



Rangitikei District Council

Annual Plan 2010-2011

(Year 2 of the 2009-19 LTCCP)

Adopted by Council on 10 June 2010

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Mayor's Message



This Annual Plan updates the Council's 2009-2019 Long Term Council Community Plan ("the LTCCP") for the year 1 July 2010 to 30 June 2011. This means the Plan focuses on two things: what we intend to do in the coming year and what changes are being proposed to the budget (costs and revenues) forecasted in the LTCCP.

Council is limited by law in making substantial changes to the LTCCP. So, the Plan does not propose major projects which aren't in the LTCCP. Equally, however, Council intends to continue with the significant water and waste water projects noted in the LTCCP. Nor does it propose any fundamental changes to what Council envisages doing (and how well it will be done) – what the Plan terms "levels of service". Maintaining these levels of service, particularly with core services is critical – but it does come at a cost. The average increase in rates for 2010/11 from this Plan will be 4.86%. This is 3.80% less than what was forecast in the LTCCP. However, this increase will be greater for some properties and smaller for others. Accepting this increase in rates means that we don't lose any more ground in maintaining Council's assets. Council is very mindful of the difficult economic times but sees it as essential to keep services and facilities to the reasonable levels defined in the LTCCP.

Unexpectedly, the government has defined its roading subsidies for 2010/11 and 2011/12 in accordance with Council's roading budget in 2009/10 rather than the LTCCP's forecasts for 2010/11 and 2011/12. In this Annual Plan, Council is proposing not to increase its expenditure on pavement renewal by \$330,000 in 2010/11 as was proposed in the LTCCP. Instead it proposes to place \$150,000[†] in 2010/11 into a general road reserve which could be used when the subsidy freeze is lifted and/or to fund emergency work (which in the past has attracted a considerably higher than usual level of subsidy). Council believes that – provided NZTA does review its funding levels to align with the 2012/2022 LTCCP – this approach maximises the use of ratepayer funds and will not impact on the safety of local roads nor increase the cost of their maintenance

Council is required to specify 'variations' to the LTCCP, so you will

see them noted on p.6 and (where applicable) under the various activities. These changes are of a technical, timing or budgetary nature.

If you want to look at the LTCCP, it is available on Council's website www.rangitikei.govt.nz; copies are held in the District Libraries at Bulls, Marton and Taihape; you can phone the Council (0800 422 522) and ask for a copy to be mailed to you.

Although this Annual Plan is a fine-tuning of the LTCCP, we were still interested in having comments from the community through the submission process which is prescribed by legislation. A draft Plan was released for public consultation and Council has carefully considered all your suggestions for improvement. Changes that have been made as a result of submissions are noted on page 5.

Chalky Leary
Mayor of the Rangitikei District

[†] This is equivalent to the 'local share' (i.e. the sum funded by rates) of the \$330,000 – the balance would have been government roading subsidy.

Your Elected Members



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Your Representatives

Community Board Members

Taihape

Mr Richard Aslett (Chair)	06 382-5774
Ms Gail Larsen	06 388 1161
Ms Michelle Fannin	06 388 1129
Mr Angus Gordon	06 388 1571
Cr Jan Byford	06 388 0194
Cr Ed Cherry	06 388 1002

Ratana

Mr Johnson Hamahona	06 342-6874
Ms Whetu Hamahona	06-342 6818
Mr Geoffrey Hipango	06 342 6773
Ms Puna Audrey Williams	06 342 6855

Te Roopu Ahi Kaa (Iwi Liaison Committee)

Mr Pahia Turia (Chair)	06 344 8150	(Whangaehu)
Mr George Matthews	06 342 9877	(Kapua/Nga Wairiki)
Ms Barbara Ball	06 388 1215	(Ngati Whitikaupeka)
Ms Hari Benevides	06 388 1908	(Ngati Tamakopiri)
Mr Jim Cunningham	06 322-0843	(Ngati Hauiti)
Mr Mark Gray	06 388 7816	(Ngati Rangituhia)
Mr Geoffrey Hipango	06 342 6773	(Ratana Community)
Mr Alexander Maremare	06 345 4709	(Nga Ariki Turakina)
Mr Jim Puki	06 327 4448	(Kauangaroa)
Mr Peter Richardson	06 329 3742	(Ngati Parewahawaha)
Mr Chris Shenton	06 348 0558	(Ngati Kauae/Tauira)
Mr Peter Steedman	06 388 0943	(Ngati Hinemanu/Ngati Paki)
Cr Lynne Sheridan	06 327 5980	(Council representative)

Community Committee Chairs

Mr Steve Fouhy	06 342-6741	(Turakina)
Mr Hew Dalrymple	06 322-1017	(Bulls)
Ms Anne George	06 327-7877	(Marton)
Ms Erina True	06 322-8797	(Huntermville)

The Annual Plan Process

What is an Annual Plan?

The Annual Plan is Council's plan for the up-coming financial year. Council produces an Annual Plan in the years in which a Long Term Council Community Plan is not produced. The Annual Plan is prepared according to s.95 of the Local Government Act 2002. Its prime purpose is to:

- Contain the proposed annual budget and funding impact statement for the year to which the annual plan relates
- Identify any variation from the financial statements and funding impact statement included in the local authority's Long Term Council Community Plan in respect of the year

Setting the Rates

After the Council has adopted the Annual Plan, it then goes on to set the rates. The Annual Plan sets the amount of money to be raised for each activity but the way in which money is raised, is determined by the Council's Revenue and Financing Policy. This means that the Revenue and Financing Policy effectively sets out who pays for each activity.

The current Revenue and Financing Policy can be found in pp.130-142 of the 2009-2019 Long Term Council Community Plan, on our website www.rangitikei.govt.nz, or obtained by phoning 0800 422 522.

Public Submissions

The Draft Annual Plan was open for submission between 1 March 2010 and 31 March 2010. Hearings took place on 15 April 2010. On 29 April 2010, Council deliberated on all written and oral submissions and made a number of changes to the Plan. These changes formed the basis for the final draft of the Plan, reviewed by Council on 10 June 2010 prior to adoption.

Changes made as a result of submissions to the draft Plan

- ✓ Painting the rubbish bins in Bulls
- ✓ Additional contract with Rangitikei Tourism to manage Council billboards on State Highway 1
- ✓ Taihape Main Street Upgrade
- ✓ Public toilets in Bulls
- ✓ Level of rates increase

Bulls Rubbish Bins: An additional provision of up to \$5,000 has been included under Bulls Roadside Refuse Bin Collection (and funded through the Bulls Community Services rate) for the repainting of Bulls rubbish bins.

Council billboards on State Highway 1: An additional provision of \$5,000 has been included (and funded district-wide through the General rate) for Rangitikei Tourism to manage the three Council billboards on SH-1.

Taihape Main Street Upgrade: An additional \$40,000 has been provided for the Taihape Main Street Upgrade project.

Public Toilets in Bulls: An additional \$150,000 be included in the draft 2010/2011 annual plan towards the construction of the public toilets in Bulls, to be funded 50% Town Community Rates and 50% District Wide Community Rates – the balance to be raised by the community.

Level of rates increase: The average increase in rates for 2010/11 from this Plan will be 4.86%. The draft Annual Plan suggested an average rise in rates just over 7%. Experience in previous years has indicated that once the progress of the capital programme is taken into account, the actual increase in rates is likely to be lower in the final Plan.

Variations from the LTCCP

Section 95(5)(b) of the Local Government Act 2002 requires that Council ‘...identify any variation from the financial statements and funding impact statement included in the local authority’s long-term council community plan in respect of the year [covered by the Annual Plan]’.

The variations from the LTCCP are:

- ✓ No increase in expenditure on roading
- ✓ Establishment of a general road reserve
- ✓ Deferral of provision for proposed new Marton Administration Building
- ✓ Future management arrangements for Dudding Lake

No increase in expenditure on roading

The LTCCP anticipated an increase of \$330,000 on pavement renewal on the assumption that government subsidy (through the New Zealand Transport Agency) would rise accordingly. However, this will not occur (because NZTA sets its subsidy levels for 2009/10-2011/12 on the basis of Council’s 2009/10 roading budget), and this causes Council to propose not to increase expenditure in 2010/11.

Establishment of a general road reserve

Council is taking the view that the level of roading subsidies will be reviewed to reflect the 2012/2022 LTCCP. It is vital to have the ability to secure the maximum amount of subsidy and that means putting aside some of the funds which would have been offered against the subsidy. Creating such a reserve has a further benefit: it provides an immediate source of funding in an emergency.

Deferral of provision for new Marton Administration building.

The LTCCP has a budget provision of \$3.1 million in 2010/11 to replace the current Council offices on High Street, Marton. This was to allow the Council to respond to a suitable opportunity which arose in the Marton CBD. However, it seems unlikely that this will occur in 2010/11 and so it is appropriate to defer the provision for one year. There is no impact on rates until expenditure occurs.

Future management arrangements for Dudding Lake


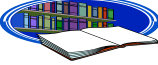















The future management arrangements for Dudding Lake are still uncertain. Council has set the budget to reflect its decision to return Dudding Lake to a recreational area as was originally intended which with a consequential reduction in the budget for the Community and Leisure Assets activity compared with what is in the LTCCP.

However, it has made an additional provision of \$25,000 for the alternative management plan for Dudding Lake, first submitted to Council at its meeting on 25 February 2010. It is anticipated that Council will decide whether to proceed on this basis at its meeting on 24 June 2010.

None of these variations are decisions that could only be made by way of an amendment to the LTCCP.

What your rates are used for?

This summary show what your rates are used for and approximately how much ratepayers will pay each day in 2010/11 for various Council services. Rates vary according to valuation and location. Water, Wastewater and Stormwater costs are the average costs to the individual consumers.

Animal Control		4.9c per day	Libraries		23.3c per day	<p>NOTE: The figures are averages, being the cost of the activity divided by the number of ratepayers paying. All figures exclude GST.</p>
Parks and Reserves		18.1c per day	Rural Fire		Rural 5.3c per day	
Cemeteries		1.7c per day	Rubbish		22.1c per day	
Civil Defence		2.8c per day	Recycling		2.0c per day	
Community Funding		2.5c per day	Roading		212.9c per day	
Democracy		Councillor costs 13.6c per day Other Governance/Compliance Costs 37.5c per day	Water			
District Planning		3.6c per day	Wastewater			
Public Toilets		6.4c per day	Stormwater			
Halls		8.2c per day				
			Marton 129.5c per day Taihape 143.7c per day Bulls 143.1c per day Mangaweka 211.1c per day Hunterville 99.7c per day Ratana 147.4c per day	Marton 94.6c per day Taihape 84.9c per day Bulls 65.0c per day Mangaweka 139.2c per day Hunterville 74.8c per day Ratana 140.1c per day Koitiata 154.3c per day	Marton 25.0c per day Taihape 52.3c per day Bulls 26.1c per day Mangaweka 55.2c per day Hunterville 74.1c per day Ratana 39.7c per day	



Rangitikei District Council

Groups of Activities

Annual Plan 2010-2011

Groups of Activities

Council's Role

The Rangitikei District Council undertakes services for the residents and ratepayers of the Rangitikei. In everything it does, the Council has regard for the principles of equity and the principles of the Treaty of Waitangi.

