



Carterton District Council

Long Term Plan 2012–2022 incorporating 2012/13 Annual Plan

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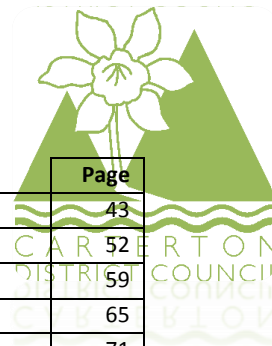
Carterton

*A welcoming and vibrant community
where people like to live*

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Message from the Mayor and Chief Executive

We have pleasure in introducing the Carterton District Council's Long Term Plan for 2012–2022.

Local authorities play such an important role in the fabric of local communities. Through the Local Government Act we are charged with undertaking a huge range of activity that promotes the community's well-being for present and future generations.

The next decade will be dominated by economic imperatives. We are currently in constrained economic circumstances. The Council needs to respond by being as efficient as possible, by focusing on priorities, and perhaps letting some go. But we also need to encourage economic growth in the district, and we need to manage our community assets as good stewards so that they don't run down and create problems in the future.

Ageing infrastructure poses a particular challenge. Much of our core service networks have been in place for many years. And depreciation, used to fund asset replacement, has only been charged for some of that time. We wish to leave a healthy legacy for the next generation of residents, but be fair to the current generation of ratepayers. Balancing that burden has been difficult.

As well as economic well-being, we are responsible for promoting social, cultural, and environmental well-being.

Our 'jewel in the Crown' is the fabulous Events Centre, now in full operation and housing the Information Centre and the town's library. It provides a wonderful range of facilities from Plunket rooms to Youth Centre, to meeting rooms, to the multi-purpose auditorium.

It truly is the fulfilment of the dreams of many. And we have plans to re-vitalise the surrounding 'civic precinct' of Holloway Street.

Use of the Events Centre in the first year has exceeded expectations, and there is so much interest that we cannot accommodate all the bookings. The Old Courthouse will no doubt prove a valuable addition to our stable of facilities in this next phase of development of the civic precinct.

Two significant resource consents from the Greater Wellington Regional Council require resolution over the next year—taking water from the Kaipaitangata Stream for the urban water supply, and the disposal of treated effluent from the Dalefield Road community treatment plant. We are looking for solutions that balance minimal environmental impact with affordability.

And last, but definitely not least, we have had to consider the anxiety and uncertainty arising from central government's proposed reforms to local government. We do not know what the final reform package will look like, or indeed when they will take effect. But we are confident that we can make the best of opportunities as they arise. Being small has advantages. We are agile and responsive, and close to the community we serve.

We thank you for your feedback on the package of proposals that we outlined in the draft Long Term Plan. Your opinions and comments were very valuable. And a special thanks to those of you who presented their submission and engaged with us face to face.

The consultation confirmed the need to keep rate increases to a minimum. But there were many submissions from community organisations seeking assistance. As a result of your feedback, there were few changes from the proposed plan. The most significant change was after advice from the New Zealand Transport Agency that the level of subsidy for our roading programme would not increase to meet forecast cost increases. And contributing to a Wellington Regional Amenities Fund was soundly rejected.

This Long Term Plan is a modest, well-rounded plan with which we can, together, make the Carterton district a welcoming and vibrant community, where people like to live.



Ron Mark
Mayor



Colin Wright
Chief Executive





Introduction



Navigating the Long Term Plan

This guide is aimed at making it easier for readers to navigate this document and understand how each section relates to the other.

A summary of the Proposed Long Term Plan was circulated to every household in the district through *Midweek* during the consultation period.

Introduction

The introduction explains what a Long Term Plan ('LTP' or 'the Plan') is and why we have to produce one. It summarises what the Council wants to achieve over the life of the Plan.

Financial strategy

The financial strategy explains how the Carterton District Council will manage its finances over the next ten years. It sets out the general approach and principles to be followed, and it provides a guide against which proposals for funding and expenditure can be assessed.

Community outcomes

This section outlines what taking a 'sustainable development' approach means and describes what is important to the community by way of 'community outcomes'. It explains how the Council will contribute to furthering these outcomes and who else may contribute.

Council activities and services

The previous sections have provided an overview of the strategic direction of the district over the next ten years.

This section provides an explanation of the groups of activities and services that the Council will provide and the reasons for doing so. It also includes a discussion on the strategic direction relating to each group of activities, how much it will cost, and how it will be funded.

Forecast financial information

This section provides details of the overall financial picture over the ten years of the LTP, and assumptions used.

Audit opinion

Lastly, it includes a copy of the audit opinion. The intent of the opinion is to provide assurance to readers whether the LTP meets the requirements of the Local Government Act, the assumptions are reasonable, and the forecast information is consistent with these.

Appendix A—Funding and financial policies

Appendix A contains the policies that particularly relate to the development of the LTP. These policies provide the rules and guide decision-making on how the Council operates. The policies are:

- Revenue and financing policy
- Investment policy
- Liability management policy
- Development contributions or financial contributions policy
- Remission of rates policy
- Postponement of rates policy
- Remission and postponement of rates on Māori freehold land policy
- Significance policy.

Appendix B—General information

Appendix B provides:

- asset details for the Community support group of activities
- a schedule of the 2012/13 fees and charges
- some interesting Carterton statistics from the 2006 Census.



What is the Long Term Plan?

The Local Government Act 2002 (the Act) requires a local authority to:

- every six years, assist the community to develop a long term vision for the future
- every three years, develop a 'long term plan' that shows what the Council will do to implement that vision.

The Long Term Plan (LTP) is the Council's key planning document and its purpose is to enhance transparency and accountability to the Carterton community. It is another step in the ongoing process to understand community needs and how to best respond to them. It also provides a link to other Council planning documents, plus regional and national documents that are relevant to the Council.

Development of the LTP requires the Council to look at the 'big picture' rather than focusing on planning on a year-to-year basis. The LTP sets out the short, medium, and long-term priorities of the Council and shows how the Council will contribute to the four well-beings and achieve progress towards the community outcomes.

This document is also the annual plan for the 2012/13 financial year. This Plan replaces the 2009–19 LTCCP, which was produced in 2009.

All future significant changes to Council policies or Council's direction, as identified in the Long Term Plan, will be treated as an amendment to the Long Term Plan and will consequently undergo formal public consultation.

Key issues

In preparing this Long Term Plan, and working towards achievement of the vision for the district and the associated community outcomes, the Council has identified a number of project and strategies, some issues to consider, and reviews to be completed over the next ten years. Where appropriate and necessary, further public consultation will occur as these are developed.

This first section sets out significant issues on which action has already started, or for which there are no options, or we need to explore further to identify options.

Reform of the local government sector

Legislation change can significantly affect the Council's ability to meet minimum levels of service. At the time of writing this LTP, the Minister of Local Government has announced proposals for sector reform. The Council is uncertain what the final implications will be that could affect its ability to function effectively.

In order to be more cost-effective and to remain sustainable, investigation into shared services with neighbouring local authorities will continue. Opportunities may also arise from amalgamation during this period, and these will be assessed to see how or if they benefit Carterton district and its residents. Being small, Carterton district can be agile and responsive, with a closer connection to the community.

There are a number of options being discussed with respect to the Wellington regional governance structure. We believe that it is imperative that Carterton determines its role within the region rather than others deciding this for us. We encourage you to voice your opinion and play your part in guiding the District towards a more prosperous future.

Sewerage and the treatment and disposal of sewage

The consent for the discharge of treated effluent from the Dalefield Road community treatment plant has expired and application for consent renewal has been lodged with the Greater Wellington Regional Council (GWRC). Effort is being made to identify a treatment process with appropriate technology that will achieve compliance with the likely new consent conditions and result in minimal environmental impact.

The long-term intention is to expand the capacity of the treatment system, irrigate to nearby farmland for much of the year, and discharge treated wastewater to Mangatāre Stream in times of high flow only.

We anticipate that GWRC will approve the Council's resource consent consistent with the planned \$1.7 million, loan-funded, capital improvements included in this Plan. If this is unacceptable to GWRC then we will have to review our proposed improvement plan to meet requirements.

Under extreme or extended rainfall conditions, the inflow to the treatment plant increases substantially above that which would be normally expected from a community system. This is

caused by stormwater runoff entering the sewerage system, and by high ground water levels infiltrating damaged or worn sewerage pipes. This adds significant overload on to the sewerage reticulation and treatment infrastructure.

Over the next four years, the Council plans to spend a further \$1.7 million capital expenditure (loan-funded) to accelerate its programme of sewer mains renewals. Priority will be determined by the results of the condition assessments currently underway using in-pipe cameras. The objective is to quickly reduce the groundwater infiltration, reduce the risk of leaks from the pipes, and significantly reduce the volume of sewage arriving at the treatment plant.

Urban water supply

Significant additions at the two water treatment plants in 2009 and 2010 mean that the Carterton urban water supply now meets the New Zealand Drinking Water Standards. This work cost \$350,000 and has been loan funded.

The Council's resource consent to take water from the Kaipaitangata Stream for the urban water supply expires in 2013. The process has begun for renewing the consent. In addition to the work being completed, it is possible that the Council may need to complete further work to comply with new resource consent conditions. If less water than currently allowed is agreed, more take will be needed from the Lincoln Road supplementary groundwater source and plant, and incurring additional pumping costs.

Asset management

Asset management plans are in place for the roads, sewerage, water supply, and stormwater networks. These assist our planning for and our management of these key infrastructural assets.

Increasingly, sports organisations that currently own their own property or use Crown land are unable to sustain or continue the status quo. This has resulted in them approaching the Council to use existing Council parks or provide additional land or facilities to accommodate these sports. The Council wishes to respond to this demand by fostering discussion about broader Wairarapa-wide needs, and how Councils, the sports organisations, and others can more effectively meet the demand.

The aim of the Council's housing for the elderly service is to provide accessible and affordable housing for the district's older people who meet the priority criteria. Over the next year the Council will complete a review of its role in this service to ascertain whether its four housing complexes are fulfilling this need. Throughout the review housing complex residents will be kept informed of progress.

The Council purchased the Carterton Exhibition Centre Building in Holloway Street in 2005. David Craig Ltd has been a long time tenant of the building; some of the balance was formerly used by the Carterton Information Centre, and the rest for an interim town hall.

Now that the Events Centre is complete and the Information Centre has moved into its new accommodation at the Events Centre, the Council has started improvements to its Holloway Street administrative offices and in particular earthquake strengthening. Administrative functions will be housed in the Exhibition Centre Building during construction, after which the building may be sold.

The Council wishes to incorporate these items and the asset management plans into a broader asset management strategy for all its assets, infrastructure, and property holding, which will look at a range of asset-related issues:

- bringing together the separate asset management plans
- ageing infrastructure and approaching replacement needs
- the adequacy of depreciation reserves
- an assessment of condition of its assets
- holdings of land and property—are they the right quality, size, location and so on to meet the needs, now and in the future, of the district, and how would they fit in a Wairarapa-wide spatial plan?
- should the Council continue to hold 'business' assets, such as the holiday park and rental housing for the elderly?

Specific items for consultation

In addition to the key issues above, the Council's Proposed Long Term Plan sought feedback on a number of questions relating to possible projects, or changes to the level of some services.

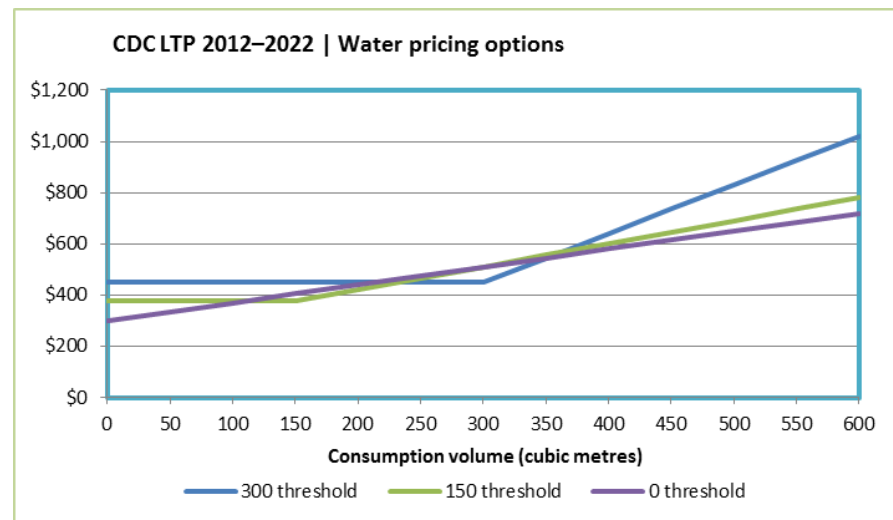
Water meter pricing

Three years ago, the Council introduced metering for our urban water supply. The price structure currently includes a fixed amount for connection to the water supply network, and a price per cubic metre of water in excess of a minimum volume which is generally more than adequate for most households.

The experience over the last three years has been that ratepayers have been keen to identify and fix water leaks on their property, and reduce their use of water. Most residential properties are now consuming much less than the 300 cubic meter allowance.

In order to encourage greater savings in usage, the Council considered other options for pricing, including lowering the 300 cubic metre threshold or even removing it. If the threshold were lowered, users would be charged for more water consumed but at a lower price per cubic meter. Three indicative options: were considered:

- fixed \$420 plus \$1.90 per cubic metre over 300 threshold (status quo)
- fixed \$375 plus \$0.90 per cubic metre over 150 threshold
- fixed \$300 plus \$0.70 per cubic metre over 0 threshold.



Following its consultation, the Council decided to keep the current pricing structure of a \$420 per connection and a \$1.90 per cubic metre of water in excess of 300 cubic metres.

Further actions to reduce urban water demand

The Carterton community needs to keep reducing its demand for potable water. A demand management strategy has been developed, which covers a variety of initiatives ranging from incentives, education, regulation, and operational means to reduce potable water consumption and water loss.

Some actions have been implemented. Water meters are operating. Leaks have been reduced, both in the Council's water mains and on private property. Water pressure has been carefully lowered to reduce the effect of leaks and the possibility of pipe breakages.

Further actions that could be implemented include:

- reduction in indoor household water use through the use/promotion of water saving fixtures
- considering the merits of on-site rainwater collection (see more below)
- xeriscaping—matching private and public garden space and species to the climate and landscape conditions.

These actions will not only reduce water use, but also lead to a reduction in sewage flows (and the demand for sewage treatment), deferral of capital expenditure for renewals and improvements to the water supply network, and delaying the need for the Council to explore new water sources.

In addition dual water supply systems, such as reticulated water being used only for potable purposes and stored rainwater runoff for non-potable uses, are currently being considered by the Council to establish the most sustainable solution for the Carterton community.

Feedback was sought on further actions to reduce water demand, and in particular, supporting households storing their own rainwater runoff for non-potable uses.

The Council decided to further consider the development of a scheme that would be cost-neutral to general ratepayers where, for example:

- it borrows, say \$300,000 per annum, to bulk purchase 150 water tanks
- it arranges the services for installing them at ratepayers' homes
- ratepayers repay the cost to the Council through their rates over, say, five years

- savings from bulk purchase would be passed on to the ratepayers and the scheme would be cost neutral to the Council.

No financial provisions have been made in the Long Term Plan, but a scheme will be developed during 2012/13 ready for implementation in 2013/14.

Regional Amenities Fund

The councils in the Wellington region proposed the establishment of a Regional Amenities Fund, intended as a 'top up' funding mechanism for entities that provide regional benefits primarily in the arts, culture and environmental attractions and events sectors. Individual councils would continue with their existing investments into local amenities.

As a member of the Wellington regional Mayoral Forum, Carterton agreed to canvass ratepayers on the proposal during the LTP consultation.

After considering this feedback, the Council has decided to not support the Regional Amenities Fund.

CBD re-vitalisation

The next stage of CBD re-vitalisation is the re-vitalisation of the 'civic' precinct in Holloway Street and Nelson Crescent in 2012/13. The concept plan has been prepared by Opus International Consultants and contracts are in place for work to begin in July 2012.

The concept plan complements the new Events Centre, and takes into account landscaping, traffic flow and movement in relation to High Street, parking, and connection with other open spaces. Services will be undergrounded and a new open area, Library Square, will replace the existing toilet block and bus stop.



In 2014/15, the Council will enhance Broadway, as the link between the Railway Station and High Street. The upgrade will include further landscaping along the length of Broadway from the Railway Station to Masson Street, undergrounding of services, and improved aesthetics for walking and the visual approach to our town centre.

The Long Term Plan includes a capital budget of \$213,000 for the upgrade of Broadway, and this was confirmed following consideration of feedback on the Proposed LTP.

Kaipaitangata Forest multi-purpose recreation park

The Kaipaitangata Forest block is currently used solely as a pine plantation forest. No other use is permitted. The Council wishes to consider opening access to the forest for additional use as a recreational area, consistent with its current use.



This could include, for example, the use of logging roads for walking, mountain biking, horse riding, and areas for off-road vehicles and motorcycles. It is expected that most of the development work would be undertaken by interested recreational groups, with the Council providing overall planning, design, and facilities at the road-end.

A small amount of funding (\$105,000) has been set aside over the next five years to seed this possible development, and this was confirmed following consideration of feedback on the Proposed LTP.

Old Courthouse

The Council has been gifted the Old Courthouse in Holloway Street, also known as the St John Building. The building, built in 1884, is next to the Events Centre on Council-owned land. Possession will be on 1 July 2012, and a condition assessment will be undertaken before then.

The Long Term Plan proposes to set aside a capital amount of \$50,000 for immediate repairs to bring the building up to safe, operating condition.



It further proposes a review of the future use for the building. Being immediately next to the Events Centre and part of Carterton's historic heritage, there are a number of possible uses. The LTP includes a capital amount of \$515,000 in 2013/14 for renovation and upgrade—following the consultation next year on options—and associated annual operating costs of \$155,000 thereafter.

Following consideration of feedback, the Council decided to continue with its plans to undertake immediate repairs to bring the building up to safe, operating condition, and to further investigate options for its continued use.

Carterton Events Centre – theatre services fitout

The Events Centre was opened in October 2011. It houses the library, the Carterton information centre, youth centre, and Plunket, as well as providing a large auditorium and meeting rooms. The full costs of running the new building, and the costs of hosting events and providing facilities have been included in this LTP.

As part of the Events Centre's design, the Council wanted to allow for high quality fitout and equipment in the auditorium for theatrical performances. To keep down initial costs, it was decided to include only the priority elements during construction, with further enhancements to the fitout and equipment in subsequent years.

This Long Term Plan proposes completion of the enhanced fitout and equipment and includes (in priority order):

- balance of the winch system and the drapes
- additional theatrical lighting equipment
- public address and basic portable sound systems
- production communications infrastructure.



Young Farmers televised final

Following consideration of feedback, the Council decided to continue with its plans to complete the enhanced fitout.

It has also obtained some funding to be able to bring forward the sound system from 2016/17.



Financial strategy

Financial strategy

This financial strategy explains how the Carterton District Council will manage its finances over the next ten years. It sets out the general approach and principles to be followed, and it provides a guide against which proposals for funding and expenditure can be assessed.

In preparing this ten-year plan to meet the reasonable needs of our community, the Council applied the following principles:

- be fair to our ratepayers and customers
- maintain service delivery and if required meet increasing demand
- balance the budget
- be good stewards of our assets and infrastructure, and of our funds
- spread the cost of assets across their useful lives.

Being fair to our ratepayers and customers means that our activities are cost-effective and necessary for the community's social, cultural, economic, and environmental well-being. It means that we allocate rates and charges to those who benefit and to those who have a negative impact on (or exacerbate) our community well-being. It means that we spread costs across today's and tomorrow's users (intergenerational equity) to match when benefits arise. And it means being aware of not excessively burdening today's users with the impact of yesterday's users not having contributed enough.

We plan well. Every three years we prepare a ten-year plan. Every year we prepare a detailed annual plan. We consult the community on what is proposed. And at the end of every year we report back to the community on how well we have done against the plans.

Levels of service

Our levels of service and activities are driven by our plans and strategies. These are described in more detail in the sections below for each group of activities.

The economic climate is underperforming, global financial issues continue, and the central government in New Zealand is implementing a programme of austerity. Consequently, the Council has allowed for growth in the rating base to decline from the current 1.3 percent per annum to

1.0 percent for most of the next ten years¹. When the economic environment improves, pressure on rates should reduce because rates will be more widely allocated across a larger rating base.

For most of our activities this modest growth will not impact our levels of service. The financial numbers in this ten-year plan are largely based on maintaining business as usual. In other words, the Council is planning to continue with its current range of activities and generally to the same level of service as at present.

There are significant exceptions to this:

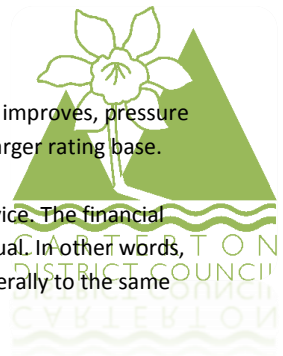
- an accelerated programme of sewer mains renewals—more than just end-of-life renewals, and beyond depreciation funding—though extra borrowing
- the expansion of sewage treatment capacity, in line with expected consent conditions and to create additional headroom to meet ongoing and peak demand
- the full costs of providing facilities and services at the new Events Centre
- further development of the town centre.

As well as the above, this plan identifies several reviews of activities that the Council intends to undertake.

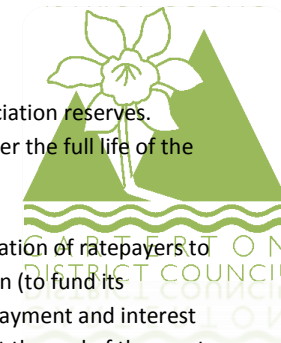
Balancing the budget

Under Section 100 of the Local Government Act 2002, the Council is required to ensure that it raises sufficient revenue to cover its projected operating expenses unless it considers it prudent not to do so.

The rates are set at a level to produce a desired surplus. Generally that surplus would be zero. Sometimes a surplus is needed to cover the repayment of loan principal, or to build up reserves for future year expenses (such as the three-yearly elections). Sometime a deficit is planned because not all expenses, especially depreciation, needs to or should be funded.



¹ based on Quotable Value net rateable assessments July 2004–March 2012



Inflation

The numbers in this LTP incorporate inflation as forecast by economics consulting company BERL.² Over the ten years of the Plan, BERL forecasts local government faces inflation rates of 36 percent in their operating costs and 48 percent in their capital costs.

Depreciation

Depreciation is calculated on an annual basis to fund the renewal of assets over time. It is a major expense. It represents over a quarter of total operating expenditure.

Charging depreciation each year spreads the cost of an asset over its useful life. Generally, depreciation is funded by income (including rates) in the same year that the depreciation is incurred. Funding of depreciation results in an increase in the Council's cash balance over the ten-year period of the Plan, held in depreciation reserves. These cash funds will earn interest and will provide funding for the replacement of relevant infrastructure assets in the future.

In this Long Term Plan, the Council will fully fund the depreciation expense, except for the following:

- roads and footpaths
- housing for the elderly
- Events Centre building and fitout
- the accelerated programme of sewerage renewals and treatment capacity.

This recognises that either we do not need to build up the full amount of funds for future replacement, or it would not be fair on the current generation of ratepayers.

Some of the capital construction of roads and footpaths is funded from subsidies received from the New Zealand Transport Agency, and the capital construction of other assets was partly-funded from external funding. Therefore, we do not need to build up the full amount of replacement funds.

We need to borrow to fund other capital expenditure, including the Events Centre final fitout, the planned accelerated programme of sewerage renewals, and expansion of the sewage treatment

capacity. This is because insufficient funds have built up in the past in depreciation reserves. Either it is a new asset, or rates have not covered the cost of depreciation over the full life of the asset.

In these cases, the Council considers it would be unfair for the current generation of ratepayers to pay both the loan repayment (to fund the existing asset) and the depreciation (to fund its replacement). During the terms of the loans, rates will fund the principal repayment and interest expense, after which rates will fully fund the annual depreciation expense. At the end of the asset life, there will be some depreciation reserves built up to contribute to the replacement cost.

Reserve funds

Some financial reserves operate to hold funds generated in one year and applied in another. The main sources of funds are depreciation, the setting aside of surpluses, and asset sales. The reserves are used to accumulate depreciation, to smooth income between years (for example, elections are every three years and some funds are set aside in the two intervening years), for emergency or contingency funds, or to set aside some funding for special projects. Draw down is mainly for funding asset renewals.

Our policies allow for the internal borrowing from cash reserves, for which a market-based interest rate is charged.

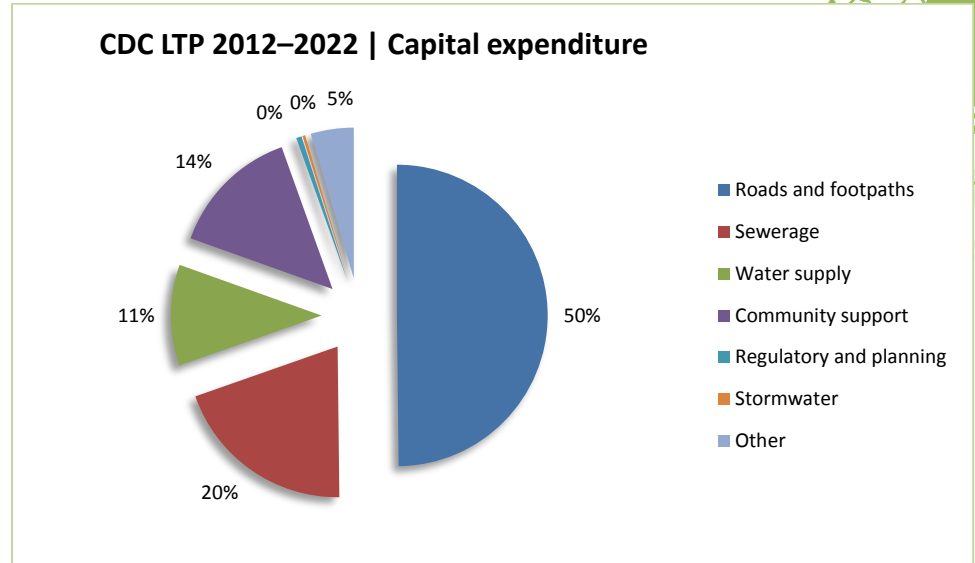
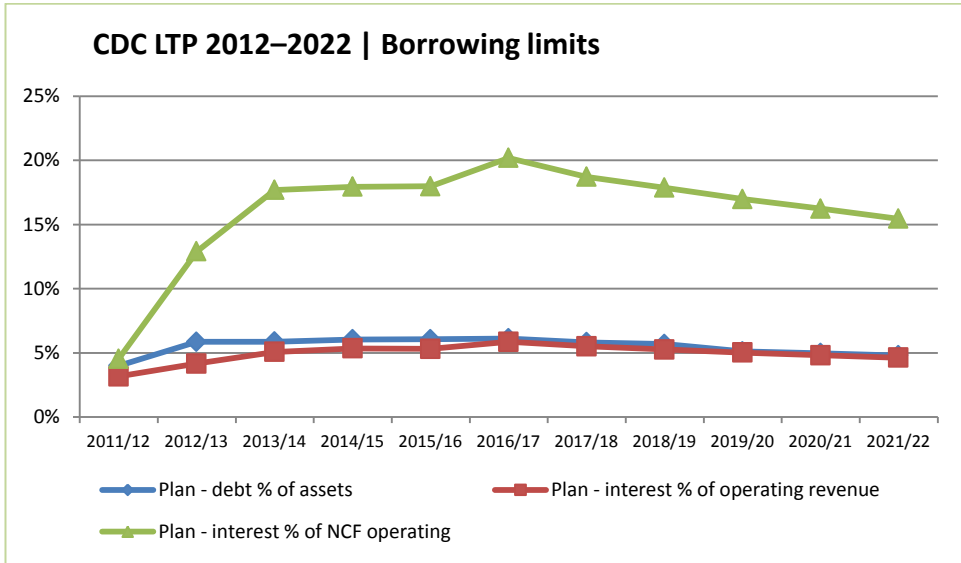
Borrowing limits

The Council has set limits on the level of borrowing. These are set out in its liability management policy. All three of the following conditions must be met:

- total debt as a percentage of total assets will not exceed 15 percent
- in any financial year, gross interest paid on term debt will not exceed 12 percent of gross operating revenue
- in any financial year, gross interest expense will not exceed 50 percent net cash inflow from operating activities.

