	990,838	50%
			<b>55,211</b>		<b>175</b>				<b>Arrowtown Weighted Debt Funding Ratio 66%</b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Debt Balance (2013/14 \$)	Annual Debt %
<b>Glenorchy</b>									
Glenorchy							Existing Debt	<b>269,819</b>	
Glenorchy	2012/13	272,281	98,164	98,164	3	27,677	27,677	340,306	92%
Glenorchy	2013/14	19,000	-	98,164	3	27,677	55,354	312,629	85%
Glenorchy	2014/15	586,092	243,110	341,274	3	27,677	83,031	528,062	86%
Glenorchy	2015/16	11,586	-	341,274	3	27,677	110,708	500,385	82%
Glenorchy	2016/17	14,557	-	341,274	4	32,335	143,043	468,050	77%
Glenorchy	2017/18	16,260	-	341,274	4	32,335	175,378	435,714	71%
Glenorchy	2018/19	16,444	-	341,274	4	32,335	207,714	403,379	66%
Glenorchy	2019/20	114,345	25,731	367,004	4	32,335	240,049	396,775	62%
Glenorchy	2020/21	5,445	-	367,004	4	32,335	272,384	364,439	57%
Glenorchy	2021/22	5,445	-	367,004	4	37,266	309,650	327,174	51%
			<b>367,004</b>		<b>35</b>	<b>Glenorchy Weighted Debt Funding Ratio</b>			<b>74%</b>
<b>Lake Hayes</b>									
Lake Hayes							Existing Debt	<b>0</b>	
Lake Hayes	2012/13	64,286	7,179	7,179	9	20,415	20,415	-13,236	-184%
Lake Hayes	2013/14	16,000	-	7,179	9	20,415	40,830	-33,651	-469%
Lake Hayes	2014/15	587,875	202,024	209,203	9	20,415	61,245	147,958	71%
Lake Hayes	2015/16	289,674	-	209,203	9	20,415	81,660	127,543	61%
Lake Hayes	2016/17	-	-	209,203	11	27,034	108,694	100,509	48%
Lake Hayes	2017/18	-	-	209,203	11	27,034	135,728	73,475	35%
Lake Hayes	2018/19	17,424	-	209,203	11	27,034	162,762	46,441	22%
Lake Hayes	2019/20	-	-	209,203	11	27,034	189,796	19,407	9%
Lake Hayes	2020/21	17,424	-	209,203	11	27,034	216,830	-7,627	-4%
Lake Hayes	2021/22	-	-	209,203	13	32,117	248,948	-39,745	-19%
			<b>209,203</b>		<b>104</b>	<b>Lake Hayes Weighted Debt Funding Ratio</b>			<b>13%</b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Debt Balance (2013/14 \$)	Annual Debt %
<b>Arthurs Point</b>									
Arthurs Point							Existing Debt	<b>0</b>	
Arthurs Point	2012/13	96,008	43,642	43,642	39	92,731	92,731	-49,089	-112%
Arthurs Point	2013/14	224,921	134,181	177,823	39	92,731	185,462	-7,639	-4%
Arthurs Point	2014/15	310,284	153,067	330,890	39	92,731	278,193	52,697	16%
Arthurs Point	2015/16	95,281	50,320	381,210	39	92,731	370,924	10,286	3%
Arthurs Point	2016/17	17,123	-	381,210	48	114,186	485,110	-103,900	-27%
Arthurs Point	2017/18	17,123	-	381,210	48	114,186	599,297	-218,086	-57%
Arthurs Point	2018/19	1,184,325	670,065	1,051,275	48	114,186	713,483	337,793	32%
Arthurs Point	2019/20	17,424	-	1,051,275	48	114,186	827,669	223,607	21%
Arthurs Point	2020/21	81,675	-	1,051,275	48	114,186	941,855	109,420	10%
Arthurs Point	2021/22	81,675	-	1,051,275	58	139,112	1,080,967	-29,692	-3%
			<b>1,051,275</b>		<b>451</b>	<b>Arthurs Point Weighted Debt Funding Ratio</b>			<b>0%</b>
<b>Wanaka &amp; Albert Town</b>									
Wanaka							Existing Debt	<b>0</b>	
Wanaka	2012/13	2,164,558	599,562	599,562	163	605,296	605,296	-5,734	-1%
Wanaka	2013/14	1,182,799	550,753	1,150,316	163	605,296	1,210,592	-60,276	-5%
Wanaka	2014/15	1,740,276	298,784	1,449,100	163	605,296	1,815,888	-366,788	-25%
Wanaka	2015/16	1,947,862	912,516	2,361,616	163	605,296	2,421,184	-59,569	-3%
Wanaka	2016/17	410,547	-	2,361,616	157	584,352	3,005,537	-643,921	-27%
Wanaka	2017/18	304,687	7,926	2,369,541	157	584,352	3,589,889	-1,220,348	-52%
Wanaka	2018/19	792,595	114,205	2,483,746	157	584,352	4,174,241	-1,690,495	-68%
Wanaka	2019/20	3,408,651	1,120,498	3,604,244	157	584,352	4,758,594	-1,154,350	-32%
Wanaka	2020/21	3,876,689	1,548,394	5,152,638	157	584,352	5,342,946	-190,308	-4%
Wanaka	2021/22	3,741,520	1,993,157	7,145,795	150	557,359	5,900,306	1,245,490	17%
			<b>7,145,795</b>		<b>1,588</b>	<b>Wanaka &amp; Albert Town Weighted Debt Funding Ratio</b>			<b>0%</b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Debt Balance (2013/14 \$)	Annual Debt %
<b>Hawea</b>									
Hawea							Existing Debt	<b>391,768</b>	
Hawea	2012/13	724,804	324,684	324,684	7	51,241	51,241	665,211	93%
Hawea	2013/14	1,032,800	479,447	804,131	7	51,241	102,482	1,093,418	91%
Hawea	2014/15	129,486	21,178	825,310	7	51,241	153,723	1,063,355	87%
Hawea	2015/16	5,708	-	825,310	7	51,241	204,963	1,012,114	83%
Hawea	2016/17	5,708	-	825,310	9	60,431	265,394	951,684	78%
Hawea	2017/18	5,708	-	825,310	9	60,431	325,825	891,253	73%
Hawea	2018/19	5,708	-	825,310	9	60,431	386,255	830,822	68%
Hawea	2019/20	228,690	84,517	909,826	9	60,431	446,686	854,908	66%
Hawea	2020/21	10,890	-	909,826	9	60,431	507,117	794,478	61%
Hawea	2021/22	10,890	-	909,826	5	33,345	540,462	761,133	58%
			<b>909,826</b>		<b>78</b>		<b>Hawea Weighted Debt Funding Ratio</b>		<b>77%</b>
<b>Luggate</b>									
Luggate							Existing Debt	<b>0</b>	
Luggate	2012/13	208,336	49,270	49,270	4	8,634	8,634	40,636	82%
Luggate	2013/14	18,000	-	49,270	4	8,634	17,268	32,002	65%
Luggate	2014/15	19,670	654	49,924	4	8,634	25,902	24,022	48%
Luggate	2015/16	290,957	125,291	175,215	4	8,634	34,536	140,679	80%
Luggate	2016/17	14,251	-	175,215	4	7,698	42,234	132,981	76%
Luggate	2017/18	14,157	-	175,215	4	7,698	49,932	125,283	72%
Luggate	2018/19	14,157	-	175,215	4	7,698	57,630	117,585	67%
Luggate	2019/20	14,157	-	175,215	4	7,698	65,327	109,888	63%
Luggate	2020/21	14,157	-	175,215	4	7,698	73,025	102,190	58%
Luggate	2021/22	14,157	-	175,215	4	7,698	80,723	94,492	54%
			<b>175,215</b>		<b>42</b>		<b>Luggate Weighted Debt Funding Ratio</b>		<b>68%</b>