The Local Government Act 2002 (LGA 2002) defines the purpose of Local Government to:

“...enable democratic local decision-making and action by, and on behalf of communities, and;

... promote the social, economic, environmental, and cultural well-being of communities, in the present and in the future.”

The role of a local authority is to:

“Give effect, in relation to its district or region, to the purpose of local government and;

Perform the duties, and exercise the rights, conferred on it by or under this Act and any other enactment.”

(Sections 10 and 11 of the Local Government Act 2002)

To give effect to these obligations, the Council undertakes a wide range of activities. Following the approach taken in the 2009-2019 LTCCP (pp.38-89), these are presented in following pages as groups of activities in eight themes:

- Community Leadership
- Rooding
- Water Management Services
- Leisure and Community Assets
- Rubbish and Recycling
- Environmental and Regulatory Services
- Community Support
- Community Economic Development

In the following pages, cross-references are provided to the LTCCP which contains more detail for the strategic factors and characteristics for each of the eight groups of activities.



Marton Skateboard Area

Community Leadership

Scope and Objectives

This group of activities is concerned with the governance functions of Council demonstrated through leadership and strategic planning. Good governance requires that Council find a balance between what it must do and what its community wants it to do. The costs of these activities are borne by the ratepayer. More detail is provided in pp.39-46 of the 2009-2019 LTCCP.

The LGA 2002 has clear expectations on decision-making, which must be done in accordance with statutory processes and the Council's governance policies. Particularly, it expects councils to identify "all reasonably practical options" and assess them in terms of:

- Social, economic, environmental and cultural well-being
- Promoting Community Outcomes
- The capacity to meet statutory obligations

What we plan to do this year

- 1 Annual Reports/Annual Plans/Community Outcome reporting
- 2 Council, Community Boards and Community Committees, Te Roopu Ahi Kaa, liaison with individual Iwi/Hapu
- 3 Policy development and review
- 4 Triennial elections preparation and management, including by-elections (not budgeted),
- 5 Develop partnerships and shared services, as appropriate

Intended Levels of Service

Intended Levels of Service 2009-2019	Monitoring Method
Council will take a sensible, logical, future focus, evident in its planning documents and advocacy to central government and other organisations that have (or could have) substantial impact on the Rangitikei.	In the 2007 Communitrak survey, 65% of surveyed residents who know of Council's strategic planning and advocacy work were fairly/very satisfied with it. In the 2010 survey, this will be maintained or improved.
Council will make decisions that are robust, fair, timely, legally compliant and address critical issues, that are communicated to the community [‡] and that are followed through.	<p>Less than 5 new major issues raised in submission process in each year 2009/10, 2010/11 and 2011/12</p> <p>60-75% Annual Plan actions are completed in each group of activities in each year 2009/10, 2010/11 and 2011/12</p>

[‡] Up-to-date and relevant Information about the Council is available through a variety of channels.

Intended Levels of Service 2009-2019	Monitoring Method
	In the 2007 Communitrak survey, 80% surveyed residents were very/fairly satisfied with Council performance. In the 2010 survey, this will be maintained or improved.
Council will maximise opportunities for shared services with other councils provided these do not detract from local service delivery, local decision-making and local accountability.	In 2009/10, fewer than 10 requests to revert to direct delivery of any service provided through a shared services or contract arrangement with neighbouring councils, reducing to fewer than 8 in 2010/11 and 5 in 2011/12
Council will support effective representation of different community needs into the District's strategic planning processes and subsequent actions.	Community Boards engage with at least 2 external parties within their areas of interest (receive delegations, arrange meetings, etc) in each year 2009/10, 2010/11 and 2011/12
Council will support the Iwi-based Te Roopu Ahi Kaa to meet and consider Council matters and raise issues of importance to them.	In the 2008 consultation on Levels of Service, a target of 50% very/fairly satisfied from Māori on opportunities to participate in Council decision-making was suggested. The Communitrak survey in 2010 will meet this target.
	The 2008 consultation on Levels of Service, suggested a target of 80% satisfaction of Iwi with opportunities to participate in decision making through Te Roopu Ahi Kaa. A targeted survey in 2010 will meet this target.
Council will appoint an Electoral Officer to publicise and run the elections for the District, and to produce a timely result.	In the 2007 Communitrak survey, 80% were very/fairly satisfied with conduct of election. In the 2010 survey, this will be maintained or improved.

Main points to note about the Statement of Cost of Service:

The increase from 2009/10 to 2010/11 is largely due to the triennial election costs of \$77,000.

There are no significant variances between LTCCP 2010/11 and Annual Plan 2010/11.

Community Leadership – Statement of Cost of Service

For the years ending 30 June 2009 – 30 June 2011

	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Operating Expenditure and Funding				
Operating Costs				
Council	456	522	536	552
Community Boards	21	42	43	41
Elections	9	-	69	76
Te Roopu Ahi Kaa	36	56	57	56
Marton Council Offices	178	168	174	162
Internal Charges	1,017	844	880	755
Total Operating Costs	1,717	1,632	1,759	1,642
Group Activity Income				
Activity Revenue	11	-	31	30
Subsidies	-	-	-	-
Rates Revenue	1,490	1,476	1,668	1,421
Total Group Activity Income	1,501	1,476	1,699	1,451
Net Cost of Service – Surplus (Deficit)	(215)	(156)	(60)	(191)
Operating Surplus (Deficit) Transferred To/(From)				
Retained Earnings	(220)	(156)	(60)	(191)
Capital Expenditure	5	-	-	-
Total Funding Operational	(215)	(156)	(60)	(191)
Capital Expenditure and Funding				
Renewals	5	7	7	17
Capital Development	-	-	3,102	-
Loan Repayments	-	2	2	2
Funding Required	5	9	3,111	19
Funded by:				
Loans	-	-	3,102	-
Depreciation Reserves	5	9	9	19
Transfers (To)/From Operational Reserves	-	-	-	-
Total Funding	5	9	3,111	19
Depreciation*	59	53	55	53
Interest*		-	-	
* The Above costs are included in the Operating Costs above				

Roading

Scope and Objectives

This group of activities covers the roading network (including bridges), footpaths and street lighting. Roothing is an important activity for the Council. A safe and orderly transportation network throughout the District is critical for the movement of people and goods as there is very limited public transport. More detail is provided in pp.48-53 of the 2009-2019 LTCCP.

Transport within the District and beyond has always been of importance to residents and businesses. The Rangitikei's economy is agricultural based so having a well-connected roading infrastructure from the farm gate to the factory is essential for the economic well-being of the District.

The ageing demographics of the District will heighten the need for good quality footpaths in the towns. Council policy currently requires at least one footpath on every street in the towns. There is currently subsidy from New Zealand Transport Agency (NZTA) for footpaths.

The Roothing activity requires a third of the rates take to fund – however it is the only council activity that nearly all the residents of the Rangitikei use. This view was expressed by the rural ratepayers during the submission process for the LTCCP.

The Rangitikei District Council road network is well established and the condition of road and traffic assets is currently good.

The network consists of 84.6 kilometres of urban and 1,137.9 kilometres of rural roads, of which a high percentage of this overall total (37%) is unsealed. There are also many kilometres of legal but unformed road.

Roads	Urban (km)	Rural (km)	Total (km)
Sealed	81.98	689.16 [§]	771.14
Unsealed	2.58	448.73	451.31
Total Maintained	84.56	1137.89	1222.45

Council provides the roading network for the safe, convenient and orderly transportation of people and goods throughout the District and beyond. There is a high public expectation that Council will provide a roading network that is well maintained and efficient; this expectation is partially driven by there being limited public transport in the Rangitikei. It is considered that the existing road network has the capacity to meet demand, based upon past activity and population projections. There is sufficient capacity to expand as required.

In order to maintain a high level of central Government subsidy (currently 59%), Council must meet the national standards and guidelines set by the NZTA. Council also has a responsibility under the Local Government Act 2002 to maintain the roading network to a safe standard.

[§] This does not include the seal extension work currently being undertaken on the Taihape-Napier Road.

What we plan to do this year

- 1 Implement result of the review of levels of service conducted in 2009/10 for this activity
- 2 The proposed capital and renewal programme for roads, as detailed in the current roading asset management plan, is about \$7.5 million per year and involves:
 - 2.1 Rehabilitation of existing sealed roads (i.e. recycling existing sealing layers, overlaying to suitable widths and chip seal surfacing). Approximately 11 kilometres per year meaning an average recycle of about 60 years.
 - 2.2 Rehabilitation of existing unsealed roads (i.e. seal extension – upgrading the road with a chip seal surface). Approximately 2 kilometres per year.
 - 2.3 Resealing of existing sealed roads. Approximately 60 kilometres per year meaning an average reseal cycle of about 13 years.

Intended Levels of Service

Intended Levels of Service 2009-2019	Monitoring Method
Council will provide roads that give a comfortable, smooth ride free of loose gravel or potholes.	In the 2007 Communitrak survey, 70% of respondents were satisfied with Council roads. In the 2010 survey, this will be maintained or improved. 95% smooth travel exposure rating as defined by Council/NZTA agreement
Council will provide a safe road network.	Zero vehicle accidents causing injury or death on local roads caused by the condition of the roading network, in each year 2009/10, 2010/11, 2011/12.
Council will employ contractors to carry out emergency repairs as they occur (where practical).	Contractors respond to after hours call-outs within 12 hours, and working hours call-outs within 6 hours, in each year 2009/10, 2010/11, 2011/12.
Council will provide footpaths on all urban streets.	250 metres per year of new footpath to residential streets that currently have no footpaths on either side
Council will provide street lights to meet community needs.	In the 2007 Communitrak survey, 81% of people surveyed were satisfied with the street lighting in the District. In the 2010 survey, this will be maintained or improved.

Main points to note about the Statement of Cost of Service

The large change from 2009/10 to 2010/11 is the anticipated reduction in capital expenditure and subsidy as a result of the completion of the sealing of the Rangitikei section of the Taihape Napier Road.

