

DRAFT RATES INFORMATION

SUPPORTING INFORMATION FOR THE CONSULTATION
DOCUMENT FOR THE LONG TERM PLAN 2024/34

M-files: 891448



DRAFT FUNDING IMPACT STATEMENT (WHOLE OF COUNCIL)

(All in \$000s)	Annual Plan	Long Term Plan (FORECAST)										
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
Sources of Operating Funding												
General rates, UAGC's, rates penalties	6,549	8,380	8,694	8,879	8,965	9,020	9,161	9,337	9,375	9,466	9,632	
Targeted rates	24,597	30,407	35,478	42,322	46,031	50,582	52,121	55,562	57,988	59,879	62,055	
Subsidies and grants for operating purposes	6,029	9,011	8,627	8,865	9,053	9,367	9,511	9,640	9,794	9,880	5,238	
Fees and charges	9,524	5,934	6,036	6,146	6,255	6,360	6,460	6,556	6,651	6,746	6,837	
Interest and dividends from investments	1,035	1,804	1,886	1,976	2,055	2,137	2,198	2,257	2,327	2,454	2,528	
Fuel tax, infringement fees and other receipts	2,177	1,672	1,706	1,743	1,779	1,814	1,848	1,880	1,912	1,944	1,974	
TOTAL SOURCES OF OPERATING FUNDING	46,914	57,209	62,426	69,931	74,137	79,121	81,154	85,102	87,893	90,284	92,906	
Applications of Operating Funding												
Payments to staff and suppliers	37,581	49,416	49,779	50,581	51,753	52,780	53,532	54,675	55,788	56,395	57,260	
Finance costs	1,906	5,373	6,822	8,494	9,698	10,946	11,267	11,468	11,980	14,743	15,237	
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0	
TOTAL APPLICATIONS OF OPERATING FUNDING	39,487	54,790	56,601	59,075	61,451	63,726	64,798	66,143	67,767	71,138	72,497	
SURPLUS (DEFICIT) OF OPERATING FUNDING	7,427	2,419	5,825	10,855	12,686	15,395	16,355	18,960	20,126	19,146	20,409	

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	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
Sources of Capital Funding												
Subsidies and grants for capital expenditure	7,460	8,038	8,851	8,777	9,256	9,009	8,739	10,029	8,390	8,647	8,084	
Development and financial contributions	0	0	0	0	220	1,983	17,623	2,203	0	0	0	
Increase (decrease) in debt	36,500	27,555	31,810	22,884	23,734	6,061	3,787	9,694	52,589	9,351	29,534	
(Debt repayments)	0	0	0	0	0	0	0	0	0	0	0	
Gross proceeds from sale of development property	0	0	700	500	400	100	0	0	0	0	0	
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0	
TOTAL SOURCES OF CAPITAL FUNDING	43,960	35,592	40,661	31,661	32,990	15,071	12,527	19,723	60,979	17,998	37,617	
Applications of Capital Funding												
Capital expenditure to meet additional demand	1,933	300	153	219	287	293	66	303	309	70	319	
Capital expenditure to improve the level of service	31,802	13,053	10,035	6,491	23,345	10,394	6,219	7,508	57,760	17,790	39,292	
Capital expenditure to replace existing assets	19,632	23,092	34,595	34,296	20,481	18,624	21,463	29,550	20,600	17,886	16,466	
(Increase) decrease in reserves	(1,181)	0	0	0	0	0	0	0	0	0	0	
(Increase) decrease of investments	(800)	1,566	1,703	1,510	1,563	1,155	1,135	1,322	2,436	1,398	1,950	
TOTAL APPLICATIONS OF CAPITAL FUNDING	51,386	38,011	46,486	42,516	45,676	30,466	28,882	38,683	81,104	37,144	58,026	
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(7,427)	(2,419)	(5,825)	(10,855)	(12,686)	(15,395)	(16,355)	(18,960)	(20,126)	(19,146)	(20,409)	
FUNDING BALANCE	0	0	0	0	0	0	0	0	0	0	0	

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DRAFT DETAILED DESCRIPTION OF RATE FUNDING MECHANISMS

Council proposes to set the following rates for the year commencing 1 July 2024 and ending 30 June 2025 in accordance with the Local Government Act 2002 and the Local Government (Rating) Act 2002. All monetary values disclosed are inclusive of GST.

DEFINITIONS

UAGC - A 'Uniform Annual General Charge'

is a rate set at a fixed amount across the district and which every rateable SUIP pays.

SUIP - A 'separately used or inhabited part of a rating unit' includes any part or parts of a rating unit that can be separately used or inhabited in addition to the principal habitation or use.

'On demand' water supply - A supply which is available on demand directly from the point of supply subject to the agreed level of service.

'Restricted' water supply - A type of water supply connection where a small flow is supplied through a flow control device, and storage is provided by the customer to cater for the customer's demand fluctuations.

The Council is not inviting lump sum contributions in respect of any targeted rates.

COMMUNITY LEADERSHIP

Community Board Targeted Rate

	FIXED CHARGE (\$) PER SUIP	TOTAL AMOUNT TO BE COLLECTED (\$)
West Otago Community Board	91.20	115,800
Lawrence/Tuapeka Community Board	171.70	125,500
TOTAL		241,300

COMMUNITY BOARDS

Council has set 'Community Board' rates to fund the cost of its two community boards and local projects within the community board areas (as per attached maps). The rates are set as a fixed charge per rateable separately used or inhabited part

of a rating unit (SUIP) within each community board area as per the table above:

WEST OTAGO HEALTH TRUST

Council has set a targeted rate per rateable separately used or inhabited part of a rating unit (SUIP) for those within the

West Otago Health Trust service catchment area, which mirrors the West Otago Community Board boundaries. The rate is set to fund repayment of loans taken out for Council's grant to West Otago Health for the construction of their facility in Tapanui. The rate is set as a fixed charge of \$96.50 per SUIP. The total amount to be collected is \$ 123,500.

UNIFORM ANNUAL GENERAL CHARGE (UAGC)

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Activity	AMOUNT (\$) PER UAGC	TOTAL AMOUNT TO BE COLLECTED (\$)
Council	168.10	1,847,400
Economic development	84.70	931,200
Community support	51.50	566,500
Culture and heritage	27.60	303,900
District wide main street	10.60	117,100
Parks, reserves, sportsgrounds and playgrounds	79.70	876,000
Halls & community centres	48.70	535,800
Swimming pools	89.80	987,600
Community Libraries	249.60	2,743,100
I-site	36.10	396,600
Cross Recreation Centre	11.90	131,000
Animal Control	13.60	149,200
Emergency Services	6.10	66,800
Cemeteries	22.90	252,200
Public conveniences	43.40	477,500
Environmental health	12.00	131,700
Rural fire	.80	8,700
Waste Minimisation	29.00	318,700
SUB TOTAL	986.10	10,841,000
Income		
Property	2.20	23,700
General - Petrol Tax and Investment Income	132.10	1,452,300
Other income	25.60	280,800
SUB TOTAL	159.90	1,756,800
TOTAL	826.40	9,084,200

Council has set a 'UAGC' of \$826.40 on each rateable separately used or inhabited part of a rating unit (SUIP) in the district.