These measures over the next ten years are shown in the following chart. All are within the limits set by the Council.

² *Forecasts of Price Level Change Adjustors – 2011 Update*, Business and Economic Research Limited, September 2011
CARTERTON DISTRICT COUNCIL | Long Term Plan 2012–2022



Capital expenditure

Capital expenditure is for purchasing, building, replacing, or developing the district's assets, such as roads, parks, sewerage, and buildings. For each major infrastructure network (water, sewerage, stormwater, and roads) asset management plans are in place. These are key planning tools for the maintenance, renewal, and development of assets.

The assets managed by the Council are forecast to grow from \$146 million to \$220 million over the ten years of this plan.

The Council will spend \$42.4 million on capital expenditure over the next ten years, of which \$7.0 million is budgeted for 2012/13. The chart below provides a breakdown by major group of activities. The majority of the capital spend is on roads and footpaths (\$21.1 million or 50 percent) followed by sewerage (\$8.4 million or 20 percent).

The key capital projects over the ten-year plan are as follows.

Sewerage reticulation

The programme of sewer mains renewals will be accelerated over the next four years. This will cost about \$1.7 million, over and above the usual end-of-life renewals during that period. It will be funded from extra borrowing. From 2018/19, planned expenditure on sewer replacement increases five-fold to around \$800,000 per annum.

Sewage treatment

The capacity of the sewage treatment facilities will be expanded in line with expected consent conditions and to create additional headroom to meet ongoing and peak demand. This work will cost \$1.7 million and include a new oxidation pond, ultraviolet treatment unit, and new plant to reduce phosphorous from the treated effluent.

Town centre

Re-vitalisation of the town centre continues. The next stage is the re-vitalisation of the 'civic' precinct in Holloway Street and Nelson Crescent in 2012/13, which will complement the new Events Centre, and take into account landscaping, traffic flow and movement in relation to High

Street, parking, and connection with other open spaces. Services will be undergrounded and a new open area, Library Square, will replace the existing toilet block and bus stop. This stage will cost \$1.4 million.

In 2014/15, the Council plans to enhance Broadway, as the link between the Railway Station and High Street. The upgrade will include further landscaping along the length of Broadway from the Railway Station to Masson Street, undergrounding of services, and improved aesthetics for walking and the visual approach to our town centre. This stage will cost a further \$213,000.

Old Courthouse

The Council has been gifted the Old Courthouse in Holloway Street, also known as the St John Building. The building is next to the Events Centre on Council-owned land. Possession will be on 1 July 2012, and a condition assessment will be undertaken before then.

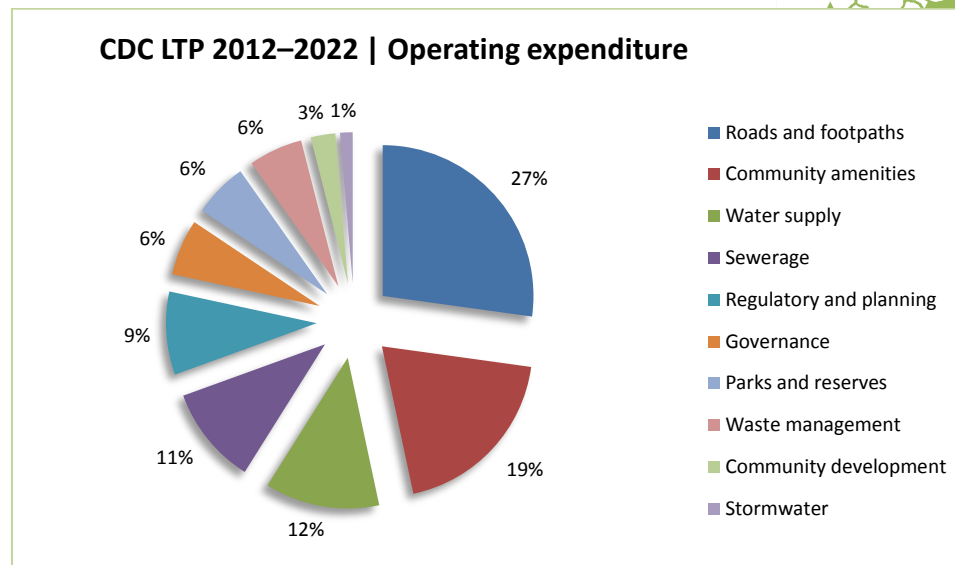
A capital amount of \$50,000 has been set aside for immediate repairs to bring the building up to safe, operating condition. A further capital amount of \$515,000 has been set aside in 2013/14 for renovation and upgrade, following the consultation on options for its future use.

Consent renewals

During the ten years there are a number of important resource consent renewals. The Council estimates it will need to invest significant sums in these renewal processes, \$190,000 for water supply in 2012/13, and \$230,000 for sewage treatment and disposal in 2016—in addition to the expansion mentioned above.

Operating expenditure

Operating expenditure is forecast to increase from \$11.5 million to \$16.1 million over the next ten years, an increase of 40 percent, compared with the 36 percent BERL forecast for local government inflation over the same time period. The following chart shows the split between groups of activities.



The greatest operating expenditure over the next ten years is on roads and footpaths (\$39.0 million), community amenities (such as the library, information centre, and other activities at the Events Centre, swimming pool, public toilets, and the cemetery—\$27.9 million), and water supply (\$17.6 million).

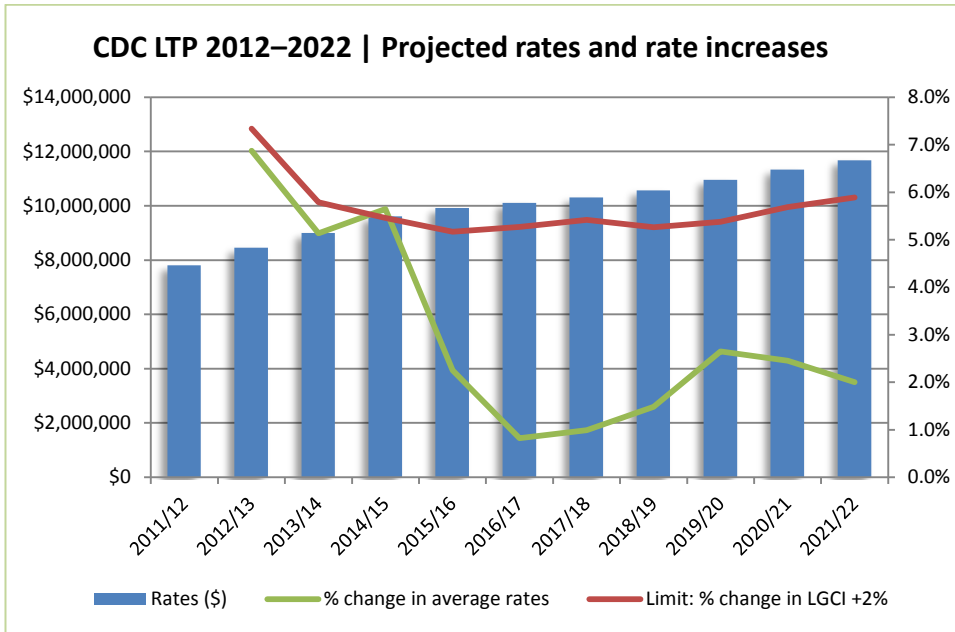
Rates

The role of local government is to promote community well-being—now and in the future. These responsibilities often create conflicting views from the community and organisations on what the Council’s priorities should be and how much money is spent.

Affordability can be a concern for some ratepayers, whilst others feel that the Council should be doing more to accommodate the needs of a changing community. While grappling with this balancing act, the Council has taken into account as far as practicable the requirements of the current community without compromising future generations.

Rates limit

The Council has decided to limit the increase in rates in any one year to a maximum of the increase in the opening BERL local government cost index plus 2 percent.³ The following chart shows the forecast rates in the LTP and the percentage increase compared with the rates cap.



The Council proposes to collect \$8.5 million in rate revenue in the 2012/13 financial year. This is an increase of \$645,000 on the current financial year and equates to an increase of 6.9 percent in the average rates, after taking into account growth in the rating base.⁴ In 2014/15 the planned increase in average rates exceeds the limit adopted by the Council by 0.1 percentage points. This has resulted from the impact of the reduced NZTA roading subsidy.

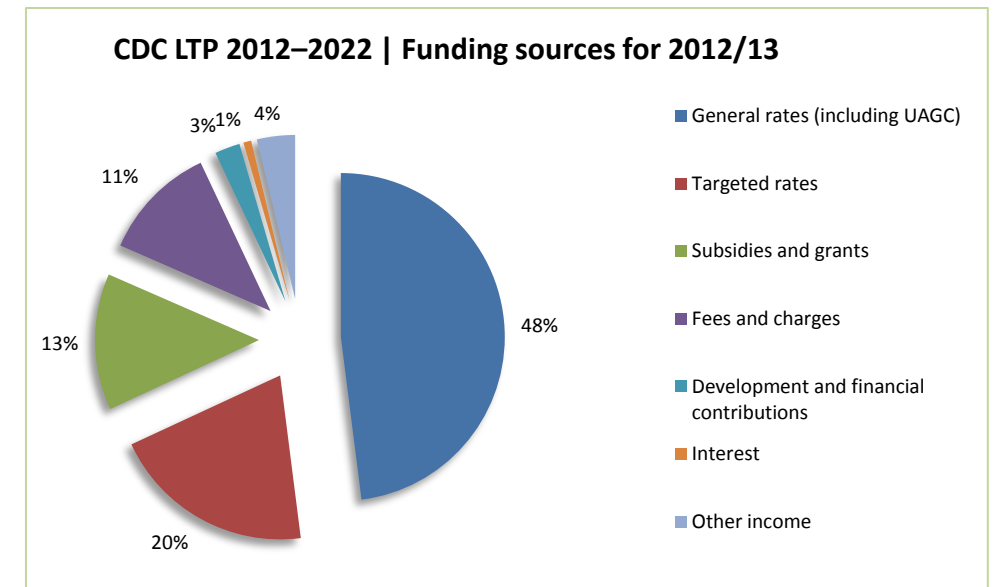
Actual rates for individual properties will vary depending upon the targeted rates that are applicable, the differential rating category, and the valuation of each property.

Cautionary note—Over the ten year period of this LTP, actual results are likely to be different from the forecast or prospective information prepared. Any such variations may be material. The LTP is a basis for a process of community consultation. It incorporates the Council’s intention to meet the four well-beings identified in the Local Government Act 2002—economic, social, cultural, and environmental. However, the information presented as part of this process may not be appropriate for purposes other than community consultation.

Other funding sources

The graph below shows how the Council will fund its services and projects it delivers to the community in 2012/13.

The Council is required by legislation to include a statement on quantified limits on rates. The Local Government Rates Inquiry suggests that around half of a council’s operating revenue should be taken from rates. Currently, the Council draws about two-thirds from rates because it does not have alternative revenue streams, such as significant financial investment funds or investments in corporate enterprises, and has taken a fairly low risk approach to borrowing.



³ For example, for the rates limit in 2012/13 the BERL LGCI increased by 5.34% to June 2012.

⁴ The average rates is the total forecast rates divided by the total number of forecast rates assessments.

Policies

The Council has a range of funding and financial policies that affect the Long Term Plan. The full policies can be found in appendix A.

Revenue and financing policy

The revenue and financing policy summarises how activities undertaken by the Council are funded. The aim is to achieve the fairest funding mix for the community as a whole.

The full policy can be found in appendix A.

Investment policy

The investment policy sets out the Council's policy in respect to investments. It includes the Council's general objectives of holding investments:

- *to manage short term cash flows in an efficient and prudent manner*
- *to manage a level of liquidity sufficient to meet both planned and unforeseen cash requirements*
- *to invest only in approved financial securities*
- *to maximise income on investments approved within the policy*
- *to minimise the risk of investments*

and for holding equity:

The Council has three small shareholdings with NZ Local Government Insurance Corporation (Civic Insurance), Airtel Ltd and Farmlands. These investments are required to enable the Council to utilise specific services.

As the Council is risk adverse, it prefers not to expose itself to the risks of equity investments. With the exception of the above three shareholdings, the Council will not acquire equity investments.

The Council gives preference to conservative investment policies and avoids speculative investments. The Council accepts that lower risk generally means lower returns on investment.

The LTP assumes an interest rate of 4.5 percent per annum earned on short-term deposits and charged for internal borrowing.

The full policy can be found in appendix A.

Liability management policy

The liability management policy outlines the Council's approach to borrowing, cash management and other financial liabilities. It includes the Council's policy on giving security on borrowings:

The objective of the security policy is to ensure that the Council is able to provide suitable security to investors whilst retaining maximum flexibility and control over assets.

The Council will offer as a security for borrowing a deed of charge over its rates. The Council will not offer security over assets of the Council, with the exception of borrowing by way of financial lease or some other form of trade credit under which it is normal practice to provide security over the asset concerned.

The full policy can be found in appendix A.

Significance policy

The significance policy sets out the local authority's general approach to determining the significance of, and to dealing with, proposals and decisions in relation to issues, assets, or other matters.

The Council has reviewed its significance policy and added the new Events Centre to its list of strategic assets. The full policy can be found in appendix A.



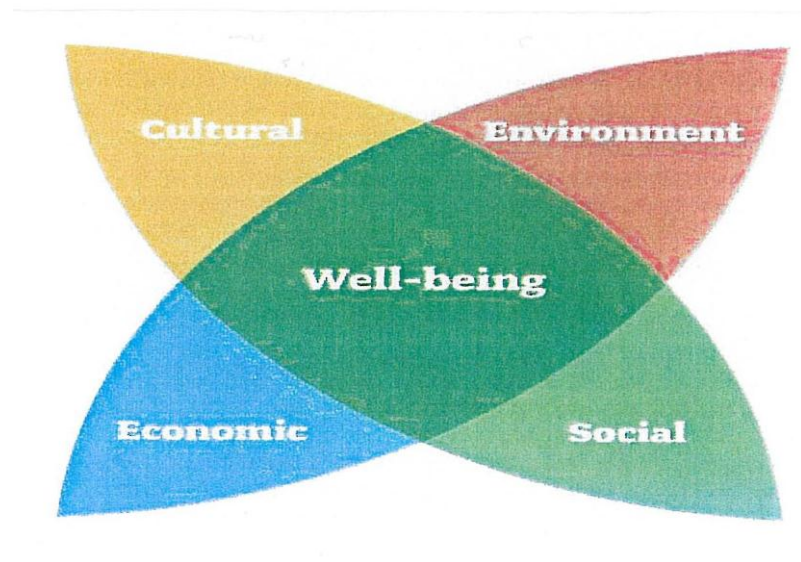


Community outcomes

Four well-beings and sustainable development

Under the Local Government Act 2002, the Council’s role is to promote the social, cultural, economic, and environmental well-being of the district. None of the well-beings has any greater weight in the legislation than another.

The Council must follow a ‘sustainable development’ approach. It must consider the social, cultural, economic, and environmental well-being, and it must meet the needs of the present without compromising the ability of future generations to meet their own needs. Sustainable development applies to everything that Council does.



When making a decision and there is a conflict between two or more well-beings, the Council will endeavour to resolve any conflict in an open, transparent and democratically accountable way.

The Council will aim to:

- achieve a balance and harmony between all well-being areas
- take into account present and future generations
- work with other organisations to achieve a sustainable district—in some instances in a lead role and in others as a partner or a supportive participant.

The following are some examples of the four well-beings.

Social well-being

- Residents are able to participate in, access, and use the services available in the community that support their social well-being.
- Residents’ day-to-day living and health needs are met.
- Residents feel safe and secure in their home and in the community.
- Residents are positive about the future of the district.

Cultural well-being

- Residents’ recreational needs are met.
- Residents feel that their cultural needs are met.
- The historical and cultural heritage of residents and the district is protected.
- Residents have freedom to retain, interpret, and express their arts, history, heritage, and traditions.

Economic well-being

- People are in work, with a good standard of living.
- The district has a diverse range of quality retail and hospitality outlets and business activity that encourage business and economic growth.
- A road and rail network that is well maintained, reliable and meets the needs of users.
- Businesses support each other and work together for the benefit of everyone.

Environmental well-being

- The actions of residents and businesses don’t adversely affect the environment.
- The environment is protected, with quality air, water, and soil.
- Sustainable development is the cornerstone of the district.



Community outcomes

'Community outcomes' are defined as the outcomes, or results, that a local authority aims to achieve in order to promote the social, economic, environmental, and cultural well-being of its district or region, in the present and for the future.

Each group of activities carried out by the Council contributes in some way to one or more of the community outcomes and this LTP outlines specifically how the Council intends to contribute to the outcomes over the 2012–2022 period.

How the community outcomes were identified

As part of the development of the 2012–2022 LTP, the Council reviewed its existing vision and community outcomes to confirm whether they were still relevant to the community. They were satisfied that the vision and community outcomes were generally still relevant, and refined the vision and outcome priorities.

Feedback from consultation showed that the community supported the refined vision and community outcomes. No changes were made.

How we will work with others to further outcomes

Currently many of the day-to-day activities of the Council, organisations and government agencies contribute to furthering the community outcomes. The Council will continue to work with these organisations to achieve positive outcomes for the community.

How we will report on progress

The Council is required to report at least once every three years on progress made towards achieving the community outcomes for the district. In addition, the annual report will report on activities that have contributed to the achievement of community outcomes.

The vision

Carterton

*a welcoming and vibrant community
where people like to live*

The community outcomes

- **strong and positive leadership**
- **a vibrant and prosperous economy**
- **a safe district**
- **a healthy district**
- **a district that encourages lifelong learning**
- **a district that enjoys creativity and recreation**
- **a district that values and protects its natural environment**
- **a district that promotes sustainable infrastructure and services.**



Strong and positive leadership

Strong and positive leadership benefits everyone in the community. It is the responsibility of all sectors of our community to play their part by leading and participating in decision-making that will shape Carterton's future.

The Council will contribute to achieving this outcome by:

- providing strong advocacy for Carterton district within local government, and to central government and other agencies
- encouraging community participation in decision-making that affects them
- encouraging members of the community to participate in local body elections
- conducting Council business in an open and transparent manner.

Others who will help towards achieving this outcome include:

- the community at large
- tangata whenua.

A vibrant and prosperous economy

We recognise the importance of having a vibrant and prosperous local economy. We want to encourage our businesses to support one another, operate efficiently and cost-effectively, providing employment and skill development opportunities.

The Council will contribute to achieving this outcome by:

- implementing the CBD re-vitalisation proposals
- providing robust support services and infrastructure
- providing an information centre
- providing an Events Centre that attracts visitors to events and conferences
- providing the Carterton Holiday Park
- providing attractive and clean public toilets
- provide funding and support for economic development and tourism initiatives
- advocating for improved regional information technology.

Others who will help towards achieving this outcome include:

- local businesses and business groups
- developers and investors
- Carterton District Business Inc
- Wairarapa Chamber of Commerce
- Destination Wairarapa
- Grow Wellington
- Greater Wellington Regional Council
- Ministry of Economic Development
- Tourism New Zealand
- Federated Farmers.

A safe district

It is a fundamental right for people to feel safe in their community. We all have a responsibility to ensure our fellow citizens feel safe and appreciated, and are cared for, which will help them to contribute positively to the community.

The Council will contribute to achieving this outcome by:

- promoting neighbourhood initiatives
- advocating on behalf of the community for appropriate police, health, and other services for the district
- maintaining the district's roads and footpaths in a good condition
- providing financial support to the Wairarapa Road Safety Council
- maintaining the security camera system in the CBD and providing appropriate night lighting in public parks and spaces
- providing water for fire fighting purposes.

Others who will help towards achieving this outcome include:

- the general public, community organisations, businesses, and schools
- Wairarapa Road Safety Council
- Southern Wairarapa Safer Community Council
- Greater Wellington Regional Council
- NZ Police
- NZ Fire Service

- Wairarapa Primary Health Organisation
- other central government and other agencies, such as New Zealand Transport Agency (NZTA), Ministry of Health, Ministry of Social Development, and Wairarapa District Health.

A healthy district

We want a district of active, fit, and healthy people. They need good quality, locally-based health services, and affordable quality housing. They also need access to a good range of recreation spaces, facilities, and playgrounds that are well designed, safe, affordable, and accessible, and to essential infrastructure that supports the general health of the community.

The Council will contribute to achieving this outcome by:

- providing urban residents with:
 - safe drinking water
 - stormwater disposal and sewerage systems
 - a waste collection and disposal service
- providing sports fields, swimming pools, public parks, and reserves for recreation
- providing support and funding for Sport Wairarapa
- administering Sale of Liquor and Dog Control policies
- inspecting food premises to ensure that food is safe
- implementing and monitoring compliance with the Building Control Act and Resource Management Act
- encouraging voluntary activity and community organisations
- providing an Events Centre that allows the community to design and deliver its own social and recreation programmes.

Others who will help towards achieving this outcome include:

- the general public, community organisations, and businesses
- Wairarapa District Health Board
- Wairarapa Primary Health Organisation
- general health practitioners
- Ministry of Health
- Sport New Zealand
- Sport Wairarapa

- Southern Wairarapa Safer Community Council
- Department of Conservation
- Greater Wellington Regional Council.

A district that encourages lifelong learning

We recognise the importance of lifelong learning within the community, and access to opportunities to develop skills and enrich knowledge, so that residents can reach their full potential and add value to the community.

The Council will contribute to achieving this outcome by:

- providing a library service with a comprehensive and current range of literature, information, and reference material
- the library working with schools to provide resources and services that contribute to the development of students
- providing an annual scholarship to UCOL Wairarapa and the Taratahi Agriculture Training Centre
- providing annual grants to tertiary students who reside in the Carterton district, as a partner in the WWII Memorial Trust with the Carterton RSA.

Others who will help towards achieving this outcome include:

- the general public, community organisations, and businesses
- UCOL Wairarapa
- Taratahi Agricultural Training Centre
- primary and secondary schools
- Workforce Development Trust
- Work and Income.

A district that enjoys creativity and recreation

Arts, sport, and other recreational activities contribute to our economy, health, and general well-being.

The Council will contribute to achieving this outcome by:

- providing sport fields, parks and swimming pools for the community to be active





- providing a library that is accessible to all sectors of the community
- providing financial support to Aratoi and to the Wairarapa Arts, Culture and Heritage Trust—Toi Wairarapa
- providing financial support to Sport Wairarapa
- providing the Carterton Events Centre for cultural, social, and recreational use by the whole community
- encouraging a Wairarapa-wide approach to managing sports and recreation facilities.

Others who will help towards achieving this outcome include:

- local artists, recreational, sporting, and other cultural groups
- museums and heritage groups
- Aratoi
- Wairarapa Arts, Culture and Heritage Trust—Toi Wairarapa
- Creative New Zealand
- Sport Wairarapa
- Department of Conservation
- Greater Wellington Regional Council.

A district that values and protects its natural environment

The natural environment of the district is of such importance it must be protected for future generations. Growth and development will be carefully managed so that the district's environment and character is enhanced.

The Council will contribute to achieving this outcome by:

- maintaining an operative District Plan that sets out environmental policies and standards for the development of the district
- processing resource consents, and ensuring their compliance, in accordance with the requirements of the District Plan and Resource Management Act
- operating within a range of resource consents for controlled and sustainable use of environmental resources
- continuing a programme of upgrading the district's water, sewerage, and stormwater infrastructure
- implementing demand management and water conservation initiatives
- implementing and encouraging waste minimisation initiatives

- continuing to implement energy efficient practices across Council operations where practicable.

Others who will help towards achieving this outcome include:

- the general public, community organisations, and businesses
- tangata whenua
- The Mangatāreere Restoration Society Incorporated
- Department of Conservation
- Greater Wellington Regional Council
- Federated Farmers
- Royal Forest and Bird Protection Society
- EECA
- Fish and Game Council of NZ
- Ministry of the Environment.

A district that promotes sustainable infrastructure and services

We want a community that is serviced by a robust infrastructure of essential services that are soundly planned and economically, environmentally, socially, and culturally sustainable.

The Council will contribute to achieving this outcome by:

- developing guiding strategies, plans, and reviews
- ongoing development of asset management plans to ensure the long-term prudent management of the Council's assets
- providing the community with agreed levels of service for Council activities
- investigating shared services for better and more efficient delivery.

Others who will help towards achieving this outcome include:

- the general public, community organisations, and businesses.
- developers and investors
- neighbouring local authorities
- Greater Wellington Regional Council
- tangata whenua.

How Council activities relate to the community outcomes

All of the Council's groups of activities contribute to all the community outcomes. The table below summarises the most significant relationships.