The 2010/11 LTCCP planned to increase expenditure on pavement rehabilitation by \$330,000. NZTA has indicated it will not give a subsidy on this increase because it has set its funding levels based on Council's 2009/10 roading budget. For the 2010/11 Annual Plan it is proposed to defer this increase in expenditure, and instead put aside \$150,000 in a general road reserve.

Subject to confirmation at the Taihape Community Board's meeting on 10 February 2010, the replacement of the bus shelter at Hautapu Street, Taihape, will be included in the Annual Plan (and the budget will be adjusted accordingly, following advice from the Roding Manager).

Roading – Statement of Cost of Service

For the years ending 30 June 2009 – 30 June 2011

	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Operating Expenditure and Funding				
Operating Costs				
Roading	13,337	11,341	11,706	11,415
Under Veranda Lighting	61	61	61	64
Internal Charges	531	302	308	407
Total Operating Costs	13,928	11,704	12,076	11,886
Group Activity Income				
Activity Revenue	103	120	124	120
Subsidies	13,052	11,374	7,987	8,059
Rates Revenue	5,846	6,355	6,692	6,722
Total Group Revenue	19,001	17,849	14,803	14,901
Net Cost of Service – Surplus (Deficit)	5,072	6,145	2,727	3,015
Operating Surplus (Deficit) Transferred To/(From)				
Retained Earnings	(51)	8	-	8
Capital Expenditure	8,415	9,591	6,205	6,460
Unfunded Depreciation	(3,292)	(3,454)	(3,478)	(3,453)
Total funding Operational	5,072	6,145	2,727	3,015
Capital Expenditure and Funding				
Renewals	5,791	6,944	7,471	6,944
Capital Development	5,651	5,472	885	2,072
Loan Repayments	20	73	117	108
Transfer to General road reserve	-	-	-	150
Funding Required	11,462	12,489	8,473	9,274
Funded by:				
Loans	772	722	33	647
Depreciation Reserves	2,275	2,176	2,235	2,167
Transfers (To)/From Operational Reserves	8,415	9,591	6,205	6,460
Total Funding	11,462	12,489	8,473	9,274
Depreciation*	6,025	6,024	6,061	6,024
Interest*	26	79	161	115
* The above costs are included in the Operating Costs above				

Water Management

Scope and Objectives

This group of activities includes water, wastewater and storm water. The key objectives are to manage the collection and disposal of water to meet fundamental human needs and demands of modern day lifestyles (whilst at the same time to protect natural water courses and sources) and, perhaps more importantly, to protect public health by safeguarding water supplies and preventing the spread of water-borne diseases. More detail is provided in pp.54-60 of the 2009-2019 LTCCP.

Much of our water, wastewater and stormwater reticulation is ageing and reaching the end of its useful life. Funding for depreciation of these systems commenced in 1999 so there is not a large enough depreciation fund to maintain the system to its current standard, unless the fund is topped up from the rates.

Although the costs for stormwater, wastewater and water schemes in each town are managed separately, the Council sets a District wide 'cap' or limit on the annual charges to those residents who are connected to urban stormwater, urban wastewater and urban unmetered water. An explanation of this mechanism is provided in the 2009/19 LTCCP, pages 54-55.

What we plan to do this year

- 1 Implement decision on alternative water supply in Marton and Ratana taken in consultation with the relevant communities.
- 2 Ongoing monitoring of water management systems and renewals once the proposed capital upgrades have been completed
 - 2.1 Increase storage capacity in Marton to meet Standards New Zealand PAS 4509: 2008 Code of Practice issued by National Commander, New Zealand Fire Service for fire fighting capability
 - 2.2 Upgrade the UV treatment process to meet the Protozoa criteria of the New Zealand Drinking Water Standards
 - 2.3 Programmed upgrades for Marton, Taihape, and Bulls wastewater plants to meet ammonia reductions during winter conditions.
 - 2.4 Significant treatment process upgrades on the Bulls (4/5 years), Taihape (2/3 years) and Hunterville (1/2 years) wastewater treatment plants for compliance with more stringent resource consent conditions
 - 2.5 The renewal of the Taihape main pumping station with an increased storage capacity to reduce overflows and installation and renewal of ageing telemetry systems (3/4 years)

Intended Levels of Service

Intended Levels of Service 2009-2019	Monitoring Method
Council will provide a drinking water supply that meets legislative requirements (the Health Act 1956 as amended by the Health (Drinking Water) Amendment Act 2007) and have the systems to demonstrate this.	<p>In 2009/10: Complete audit (through the Public Health Risk Management Plans) of the process, operations and maintenance manuals for each water treatment plant.</p> <p>In 2010/11 and 2011/12, compile, maintain, and establish a review of paper trails for the monitoring and treatment processes and the operations and maintenance manuals.</p>
Council will manage its water resources sustainably.	100% compliance with resource consents in each year 2009/10, 2010/11, 2011/12.
Council will provide a reliable water supply.	Fewer than 25 unplanned water supply disruptions affecting multiple properties in each year 2009/10, 2010/11, 2011/12.
Council will provide wastewater infrastructure that reliably collects and transports sewage to an appropriate treatment facility within constraints of affordability to the community.	No single network experiences more than 10 overflows during 2009/10 with progressive reduction in succeeding years as the result of the renewal programme, in conjunction with flow capacity modelling.
Council will provide wastewater services that minimise the effects on the environment.	100% discharge effluent meets standards of Resource Consent and RMA in each year 2009/10, 2010/11, 2011/12.
Council will provide a reliable service that responds to repairs and faults.	In the 2007 Communitrak survey, 92% receivers of the service were satisfied. In the 2010 survey, this will be maintained or improved.
Council will provide urban stormwater systems that protect public and private property from normal flooding events.	In a 1 in 20 year storm event, no more than 20 habitable properties per 1,000 will be affected (i.e. made uninhabitable for more than 24 hours) in each year 2009/10, 2010/11, 2011/12.
Council will provide a stormwater network that is safe for the public.	Less than 5 accidents per year caused by open drains or inlets reported by members of the public in each year 2009/10, 2010/11, 2011/12.
Council will provide a stormwater service that is reliable with prompt response to faults.	75% of call-outs for faults and blockages are responded to within the allocated response timeframe each year 2009/10, 2010/11, 2011/12.

Main points to note about the Statement of Cost of Service:

The increases in expenditure on Urban Wastewater and Water Schemes in 2010/11 compared with 2009/10 are as flagged in the LTCCP and are largely due to financing increased capital expenditure. There are no significant variances between the projections for 2010/11 in the LTCCP 2010/11 and those in this Annual Plan.

The budget for 2010/11 takes into account the financial implications of the proposals regarding Marton and Taihape Wastewater approved at Council's meeting of 28 January 2010.

The planned upgrade on the Hunterville wastewater plant will not be done in the 2009/10 year but will be completed in the 2010/11 year.

Water Management – Statement of Cost of Service

For the years ending 30 June 2009 – 30 June 2011

	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Operational Expenditure and Funding				
Operational Costs				
Water Urban Schemes	2,151	2,122	2,352	2,192
Water Rural Schemes	712	559	558	552
Wastewater	1,451	1,782	2,080	1,728
Stormwater	368	553	647	569
Internal Charges	838	514	636	850
Total Operating Costs	5,520	5,530	6,274	5,891
Group Activity Income				
Activity Revenue	1,246	1,237	1,365	1,292
Subsidies	-	-	-	-
Rates Revenue	3,614	3,952	4,505	4,373
Total Group Activity Income	4,860	5,190	5,869	5,665
Net Cost of Service – Surplus(Deficit)	(660)	(341)	(404)	(226)
Operating Surplus(Deficit) Transferred To/(From)				
Retained Earnings	(366)	(82)	(145)	33
Capital Expenditure	(33)	-	-	-
Unfunded Depreciation	(261)	(259)	(259)	(259)
Total Funding Operational	(660)	(341)	(404)	(226)
Capital Expenditure and Funding				
Renewals	1,109	3,234	2,090	4,307
Capital Expenditure	491	5,462	3,860	6,697
Loan Repayments	215	239	489	353
Funding Required	1,815	8,934	6,439	11,357
Funded by:				
Loans	524	5,462	3,860	6,697
Depreciation Reserves	1,324	3,472	2,579	4,660
Transfers (To)/From Operational Reserves	(33)	-	-	-
Total Funding	1,815	8,934	6,439	11,357
Depreciation*	1,885	1,870	1,976	1,894
Interest*	224	254	656	385
* The above costs are included in the Operating Costs above				

Community and Leisure Assets

Scope and Objectives

This group of activities covers Council's non-infrastructure assets - halls and community buildings, public toilets, swimming pools, parks and reserves, libraries, cemeteries and community housing. Together, these assets make a significant contribution to the social and cultural well-being of the District, providing venues for recreation, socialising, events, festivals and celebrations. They reflect the character and pride of the people of the Rangitikei. More detail is provided in pp.61-69 on the 2009-2019 LTCCP.

Council has the difficult task of balancing the costs of maintaining these assets against the actual use and residents' expectations that "their" facility will remain accessible to them. The LTCCP noted that Council will undertake a review of all its leisure and community assets, in close consultation with the community and main users. The review looks at both current and future use of each asset and whether it complements or duplicates other provisions, balancing this with the cost of future development and maintenance programmes. The review addresses equality of access and services within the District and between urban and rural communities, and investigates other forms of ownership that sees local communities assuming a greater responsibility for maintenance and upkeep.

The review process will almost inevitably lead to changes in the assets held by Council. The final value of assets held by Council may be more, less or the same as at present. However, the assets that remain will need to be delivering real value for money and earning their upkeep.

What we plan to do this year

- 1 Ongoing review of leisure and community assets.
- 2 Programmed renewal and maintenance of leisure and community assets will include data collection on the risks from earthquakes.
- 3 Review the collection management system (Koha) and supporting IT infrastructure in the Library service.
- 4 Investigate the need to upgrade or relocate present library facilities, taking into account the increasing use of electronic resources alongside printed material and community views on the functions of the libraries.
- 5 Progress Urban Parks and Reserve Management Planning.

Intended Levels of Service

Intended Levels of Service 2009-2019	Monitoring Method
Council will provide a number of parks and open spaces throughout the District that can be used for both organised sporting events and informal recreation.	The 2007 Communitrak survey reported 85% satisfaction with maintenance of park facilities. In the 2010 Communitrak survey, this will be maintained.