The amount to be collected is \$9,084,200.

The activities that the UAGC is used to fund, as well as the income sources that offset the UAGC, are outlined to the left.

DISTRICT ROADING

Council has set a 'District Roading' rate on every rateable rating unit in the district. The rate is 0.040120 cents per \$1 of capital value and funds approximately 37% of Councils share of the cost of providing operating and managing the local roading network, including roads, bridges, streetscapes and footpaths.

The amount to be collected is \$3,511,800.

LOCAL ROADING

Council has set 'Local Roading' Rates on every rateable rating unit in the district. This rate funds approximately 63% of Council's share of roading costs, including construction and maintenance of roads and footpaths within a locality/rating area.

The rates include a fixed charge and land value based component. The fixed charge component will be charged per SUJP and will be differentiated based on location and level of service, with the urban fixed charge being higher due to additional sealing in urban areas. The land value component will be differentiated based on location.

Council has defined areas of rateable land for the local roading rate. For rural land that falls within township boundaries, Council has applied a mechanism whereby areas equal to or greater than 1.2 hectares are split for rating purposes into an "a" and "b" assessment.

The "a" assessment is calculated using the township rate (house and/or section) whilst the "b" assessment (remainder of the land) is calculated using the rural local roading rate.

The amount to be collected is \$6,011,900.

NEW FOOTPATHS

Council has set 'New Footpath Rates' to fund repayment of loans taken out to provide new footpaths. The total to be collected is \$194,000.

The rates are set as a fixed charge per separately used or inhabited part of a rating unit (SUJP) in each local roading rating area as per the table to the right:

Local Roading Targeted Rate

	TARGETED FIXED CHARGE (\$) PER SUJP	CENTS PER \$ OF LAND VALUE	TOTAL AMOUNT TO BE COLLECTED (\$)
Balclutha	61.30	0.13522	450,900
Clinton	61.30	0.67940	43,200
Heriot	61.30	0.14322	7,800
Kaitangata	61.30	0.34646	122,800
Kaka Point	61.30	0.06509	50,400
Lawrence	61.30	0.15959	77,600
Milton	61.30	0.08337	176,500
Owaka	61.30	0.30973	45,300
Papatowai	61.30	0.07006	14,600
Pounawea	61.30	0.07585	15,200
Stirling	61.30	0.15244	32,900
Taieri Mouth	61.30	0.04868	45,400
Tapanui	61.30	0.21810	68,000
Waihola	61.30	0.03201	33,800
Rural	58.30	0.09233	4,827,500
TOTAL			6,011,900

New Footpaths Targeted Rate

	FIXED CHARGE (\$) PER SUJP	TOTAL AMOUNT TO BE COLLECTED (\$)
Balclutha	41.40	93,700
Clinton	0.00	0
Kaitangata	14.60	6,800
Kaka Point	24.20	7,000
Lawrence	10.70	4,000
Milton	59.50	67,000
Owaka	11.60	2,400
Stirling	54.70	8,400
Tapanui	9.90	4,700
TOTAL		194,000

URBAN WATER SUPPLY

This rate funds the provision of reticulated potable water supplies to urban areas.

Council has set a targeted rate for customers who receive potable water from an 'on demand' supply and a targeted rate for customers who receive potable water from a 'restricted' supply.

These rates will be set up as a fixed charge per SUIP. These rates will be differentiated based on whether the SUIP is connected to the service, or is available but the SUIP is not actually connected

i.e. serviceable SUIP (50% of the fixed charge per connected SUIP).

The final determination of these rates will also include operating and capital costs for the water supply activity.

On demand water rates will be charged for each serviced or serviceable SUIP to an unrestricted water supply.

Restricted water rates will be charged to a serviced or serviceable SUIP where a small flow is supplied through a flow control device, and storage is

provided by the customer to cater for the customer's demand fluctuations.

The restricted rate will be set at 85% of the on demand rate.

The total amount to be collected is \$ 4,464,000.

The rate for each scheme is shown in the table below:

Urban Water Supply Targeted Rate

	FIXED CHARGE (\$) PER SERVICED SUIP	FIXED CHARGE (\$) PER SERVICEABLE SUIP	SCHEME TYPE	TOTAL AMOUNT TO BE COLLECTED (\$)
Balclutha	772.70	386.35	On-demand	1,776,400
Benhar	772.70	0.00	On-demand	40,900
Clinton	656.80	328.40	Restricted	121,200
Kaitangata	772.70	386.35	On-demand	341,200
Kaka Point	656.80	328.40	Restricted	173,100
Lawrence	772.70	386.35	On-demand	304,400
Milton	772.70	386.35	On-demand	833,800
Owaka	656.80	328.40	Restricted	162,800
Stirling	772.70	386.35	On-demand	124,400
Tapanui	772.70	386.35	On-demand	409,200
Waihola	656.80	328.40	Restricted	176,600
TOTAL				4,464,000

RURAL WATER SCHEMES

Council has set 'Rural Water Scheme' rates to fund the operation, maintenance and capital expenditure for individual rural water schemes areas that are primarily for stock but also for domestic consumption (as per attached maps). The total amount to be collected is \$7,589,700. The rates are set as a fixed charge for each unit (one m³ of water per day) of water supplied, as per the table to the right:

SEWERAGE UPGRADE SUPPORT

Council has set a 'District Sewerage Upgrade Support' rate on every rateable rating unit in the district. This will be used to fund 10% of capital costs of treatment upgrades, investigations into establishing new sewerage schemes and reticulation extensions and improving sewage disposal from existing systems. The rate is 0.001235 cents per \$1 of capital value. The amount to be collected is \$ 108,100.

SEWERAGE

This rate funds the provision of sewerage reticulation and treatment facilities.

Council has set a targeted uniform sewerage rate for each separately used or inhabited part of a rating unit (SUIP) that is either connected to one of the following schemes, or for which a connection is available.

These rates will be differentiated based on whether the SUIP is connected to the service, or is available but the SUIP is not actually connected i.e. serviceable SUIP (50% of the fixed charge per connected SUIP).

The total amount to be collected is \$3,019,900.