## Wastewater Capital Expenditure for Development Contributions (excluding GST)

Project Summaries	10 Year Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Queenstown</b>							
Asset Management System	0	0	0	0%	-	2,887	0
Investigations	0	0	0	0%	2,808	2,887	1
Management	405,972	132,179	273,794	33%	201,658	2,887	70
Minor Works	0	0	0	0%	-	2,887	0
New Scheme	0	0	0	0%	-	2,887	0
Pump Station	7,743,982	5,881,326	1,862,656	76%	4,063,572	2,887	1,408
Renewals	5,321,422	0	5,321,422	0%	372	2,887	0
Reticulation	8,530,990	5,978,872	2,552,119	70%	6,003,626	2,887	2,080
Storage	228,690	28,549	200,141	12%	31,561	2,887	11
Treatment Facility	31,062,555	9,128,291	21,934,264	29%	6,592,752	2,887	2,284
Unspecified Expenditure	0	0	0	0%	646,598	2,887	224
<b>Total Wastewater - Queenstown</b>	<b>53,293,611</b>	<b>21,149,216</b>	<b>32,144,395</b>	<b>40%</b>	<b>17,542,947</b>		<b>6,077</b>
<b>Arrowtown</b>							
Asset Management System	0	0	0	0%	-	153	0
Investigations	0	0	0	0%	-	153	0
Management	47,517	5,118	42,399	11%	29,879	153	195
Minor Works	0	0	0	0%	-	153	0
New Scheme	0	0	0	0%	-	153	0
Pump Station	20,842	3,416	17,426	16%	166,514	153	1,088
Renewals	1,578,406	0	1,578,406	0%	5,103	153	33
Reticulation	0	0	0	0%	654,217	153	4,276
Storage	0	0	0	0%	-	153	0
Treatment Facility	3,457,676	359,438	3,098,238	10%	360,396	153	2,355
Unspecified Expenditure	0	0	0	0%	6,493	153	42
<b>Total Wastewater - Arrowtown</b>	<b>5,104,440</b>	<b>367,972</b>	<b>4,736,468</b>	<b>7%</b>	<b>1,222,604</b>		<b>7,991</b>

## Wastewater Capital Expenditure for Development Contributions (excluding GST) cont...

Project Summaries	10 Year Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Lake Hayes</b>							
Asset Management System	0	0	0	0%	-	86	0
Investigations	0	0	0	0%	-	86	0
Management	21,951	3,571	18,381	16%	2,188	86	25
Minor Works	0	0	0	0%	-	86	0
New Scheme	0	0	0	0%	-	86	0
Pump Station	119,790	35,815	83,975	30%	39,734	86	462
Renewals	1,008,353	0	1,008,353	0%	-	86	0
Reticulation	0	0	0	0%	295,785	86	3,437
Storage	0	0	0	0%	-	86	0
Treatment Facility	1,704,310	311,622	1,392,688	18%	145,289	86	1,688
Unspecified Expenditure	0	0	0	0%	-	86	0
<b>Total Wastewater - Lake Hayes</b>	<b>2,854,404</b>	<b>351,007</b>	<b>2,503,397</b>	<b>12%</b>	<b>482,997</b>		<b>5,612</b>
<b>Arthurs Point</b>							
Asset Management System	0	0	0	0%	-	230	0
Investigations	0	0	0	0%	-	230	0
Management	24,802	10,834	13,968	44%	11,027	230	48
Minor Works	0	0	0	0%	-	230	0
New Scheme	0	0	0	0%	159,740	230	695
Pump Station	81,675	51,552	30,123	63%	14,670	230	64
Renewals	196,544	0	196,544	0%	-	230	0
Reticulation	0	0	0	0%	544,947	230	2,370
Storage	0	0	0	0%	-	230	0
Treatment Facility	1,799,044	713,802	1,085,242	40%	348,925	230	1,517
Unspecified Expenditure	0	0	0	0%	19,698	230	86
<b>Total Wastewater - Arthurs Point</b>	<b>2,102,065</b>	<b>776,188</b>	<b>1,325,877</b>	<b>37%</b>	<b>1,099,007</b>		<b>4,779</b>

## Wastewater Capital Expenditure for Development Contributions (excluding GST) cont...

Project Summaries	10 Year Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Wanaka (Incl Albert Town)</b>							
Asset Management System	0	0	0	0%	-	1,296	0
Investigations	0	0	0	0%	1,226	1,296	1
Management	202,331	43,724	158,608	22%	47,023	1,296	36
Minor Works	0	0	0	0%	-	1,296	0
New Scheme	0	0	0	0%	-	1,296	0
Pump Station	682,765	543,231	139,533	80%	897,771	1,296	693
Renewals	1,896,921	0	1,896,921	0%	1,963	1,296	2
Reticulation	2,146,694	875,201	1,271,494	41%	967,628	1,296	747
Storage	0	0	0	0%	-	1,296	0
Treatment Facility	53,043	21,780	31,263	41%	5,881,636	1,296	4,538
Unspecified Expenditure	0	0	0	0%	105,098	1,296	81
<b>Total Wastewater - Wanaka</b>	<b>4,981,754</b>	<b>1,483,936</b>	<b>3,497,819</b>	<b>30%</b>	<b>7,902,345</b>		<b>6,097</b>
<b>Hawea</b>							
Asset Management System	0	0	0	0%	-	71	0
Investigations	0	0	0	0%	-	71	0
Management	18,571	2,770	15,801	15%	2,561	71	36
Minor Works	0	0	0	0%	-	71	0
New Scheme	0	0	0	0%	-	71	0
Pump Station	138,490	15,559	122,931	11%	140,149	71	1,971
Renewals	442,651	0	442,651	0%	-	71	0
Reticulation	0	0	0	0%	121,680	71	1,711
Storage	0	0	0	0%	-	71	0
Treatment Facility	523,397	67,347	456,051	13%	156,857	71	2,206
Unspecified Expenditure	0	0	0	0%	10,750	71	151
<b>Total Wastewater - Hawea</b>	<b>1,123,110</b>	<b>85,676</b>	<b>1,037,434</b>	<b>8%</b>	<b>431,997</b>		<b>6,074</b>