Community outcome	Strong and positive leadership	A vibrant and prosperous economy	A safe district	A healthy district	A district that values lifelong learning	A district that enjoys creativity and recreation	A district that values and protects its natural environment	A district that promotes sustainable infrastructure and services
Council group of activities								
Governance	•							
Community support		•	•	•	•	•	•	•
Regulatory and planning		•	•	•			•	•
Roads and footpaths		•	•			•		•
Sewerage and the treatment and disposal of sewage		•	•	•			•	•
Stormwater drainage			•				•	•
Waste management				•			•	•
Water supply		•	•	•			•	•



Other key planning documents

There is a large number of Acts, regulations, and central government-initiated strategies that influence how the Council conducts its business and require compliance. A few examples of these are:

- Building Act 2004
- Forest and Rural Fires Act 1977
- Health Act 1956
- Local Government Acts 1974 and 2002
- Local Government Official Information and Meetings Act 1987
- Public Works Act 1981
- Reserves Act 1977
- Resource Management Act 1991
- Sale of Liquor Act 1989
- Carterton and District Memorial Square Act 1932
- *Public Libraries of New Zealand: A Strategic Framework (2006 to 2016)*
- *The New Zealand Biodiversity Strategy*
- *The New Zealand Waste Strategy: Reducing harm, improving efficiency*
- *New Zealand Urban Design Protocol*
- *National Land Transport Programme*
- *New Zealand Positive Ageing Strategy.*

The Council uses a number of other planning documents in conjunction with the LTP to realise the aspirations of the community. These can be described as follows:

Annual plan

The Council will produce an annual plan for each of the two years between revisions of the LTP. The next annual plan will be produced for the 2013/14 year. Annual plans are less detailed than the LTP and set out the proposed annual budget and funding requirements for the year. The annual plan identifies for that year any variations from the LTP and provides an opportunity for the public to participate in decision-making processes about the costs and funding of activities to be undertaken by the Council.

Annual report

Each year the Council is required to produce an annual report, to report to the community on the Council's actual performance against the relevant annual plan or LTP.

Asset management plans

Asset management plans set out how the Council will manage assets in the longer term. They are key documents that the Council uses to assess and plan for core activities, such as water, wastewater, stormwater and roading. They contain details about costs, maintenance, levels of service, demand for and capacity of particular assets. A brief overview of the information contained in the asset management plans is contained within the LTP group of activities section.

Reserve management plans

Reserve management plans provide a framework for the day-to-day management of reserves within the district and put in place a process to develop reserve assets where appropriate.

Wairarapa Combined District Plan

The District Plan provides the regulatory process for implementing policies prepared under the LTP, the asset management plans, and the Resource Management Act. The policies in the District Plan are to ensure sustainable management of the natural and cultural environment, and appropriate use of the Council's infrastructure.

The Carterton, Masterton, and South Wairarapa District Councils have chosen to prepare a combined District Plan so that consistent policies and methods will be used to address significant resource management and cross-boundary issues.

Waste Management and Minimisation Plan 2011–2017

Under the Waste Minimisation Act 2008 councils must have in place a Waste Management and Minimisation Plan (WMMP). The councils of the Wellington region agreed to jointly prepare and adopt a WMMP. In doing so, the councils recognise that they do not control much of the waste stream in the region, since large volumes of waste are produced and managed by the private sector.

The overall vision of the WMMP is to provide residents and ratepayers with highly effective, efficient and safe waste management and minimisation services in order to protect the environment from harm, and provide environmental, social, economic, and cultural benefits.

Wairarapa Arts, Culture, and Heritage Strategy

The Arts, Culture, and Heritage Strategy provides a framework for local authorities, organisations, groups, and artists in Wairarapa to recognise and grasp opportunities as they arise. It sets out the vision, strategies, and actions that enable arts, culture and heritage activities to contribute to:

- economic development, which in turn supports the financial viability of artists, productions, and heritage activities
- active participation, as individuals or in groups, as participants or as patrons
- fostering quality, growing skills, and encouraging co-operative efforts.

Wairarapa Tourism Strategy

The Wairarapa Tourism Strategy supports the New Zealand Tourism Strategy 2015 and sets out roles and responsibilities of Destination Wairarapa, the regional tourism organisation, the district councils, and tourism operators.

The strategy includes plans for developing and marketing the region's tourism products, and goals for enhancing tourism infrastructure. Some of the national goals and strategies from the New Zealand Tourism Strategy have been adapted for Wairarapa.

Assessment of water and sanitary services

Under the Local Government Act 2002 councils must from time to time assess the provision of the water supply services, the wastewater and stormwater services, and the sanitary services in its district.

The Carterton District Council last completed its water and sanitary services assessment in 2005. The assessment was included in the Council's 2009–2019 LTCCP and is available from the Council office or on its website.⁵

The assessment informed the development and ongoing review of the related asset management plans, and is consequently reflected in the LTP. The only significant variation from the 2005 assessment reflected in this LTP is that major additions at the two water treatment plants in 2009 and 2010 mean that the Carterton urban water supply now meets the New Zealand Drinking Water Standards.

Wellington Regional Strategy

The Wellington Regional Strategy was developed by nine local authorities in the region working in collaboration with central government, business, education, and sector interest groups.

It is a sustainable economic growth strategy and contains a range of initiatives to realise the region's economic potential. Grow Wellington is the economic development agency charged with implementing the economic initiatives in the Wellington Regional Strategy.

Relationships with Māori

The Carterton District Council recognises the importance of the Treaty of Waitangi as the founding document of Aotearoa New Zealand, which created a partnership between iwi and the Crown. The Council also recognises that through legislation, such as the Resource Management Act and the Local Government Act, the Council is devolved powers from the Crown for the whole community.

The Council acknowledges Hurunui o Rangi Marae as mana whenua in our district and recognises the value of Hurunui o Rangi in the social and cultural fabric of our community.

We have begun working with them on a range of initiatives. The Marae and the Council wish to build on this developing relationship for the good of our communities, through respectful engagement, and taking note of our respective aspirations and capacity.

It is through this evolving relationship that the Council can give effect to its statutory responsibilities, to provide opportunities and build capacity for Māori to contribute to Council decision-making, and for Council to contribute to Māori well-being as part of the broader four well-beings (social, economic, environmental, and cultural) in the present and for the future.



⁵ www.cdc.govt.nz



Council activities and services

Groups of activities

Information on Council activities and services is provided in the following eight groups:

- governance
- community support
- regulatory and planning
- roads and footpaths
- sewerage and the treatment and disposal of sewage
- stormwater drainage
- waste management
- water supply.

In each group of activities, you will find the following information where applicable:

What the group includes and the related community outcomes

These sections explain what we do and why we do it, and any legislation that is applicable to the group of activities.

This section also advises what community outcomes are applicable to the group of activities and how the group of activities contributes to fulfilling the community outcome.

Strategic direction—future demand and sustainability

This section explains the strategic direction for the group of activities over the life of the plan, and explains future anticipated demands on the group of activities and impact on sustainability.

What we will deliver

This section explains the current level of service delivered to residents and ratepayers of the district in receipt of that service and how the service contributes to fulfilment of the community outcomes.

How we will measure what we deliver over the next ten years

Explains how council will monitor the group of activities to ensure it is delivering the service sought by the community.

Assets and asset valuations

These sections advise what assets are applicable to the group of activities, and their value if available.

Renewal and capital plans

Details renewal and capital work to be completed over ten-year life of the Plan.

How the group of activities is funded

Explains how the maintenance, renewal and capital works will be paid for.

Key assumptions and uncertainties

Explains any assumption or uncertainties that were applicable at the time of preparation.

Risk management

Explains how the Council proposes to manage any risk associated with the group of activities.

Significant negative effects

Explains the negative effects of the group of activities on the social, economic, environmental, and cultural well-beings.

Prospective financial statements

These statements tell you how much the forecast operating and capital costs are for the group of activities. The statements include inflation.

The comparative budgets for 2011/12 are those stated in the Annual Plan 2011/12. Where the grouping of activities has changed, the comparative budgets have been restated and reconciled to the Annual Plan 2011/12.





Governance

This group of activities...

includes the following services and programmes:

- Council and Committees and other democratic processes
- public communication, consultation, and information.

...contributes to the community outcomes

Strong and positive leadership

- by conducting Council business in an open, transparent, and democratically accountable manner
- through democratic decision-making at a local level
- by encouraging participation within the district
- by representing the district's interests.

The Council's continued involvement in the Governance group of activities is contained in:

- Local Government Act 2002, which provides the Council with the power of general competence to undertake any business or activity given certain provisos
- Electoral Act 2001
- Local Government Official Information and Meetings Act 1987.

What we will deliver

Section 14 of the Local Government Act 2002 sets out the principles that the Council must follow when performing its role. These are summarised as follows:

- conduct its business in an open, transparent and democratically accountable manner
- make it aware of and have regard to the views of the community.

When making decisions, the Council should:

- take account of the diversity of its communities' interests, now and into the future

- consider the effect on community well-beings
- provide opportunities for Māori to contribute.

The Council should also:

- ensure prudent stewardship, efficient, and effective use of resources,
- take a sustainable development approach, by considering the social, economic, environmental, and cultural well-being of its community now and in the future.

In addition to the Local Government Act, the Council has responsibilities and duties to perform under a number of other Acts, many of which are referred to in this document.

Strategic direction—future demand and sustainability

Legislative change

Legislative change can significantly affect the Council's ability to meet minimum levels of service. At the time of writing this LTP, the Minister of Local Government has announced proposals for sector reform. The Council is uncertain what the final implications will be that could affect its ability to function effectively.

Cost-effectiveness

In order to be more cost-effective to remain sustainable, investigation into shared services with neighbouring local authorities will continue. Opportunities may also arise from amalgamation during this period, and these will be assessed to see how or if they benefit Carterton district and its residents. Being small, Carterton district can be agile and responsive, with a closer connection to the community.

How we will measure what we deliver over the next ten years

The service broken down into measurable components	Performance measure	Target for year ending June					Measuring system
		2012 Annual Plan	2013	2014	2015	2016 to 2022	
Governance is managed at the best possible cost for the level of service	Expenditure within approved budget	100%	100%	100%	100%	100%	Regular financial reporting to the Council



The service broken down into measurable components	Performance measure	Target for year ending June					Measuring system
		2012 Annual Plan	2013	2014	2015	2016 to 2022	
Open and transparent conduct of Council business	Agenda items within 'public excluded'	≤6%	≤5%	≤5%	≤5%	≤5%	Council minutes
Representation of residents by elected members	Residents rate the performance of the Mayor and councillors as 'very good' or 'fairly good'	≥75%	≥75%	≥75%	≥75%	≥75%	Survey of residents every three years ⁶
Effective monitoring of the financial and non-financial performance of the Council	The annual report is adopted within statutory timeframes, with an unqualified audit opinion	na	100%	100%	100%	100%	Annual report
Community support is managed at the best possible cost for the level of service	Expenditure within approved budget	100%	100%	100%	100%	100%	Regular financial reporting to the Council

How the group of activities is funded

Capital

All new capital expenditure or renewal of existing capital items for the Governance group of activities will be funded by way of the annual depreciation provision.

There are no planned capital costs over the life of this document.

Annual costs

The general approach to funding of the annual net services is that those who benefit (either directly or indirectly) should pay.

The district as a whole benefits generally from governance. Every resident is equally able to share this benefit should they wish. Every resident shares in the result of the Council's decision-making.

Governance costs are 100 percent funded from the Uniform Annual General Charge.

Key assumptions and uncertainties

Changes in legislation affecting local government or devolution of central government functions to local government are likely to influence the capability and capacity of the Council.

Changing demographics is likely to result in the Council needing to review more regularly the services it provides and the level of service of these activities.

⁶ NRB *Communitrak™* Survey—every 3 years. The next survey is planned for 2014.



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE - GOVERNANCE
FOR THE YEARS ENDING 30 JUNE 2013-2022

	2012	LTP	LTP	LTP	LTP	Year ending 30 June		LTP	LTP	LTP	LTP
	\$	2013	2014	2015	2016	LTP	LTP	2019	2020	2021	2022
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income											
Rates	663,856	741,289	762,585	798,467	826,738	822,066	814,157	834,765	847,465	877,914	890,241
Miscellaneous income	100	100	44,479	107	110	49,125	118	122	54,203	130	135
Total income	663,956	741,389	807,064	798,574	826,849	871,190	814,274	834,887	901,668	878,045	890,375
Expenditure											
Mayor and councillors	648,422	728,951	744,551	783,536	815,758	821,392	818,599	837,282	842,701	878,375	902,171
Elections	1,500	3,515	74,326	2,646	3,820	81,788	2,867	4,155	89,876	3,106	4,543
Total expenditure	649,922	732,466	818,877	786,182	819,578	903,180	821,465	841,438	932,577	881,481	906,714
Surplus/(deficit)	14,034	8,923	(11,813)	12,392	7,271	(31,989)	(7,191)	(6,551)	(30,909)	(3,436)	(16,338)
Capital Expenditure											
Administration - building refurbishment and strengthening	-	536,038	-	-	-	-	-	-	-	-	-
Total capital expenditure	-	536,038	-	-	-	-	-	-	-	-	-

CARTERTON DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - GOVERNANCE
FOR THE YEARS ENDING 30 JUNE 2013-2022

		Year ending 30 June									
	2012	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	\$	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Sources of Operating Funding											
General rates, UAGC, rates penalties	663,856	741,289	762,585	798,467	826,738	822,066	814,157	834,765	847,465	877,914	890,241
Targeted rates (other than water supply)	-	-	-	-	-	-	-	-	-	-	-
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees, charges and targeted rates for water supply	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	100	100	44,479	107	110	49,125	118	122	54,203	130	135
Total operating funding	663,956	741,389	807,064	798,574	826,849	871,190	814,274	834,887	901,668	878,045	890,375
Applications of Operating Funding											
Payments to staff and suppliers	442,814	419,230	480,040	439,541	468,531	545,133	458,814	471,603	555,664	497,382	513,061
Finance costs	-	27,815	44,365	43,181	40,333	38,519	37,034	35,443	33,735	31,903	30,439
Internal charges and overheads applied	205,102	284,015	292,279	300,948	308,175	316,704	322,935	331,389	340,207	349,278	360,541
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	647,916	731,060	816,684	783,671	817,040	900,356	818,783	838,435	929,607	878,563	904,042
Surplus/(deficit) of operating funding	16,040	10,329	(9,619)	14,903	9,809	(29,165)	(4,508)	(3,548)	(27,939)	(519)	(13,666)
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	(10,560)	511,060	(31,028)	(32,212)	(29,588)	(20,461)	(21,945)	(23,537)	(25,244)	(27,086)	(14,761)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	(10,560)	511,060	(31,028)	(32,212)	(29,588)	(20,461)	(21,945)	(23,537)	(25,244)	(27,086)	(14,761)
Applications of Capital Funding											
Capital expenditure - meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - replace existing assets	-	536,038	-	-	-	-	-	-	-	-	-
Increase/(decrease) in reserves	5,480	(14,649)	(40,648)	(17,309)	(19,780)	(49,626)	(26,453)	(27,085)	(53,183)	(27,604)	(28,427)
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	5,480	521,389	(40,648)	(17,309)	(19,780)	(49,626)	(26,453)	(27,085)	(53,183)	(27,604)	(28,427)
Surplus/(deficit) of capital funding	(16,040)	(10,329)	9,619	(14,902)	(9,809)	29,166	4,508	3,548	27,938	518	13,666
Funding balance	-	-	-	-	-	-	-	-	-	-	-

Community support

This group of activities...

includes the following services and programmes:

Community development

- providing information, advice, and advocacy services to a wide range of people and community groups
- providing grants to initiatives that support our strategic objectives
- providing and supporting community facilities, amenities, and events
- supporting projects that encourage people to develop skills and increase employment opportunities
- supporting volunteer networks by providing volunteering opportunities

Parks and reserves

- maintenance and ongoing development of Carrington, Howard Booth, South End, Sparks, and Millennium Parks, Memorial Square, their facilities, and a number of small reserves
- acquisition of land for the extension of the parks and reserves network
- urban street mowing and maintenance of the various civic areas and recreation reserves scattered throughout the urban area
- maintenance and ongoing development of the district's rural reserves
- management of the Council's forestry assets at the Kaipaitangata and miscellaneous small roadside blocks located in the Admiral/Clifton Grove area.

Community amenities

- Carterton Events Centre
- Clareville Cemetery
- Outdoor Swimming Complex
- public toilets
- Carterton Holiday Park
- pensioner housing complexes
- a number of Council-owned properties, some of which are leased.

...contributes to the community outcomes

A vibrant and prosperous economy

A safe district

A healthy district

A district that encourages lifelong learning

A district that enjoys creativity and recreation

A district that values and protects its natural environment

A district that promotes sustainable infrastructure and services

Access to cultural and community development services builds social cohesion and contributes to overall cultural and social well-being. The Council contributes because it is part of the social fabric that makes the Carterton community vibrant and a great place to live in.

Providing grants supports a wide range of initiatives—encouraging healthy lifestyles, enhancing social cohesion, protecting people's health and safety, and ensuring people have access to basic needs.

Supporting volunteer networks retains knowledge, expertise and resources in the community.

Community facilities bring people together and help them to access opportunities. They also contribute to people's sense of belonging and pride.

Parks and reserves make an important contribution to the well-being and lifestyle of the community. They provide areas for relaxation, sporting activities, and green and attractive open spaces in built-up areas. The Council's continued involvement in parks and reserves is contained in the Reserves Management Act 1977, which requires the Council to preserve and manage for the benefit and enjoyment of the public land for recreational use whether active or passive.

Economic growth is vital to the development of the district and region. The Council contributes to economic development initiatives to support business growth, employment, and tourism to the district and region. And a well-maintained and safe Holiday Park attracts business for the local economy.

The maintenance and operation of a range of properties contributes to the overall well-being of the district's community, and is important to the economic and social fabric of the district.





Strategic direction—future demand and sustainability

CBD re-vitalisation

The next stage of CBD re-vitalisation is the re-vitalisation of the 'civic' precinct in Holloway Street and Nelson Crescent in 2012/13. The concept plan has been prepared by Opus International Consultants and contracts should be in place for work to begin in July 2012.

The concept plan complements the new Events Centre, and take into account landscaping, traffic flow and movement in relation to High Street, parking and connection with other open spaces. Services will be undergrounded and a new open area, Library Square, will replace the existing toilet block and bus stop.

In 2014/15, the Council plans to enhance Broadway, as the link between the Railway Station and High Street. The upgrade will include further landscaping along the length of Broadway from the Railway Station to Masson Street, undergrounding of services, and improved aesthetics for walking and the visual approach to our town centre.

Public toilets

In the 2012/13 year the Council has programmed to replace the public toilets in Carrington Park with facilities that are as far as practicable vandal-proof, easily maintained and accessible. Being situated on High Street in a park with high usage by residents and visitors, the Council felt of all the town's toilet facilities that it was essential that these be retained and upgraded to complement the re-vitalised CBD.

The public toilets in Holloway Street will be closed as part of the capital works there. Daytime demand will be catered by the toilets in the Events Centre and in addition the toilets that used to operate in Memorial Square will be replaced and reopened in 2012/13.

Parks and reserves

The existing recreational reserves/areas are sufficient to accommodate low to medium population growth. However, two factors impact on this.

Intensified residential development at the southern end of Carterton could necessitate the development of a park in that area of urban Carterton for easy accessibility by families living there. The purchase of land and development for a new playground has been allowed for in 2014/15, with further facilities in subsequent years.

Increasingly, sports organisations that currently own their own property or use Crown land are unable to sustain or continue the status quo. This has resulted in them approaching the Council to use existing Council parks or provide additional land or facilities to accommodate these sports.

The Council wishes to respond to this demand by fostering discussion about broader Wairarapa-wide needs, and how Councils, the sports organisations, and others can more effectively meet the demand. For example, the Council will jointly investigate the needs for an indoor water education and sporting facility in Carterton.

Kaipaitangata Forest multi-purpose recreation park

The Kaipaitangata Forest block is currently used solely as a pine plantation forest. No other use is permitted. The Council wishes to open access to the forest for additional use as a recreational area, consistent with its current use. This could include, for example, the use of logging roads for walking, mountain biking, horse riding, and off-road motorcycles. A small amount of funding has been set aside over the next five years to seed this development, in conjunction with interested recreational groups.

Housing for the Elderly

The aim of the Council's housing for the elderly service is to provide accessible and affordable housing for the district's older people who meet priority criteria. Over the next year the Council will complete a review of its role in this service to ascertain whether its four housing complexes are fulfilling this need.

The review will be comprehensive and look at location, entry criteria, rental, the feasibility of entering into partnerships with similar service providers, refurbishment, or possible sale of units. Throughout the review housing complex residents will be kept informed of progress.

Carterton Events Centre

The Events Centre was opened in October 2011. It houses the library, the Carterton information centre, youth centre, and Plunket, as well as providing a large auditorium and meeting rooms. The full costs of running the new building, and the costs of hosting events and providing facilities have been included in this LTP. Further development is planned for the Events Centre, phased in over five years, with enhancements to the fitout and equipment in the auditorium to raise the level of theatre services.



Carterton Exhibition Centre Building—29 Holloway Street

The Council purchased this building in 2005. David Craig Ltd has been a long time tenant of the building; some of the balance was formerly used by the Carterton Information Centre, and the rest for an interim town hall.

Now that the Events Centre is complete and the Information Centre has moved into its new accommodation at the Events Centre, the Council has started improvements to its Holloway Street administrative offices. Administrative functions will be housed in the Exhibition Centre Building during construction, after which the building may be sold.

The improvements to the administration office will create better facilities for customer service and staff, and will meet the requirements for earthquake strengthening. Funding for these improvements has been included in the 2012/13 year.

Old Courthouse—Holloway Street

The Council has been gifted the Old Courthouse in Holloway Street, also known as the St John Building. The building is next to the Events Centre on Council-owned land. Possession will be on 1 July 2012, and a condition assessment will be undertaken before then.

A capital amount has been set aside for immediate repairs to bring the building up to safe, operating condition. At the same time, the Council will be consulting on the future use of the building. To assist, a consultant's report on options will be sought. A modest capital amount has been set aside in 2013/14 for renovation and upgrade.

What we will deliver

Community development

Community development seeks to empower individuals and groups by providing them with the skills they need to effect change in their own communities.

Structured intervention gives communities greater control over the conditions that affect their lives. This does not solve all the problems faced by a local community, but it does build up confidence to tackle such problems as effectively as any local action can. Community development works at the level of local groups and organisations rather than with individuals or families.

To this end, the Council makes contributions in conjunction with the region's other territorial authorities to organisations to provide agreed services to the Wairarapa region, provides direct funding to the community, or advocates on the community's behalf.

Parks and reserves

The parks and reserves are managed under reserves management plans. A best practice management regime ensures the facilities meet the standard required for each amenity.

Forestry assets are managed to balance recreational use with providing the best return for the community.

The level of service determines the amount of funding that is required to maintain, renew, and upgrade the parks and reserves. Changes in the level of service will impact on funding requirements, and vice versa.

Community amenities

The Council aims to maintain the Events Centre in good condition and to maintain the existing levels of service.

The Council's continued involvement in the Cemetery is contained in the Burials and Cremations Act 1964 and Cremation Regulations 1973, which require the Council to make provision for and manage burials within the district, and the Historic Places Act 1993, as the cemetery contains burials that predate 1900 and it is deemed to be an archaeological site and subject to the provisions of the Act.

The Outdoor Swimming Complex is managed to comply with NZS 5826:2000 Pool Water Quality. The assets are kept in a condition to maintain the existing level of service.

The Public Toilets are clean and useable during opening hours.

The Carterton Holiday Park will be maintained and managed at its existing level of service.

Housing for the elderly units are managed to a standard that maintains the existing level of service and complies with the Residential Tenancy Act.

Public and leased properties are managed to a level that provides the best return for the community.

The level of service determines the amount of funding that is required to maintain, renew and upgrade the community amenities. Changes in the level of service will impact on funding requirements, and vice versa.

How we will measure what we deliver over the next ten years

The service broken down into measurable components	Performance measure	Target for year ending June					Measuring system
		2012 Annual Plan	2013	2014	2015	2016 to 2022	
Community support is managed at the best possible cost for the level of service	Expenditure within approved budget	100%	100%	100%	100%	100%	Regular financial reporting to the Council
A range of amenities of a standard satisfactory to residents	Residents satisfied with public swimming baths	≥75%	≥75%	≥75%	≥75%	≥75%	Survey of residents every three years ⁷
	Residents satisfied with public toilets	≥75%	>75%	>75%	>75%	>75%	Survey of residents every three years
	Percentage increase in the number of library users over the previous year	Na	≥2%	≥2%	≥2%	≥2%	Operational records
	Increase in number of people who use the Outdoor Swimming Complex	na	≥50	≥50	≥50	≥50	Operational records

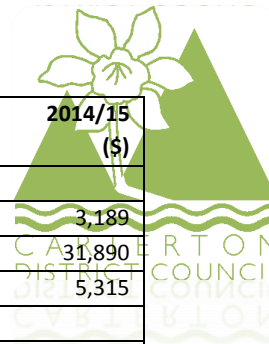
Effective use of grant monies	Community grants budget is distributed in accordance with the Council policy	100%	100%	100%	100%	100%	Operational records
High quality sports fields, parks, and reserves	Residents (who have used or visit a park or reserves) satisfied	na	≥90%	≥90%	≥90%	≥90%	Survey of residents every three years
	High profile or offensive graffiti is removed within 4 hours of the Council being aware of it	100%	100%	100%	100%	100%	Operational records
Prompt response to all health and safety incidents	Calls with a potential public health or safety risk are responded to within 30 minutes	na	100%	100%	100%	100%	Complaints register

Assets

Existing assets

- Library collection
- Carrington Park
- Howard Booth Park
- Memorial Square
- Millennium Park
- South End Park
- a number of small reserves
- Clareville Cemetery
- Outdoor Swimming Complex
- Toilets
- Carterton Holiday Park

⁷ NRB Communitrak™ Survey—every 3 years. The next survey is planned for 2014.



- Pensioner housing complexes
- Events Centre
- Halls
- Forestry.

Maintenance and operating

Routine and programmed maintenance is the regular ongoing day-to-day work necessary to keep assets operating, including when portions of the asset fail and need immediate repair to make the asset operational again. Routine maintenance work is carried out by the Council's Operations Department.

Renewals plan

Renewal expenditure is work that does not increase the asset design but restores, rehabilitates, or renews an existing asset to its original capacity.