The rate for each scheme is shown in the table to the right:

Rural Water Scheme Targeted Rate

	FIXED CHARGE (\$) PER UNIT SUPPLIED	TOTAL AMOUNT TO BE COLLECTED (\$)
Clydevale/Pomahaka	464.80	1,171,700
Glenkenich	472.30	503,500
Greenfield	670.90	2,597,700
Moa Flat	314.70	755,600
North Bruce	438.90	852,400
Richardson	338.10	864,900
South Bruce	271.10	416,200
Waipahi	233.50	208,500
Wangaloa	521.90	219,200
TOTAL		7,589,700

Sewerage Targeted Rate

	FIXED CHARGE (\$) PER SERVICED SUIP	FIXED CHARGE (\$) PER SERVICEABLE SUIP	TOTAL AMOUNT TO BE COLLECTED (\$)
Balclutha (including Benhar)	518.50	259.25	1,194,300
Clinton	518.50	259.25	95,900
Heriot	518.50	0.00	40,500
Kaitangata	518.50	259.25	212,300
Kaka Point	518.50	259.25	141,300
Lawrence	518.50	259.25	184,800
Milton (including Tokoiti)	518.50	259.25	568,200
Owaka (including Pounaweia)	518.50	259.25	126,300
Stirling	518.50	259.25	78,000
Tapanui	518.50	259.25	248,100
Waihola	518.50	259.25	130,200
TOTAL			3,019,900

SEWERAGE LOAN RATES

Council has set 'Sewerage Loan' rates to repay loans taken out to fund the capital cost of certain sewerage schemes. The rates are set as an amount for each separately used or inhabited part of a rating unit (SUJP) that is "serviceable", i.e. either connected to one of the following schemes, or for which a connection is available, that did not elect to make a lump sum contribution.

The total amount to be collected is \$48,200. The rate for each scheme is shown in the table to the right:

Sewerage Capital Targeted Loan Rate

	AREA A FIXED CHARGE (\$) PER SERVICED SUJP	AREA B FIXED CHARGE (\$) PER SERVICED SUJP	TOTAL AMOUNT TO BE COLLECTED (\$)
Benhar	894.00	814.10	32,900
Tokoiti	745.10	588.80	15,300
TOTAL			48,200

STORMWATER

This rate is for the provision of stormwater reticulation and minor stormwater works.

Council has set targeted stormwater rates for each separately used or inhabited part of a rating unit (SUJP) that is either provided with a full stormwater service, or for which a limited service is available (50% of full service charge).

The total amount to be collected is \$1,290,200. The rate for each scheme is shown in the table to the right:

Stormwater Targeted Rate

	SERVICED SUJP	LIMITED SERVICE	TOTAL AMOUNT TO BE COLLECTED (\$)
Balclutha	218.90	109.45	483,700
Clinton	218.90	109.45	40,500
Kaitangata	218.90	109.45	16,100
Kaka Point	218.90	109.45	93,400
Lawrence	218.90	109.45	57,700
Milton	218.90	109.45	76,100
Owaka	218.90	109.45	217,600
Tapanui	218.90	109.45	45,500
Heriot	218.90	109.45	21,300
Pounawea	218.90	109.45	32,100
Stirling	218.90	109.45	51,200
Taieri Mouth	218.90	109.45	101,200
Waihola	218.90	109.45	53,800
TOTAL			1,290,200

COMMUNITY FACILITIES

Council has set a 'Community Facilities' targeted rate on all rateable rating units in the district. This rate is used to fund approximately 50% of swimming pools, halls, community centres, parks, reserves, sportsgrounds, playgrounds, Cross Recreation Centre, and approximately 80% the local share of main street improvements.

The amount to be collected is \$2,863,500.

The rates are set as a fixed charges per SUJP and based on location and the facilities within each Community rating area areas (as per attached maps). The charges are per the table to the right:

Community Facilities Targeted Rate

	FIXED CHARGE PER SUJP (\$)	TOTAL AMOUNT TO BE COLLECTED (\$)
Bruce	282.20	766,000
Catlins	62.70	59,800
Clinton	88.90	53,200
Lawrence Tuapeka	155.60	142,400
Lower Clutha	387.90	1,776,400
West Otago	53.80	59,800
TOTAL		2,863,500

SOLID WASTE MANAGEMENT

A 'Waste Management' rate has been set to fund waste collection and disposal services. This rate is set as a fixed charge of \$245.00 per pair of wheelie bins provided to each SUJP.

The amount to be collected is \$ 1,556,500.

DISTRICT-WIDE FACILITIES

Council has set a 'District-wide Facilities' rate on every rateable rating unit in the district. This will fund approximately 50% of the costs of public toilets. The rate is 0.005958 cents per \$1 of capital value.

The amount to be collected is \$477,500.

COMMUNITY PROJECTS

Council has set a 'Community Projects' targeted rate on all rateable rating units in the Bruce community rating area. This rate is used to fund the costs of Project Bruce.

The rate is set as a fixed charge per SUJP in the Bruce community rating area (as per attached Map: Community Rating Areas).

The rates are set as a fixed charge per SUJP of \$25.40.

The amount to be collected is \$69,000.

PLANNING/REGULATORY

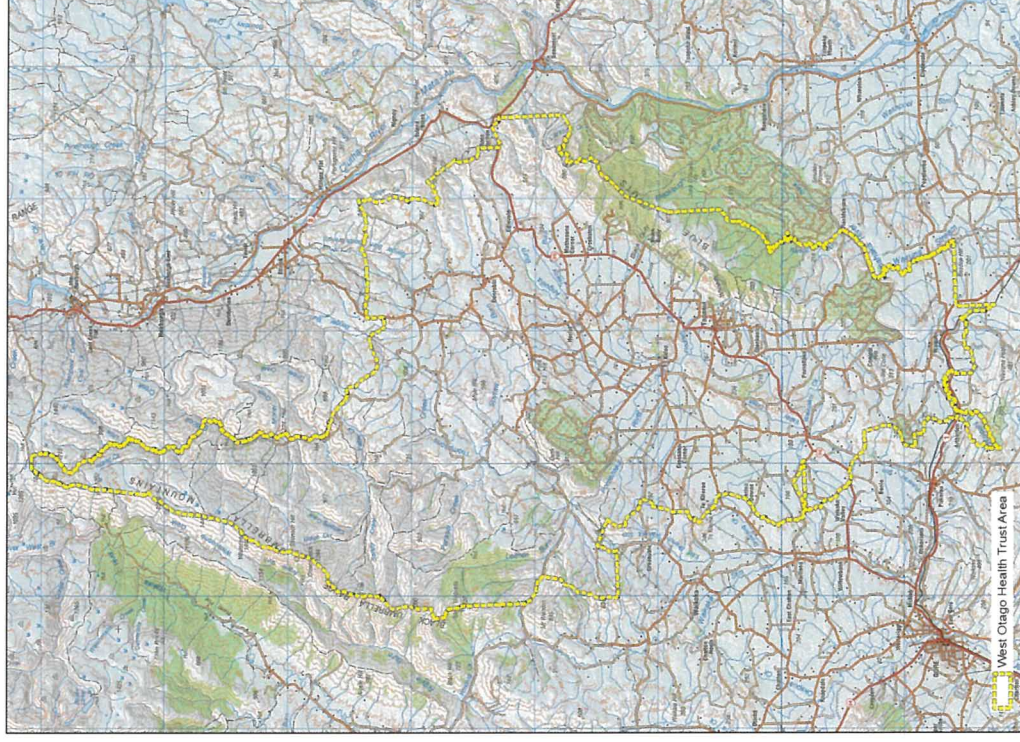
Council has set a 'Planning/Regulatory' rate on every rateable rating unit in the district. This will part-fund resource management, building control, compliance and liquor licensing. The rate is 0.022850 cents per \$1 of capital value.