## Wastewater Capital Expenditure for Development Contributions (excluding GST) cont...

Project Summaries	10 Year Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Luggate</b>							
Asset Management System	0	0	0	0%	-	159	0
Investigations	199,868	199,868	0	100%	203,580	159	1,284
Management	7,643	4,150	3,493	54%	5,740	159	36
Minor Works	0	0	0	0%	-	159	0
New Scheme	0	0	0	0%	-	159	0
Pump Station	0	0	0	0%	-	159	0
Renewals	261,855	0	261,855	0%	-	159	0
Reticulation	0	0	0	0%	-	159	0
Storage	0	0	0	0%	-	159	0
Treatment Facility	0	0	0	0%	-	159	0
Unspecified Expenditure	0	0	0	0%	-	159	0
<b>Total Wastewater - Hawea</b>	<b>469,367</b>	<b>204,019</b>	<b>265,348</b>	<b>43%</b>	<b>209,319</b>		<b>1,320</b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Debt Balance (2013/14 \$)	Annual Debt %
<b>Queenstown</b>									
Queenstown							Existing Debt	<b>8,800,011</b>	
Queenstown	2012/13	6,895,451	2,661,838	2,661,838	260	1,578,301	1,578,301	9,883,548	86%
Queenstown	2013/14	1,797,431	865,087	3,526,925	260	1,578,301	3,156,603	9,170,333	74%
Queenstown	2014/15	13,951,061	2,971,699	6,498,624	260	1,578,301	4,734,904	10,563,730	69%
Queenstown	2015/16	7,910,145	3,433,828	9,932,451	260	1,578,301	6,313,206	12,419,257	66%
Queenstown	2016/17	3,140,968	1,468,739	11,401,190	309	1,878,951	8,192,157	12,009,044	59%
Queenstown	2017/18	8,813,692	5,691,726	17,092,916	309	1,878,951	10,071,108	15,821,819	61%
Queenstown	2018/19	4,254,089	3,060,940	20,153,857	309	1,878,951	11,950,060	17,003,808	59%
Queenstown	2019/20	381,150	-	20,153,857	309	1,878,951	13,829,011	15,124,856	52%
Queenstown	2020/21	381,150	-	20,153,857	309	1,878,951	15,707,962	13,245,905	46%
Queenstown	2021/22	5,768,473	995,359	21,149,216	302	1,834,985	17,542,947	12,406,280	41%
			<b>21,149,216</b>		<b>2,887</b>		<b>Queenstown Weighted Debt Funding Ratio</b>		<b>60%</b>
<b>Arrowtown</b>									
Arrowtown							Existing Debt	<b>1,271,944</b>	
Arrowtown	2012/13	764,966	83,965	83,965	30	239,243	239,243	1,116,666	82%
Arrowtown	2013/14	161,838	22,152	106,117	30	239,243	478,487	899,575	65%
Arrowtown	2014/15	1,662,206	56,366	162,484	30	239,243	717,730	716,698	50%
Arrowtown	2015/16	896,188	184,323	346,807	30	239,243	956,974	661,777	41%
Arrowtown	2016/17	278,557	-	346,807	6	44,267	1,001,240	617,511	38%
Arrowtown	2017/18	171,226	-	346,807	6	44,267	1,045,507	573,244	35%
Arrowtown	2018/19	260,068	-	346,807	6	44,267	1,089,773	528,978	33%
Arrowtown	2019/20	108,900	-	346,807	6	44,267	1,134,040	484,711	30%
Arrowtown	2020/21	108,900	-	346,807	6	44,267	1,178,306	440,445	27%
Arrowtown	2021/22	691,591	21,165	367,972	6	44,298	1,222,604	417,312	25%
			<b>367,972</b>		<b>153</b>		<b>Arrowtown Weighted Debt Funding Ratio</b>		<b>48%</b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Debt Balance (2013/14 \$)	Annual Debt %
<b>Glenorchy</b>									
Glenorchy							Existing Debt	<b>179,746</b>	
Glenorchy	2012/13	58,360	21,316	21,316	2	15,136	15,136	185,926	92%
Glenorchy	2013/14	-	-	21,316	2	15,136	30,272	170,790	85%
Glenorchy	2014/15	2,813,796	1,027,727	1,049,042	2	15,136	45,408	1,183,381	96%
Glenorchy	2015/16	-	-	1,049,042	2	15,136	60,544	1,168,245	95%
Glenorchy	2016/17	-	-	1,049,042	2	21,091	81,635	1,147,154	93%
Glenorchy	2017/18	-	-	1,049,042	2	21,091	102,725	1,126,063	92%
Glenorchy	2018/19	-	-	1,049,042	2	21,091	123,816	1,104,972	90%
Glenorchy	2019/20	-	-	1,049,042	2	21,091	144,907	1,083,881	88%
Glenorchy	2020/21	-	-	1,049,042	2	21,091	165,998	1,062,790	86%
Glenorchy	2021/22	-	-	1,049,042	3	27,175	193,173	1,035,615	84%
			<b>1,049,042</b>		<b>20</b>		<b>Glenorchy Weighted Debt Funding Ratio</b>		<b>91%</b>
<b>Lake Hayes</b>									
Lake Hayes	2012/13	334,973	55,282	55,282	7	39,450	39,450	15,832	29%
Lake Hayes	2013/14	82,861	12,991	68,273	7	39,450	78,900	-10,627	-16%
Lake Hayes	2014/15	814,684	100,903	169,175	7	39,450	118,350	50,825	30%
Lake Hayes	2015/16	567,170	143,909	313,085	7	39,450	157,800	155,285	50%
Lake Hayes	2016/17	220,905	-	313,085	9	52,525	210,325	102,759	33%
Lake Hayes	2017/18	151,526	-	313,085	9	52,525	262,851	50,234	16%
Lake Hayes	2018/19	134,649	-	313,085	9	52,525	315,376	-2,291	-1%
Lake Hayes	2019/20	81,675	-	313,085	9	52,525	367,902	-54,817	-18%
Lake Hayes	2020/21	81,675	-	313,085	9	52,525	420,427	-107,342	-34%
Lake Hayes	2021/22	384,285	37,923	351,007	11	62,570	482,997	-131,989	-38%
			<b>351,007</b>		<b>86</b>		<b>Lake Hayes Debt Funding Ratio</b>		<b>6%</b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Debt Balance (2013/14 \$)	Annual Debt %
Arthurs Point	2012/13	337,388	163,910	163,910	20	94,495	94,495	69,415	42%
Arthurs Point	2013/14	62,098	28,915	192,824	20	94,495	188,990	3,834	2%
Arthurs Point	2014/15	797,534	257,435	450,260	20	94,495	283,485	166,775	37%
Arthurs Point	2015/16	455,273	240,590	690,850	20	94,495	377,980	312,870	45%
Arthurs Point	2016/17	21,780	-	690,850	24	116,076	494,057	196,793	28%
Arthurs Point	2017/18	21,780	-	690,850	24	116,076	610,133	80,717	12%
Arthurs Point	2018/19	21,780	-	690,850	24	116,076	726,209	-35,360	-5%
Arthurs Point	2019/20	21,780	-	690,850	24	116,076	842,286	-151,436	-22%
Arthurs Point	2020/21	21,780	-	690,850	24	116,076	958,362	-267,513	-39%
Arthurs Point	2021/22	340,872	85,339	776,188	29	140,645	1,099,007	-322,819	-42%
			<b>776,188</b>		<b>230</b>	<b>Arthurs Point Debt Funding Ratio</b>			<b>2%</b>
<b>Wanaka And Albert Town</b>									
Wanaka								<b>7,252,481</b>	
Wanaka	2012/13	740,738	124,453	124,453	134	814,761	814,761	6,562,172	89%
Wanaka	2013/14	260,000	-	124,453	134	814,761	1,629,523	5,747,411	78%
Wanaka	2014/15	559,602	80,325	204,778	134	814,761	2,444,284	5,012,974	67%
Wanaka	2015/16	571,743	444,941	649,718	134	814,761	3,259,046	4,643,154	59%
Wanaka	2016/17	93,012	8,570	658,288	128	781,116	4,040,162	3,870,607	49%
Wanaka	2017/18	539,406	81,922	740,210	128	781,116	4,821,279	3,171,413	40%
Wanaka	2018/19	176,803	-	740,210	128	781,116	5,602,395	2,390,296	30%
Wanaka	2019/20	190,575	-	740,210	128	781,116	6,383,511	1,609,180	20%
Wanaka	2020/21	190,575	-	740,210	128	781,116	7,164,628	828,064	10%
Wanaka	2021/22	1,659,301	743,726	1,483,936	121	737,718	7,902,345	834,072	10%
			<b>1,483,936</b>		<b>1,296</b>	<b>Wanaka Weighted Debt Funding Ratio</b>			<b>60%</b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Debt Balance (2013/14 \$)	Annual Debt %
Hawea								<b>781,554</b>	
Hawea	2012/13	699,147	49,144	49,144	7	40,809	40,809	789,888	95%
Hawea	2013/14	118,150	13,005	62,149	7	40,809	81,619	762,084	90%
Hawea	2014/15	62,383	1,161	63,309	7	40,809	122,428	722,435	86%
Hawea	2015/16	22,830	-	63,309	7	40,809	163,237	681,626	81%
Hawea	2016/17	-	-	63,309	8	48,651	211,889	632,975	75%
Hawea	2017/18	83,185	-	63,309	8	48,651	260,540	584,323	69%
Hawea	2018/19	11,998	-	63,309	8	48,651	309,191	535,672	63%
Hawea	2019/20	87,120	1,277	64,586	8	48,651	357,843	488,298	58%
Hawea	2020/21	54,450	-	64,586	8	48,651	406,494	439,646	52%
Hawea	2021/22	108,900	21,090	85,676	4	25,502	431,997	435,234	50%
			<b>85,676</b>		<b>71</b>			<b>Hawea Weighted Debt Funding Ratio</b>	<b>75%</b>
Luggate									
Luggate	2012/13	14,449	2,582	2,582	1	856	856	1,727	67%
Luggate	2013/14	18,921	10,421	13,003	1	856	1,711	11,292	87%
Luggate	2014/15	199,684	191,015	204,019	1	856	2,567	201,452	99%
Luggate	2015/16	33,759	-	204,019	1	856	3,422	200,596	98%
Luggate	2016/17	33,759	-	204,019	1	744	4,166	199,852	98%
Luggate	2017/18	33,759	-	204,019	1	744	4,910	199,108	98%
Luggate	2018/19	33,759	-	204,019	1	744	5,654	198,364	97%
Luggate	2019/20	33,759	-	204,019	1	744	6,398	197,620	97%
Luggate	2020/21	33,759	-	204,019	1	744	7,142	196,877	96%
Luggate	2021/22	33,759	-	204,019	153	202,177	209,319	-5,301	-3%
			<b>204,019</b>		<b>159</b>			<b>Luggate Debt Funding Ratio</b>	<b>97%</b>

## Stormwater Capital Expenditure for Development Contributions (Excluding GST)

Project Summaries	10 Year Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Queenstown</b>							
Asset Management System	0	0	0	0%	121,656	2,328	52
Emergency Conveyance	0	0	0	0%	-	2,328	0
Flood Protection	0	0	0	0%	338,818	2,328	146
Flow Metering	0	0	0	0%	-	2,328	0
Intake	0	0	0	0%	-	2,328	0
Investigations	0	0	0	0%	16,035	2,328	7
Management	38,264	5,051	33,213	13%	304,418	2,328	131
Minor Works	0	0	0	0%	23,523	2,328	10
Pump Station	0	0	0	0%	-	2,328	0
Renewals	0	0	0	0%	51,918	2,328	22
Reticulation	3,245,379	1,947,551	1,297,828	60%	1,977,508	2,328	849
Storage	0	0	0	0%	-	2,328	0
Stormwater Upgrades	0	0	0	0%	168,848	2,328	73
Treatment Facility	0	0	0	0%	36,448	2,328	16
<b>Total Stormwater - Queenstown</b>	<b>3,283,643</b>	<b>1,952,603</b>	<b>1,331,041</b>	<b>59%</b>	<b>3,039,172</b>	<b>2,328</b>	<b>1,306</b>
<b>Arrowtown</b>							
Flood Protection	0	0	0	0%	-	133	0
Forward Design	0	0	0	0%	-	133	0
Investigations	0	0	0	0%	988	133	7
Management	0	0	0	0%	-	133	0
Minor Works	0	0	0	0%	-	133	0
Renewals	0	0	0	0%	1,345	133	10
Reticulation	0	0	0	0%	96,183	133	725
Storage	0	0	0	0%	-	133	0
Stormwater Upgrades	0	0	0	0%	2,053	133	15
Treatment Facility	0	0	0	0%	-	133	0
<b>Total Stormwater - Arrowtown</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>100,568</b>	<b>133</b>	<b>758</b>