Renewals for the Community support group of activities for the next three financial years are as follows:

Item	2012/13 (\$)	2013/14 (\$)	2014/15 (\$)
Carrington Park—play equipment	38,532		
Carrington Park—path seating and lighting	16,425	24,744	
Soft fall matting	7,895		21,260
Town boundary signs	50,928		
Carrington Park—security camera		5,671	
Howard Booth Park—play equipment			42,520
Howard Booth Park—seal carpark	50,000		
Carrington Park—toilets	202,783		
Millennium Park—refurbishment	5,000		159,450
CCTV camera		10,310	
Old Courthouse	50,000		

Item	2012/13 (\$)	2013/14 (\$)	2014/15 (\$)
Memorial Square—toilets	30,000		
Holiday Park	23,000	10,310	3,189
Housing for the elderly units	10,928	36,085	31,890
Swimming complex	5,000		5,315
Library management system	100,000		
Library books	60,000	61,860	63,780
Computer upgrades	11,200	2,887	9,673

Capital plan

Capital works are those works that create a new asset that did not previously exist or works that upgrade or improve an existing assets capacity. They may result from growth, social, or environmental needs.

Capital works in the Community support group of activities in the next three financial years are as follows:

Item	2012/13 (\$)	2013/14 (\$)	2014/15 (\$)
South End playground			372,050
Carrington Park—new path	67,624		
CBD re-vitalisation	407,928		212,600
Path linking Victoria Street to Pembroke Street	12,321		
Progress Wairarapa-wide sports facilities (externally-funded)	20,000		
Multi-purpose recreation park at Kaipaitangata Forest	18,928	20,620	21,260
Cemetery—concrete burial berms		12,372	
Cemetery—pipe open drain	8,928		
Cemetery—GPS recording of plots and provide access	14,928		
Holiday Park—extend roading			21,260
Holiday Park—additional sites	3,000		



Item	2012/13 (\$)	2013/14 (\$)	2014/15 (\$)
Old Courthouse	10,000	515,500	
Events Centre PC	2,800		2,976
Events Centre—theatre services requirements	50,000	174,254	53,945

How the group of activities is funded

Capital

New capital or renewal of existing capital items for community support will be generally funded by way of the annual depreciation provision or by loans. Parks and reserves, and other property may also be funded from recreation reserve levies or special funds.

During the ten years of the Plan, individual loans will be sought for the library management system, the Events Centre theatre services requirements, the development of the Old Courthouse, the Kaipaitangata Forest recreational park, and new Holiday Park cabins. During the terms of these loans, rates will fund the principal repayment and interest expense, after which rates will fully fund the annual depreciation expense.

Annual costs

The general approach to funding of the annual net services is that those who benefit (either directly or indirectly) should pay.

The Community support group of activities is funded by a combination of Uniform Annual General Charge, general rates, and fees and charges.

Key assumptions and uncertainties

- There will be an ongoing requirement for this activity.
- Community grants can be maintained at present aggregate levels from designated funds, although the need for funds by claimants is expected to increase as alternative sources diminish.
- Increasing promotion of the need to be physically active and lead physically active lifestyles may result in increased demand and requests for different activities and facilities to be available in this group of activities.

- As the district becomes more built-up there may be an increasing demand for more recreational reserves/areas for active and passive recreation pursuits.
- The estimates for reforestation costs have been provided by Forestry Enterprises Ltd.
- Demand for housing for the elderly units may decrease if client expectations relating to quality and design of units compared to others offered for rental.
- This will require ongoing reviews of the resources required to meet expectations.

Significant negative effects

In terms of the four well-beings, there are a few negative effects of this group of activities that could arise.

Parks and reserves can be a congregating point for anti-social behaviour. Noise and increased traffic movements could affect residents next to community amenities. The provision by the Council of housing for the elderly and a holiday park may 'crowd out' private sector accommodation providers. The location of cemeteries needs to be carefully assessed to ensure that soil and land type is suitable for burials as run-off could cause public health risks.

The Council do not consider any of these to be significant or cannot be managed.



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE - COMMUNITY SUPPORT
FOR THE YEARS ENDING 30 JUNE 2013-2022

	2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Income											
Rates	2,157,055	2,595,155	2,796,732	2,881,795	2,946,194	2,982,993	3,009,358	3,037,749	3,097,188	3,115,355	3,163,875
Grants, subsidies and donations	1,139,668	50,298	25,391	25,486	25,588	25,696	25,797	25,900	26,014	26,143	26,277
Commissions	-	4,000	4,116	4,235	4,362	4,498	4,624	4,753	4,896	5,057	5,224
Recoveries	11,925	11,902	12,247	12,602	12,980	13,383	13,758	14,143	14,567	15,048	15,544
Rental income	241,424	246,682	253,836	261,197	269,033	277,373	285,139	293,123	301,917	311,880	322,172
Fees, charges and targeted rates for water supply	213,854	210,564	216,670	222,954	229,642	236,761	243,391	250,206	257,712	266,216	275,001
Forestry harvest	100,000	-	-	-	-	-	-	-	-	-	-
Miscellaneous income	22,062	18,580	19,129	19,693	20,298	20,942	21,550	22,173	22,850	23,616	24,404
Total income	3,885,988	3,137,181	3,328,121	3,427,963	3,508,098	3,561,645	3,603,616	3,648,046	3,725,143	3,763,316	3,832,498
Expenditure											
Community grants	383,756	383,756	274,554	286,601	290,741	293,647	297,419	299,698	303,585	307,389	311,223
Community advocacy	51,465	51,465	78,944	81,274	83,233	84,789	86,735	77,982	79,799	81,572	82,270
Parks	239,204	209,562	224,230	235,098	242,445	252,541	254,487	257,522	262,736	248,466	251,562
Civic and urban reserves	324,218	286,513	303,768	316,040	325,479	338,400	341,749	349,078	357,409	360,159	365,883
Rural reserves	56,068	61,931	66,526	68,686	68,843	70,805	72,410	72,457	73,866	75,337	75,043
Nursery	93,023	95,774	99,222	102,173	104,997	108,285	110,807	113,813	116,855	120,117	123,217
Forestry	52,940	157,123	57,069	58,981	106,195	62,189	63,296	65,086	66,871	68,734	71,149
Cemetery	88,441	92,294	96,460	99,562	101,795	104,860	106,954	109,391	112,041	111,226	113,630
Swimming baths	135,012	151,377	157,998	163,624	166,105	171,219	174,907	177,466	181,430	174,065	175,980
Restrooms	47,986	37,401	39,113	40,265	40,797	41,865	42,903	43,438	44,541	45,734	46,678
Events centre - property management	436,328	877,965	1,046,523	1,060,419	1,013,435	1,013,558	1,010,311	984,067	1,014,068	1,044,597	1,045,103
Housing for the elderly	258,319	269,726	286,683	290,030	284,831	289,828	296,892	290,181	294,903	298,860	295,232
Holiday park	215,795	213,592	226,495	233,857	236,018	242,642	254,267	262,678	268,137	272,760	275,589
Miscellaneous properties	71,152	59,845	85,874	104,946	104,186	103,423	102,331	82,017	42,631	2,520	(38,957)
Events centre - operations	376,957	759,234	797,378	825,747	824,133	852,553	876,902	883,109	906,202	930,693	956,686
Total expenditure	2,830,664	3,707,558	3,840,837	3,967,304	3,993,231	4,030,604	4,092,370	4,067,982	4,125,074	4,142,228	4,150,287
Surplus/(deficit)	1,055,324	(570,376)	(512,716)	(539,340)	(485,133)	(468,959)	(488,754)	(419,936)	(399,930)	(378,912)	(317,789)
Capital Expenditure											
Carrington Park - play equipment	37,000	38,532	-	-	-	-	-	-	-	-	-
Carrington Park - path, seating, and lighting	-	16,425	24,744	-	-	-	-	-	-	-	-
Carrington Park - new path	-	67,624	-	-	-	-	-	-	-	-	-
Carrington Park - lighting	-	-	-	-	-	11,340	-	-	-	-	-
Carrington Park - security camera	-	-	5,671	-	-	-	-	-	-	-	-
Carrington Park - rest rooms	-	202,783	-	-	-	-	-	-	-	-	-
Soft fall matting	-	7,895	-	21,260	-	-	-	-	-	-	-
South End playground	-	-	-	372,050	65,820	-	58,350	-	-	-	-

CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE - COMMUNITY SUPPORT Contd.
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Year ending 30 June										
	2012	LTP 2013	LTP 2014	LTP 2015	LTP 2016	LTP 2017	LTP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Town boundary signs	-	50,928	-	-	-	-	-	-	-	-	-
Howard Booth Park - perimeter path, seating and lighting	-	-	-	-	-	-	-	84,140	-	-	-
Howard Booth Park - play equipment	15,000	-	-	42,520	-	-	-	-	-	-	-
Howard Booth Park - seal car park	-	50,000	-	-	-	-	-	-	-	-	-
Millennium Park - refurbishment	5,000	5,000	-	159,450	-	-	-	-	-	-	-
CCTV camera	5,000	-	10,310	-	-	11,340	-	-	12,400	-	-
CBD re-vitalisation	-	407,928	-	212,600	-	-	-	-	-	-	-
Path linking Victoria Street to Pembroke Street	-	12,321	-	-	-	-	-	-	-	-	-
Progress Wairarapa-wide sports facilities (externally-funded)	-	20,000	-	-	-	-	-	-	-	-	-
Multi-purpose recreation park at Kaipaitangata Forest	-	18,928	20,620	21,260	21,940	22,680	-	-	-	-	-
Memorial square - plaques	9,500	-	-	-	-	-	-	-	-	-	-
Memorial Square - rest rooms	-	30,000	-	-	-	-	-	-	-	-	-
Cemetery - GPS recording of plots and provide public access	-	14,928	-	-	-	-	-	-	-	-	-
Cemetery - landscaping	-	-	-	-	-	-	11,670	-	-	-	-
Cemetery - concrete burial berms	6,000	-	12,372	-	10,970	-	11,670	-	12,400	-	13,270
Cemetery - pipe open drain	-	8,928	-	-	-	-	-	-	-	-	-
Cemetery - road extension and resealing	-	-	-	-	-	-	58,350	-	-	-	-
Holiday Park - reception area	-	20,000	-	-	-	-	-	-	-	-	-
Holiday Park - put ceiling in shower block	-	-	10,310	-	-	-	-	-	-	-	-
Holiday Park - driveway extension resealing	-	-	-	21,260	-	-	-	-	-	-	-
Holiday Park - 2 carpark sites and 3 hard sites for caravans	-	3,000	-	-	-	-	-	-	-	-	-
Holiday Park - washing machines and drier	-	-	-	-	-	2,835	-	-	-	-	-
Holiday Park - 2 new cabins	-	-	-	-	-	-	175,050	-	-	-	-
Holiday Park - beds	-	3,000	-	3,189	-	3,402	-	3,606	-	3,849	-
Housing for the elderly - replace box guttering	-	-	5,155	-	-	-	-	-	-	-	-
Housing for the elderly - heat pumps	-	-	30,930	31,890	32,910	28,350	-	-	-	-	-
Housing for the elderly - review of property holding	-	10,928	-	-	-	-	-	-	-	-	-
Swimming complex - picnic tables and BBQ	-	5,000	-	-	-	-	-	-	-	-	-
Swimming complex - toys	5,000	-	-	5,315	-	-	5,835	-	-	-	-
Old Courthouse - investigate options	-	10,000	-	-	-	-	-	-	-	-	-
Old Courthouse building - initial refurbishment	-	50,000	-	-	-	-	-	-	-	-	-
Old Courthouse renovation and upgrade	-	-	515,500	-	-	-	-	-	-	-	-
Events Centre - computer	-	2,800	-	2,976	-	-	-	-	-	-	-
Events Centre - theatre services requirements (priority order)	-	50,000	174,254	53,945	34,978	114,466	-	-	-	-	-
Events Centre - library management system	-	100,000	-	-	-	-	-	-	-	-	-
Events Centre - library books	55,000	60,000	61,860	63,780	65,820	68,040	70,020	72,120	74,400	76,980	79,620
Events centre - microfilm reader	3,500	-	-	-	-	-	-	-	-	-	-
Events centre - structure	7,100,000	-	-	-	-	-	-	-	-	-	-
Events centre - furniture and fittings	1,095,000	-	-	-	-	-	-	-	-	-	-
Computer upgrades	11,900	11,200	2,887	9,673	18,430	3,175	13,887	20,194	3,472	15,268	22,294
Total capital expenditure	8,347,900	1,278,146	874,612	1,021,169	250,868	265,628	404,832	180,060	102,672	96,097	115,184



CARTERTON DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - COMMUNITY SUPPORT
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Year ending 30 June										
	2012	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	\$	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Sources of Operating Funding											
General rates, UAGC, rates penalties	2,157,055	2,595,155	2,796,732	2,881,795	2,946,194	2,982,993	3,009,358	3,037,749	3,097,188	3,115,355	3,163,875
Targeted rates (other than for water supply)	-	-	-	-	-	-	-	-	-	-	-
Grants, subsidies and donations	39,668	25,298	25,391	25,486	25,588	25,696	25,797	25,900	26,014	26,143	26,277
Fees, charges and targeted rates for water supply	213,854	210,564	216,670	222,954	229,642	236,761	243,391	250,206	257,712	266,216	275,001
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local auth fuel tax, fines, infringement fees and other	275,411	281,164	289,328	297,728	306,674	316,195	325,071	334,192	344,229	355,601	367,345
Total operating funding	2,685,988	3,112,181	3,328,121	3,427,963	3,508,098	3,561,645	3,603,616	3,648,046	3,725,143	3,763,316	3,832,498
Applications of Operating Funding											
Payments to staff and suppliers	1,600,455	1,982,350	2,093,272	2,139,763	2,240,968	2,253,268	2,297,859	2,352,922	2,414,637	2,482,880	2,553,169
Finance costs	243,014	285,435	312,875	337,315	326,522	316,284	308,839	296,511	276,900	255,866	233,313
Internal charges and overheads applied	364,319	419,065	438,389	454,850	463,273	476,372	480,899	494,916	507,687	519,665	540,133
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	2,207,788	2,686,850	2,844,536	2,931,928	3,030,763	3,045,923	3,087,596	3,144,349	3,199,224	3,258,411	3,326,615
Surplus/(deficit) of operating funding	478,200	425,331	483,585	496,036	477,335	515,722	516,020	503,697	525,919	504,905	505,883
Sources of Capital Funding											
Grants, subsidies and donations	1,100,000	25,000	-	-	-	-	-	-	-	-	-
Development and financial contributions	100,000	100,000	103,200	106,502	110,123	113,978	117,853	121,742	125,760	130,287	134,847
Increase/(decrease) in debt	3,365,021	393,838	510,365	79,473	(167,982)	(121,637)	(86,587)	(270,354)	(289,965)	(310,999)	(333,379)
Gross proceeds from sale of assets	250,000	-	250,000	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	4,815,021	518,838	863,565	185,976	(57,859)	(7,660)	31,266	(148,612)	(164,206)	(180,712)	(198,532)
Applications of Capital Funding											
Capital expenditure - meet additional demand	8,207,500	31,728	12,372	375,026	82,933	-	318,358	6,731	12,400	3,592	20,701
Capital expenditure - improve level of service	38,500	584,728	194,874	309,065	56,918	137,146	-	84,140	-	-	-
Capital expenditure - replace existing assets	101,900	611,690	667,366	337,077	111,016	128,482	86,475	89,188	90,272	92,504	94,482
Increase/(decrease) in reserves	(3,054,679)	(283,976)	472,537	(339,158)	168,609	242,435	142,454	175,025	259,043	228,095	192,167
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	5,293,221	944,169	1,347,149	682,011	419,476	508,063	547,286	355,085	361,715	324,192	307,350
Surplus/(deficit) of capital funding	(478,200)	(425,331)	(483,584)	(496,035)	(477,335)	(515,723)	(516,020)	(503,697)	(525,920)	(504,904)	(505,882)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

Regulatory and planning

This group of activities...

includes the following services:

- administration of the responsibilities imposed on the Council under Section 31 of the Resource Management Act 1991, the primary focus being the management of the effects of activities on the environment according to the rules set out in the District Plan
- maintenance and development of the Council's Geographic Information System (GIS), which provides a cadastral mapping database that graphically depicts property and road boundaries, and holds valuable data about each property in the district, eg location of sewer and water connections, fault lines, and resource consents
- environmental health
- liquor licensing
- civil defence and emergency management
- animal and dog control
- building control
- rural fire control.

...contributes to the community outcomes

A safe district

A healthy district

A district that values and protects its natural environment

The Resource Management Act places specific statutory functions on territorial authorities to promote the sustainable management of natural and physical resources. Appropriate policy and programmes are promoted and implemented to ensure minimal adverse effect on the environment.

And there are other legislative requirements to provide and manage that are important for the health and safety of the district's community and environment.

A vibrant and prosperous economy

A district that promotes sustainable infrastructure and services

The regulatory and planning group of activities benefits every resident and society in general by promoting sustainable development, whilst encouraging development to occur in a way that benefits the district and region.

The District Plan balances environmental safeguards and protection for natural assets in conjunction with the rights of property owners wishing to undertake property development. Community infrastructure needs are included in the District Plan guidelines for new development.

Strategic direction—future demand and sustainability

New Zealand Urban Design Protocol

The New Zealand Urban Design Protocol identifies that it is part of the government's Sustainable Development Programme of Action and seeks to make our cities and districts 'healthy, safe and attractive places where business, social and cultural life can flourish'.

The Council became a signatory to the Protocol in December 2007, which sets out seven key principles for better design in New Zealand. These are known as the 'seven Cs':

- context
- character
- choice
- connections
- creativity
- custodianship
- collaboration.

As part of its commitment to the Urban Design Protocol, the Council commissioned an independent scoping assessment of the urban design issues in the urban Carterton and its rural periphery. The assessment took into consideration the seven Cs and actions required under the Wellington Regional Strategy, to which the Council is a signatory.

In many instances the assessment confirmed that projects currently underway or planned by the Council were in line with the principles of the Protocol. For example:





- re-vitalisation of Holloway Street including upgrade of street furniture to be consistent throughout the urban area that is complementary with the landscape
- promotion of the heritage character of buildings in the CBD (new policies and guidelines in the District Plan)
- landscape development of Broadway as the 'gateway' to Carterton for visitors travelling by train
- production of a landscape plan for the future development of Carrington Park
- upgrade and installation of parks and reserves signage to educate, inform, and promote the heritage of these facilities (reserve management plans).

From the assessment, the Council has identified a number of actions that they consider should be completed to enhance and complement what is occurring or proposed. These are:

- development of a Public Art Policy in consultation with the community to provide guidelines for public art in public spaces and places
- investigate in consultation with the Historic Places Trust updating of heritage signage on buildings and places and the development of a heritage walk brochure.

Aspects of the assessment that relate to subdivision design, development of pedestrian and cycle networks, etc will be discussed in greater detail with the community and through appropriate District Plan changes and development of guidelines to assist developers create urban environments that take into account the seven Cs promoted in the Urban Design Protocol.

Carterton South Structure Plan and Waingawa Industrial Zone Structure Plan

The Council has completed development of structure plans for Carterton South and the Waingawa industrial zone. Plan changes to the Wairarapa Combined District Plan were made during the latter part of 2011. There were no appeals to the Waingawa Structure Plan and consequently has now been integrated into the District Plan. The Carterton South Structure Plan currently lies with the Environment Court.

Wairarapa Combined District Plan review

The District Plan became operative in 2011. A review will commence five years from that date. However, the District Plan is a living document and needs to adapt as community expectations change. The Council will be undertaking a continual review of the rules and standards to ensure we are creating a district with the amenities, character, and feel in which we want to live.

The review process will also take into account issues raised as part of the urban design assessment, eg the recommendation that further analysis be undertaken in consultation with their respect communities of areas in Carterton deemed to have distinct characters to see if their special characteristics could be further enhanced.

Building control

The Building Officials Institute of New Zealand (BOINZ) is undertaking a voluntary licensing programme for officials in the building sector. The licensing programme will mean that officials can demonstrate their commitment to the profession. As building control authorities are accredited, this licensing programme is a vital tool in demonstrating staff competency that is a vital component of the BCA Accreditation process. Councils have been advised that this licensing programme will become a requirement of the Building Act by 2014.

Civil Defence Emergency Management

The Wellington region is exposed to a wide range of natural and other hazards, such as earthquake, flooding, landslide, tsunami, storm, biological, and chemical. However, there is a great deal that we can do to reduce the impact of these hazards on our communities.

Our approach to emergency management is based on the principles of reduction of risk, readiness, response, and recovery.

Carterton District Council has joined with the Wellington region territorial authorities and Regional Council to form a semi-autonomous civil defence and emergency management group. All the councils' emergency management staff and resources will be pooled together. We expect this to lead to improved effectiveness from increased scale and co-ordination, as well as efficiencies from the centralised provision of services, such as training and public education. Local emergency management offices will be retained to enable effective local responses to emergencies.

The new team will start on 1 July 2012.

Residential and population trends

Areas available for residential development in urban Carterton, in terms of the District Plan, can potentially provide between 870 and 1600 additional serviceable sections.

This development will be in the form of ‘green fields’ (any development that would yield more than two additional sections) and infill-type development.

Future occupancy rates are expected to decline on a person per household basis, due to an increasing older population. However it is anticipated that there will be an increase in single or couple only households, as there has been an increase in rates assessments but little change in the number of people living in urban Carterton.

Legislative change

Legislative change can significantly affect the Council’s ability to meet minimum levels of service. Government has indicated it will be undertaking a two-step reform of the Resource Management Act. The first stage of the reforms will focus on improving the consent process and will include amendments to streamline and simplify the Act. The second stage will focus on improving decision-making around infrastructure, water, and urban design. The impact that this review will have on the operation of the Council’s regulatory and planning services is unknown at the time of writing this document.

Industrial growth

It is difficult to accurately determine the likely need for future industrial development over the next 20–30 years. However, sufficient land needs to be available to have an industrial land bank available to immediately provide for development opportunities as they arise. The Waingawa industrial zone comprises approximately 196 hectares.

Based on the current pattern of development, it is possible that a range of new industrial sites could be formed, from about 10 new large sites through to 50 sites of mixed sizes. It is unlikely that the whole expanded zoning will be developed for industrial purposes in the immediate future, and is more likely to be staged over many years, as demand and opportunities arise. In the meantime the rezoning will not affect the existing farming uses of the land, which can carry on indefinitely.

What we will deliver

The Council’s continued involvement in the regulatory and planning group of activities is contained in a range of legislation, including:

- Resource Management Act 1991 and subsequent amendments, which require the Council to sustain the potential of natural and physical resources to meet the reasonable and foreseeable needs of the next generation
- Health Act 1956 and amendments, which require the Council to improve, promote and protect public health
- Sale of Liquor Act 1989, which requires the Council to encourage sensible and safe drinking in the Carterton district
- Civil Defence Emergency Management Act 2002, which requires the Council to plan adequately for emergencies and for response and recovery in the event of an emergency
- Dog Control Act 1996 and amendments, which require the Council to put measures in place to control dogs in public places, through registration, prevent nuisances and ensure public safety
- Animal Welfare Act 1999, which requires the Council to ensure owners of animals, and persons in charge of animals, attend properly to the welfare of those animals.
- Building Act 2004 and amendments, which require the Council to ensure that there is strong decision-making at every stage of the building or renovating process
- Fencing of Swimming Pools Act 1987, which requires the Council to promote the safety of young children by requiring the fencing of swimming pools
- Forest and Rural Fire Act 2002, which requires the Council to main a rural fire organisation capable of responding to fire events
- Local Government Act 2002, which provides the Council with the power of general competence to undertake any business or activity given certain provisos, eg the making of bylaws.

Changes in the level of service will impact on funding requirements, and vice versa.

How we will measure what we deliver over the next ten years

The service broken down into measurable components	Performance measure	Target for year ending June					Measuring system
		2012 Annual Plan	2013	2014	2015	2016 to 2022	
The regulatory and planning service is managed at the best possible cost for the required level of service	Expenditure is within approved budget	100%	100%	100%	100%	100%	Regular financial reporting to the Council

The service broken down into measurable components	Performance measure	Target for year ending June					Measuring system
		2012 Annual Plan	2013	2014	2015	2016 to 2022	
Timely processing of applications	LIMS ⁸ processed within 10 working days	100%	100%	100%	100%	100%	Operational records
	Non-notified and notified resource consents processed within statutory timeframes	100%	100%	100%	100%	100%	Operational records
	PIMs ⁹ and building consents processed within statutory timeframes	100%	100%	100%	100%	100%	Operational records
Prompt responses to enquiries and complaints	Complaints are responded to within 4 working hours, to advise the complainant what action will be taken and in what timeframe	na	100%	100%	100%	100%	Operational records
Safe and healthy food premises and liquor outlets.	Known food premises and liquor outlets in the district are registered or licensed	100%	100%	100%	100%	100%	Operational records

Assets

⁸ Land Information Memorandums

⁹ Project Information Memorandums

Existing assets

- Geographic Information System (GIS)

Renewals plan

Renewal expenditure is work that does not increase the assets design capacity but restores, rehabilitates or renews an existing asset to its original capacity.

Renewals in this group of activities in the next three financial years are as follows:

Item	2012/13 (\$)	2013/14 (\$)	2014/15 (\$)
GIS updates	5,000	5,170	5,345
Aerial mapping	15,000		
Regulatory equipment and software	10,000	10,340	10,690

Capital plan

Capital works are those that create new assets, or works that upgrade or improve an existing capacity. They may result from growth, social, or environmental needs.

No capital works are planned over the life of the plan.

How the group of activities is funded

Capital

New capital expenditure or renewal of existing capital items for the regulatory and planning group of activities will be funded by way of the annual depreciation provision.

Annual costs

The general approach to funding of the annual net services is that those who benefit (either directly or indirectly) should pay.

The cost of resource management and planning services after taking into account fees and charges received is funded by a targeted rate, calculated on the capital value of every rateable property in the district.

Fees and charges are made for the building control, food hygiene, and liquor licensing, and the remainder in this group of activities is funded from general rates.

Key assumptions and uncertainties

- There will be an ongoing requirement for this activity.
- The demand for this activity will increase and not reduce.
- This will require ongoing reviews of the resources required to meet expectations.
- This will increase user fees and charges for these services.

Significant negative effects

In terms of the four well-beings, significant negative effects of this group of activities may arise.

Rules, regulations, and safeguards can restrict or direct people's actions. This can be seen as a hindrance and can affect people's choices (eg commercial development, upgrading heritage buildings, or running community events) and imposes compliance costs.