The amount to be collected is \$2,000,100.

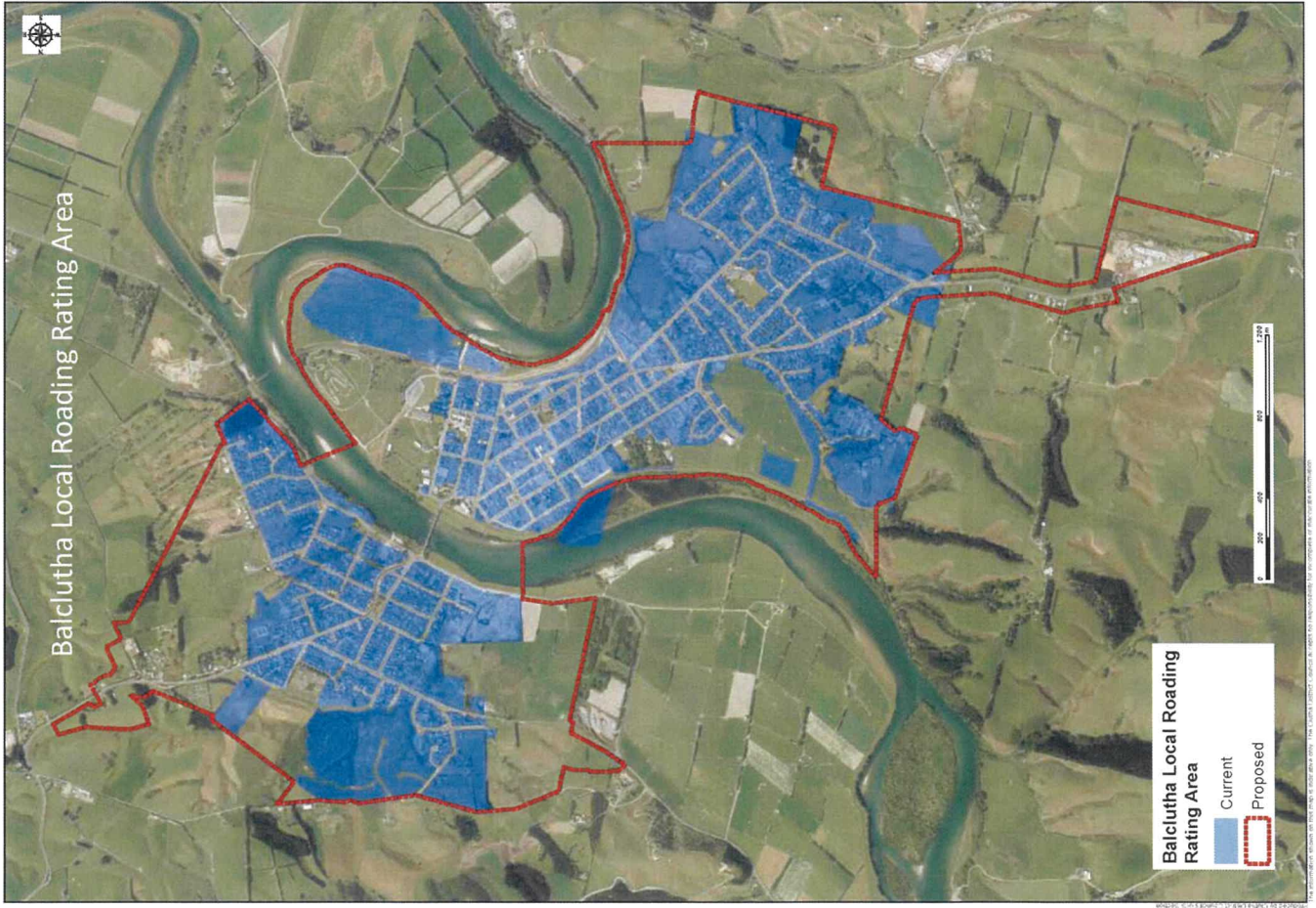
Map: Lawrence Tuapeka Community Board Rating Area