Intended Levels of Service 2009-2019	Monitoring Method
Council will provide fun playgrounds that are safe for children and youth.	Fewer than 10 reports of playground accidents in 2009/10 and maintained or improved in each year 2010/11 and 2011/12.
Council will provide community buildings that provide a good quality experience for users.	The 2007 Communitrak survey reported 72% of residents (89% of users) are satisfied with the provision of public halls. In the 2010 Communitrak survey, this will be maintained.
Council will maintain cemeteries in an attractive condition, and prepare burial plots on request	The 2007 Communitrak survey reported 71% of residents (96% of visitors) are satisfied with cemeteries, including maintenance of cemeteries. In the 2010 Communitrak survey, this will be maintained.
Council will maintain accurate cemetery records, available for public reference.	Less than 10 complaints of significant issues with reserved plots or historical data in each year 2009/10, 2010/11, 2011/12.
Council will provide public toilets that are clean and provide a good quality experience.	Half-yearly ratings from Community Board/Committee on 1-10 scale are greater than 7 in each year 2009/10, 2010/11, 2011/12.
Council will maintain housing complexes to ensure buildings are functional and tidy.	Six monthly surveys of tenants show 70% satisfaction rating that responses to maintenance requests are timely and appropriate in 2009/10 and are maintained or improved in each of 2010/11 and 2011/12.
Council will provide a wide and interesting range of new printed and audio-visual material, available for borrowing throughout the District.	75% of the titles on the “best reading lists” are held by the district libraries in 2009/10 and this is maintained or improved in each of 2010/11 and 2011/12.
Council will provide relevant and accessible electronic resources, available through the District libraries.	2,500 minutes spent over the year by users searching electronic resources in 2009/10 and this is maintained or improved in each of 2010/11 and 2011/12.
Council will ensure that the District libraries are attractive, well laid out, open at useful times, offer an appealing programme of community and library-oriented activities, and are staffed with knowledgeable and helpful people.	In the 2007 Communitrak survey, 75% residents (93% users) were very/fairly satisfied with the District libraries. In the 2010 Communitrak survey, this will be maintained or improved.

Intended Levels of Service 2009-2019	Monitoring Method
Council will provide pools that are Poolsafe accredited and actively monitor performance of the management agreements so that benefit to the community from the pools is maximised'	There are less than 10 complaints per season about pool water quality in 2009/10 and this is maintained or improved in 2010/11 and 2011/12.
	Charges are on a par with comparable facilities in each year 2009/10, 2010/11, 2011/12.
	In the 2007 Communitrak survey, 60% residents (90% users) were very/fairly satisfied with the District swimming pools. In the 2010 Communitrak survey, this will be maintained.

Main points to note about the Statement of Cost of Service:

Council's decision to opt for a minimal cost approach to the running of Dudding Lake has resulted in a decrease in the Parks and Reserves budget for expenditure in 2010/11 compared with 2009/10.

However, a provision has been introduced which provides for an additional \$25,000 for the alternative management plan for Dudding Lake, first submitted to Council at its meeting on 25 February 2010. It is anticipated that at its meeting on 24 June 2010 Council will decide whether to proceed on this basis.

Community and Leisure Assets – Statement of Cost of Service

For the years ending 30 June 2009 – 30 June 2011

	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Operational Expenditure and Funding				
Operational Costs				
Property	36	79	80	64
Swimming Pools	553	540	555	545
Libraries	222	223	227	240
Community Housing	372	401	408	394
Cemeteries	92	105	109	108
Parks and Reserves	490	514	539	487
Public Toilets	165	223	245	200
Halls	347	290	293	292
Internal Charges	639	698	719	714
Total Operating Costs	2,916	3,073	3,174	3,044
Group Activity Income				
Activity Revenue	509	367	379	366
Subsidies	40	30	31	30
Rates Revenue	2,360	2,577	2,551	2,406
Total Group Activity Income	2,909	2,974	2,961	2,802
Net Cost of Service – Surplus(Deficit)	(7)	(99)	(213)	(242)
Operating Surplus(Deficit) Transferred To/(From)				
Retained Earnings	131	48	(40)	86
Capital Expenditure	-	-	-	-
Unfunded Depreciation	(138)	(147)	(172)	(328)
Total Funding Operational	7	(99)	(213)	(242)
Capital Expenditure and Funding				
Renewals	738	822	318	480
Capital Expenditure	364	353	-	150
Loan Repayments	14	47	53	42
Funding Required	1,116	1,221	370	672
Funded by:				
Loans	364	353	-	150
Depreciation Reserves	752	868	370	522
Transfers (To)/From Operational Reserves	-	-	-	-
Total Funding	1,116	1,221	370	672
Depreciation*	740	794	796	794
Interest*	56	48	60	39
* The above costs are included in the Operating Costs above				

Rubbish and Recycling

Scope and Objectives

This group of activities, comprising Waste Management and Waste Minimisation, is one where central government is raising the national standards that Council must meet. More detail is provided on pp.70-73 of the 2009-2019 LTCCP. Government's focus is on waste minimisation, or the three principles of recycling: reduce, re-use, recycle.

Kerbside rubbish collection service to urban households and businesses is undertaken by a contractor. Council has no involvement in it.

In each of the main towns, Council owns waste transfer station facilities which receive rubbish and recyclables. The operation of these transfer stations is contracted out with residual waste being disposed of at the Bonny Glen landfill (which is privately owned).

Council also contracts out the collection of rubbish from public litter bins.

What we plan to do this year

- 1 Continue providing a glass recycling facility at Council's waste transfer stations.
- 2 Investigate a shared service with neighbouring councils to develop schemes for organic waste recycling, including potential for supplying alternative energy.
- 3 Commence the review of the Council's Waste Management and Minimisation Plan to comply with the Waste Minimisation Act 2008. This will be consulted on as part of the 2012-22 LTCCP.

Intended Levels of Service

Intended Levels of Service 2009-2019	Monitoring Method
Council will provide clean, safe, disposal facilities in each major urban area.	In the 2007 Communitrak survey, 67% of users were fairly satisfied or very satisfied with services provided. The 2010 Communitrak survey will maintain this level of satisfaction.
Council will provide opportunities for recycling.	<p>Development of glass recycling facility in 2009/10. Estimate of diversion of waste from landfill to recycling (e.g. number of tonnes diverted). Improvement on baseline established in 2010/11 and 2011/12.</p> <p>In the 2007 Communitrak survey, 44% of users were fairly satisfied or very satisfied with services provided. The 2010 Communitrak survey will increase the level of satisfaction.</p>

Main points to note about the Statement of Cost of Service:

There are no significant changes

Rubbish and Recycling – Statement of Cost of Service

For the years ending 30 June 2009 – 30 June 2011

	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Operational Expenditure and Funding				
Operating Costs				
Waste Transfer Stations	698	837	874	887
Closed Landfills	23	7	8	23
Public Refuse Collection	123	126	134	135
Internal charges	97	112	117	82
Total Operating Costs	941	1,082	1,133	1,127
Group Activity Income				
Activity Revenue	415	371	384	467
Subsidies	-	-	-	-
Rates Revenue	634	695	746	600
Total Group Activity Income	1,049	1,066	1,130	1,067
Net Cost of Service – Surplus (Deficit)	108	(16)	(3)	(60)
Operating Surplus (Deficit) Transferred To/(From)				
Retained Earnings	108	(16)	(3)	(60)
Capital Expenditure	-	-	-	-
Total Funding Operational	108	(16)	(3)	(60)
Capital Expenditure and Funding				
Renewals	-	16	10	16
Capital Development	68	170	-	80
Loan Repayments	-	5	13	13
Funding Required	68	190	23	109
Funded by:				
Loans	-	170	-	80
Depreciation Reserves	-	20	23	29
Transfers (To)/From Operational Reserves	68	-	-	-
Total Funding	68	190	23	109
Depreciation*	34	20	20	20
Interest*	-	5	18	5
* The above costs are included in the Operating Costs above				

Environmental and Regulatory Services

Scope and Objectives

This group of activities covers the areas where Council ensures compliance with legislative or statutory requirements in the areas of planning, building and development, animal control and environmental health. More detail is provided in pp.74-79 of the 2009-2019 LTCCP.

In the main, the services are funded on a user-pays principle, although Council contributes from the general rate where it considers that there is a public good.

What we plan to do this year

- 1 Continue the review of District Plan. This major project will include the preparation of heritage listings; growth strategy; subdivision guidelines. The review will require consultation with the community and considerable time from Council for hearing submissions.
- 2 Refine the local Dog database.
- 3 Introduce as a pilot electronic processing for building consents having regard for the impact and suitability of this for this District.

Intended Levels of Service

Intended Levels of Service 2009-2019	Monitoring Method
Council will provide information, process applications, and carry out inspections to ensure building work complies with the Building Act 2004.	95% of consents are issued within the 20-day statutory timeframe in each year 2009/10, 2010/11, 2011/12.
For each year 2009/10, 2010/11, 2011/12, 100% of priority-one calls (a dog attack, threatening dogs or stock on roads) are responded to within 30 minutes of a call being received and 100% of priority-two calls (other complaints/service requests of a less serious nature) are responded to within 24 hours.	100% of priority-one calls (a dog attack, threatening dogs or stock on roads) are responded to within 30 minutes of a call being received and 100% of priority-two calls (other complaints/service requests of a less serious nature) are responded to within 24 hours.
Council will engage fully with the community during the preparation of the revised District Plan bearing in mind the need to meet statutory requirements.	100% compliance with all statutory requirements on the process for review and subsequent monitoring. 2010/11 80% satisfied with the opportunity to engage in the development of a revised District Plan.

Council will provide information and process resource consent applications.	75% of applicants get their consent processed within the legislative requirement of 20 working days in 2009/10 rising progressively in 2010/11 and 2011/12.
Council will monitor resource consents for compliance with conditions.	90% of consent holders comply with all conditions of their consent in 2009/10 rising progressively in 2010/11 and 2011/12.

District Planning was overspent in 2008/09 due largely to the costs of advocacy on the proposed Horizons One Plan. This work is being undertaken on a collaborative basis with other territorial authorities within the Horizons region to minimise the cost. It will affect the final results in 2009/10 and 2010/11.

Building Control has been in deficit since 2006/07, which the unexpectedly high costs of becoming an Accredited Territorial Local Authority has made worse. Fees are being reviewed for 2010-11, having regard to those in neighbouring authorities. However, the Council's determination to resolve long-standing issues – where no cost-recovery is possible – means that this activity requires a larger contribution from rates.

Resource Consents was over spent in 2008/09. In addition, dealing with historic issues entails cost without any opportunity to seek payment. So as with Building Control, the Resource Consent activity requires a larger contribution from rates. Because income has been below expectations for 2009/10, we have reduced expected income for the 2010/11 year. These two factors mean there is a significant increase in rates for this area.