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE - REGULATORY AND PLANNING
FOR THE YEARS ENDING 30 JUNE 2013-2022

	2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Income											
Rates	572,448	733,962	704,942	738,069	735,014	732,018	715,209	742,200	739,348	770,502	771,761
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Commissions	1,500	-	-	-	-	-	-	-	-	-	-
Fees, charges and targeted rates for water supply	518,000	517,500	534,060	551,150	569,889	589,835	609,890	630,016	650,806	674,235	697,834
Miscellaneous income	12,303	2,200	2,270	2,343	2,423	2,508	2,593	2,678	2,767	2,866	2,967
Total income	1,104,251	1,253,662	1,241,273	1,291,562	1,307,326	1,324,361	1,327,692	1,374,894	1,392,921	1,447,603	1,472,562
Expenditure											
Resource management admin	262,399	237,350	238,725	245,194	251,827	258,941	265,377	272,244	279,756	287,802	296,450
District plan	172,259	80,999	68,372	70,545	72,179	74,217	75,546	77,609	79,686	81,794	84,590
Civil defence	39,246	70,490	58,076	59,912	61,798	63,879	65,785	67,834	69,925	72,176	74,509
Building inspection	316,169	390,849	388,021	416,370	411,581	406,993	395,375	421,805	414,450	445,479	439,855
Health inspection	75,450	55,966	58,323	60,720	62,372	64,353	63,891	64,565	66,215	67,909	70,509
Liquor licensing	33,645	44,591	45,770	46,973	48,214	49,536	50,729	51,994	53,395	54,889	56,493
Agency fees	43,839	44,449	46,005	47,521	48,952	50,573	51,991	53,642	55,312	57,133	59,171
Rural fire	93,367	102,940	106,604	110,130	113,550	117,357	120,818	124,664	128,519	130,766	135,228
Animal and dog control	145,459	155,471	160,830	166,072	170,218	175,018	176,617	180,046	184,642	189,339	195,645
Total expenditure	1,181,833	1,183,105	1,170,727	1,223,438	1,240,691	1,260,867	1,266,130	1,314,403	1,331,901	1,387,287	1,412,450
Surplus/(deficit)	(77,582)	70,556	70,546	68,124	66,634	63,494	61,562	60,492	61,020	60,316	60,112
Capital Expenditure											
Computer replacement	3,500	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Total capital expenditure	3,500	-	-	-	-	-	-	-	-	-	-

CARTERTON DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - REGULATORY AND PLANNING
FOR THE YEARS ENDING 30 JUNE 2013-2022

		Year ending 30 June									
	2012	LTP 2013	LTP 2014	LTP 2015	LTP 2016	LTP 2017	LTP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Sources of Operating Funding											
General rates, UAGC, rates penalties	285,507	403,056	387,155	415,978	408,245	401,474	381,079	402,466	391,826	416,156	408,821
Targeted rates (other than water supply)	286,941	330,906	317,787	322,091	326,769	330,545	334,130	339,734	347,522	354,345	362,941
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees, charges and targeted rates for water supply	518,000	517,500	534,060	551,150	569,889	589,835	609,890	630,016	650,806	674,235	697,834
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	13,803	2,200	2,270	2,343	2,423	2,508	2,593	2,678	2,767	2,866	2,967
Total operating funding	1,104,251	1,253,662	1,241,273	1,291,562	1,307,326	1,324,361	1,327,692	1,374,894	1,392,921	1,447,603	1,472,562
Applications of Operating Funding											
Payments to staff and suppliers	936,660	961,258	936,756	978,218	990,361	1,002,749	1,013,115	1,058,613	1,070,248	1,122,467	1,136,185
Finance costs	6,369	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	215,833	203,422	211,904	219,437	223,546	229,669	232,028	238,471	244,505	250,197	259,583
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	1,158,862	1,164,680	1,148,660	1,197,655	1,213,908	1,232,418	1,245,143	1,297,084	1,314,752	1,372,664	1,395,768
Surplus/(deficit) of operating funding	(54,611)	88,982	92,612	93,907	93,418	91,943	82,549	77,810	78,169	74,939	76,794
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	(7,647)	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	(7,647)	-	-	-	-	-	-	-	-	-	-
Applications of Capital Funding											
Capital expenditure - meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - replace existing assets	3,500	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in reserves	(65,758)	88,981	92,612	93,907	93,418	91,943	82,549	77,811	78,168	74,939	76,794
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	(62,258)	88,981	92,612	93,907	93,418	91,943	82,549	77,811	78,168	74,939	76,794
Surplus/(deficit) of capital funding	54,611	(88,981)	(92,612)	(93,907)	(93,418)	(91,943)	(82,549)	(77,811)	(78,168)	(74,939)	(76,794)
Funding balance	-	-	-	-	-	-	-	-	-	-	-



Roads and footpaths

This group of activities...

includes the management and operation of a safe and efficient roading and footpath network that serves the needs of the Carterton district. The network comprises roads, footpaths, street lighting, and road signs. The Council also contributes funding for the Wairarapa Road Safety Council.

...contributes to the community outcomes

A vibrant and prosperous economy

A safe district

A district that enjoys creativity and recreation

A district that promotes sustainable infrastructure and services

The roading and footpath network benefits every resident in the district and society in general and are essential for the social, economic and cultural well-being of the district and region.

Under the Local Government Act 2002, the Council controls all roads and streets in the district except State Highway 2.

A well-maintained reliable roading network supports the economic vibrancy of the district and region by the efficient transport of goods from business to business.

Residents and visitors feel safe when the roads, streets, footpaths, and street lighting are well-maintained and reliable.

Recreation opportunities in the district are supported by well-maintained, reliable and safe roads to recreation areas.

Public road safety education programmes and campaign through the Wairarapa Road Safety Council supports community lifelong learning and improved safety of the public.

Strategic direction—future demands and sustainability

An initial assessment of change in demand indicates that forestry and agricultural development in the district will result in increases in the number of heavy vehicles using district roads, and the relatively static population growth trend indicates that the number of light vehicles may not dramatically increase over the next ten years. The likely impact of this is an increased demand for wider more robust roads particularly in the area of the network affected by forestry. The current financial forecast reflects this with expenditure allowances for seal widening, minor safety and some seal extension works identified.

Further research will be undertaken to identify the type of 'use' change that can be expected and to focus on the impact of this change.

Carterton Walkway and Cycle Strategy

The Council recognises that walking and cycling has many environmental and health benefits for the community and has developed a Walkway and Cycle Strategy for the district during the life of this plan. Prioritisation and operational planning to deliver on this Strategy will be completed in 2012/13. Most of the work will be covered by the existing work programme. And the two new paths are included in the Community support capital plan (see above).

Increased axle load limits

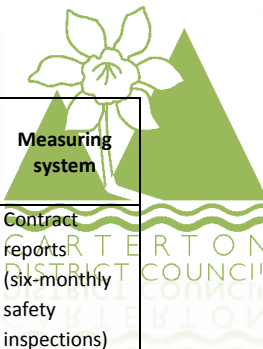
A new classification has been introduced for 'special trucks', with increased limits on axle loads. NZTA is paying for assessments of all bridges in the District. Upgrade work may be required to take higher load limits. It is uncertain if NZTA will fund any of the upgrade work.

What we will deliver

The district roading network is managed under the *Roading Activity Management Plan 2012* that sets out the targets for asset condition, performance, and levels of service.

The levels of service for the roading network have been developed taking into account the following general considerations:

- community expectations and the Council's response the customer feedback
- legislative requirements, eg Land Transport NZ Act 1989
- sustainable economic and safety matters embodied in the community outcomes



- community affordability.

The level of service determines the amount of funding that is required to maintain, renew, and upgrade the road infrastructure to provide customers with the level of service provided. Changes in the level of service will impact on funding requirements.

How we will measure what we deliver over the next ten years

The service broken down into measurable components	Performance measure	Target for year ending June					Measuring system
		2012 Annual Plan	2013	2014	2015	2016 to 2022	
Roads and footpaths are managed at the best possible cost for the required level of service	Expenditure is within approved budget	100%	100%	100%	100%	100%	Regular financial reporting to the Council
Up-to date, 'fit for purpose' network and facilities	Compliance with maintenance contract response times	90%	90%	90%	90%	90%	Monthly contract reports
	An average road roughness index on sealed roads	80 or less ¹⁰	80 or less	80 or less	80 or less	80 or less	Roughness survey every 2 years (next survey 2013)
	Residents satisfied with the district's footpaths	≥60%	≥60%	≥60%	≥60%	≥60%	Survey of residents every three years ¹¹
Easy-to-see and understood traffic signs and markings	Signs repaired or replaced within 3 days of advice of a fault	≥90%	≥95%	≥95%	≥95%	≥95%	Contract reports

¹⁰ Road roughness is a measure of the longitudinal profile of each wheel track on the road, but takes into account the rate of change in the profile, eg short sharp changes in profile are 'rougher' to ride on than long gradual changes. Most drivers would not be able to discern roughness changes in the 70–90 range.

¹¹ NRB Communitrak™ Survey—every 3 years. The next survey is planned for 2014.

The service broken down into measurable components	Performance measure	Target for year ending June					Measuring system
		2012 Annual Plan	2013	2014	2015	2016 to 2022	
	Road signs and markings found missing or not visible	≤5%	≤5%	≤5%	≤5%	≤5%	Contract reports (six-monthly safety inspections)
Safe footpaths	Fault reports and public complaints are acknowledged within 2 days	≥90%	≥90%	≥90%	≥90%	≥90%	Complaints register
Lighting for safety, navigation, and security	Street lighting faults are repaired within 2 weeks	100%	100%	100%	100%	100%	Contract reports (monthly audits)

Assets

Existing Assets

Further information can be found in the Roding Activity Management Plan.

Roding component	Quantity	Units	Comment
Pavement—sealed	Urban 29	km	area 1,714,629 m ²
	Rural 257	km	
Pavement—unsealed	Rural 155	km	area 598,882 m ²
Bridges	52	number	15 two lane bridges 37 single lane bridges
Culverts > 600mm dia.	294	number	
Culverts < 600mm dia.	1,357	number	
Kerb and channel	42.7	km	
Catchpits	333	number	
Stormwater channel	193	km	
Guard rails	211	metres	
Sight rails	240	metres	
Footpaths	45.2	km	
Street lighting	460	number	
Signs	1,349	number	

Asset valuations

Valuation of the road infrastructural assets was undertaken by Opus International Consultants Ltd as at 30 June 2011. The valuation basis is optimised depreciated replacement cost, which is in accordance with generally accepted accounting practices.

Network component	Optimised replacement cost (\$)	Optimised depreciated replacement cost (\$)	Annual depreciation (\$)
Formation	46,721,000	46,721,000	
Pavement	46,588,000	37,638,000	596,000
Drainage	12,737,000	6,639,000	225,000
Footpaths	6,609,000	3,304,000	103,000
Signs and markings	316,000	219,000	25,000
Traffic facilities	52,000	26,000	2,000
Bridges and culverts	30,070,000	16,020,000	260,000
Street lighting	463,000	231,000	15,000
Total	\$143,556,000	\$110,528,000	\$1,226,000

Maintenance and operating

Routine and programmed maintenance is the regular ongoing day-to-day work necessary to keep assets operating, including instances where portions of the assets fail and need immediate repair to make the asset operational again. Routine maintenance is undertaken by Oldfield Asphalts Ltd under contract to the Council and the standards of work are controlled by that contract.

It is expected that the impacts of future demand will be met by the allowances for renewal and capital expenditure works. Therefore the required maintenance and operational costs associated with roads and footpaths are not expected to significantly change over the next ten years.

Renewals plan

Renewal expenditure is work that does not increase the asset design but restores, rehabilitates or renews an existing asset to its original capacity.

Renewals in this group of activities for the next three financial years are as follows:

Item	2012/13 (\$)	2013/14 (\$)	2014/15 (\$)
Kerb and channel replacement	114,756	118,543	123,133
Associated improvements	19,124	19,755	20,520
Components structures replacement	125,276	129,410	134,421
Footpath resurfacing	88,022	90,927	94,448
Minor improvements	240,000	247,920	257,520
Pavement rehabilitation	286,891	296,358	307,834
Reseals	430,336	444,537	461,751
Traffic services	76,504	79,029	82,089
Unsealed road metalling	348,094	359,581	373,505

Capital plan

Capital works are those works that create a new asset that did not previously exist, or works that upgrade or improve an existing capacity. They may result from growth, social, or environmental needs.

The initial assessment of future demand has indicated that the primary drivers for new works or upgrades to the roading infrastructure are likely to be from forestry or agricultural development, and residential or industrial development. The types of capital works appropriate to manage this demand have been allowed for in the financial forecast with allowances for future seal widening, minor safety and some seal extension works.

Capital works in this group of activities in the next three financial years are as follows:

Item	2012/13 (\$)	2013/14 (\$)	2014/15 (\$)
Holloway/Nelson upgrade	822,000		



How the group of activities is funded

Capital

New capital expenditure and renewal of existing capital items for the roads and footpaths group of activities will be funded by depreciation, loans, or NZTA subsidy.

Annual costs

The general approach to funding of the annual net services is that those who benefit (either directly or indirectly) should pay.

Net funding for this group of activities is by way of general rates and NZTA subsidy. The programme for subsidised work is agreed with the NZTA, who administers the government roading subsidy programme. The current subsidy rate is 53 percent for maintenance and 63 percent for new construction and for minor safety works.

Key assumptions and uncertainties

- There will be an ongoing requirement for the provision of this activity.
- The demand for this activity will remain. However there is some uncertainty about how the service will be affected by changing government requirements, eg changes in NZTA directives/policies, changes in legislation, changes in subsidies/funding criteria.
- NZTA will continue to provide subsidised funding to the Council for the roading network. The financial subsidy base rate will remain at 53 percent for maintenance and 63 percent for new construction and minor safety works.
- After the Proposed LTP was released, the NZTA informed the Council that government subsidies would be less than expected. Although the percentage rate of subsidy would remain, the dollar amount would be restricted to the same dollar amount as in the previous three years. No allowance would be made to cover the price increases facing the Council. The operating and capital work programme has been reduced to stay within this reduced funding. The Council will need to assess what the long-term impacts of this will be.

Risk management

The Council has a Risk Management Strategy and Framework, which is consistent with SNZ HB 4360:2000 Risk Management for Local Government and AS/NZS 4360:1999 Risk Management, to ensure risks are managed on a consistent basis. The Strategy ensures that risk management is an integral part of the culture for all parties associated with the management and operation of the Council's roading infrastructure assets.

In addition to the above NZTA carries out regular audits to ensure that the Council as a Road Controlling Authority is meeting standards in relation to technical and financial requirements. A RISA audit (Road Infrastructure Safety Assessment) was undertaken by NZTA in 2011. A procedural audit and a technical audit were completed in 2010. A final technical report has not yet been received.

Significant negative effects

In terms of the four well-beings, significant negative effects of this group of activities may arise.

While roads and footpaths are being constructed, maintained or repaired, there is the possibility of safety risks, environmental damage, dust and road noise (impacting on business viability and residents) and adverse impacts on archaeological, cultural and historical places.



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE - ROADS AND FOOTPATHS
FOR THE YEARS ENDING 30 JUNE 2013-2022

	2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Income											
Rates	1,940,820	1,702,376	1,839,727	2,136,574	2,186,888	2,387,598	2,507,305	2,562,616	2,645,339	2,819,623	2,886,111
LTA subsidy	1,579,163	1,576,238	1,629,060	1,618,109	1,589,122	1,589,122	1,618,109	1,589,122	1,589,122	1,618,109	1,589,122
Grants, subsidies and donations	26,000	-	-	-	-	-	-	-	-	-	-
Petrol tax	56,000	56,000	57,736	59,757	61,609	63,457	65,488	67,780	70,288	72,678	75,222
Recoveries	27,000	28,026	28,895	29,906	30,833	31,758	32,774	33,922	35,177	36,373	37,646
Miscellaneous income	2,000	2,076	2,140	2,215	2,284	2,352	2,428	2,513	2,606	2,694	2,789
Total income	3,630,983	3,364,716	3,557,558	3,846,561	3,870,736	4,074,288	4,226,104	4,255,952	4,342,532	4,549,476	4,590,889
Expenditure											
Subsidised roading	3,319,574	2,833,278	2,926,027	3,164,933	3,181,121	3,252,655	3,480,355	3,512,252	3,599,689	3,899,874	3,942,110
Unsubsidised roading	314,498	387,288	437,207	454,477	464,836	578,405	577,720	578,560	579,442	578,612	578,882
Total expenditure	3,634,072	3,220,566	3,363,234	3,619,410	3,645,957	3,831,060	4,058,075	4,090,813	4,179,131	4,478,485	4,520,992
Surplus/(deficit)	(3,089)	144,150	194,325	227,152	224,779	243,228	168,029	165,140	163,401	70,991	69,897
Capital Expenditure											
Drainage renewals - kerb and channel replacement	80,000	114,756	118,543	123,133	127,264	131,281	135,871	140,920	146,429	151,822	157,445
Associated improvements	17,000	19,124	19,755	20,520	21,209	21,878	22,643	23,484	24,402	25,301	26,238
Components structures replacements	-	125,276	129,410	134,421	138,931	143,316	148,327	153,839	159,852	165,740	171,879
Footpath resurfacing	84,800	88,022	90,927	94,448	97,616	100,697	104,218	108,091	112,316	116,453	120,766
Holloway/Nelson upgrade - additional to existing programme	400,000	822,000	-	-	-	-	-	-	-	-	-
Minor improvements	217,172	240,000	247,920	257,520	266,160	274,560	284,160	294,720	306,240	317,520	329,280
Pavement rehabilitation	140,000	286,891	296,358	307,834	318,162	328,203	339,679	352,302	366,073	379,557	393,614
Reseals	423,800	430,336	444,537	461,751	477,243	492,304	509,518	528,453	549,109	569,335	590,421
Traffic services	92,000	76,504	79,029	82,089	84,843	87,521	90,581	93,947	97,619	101,215	104,963
Unsealed road metalling	497,000	348,094	359,581	373,505	386,036	398,220	412,143	427,459	444,168	460,528	477,585
Seal extensions - Portland / Phillips streets	46,000	-	-	-	-	-	-	-	-	-	-
Total capital expenditure	1,997,772	2,551,003	1,786,060	1,855,220	1,917,464	1,977,979	2,047,140	2,123,216	2,206,208	2,287,471	2,372,192



CARTERTON DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - ROADS AND FOOTPATHS
FOR THE YEARS ENDING 30 JUNE 2013-2022

		Year ending 30 June									
	2012	LTP	LTP	LTP	LTP	Year ending 30 June		LTP	LTP	LTP	LTP
	\$	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Sources of Operating Funding											
General rates, UAGC, rates penalties	1,940,820	1,702,376	1,839,727	2,136,574	2,186,888	2,387,598	2,507,305	2,562,616	2,645,339	2,819,623	2,886,111
Targeted rates (other than water supply)	-	-	-	-	-	-	-	-	-	-	-
Grants, subsidies and donations	796,700	682,518	683,680	711,789	682,802	682,802	711,789	682,802	682,802	711,789	682,802
Fees, charges and targeted rates for water supply	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	85,000	86,102	88,771	91,878	94,726	97,568	100,690	104,215	108,070	111,745	115,656
Total operating funding	2,822,520	2,470,996	2,612,178	2,940,241	2,964,416	3,167,968	3,319,784	3,349,632	3,436,212	3,643,156	3,684,569
Applications of Operating Funding											
Payments to staff and suppliers	1,705,411	1,515,164	1,561,540	1,663,431	1,664,953	1,714,406	1,821,226	1,829,645	1,896,489	2,018,699	2,028,175
Finance costs	57,442	73,658	113,560	119,985	121,172	225,004	214,913	204,091	192,486	180,036	166,684
Internal charges and overheads applied	341,853	370,992	394,777	412,732	416,166	426,938	423,461	436,011	445,618	452,698	473,842
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	2,104,706	1,959,814	2,069,876	2,196,147	2,202,291	2,366,348	2,459,599	2,469,748	2,534,593	2,651,433	2,668,701
Surplus/(deficit) of operating funding	717,814	511,182	542,302	744,094	762,126	801,620	860,185	879,885	901,619	991,724	1,015,868
Sources of Capital Funding											
Grants, subsidies and donations	808,463	893,720	945,380	906,320	906,320	906,320	906,320	906,320	906,320	906,320	906,320
Development and financial contributions	70,000	100,000	103,200	106,502	110,123	113,978	117,853	121,742	125,760	130,287	134,847
Increase/(decrease) in debt	376,142	776,033	(72,290)	(80,665)	(94,278)	1,460,904	(149,187)	(160,009)	(171,614)	(184,064)	(197,416)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	1,254,605	1,769,753	976,290	932,157	922,165	2,481,202	874,986	868,053	860,466	852,543	843,751
Applications of Capital Funding											
Capital expenditure - meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	-	822,000	-	-	-	-	-	-	-	-	-
Capital expenditure - replace existing assets	1,997,772	1,729,003	1,786,060	1,855,220	1,917,464	1,977,979	2,047,140	2,123,216	2,206,208	2,287,471	2,372,192
Increase/(decrease) in reserves	(25,353)	(270,068)	(267,468)	(178,969)	(233,173)	1,304,842	(311,969)	(375,278)	(444,123)	(443,204)	(512,573)
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	1,972,419	2,280,935	1,518,592	1,676,252	1,684,291	3,282,822	1,735,170	1,747,938	1,762,084	1,844,267	1,859,619
Surplus/(deficit) of capital funding	(717,814)	(511,182)	(542,302)	(744,094)	(762,126)	(801,620)	(860,184)	(879,884)	(901,619)	(991,723)	(1,015,868)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

Sewerage and the treatment and disposal of sewage

This group of activities...

includes the management of the urban reticulated sewerage system, pumping stations, sewage treatment plant, sewage disposal service for the Waingawa Industrial Zone, and the management of the impact of any discharge into the environment.

...contributes to the community outcomes

A vibrant and prosperous economy

A safe district

A healthy district

A district that values and protects its natural environment

A district that promotes sustainable infrastructure and services

The urban reticulated sewerage system and treatment facilities contribute to a range of objectives.

Effective collection and disposal of treated sewage contributes to community health and minimises public health risk. Effective sewerage reticulation supports a vigorous residential and commercial community. Reticulation and sewage treatment infrastructure capable of meeting resource consent requirements minimises adverse impact on the environment.

Strategic direction—future demand and sustainability

Sewage treatment

The consent for the treated sewage discharge from the Dalefield Road community treatment plant expires in 2012. Application for consent renewal has been lodged with the Greater Wellington Regional Council. Effort is being made to identify a treatment process with appropriate technology that will achieve compliance with the likely new consent conditions and result in minimal environmental impact. The intention is to expand the capacity of the treatment system, irrigate to land for much of the year, and discharge treated wastewater to Mangatāre Stream in times of high flow only.

Infiltration into the reticulation system

Under extreme or extended rainfall conditions, the inflow to the treatment plant increases many-fold that which would be normally expected from a community system. This is caused by unusually high ground water levels infiltrating damaged or worn sewerage pipes. This has a highly significant impact on the reticulation and treatment infrastructure.

Over the next four years, the Council will be accelerating its programme of mains renewals. Priority will be determined by the results of the condition assessments currently underway using in-pipe cameras. The objective is to quickly reduce the groundwater infiltration, reduce the risk of leaks from the pipes, and significantly reduce the volume of sewage arriving at the treatment plant.

Waingawa

The Waingawa Industrial Zone is the largest area of undeveloped land in the Wellington region. A structure plan for Waingawa has been completed and is now integrated into the District Plan.

The rate at which the land at Waingawa will be developed is difficult to forecast. In respect to potable water and sewerage services, the Council has an agreement with Masterton District Council to provide services to Waingawa. However the capacity of the pipeline from Masterton is only sufficient for a mix of light and medium industries. Separate arrangements will need to be made for industries that require significant volumes of water.

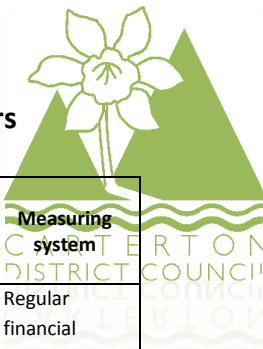
Residential and population trend

Areas available for residential development in urban Carterton, in terms of the District Plan, can potentially provide between 870 and 1600 additional serviceable sections.

This development will be in the form of 'green fields' (any development that would yield more than two additional sections) and infill-type development.

Future occupancy rates are expected to decline on a person per household basis, due to an increasing older population. However it is anticipated that there will be an increase in single or couple only households, as there has been an increase in rates assessments but little change in the number of people living in urban Carterton.





Industrial growth

Significant industrial growth is not anticipated to occur within Carterton township as provision for such growth and land use is provided in the Waingawa Industrial Zone.

Legislative change

Legislative change can significantly affect the Council's ability to meet minimum levels of service, with change likely to require improvements to infrastructure. This is not forecast to occur in the short to medium-term.

What we will deliver

The Council's continued involvement in sewerage and the treatment and disposal of sewage, and associated ownership of assets, is contained in the:

- Local Government Act 2002 (Section 130), which requires the Council to continue to provide wastewater and sanitary services and maintain its capacity to do so
- Health Act 1956 and subsequent amendments, which require the Council to provide adequate sanitary works, the definition of which includes 'sanitary services'.

The urban reticulated sewerage network is managed under the *Asset Management Plan—Municipal Wastewater Treatment and Disposal: March 2012*, which sets out the targets for asset condition, performance, and levels of service.

In Waingawa, sewerage services will be supplied by the Masterton District Council.

The level of service for the sewerage and treatment infrastructure has been developed taking into account the following general considerations:

- community expectations and the Council's response to customer feedback
- legislative and consent requirements
- sustainable health and environmental matters embodied in the community outcomes
- community affordability.

The level of service determines the amount of funding that is required to maintain, renew, and upgrade the sewerage infrastructure to provide customers with the level of service provided. Changes in the level of service will impact on funding requirements.

How we will measure what we deliver over the next ten years

The service broken down into measurable components	Performance measure	Target for year ending June					Measuring system
		2012 Annual Plan	2013	2014	2015	2016 to 2022	
The sewerage service is managed at the best possible cost for the required level of service	Expenditure is within approved budget	100%	100%	100%	100%	100%	Regular financial reporting to the Council
Minimising adverse effects on the environment	Compliance with resource consent conditions	100%	100%	100%	100%	100%	Resource consent
	Sewage overflows per storm event due to inflow / infiltration	na	≤15	≤15	≤15	≤15	Operational records
Response to sewerage system failures and service requests	Significant repairs and system failures resolved within 4 hours of notification	na	100%	100%	100%	100%	Operational records
Sewerage system of a satisfactory standard	Urban residents satisfied with the sewerage system	≥80%	≥87%	≥87%	≥87%	≥87%	Survey of residents every three years ¹²

Assets

Further information can be found in the Wastewater Asset Management Plan.