Map: West Otago Community Board/West Otago Health Trust Rating Area



Map: Balclutha Local Roading Rating Area



Map: Clinton Local Roading Rating Area



Map: Heriot Local Road Rating Area



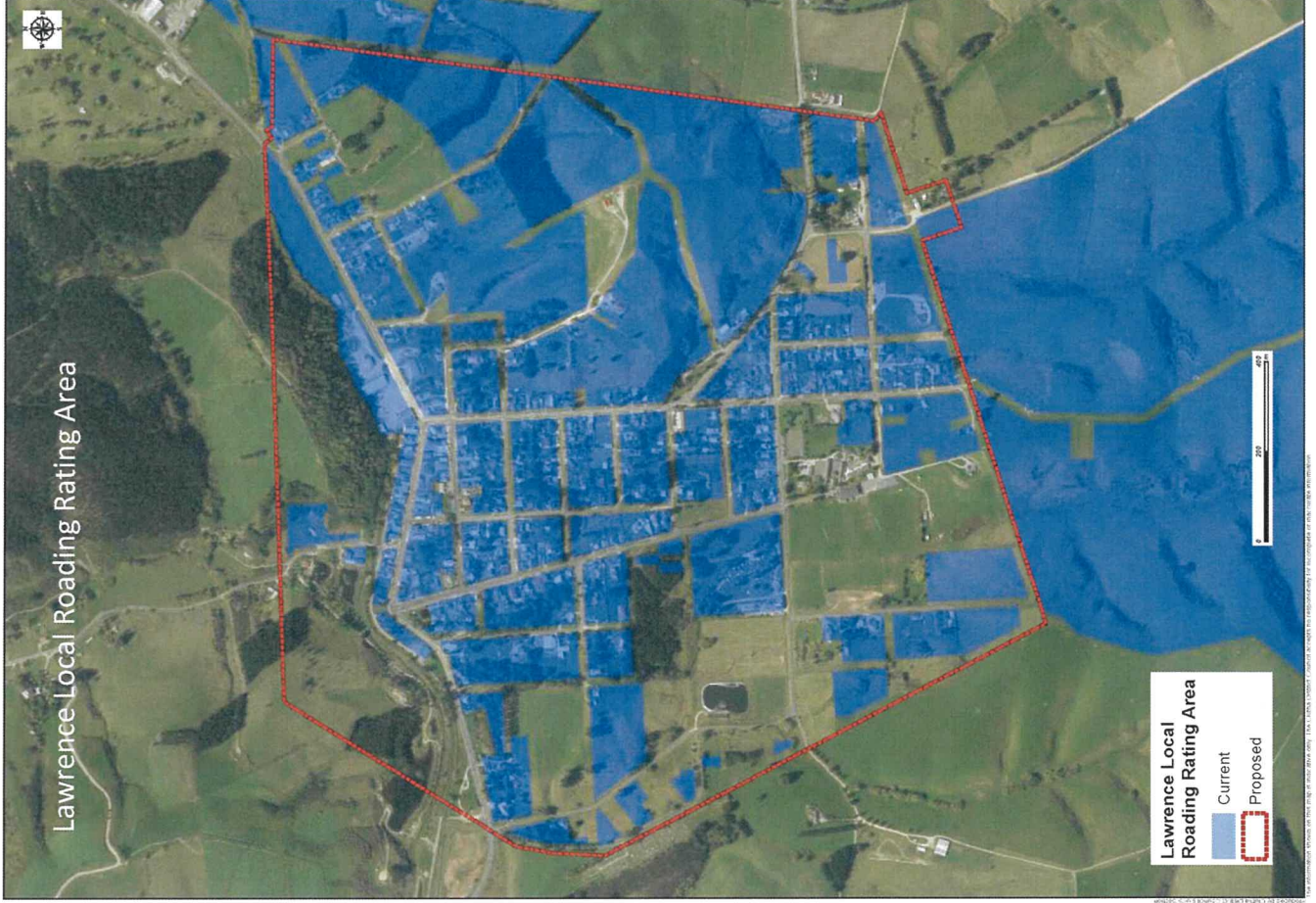
Map: Kaitangata Local Road Rating Area



Map: Kaka Point Local Road Rating Area



Map: Lawrence Local Road Rating Area



Map: Milton Local Roading Rating Area