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

Project Summaries	10 Year Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Glenorchy</b>							
Flood Protection	0	0	0	0%	2,982	36	84
Forward Design	0	0	0	0%	-	36	0
Investigations	0	0	0	0%	33	36	1
Management	0	0	0	0%	-	36	0
Stormwater Upgrades	0	0	0	0%	59	36	2
Minor Works	0	0	0	0%	-	36	0
Renewals	0	0	0	0%	-	36	0
Reticulation	0	0	0	0%	23,564	36	661
Storage	0	0	0	0%	-	36	0
Treatment Facility	0	0	0	0%	-	36	0
<b>Total Stormwater - Glenorchy</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>26,639</b>	<b>36</b>	<b>748</b>
<b>Wanaka</b>							
Asset Management System	0	0	0	0%	17,408	1,050	17
Emergency Conveyance	0	0	0	0%	-	1,050	0
Flood Protection	0	0	0	0%	24,145	1,050	23
Forward Design	0	0	0	0%	-	1,050	0
Intake	0	0	0	0%	-	1,050	0
Investigations	0	0	0	0%	43,818	1,050	42
Management	78,173	11,327	66,846	14%	59,592	1,050	57
Minor Works	0	0	0	0%	13,214	1,050	13
Pump Station	0	0	0	0%	-	1,050	0
Renewals	0	0	0	0%	41,438	1,050	39
Reticulation	579,694	239,304	340,390	41%	1,774,127	1,050	1,689
Stormwater Upgrades	0	0	0	0%	105,745	1,050	101
Treatment Facility	0	0	0	0%	-	1,050	0
<b>Total Stormwater - Wanaka</b>	<b>657,866</b>	<b>250,631</b>	<b>407,236</b>	<b>38%</b>	<b>2,079,486</b>	<b>1,050</b>	<b>1,980</b>

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

Project Summaries	10 Year Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Hawea</b>							
Flood Protection	0	0	0	0%	-	62	0
Forward Design	0	0	0	0%	-	62	0
Investigations	0	0	0	0%	88	62	1
Management	0	0	0	0%	-	62	0
Minor Works	0	0	0	0%	-	62	0
Renewals	0	0	0	0%	-	62	0
Reticulation	0	0	0	0%	32,471	62	523
Storage	0	0	0	0%	-	62	0
Stormwater Upgrades	0	0	0	0%	936	62	15
Treatment Facility	0	0	0	0%	-	62	0
<b>Total Stormwater - Hawea</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>33,494</b>	<b>62</b>	<b>539</b>
<b>Albert Town</b>							
Flood Protection	0	0	0	0%	23,939	120	200
Forward Design	0	0	0	0%	-	120	0
Investigations	0	0	0	0%	2,797	120	23
Management	0	0	0	0%	8,411	120	70
Minor Works	0	0	0	0%	-	120	0
Renewals	0	0	0	0%	-	120	0
Reticulation	0	0	0	0%	87,052	120	727
Storage	0	0	0	0%	-	120	0
Stormwater Upgrades	0	0	0	0%	1,948	120	16
Treatment Facility	0	0	0	0%	-	120	0
<b>Total Stormwater - Albert Town</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>124,147</b>	<b>120</b>	<b>1,037</b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Debt Balance (2013/14 \$)	Debt %
<b>Queenstown</b>	Existing Debt							1,707,290	
Queenstown	2012/13	947,031	842,388	842,388	207	270,275	270,275	2,279,403	89%
Queenstown	2013/14	43,042	22,079	864,466	207	270,275	540,550	2,031,207	79%
Queenstown	2014/15	208,902	105,778	970,244	207	270,275	810,825	1,866,710	70%
Queenstown	2015/16	-	-	970,244	207	270,275	1,081,100	1,596,435	60%
Queenstown	2016/17	-	-	970,244	251	328,195	1,409,295	1,268,240	47%
Queenstown	2017/18	76,230	36,999	1,007,244	251	328,195	1,737,489	977,044	36%
Queenstown	2018/19	330,299	157,643	1,164,887	251	328,195	2,065,684	806,493	28%
Queenstown	2019/20	1,678,140	787,716	1,952,603	251	328,195	2,393,879	1,266,014	35%
Queenstown	2020/21	-	-	1,952,603	251	328,195	2,722,073	937,819	26%
Queenstown	2021/22	-	-	1,952,603	243	317,098	3,039,172	620,721	17%
			<b>1,952,603</b>		<b>2,328</b>	<b>Queenstown Weighted Debt Funding Ratio</b>			<b>58%</b>
<b>Arrowtown</b>	Existing Debt							328,283	
Arrowtown	2012/13	-	-	-	28	20,974	20,974	307,309	94%
Arrowtown	2013/14	-	-	-	28	20,974	41,949	286,335	87%
Arrowtown	2014/15	-	-	-	28	20,974	62,923	265,360	81%
Arrowtown	2015/16	-	-	-	28	20,974	83,897	244,386	74%
Arrowtown	2016/17	-	-	-	4	2,795	86,692	241,591	74%
Arrowtown	2017/18	-	-	-	4	2,795	89,487	238,797	73%
Arrowtown	2018/19	-	-	-	4	2,795	92,281	236,002	72%
Arrowtown	2019/20	-	-	-	4	2,795	95,076	233,207	71%
Arrowtown	2020/21	-	-	-	4	2,795	97,871	230,413	70%
Arrowtown	2021/22	-	-	-	4	2,698	100,568	227,715	69%
			-		<b>133</b>	<b>Arrowtown Debt Funding Ratio</b>			<b>77%</b>



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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Debt Balance (2013/14 \$)	Debt %
<b>Hawea</b>	Existing Debt							38,602	
Hawea	2012/13	-	-	-	6	3,196	3,196	35,406	92%
Hawea	2013/14	-	-	-	6	3,196	6,392	32,211	83%
Hawea	2014/15	-	-	-	6	3,196	9,587	29,015	75%
Hawea	2015/16	-	-	-	6	3,196	12,783	25,819	67%
Hawea	2016/17	-	-	-	7	3,730	16,513	22,089	57%
Hawea	2017/18	-	-	-	7	3,730	20,243	18,359	48%
Hawea	2018/19	-	-	-	7	3,730	23,974	14,629	38%
Hawea	2019/20	-	-	-	7	3,730	27,704	10,898	28%
Hawea	2020/21	-	-	-	7	3,730	31,434	7,168	19%
Hawea	2021/22	-	-	-	4	2,061	33,494	5,108	13%
		-	-	-	<b>62</b>		<b>Hawea Debt Funding Ratio</b>		<b>65%</b>
<b>Albert Town</b>	2012/13	-	-	-	12	12,927	12,927	106,290	89%
Albert Town	2013/14	-	-	-	12	12,927	25,854	93,363	78%
Albert Town	2014/15	-	-	-	12	12,927	38,782	80,436	67%
Albert Town	2015/16	-	-	-	12	12,927	51,709	67,509	57%
Albert Town	2016/17	-	-	-	12	12,225	63,934	55,283	46%
Albert Town	2017/18	-	-	-	12	12,225	76,159	43,058	36%
Albert Town	2018/19	-	-	-	12	12,225	88,385	30,833	26%
Albert Town	2019/20	-	-	-	12	12,225	100,610	18,607	16%
Albert Town	2020/21	-	-	-	12	12,225	112,836	6,382	5%
Albert Town	2021/22	-	-	-	11	11,311	124,147	-4,929	-4%
Albert Town		-	-	-	<b>120</b>		<b>Albert Town Debt Funding Ratio</b>		<b>62%</b>