¹² NRB Communitrak™ Survey—every 3 years. The next survey is planned for 2014.

Existing assets

The urban reticulation system consists of:

- domestic pipes on private land—approximately 2,300 connections
- pipes and manholes of the municipal system— pipes ranging in size from 80 mm to 380 mm diameter, and 30.8 km of underground piping
- sewage treatment plant comprising fine screen, clarifier, sludge digester, three two-stage oxidation ponds, and 16 wetland plots situated on 16 ha of land
- eleven pumping stations, with 17 pumps, located throughout the urban area.

Asset valuations

Valuation of the sewerage and treatment infrastructural assets was undertaken by Opus International Consultants as at 30 June 2008, and has been revised using valuation indices to give 2011 prices. The valuation basis is optimised depreciated replacement cost, which is in accordance with generally accepted accounting practices.

Replacement cost is the cost of rebuilding the existing asset to an equivalent level of service. The assets have been depreciated on a straight line basis over the economic life of the asset.

Network component	Optimised replacement cost (\$)	Optimised depreciated replacement cost (\$)	Annual depreciation (\$)
Pipe reticulation	6,775,000	2,317,000	93,000
Reticulation fittings	876,000	350,000	11,000
Pump stations	535,000	302,000	19,000
Sewage treatment plant	2,142,000	785,000	71,000
Sewerage upgrade	912,000	603,000	44,000
Total	\$11,240,000	\$4,357,000	\$238,000

Maintenance and operating

Routine and programmed maintenance is the regular ongoing day-to-day work necessary to keep assets operating, including instances where portions of the asset fail and need immediate repair to make the asset operational again. Routine maintenance work is carried out by the Council's Operations staff for work required in the Carterton district.

Renewals plan

Renewal expenditure is work that does not increase the assets design capacity but restores, rehabilitates or renews an existing asset to its original capacity.

Renewals in this group of activities for the next three financial years are as follows:

Item	2012/13 (\$)	2013/14 (\$)	2014/15 (\$)
Grout manholes	6,954	5,764	6,001
Road cone and signage upgrade	5,000	5,240	5,455
CCTV Camera	50,000	41,920	32,730
Holloway/Nelson sewerage	160,000		
Mains repairs/replacement	502,371	524,000	545,500
Replanting wetlands	81,262		

Capital plan

Capital works are those that create new assets, or works that upgrade or improve an existing capacity. They may result from growth, social or environmental needs.

Capital works in this group of activities in the next three financial years are as follows:

Item	2012/13 (\$)	2013/14 (\$)	2014/15 (\$)
Additional oxidation pond	500,000		
UV unit and associated plant	504,040		
Discharge gate	88,822		
Treatment for phosphorous reduction		209,600	218,200

How the group of activities is funded

Capital

New capital and renewal of existing capital items for the sewerage group of activities will be funded by way of the annual depreciation provision and/or by loans.

During the ten years of the Plan, individual loans will be sought for the accelerated renewals of the sewer mains, and the expansion of the sewage treatment capacity. During the terms of these loans, rates will fund the principal repayment and interest expense, after which rates will fully fund the annual depreciation expense.

Annual costs

The general approach to funding of the annual net services is that those who benefit (either directly or indirectly) should pay.

The Council has deemed that provision of the urban sewerage services provide a public benefit to the whole district and 10 percent of the cost of delivering the service is charged by way of general rates across all property owners in the district. The balance of funds required comes from targeted rates as follows:

- Owners of residential properties that are connected to the public sewerage system pay a set targeted rate for sewage disposal.
- All other properties that can be connected directly or through a private drain to the public sewerage system pay a set targeted rate on the basis that they can be connected.

Similarly, the provisions of sewerage services for Waingawa provides a benefit to the whole district and 10 percent of the cost of delivering the service is charged by way of general rates across all property owners in the district. The balance of funds required comes from targeted rates as follows:

- A targeted rate of a fixed amount on every separately used or inhabited part of a rating unit that is connected to the Waingawa Sewerage service.
- A rate based on capital value on all properties connected or able to be connected to the Waingawa Sewerage Service.

Key assumptions and uncertainties

- Sewerage assets will remain in Council ownership throughout the planning period and that there will be an ongoing requirement for this activity.
- The demand for this activity will gradually increase over time.
- The operational requirements for this activity will remain at a similar level for the next ten years.

- Maintenance works will continue to be delivered by the Council's Operations Department. Renewal, upgrade, and new works will normally be completed by contractors selected by competitive tender or day work rates.
- That GWRC will approve the Council's resource consent consistent with the planned capital improvements included in this Plan. If this is unacceptable to GWRC then the Council will have to review its proposed improvement plan to meet requirements.
- That in the short to medium term the supply of services to Waingawa from Masterton District Council will be adequate.

Risk management

Risk management processes aim to be generally consistent with the intentions of AS/NZS 4360:2004 'Risk Management' Standard, of a scale appropriate to the asset.

In this context, Carterton's risk management criteria are:

- the fulfilment of legal and statutory obligations
- identification of critical assets—all assets for this activity are equally critical to the function of each other
- the safeguarding of public and employees' health and safety requirements
- third party damages and losses
- loss of service, extent and duration, impacts of natural disasters
- contingency planning for foreseeable emergency situations.

Significant negative effects

In terms of the four well-beings, significant negative effects of this group of activities may arise.

There are health and safety risks associated with the sewerage network, the treatment and disposal of sewage, and overflow incidents. Infrastructure failure could result in loss of income and business.

The disposal of treated wastewater to ground or river will impact on the groundwater and riverwater values. There may be community concerns about waterway health and associated values arising from the disposal of treated waste.



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE - SEWERAGE
FOR THE YEARS ENDING 30 JUNE 2013-2022

		Year ending 30 June									
	2012	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	\$	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income											
Rates	648,244	844,821	1,004,322	1,123,906	1,279,079	1,179,771	1,192,743	1,235,658	1,378,214	1,483,639	1,606,523
Fees, charges and targeted rates for water supply	235,977	180,000	187,920	194,873	202,278	210,774	220,259	230,831	242,834	256,190	270,793
Miscellaneous income	-	-	-	-	-	-	-	-	-	-	-
Total income	884,221	1,024,821	1,192,242	1,318,779	1,481,357	1,390,545	1,413,001	1,466,489	1,621,048	1,739,829	1,877,316
Expenditure											
Reticulation	466,230	525,609	679,529	776,102	878,502	899,996	908,299	977,349	1,057,947	1,147,236	1,245,929
New sewerage connections	29,977	37,690	38,903	40,083	41,355	42,737	44,152	45,646	47,311	49,142	51,085
Pumping station	41,358	49,824	51,858	53,707	55,303	57,056	58,865	60,819	63,031	65,183	68,812
Sewerage plant	265,074	375,686	425,588	435,354	466,701	445,417	447,817	455,149	466,741	468,965	484,222
Waingawa sewerage	25,080	28,720	29,829	30,829	31,860	33,033	34,259	35,639	37,197	38,908	40,798
Waingawa pumping stations	9,592	16,435	17,030	17,573	18,117	18,735	19,347	20,047	20,833	21,687	22,642
Total expenditure	837,311	1,033,963	1,242,738	1,353,649	1,491,838	1,496,974	1,512,738	1,594,650	1,693,060	1,784,121	1,905,488
Surplus/(deficit)	46,910	(9,142)	(50,496)	(34,871)	(10,482)	(106,429)	(99,736)	(128,161)	(72,012)	(44,292)	(28,172)
Capital Expenditure											
Grout manholes	5,500	6,954	5,764	6,001	6,254	6,540	6,859	7,222	7,629	8,080	8,575
Road cones and signage upgrade	5,500	5,000	5,240	5,455	5,685	5,945	6,235	6,565	6,935	7,345	7,795
CCTV Camera	-	50,000	41,920	32,730	22,740	11,890	12,470	13,130	13,870	14,690	15,590
Holloway/Nelson sewerage	-	160,000	-	-	-	-	-	-	-	-	-
Main repairs/replacement	177,500	502,371	524,000	545,500	568,500	118,900	124,700	787,800	832,200	881,400	935,400
Consents for treatment and disposal	120,000	-	-	-	113,700	118,900	-	-	-	-	-
Replanting wetlands	-	81,262	-	-	-	-	-	-	-	-	-
Additional oxidation pond	-	500,000	-	-	-	-	-	-	-	-	-
UV unit and associated plant	-	504,040	-	-	-	-	-	-	-	-	-
Automatic discharge gate from pond 2 and wetlands	-	88,822	-	-	-	-	-	-	-	-	-
Treatment for phosphorous reduction	-	-	209,600	218,200	227,400	-	-	-	-	-	-
Flow monitoring installation on wetland outlet	10,000	-	-	-	-	-	-	-	-	-	-
Plant water reduction	10,000	-	-	-	-	-	-	-	-	-	-
Strategy	50,000	-	-	-	-	-	-	-	-	-	-
Trial of membrane filtration/land disposal	50,000	-	-	-	-	-	-	-	-	-	-
Digester cover	20,000	-	-	-	-	-	-	-	-	-	-
Subdivision infrastructure vested in council	50,000	-	-	-	-	-	-	-	-	-	-
Total capital expenditure	498,500	1,898,449	786,524	807,886	944,279	262,175	150,264	814,717	860,634	911,515	967,360

CARTERTON DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - SEWERAGE
FOR THE YEARS ENDING 30 JUNE 2013-2022

		Year ending 30 June									
	2012	LTP 2013	LTP 2014	LTP 2015	LTP 2016	LTP 2017	LTP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Sources of Operating Funding											
General rates, UAGC, rates penalties	64,836	83,520	97,363	109,181	124,515	114,467	115,640	119,779	133,851	144,222	156,321
Targeted rates (other than water supply)	583,408	751,679	876,264	982,630	1,120,638	1,030,200	1,040,759	1,078,015	1,204,660	1,297,996	1,406,888
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees, charges and targeted rates for water supply	235,977	190,000	219,240	227,352	235,991	245,903	256,969	269,303	283,307	298,889	315,925
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	-	-	-	-	-	-	-	-	-	-	-
Total operating funding	884,221	1,025,199	1,192,867	1,319,163	1,481,144	1,390,569	1,413,367	1,467,097	1,621,818	1,741,106	1,879,134
Applications of Operating Funding											
Payments to staff and suppliers	419,049	516,486	534,004	550,295	594,901	587,301	607,694	629,506	654,412	681,755	711,097
Finance costs	31,347	76,034	145,815	185,919	220,691	231,875	219,133	227,149	255,517	283,856	313,403
Internal charges and overheads applied	130,427	149,103	156,108	162,031	164,974	169,635	171,140	176,147	180,676	184,892	192,240
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	580,823	741,622	835,926	898,245	980,566	988,811	997,967	1,032,801	1,090,605	1,150,502	1,216,740
Surplus/(deficit) of operating funding	303,398	283,577	356,940	420,918	500,578	401,758	415,400	434,296	531,212	590,604	662,394
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	50,000	50,000	51,600	53,251	55,062	56,989	58,927	60,871	62,880	65,144	67,424
Increase/(decrease) in debt	(47,008)	1,498,622	493,305	498,208	495,281	(175,736)	(188,313)	414,088	399,707	409,935	434,303
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	2,992	1,548,622	544,905	551,460	550,343	(118,747)	(129,387)	474,960	462,587	475,079	501,727
Applications of Capital Funding											
Capital expenditure - meet additional demand	150,000	1,092,861	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	-	-	209,600	218,200	227,400	-	-	-	-	-	-
Capital expenditure - replace existing assets	348,500	805,587	576,924	589,686	716,879	262,175	150,264	814,717	860,634	911,515	967,360
Increase/(decrease) in reserves	(192,110)	(66,250)	115,321	164,492	106,643	20,838	135,750	94,539	133,165	154,168	196,761
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	306,390	1,832,199	901,845	972,378	1,050,921	283,012	286,013	909,256	993,799	1,065,683	1,164,121
Surplus/(deficit) of capital funding	(303,398)	(283,576)	(356,941)	(420,918)	(500,578)	(401,759)	(415,400)	(434,296)	(531,212)	(590,604)	(662,394)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

Stormwater drainage

This group of activities...

includes managing the urban stormwater system (including street kerb collection, and piped and open drains) and identifying flood prone areas, reviewing known trouble areas and developing cost-effective solutions.

...contributes to the community outcomes

A safe district

A district that values and protects its natural environment

A district that promotes sustainable infrastructure and services

The Council provides the stormwater system to provide effective collection and disposal of surface water from various areas that are serviced within the Carterton urban area.

Complying with resource consents protects the environment and ensures the resource is being used sustainably.

Residents feel safe as the possibility of flooding during storm events is reduced and they know that their enquiries will be responded to in a specified time frame.

Infrastructure is capable of reducing the impacts of flooding to people and property.

Development is managed to ensure appropriate provision for stormwater drainage.

Strategic direction—future demand and sustainability

Waikākāriki Stream diversion

The upgrade of the eastern side drainage is complete. The focus is now on the drain diversion on the Waikākāriki Stream, on the western side of Carterton. The design work is complete. Agreement is being sought from affected landowners, after which consents will be sought.

Residential and population trend

Areas available for residential development in urban Carterton, in terms of the Wairarapa Combined District Plan, can potentially provide between 870 and 1600 additional serviceable sections.

This development will be in the form of 'green fields' (any development that would yield more than two additional sections) and infill-type development.

Future occupancy rates are expected to decline on a person per household basis, due to an increasing older population. However it is anticipated that there will be an increase in single or couple only households, as there has been an increase in rates assessments but little change in the number of people living in urban Carterton.

Legislative change

Legislative change can significantly affect the Council's ability to meet minimum levels of service with change likely to require improvements to infrastructure. This is not forecast to occur in the short to medium term.

Climate change

Climate change predictions contemplate increases in weather extremes in the future. Increases in the frequency of high intensity rainfall events may result in significant inundation from flooding.

Existing stormwater systems are unlikely to cater adequately under such a scenario and the Council will need to consider additional or alternative disposal and retention systems capable of delivering the required levels of service.

What we will deliver

The urban reticulated stormwater network is managed under the *Asset Management Plan—Municipal Stormwater System: March 2012*, which sets out the asset condition, performance, and levels of service.

The levels of service for the stormwater asset have been developed taking into account the following general considerations.



- Community expectations and the Council’s response to customer feedback.
- Consent requirements.
- Sustainable health and environmental matters embodied in the community outcomes.
- Community affordability.

The level of service determines the amount of funding that is required to maintain, renew and upgrade the stormwater infrastructure to provide customers with the level of service provided. Changes in the level of service will impact on funding requirements.

How we will measure what we deliver over the next ten years

The service broken down into measurable components	Performance measure	Target for year ending June					Measuring system
		2012 Annual Plan	2013	2014	2015	2016 to 2022	
Urban stormwater is managed at the best possible cost for the required level of service	Expenditure is within approved budget	100%	100%	100%	100%	100%	Regular financial reporting to the Council
Response to service requests	Significant reticulation blockages cleared within 4 hours during storm events	na	100%	100%	100%	100%	Operational records
Stormwater system of a standard satisfactory to residents	Urban residents satisfied with the stormwater system	≥70%	≥79%	≥79%	≥79%	≥79%	Survey of residents every three years ¹³
The urban stormwater service is managed in a sustainable manner	Compliance with resource consent conditions including discharge requirements	100%	100%	100%	100%	100%	Resource consent

Assets

Further information can be found in the Stormwater Asset Management Plan.

Existing assets

- 10.6 km of piped stormwater reticulation in the urban area ranging in diameter from 150 mm up to 1200 mm
- 255 sumps and 96 manholes
- 6.5 km of open drain in the urban area
- about 20 km of open drain in the rural area, some of which also forms part of the rural water race network.

Asset valuations

Valuation of the infrastructural assets for stormwater was undertaken by Opus International Consultants Ltd as at 30 June 2011. The valuation basis is optimised depreciated replacement cost, which is in accordance with generally accepted accounting practice.

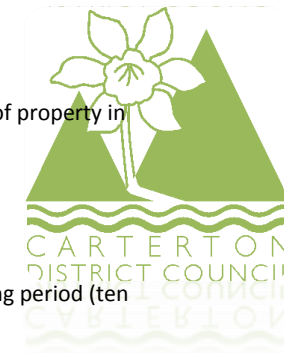
Replacement cost is the cost of rebuilding the existing asset to an equivalent level of service. The assets have been depreciated on a straight line basis over the economic life of the asset.

Network component	Optimised replacement cost (\$)	Optimised depreciated replacement cost (\$)	Annual depreciation (\$)
Reticulation	5,126,000	2,841,000	66,000
Open drains	197,000	148,000	1,000
Manholes	352,000	201,000	4,000
Sumps	218,000	119,000	3,000
Soak pit chambers	15,000	14,000	200
Total	\$5,908,000	\$3,325,000	\$74,000

Maintenance and operating

Routine and programmed maintenance is the regular ongoing day-to-day work necessary to keep assets operating, including instances where portions of the assets fail and need

¹³ NRB Communitrak™ Survey—every 3 years. The next survey is planned for 2014.



immediate repair to make the asset operational again. Routine maintenance is carried out by the Council’s Operations Department staff.

Renewals plan

Renewal expenditure is work that does not increase the assets design capacity but restores, rehabilitates or renews an existing capacity to its original capacity.

There are no renewals planned in the stormwater activity in the next three financial years.

Capital plan

Capital works are those that create new assets or works that upgrade or improve an existing capacity. They may result from growth, social or environmental needs.

Capital works in the stormwater activity in the next three financial years are as follows:

Item	2012/13 (\$)	2013/14 (\$)	2014/15 (\$)
Waikākāriki Stream diversion	120,000		
Pipe drain	4,000		

How the group of activities is funded

Capital

New capital expenditure and the renewal of capital items for the stormwater activity will be funded by way of the annual depreciation provisions and/or by loans.

Annual costs

The general approach to funding of the annual net services is that those who benefit (either directly or indirectly) should pay.

The Council has deemed that provision of the stormwater service provides a public benefit to the whole district of 10 percent of the cost of delivering the service. This is charged by way of general rate across all property owners in the district.

The balance of the funds required come from targeted rates applied to owners of property in the urban area calculated on land value.

Key assumptions and uncertainties

- Stormwater assets will remain in Council ownership throughout the planning period (ten years) and that there will be an ongoing requirement for this activity.
- Demand for this activity will gradually increase over time.
- Maintenance works will continue to be delivered by the Council’s Operations Department. Renewal, upgrade and new works will normally be completed by contractors selected by competitive tender or day work rates.

Risk management

Risk management processes aim to be generally consistent with the intentions of AS/NZS 4360:2004 Risk Management Standard however of a scale appropriate to the asset.

In this context, Carterton’s risk management criteria are:

- the fulfilment of legal and statutory obligations
- identification of critical assets—all assets for this activity are equally critical to the function of each other
- the safeguarding of public and employees’ health and safety requirements
- third party property damage and losses
- loss of service extent and duration, impacts of natural disasters
- contingency planning for foreseeable emergency situations.

Significant negative effects

In terms of the four well-beings, significant negative effects of this group of activities may arise.

There are health and safety risks associated with operating the stormwater network and flooding incidents. Infrastructure failure could result in loss of income and business.

The effects of contaminated stormwater could impact on the groundwater and riverwater values. There may be community concerns about waterway health and associated values arising from the disposal of stormwater containing contaminants.



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE - STORMWATER
FOR THE YEARS ENDING 30 JUNE 2013-2022

	2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Income											
Rates	148,781	171,897	181,612	201,217	183,778	188,451	192,222	195,667	203,861	210,647	215,443
Miscellaneous income	-	-	-	-	-	-	-	-	-	-	-
Total income	148,781	171,897	181,612	201,217	183,778	188,451	192,222	195,667	203,861	210,647	215,443
Expenditure											
Stormwater	142,553	172,240	182,178	204,346	181,863	188,312	190,164	192,654	202,497	205,341	208,926
Total expenditure	142,553	172,240	182,178	204,346	181,863	188,312	190,164	192,654	202,497	205,341	208,926
Surplus/(deficit)	6,228	(343)	(566)	(3,129)	1,915	139	2,058	3,013	1,364	5,306	6,517
Capital Expenditure											
Stormwater improvements	-	-	-	-	-	-	-	-	-	-	-
Waikākāriki stream diversion	82,000	120,000	-	-	-	-	-	-	-	-	-
Pipe drain	4,000	4,000	-	-	-	-	-	-	-	-	-
Total capital expenditure	86,000	124,000	-	-	-	-	-	-	-	-	-



CARTERTON DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - STORMWATER
FOR THE YEARS ENDING 30 JUNE 2013-2022

	2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Sources of Operating Funding											
General rates, UAGC, rates penalties	14,878	17,190	18,161	20,122	18,378	18,845	19,222	19,567	20,386	21,065	21,544
Targeted rates (other than water supply)	133,903	154,707	163,451	181,095	165,400	169,606	173,000	176,100	183,475	189,582	193,899
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees, charges and targeted rates for water supply	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	-	-	-	-	-	-	-	-	-	-	-
Total operating funding	148,781	171,897	181,612	201,217	183,778	188,451	192,222	195,667	203,861	210,647	215,443
Applications of Operating Funding											
Payments to staff and suppliers	49,002	58,036	60,199	82,166	64,283	66,646	69,192	71,962	75,116	78,599	82,365
Finance costs	30,502	29,772	28,648	27,869	22,701	21,711	20,649	19,510	18,289	16,979	15,574
Internal charges and overheads applied	21,976	26,016	27,121	28,094	28,661	29,477	29,844	30,703	31,510	32,288	33,512
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	101,480	113,824	115,968	138,129	115,645	117,835	119,685	122,175	124,915	127,866	131,450
Surplus/(deficit) of operating funding	47,301	58,073	65,644	63,087	68,133	70,616	72,537	73,493	78,946	82,781	83,993
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	10,000	10,000	10,320	10,650	11,012	11,398	11,785	12,174	12,576	13,029	13,485
Increase/(decrease) in debt	(9,338)	(10,068)	(11,193)	(8,481)	(13,649)	(14,639)	(15,701)	(16,840)	(18,061)	(19,371)	(20,776)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	662	(68)	(873)	2,169	(2,637)	(3,241)	(3,916)	(4,666)	(5,485)	(6,342)	(7,291)
Applications of Capital Funding											
Capital expenditure - meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	86,000	124,000	-	-	-	-	-	-	-	-	-
Capital expenditure - replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in reserves	(38,037)	(65,996)	64,771	65,257	65,496	67,375	68,622	68,826	73,461	76,439	76,702
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	47,963	58,004	64,771	65,257	65,496	67,375	68,622	68,826	73,461	76,439	76,702
Surplus/(deficit) of capital funding	(47,301)	(58,072)	(65,644)	(63,087)	(68,133)	(70,616)	(72,538)	(73,492)	(78,946)	(82,782)	(83,993)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

Waste management

This group of activities...

includes the following services:

- management of the Dalefield Road Transfer Station facilities
- provision of a weekly kerbside refuse and recycling collection
- daily collection of refuse from street refuse bins in the CBD and other public spaces
- promotion of waste minimisation and recycling.

...contributes to the community outcomes

A healthy district

A district that values and protects its natural environment

A district that promotes sustainable infrastructure and services

Waste management is essential for the health, well-being and quality of life of the Carterton community.

A regular kerbside collection and transfer station service for the disposal of residual solid waste minimises environmental impacts and protects the health of Carterton residents.

The level of residual waste is further reduced through the adoption of waste minimisation practices and promotion.

An accessible transfer station protects the environment by minimising fly dumping.

Strategic direction—future demand and sustainability

The Waste Minimisation Act 2008 deals with waste. Its purpose is to encourage a reduction in the amount of waste we generate and dispose of, in New Zealand and lessen the environmental harm of waste. Under the Act, councils are required to have a Waste Management and Minimisation Plan. It must contain a summary of the council's objectives, policies, methods and funding to 'achieve effective and efficient waste management and minimisation within the territorial authority's district'.

The city and district councils of the Wellington region jointly prepared and adopt the *Waste Management and Minimisation Plan 2011–2017* (the WMMP). In doing so, the councils recognised that they do not control much of the waste stream in the region, since large volumes of waste are produced and managed by the private sector. The purpose of the WMMP is to:

- describe the councils' collective vision and how they will meet their long-term goals for waste management and minimisation for the Wellington region
- set strategies, objectives, policies and activities to achieve these goals and establish how to measure progress
- provide general information on how the councils intend to fund the activities of the WMMP over the next six years to 2017
- help to meet all legal requirements on councils in respect of waste management.

The WMMP considers waste and diverted materials in keeping with the order of priority stated in the Act—namely reduction, reuse, recycling, recovery, treatment, and disposal.

Under the Act, a waste levy is charged on all waste disposed of in a landfill. This levy will be used by government to improve waste minimisation. Half the levy money goes to territorial authorities, on a population basis, so that they can improve waste minimisation in their areas. The other half is put into a contestable fund for waste minimisation projects.

The Council on-charges the waste levy payable through the entry fees at the transfer station.

Carterton has joined with Masterton and South Wairarapa district councils in Wairarapa-wide shared waste management services and waste minimisation actions, including kerbside collection of waste and recycling and waste minimisation education programmes.

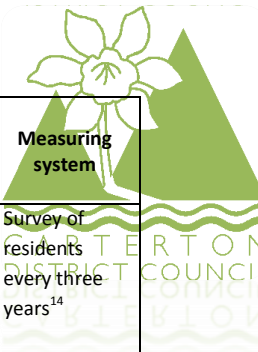
Waste from kerbside collection continues to fall, while the volume of recycling is increasing by a greater amount. The facilities available will cater for medium needs and growth provided that minimisation initiatives are maintained and continue to be encouraged.

What we will deliver

There is a legislative requirement in terms of the Local Government Act 2002, for the Council to:

- encourage efficient and effective waste management services





- ensure that management of waste does not cause a nuisance or be injurious to public health
- consider the issues related to sustainability of its waste management activities and achieve improved collaboration with its communities and other agencies
- adopt a Waste Management Plan via the special consultative procedure.

The Council provides a weekly kerbside residual waste and recycling collection service and transfer station facilities at Dalefield Road. The Transfer Station provides for green waste disposal, steel and general recycling facilities as well as residual waste disposal. Access to the Transfer Station is available six days per week.

Residual waste is currently freighted to a landfill site in Marton. This disposal arrangement remains in place until 2018, before when the Wairarapa councils will need to review the current arrangements in light of the operating and regulatory environment that applies at the time.