Map: Owaka Local Roading Rating Area



Map: Papatowai Local Roading Rating Area



Map: Pounawea Local Roading Rating Area



Map: Stirling Local Road Rating Area



Map: Taieri Mouth Local Road Rating Area



Map: Tapanui Local Road Rating Area



Map: Waihola Local Road Rating Area



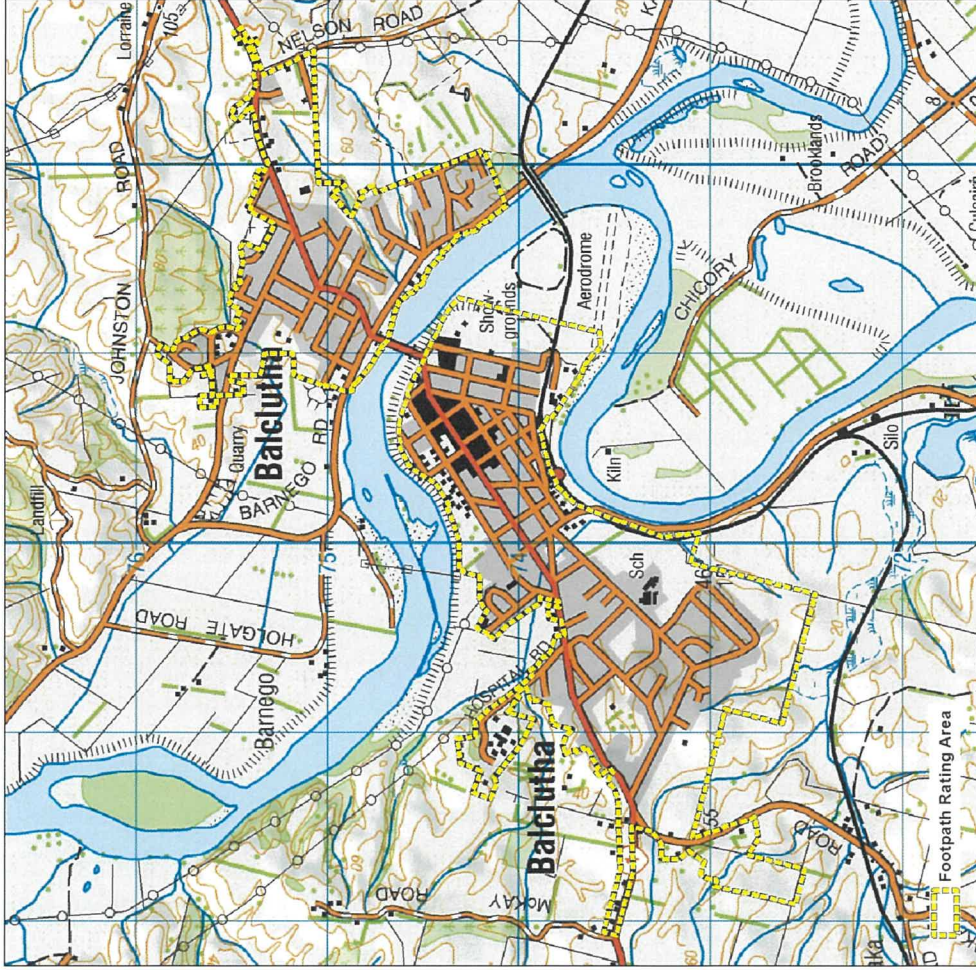
Map: Rural Local Road Rating Area