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

Project Summaries (GL Code Location)	10 Year Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Reserve Improvements - Wakatipu</b>							
Parks and Reserves - Wakatipu Ward	5,498,162	779,507	4,718,655	14%	2,619,765	2951	888
Walkways - Wakatipu Ward	1,090,380	201,055	889,325	18%	834,055	2951	283
Council Land - Reserve Land - Wakatipu	51,444	16,976	34,467	33%	43,489	2951	15
Cemeteries - Wakatipu Ward	233,175	233,175	0	100%	270,430	2951	92
	<b>6,873,162</b>	<b>1,230,714</b>	<b>5,642,448</b>	<b>18%</b>	<b>3,767,739</b>		<b>1,277</b>
<b>Reserve Improvements - Wanaka</b>							
Parks and Reserves - Wanaka Ward	3,403,310	558,898	2,844,412	16%	1,602,226	2105	761
Walkways - Wanaka Ward	0	0	0	0%	372,807	2105	177
Council Land - Reserve Land - Wanaka	0	0	0	0%	516,258	2105	245
Council Land - Reserve Land - Hawea	0	0	0	0%	1,875	2105	1
Cemeteries - Wanaka Ward	83,313	83,313	0	100%	116,795	2105	55
	<b>3,486,623</b>	<b>642,211</b>	<b>2,844,412</b>	<b>18%</b>	<b>2,609,961</b>		<b>1,240</b>
<b>Reserve Improvements - District Wide</b>							
Parks and Reserves - Wakatipu Ward	452,995	74,160	378,835	16%	238,146	5056	47
Parks and Reserves - Wanaka Ward	294,084	91,505	202,579	31%	60,201	5056	12
	<b>747,079</b>	<b>165,666</b>	<b>581,414</b>	<b>22%</b>	<b>298,347</b>		<b>59</b>

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

Project Summaries (GL Code Location)	10 Year Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Community Facilities - Wakatipu</b>							
Alpine Aqualand	409,090	60,185	348,905	15%	2,802,195	2951	949
Council Land - Non-Reserve - Wakatipu	0	0	0	0%	72,704	2951	25
Waterways Facilities - Wakatipu Ward	169,764	0	169,764	0%	106,903	2951	36
Halls - Queenstown	598,391	62,990	535,402	11%	590,841	2951	200
Halls - Events Centre	17,549,897	6,313,285	11,236,611	36%	5,535,406	2951	1,875
Halls - Lake Hayes Pavillion	0	0	0	0%	-	2951	-
Halls - Arrowtown	208,374	12,463	195,912	6%	23,284	2951	8
Halls - Glenorchy	32,070	0	32,070	0%	2,978	2951	1
Halls - Queenstown Community Centre	32,070	0	32,070	0%	21,483	2951	7
Buildings - Heritage	0	0	0	0%	100,952	2951	34
Buildings - Toilets - Wakatipu Ward	2,099,317	175,458	1,923,859	8%	493,799	2951	167
Community Development - Swimming Pools	0	0	0	0%	319,264	2951	108
Libraries - Queenstown	1,247,437	66,260	1,181,178	5%	71,860	2951	24
Libraries - Arrowtown	526,771	6,682	520,089	1%	6,575	2951	2
Libraries - Glenorchy	148,592	4,058	144,534	3%	5,218	2951	2
Libraries - Kingston	21,518	0	21,518	0%	-	2951	-
Rural Fire - District Wide	0	0	0	0%	-	2951	-
	<b>23,043,293</b>	<b>6,701,381</b>	<b>16,341,912</b>	<b>29%</b>	<b>10,153,463</b>		<b>3,440</b>

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

Project Summaries (GL Code Location)	10 Year Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Community Facilities - Wanaka</b>							
Waterways Facilities - Wanaka Ward	1,240,405	990,392	250,013	80%	597,566	2105	284
Halls - Arts & Community Centre	0	0	0	0%	1,014,131	2105	482
Halls - Hawea	137,195	15,816	121,379	12%	16,332	2105	8
Halls - Luggate	85,520	0	85,520	0%	11,561	2105	5
Halls - Cardrona	0	0	0	0%	24,559	2105	12
Halls - Wanaka Community Centre	207,773	0	207,773	0%	1,124,883	2105	534
Halls - Wanaka Sports Facility	17,181,363	5,489,854	11,691,509	32%	2,215,138	2105	1,053
Buildings - Toilets - Wanaka Ward	1,482,892	117,243	1,365,649	8%	237,741	2105	113
Community Development - Swimming Pools	0	0	0	0%	35,441	2105	17
Wanaka Aquatic Centre	384,840	106,884	277,956	28%	33,934	2105	16
Libraries - Wanaka	1,176,192	22,916	1,153,276	2%	185,971	2105	88
Libraries - Hawea	164,993	9,731	155,262	6%	10,633	2105	5
	<b>22,061,172</b>	<b>6,752,836</b>	<b>15,308,336</b>	<b>31%</b>	<b>5,507,891</b>		<b>2,617</b>
<b>Community Facilities - District Wide</b>							
Halls - Events Centre	0	0	0	0%	91,821	5056	18
Rural Fire - District Wide	368,154	38,429	329,725	10%	30,395	5056	6
Halls - Lake Hayes Pavillion	139,333	14,508	124,825	10%	74,939	5056	15
Community Development - District Wide	0	0	0	0%	132,726	5056	26
	<b>507,487</b>	<b>52,937</b>	<b>454,550</b>	<b>10%</b>	<b>329,882</b>		<b>65</b>
	<b>56,718,815</b>	<b>15,545,744</b>	<b>41,173,072</b>		<b>22,667,279</b>		