The increased costs in Building Control and Resource Consents are the major contributor to the increased internal charges in this activity from those forecasted by the LTCCP for 2009/10 and for 2010/11.

Environmental and Regulatory Services – Statement of Cost of Service

For the years ending 30 June 2009 – 30 June 2011

	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Operational Expenditure and Funding				
Operating Costs				
Building Control	63	51	52	63
Animal control	16	21	22	27
Resource Consents	125	49	51	81
District Plan	41	194	195	278
Health	21	30	31	33
Internal Charges	957	822	875	946
Total Operating Costs	1,223	1,167	1,226	1,428
Group Activity Income				
Activity Revenue	589	705	730	663
Subsidies	-	-	-	-
Rates revenue	493	457	505	650
Total Group Activity Income	1,082	1,162	1,236	1,313
Net Cost of Service – Surplus (Deficit)	(141)	(5)	9	(115)
Operating Surplus (Deficit) Transferred To/(From)				
Retained Earnings	(141)	(5)	9	(115)
Capital Expenditure	-	-	-	-
Total Funding Operational	(141)	(5)	9	(115)
Capital Expenditure and Funding				
Renewals	-	-	-	-
Capital Development	-	-	-	-
Loan Repayments	-	-	-	-
Funding Required	-	-	-	-
Funded by:				
Loans	-	-	-	-
Depreciation Reserves	-	-	-	-
Transfers (To)/From Operational Reserves	-	-	-	-
Total Funding	-	-	-	-
Depreciation*	-	-	-	-
Interest*	-	-	-	-
* The above costs are included in the Operating Costs Above				

Community Support

Scope and Objectives

Preparing for emergencies is recognised as a “must do” in the Rangitikei after the floods of 2004 and 2006 and the ongoing threat of climate change. The Community Support activity consists of Emergency Management and Rural Fire. The Council has legal obligations to provide both. More detail is provided in pp.80-83 of the 2009-2019 LTCCP.

This activity relies on the network of volunteers and officers skilled and experienced in managing and responding to emergencies which threaten lives and property. There are six volunteer rural fire brigades stationed throughout the District. In 2007, Council signed a shared service arrangement with Horizons Regional Council to operate the day-to-day management of this activity from Palmerston North.

New technology is continually making a difference to the speed of people’s reaction to a disaster situation. However, it is sometimes better to use older technology (recognised for its greater reliability) to ensure that communication is achieved because of the remoteness of some of the communities in the Rangitikei.

What we plan to do this year

There are no major programmes planned in this area. The Emergency Operations Centre (EOC) is currently housed in a back room at the Marton Library and should be located in a building that is more fit for purpose. Council will address this need as it considers the reviews of community assets, including any developments around the relocation of the administration offices.

Intended Levels of Service

Intended Levels of Service 2009-2019	Monitoring Method
Council will raise awareness of the need to be prepared for an emergency.	The 2007 Communitrak survey found that 66% of households were prepared for an emergency. The 2010 Communitrak survey will show an increase in this.
Council will fully train and adequately resource personnel to be in a position to respond to rural fire calls-outs with the minimum of delay.	Rural Fire call-outs are responded to within 15 minutes of a call being received in each year 2009/10, 2010/11, 2011/12.

Main points to note about the Statement of Cost of Service:

There has been a reduction in internal charges for 2010/11 as a result of the shared services arrangement with Horizons Regional Council.

Community Support – Statement of Cost of Service

For the years ending 30 June 2009 – 30 June 20011

	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Operating Expenditure and Funding				
Operating Costs				
Civil Defence	87	88	84	88
Rural Fire	164	118	120	140
Internal Charges	41	93	96	22
Total Operating Costs	292	299	300	250
Group Activity Income				
Activity Revenue	3	-	-	-
Subsidies	2	10	10	10
Rates revenue	247	289	287	230
Total Group Activity Income	252	299	297	240
Net Cost of Service – Surplus (Deficit)	(40)	-	(3)	(10)
Operating Surplus (Deficit) Transferred To/From				
Retained Earnings	(40)	-	(3)	(10)
Capital Expenditure	-	-	-	-
Total Funding Operational	(40)	-	(3)	(10)
Capital Expenditure and Funding				
Renewals	-	4	4	4
Capital Development	-	-	-	-
Loan Repayments	4	3	3	3
Funding Required	4	7	7	7
Funded by:				
Loans	-	-	-	-
Depreciation Reserves	4	7	7	7
Transfers (To)/From Operational Reserves	-	-	-	-
Total Funding	4	7	7	7
Depreciation*	20	22	13	22
Interest*	3	2	2	2
* The above costs are included in the Operating Costs				

Community Economic Development

Scope and Objectives

This group of activities includes Council's involvement in economic development, information centres and grants. More detail is provided in pp.84-89 of the 2009-2019 LTCCP.

Council has committed to having a business-friendly approach to everything it does, in the interests of creating jobs and fostering the growth and well-being of the District's economy.

Council provides Information Centres because they are an important contributor to economic development activities. Council considers that supporting community activities, particularly where voluntary effort is involved, is an investment that brings good value for money to the ratepayer.

This is undertaken through the provision of annual grants to agencies with a responsibility for economic and community development (currently the three Town Co-ordinators and Rangitikei Tourism).

Council administers the allocation of central government funding schemes in addition to applying ratepayer funds to grants. Currently these are the Creative Communities Scheme (supporting arts and cultural activities) and the SPARC Rural Travel Fund (assisting with the costs of getting young people to participate in local sports competitions in the District).

What we plan to do this year

- 1 Council anticipates continuing to support business growth and community economic development by granting:
 - \$25,000 each per year for the three Town Co-ordinators and Rangitikei Tourism
 - \$60,000 for a grants scheme allocated according to published criteria
- 2 Council will continue to seek external funding, for example from central government, to extend the scope of its community economic development initiatives.
- 3 Council will actively support the Community Development Officer in Marton and the ICT hubs in Marton and Ratana. Both these initiatives are funded by central government.

Intended Levels of Service

Intended Levels of Service 2009-2019	Monitoring method
Council will communicate with District businesses (large and small) to ensure each party understands the other, particularly at times of new standards being introduced.	<p>The 2007 Communitrak survey found 50% of residents were satisfied with how Council communicates its needs to District businesses and understands their needs. The 2010 Communitrak survey will increase this level of satisfaction.</p> <p>The 2007 Communitrak survey found 66% residents were satisfied with the tourism</p>

Intended Levels of Service 2009-2019	Monitoring method
	promotion service. The 2010 Communitrak survey will maintain or increase this level of satisfaction.
Council will provide comprehensive information about the activities and facilities in the District and Council's web site links to Rangitikei Tourism which provides information on district tourism attractions and accommodation.	<p>In the 2007 Communitrak survey, 60% of residents were aware of the information centres. The 2010 Communitrak survey will increase residents' awareness of the Information Centres.</p> <p>In the 2007 Communitrak survey, 90% of residents who have used the information centres were satisfied with their services. This level will be maintained in the 2010 Communitrak survey.</p>
Council will provide funding for activities and events that brings economic benefit to the District.	There will be 10 events to promote economic development supported by Council sponsorship, and at least 2 first- or second-time events in each year 2009/10, 2010/11, 2011/12.

Main points to note about the Statement of Cost of Service:

There is a reduction in internal costs from 2009/10 to 2010/11 as there is no longer a dedicated staff member responsible for Economic Development.

Community Economic Development – Statement of Cost of Service

For the years ending 30 June 2009 – 30 June 2011

	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Operational Expenditure and Funding				
Operating Costs				
District Promotion and Development	142	239	232	193
Information Centres	62	46	47	69
Event Sponsorship	39	31	32	31
Community Projects	262	23	26	26
Internal Costs	371	383	371	263
Total Operating Costs	876	722	708	582
Group Activity Income				
Activity Revenue	32	29	29	29
Subsidies	36	33	24	33
Rates Revenue	596	711	669	529
Total Group Activity Income	664	773	722	591
Net Cost of Service – Surplus (Deficit)	(212)	51	15	9
Operating surplus (Deficit) Transferred To/(From)				
Retained Earnings	(222)	31	(5)	(11)
Capital Expenditure	10	20	20	20
Total Funding Operational	(212)	51	15	9
Capital Expenditure and Funding				
Renewals	-	-	-	-
Capital Development	-	-	-	-
Loan Repayments	10	20	20	20
Funding Required	10	20	20	20
Funded by:				
Loans	-	-	-	-
Depreciation Reserves	-	-	-	-
Transfers (To)/From Operational Reserves	10	20	20	20
Total Funding	10	20	20	20
Depreciation*	5	5	5	5
Interest*	13	23	26	23
* The above costs are included in the Operating Costs above				



Rangitikei District Council

Schedule of Prospective Capital Works

Annual Plan 2010-2011

Schedule of Prospective Capital Works

Community and Leisure Assets	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000	Funding Mechanism
Renewals					
Community Housing					
Marton	-	38	16	15	DISP
Taihape	15	10	7	7	DISP
Bulls	-	7	7	7	DISP
Ratana	-	8	5	5	DISP
Others	1	-	-	-	DISP
Halls					
Marton	-	51	12	12	DISP
Taihape	58	136	18	18	DISP
Huntermville		17	-	17	DISP
Others	7	52	2	2	DISP
Libraries					
Library Books	80	120	124	120	DISP
Office Equipment	3	3	3	6	DISP
Computer Renewal/Upgrade	5	3	3	6	DISP
Building Repairs	-	8	3	3	DISP
Parks and Reserves					
Marton	-	90	-	50	DISP
Taihape	16	50	-	50	DISP
Bulls	-	43	-	-	DISP
Koitiata	1	-	-	-	DISP
Mangaweka	-	14	14	14	DISP
Huntermville	-	25	-	25	DISP
Dudding Lake	10	108	-	25	DISP
Property					
Taihape Pool	-	52	52	50	DISP
Marton Pool	-	-	52	50	DISP
Public Toilets					
Taihape	-	3	-	-	DISP
Bulls	-	195	-	-	DISP
New Capital					
Bulls Toilets	5	-	-	150	LOAN
Ratana Cemetery	-	4	-	-	LOAN
Taihape Parks	-	122	-	-	LOAN
Bulls Parks	-	32	-	-	LOAN
Total Community and Leisure Assets	201	1,174	318	631	

Community Leadership and Governance	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000	Funding Mechanism
Renewals					
Marton Council Offices	5	7	7	17	DISP
New Capital					
Marton Council Offices	-	-	3,102	-	LOAN
Total Community Leadership and Governance	5	7	3,109	17	