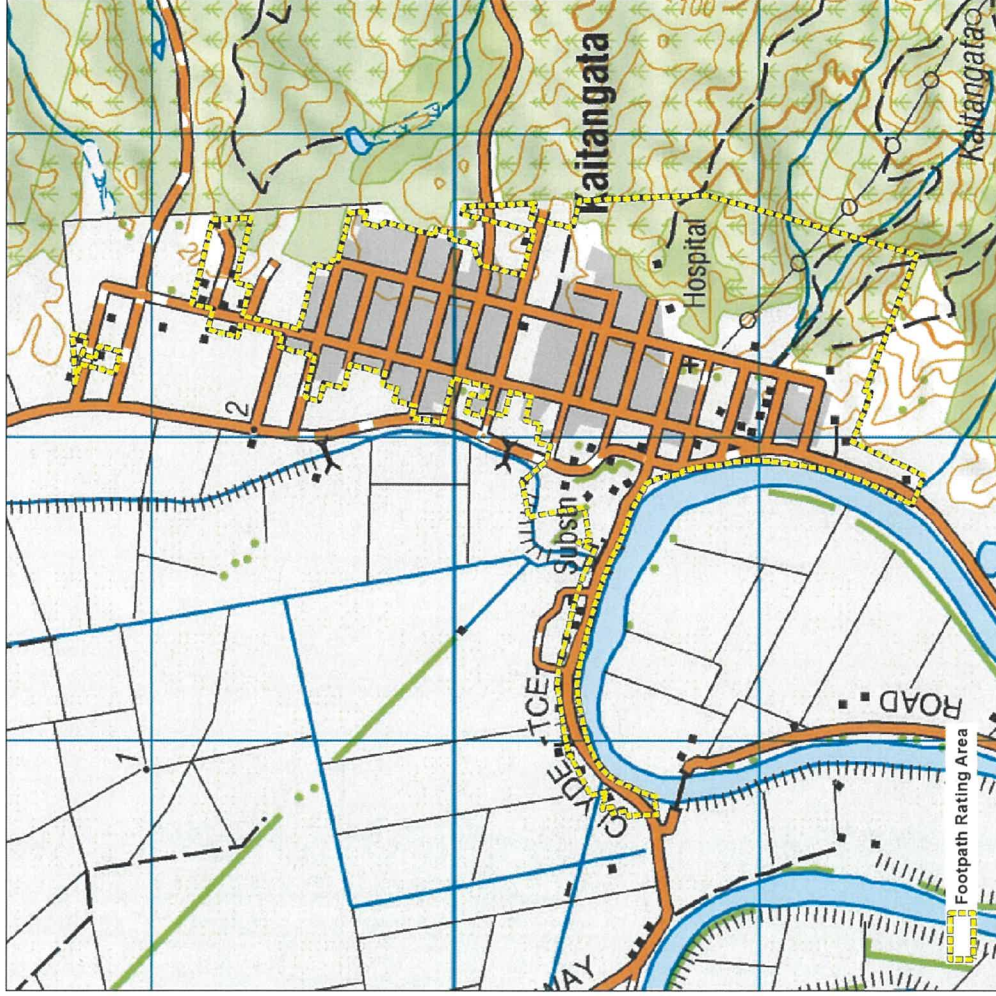
Map: Clinton Footpath Rating Area



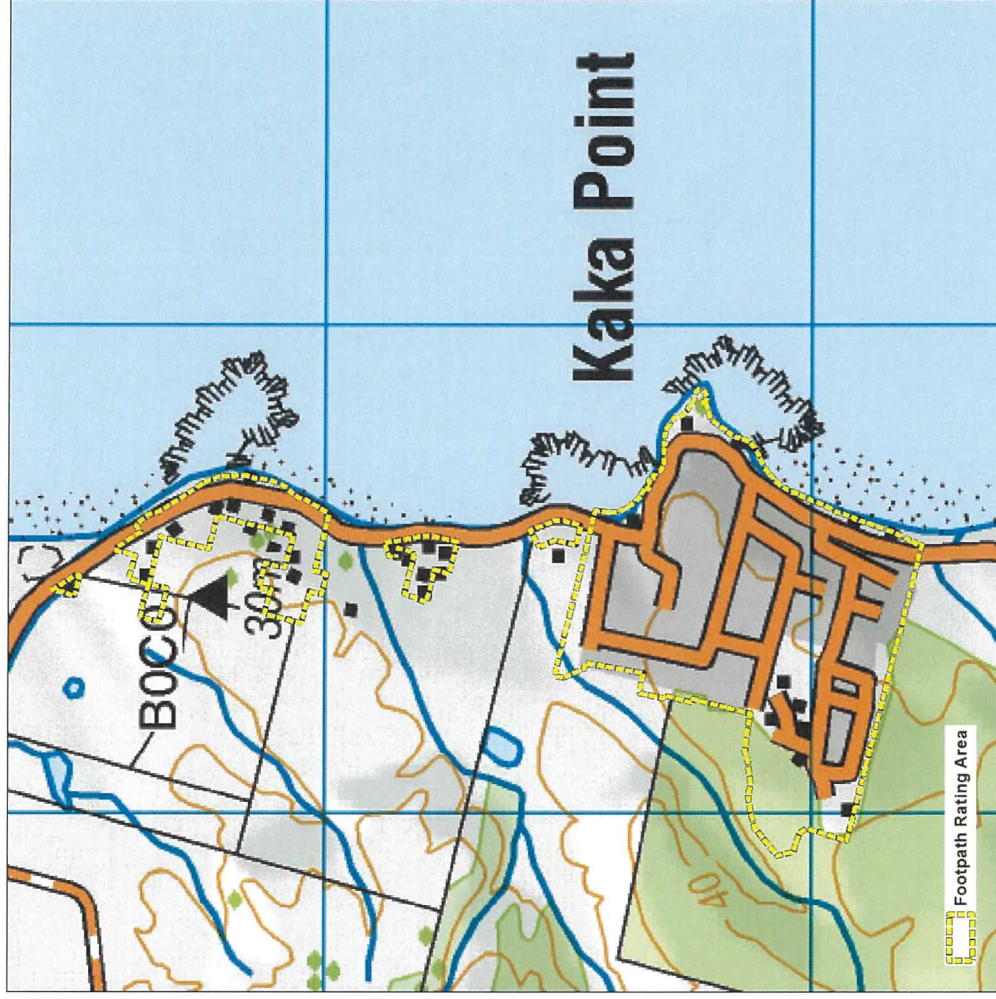
Map: Balclutha Footpath Rating Area



Map: Kaitangata Footpath Rating Area



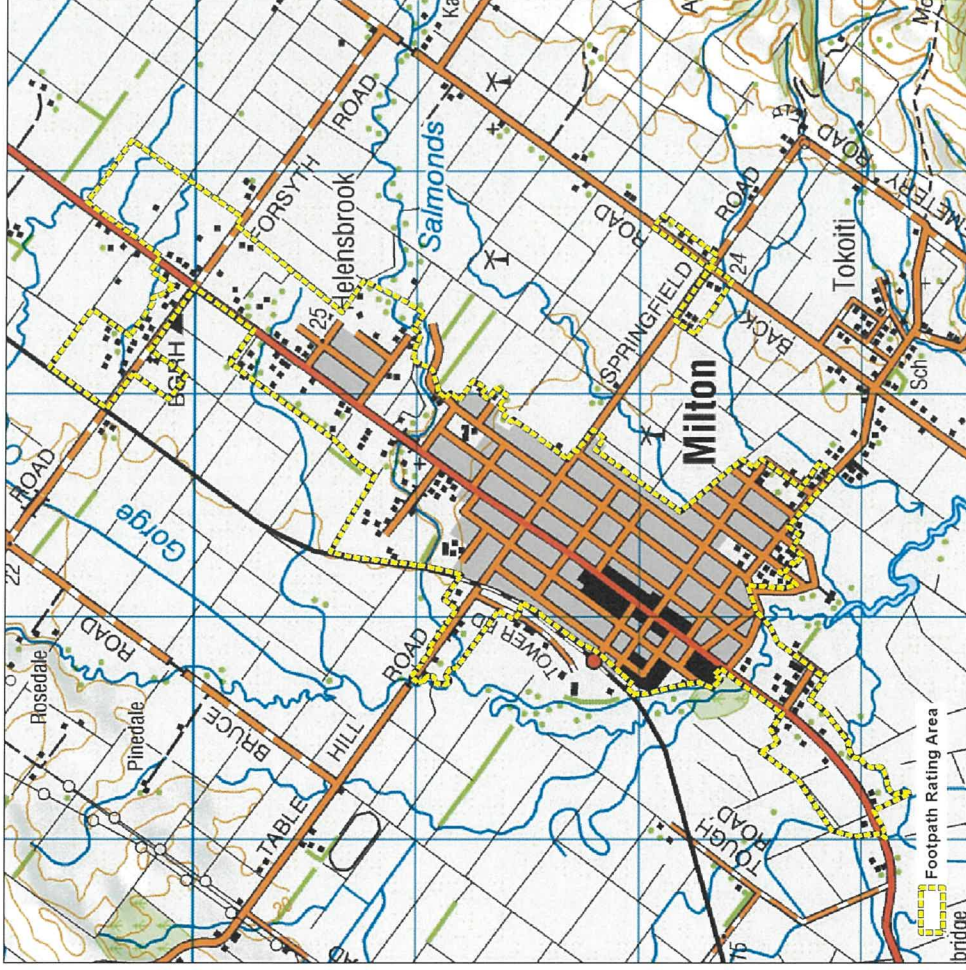
Map: Kaka Point Footpath Rating Area



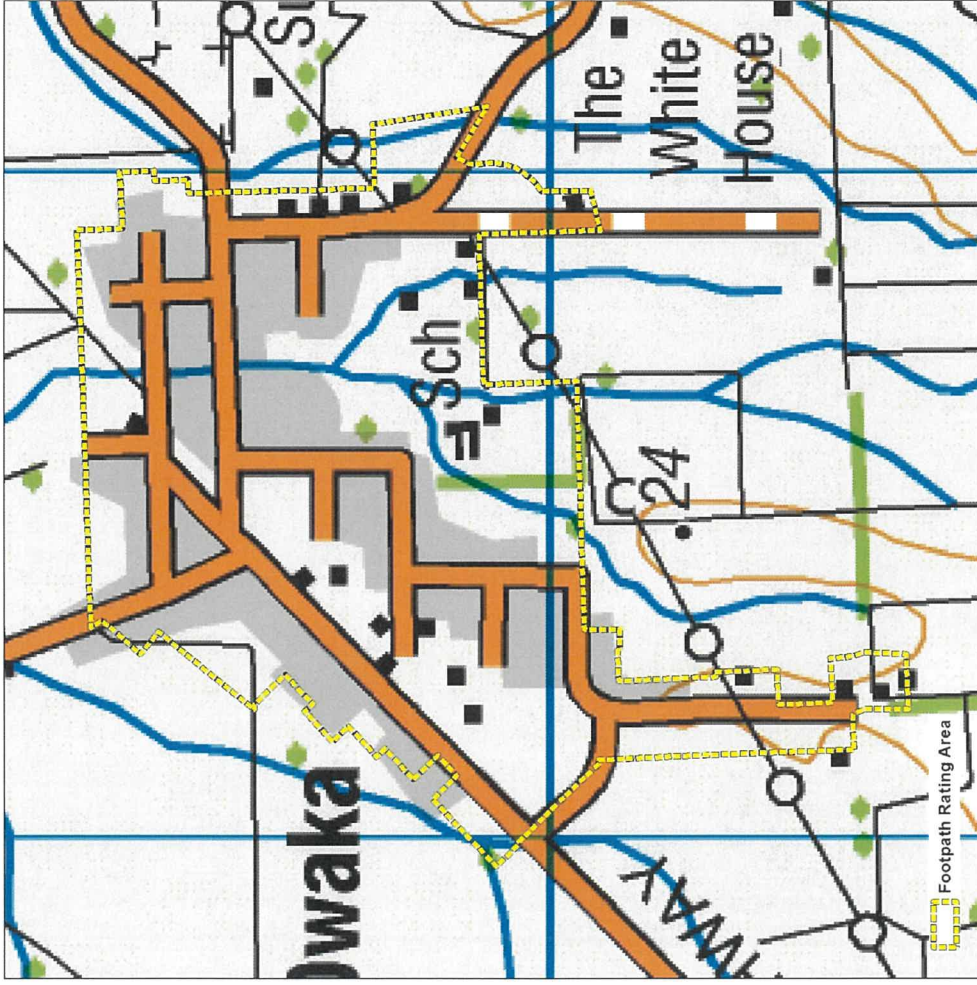
Map: Lawrence Footpath Rating Area