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Net Cost Balance (2013/14 \$)	Debt %	
<b>Wakatipu - Reserve Improvements</b>	Existing Debt							2,407,230		
Wakatipu	2013	1,620,576	318,846	318,846	272	347,011	347,011	2,379,065	87.3%	
Wakatipu	2014	494,673	166,120	484,967	272	347,011	694,023	2,198,174	76.0%	
Wakatipu	2015	785,142	92,922	577,889	272	347,011	1,041,034	1,944,085	65.1%	
Wakatipu	2016	1,223,623	291,670	869,559	272	347,011	1,388,046	1,888,743	57.6%	
Wakatipu	2017	353,366	38,423	907,982	311	396,847	1,784,893	1,530,319	46.2%	
Wakatipu	2018	537,740	66,472	974,454	311	396,847	2,181,740	1,199,944	35.5%	
Wakatipu	2019	449,566	73,155	1,047,609	311	396,847	2,578,587	876,252	25.4%	
Wakatipu	2020	550,190	61,302	1,108,912	311	396,847	2,975,434	540,708	15.4%	
Wakatipu	2021	308,096	38,423	1,147,335	311	396,847	3,372,281	182,284	5.1%	
Wakatipu	2022	550,190	83,379	1,230,714	310	395,458	3,767,739	-129,796	-3.6%	
		<b>6,873,162</b>	<b>1,230,714</b>		<b>2,951</b>	<b>3,767,739</b>			<b>Wakatipu Weighted Debt Funding Ratio</b>	<b>59%</b>
<b>Wakatipu - Community Facilities</b>	Existing Debt							9,066,646		
Wakatipu	2013	1,816,145	144,149	144,149	272	935,141	935,141	8,275,654	89.8%	
Wakatipu	2014	425,976	43,725	187,874	272	935,141	1,870,282	7,384,238	79.8%	
Wakatipu	2015	830,056	162,629	350,503	272	935,141	2,805,423	6,611,726	70.2%	
Wakatipu	2016	8,216,228	3,429,567	3,780,070	272	935,141	3,740,564	9,106,152	70.9%	
Wakatipu	2017	4,999,965	1,507,909	5,287,979	311	1,069,440	4,810,004	9,544,620	66.5%	
Wakatipu	2018	482,881	55,563	5,343,541	311	1,069,440	5,879,445	8,530,742	59.2%	
Wakatipu	2019	713,172	96,205	5,439,746	311	1,069,440	6,948,885	7,557,507	52.1%	
Wakatipu	2020	313,404	25,524	5,465,270	311	1,069,440	8,018,326	6,513,591	44.8%	
Wakatipu	2021	333,224	39,149	5,504,419	311	1,069,440	9,087,766	5,483,299	37.6%	
Wakatipu	2022	4,912,242	1,196,962	6,701,381	310	1,065,697	10,153,463	5,614,564	35.6%	
		<b>23,043,293</b>	<b>6,701,381</b>		<b>2,951</b>	<b>10,153,463</b>			<b>Wakatipu Weighted Debt Funding Ratio</b>	<b>63%</b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Net Cost Balance (2013/14 \$)	Debt %
<b>Wanaka - Reserve Improvements</b>								-	
Wanaka	2013	894,742	235,255	235,255	220	273,164	273,164	-37,909	-16.1%
Wanaka	2014	159,051	13,405	248,660	220	273,164	546,328	-297,669	-119.7%
Wanaka	2015	159,712	13,405	262,064	220	273,164	819,493	-557,428	-212.7%
Wanaka	2016	762,157	153,030	415,094	220	273,164	1,092,657	-677,563	-163.2%
Wanaka	2017	265,660	28,610	443,704	206	255,611	1,348,268	-904,564	-203.9%
Wanaka	2018	492,012	103,788	547,493	206	255,611	1,603,880	-1,056,387	-193.0%
Wanaka	2019	182,033	13,405	560,897	206	255,611	1,859,492	-1,298,594	-231.5%
Wanaka	2020	192,410	24,720	585,618	206	255,611	2,115,104	-1,529,486	-261.2%
Wanaka	2021	186,437	40,130	625,748	206	255,611	2,370,715	-1,744,968	-278.9%
Wanaka	2022	192,410	16,463	642,211	193	239,247	2,609,962	-1,967,751	-306.4%
		<b>3,486,623</b>	<b>642,211</b>		<b>2,105</b>	<b>2,609,960</b>	<b>Wanaka Weighted Debt Funding Ratio</b>		<b>0%</b>
<b>Wanaka - Community Facilities</b>	Existing Debt							254,202	
Wanaka	2013	1,211,909	362,868	362,868	220	576,468	576,468	40,602	6.6%
Wanaka	2014	768,247	202,572	565,440	220	576,468	1,152,936	-333,294	-40.7%
Wanaka	2015	16,290,725	5,101,409	5,666,849	220	576,468	1,729,404	4,191,647	70.8%
Wanaka	2016	565,899	58,468	5,725,318	220	576,468	2,305,873	3,673,647	61.4%
Wanaka	2017	664,516	40,011	5,765,329	206	539,425	2,845,298	3,174,233	52.7%
Wanaka	2018	758,833	430,284	6,195,613	206	539,425	3,384,723	3,065,091	47.5%
Wanaka	2019	944,613	549,172	6,744,784	206	539,425	3,924,149	3,074,838	43.9%
Wanaka	2020	244,499	2,684	6,747,468	206	539,425	4,463,574	2,538,096	36.2%
Wanaka	2021	351,399	2,684	6,750,152	206	539,425	5,002,999	2,001,355	28.6%
Wanaka	2022	260,534	2,684	6,752,836	193	504,891	5,507,891	1,499,147	21.4%
		<b>22,061,172</b>	<b>6,752,836</b>		<b>2,105</b>	<b>5,507,891</b>	<b>Wanaka Weighted Debt Funding Ratio</b>		<b>48%</b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Net Cost Balance (2013/14\$)	Debt %
<b>District Wide - Reserve Improvements</b>	Existing Debt							-	
District Wide	2013	80,375	13,152	13,152	492	29,038	29,038	-15,886	-120.8%
District Wide	2014	17,000	3,570	16,722	492	29,038	58,076	-41,354	-247.3%
District Wide	2015	-	-	16,722	492	29,038	87,114	-70,392	-420.9%
District Wide	2016	275,554	85,020	101,742	492	29,038	116,152	-14,410	-14.2%
District Wide	2017	374,150	63,924	165,666	517	30,506	146,658	-19,007	11.5%
District Wide	2018	-	-	165,666	517	30,506	177,165	-11,499	-6.9%
District Wide	2019	-	-	165,666	517	30,506	207,671	-42,005	-25.4%
District Wide	2020	-	-	165,666	517	30,506	238,177	-75,512	-43.8%
District Wide	2021	-	-	165,666	517	30,506	268,684	-103,018	-62.2%
District Wide	2022	-	-	165,666	503	29,663	298,347	-132,681	-80.1%
		<b>747,079</b>	<b>165,666</b>		<b>5,056</b>	<b>298,347</b>	<b>District Wide Weighted Debt Funding Ratio</b>		<b>0%</b>
<b>District Wide - Community Facilities</b>	Existing Debt							3,159,762	
District Wide	2013	107,118	8,504	8,504	492	32,107	32,107	3,136,159	99.0%
District Wide	2014	11,318	523	9,026	492	32,107	64,214	3,104,574	98.0%
District Wide	2015	48,419	523	9,549	492	32,107	96,321	3,072,990	97.0%
District Wide	2016	116,601	20,265	29,814	492	32,107	128,428	3,061,148	96.0%
District Wide	2017	16,976	523	30,336	517	33,731	162,158	3,027,940	94.9%
District Wide	2018	5,659	523	30,859	517	33,731	195,889	2,994,732	93.9%
District Wide	2019	134,870	20,510	51,369	517	33,731	229,619	2,981,512	92.8%
District Wide	2020	5,659	523	51,892	517	33,731	263,350	2,948,304	91.8%
District Wide	2021	5,659	523	52,415	517	33,731	297,080	2,915,096	90.8%
District Wide	2022	55,209	523	52,937	503	32,799	329,879	2,882,820	89.7%
		<b>507,487</b>	<b>52,937</b>		<b>5,056</b>	<b>329,879</b>	<b>District Wide Weighted Debt Funding Ratio</b>		<b>94%</b>

\* 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 (2013/14 \$)	Capital Cost			"Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)"	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	"Contribution Per Lot (2013/14 \$)"
		"Capital Cost Funded by Growth (2013/14 \$)"	"Capital Cost Funded by Other Sources (2013/14 \$)"	Percentage Attributable to Growth			
<b>Queenstown - Reserve Land</b>							
Reserves	17,451,421	17,451,421	0	100%	15,210,146	1825	27.5m <sup>2</sup>
		<b>17,451,421</b>	<b>0</b>		<b>15,210,146</b>		<b>27.5m<sup>2</sup></b>
<b>Arrowtown - Reserve Land</b>							
Reserves	1,476,062	1,476,062	0	100%	1,868,654	206	27.5m <sup>2</sup>
		<b>1,476,062</b>	<b>0</b>		<b>1,868,654</b>		<b>27.5m<sup>2</sup></b>
<b>Glenorchy - Reserve Land</b>							
Reserves	614,337	614,337	0	100%	799,141	323	27.5m <sup>2</sup>
		<b>614,337</b>	<b>0</b>		<b>799,141</b>		<b>27.5m<sup>2</sup></b>
<b>Kingston - Reserve Land</b>							
Reserves	0	0	0	0%	399,448	46	27.5m <sup>2</sup>
		<b>0</b>	<b>0</b>		<b>399,448</b>		<b>27.5m<sup>2</sup></b>
<b>Wakatipu Rural - Reserve Land</b>							
Reserves	0	0	0	0%	-	0	27.5m <sup>2</sup>
		<b>0</b>	<b>0</b>		<b>0</b>		<b>27.5m<sup>2</sup></b>
<b>Wanaka - Reserve Land</b>							
Reserves	2,483,842	2,483,842	0	100%	6,967,364	976	27.5m <sup>2</sup>
		<b>2,483,842</b>	<b>0</b>		<b>6,967,364</b>		<b>27.5m<sup>2</sup></b>
<b>Luggate/Hawea - Reserve Land</b>							
Reserves	2,150,423	2,150,423	0	100%	1,614,593	260	27.5m <sup>2</sup>
		<b>2,150,423</b>	<b>0</b>		<b>1,614,593</b>		<b>27.5m<sup>2</sup></b>
<b>Makarora - Reserve Land</b>							
Reserves	0	0	0	0%	-	33	27.5m <sup>2</sup>
		<b>0</b>	<b>0</b>		<b>0</b>		<b>27.5m<sup>2</sup></b>
<b>Wanaka Rural - Reserve Land</b>							
Reserves	0	0	0	0%	-	0	27.5m <sup>2</sup>
		<b>0</b>	<b>0</b>		<b>0</b>		<b>27.5m<sup>2</sup></b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Net Cost Balance (2013/14 \$)	Debt %
<b>Queenstown - Reserve Land</b>	Existing Debt							-	
QT	2013	2,099,032	2,099,032	2,099,032	254	2,119,011	2,119,011	-19,979	-1.0%
QT	2014	2,904,380	2,904,380	5,003,412	260	2,170,433	4,289,444	713,968	14.3%
QT	2015	2,188,092	2,188,092	7,191,504	259	2,160,180	6,449,625	741,879	10.3%
QT	2016	2,729,742	2,729,742	9,921,246	261	2,171,405	8,621,030	1,300,216	13.1%
QT	2017	2,330,312	2,330,312	12,251,557	237	1,976,516	10,597,546	1,654,011	13.5%
QT	2018	1,573,875	1,573,875	13,825,432	242	2,019,210	12,616,756	1,208,676	8.7%
QT	2019	3,625,989	3,625,989	17,451,421	77	639,142	13,255,898	4,195,523	24.0%
QT	2020	-	-	17,451,421	77	645,533	13,901,432	3,549,990	20.3%
QT	2021	-	-	17,451,421	78	651,989	14,553,421	2,898,001	16.6%
QT	2022	-	-	17,451,421	79	656,726	15,210,146	2,241,275	12.8%
		<b>17,451,421</b>	<b>17,451,421</b>		<b>1,825</b>	<b>15,210,146</b>	<b>Queenstown Weighted Debt Funding Ratio</b>		<b>17%</b>
<b>Arrowtown - Reserve Land</b>	Existing Debt							-	
AT	2013	-	-	-	26	231,613	231,613	-231,613	0.0%
AT	2014	1,040,167	1,040,167	1,040,167	26	236,812	468,425	571,742	55.0%
AT	2015	-	-	1,040,167	28	256,697	725,122	315,045	30.3%
AT	2016	-	-	1,040,167	30	272,032	997,154	43,013	4.1%
AT	2017	-	-	1,040,167	27	245,942	1,243,096	-202,929	-19.5%
AT	2018	435,895	435,895	1,476,062	28	250,852	1,493,948	-17,886	-1.2%
AT	2019	-	-	1,476,062	10	92,761	1,586,708	-110,646	-7.5%
AT	2020	-	-	1,476,062	10	93,688	1,680,397	-204,335	-13.8%
AT	2021	-	-	1,476,062	10	94,625	1,775,022	-298,960	-20.3%
AT	2022	-	-	1,476,062	10	93,633	1,868,654	-392,592	-26.6%
		<b>1,476,062</b>	<b>1,476,062</b>		<b>206</b>	<b>1,868,654</b>	<b>Arrowtown Weighted Debt Funding Ratio</b>		<b>7%</b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Net Cost Balance (2013/14 \$)	Debt %
<b>Glenorchy - Reserve Land</b>	Existing Debt							-	
GY	2013	437,819	437,819	437,819	42	103,005	103,005	334,814	76.5%
GY	2014	-	-	437,819	43	105,447	208,452	229,367	52.4%
GY	2015	-	-	437,819	50	122,599	331,051	106,768	24.4%
GY	2016	176,518	176,518	614,337	55	135,111	466,162	148,176	24.1%
GY	2017	-	-	614,337	49	121,548	587,710	26,627	4.3%
GY	2018	-	-	614,337	50	124,074	711,785	-97,447	-15.9%
GY	2019	-	-	614,337	9	21,514	733,299	-118,961	-19.4%
GY	2020	-	-	614,337	9	21,729	755,028	-140,691	-22.9%
GY	2021	-	-	614,337	9	21,947	776,975	-162,637	-26.5%
GY	2022	-	-	614,337	9	22,166	799,141	-184,803	-30.1%
		<b>614,337</b>	<b>614,337</b>		<b>323</b>	<b>799,141</b>	<b>Glenorchy Weighted Debt Funding Ratio</b>		<b>17%</b>
<b>Kingston - Reserve Land</b>	Existing Debt							-	
KG	2013	-	-	-	6	53,755	53,755	-53,755	0.0%
KG	2014	-	-	-	6	55,121	108,876	-108,876	0.0%
KG	2015	-	-	-	7	56,661	165,537	-165,537	0.0%
KG	2016	-	-	-	7	58,193	223,730	-223,730	0.0%
KG	2017	-	-	-	6	50,208	273,937	-273,937	0.0%
KG	2018	-	-	-	6	51,281	325,218	-325,218	0.0%
KG	2019	-	-	-	3	24,118	349,336	-349,336	0.0%
KG	2020	-	-	-	3	24,359	373,696	-373,696	0.0%
KG	2021	-	-	-	3	24,603	398,299	-398,299	0.0%
KG	2022	-	-	-	0	1,149	399,448	-399,448	0.0%
		-	-		<b>46</b>	<b>399,448</b>	<b>Kingston Weighted Debt Funding Ratio</b>		<b>0%</b>