Community Support	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000	Funding Mechanism
Renewals					
Rural Fire Equipment	-	4	4	4	DISP
Total Community Support	-	4	4	4	

Roading	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000	Funding Mechanism
Renewals					
General Maintenance	742	650	667	650	DISP
Area Wide Pavement Treatment	2,891	3,250	3,677	3,250	DISP
Bridge Renewals	49	370	380	370	DISP
Traffic Services	299	334	343	334	DISP
Reseals	1,623	1,865	1,915	1,865	DISP
Drainage	117	378	388	378	DISP
Footpaths	70	97	100	97	DISP
New Capital					
Taihape Napier Road	4,748	4,600	-	700	LOAN
Footpath Construction	60	32	33	62	LOAN
Minor Safety projects	776	830	852	830	LOAN
Truck Effluent Station	-	10	-	-	LOAN
Taihape Main Street	-	450	-	480	LOAN
Bulls Main Street	-	150	-	-	LOAN
Scotts Ferry Road Hump	67	-	-	-	LOAN
Total Roothing	11,442	13,016	8,355	9,016	

Rubbish and Recycling	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000	Funding Mechanism
Renewals					
District Wide Litter Bins	-	16	10	9	DISP
Marton WTS Fences etc				7	
New Capital					
Marton WTS Weighbridge	68	70	-	80	LOAN
Taihape WTS Glass Recycling	-	100	-	-	LOAN
Total Rubbish and Recycling	68	186	10	96	

Water Management	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000	Funding Mechanism
Renewals					
Stormwater					
Marton	128	151	30	103	DISP
Taihape	61	168	75	173	DISP
Bulls	-	26	-	15	DISP
Mangaweka	-	90	-	-	DISP
Huntermville	-	10	-	-	DISP
Ratana	-	15	-	5	DISP
Wastewater					
Marton	181	1,240	303	1,501	DISP
Taihape	25	287	221	482	DISP
Bulls	-	200	-	200	DISP
Huntermville	-	53	208	249	DISP
Mangaweka	-	90	64	153	DISP
Ratana	-	50	6	56	DISP
Water					
Marton	266	294	422	409	DISP
Taihape	182	162	143	158	DISP
Bulls	182	16	191	197	DISP
Huntermville	11	99	10	59	DISP
Mangaweka	-	144	40	182	DISP
Ratana	-	-	1	1	DISP
Erewhon Rural	70	19	146	142	DISP
Huntermville Rural	3	112	224	217	DISP
Omatane	-	8	6	6	DISP
New Capital					
Stormwater					
Marton	-	178	-	55	LOAN
Taihape	-	226	15	165	LOAN
Bulls	-	244	-	-	LOAN
Huntermville	-	150	155	170	LOAN

Water Management	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000	Funding Mechanism
Mangaweka	-	5	-	-	LOAN
Ratana	-	5	5	5	LOAN
Wastewater					
Marton	189	680	297	287	LOAN
Taihape	14	500	-	575	LOAN
Bulls	28	-	433	420	LOAN
Huntermville	11	800	-	800	LOAN
Koitiata	17	288	-	275	LOAN
Ratana	-	21	-	21	LOAN
Water					
Marton	186	1,377	2,196	2,780	LOAN
Taihape	24	295	154	214	LOAN
Bulls	7	242	12	69	LOAN
Huntermville	-	160	-	130	LOAN
Mangaweka	-	156	-	156	LOAN
Ratana	15	135	415	403	LOAN
Huntermville Rural	-	-	178	173	LOAN
Total Water Management	1,600	8,696	5,950	11,004	

Miscellaneous	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000	Funding Mechanism
Computer Equipment	13	75	86	129	DISP
Computer Software	-	10	-	10	DISP
Telephone System	-	-	62	60	DISP
Vehicles	143	118	116	197	DISP
Utilities Plant & Equipment	22	18	2	2	DISP
Office Equipment	5	-	-	-	DISP
Finance Meter Reading Unit	5	-	-	-	DISP
Aerial Mapping	-	-	-	155	DISP
Total Miscellaneous	188	221	266	553	

Prospective Capital Works	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000	Funding Mechanism
Grand Total	13,499	23,304	18,012	21,321	



Rangitikei District Council

Prospective Financial Statements

Annual Plan 2010-2011

Prospective Financial Statements

The Council's Annual Plan covers the period 1 July 2010 to 30 June 2011. It has been prepared only for the core Council entity and therefore does not include subsidiaries. The Plan includes both operating and capital expenditure and in this section information is only at a summary level. More detailed information can be found in the sections on each activity.

The financial information in the Annual Plan is a forecast for the purposes of Financial Reporting Standard (FRS) 42. The financial information contained in the Annual Plan may not be appropriate for any other purposes. Certain assumptions have been made at the date these statements were prepared as to future events, and as to actions Council reasonably expects to undertake. Actual results may vary materially from these forecasts, depending upon changes of circumstance that may arise during the period. In re-projecting the 2010/11 figures known events, such as the delay of certain capital projects, have been taken into account.

The Council's corporate forecasting assumptions are in pp.124-128 of the 2009-2019 LTCCP.

Prospective Statement of Comprehensive Income

For the Years Ending 30 June 2009 – 30 June 2011

	Notes	Actual 2008/09 \$000	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Revenue					
Revenue from Rates	1	14,297	15,222	16,541	15,962
Finance revenue		1,040	1,207	436	1,158
Subsidies		13,124	11,447	8,051	8,133
Activity Revenue		2,911	2,830	3,043	2,966
Gain on Sale		63			-
Total Operating Income		31,435	30,706	28,071	28,219
Expenditure					
Depreciation and amortisation expense		8,941	8,985	9,195	9,045
Personnel Costs		2,063	2,210	2,210	2,211
Finance Costs		297	264	333	451
Loss on Forestry Revaluation		46	-	-	-
Loss on Disposals		162	-	-	-
Other Expenditure		16,075	13,670	14,266	14,113
Total Operating Expenditure		27,584	25,130	26,005	25,820
Operating Surplus (Deficit) before tax		3,851	5,576	2,066	2,399
Less tax expense		-	-	-	-
Net Surplus (Deficit) after Taxation		3,851	5,576	2,066	2,399
Other Comprehensive Income					
Gain on Infrastructural Assets Revaluation		-	-	51,601	51,426
Financial Assets at fair value through equity			-	-	-
Gains on land and buildings revaluation		-	-	1,833	1,548
Income Tax relating to components of other comprehensive income		-	-	-	-
Total Net Other Comprehensive Income for the Year		-	-	53,433	52,974
Total Comprehensive Income for the Year		3,851	5,576	55,500	55,373

Note: The accompanying accounting policies and notes form part of these financial statements.

Reconciliation between Prospective Cost of Service Statements and the Prospective Statement of Comprehensive Income

For the year ended 30 June

	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Total Operating Revenue from Cost of Service Statement			
Community Economic Development	773	722	591
Community Leadership	1,476	1,699	1,451
Community Support	299	297	240
Environmental and Regulatory	1,162	1,236	1,313
Roading	17,849	14,803	14,901
Rubbish and Recycling	1,066	1,130	1,067
Community and Leisure Assets	2,974	2,961	2,802
Water Management	5,190	5,869	5,665
Total Operating Revenue from Cost of Service Statement	30,789	28,717	28,030
Total Revenue Statement of Comprehensive Income	30,706	28,071	28,219
Variance	84	646	(189)
Reconciling Items			
Finance Revenue not included in Cost of Service Statements	(1,207)	(436)	(1,158)
General Rates contribution from Treasury Function	1,291	1,082	969
	83	646	(189)
EXPENDITURE – Significant Activities			
Community Economic Development	722	708	582
Community Leadership	1,632	1,759	1,642
Community Support	299	300	250
Environmental and Regulatory	1,167	1,226	1,428
Roading	11,704	12,076	11,886
Rubbish and Recycling	1,082	1,133	1,127
Community and Leisure Assets	3,073	3,174	3,044
Water Management	5,530	6,274	5,891
	25,209	26,649	25,850
Less Internal Interest Charged	345	917	481
	24,864	25,732	25,369
Total Expenditure per Statement of Comprehensive Income	25,130	26,005	25,820
Variance	266	273	451
Reconciling Items:			
Finance Costs not included in Cost of Service Statements	264	273	451

Prospective Statement of Changes in Equity

For the Years Ending 30 June 2009 – 30 June 2011

	Actual 2008/09 \$000	Re-projected 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Equity at 01 July	467,485	471,336	476,954	477,184
Total Comprehensive Income	3,851	5,576	55,500	55,373
Total recognised revenues and expenses for the period	3,851	5,576	55,500	55,373
Equity at 30 June	471,336	476,912	532,454	532,557

Note: The Council's accounting policies (on pp.100-107 of the 2009-2019 LTCCP) and the accompanying notes form part of these financial statements.

Prospective Statement of Financial Position

For the Years Ending 30 June 2009 – 30 June 2011

	Notes	Actual 2008/09 \$000	Re-projected 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
As at the 30 June					
EQUITY					
Accumulated Funds	2	449,398	454,026	456,697	457,296
Reserves	3	21,938	22,088	75,758	75,260
TOTAL EQUITY		471,336	476,914	532,455	532,556
Represented by:					
CURRENT ASSETS					
Cash and Cash Equivalents	4	6,098	4,552	3,500	3,500
Trade and other Receivables	5	3,342	3,060	2,605	2,650
Prepayments		42	42	60	60
Other Financial Assets		1,132	10	-	10
TOTAL CURRENT ASSETS		10,614	7,664	6,165	6,220
Less Current Liabilities					
Trade and other Accounts Payable		4,271	4,250	3,620	3,600
Employee Benefit Liabilities		248	250	210	210
Income in Advance		295	440	440	440
Current Portion of Term Debt		-	-	388	-
TOTAL CURRENT LIABILITIES		4,814	4,940	4,658	4,250
NET WORKING CAPITAL		5,800	2,724	1,507	1,970
Non Current Assets					
Plant, Property and Equipment - Operational		21,323	21,884	26,717	22,884
Plant, Property and Equipment – Infrastructural		439,703	452,069	512,230	510,431
Intangible Assets – Computer Software		57	45	38	40
Forestry – Biological Assets		451	-	-	-
Other Financial Assets		4,553	750	-	-
TOTAL NON CURRENT ASSETS		466,087	474,748	538,985	533,355
Non Current Liabilities					
Employee Benefit Liabilities		4	11	10	10
Provision for Landfills		547	547	662	547
Term Liabilities		-	-	7,365	2,212
TOTAL NON CURRENT LIABILITIES		551	558	8,037	2,769
NET ASSETS		471,336	476,914	532,455	532,556

Note: The Council's accounting policies (in pp.100-107 of the 2009-2019 LTCCP) and notes form part of these financial statements.