Map: Milton Footpath Rating Area



Map: Owaka Footpath Rating Area



Map: Stirling Footpath Rating Area



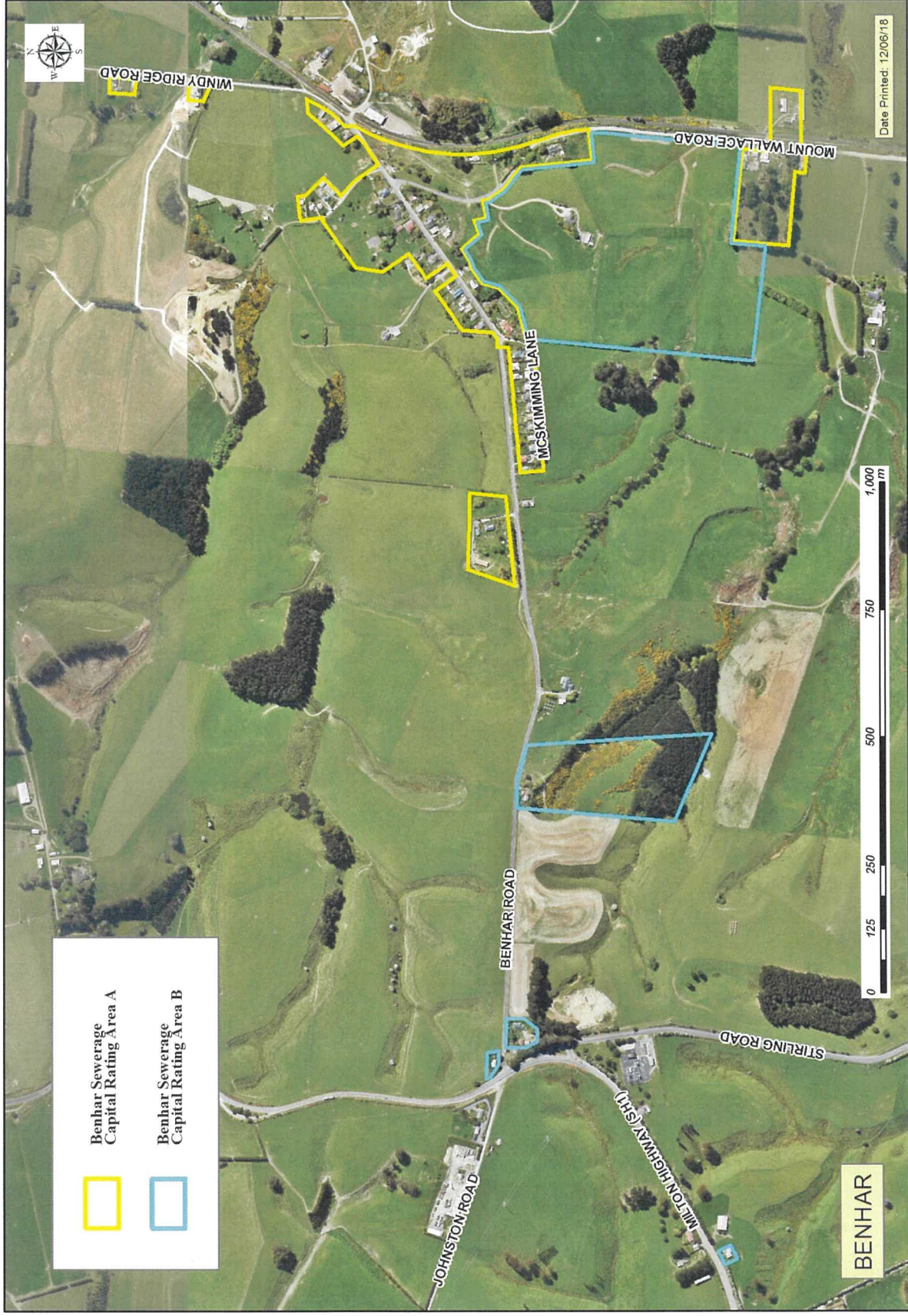
Map: Tapanui Footpath Rating Area



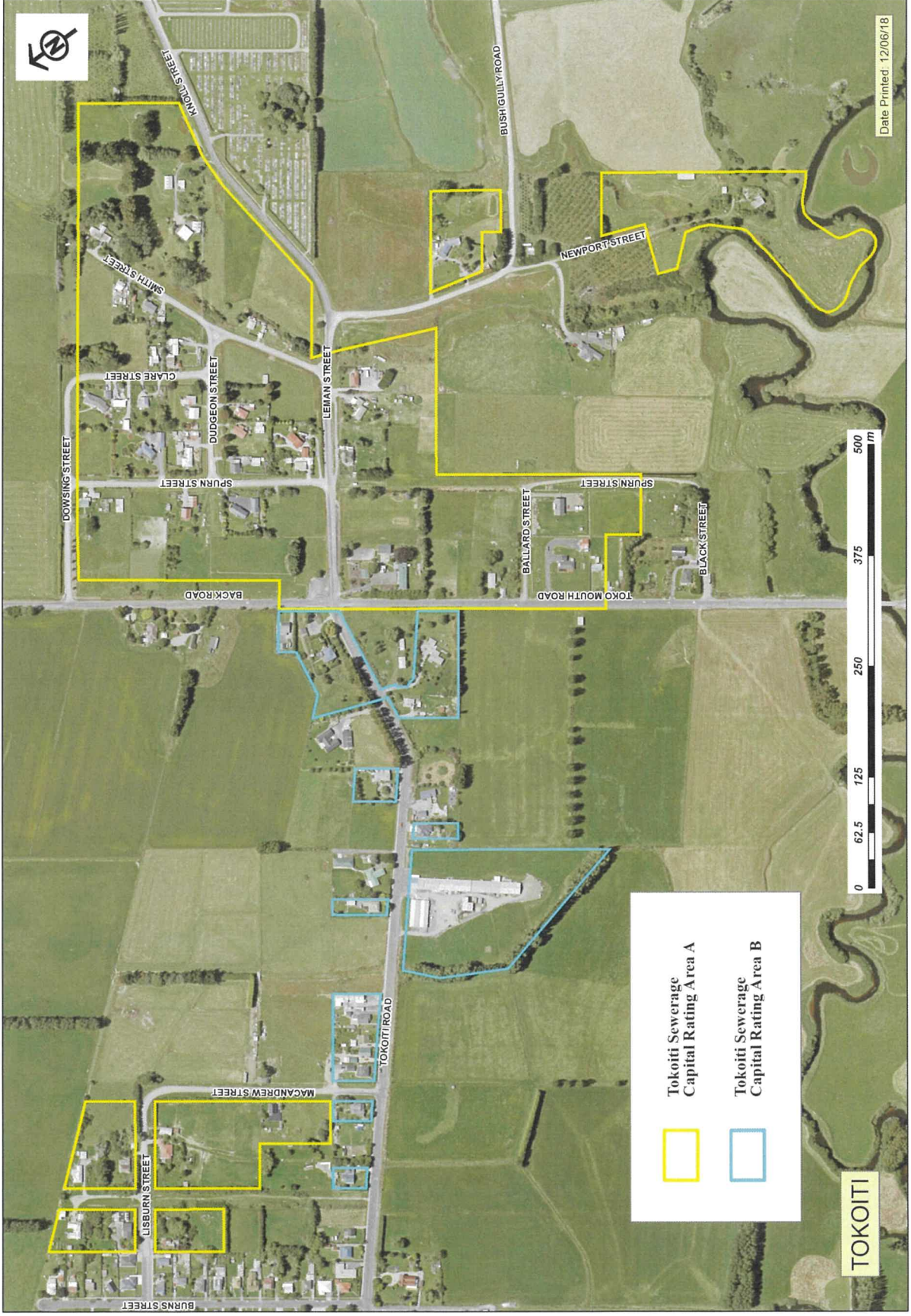
Map: Waihola Footpath Rating Area



Map: Benhar Sewerage Capital Rating Areas A & B



Map: Tokoiti Sewerage Capital Rating Areas A & B



Map: Community Rating Areas