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

Contributing Area	Financial Year	CAPEX (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Net Cost Balance (2013/14 \$)	Debt %
<b>Wanaka - Reserve Land</b>	Existing Debt							-	
WA	2013	604,662	604,662	604,662	144	1,030,526	1,030,526	-425,864	-70.4%
WA	2014	251,441	251,441	856,103	148	1,055,592	2,086,118	-1,230,015	-143.7%
WA	2015	360,238	360,238	1,216,341	143	1,018,350	3,104,467	-1,888,126	-155.2%
WA	2016	260,553	260,553	1,476,894	134	958,878	4,063,345	-2,586,452	-175.1%
WA	2017	223,873	223,873	1,700,767	120	855,590	4,918,936	-3,218,169	-189.2%
WA	2018	221,185	221,185	1,921,952	122	873,485	5,792,421	-3,870,469	-201.4%
WA	2019	561,890	561,890	2,483,842	41	295,795	6,088,216	-3,604,375	-145.1%
WA	2020	-	-	2,483,842	41	290,138	6,378,354	-3,894,513	-156.8%
WA	2021	-	-	2,483,842	41	293,039	6,671,394	-4,187,552	-168.6%
WA	2022	-	-	2,483,842	41	295,970	6,967,364	-4,483,522	-180.5%
		<b>2,483,842</b>	<b>2,483,842</b>		<b>976</b>	<b>6,967,364</b>	<b>Wanaka Weighted Debt Funding Ratio</b>		<b>0%</b>
<b>Luggate/Hawea - Reserve Land</b>	Existing Debt							-	
LG	2013	-	-	-	26	161,338	161,338	-161,338	0.0%
LG	2014	346,128	346,128	346,128	27	165,043	326,381	19,747	5.7%
LG	2015	665,814	665,814	1,011,942	34	214,300	540,681	471,262	46.6%
LG	2016	424,909	424,909	1,436,851	45	280,165	820,845	616,006	42.9%
LG	2017	-	-	1,436,851	40	245,890	1,066,735	370,116	25.8%
LG	2018	713,572	713,572	2,150,423	40	250,926	1,317,661	832,762	38.7%
LG	2019	-	-	2,150,423	12	73,129	1,390,790	759,633	35.3%
LG	2020	-	-	2,150,423	12	73,860	1,464,650	685,773	31.9%
LG	2021	-	-	2,150,423	12	74,599	1,539,248	611,175	28.4%
LG	2022	-	-	2,150,423	12	75,345	1,614,593	535,830	24.9%
		<b>2,150,423</b>	<b>2,150,423</b>		<b>260</b>	<b>1,614,593</b>	<b>Luggate Weighted Debt Funding Ratio</b>		<b>34%</b>

## Transportation - Capital Expenditure for Development Contributions

Project Summaries	10 Year Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Wakatipu</b>							
Advance property purchase	62,244	49,795	12,449	80%	768,841	7,113	108
Associated improvements	3,677,487	1,103,246	2,574,241	30%	664,589	7,113	93
Cycle facilities	86,127	21,532	64,595	25%	194,726	7,113	27
Drainage renewals	905,031	226,258	678,773	25%	223,784	7,113	31
Environmental Renewals	0	0	0	0%	234	7,113	0
Kerb & Channel Construction	0	0	0	0%	220,625	7,113	31
Minor Improvements	8,113,997	1,622,799	6,491,198	20%	726,978	7,113	102
New roads	1,986,446	1,589,157	397,289	80%	994,362	7,113	140
Other Structures	0	0	0	0%	1,623	7,113	0
Passenger transport infrastructure	0	0	0	0%	89,087	7,113	13
Pedestrian and Cycle facilities	0	0	0	0%	749,919	7,113	105
Pedestrian facilities	60,813	18,244	42,569	30%	712,956	7,113	100
Preventive maintenance	0	0	0	0%	20,491	7,113	3
Property purchase (local roads)	187,359	149,887	37,472	80%	169,965	7,113	24
Replacement of bridges & other structures	523,991	159,593	364,398	30%	96,647	7,113	14
Road reconstruction	1,667,993	619,513	1,048,480	37%	1,275,973	7,113	179
Roading general	0	0	0	0%	1,075,940	7,113	151
Seal extension	0	0	0	0%	581,188	7,113	82
Sealed road pavement rehabilitation	18,691,717	6,542,272	12,149,445	35%	5,300,079	7,113	745
Sealed road resurfacing	10,040,714	2,510,178	7,530,535	25%	1,217,124	7,113	171
Street furniture	0	0	0	0%	33,469	7,113	5
Streetlighting	10,374	2,075	8,299	20%	176,411	7,113	25
Structures component replacements	293,763	88,129	205,634	30%	15,069	7,113	2
Studies and strategies	0	0	0	0%	68,758	7,113	10
Town Centre improvements	81,325	16,265	65,060	20%	1,284,662	7,113	181
Traffic services renewals	663,904	199,171	464,733	30%	108,792	7,113	15
Unsealed road metalling	3,533,238	353,324	3,179,914	10%	130,583	7,113	18
<b>TOTAL</b>	<b>50,586,523</b>	<b>15,271,438</b>	<b>35,315,085</b>	<b>30%</b>	<b>16,902,878</b>		<b>2,376</b>