Prospective Cashflow Statement

For the Years Ending 30 June 2009 – 30 June 2011

	Actual 2008/09 \$000	Re-projected 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
As at the 30 June				
Cashflows from Operating Activities				
Cash was provided from:				
Revenue from Rates	14,167	15,222	16,541	15,962
Other Revenue	15,672	14,776	11,386	12,027
Interest Received	816	698	186	495
Dividends	3	3	3	3
GST	229	-	-	-
	30,887	30,699	28,116	28,487
Cash was disbursed to:				
Suppliers, Services, and Employees	17,755	15,718	16,719	16,892
Interest Paid	-	-	60	-
GST	-	-	-	-
Income Tax Paid	-	-	-	-
	17,755	15,718	16,780	16,892
Net Cashflow from Operating Activities	13,132	14,981	11,336	11,595
Cashflows from Investing Activities				
Cash was provided from:				
Proceeds from Asset Sales	176	-	-	-
Proceeds from Investments	640	5,376	10	5,675
	816	5,376	10	5,675
Cash was disbursed to:				
Purchases of Investments	-	-	-	-
Purchases of Plant, Property and Equipment	13,533	21,683	18,012	21,311
Purchases of Intangibles	4	10	10	10
	13,537	21,903	18,022	21,321
Net Cashflows from Investing Activities	(12,721)	(16,527)	(18,012)	(15,646)
Cashflow from Financing Activities				
Cash was provided from:				
Loans Raised	-	-	6,702	2,212
	-	-	6,702	2,212
Cash was disbursed to:				
Repayment of Public Debt	-	-	27	-
	-	-	27	-
Net Cashflow from Financing Activities	-	-	6,675	2,212
Net Increase (decrease) in Cash Held	411	(1,546)	(1)	(1,839)
Add Opening Cash brought forward	5,687	6,098	3,500	5,339
Closing Cash Balance	6,098	4,552	3,500	3,500
Closing Cash Balance made up of:				
Cash and Cash Equivalents	6,098	4,552	3,500	3,500

Note: The accompanying accounting policies (in pp.100-107 of the 2009-2019 LTCCP) and notes form part of these financial statements.

Compliance Issues

Legislative Non-Compliance

An issue Council has wrestled with is the requirement to fund the depreciation on a number of Council assets. This requirement falls out of the balanced budget requirement under the Local Government Act 2002.

A number of reasons have been put forward as to why depreciation should be funded, and the main reasons are listed below:

- To ensure the users pay the cost of the service
- To provide funds for the replacement of the asset
- To facilitate inter-generational equity
- For economic efficiency arguments, e.g. “a level playing field”

Section 100(1) of the Local Government Act 2002 requires operating revenues in any financial year to be set at a level to cover all projected operating expenses. Included in operating expenses is depreciation.

Council, however, has investigated not funding the depreciation on all Council swimming pools, selected halls (Huntermville, Koitiata, Mangaweka, Ratana, and all other rural halls), and rural water supplies. Council is not funding depreciation on these assets, as the Council does not intend to replace them when they come to the end of their useful life. It is anticipated that if these assets are replaced that they will be replaced at the expense of those communities. Council may contribute to the replacement costs but these contributions will be funded via a loan.

The resulting loan servicing charges will be funded by rate from the particular community under the condition in the Funding Policy in existence at that time.

Effect of Proposals

Depreciation on the swimming pools, listed halls, and rural water supplies will still be charged to the operation account to show the decline in asset value. The \$406,000 expenses will not be rate or user charge funded, which will result in a reduction of the surplus shown in the Statement of Financial Performance by this amount. This reduction in operating surplus flows through into the Council Equity Balance in the Statement of Financial Performance.

If the Council fully funded the depreciation, the rates would increase by approximately 2.65% and user charges by 2.65%.

Notes to the Financial Statements

For the Years Ending 30 June 2009 – 30 June 2011

1 Rates	Actual 2008/09 \$000	LTCCP 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
General Rates				
General Rates	838	539	759	628
Uniform Annual General Charge	937	1,452	2,159	1,378
Targeted rates attributable to activities				
Roading Rates	5,650	6,105	6,307	6,384
Community Services Rates	1,969	1,823	1,819	1,771
Library Rate	616	623	646	701
Solid Waste Uniform Charge	542	559	589	485
Wastewater	1,323	1,399	1,613	1,674
Water	1,555	1,656	1,783	1,678
Southern Rangitikei Water Supply Study	33	-	-	-
Stormwater and Drainage	325	495	529	506
Utilities Caps	-	389	566	502
Hunterville Stormwater	13	13	13	13
Taihape Business Development	15	-	-	-
Taihape Mainstreet Development	-	-	32	3
Bulls Mainstreet Undergrounding	-	43	46	54
Scotts Ferry Roothing	11	12	12	12
Taihape-Napier Road	106	115	187	173
Total Rates	14,297	15,222	16,541	15,962
Percentage rates increase/(decrease)	8.40%	7.30%	8.66%	4.86%

2 Accumulated Funds	Actual 2008/09 \$000	Re-projected 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Opening Balance at 01 July	445,780	449,398	454,862	455,096
Net Surplus/(Deficit)	3,851	5,578	2,066	2,399
	449,631	454,976	456,928	457,495
Write Off Revaluation Reserves to Equity	21	-	-	-
Transfer to/from Reserves	(254)	(150)	(230)	(199)
Closing Balance at 30 June	449,398	454,826	456,697	457,296
3 Reserves and Special Funds	Actual 2008/09 \$000	Re-projected 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Sinking Funds				

3 Reserves and Special Funds	Actual 2008/09 \$000	Re-projected 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Opening Balance 01 July	-	-	-	-
Interest on funds	-	-	-	-
Deposits	-	-	-	-
Withdrawals	-	-	-	-
Closing Balance at 30 June	-	-	-	-
Reserve and Special Funds				
Opening Balance at 01 July	2,900	3,154	3,289	3,304
Transfer (to) from Ratepayers Equity	-	-	-	-
Interest	193	150	230	199
Receipts	63	-	-	-
Withdrawals	(2)	-	-	-
Closing Balance at 30 June	3,154	3,304	3,519	3,503
ASSET REVALUATION RESERVES				
Asset revaluation reserves consist of:				
Land	3,805	3,805	4,467	4,450
Buildings	3,115	3,119	4,303	4,022
Sewerage Systems	4,039	4,039	6,469	6,469
Water Systems	3,053	3,053	6,523	6,457
Stormwater network	2,618	2,618	3,757	3,726
Roading network	2,103	2,103	46,604	46,517
Solid Waste	-	-	69	69
Closing Balance at 30 June	18,737	18,737	72,191	71,713
Sinking Funds				
	-	-	-	-
Fair Value through Equity Reserve	47	47	47	47
TOTAL SINKING FUNDS AND RESERVES	21,938	22,088	75,758	75,260

4 CASH AND CASH EQUIVALENTS	Actual 2008/09 \$000	Re-projected 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Cash at Bank and in Hand	2,859	3,752	3,500	3,500
Short Term Deposits maturing in 3 months or less	3,239	-	-	-
Total Cash and Cash Equivalents	6,098	3,752	3,500	3,500

5 TRADE AND OTHER RECEIVABLES	Actual 2008/09 \$000	Reprojected 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
General Debtors	2,854	2,700	2,245	2,290
Rates Receivables	832	740	740	740
Related Party Receivables	-	-	-	-
Gross Debtors and other Receivables	3,686	3,440	2,985	3,030
Less: Impairment of receivables	(344)	(380)	(380)	(380)
Total Debtors and Other Receivables	3,342	3,060	2,605	2,650

Funding Impact Statement

Part A: High Level Financial Information	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
Operating Revenue			
General Rates	1,990	2,399	2,006
Targeted Rates	13,232	14,142	13,956
Rates penalty income	210	217	210
Fees and Charges	2,830	3,043	2,966
Investment Income	1,343	1,136	1,429
Government Subsidies	11,447	8,051	8,132
Less: Internal Interest	345	917	481
Total Operating Revenue	30,706	28,071	28,218
Less Operating Expenditure			
Operational Expenditure	16,143	16,749	16,774
Interest Expense	345	977	481
Depreciation	8,985	9,185	9,045
Less: Internal Interest	345	917	481
Total Operating Expenditure	25,128	26,005	25,819
Operating Surplus/(Deficit)			2,399
Non-Operating Expenses			
Reverse depreciation (non-cash)	(3,860)	(3,909)	(4,041)
Capital Development Expenditure	11,456	7,847	8,999
Capital Renewals Expenditure	11,247	10,165	12,322
External Loan repayments	-	27	-
Funding Required	13,266	12,064	14,881
Funded by:			
External Loans Raised	1,078	6,702	2,212
Movement in Bank Account	186	(1)	1,839
Sale of Investments	6,864	-	5,675
Funding from Reserves	5,137	5,363	5,155
Total Funding	13,266	12,064	14,881

How the General Rate and Community Service Rate are Used

	Forecast 2009/10 \$000	LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000
The General Rate			
Funds the following activities:			
Community Economic Development	490	438	466
Community Leadership	1,448	1,637	1,374
Community Support	130	124	87
Environment & Regulatory	457	505	649
Finance Contribution	(1,289)	(1,081)	(968)
Community & Leisure Assets	712	725	346
Roading	43	50	52
	1,990	2,399	2,006
Community Services Rates			
Fund the following activities:			
Community Leadership	26	28	47
Community Economic Development	8	8	0
Community Support	160	163	142
Community & Leisure Assets	1,414	1,357	1,368
Roading	80	105	99
Rubbish & Recycling	135	157	115
	1,822	1,819	1,771