Contractors provide management and operational services for the Transfer Station, recycling depot and the weekly kerbside collection.

The level of service determines the amount of funding that is required to maintain, renew and upgrade the waste management service to provide customers with the level of service provided. Changes in the level of service will impact on funding requirements.

How we will measure what we deliver over the next ten years

The service broken down into measurable components	Performance measure	Target for year ending June					Measuring system
		2012 Annual Plan	2013	2014	2015	2016 to 2022	
Waste management is managed at the best possible cost for the required level of service	Expenditure is within approved budget	100%	100%	100%	100%	100%	Regular financial reporting to the Council

The service broken down into measurable components	Performance measure	Target for year ending June					Measuring system
		2012 Annual Plan	2013	2014	2015	2016 to 2022	
Refuse and recycling services of a satisfactory standard	Urban residents are satisfied with refuse collection and with kerbside recycling	≥75% (for kerbside refuse collection)	≥85%	≥85%	≥85%	≥85%	Survey of residents every three years ¹⁴
Adverse effects of waste on the environment are minimised	Compliance with resource consent conditions including compliance monitoring	100%	100%	100%	100%	100%	Resource consent

Assets

Existing Assets

The transfer station site comprises the following:

- entry kiosk
- transfer station for the collection and storage of residual waste prior to export
- green waste and recycling facilities
- weighbridge.

Maintenance and operating

The day-to-day maintenance and operation of the Dalefield Road transfer station is undertaken by contractors on behalf of the Council. The same contractor is responsible for the weekly urban residential kerbside refuse and recycling collection.

Renewals plan

There are no renewals planned over the life of the plan.

¹⁴ NRB Communitrak™ Survey—every 3 years. The next survey is planned for 2014.



Capital plan

Capital works are those works that create new assets, or works that upgrade or improve an existing assets capacity. They may result from growth, social or environmental needs.

There is no capital expenditure planned over the life of the plan.

How the group of activities is funded

Capital

New capital expenditure and renewal of existing items for the waste management activity will be funded by way of the annual depreciation provision and/or by loans.

Annual costs

Urban refuse and recycling collection

The Council has deemed that the provision of the urban refuse and recycling collection provides a public benefit and 5 percent of the cost of delivering the service is charged by way of general rates across all property owners in the district.

The balance of funds required for the urban refuse and recycling collection comes from a targeted rate on all property owners in the urban area or where the Council has a collection service. In addition, there are fees and charges from the sale of refuse bags and recycling bins.

Transfer Station

The Council has deemed that the provision of the transfer station provide a public benefit to the whole district.

All users of the transfer station are required to pay a gate charge for disposal of their refuse. The balance of funds required to operate the transfer station come from general rates levied on all property owners in the district.

Key assumptions and uncertainties

- There will be an ongoing requirement for the provision of this activity.
- Demand for this activity will gradually increase, and not reduce.
- Increasing demand for environmentally friendly and sustainable approaches to managing the district's waste may result in a change in the current level of service.
- Additional or changing legislative requirements may result in a change in the current level of service.

Significant negative effects

In terms of the four well-beings, significant negative effects of this group of activities may arise.

There are health and safety risks associated with the operations at the transfer station. Dumping of waste along roadside and other public places has a detrimental effect on the environment and could pose health and safety risks.



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE - WASTE MANAGEMENT
FOR THE YEARS ENDING 30 JUNE 2013-2022

	2012 \$	LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	Year ending 30 June		LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP
						LTP 2017 \$	LTP 2018 \$				2022 \$
<u>Income</u>											
Rates	345,602	409,319	425,688	439,187	449,444	461,403	471,571	484,646	499,192	500,796	517,783
Recoveries	64,000	64,000	66,048	68,162	70,479	72,946	75,426	77,915	80,486	83,384	86,302
Fees, charges and targeted rates for water supply	283,000	258,000	266,256	274,776	284,119	294,063	304,061	314,095	324,460	336,141	347,905
Miscellaneous income	-	-	-	-	-	-	-	-	-	-	-
Total income	692,602	731,319	757,992	782,124	804,041	828,412	851,058	876,656	904,139	920,320	951,990
<u>Expenditure</u>											
Refuse collection	231,995	251,217	259,864	268,437	276,934	286,369	295,051	304,654	314,403	325,172	336,802
Transfer station	449,457	468,057	486,042	502,422	516,387	533,035	548,232	564,081	581,189	585,660	605,472
Total expenditure	681,452	719,274	745,906	770,859	793,320	819,404	843,282	868,735	895,592	910,832	942,274
Surplus/(deficit)	11,150	12,045	12,086	11,265	10,721	9,008	7,776	7,921	8,547	9,488	9,717
<u>Capital Expenditure</u>											
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Total capital expenditure	-	-	-	-	-	-	-	-	-	-	-



CARTERTON DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - WASTE MANAGEMENT
FOR THE YEARS ENDING 30 JUNE 2013-2022

		Year ending 30 June									
	2012	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	\$	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Sources of Operating Funding											
General rates, UAGC, rates penalties	209,614	271,320	283,023	292,858	299,620	308,565	315,999	324,172	333,367	328,921	339,754
Targeted rates (other than water supply)	135,988	137,999	142,665	146,328	149,823	152,839	155,572	160,474	165,826	171,875	178,029
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees, charges and targeted rates for water supply	283,000	258,000	266,256	274,776	284,119	294,063	304,061	314,095	324,460	336,141	347,905
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	64,000	64,000	66,048	68,162	70,479	72,946	75,426	77,915	80,486	83,384	86,302
Total operating funding	692,602	731,319	757,992	782,124	804,041	828,412	851,058	876,656	904,139	920,320	951,990
Applications of Operating Funding											
Payments to staff and suppliers	579,725	609,337	628,777	648,838	670,837	694,245	717,769	741,372	765,778	793,268	820,960
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	73,674	83,462	88,188	91,909	93,000	95,461	95,287	98,058	100,334	102,190	106,645
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	653,399	692,800	716,966	740,747	763,837	789,707	813,056	839,430	866,112	895,457	927,606
Surplus/(deficit) of operating funding	39,203	38,520	41,026	41,378	40,204	38,705	38,002	37,227	38,027	24,863	24,385
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	-	-	-	-	-	-	-	-	-	-	-
Applications of Capital Funding											
Capital expenditure - meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in reserves	39,203	38,519	41,026	41,377	40,204	38,705	38,002	37,226	38,027	24,862	24,385
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	39,203	38,519	41,026	41,377	40,204	38,705	38,002	37,226	38,027	24,862	24,385
Surplus/(deficit) of capital funding	(39,203)	(38,519)	(41,026)	(41,377)	(40,204)	(38,705)	(38,002)	(37,226)	(38,027)	(24,862)	(24,385)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

Water supply

This group of activities...

includes the following services:

- management of the district's urban water reticulation and treatment facilities
- promotion and education of water conservation methods
- provision of potable water to the Waingawa Industrial Zone
- management of the Carrington and Taratahi Water Races for stock use, non-potable domestic and industrial use, rural fire fighting, and stormwater control.

...contributes to the community outcomes

A vibrant and prosperous economy

A safe district

A healthy district

A district that values and protects its natural environment

A district that promotes sustainable infrastructure and services

Economic development prospects are enhanced by an affordable and reliable water supply. Water is an essential commodity for farming and for business viability. A reliable water service is important for business viability and animal health. A reliable water supply is a requirement for the efficient operation of existing and new business infrastructure.

The safety of district's property is protected by providing water at an appropriate pressure to put out fires. The fire fighting capability of the rural water service supports a safe community. It also supports community and property safety through the fire fighting capacity of the system.

A public water supply system provides water suitable for drinking for the general well-being and health of its community. A high quality water supply is fundamental to community health. Water that complies with Drinking Water Standards provides the community with assurance it is safe and healthy to drink.

The adoption of conservation-based strategies to encourage appropriate usage of the water resource. Collective ownership of resources will reduce the environmental impact of multiple individual systems. The environment is protected by providing a community supply with

parameters around consumption rather than individuals being left to source their own water supplies.

A sustainably derived rural water service managed to protect and enhance the natural environment. Complying with resource consents protects the environment and ensures the resource is being used sustainably.

Strategic direction—future demand and sustainability

Consent renewal

The Council's resource consent to take water from the Kaipaitangata Stream for the urban water supply expires in 2013. The process has begun for renewing the consent. In addition to the work being completed, it is possible that the Council may need to complete further work to comply with new resource consent conditions. If less than sought is agreed, more take will be needed from the Lincoln Road supplementary groundwater source and plant.

Water demand strategy

A demand management strategy has been developed, which covers a variety of initiatives ranging from incentives, education, regulation and operational means to reduce potable water consumption and water loss. This strategy is a response to the likely impacts of climate change and to the sustainable development and management requirements underpinning New Zealand's legislation and policy. It is predicted that New Zealand will be wetter in the west and drier in the east, with the east experiencing drought conditions more often.

Some actions have been implemented. Water meters are operating. Leaks have been reduced, both in the Council's water mains and on private property. A water pressure has been carefully lowered to reduce the effect of leaks.

Further actions to be implemented include:

- reduction in indoor household water use through the use/promotion of water saving fixtures
- considering the merits of on-site rainwater collection
- regular review of water meter pricing mechanisms
- xeriscaping—matching private and public garden space and species to the climate and landscape conditions.



These actions will not only reduce water use, but also lead to a reduction in sewage flows (and the demand for sewage treatment), deferral of capital expenditure for renewals and improvements to the water supply network, and delaying the need for the Council to explore new water sources.

Residential and population trend

Areas available for residential development in urban Carterton, in terms of the Wairarapa Combined District Plan, can potentially provide between 870 and 1600 additional serviceable sections.

The extent of future development will depend on the outcome of the Structure Planning process currently being completed and the associated confirmation of minimum lot sizes.

This development will be in the form of 'green fields' (any development that would yield more than two additional sections) and 'infill' type development.

Future occupancy rates are expected to decline on a person per household basis, due to an increasing older population. However it is anticipated that there will be an increase in single or couple only households as there has been an increase in rates assessments although there has been little change in the number of people living in urban Carterton.

Legislative Change

Legislative change can significantly affect the Council's ability to meet minimum levels of service with change likely to require improvements to infrastructure. This is not anticipated to occur in the short to medium term.

Industrial Growth

Significant industrial growth is not anticipated to occur within Carterton township as provision for such growth and land use is provided in the Waingawa Industrial Zone.

In addition dual water supply systems such as reticulated water being used only for potable purposes and stored rainwater runoff for non-potable uses are currently being considered by the Council to establish in life cycle cost terms the most sustainable solution for the Carterton community.

Waingawa

The Waingawa Industrial Zone is the largest area of undeveloped land in the Wellington region. A structure plan for Waingawa has been completed and is now integrated into the District Plan.

The rate at which the land at Waingawa will be developed is difficult to forecast. In respect to potable water and sewerage services the Council has an agreement with Masterton District Council to provide services to Waingawa. However the capacity of the pipeline from Masterton is only sufficient for a mix of light and medium industries. Separate arrangements will need to be made for industries that require significant volumes of water.

Water races

The focus of the Water Race Committee over the short term will be to:

- develop a Water Race Bylaw to define the primary purpose of the Carrington and Taratahi Water Races, establish the rules pertaining to their use, define the responsibilities of the Council, the Regional Council and property owners, and the penalties for breaches
- finalise the renewal of resource consents for taking water from the Waingawa and Mangatāre Rivers.

The existing water race system is sufficient to accommodate the current demand and low to medium increases in demand in the future. However, the Carrington Water Race Scheme has a small number of beneficiaries, and the scheme could become uneconomical to sustain. The Water Race Committee will monitor this situation.

What we will deliver

The Council's role is to ensure that the community has an adequate water supply that is sustainable for future generations and does not adversely affect the environment.

The Council's continued involvement in the water activity and ownership of assets is contained in:

- Local Government Act 2002 (Section 130), which requires the Council to continue to provide water services and maintain its capacity to do so
- Health Act 1956 and subsequent amendments, which require the Council to provide adequate sanitary works; the definition of which includes 'water works'.



The urban reticulated water network is managed under the *Asset Management Plan—Municipal Water Supply: March 2012*, which sets out the targets for asset condition, performance, and levels of service.

The urban water supply services the Carterton urban community, a number of rural properties on the periphery of the urban boundary and properties along SH2 North to Chester Road and part way up Chester Road.

The Council's role is to ensure that property owners and businesses who have access to the Carrington and Taratahi Water Race system have an adequate supply of non-potable water that is sustainable and does not adversely affect the environment.

In Waingawa, potable water services will be supplied by the Masterton District Council.

The levels of service for the water supply asset have been developed taking into account the following general considerations:

- community expectations and the Council's response to customer feedback
- legislative requirements, eg Drinking Water Standards
- sustainable health and environmental matters embodied in the community outcomes
- community affordability.

For example legislative requirements and public health objectives have driven the capital works programme to enhance treatment. Sustainability objectives have driven the need to minimise leakage of treated water from the reticulation system and the introduction of water metering.

A sustainable, safe, and healthy water supply is delivered at an appropriate water pressure to properties permitted to be connected to the urban water supply at the lowest possible cost to maintain the service.

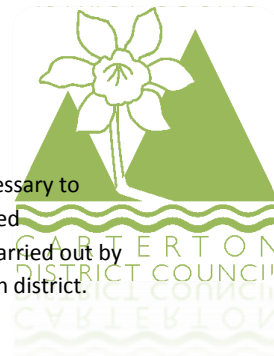
The level of service determines the amount of funding that is required to maintain, renew, and upgrade the urban water infrastructure to provide customers with the level of service provided. Changes in the level of service will impact on funding requirements.

The rural water service is under the oversight of the Water Race Committee, which is made up of councillors and community members elected by water race users. The Committee determine policy, sets targets for maintenance, and monitors the proactive cleaning programme.

How we will measure what we deliver over the next ten years

The service broken down into measurable components	Performance measure	Target for year ending June					Measuring system
		2012 Annual Plan	2013	2014	2015	2016 to 2022	
The urban water service is managed at the best possible cost for the required level of service	Expenditure is within approved budget	100%	100%	100%	100%	100%	Regular financial reporting to the Council
Water is safe to drink	Compliance with NZ Drinking Water Standards bacteriological requirements	100%	100%	100%	100%	100%	Environmental Laboratory Services reports
Response to reticulated water system failures and service requests	Significant repairs and system failures resolved within 4 hours of notification	na	100%	100%	100%	100%	Operations records
Urban water system of a satisfactory standard	Urban residents are satisfied with the urban water service	≥80%	≥90%	≥90%	≥90%	≥90%	Survey of residents every three years ¹⁵
Water resources are used sustainably	Reduction in community water consumption	na	≥2.5% per annum	≥2.5% per annum	≥2.5% per annum	≥2.5% per annum	Operational records
	Compliance with water resource consent conditions	100%	100%	100%	100%	100%	Resource consent

¹⁵ NRB Communitrak™ Survey—every 3 years. The next survey is planned for 2014.



Assets

Further information can be found in the Urban Water Asset Management Plan.

Existing assets

- Kaipaitangata dam 4,546 cubic metres
- Kaipaitangata reservoirs 500 and 1000 cubic metres
- Kaipaitangata Filtration Reservoir 500,000 litres
- Lincoln Road Supplementary Supply 42 litres per second
- Lincoln Road Reservoirs 200 and 300 cubic metres
- underground water mains 9 km trunk supply
40.5 km reticulation piping
- a hydraulic model of the urban network
- Taratahi Water Race 242 km
- Carrington Water Race 36 km

Asset valuations

Valuation of the urban water infrastructural assets was undertaken by Opus International Consultants Ltd as at 30 June 2011. The valuation basis is optimised depreciated replacement costs, which is in accordance with generally accepted accounting practices.

Replacement cost is the cost of rebuilding the existing asset to an equivalent level of service. The assets have been depreciated on a straight line basis over the economic life of the asset.

Network component	Optimised replacement cost (\$)	Optimised depreciated replacement cost (\$)	Annual depreciation (\$)
Pipe reticulation	10,191,000	4,124,000	141,000
Reticulation fittings	3,218,000	1,417,000	218,000
Supplementary supply	818,000	363,000	29,000
Headworks	807,000	189,000	11,000
Treatment plant	2,308,000	1,372,000	81,000
Total	\$17,342,000	\$7,466,000	\$481,000

Maintenance and operating

Routine and programmed maintenance is a regular ongoing day-to-day work necessary to keep assets operating, including instances where portions of the asset fail and need immediate repair to make the assets operational again. Routine maintenance is carried out by the Carterton District Council's Operations staff for work required in the Carterton district.

Renewals plan

Renewal expenditure is work that does not increase the assets design capacity but restores, rehabilitates or renews an existing asset to its original capacity. A contingency fund operates for the water races to provide funds for replacing or repairing the river intakes when they are damaged from time to time by river floods.

Renewals in this group of activities for the next three financial years are as follows:

Item	2012/13 (\$)	2013/14 (\$)	2014/15 (\$)
Hand-held meter	5,000		
Mains upgrade/replacement	191,834	104,200	108,200
Information system data	6,000	6,252	6,492
Portable pump		3,960	
Resource consent renewal	189,444		
Water race weirs	10,000	10,420	10,820

Capital plan

Capital works are those works that create new assets, or works that upgrade or improve an existing assets capacity. They may result from growth, social or environmental needs.

There is no capital work in this group of activities planned for the next three financial years.

How the group of activities is funded

Capital

New capital expenditure and the renewal of existing capital items for the water activity will be funded by way of the annual depreciation provision and/or loans.

Annual costs

The general approach to funding of the annual net services is that those who benefit (either directly or indirectly) should pay.

The Council has deemed that provision of the water activity provides a degree of public benefit to the whole district, 10 percent of the cost of delivering the service is charged by way of general rate across all property owners in the district. The balance of the funds required will come from targeted rates.

Urban water

All properties connected to the urban water supply are metered. Each property connection is charged a fixed amount in rates for an allowance of up to 300 cubic metres per year. Water usage above 300 cubic metres is charged at \$1.70 per cubic metre. This charge is invoiced separately from land rates.

Waingawa

A targeted rate of a fixed amount on every separately used or inhabited part of a rating unit that has been fitted with a water meter or meters and is connected to the Waingawa Water Supply service.

A targeted rate per cubic metre of water supplied, as measured by meter, for all water consumed. This rate will be invoiced separately from land rates.

Rural water races

A targeted rate on a differential basis, calculated on land area, on rating units within the Carrington and Taratahi water race system classified areas as follows:

- Class A Land area 200 metres either side of the centreline of the water race.
- Class B Land area from 200 to 500 metres either side of the centreline of the water race.
- Class C Land area irrigated.

A Rural Water Services Rate, on every rating unit situated in the Carrington and Taratahi Water Race Classified Areas for provision of the service.

Key assumptions and uncertainties

- Water supply assets will remain in Council ownership throughout the planning period (ten years) and that there will be an ongoing requirement for this activity.

- Demand for urban water will gradually increase over time.
- Maintenance works will continue to be delivered by the Council's Operations staff for work required in Carterton district. Renewal, upgrade and new works will normally be completed by contractors selected by competitive tender or day work rates.
- Masterton District Council will be able to supply services to Waingawa.
- The operational and maintenance requirements for this activity could change depending on conditions imposed by any new resource consents.

Risk management

Risk management processes aim to be generally consistent with the intentions of AS/NZS 4360:2004 Risk Management Standard however of a scale appropriate to the asset.

In this context, Carterton's risk management criteria are:

- The fulfilment of legal and statutory obligations.
- Identification of critical assets where this is appropriate. In the case of Carterton all assets for this activity are equally critical to the function of each other.
- The safeguarding of public and employees' health and safety requirements.
- Third party property damage and losses.
- Loss of service extent and duration, impacts of natural disasters.
- Contingency planning for foreseeable emergency situations.

Significant negative effects

In terms of the four well-beings, significant negative effects of this group of activities may arise.

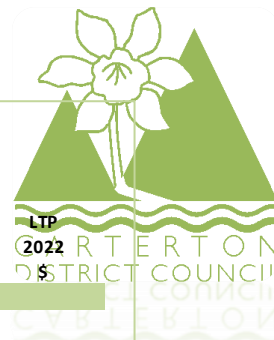
There are health and safety risks associated with operating and managing the water supply network.

Infrastructure failure or flooding beside the water races could result in loss of income and business, or property damage.

Excessive water extraction from the Kaipaitangata Stream, Waingawa and Mangatārere Rivers, and their associated aquifers could have adverse impacts on the environment or on community perceptions of waterway health and associated values.

CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE - WATER SUPPLY
FOR THE YEARS ENDING 30 JUNE 2013-2022

		Year ending 30 June									
	2012	LTP 2013	LTP 2014	LTP 2015	LTP 2016	LTP 2017	LTP 2018	LTP 2019	LTP 2020	LTP 2021	LTP 2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income											
Rates	1,331,797	1,264,640	1,309,755	1,320,128	1,348,327	1,383,912	1,439,269	1,507,131	1,579,770	1,594,044	1,664,605
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-	-	-	-
Fees, charges and targeted rates for water supply	205,757	254,635	264,011	272,856	282,485	292,731	302,483	312,578	323,902	336,517	349,672
Miscellaneous income	-	-	-	-	-	-	-	-	-	-	-
Total income	1,537,554	1,519,276	1,573,766	1,592,984	1,630,812	1,676,643	1,741,752	1,819,709	1,903,672	1,930,561	2,014,277
Expenditure											
Reticulation	798,903	741,849	758,942	776,876	792,458	815,252	865,995	920,988	974,526	1,025,866	1,090,923
New water connections	32,757	54,635	56,211	57,783	59,454	61,225	62,874	64,583	66,483	68,544	70,713
Underground	106,385	142,069	132,502	137,310	140,788	144,644	148,065	151,588	155,684	134,407	139,125
Filtration plant	273,529	235,277	269,839	255,141	262,017	270,043	276,077	283,809	291,909	269,255	279,001
Taratahi water race	201,605	209,136	217,681	225,983	233,508	241,865	245,449	250,924	259,169	267,921	278,520
Carrington water race	64,326	75,112	77,776	80,255	82,675	85,355	87,655	90,297	93,200	96,334	99,843
Waingawa water	66,496	70,059	72,723	75,205	77,835	80,667	83,298	86,099	89,225	92,694	96,378
Total expenditure	1,544,001	1,528,138	1,585,674	1,608,554	1,648,734	1,699,051	1,769,413	1,848,289	1,930,195	1,955,021	2,054,502
Surplus/(deficit)	(6,447)	(8,862)	(11,908)	(15,570)	(17,922)	(22,408)	(27,661)	(28,580)	(26,524)	(24,460)	(40,225)
Capital Expenditure											
Hand held water multi meter	-	5,000	-	-	-	-	-	-	-	-	-
Chlorine dosing pump	-	-	-	-	-	-	12,160	-	-	-	-
Investigate Moreton Road premiere to Johnsons Road	-	-	-	-	-	-	-	-	-	-	-
Mains upgrade / replacement	-	191,834	104,200	108,200	112,500	703,200	729,600	757,200	788,400	822,600	858,600
Information systems data	5,800	6,000	6,252	6,492	6,750	7,032	7,296	7,572	7,884	8,226	8,586
Portable pump	-	-	3,960	-	-	-	-	-	-	-	-
Resource consent renewal - urban supply take	50,000	189,444	-	-	-	-	-	-	-	-	-
Leak detection	11,000	-	-	-	12,375	-	-	-	14,454	-	-
4WD motor bike	-	-	-	-	-	-	-	-	-	-	25,758
Water race weirs	-	10,000	10,420	10,820	11,250	11,720	12,160	12,620	13,140	13,710	14,310
Waingawa reservoir	-	-	-	-	-	-	-	-	328,500	-	-
Chester Road boost pump station	111,213	-	-	-	-	-	-	-	-	-	-
Chlorine injection unit supplementary	6,000	-	-	-	-	-	-	-	-	-	-
Demand management strategy development	95,000	-	-	-	-	-	-	-	-	-	-
Fencing - Kaipaitangata reserves	10,000	-	-	-	-	-	-	-	-	-	-
Subdivision infrastructure vested in council	50,000	-	-	-	-	-	-	-	-	-	-
Resource consents - Taratahi	80,000	-	-	-	-	-	-	-	-	-	-
Resource consents - Carrington	40,000	-	-	-	-	-	-	-	-	-	-
Right of way and shared access - Waingawa	18,000	-	-	-	-	-	-	-	-	-	-
Total capital expenditure	477,013	402,278	124,832	125,512	142,875	721,952	761,216	777,392	1,152,378	844,536	907,254



CARTERTON DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - WATER SUPPLY
FOR THE YEARS ENDING 30 JUNE 2013-2022

		Year ending 30 June									
	2012	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	\$	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Sources of Operating Funding											
General rates, UAGC, rates penalties	133,180	126,464	130,975	132,013	134,833	138,391	143,927	150,713	157,977	159,404	166,461
Targeted rates (other than water supply)	1,198,617	1,138,176	1,178,779	1,188,115	1,213,494	1,245,521	1,295,342	1,356,418	1,421,793	1,434,640	1,498,145
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees, charges and targeted rates for water supply	205,757	254,635	264,011	272,856	282,485	292,731	302,483	312,578	323,902	336,517	349,672
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	-	-	-	-	-	-	-	-	-	-	-
Total operating funding	1,537,554	1,519,276	1,573,766	1,592,984	1,630,812	1,676,643	1,741,752	1,819,709	1,903,672	1,930,561	2,014,277
Applications of Operating Funding											
Payments to staff and suppliers	870,490	827,720	863,927	866,138	894,813	925,041	953,867	983,286	1,016,594	1,053,418	1,091,620
Finance costs	30,601	27,101	26,881	26,548	25,159	23,670	22,072	20,359	18,520	16,549	14,974
Internal charges and overheads applied	184,994	208,272	218,445	226,920	230,854	237,357	239,116	246,158	252,431	258,169	268,630
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	1,086,085	1,063,094	1,109,253	1,119,606	1,150,827	1,186,067	1,215,055	1,249,803	1,287,545	1,328,136	1,375,223
Surplus/(deficit) of operating funding	451,469	456,182	464,513	473,378	479,985	490,576	526,697	569,906	616,126	602,425	639,054
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	50,000	50,000	51,600	53,251	55,062	56,989	58,927	60,871	62,880	65,144	67,424
Increase/(decrease) in debt	(19,194)	(18,594)	(18,814)	(19,147)	(20,536)	(22,025)	(23,623)	(25,336)	(27,175)	(29,157)	(15,861)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	30,806	31,406	32,786	34,104	34,526	34,964	35,304	35,535	35,705	35,987	51,562
Applications of Capital Funding											
Capital expenditure - meet additional demand	145,000	-	-	-	-	-	-	-	328,500	-	-
Capital expenditure - improve level of service	129,213	-	-	-	-	-	-	-	-	-	-
Capital expenditure - replace existing assets	202,800	402,278	124,832	125,512	142,875	721,952	761,216	777,392	823,878	844,536	907,254
Increase/(decrease) in reserves	5,262	85,311	372,467	381,970	371,637	(196,413)	(199,216)	(171,951)	(500,546)	(206,124)	(216,638)
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	482,275	487,589	497,299	507,482	514,512	525,539	562,000	605,441	651,832	638,412	690,616
Surplus/(deficit) of capital funding	(451,469)	(456,183)	(464,513)	(473,378)	(479,986)	(490,576)	(526,697)	(569,906)	(616,127)	(602,425)	(639,054)
Funding balance	-	-	-	-	-	-	-	-	-	-	-



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE - ADMINISTRATION AND SUPPORT SERVICES
FOR THE YEARS ENDING 30 JUNE 2013-2022

	2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Income											
Rates penalties	60,000	60,000	61,920	63,901	66,074	68,387	70,712	73,045	75,456	78,172	80,908
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Interest	70,564	97,082	116,525	154,645	173,520	235,438	290,469	308,086	319,178	334,285	349,886
Development and financial contributions	280,000	310,000	319,920	330,157	341,383	353,331	365,344	377,401	389,855	403,890	418,026
Fees, charges and targeted rates for water supply	200	200	206	213	220	228	236	243	252	261	270
Internal charges and overheads recovered	1,538,178	1,744,346	1,827,211	1,896,921	1,928,651	1,981,613	1,994,710	2,051,853	2,102,967	2,149,376	2,235,127
Commissions	40,000	40,000	41,280	42,601	44,049	45,591	47,141	48,697	50,304	52,115	53,939
Revaluation gains	506	468	466	479	510	543	505	520	572	648	670
Rental income	-	-	-	-	-	-	-	-	-	-	-
Assets vesting in council	250,000	50,000	-	-	-	-	-	-	-	-	-
Profit on sale of assets	10,000	-	57,370	-	-	-	-	-	-	-	-
Miscellaneous income	4,600	1,550	1,582	1,615	1,651	1,690	1,729	1,767	1,808	1,853	1,898
Total income	2,254,048	2,303,646	2,426,480	2,490,533	2,556,058	2,686,821	2,770,846	2,861,612	2,940,391	3,020,600	3,140,724
Expenditure											
Administration	1,137,132	1,416,504	1,475,371	1,528,177	1,550,657	1,589,080	1,613,241	1,669,646	1,711,691	1,754,565	1,823,491
Operations	294,365	293,800	311,915	328,994	338,821	351,932	342,445	339,603	348,284	351,910	365,444
Regulatory and planning	97,701	27,247	32,909	32,507	31,686	32,854	31,016	34,335	34,453	34,150	37,135
Garage	8,980	6,796	7,016	7,243	7,487	7,746	8,007	8,269	8,539	8,750	9,057
Revaluation losses	-	-	-	-	-	-	-	-	-	-	-
Loss on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Bad debts	15,000	15,000	15,480	15,975	16,519	17,097	17,678	18,261	18,864	19,543	20,227
Total expenditure	1,553,178	1,759,346	1,842,691	1,912,897	1,945,169	1,998,710	2,012,388	2,070,114	2,121,831	2,168,919	2,255,354
Surplus/(deficit)	700,870	544,300	583,789	577,637	610,889	688,111	758,458	791,498	818,560	851,681	885,370



CARTERTON DISTRICT COUNCIL

PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE - ADMINISTRATION AND SUPPORT SERVICES Contd.