## Transportation - Capital Expenditure for Development Contributions cont...

Project Summaries	10 Year Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>Wanaka</b>							
Associated improvements	2,436,712	610,907	1,825,806	25%	156,553	3,052	51
Cycle facilities	86,127	21,532	64,595	25%	188,621	3,052	62
Demand management	0	0	0	0%	2,897	3,052	1
Drainage renewals	206,882	54,720	152,161	26%	64,582	3,052	21
Environmental Renewals	0	0	0	0%	385	3,052	0
Kerb & Channel Construction	0	0	0	0%	473,454	3,052	155
Minor Improvements	4,833,892	728,175	4,105,718	15%	333,813	3,052	109
New roads	0	0	0	0%	164,770	3,052	54
New traffic management facilities	0	0	0	0%	168	3,052	0
Passenger transport infrastructure	0	0	0	0%	14,785	3,052	5
Pedestrian and Cycle facilities	0	0	0	0%	10,169	3,052	3
Pedestrian facilities	0	0	0	0%	401,027	3,052	131
Power Reticulation Undergrounding	124,487	0	124,487	0%	168,145	3,052	55
Preventive maintenance	0	0	0	0%	580	3,052	0
Property purchase (local roads)	0	0	0	0%	20,561	3,052	7
Replacement of bridges & other structures	0	0	0	0%	115,383	3,052	38
Road reconstruction	1,359,006	409,766	949,240	30%	509,404	3,052	167
Roading General	0	0	0	0%	340,923	3,052	112
Seal extension	0	0	0	0%	1,503,787	3,052	493
Seal extension - residential	0	0	0	0%	1,351,631	3,052	443
Sealed road pavement rehabilitation	11,803,062	2,951,055	8,852,007	25%	728,203	3,052	239
Sealed road resurfacing	7,538,010	1,507,602	6,030,408	20%	1,036,230	3,052	339
Street Furniture	0	0	0	0%	8,272	3,052	3
Streetlighting	165,107	33,021	132,086	20%	133,609	3,052	44
Structures component replacements	293,763	73,441	220,322	25%	9,464	3,052	3
Studies and strategies	0	0	0	0%	131,079	3,052	43
Town Centre Improvements	0	0	0	0%	238,577	3,052	78
Traffic services renewals	176,258	44,064	132,193	25%	33,424	3,052	11
Unsealed road metalling	3,331,938	333,194	2,998,744	10%	140,769	3,052	46
<b>TOTAL</b>	<b>32,355,243</b>	<b>6,767,477</b>	<b>25,587,767</b>	<b>21%</b>	<b>8,281,276</b>		<b>2,712</b>

## Transportation - Capital Expenditure for Development Contributions cont....

Project Summaries	10 Year Total Capital Cost (2013/14 \$)	Capital Cost Funded by Growth (2013/14 \$)	Capital Cost Funded by Other Sources (2013/14 \$)	Percentage Attributable to Growth	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2013/14 \$)	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2013/14 \$)
<b>District wide</b>							
Associated improvements	48,262	12,065	36,196	25%	7,768	10,165	1
Drainage renewals	30,293	7,573	22,720	25%	4,401	10,165	0
Kerb & channel construction	0	0	0	0%	1,608	10,165	0
Minor improvements	33,816	5,747	28,069	17%	9,897	10,165	1
Preventive maintenance	49,276	9,855	39,421	20%	6,992	10,165	1
Replacement of bridges & other structures	0	0	0	0%	4,680	10,165	0
Road reconstruction	0	0	0	0%	55,302	10,165	5
Seal extension	0	0	0	0%	112,616	10,165	11
Sealed road pavement rehabilitation	279,604	70,569	209,035	25%	130,700	10,165	13
Sealed road resurfacing	142,457	28,491	113,965	20%	23,578	10,165	2
Structures component replacements	27,048	6,762	20,286	25%	744	10,165	0
Studies and strategies	0	0	0	0%	564	10,165	0
Traffic services renewals	6,491	1,623	4,869	25%	2,047	10,165	0
<b>TOTAL</b>	<b>617,247</b>	<b>142,686</b>	<b>474,561</b>	<b>23%</b>	<b>360,897</b>		<b>36</b>

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

Contributing Area	Financial Year	CAPEX - QLDC (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Debt Balance (2013/14 \$)	Debt %
<b>Wakatipu</b>	Existing Debt							18,238,949	
Wakatipu	2013	8,736,011	3,615,554	3,615,554	678	1,611,260	1,611,260	20,243,243	93%
Wakatipu	2014	5,690,881	1,683,098	5,296,652	678	1,611,260	3,222,520	20,315,082	86%
Wakatipu	2015	4,116,995	1,107,515	6,406,167	678	1,611,260	4,833,779	19,811,337	80%
Wakatipu	2016	4,637,882	1,369,088	7,775,255	724	1,721,207	6,554,986	19,459,218	75%
Wakatipu	2017	5,492,537	1,543,142	9,318,396	724	1,721,207	8,276,193	19,281,152	70%
Wakatipu	2018	5,720,483	1,627,268	10,945,665	724	1,721,207	9,997,400	19,187,213	66%
Wakatipu	2019	4,300,151	1,164,311	12,109,976	724	1,721,207	11,718,607	18,630,317	61%
Wakatipu	2020	4,436,130	1,183,806	13,293,781	724	1,721,207	13,439,814	18,092,916	57%
Wakatipu	2021	3,110,947	801,541	14,095,323	729	1,731,532	15,171,346	17,162,925	53%
Wakatipu	2022	4,344,506	1,176,116	15,271,438	729	1,731,532	16,902,878	16,607,509	50%
		<b>50,586,523</b>	<b>15,271,438</b>		<b>7,113</b>	<b>16,902,878</b>	<b>Wakatipu Weighted Debt Funding Ratio</b>		<b>70%</b>
<b>District Wide</b>	Existing Debt								
District Wide	2013	215,234	51,114	51,114	993	35,245	35,245	15,869	31%
District Wide	2014	11,450	2,596	53,711	993	35,245	70,490	-16,779	-31%
District Wide	2015	7,111	1,705	55,416	993	35,245	105,734	-50,319	-91%
District Wide	2016	10,761	2,431	57,847	1029	36,516	142,250	-84,403	-146%
District Wide	2017	49,490	10,033	67,880	1029	36,516	178,765	-110,885	-163%
District Wide	2018	22,971	5,669	73,549	1029	36,516	215,281	-141,732	-193%
District Wide	2019	96,117	23,050	96,599	1029	36,516	251,797	-155,197	-161%
District Wide	2020	98,104	23,687	120,286	1029	36,516	288,312	-168,026	-140%
District Wide	2021	94,320	19,786	140,072	1022	36,292	324,605	-184,532	-132%
District Wide	2022	11,690	2,613	142,686	1022	36,292	360,897	-218,212	-153%
		<b>617,247</b>	<b>142,686</b>		<b>10,165</b>	<b>360,897</b>	<b>Wakatipu/Wanaka Weighted Debt Funding Ration</b>		<b>0%</b>

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

Contributing Area	Financial Year	CAPEX - QLDC (2013/14 \$)	CAPEX for Growth (2013/14 \$)	Cumulative Growth Cost (2013/14 \$)	New Dwelling Equivalents	Contributions Received (2013/14 \$)	Cumulative Contributions Received (2013/14 \$)	Debt Balance (2013/14 \$)	Debt %
<b>Wanaka</b>	Existing Debt							9,858,175	
Wanaka	2013	3,707,227	767,824	767,824	315	853,783	853,783	9,772,216	92%
Wanaka	2014	2,017,128	369,293	1,137,117	315	853,783	1,707,566	9,287,726	84%
Wanaka	2015	2,293,442	444,994	1,582,111	315	853,783	2,561,349	8,878,937	78%
Wanaka	2016	5,093,264	1,141,799	2,723,910	304	825,374	3,386,724	9,195,361	73%
Wanaka	2017	3,408,265	714,858	3,438,768	304	825,374	4,212,098	9,084,845	68%
Wanaka	2018	2,775,447	586,955	4,025,723	304	825,374	5,037,472	8,846,426	64%
Wanaka	2019	3,761,258	824,622	4,850,345	304	825,374	5,862,847	8,845,673	60%
Wanaka	2020	2,554,171	492,295	5,342,640	304	825,374	6,688,221	8,512,594	56%
Wanaka	2021	3,378,387	718,255	6,060,895	294	796,527	7,484,748	8,434,322	53%
Wanaka	2022	3,366,655	706,582	6,767,477	294	796,527	8,281,276	8,344,376	50%
		<b>32,355,243</b>	<b>6,767,477</b>		<b>3,052</b>	<b>8,281,276</b>	<b>Wanaka Weighted Debt Funding Ratio</b>		<b>68%</b>



# *annual plan • 2013-2014*



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