Rate Types

Source	Categories	Legislation	Calculation Base	Rate in \$ (net of GST)	Revenue GST Incl LTCCP 2009/10	Revenue GST Incl LTCCP 2010/11	Revenue (Net of GST) Annual Plan 2010/10
General Rate							
	on all Rating Units (excluding Defence Land)	Schedule 2.8	CV	0.000147	605,899	850,313	624,708
	Defence Land	S 22	LV	0.000205	1,804	2,532	1,867
	UAGC	S15 (1)(b)	per portion of a rating unit	\$ 183.00	1,632,057	1,842,645	1,378,356
Targeted Rate							
Solid Waste Disposal	Fixed Charge	S16(3)(a) & (4)(a)	per portion of a rating unit	\$ 64.00	631,764	669,369	482,048
Roading		Schedule 2.6	CV	0.001498	6,847,979	7,074,425	6,366,074
	Defence Land	S 22	LV	0.002085	20,454	21,130	19,009
Community Services	Marton Non-Commercial	Schedule 2.1& 5	CV	0.001034	471,932	540,102	398,313
	Marton Commercial	Schedule 2.1& 6	CV	0.001692	25,804	32,644	26,180
	Taihape Non - Commercial	Schedule 2.1& 5	CV	0.002415	369,741	367,509	258,944
	Taihape Commercial	Schedule 2.1& 6	CV	0.002883	94,406	92,721	65,706
	Taihape Rural	Schedule 2.1& 6	CV	0.000101	119,851	118,133	113,090
	Defence-Taihape Rural	S 22	LV	0.000030	7	7	11
	Bulls Non Commercial	Schedule 2.1& 6	CV	0.000861	125,186	68,408	98,996
	Bulls Commercial	Schedule 2.1& 6	CV	0.001499	18,271	14,741	16,427
	Defence Land Bulls	S 22	LV	0.002967	31,522	17,225	25,012
	Huntermville Non Comm.	Schedule 2.1& 6	CV	0.002738	99,807	131,726	85,154
	Huntermville Commercial	Schedule 2.1& 6	CV	0.003466	14,455	17,768	12,221
	Rātana	Schedule 2.6	CV	0.001074	10,045	10,636	9,406
	Rural General	Schedule 2.6	CV	0.000078	214,325	210,760	181,690
	Defence -Rural General	S 22	LV	0.000142	51	50	44
	District Wide	S16(3)(a)	CV	0.000106	453,568	422,365	439,803
	Defence -District Wide	S 22	LV	0.000143	1,351	1,258	1,302

Source	Categories	Legislation	Calculation Base	Rate in \$ (net of GST)	Revenue GST Incl LTCCP 2009/10	Revenue GST Incl LTCCP 2010/11	Revenue (Net of GST) Annual Plan 2010/10
	Marton Ward	Schedule 2.1& 5	CV	.000054			38,656
Wastewater (Sewage) Disposal (Note a remission policy applies for rating units)							
	Marton network area	Schedule 2.5	per number of water closets	\$ 341.00	821,893	903,538	926,156
	Taihape network area	Schedule 2.5	per number of water closets	\$ 321.00	359,513	417,571	351,335
	Bulls network area	Schedule 2.5	per number of water closets	\$236.00	212,154	243,791	219,598
	Koitiata network area	Schedule 2.5	per number of water closets	\$ 504.00	10,450	10,773	9,576
	Mangaweka network area	Schedule 2.5	per number of water closets	\$ 504.00	35,750	36,855	32,256
	Huntermville network area	Schedule 2.5	per number of water closets	\$ 277.00	66,930	130,410	63,710
	Rātana network area	Schedule 2.5	per number of water closets	\$ 504.00	78,100	80,514	71,568
Water Supply	Marton network area	Schedule 2.5	per portion of a rating unit	\$ 466.00	1,261,738	1,384,775	1,128,652
		S19 (2)(a)	per cubic metre	\$1.29	163,125	166,714	145,000
	Taihape network area	Schedule 2.5	per portion of a rating unit	\$ 531.56	529,830	546,273	483,450
	Treated	S19 (2)(a)	per cubic metre	\$1.73	67,500	68,985	67,500
	Untreated		per cubic metre	\$ 0.84			
	Bulls network area	S19 (2)(a)	per cubic metre	\$ 1.33	390,685	439,378	438,505
	Bulls Riverlands		per cubic metre	\$1.07			
	Mangaweka network area	S19 (2)(a)	per cubic metre	\$2.53	55,080	56,732	50,429
	Huntermville urban network	S19 (2)(a)	per cubic metre	\$ 2.53	135,000	137,970	120,000
	Rātana network area	Schedule 2.5	per portion of a rating unit	\$ 531.56	71,050	73,255	65,116
		S19 (2)(a)	per cubic metre	\$1.42	4,500	4,599	4,000
	Huntermville Rural Water Supply	S19	per unit pa	\$163.56	279,000	326,250	326,250
	Erewhon Rural Water Supply	S19	per unit pa	\$121.78	206,019	213,750	208,125
	Omatane Rural Water Supply	S19	per unit pa	\$49.78	6,750	9,000	8,000
	Putorino water supply	Schedule 2.5	LV	0.000117	761	1,125	1,000
Stormwater	Marton area	Schedule 2.5	per rating Unit	\$90.90	160,920	172,095	205,432

Source	Categories	Legislation	Calculation Base	Rate in \$ (net of GST)	Revenue GST Incl LTCCP 2009/10	Revenue GST Incl LTCCP 2010/11	Revenue (Net of GST) Annual Plan 2010/10
	Taihape area	Schedule 2.5	per rating Unit	\$ 192.89	180,600	186,620	164,245
	Bulls area	Schedule 2.5	per rating Unit	\$ 90.90	152,145	157,217	68,856
	Mangaweka area	Schedule 2.5	per rating Unit	\$ 192.89	14,280	14,756	13,695
	Huntermville area	Schedule 2.5		\$ 192.89	41,265	42,641	40,121
Stormwater	Rātana area	Schedule 2.5	per rating unit	\$ 145.10	8,200	21,700	14,582
Land Drainage	Class A Land	Schedule 2.6	LV	0.000042	635	634.5	564
Rakataua	Class B Land	Schedule 2.6		0.000021			
Huntermville Stormwater Improvement	Huntermville area	Schedule 2.5	LV per rating Unit	69.78	14,819	14,819	13,172
Library	Fixed Charge	S16(3)(a) & (4)(a)	per portion of a rating unit	\$ 93.20	700,354	726,864	701,067
Taihape Main Street Development	Taihape Commercial	Schedule 2.6	CV	0.000043	-	11,812	976
	Taihape Non -commercial	Schedule 2.6	CV	0.000010	-	11,818	1,031
	Taihape Ward	Schedule 2.6	CV	0.000001	-	12,330	979
New Targeted Rates							
Taihape/Napier Road	Taihape/Napier Rd Rating Units	Schedule 2.6	CV	0.000170	43,052	70,160	57,766
	Taihape Ward	Schedule 2.6	CV	0.000064	42,569	70,665	57,983
	District Wide	Schedule 2.6	CV	0.000020	42,440	70,067	57,859
	Defence Erehwon	S 22	LV	0.000201	51	81	77
	Defence District Wide	S 22	LV	0.000028	353	561	242
Scotts Ferry Roading	Scotts Ferry residential	Schedule 2.6	CV	0.000636	6,776	6,674	5,933
	Bulls Ward (excl Scotts Ferry)	Schedule 2.6	CV	0.000007	6,494	6,494	5,679
	Defence (Bulls Ward)	S 22	LV	0.000011	114	114	99
Bulls Undergrounding	Bulls Community	Schedule 2.6	CV	0.000116	13,216	13,971	14,644
	Defence Bulls Comm	S 22	LV	0.000399	3,019	3,196	3,362
	Bulls Ward (excl Bulls Community)	Schedule 2.6	CV	0.000026	15,990	17,380	18,237
	Defence Bulls Ward	S 22	LV	0.000035	271	288	305
	District Wide (excl Bulls Ward)	Schedule 2.6	CV	0.000004	16,986	21,232	18,578
	Defence District Wide	S 22	LV	0.000006	46	55	56

Source	Categories	Legislation	Calculation Base	Rate in \$ (net of GST)	Revenue GST Incl LTCCP 2009/10	Revenue GST Incl LTCCP 2010/11	Revenue (Net of GST) Annual Plan 2010/10
Utilities Cap							
Non Connected Properties	Water		per portion rating Unit	33.70	98,557	125,580	103,093
	Wastewater		per portion rating Unit	12.00	45,126	59,948	40,464
	Stormwater		per portion rating Unit	7.30	5,847	32,913	23,508
Connected Properties	Water		CV	0.000243	191,855	244,458	201,168
	Wastewater		CV	0.000116	87,249	115,908	77,855
	Stormwater		CV	0.000066	11,318	63,706	45,586
	Defence Water Cap		LV	0.000653	5,260	6,702	5,477
	Defence Wastewater Cap		LV	0.000338	3,002	3,989	2,835
	Defence Stormwater Cap		LV	0.000212	377	2,120	1,666
Total Rates GST Inclusive					18,458,887	20,067,648	
Total Rates (net of GST)							17,330,434

Definition of Separately Used or Inhabited Portion

The Local Government (Rating) Act 2002 introduced two new provisions in respect of the way that uniform or annual charges may be set. Section 15 of the Act refers to Uniform Annual Charges:

S15 Uniform Annual Charges

(1) A local authority may set a uniform annual general charge for all rateable land within its district, being

(a) fixed amount per rating unit; or

(b) a fixed amount per separately used or inhabited part of a rating unit.

The 3rd Schedule of the Local Government (Rating) Act 2002 sets out the basis or factors upon which Council can set targeted rates. Clause 7 of this states that one factor is “The number of separately used or inhabited parts of the rating unit”.

The effect of these two provisions is to give the Council the power to charge more than one set of uniform charges to every rating unit, depending on how that unit is used or inhabited.

The Rating Act does not define “separately used or inhabited”. The Council adopted a definition of “separately used or inhabited” at the Finance Meeting on the 26th June 2003.

Rates Set on Rating Units with Multiple Uses

The following is the Policy relating to the definition of what constitutes separate use or habitation for the purposes of assessing Uniform Charges on each separate rating unit.

Objective

The objective of this part of this Policy is to recognise that many properties with two or more uses would be rated inequitably in some cases where the owner resides on the same rating unit.

- 1 That in situations where a rating unit contains both a commercial operation and residential accommodation, they be treated as two separate uses and be assessed two sets of charges except where the owner of the commercial operation resides on the same rating unit.
- 2 Where a number of different businesses are located in one rating unit, then each separate business would be assessed uniform charges. An exception is made for motels, hotels, etc, which are treated as one business use even if each accommodation unit may be capable of separate habitation.
- 3 Where rating units contain separate habitable dwellings that are capable of independent habitation (i.e. have all the facilities such as bathroom, toilets, kitchens, reticulated power, separate entrance ways, etc) then each separate dwelling would be assessed uniform charges.

Conditions and criteria

For those rating units where the owner of the rating unit resides on the rating unit and operates a business or businesses from the same rating unit, they will be assessed only one Uniform Annual General Charge and only one Uniform Charge for any targeted rate, provided that, in relation to uniform charges for water and sewer targeted rates there is only one connection to each of the water supply and sewer networks.