FOR THE YEARS ENDED 30 JUNE 2013-2022

	Annual Plan 2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Capital Expenditure											
Administration - equipment contingency	5,000	5,000	5,170	5,345	5,535	5,735	5,940	6,150	6,365	6,600	6,845
Administration - software upgrade	5,000	5,000	5,170	5,345	5,535	5,735	5,940	6,150	6,365	6,600	6,845
Computer upgrade - building department	-	5,600	-	-	6,199	-	-	6,888	-	-	7,666
Computer upgrade - holiday park	-	-	-	2,993	-	-	3,326	-	-	3,696	-
Computer upgrade - operations department	2,800	6,300	-	2,993	6,974	-	3,326	7,749	-	3,696	8,625
Computer upgrade - public protection	-	8,400	-	3,742	9,299	-	4,158	10,332	-	4,620	11,500
Computer upgrade - regulatory	11,100	2,800	8,892	11,331	7,528	6,423	14,375	5,289	12,221	12,012	7,940
Computer upgrade - parks and reserves	-	2,800	-	9,728	3,100	-	10,811	3,444	-	12,012	3,833
Computer upgrades - general	24,700	62,800	7,341	18,708	71,734	6,423	22,572	77,244	9,675	23,100	88,027
Motor vehicle - building inspector	-	38,220	-	-	-	-	-	-	-	-	-
Motor vehicle - crane truck	-	-	-	-	-	96,348	-	-	-	-	-
Motor vehicle - dog control	-	-	-	-	-	-	-	43,050	-	-	-
Motor vehicle - handy man	-	-	36,190	-	-	-	-	-	-	-	-
Motor vehicle - nissan	-	-	-	35,000	-	-	-	-	-	-	-
Motor vehicle - operations manager	-	-	46,530	-	-	-	-	-	-	-	-
Motor vehicle - refuse	-	35,000	-	-	-	-	-	-	-	-	-
Motor vehicle - service team leader	33,000	-	-	37,415	-	-	-	-	-	-	47,915
Motor vehicle - water	-	-	-	-	86,346	-	-	-	-	-	-
Mower - ride on	25,000	-	6,948	-	-	-	-	-	-	-	-
Mower - walk behind	1,200	-	-	-	7,439	-	-	-	-	-	-
Mowers	-	-	-	26,725	-	-	-	-	-	-	-
Tractor - John Deere	-	-	-	89,796	-	-	-	-	-	-	-
Trailer	-	5,500	-	-	-	-	-	-	-	-	-
Wackers and plate compactors	-	5,500	-	-	-	-	-	-	-	-	-
Weedeater/chainsaw - parks and reserves	6,320	-	-	-	-	-	7,484	-	-	-	-
GIS - contingency	5,000	5,000	5,170	5,345	5,535	5,735	5,940	6,150	6,365	6,600	6,845
Aerial mapping	-	15,000	-	-	16,605	-	-	18,450	-	-	20,535
Regulatory equipment - contingency	5,000	5,000	5,170	5,345	5,535	5,735	5,940	6,150	6,365	6,600	6,845
Regulatory software	5,000	5,000	5,170	5,345	5,535	5,735	5,940	6,150	6,365	6,600	6,845
Administration - building refurbishment and strengthening	470,000	-	-	-	-	-	-	-	-	-	-
Total capital expenditure	599,120	212,920	131,752	265,156	242,898	137,869	95,753	203,196	53,721	92,136	230,266



CARTERTON DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - ADMINISTRATION AND SUPPORT SERVICES
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Annual Plan 2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Sources of Operating Funding											
General rates, UAGC, rates penalties	60,000	60,000	61,920	63,901	66,074	68,387	70,712	73,045	75,456	78,172	80,908
Targeted rates (other than water supply)	-	-	-	-	-	-	-	-	-	-	-
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees, charges and targeted rates for water supply	200	200	206	213	220	228	236	243	252	261	270
Internal charges and overheads recovered	1,538,178	1,744,346	1,827,211	1,896,921	1,928,651	1,981,613	1,994,710	2,051,853	2,102,967	2,149,376	2,235,127
Local authorities fuel tax, fines, infringement fees and other	375,670	189,100	159,853	199,340	219,731	283,262	339,844	359,070	371,862	388,901	406,393
Total operating funding	1,974,048	1,993,646	2,049,190	2,160,376	2,214,676	2,333,489	2,405,501	2,484,211	2,550,536	2,616,710	2,722,698
Applications of Operating Funding											
Payments to staff and suppliers	1,303,225	1,549,736	1,584,980	1,631,575	1,682,825	1,736,850	1,790,346	1,843,737	1,900,505	1,963,548	2,027,365
Finance costs	21,035	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	1,324,260	1,549,736	1,584,980	1,631,575	1,682,825	1,736,850	1,790,346	1,843,737	1,900,505	1,963,548	2,027,365
Surplus/(deficit) of operating funding	649,788	443,910	464,210	528,801	531,850	596,640	615,156	640,475	650,031	653,162	695,332
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	470,000	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	470,000	-	-	-	-	-	-	-	-	-	-
Applications of Capital Funding											
Capital expenditure - meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - improve level of service	-	-	-	-	-	-	-	-	-	-	-
Capital expenditure - replace existing assets	599,120	212,920	131,752	265,156	242,898	137,869	95,753	203,196	53,721	92,136	230,266
Increase/(decrease) in reserves	520,668	230,991	332,458	263,645	288,952	458,771	519,403	437,278	596,310	561,026	465,067
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	1,119,788	443,911	464,210	528,801	531,850	596,640	615,156	640,474	650,031	653,162	695,333
Surplus/(deficit) of capital funding	(649,788)	(443,911)	(464,210)	(528,801)	(531,850)	(596,640)	(615,156)	(640,474)	(650,031)	(653,162)	(695,333)
Funding balance	-	-	-	-	-	-	-	-	-	-	-



Financial information

Significant forecasting assumptions

General forecasting assumptions

Levels of service

Unless otherwise stated in the individual group of activity sections, service levels are generally assumed to remain the same as at present.

District population growth

A district population growth assumption of 0.6 percent per annum from 2011 Estimate (8,175 by 2021) has been used. (Department of Statistics—mid-point Medium and High series—Population Projections). This a total increase of 7 percent over the ten years.

Risk

Growth does not meet this assumption.

Level of uncertainty

Low

Reasons and financial effect of uncertainty

The population growth assumption is based on low population growth. If population growth is higher than predicted then some projects will go ahead earlier than forecast, and expenditure will be higher than forecast.

Number of rateable properties

The growth in rateable properties has slowed somewhat over the last four years, but it continues to be positive. The number of rateable properties is assumed to reach 4,900 by 2022, which is a growth of 11 percent from June 2012.

Risk

Growth does not meet this assumption.

Reasons and financial effect of uncertainty

The growth has been based on recent changes in rateable properties and takes into account ongoing development in the district. Should such growth not continue then some projects will

not go ahead and expenditure will be lower than forecast. If growth is greater than predicted, then some projects will go ahead earlier than forecast, and expenditure will be higher than forecast.

NZTA

Subsidies from the NZTA have been included at the approved rate (increased) for 2012/13 to 2014/15, and the approved dollar level for the same period. For the remaining seven years it is assumed that the level of subsidy and subsidy rate will not change.

Risk

Changes in subsidy rate and variation in criteria for inclusion in subsidised works programmes.

Level of uncertainty

Medium

Reasons and financial effect of uncertainty

The government has not indicated any further changes to the subsidy rate. If the level of subsidy decreases, roading projects may be reprioritised, or scaled down, or they may be funded through a different source such as increased borrowing or rates.

Asset condition

Asset management plans have been prepared for major infrastructural assets, and include renewal and capital programmes. These plans include assessments of asset condition, lifecycle and demand management. The Council considers that this planning information is reasonable and supportable. There are no unstated asset disposals that will impact significantly on the plan. There are no unstated asset acquisitions that will impact significantly on the plan.

Risk

Asset management plans are incomplete. Assumptions about condition and lifecycle are incorrect.

Level of uncertainty

Low to moderate

Reasons and financial effect of uncertainty

Asset management plans are updated regularly following 'best practice' as prescribed by the New Zealand Infrastructure Asset Management Manual. The asset inventories and condition



ratings for roading infrastructure, which are the Council's most significant assets by a considerable margin, are stored and maintained in the RAMM database. It was audited by NZTA in 2011 and found to be adequately maintained.

Insurance

Insurance costs will be two-thirds higher in 2012/13 than budgeted in 2011/12, which will continue through the ten years of the LTP with price level adjustments. Currently the Council has full cover for above ground assets, while infrastructural assets have limited cover provided by the Local Authority Protection Programme Disaster Fund (LAPP).

Risks

Reinsurance costs escalate beyond forecast budgets. Cover may not be available for certain assets or risks. LAPP may not be able to secure cover for the 40% balance not assured by central government.

Level of uncertainty

Medium

Reasons and financial effect of uncertainty

Any further significant earthquake events in New Zealand in the next ten years would impact on renewal costs. The cost of insurance may be greater than forecast leading to unbudgeted expenditure. The cost of reinstating LAPP cover would be significant, funded by additional rates. The Council will need to consider the trade-off between self-insurance or paying higher insurance premiums, funded by additional rates.

External factors

There will be no unexpected changes to legislation or other external factors that alter the nature of services provided by the Council. It would be extraordinary for unexpected changes to legislation to be made. Most changes to legislation are known about well in advance.

At the time of writing this LTP, the Minister of Local Government has announced proposals for reform of the local government sector. The Council is uncertain what the final implications will be that could affect its ability to function effectively. The assumption in this LTP is therefore that the status quo will remain for the term of the LTP.

Climate change

The Council does not expect there to be any quantifiable effects in terms of climate change over the life of this LTP. The Council will keep this subject under review as it is likely to be relevant for future LTPs.

Risk

The effect of climate change occurs more rapidly than anticipated.

Level of uncertainty

Low

Financial forecasting assumptions

Revaluation of non-current assets

Revaluation assumptions have been included in the LTP. These have been done following the Business and Economic Research Limited (BERL) forecasts of price level change adjusters.

Revaluation movements will be shown in the Balance Sheet.

Risk

Actual revaluation results differ from those in the forecast.

Level of uncertainty

Low

Reasons and financial effect of uncertainty

Where the actual inflation rate is different from that forecast, the actual revaluation will be different from that forecast.

The LTP for each subsequent year is reviewed by way of the annual plan round and a new LTP is produced every three years.



Interest rates

The range of interest rates on term debt is calculated at 6.5 percent to 7.0 percent. To allow for anticipated timing of capital expenditure, on selected loans interest expenditure is provided for on only 50 percent of forecast new loan amounts each year.

The interest rate on investments is calculated at 4.5 percent.

Risk

That the interest rate will differ from those used in the calculations.

Level of uncertainty

Medium

Reasons and financial effect of uncertainty

This will be managed through the Liability Management Policy and Investment Policy. The financial impact is not able to be measured.

Depreciation

Depreciation has been calculated on asset values at their latest revaluation date, and on additions at cost afterwards. It is assumed that:

- existing depreciation will continue
- replacement assets (renewals) affect depreciation as follows:
 - asset renewal will equal that of the assets being replaced
 - new assets' depreciation will be the result of their estimated lives and values
 - depreciation on new and renewal programmes will impact in the year following the capital programme.

Risks

That more detailed analysis of planned capital works once complete may alter the depreciation expense. That asset lives may alter due to new technology improving asset lives.

Level of uncertainty

Low

Reasons and financial effect of uncertainty

The Council has asset management planning and upgrade programmes in place. Asset capacity and condition is monitored with replacement works being planned in accordance with standard asset management and professional practices. Depreciation is calculated in accordance with normal accounting and asset management practices.

Asset lives

Useful lives of assets are based on professional advice. These are summarised in the depreciation note within the accounting policies.

Risk

That assets wear out earlier than estimated.

Level of uncertainty

Low

Reasons and financial effect of uncertainty

Asset life is based on estimates of engineers, valuers, and asset managers. Capital projects can be brought forward in event of early expiration of assets (this would affect depreciation and interest, of which the amounts are unknown).

Sources of funds for future replacement of assets

This is detailed above in the section on Council groups of activities. The funding of the replacement of future assets is based on the following assumptions:

- The Council has, over the term of the LTP, set revenue levels sufficient to fully fund depreciation of its assets with the exception of roading where approximately 48 percent of depreciation is funded.
- The funding for the replacement of any individual asset will be funded from the following sources in the following order of priority:
 - From prior year credit depreciation reserve balances
 - From the current years cash arising from the funding of depreciation
 - Loan funding with a loan being the shorter of either a ten year loan term or the life of the asset
 - Special funds set aside for specific purposes identified by the Council.

Risk

That a particular funding source is unavailable.

Level of uncertainty

Low

Reasons and financial effect of uncertainty

As the Council operates a central treasury function, should one source of funding be unavailable for asset replacement, a further option would be available.

Inflation

Operating revenues and expenses

2012/13 revenues and expenses have been predicted. Beyond this, inflation has been included in the Plan. Inflation has been predicted using the BERL¹⁶ forecasts of price level change adjusters as follows:

Year	Inflates year	Roading	Storm water / sewerage	Urban water / water races	Property	Other
2012/13	2013/14	3.1%	4.4%	3.9%	2.9%	3.2%
2013/14	2014/15	3.5%	3.7%	3.5%	2.9%	3.2%
2014/15	2015/16	3.1%	3.8%	3.7%	3.0%	3.4%
2015/16	2016/17	3.0%	4.2%	3.8%	3.1%	3.5%
2016/17	2017/18	3.2%	4.5%	3.5%	2.8%	3.4%
2017/18	2018/19	3.5%	4.8%	3.5%	2.8%	3.3%
2018/19	2019/20	3.7%	5.2%	3.8%	3.0%	3.3%
2019/20	2020/21	3.4%	5.5%	4.1%	3.3%	3.6%
2020/21	2021/22	3.5%	5.7%	4.1%	3.3%	3.5%

Personnel expenses

2012/13 expenses have been predicted. Beyond this, inflation has been included in the Plan plus a 1 percent increase per annum for growth. Inflation has been predicted using the BERL forecasts of price level change adjusters as follows:

Year	Inflates year	Personnel
2012/13	2013/14	2.4%
2013/14	2014/15	2.4%
2014/15	2015/16	2.6%
2015/16	2016/17	2.6%
2016/17	2017/18	2.4%
2017/18	2018/19	2.3%
2018/19	2019/20	2.6%
2019/20	2020/21	2.7%
2020/21	2021/22	2.7%

Risks

That actual inflation differs to that predicted, on which decisions are made.

Level of uncertainty

Medium

Reasons and financial effect of uncertainty

Where the actual inflation rate is different from that forecast, the cost of projects and expenditure will be different from that forecast.

Each subsequent year of the ten year plan is reviewed by way of the Annual Plan round and a new ten year plan is produced every three years.

¹⁶ Forecasts of Price Level Change Adjustors – 2011 Update, Business and Economic Research Limited, September 2011
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Investments and return on investments

The Council's Long Term Special Funds will be retained in their present form throughout the Plan. Additions and withdrawals from the Funds have been accounted for each year through the Plan where identified and required. A range of 4.5 percent to 7 percent has been assumed for the return on the Special Funds investment.

Risk

That the actual return on investment differs to that budgeted.

Level of uncertainty

Medium

Reasons and financial effect of uncertainty

Movement in the investment fund is difficult to predict but best efforts have been used, using past results. The financial effect is unknown.

Commitments and contingencies

There are no commitments or contingencies that the Council is aware of that have not been included in the LTP.

Opening Balance Sheet

To provide a more accurate forecast, the opening balance sheet figures for 2012/13 are based on a forecast closing balance sheet at 30 June 2012, not necessarily the closing 2011/12 Annual Plan figures.

Rounding differences

Due to the complexities of the financial model, there is a number of insignificant one dollar rounding differences in the financial statements.

Authorisation for issue

The Council is responsible for the prospective financial statements, underlying assumptions and other related disclosures.

This Long Term Plan was adopted by the Council on 27 June 2012.

Purpose of the LTP

The LTP has been prepared in accordance with section 93 of the Local Government Act 2002. The information has been prepared to comply with the requirements of the LGA 2002 and may not be appropriate for other purposes.

Accounting policies

Reporting entity

The Carterton District Council is a territorial local body governed by the Local Government Act 2002 and is domiciled in New Zealand.

The Council is a separate legal entity and does not have any subsidiaries.

The primary objective of the Council is to provide goods and services for the community or social benefit rather than making a financial return. Accordingly, the Council has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The financial forecasts of the Council are for the ten year period from 1 July 2012 to 30 June 2022. The financial forecasts were authorised for issue by the Council on 8 May 2012.

Basis of preparation

The prospective financial statements of the Carterton District Council have been prepared in accordance with the requirements of the Local Government Act 2002 section 93 and Part 1 of Schedule 10, and the information provided may not be appropriate for other purposes.

These prospective financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP). They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities (PBEs). In particular, these prospective financial statements have been prepared in accordance with Financial Reporting Standard 42: Prospective Financial Statements (FRS 42).

In September 2011, the External Reporting Board issued a position paper and consultation papers proposing a new external reporting framework for PBEs. The papers proposed that accounting standards for PBEs would be based on International Public Sector Accounting Standards, modified as necessary. The proposals in these papers do not provide certainty about any specific requirements of future accounting standards. Therefore, the accounting policies on which the forecast information for 2012–2022 has been prepared are based on the current New Zealand equivalents to International Financial Reporting Standards

Statement of prospective financial information

The financial information contained in this document is a forecast for the purposes of FRS 42. It has been prepared on the basis of assumptions as to future events that the Council reasonably expects to occur, associated with the actions it reasonably expects to take, as at the date the forecasts were prepared. The purpose for which it has been prepared is to enable the public to participate in the decision-making process as to the services to be provided by the Council to the community.

The Council does not intend to update the prospective financial statements subsequent to the final presentation of the Long Term Plan.

The Long Term Plan is in full compliance with FRS 42.

The actual results achieved are likely to vary from the information presented. The variation may be material and will be dependent upon circumstances that arise during the forecast period.

Accounting policies

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

The prospective financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructure assets, investment property forestry assets, and certain financial instruments (including derivative financial instruments). The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Council is New Zealand dollars.

Changes in accounting policies

There are no changes to accounting policies.





Standards and Interpretations issued and not yet adopted

There are no standards, interpretations and amendments that have been issued, but are not yet effective, that the Council has not yet applied.

Revenue

Revenue is estimated at the fair value of consideration received or receivable.

Rates revenue

Rates are set annually by a resolution from the Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Rates collected on behalf of the Wellington Regional Council (WRC) are not recognised in the financial statements as the Council is acting as an agent for the WRC.

Other revenue

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

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

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Sales of goods are recognised when a product is sold to the customer.

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in the Council are recognised as revenue when control over the asset is obtained.

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established. Dividends are recorded net of imputation credits.

Development contributions

Development contributions and financial contributions are recognised as revenue when the council provides, or is able to provide, the service for which the contributions were charged. Otherwise development contributions and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

Borrowing costs

The Council has elected to defer the adoption of NZ IAS 23 Borrowing Costs (Revised 2007) in accordance with the transitional provisions that are applicable to public benefit entities. Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

Grant expenditure

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

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

Income tax

Income tax expense is the aggregate of current period movements in relation to both current and deferred tax.

Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is

calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences and differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable surplus.

Deferred tax is estimated at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The estimate of deferred tax reflects the tax consequences that would follow from the manner in which the Council expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting surplus nor taxable surplus.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive income or directly in equity.

Leases

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, the Council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Debtors and other receivables

Debtors and other receivables are initially estimated at fair value and subsequently estimated at amortised cost using the effective interest method, less any provision for impairment.

Derivative financial instruments and hedge accounting

The Council does not engage in the use of derivative financial instruments and hedging activities.

Other financial assets

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories for the purpose of estimation:

- fair value through surplus or deficit
- loans and receivables
- held to maturity investments
- fair value through other comprehensive income.

The classification of a financial asset depends on the purpose for which the instrument was acquired.

Financial assets at fair value through surplus or deficit

Financial assets at fair value through profit and loss include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated into hedge accounting relationship for which hedge accounting is applied.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset. The current/non-current classification of derivatives is explained in the derivatives accounting policy above.

After initial recognition, financial assets in this category are estimated at their fair values with gains or losses on remeasurement recognised in the surplus or deficit.

Council does not hold any financial assets in this category.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Loans to community organisations made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The loans are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

Council's loans and receivables comprise debtors and other receivables, community and related party loans. Loans and receivables are classified as 'debtors and other receivables' in the statement of financial position.

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities and there is the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Council's investments in this category include bank term deposits.

Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of the share investment within 12 months of balance date or if the debt instrument is not expected to be realised within 12 months of balance date.

Council includes in this category:

- investments that it intends to hold long-term but which may be realised before maturity
- shareholdings that it holds for strategic purposes.

These investments are estimated at their fair value, with gains and losses recognised in other comprehensive income, except for impairment losses, which are recognised in the surplus or deficit.

On derecognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the surplus or deficit.

Impairment of financial assets

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and other receivables

Impairment is established when there is objective evidence that the Council will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate.

For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government stock, and community loans, are recognised directly against the instruments carrying amount.

Financial assets at fair value through other comprehensive income

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for the investments at fair value through other comprehensive income, the cumulative loss (estimated as the difference between the acquisition cost and the

current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive income is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

Inventories

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are estimated at the lower of cost and current replacement cost. The valuation includes allowance for slow moving and obsolete items. Where inventories are acquired at no cost or for nominal consideration, the cost is current replacement cost at the date of acquisition.

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost or net realisable value. The cost of purchased inventory is determined using the first-in first-out (FIFO) method.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

When land held for development and future resale is transferred from investment property/property, plant and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant and equipment.

Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current

assets held for sale are estimated at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the statement of financial performance.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have previously been recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Property, plant and equipment

Property, plant and equipment consists of:

Operational assets

These include land, buildings, landfill post closure, library books, plant and equipment, and motor vehicles.

Restricted assets

Restricted assets are parks and reserves owned by the Council that provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Infrastructure assets

Infrastructure assets are the fixed utility systems owned by the Council. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

Heritage assets

Heritage assets are assets owned by the Council that are of cultural or historical significance to the community and cannot be replaced due to the nature of the assets. Buildings recorded under the Historical Places Act 1993 have been recorded as heritage assets.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Revaluation

Land, buildings (operational and restricted), library books, and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other assets are carried at depreciated historical cost.

The Council assesses the carrying values of its revalued assets annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

The Council accounts for revaluations of property, plant and equipment on a class of asset basis.

The net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive income.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be estimated reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

Property, plant and equipment is recognised at cost. Where an asset is acquired at no cost, or for nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of financial performance. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land (which also includes the landfill and water races), at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

The estimated useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Motor vehicles	10 years	10.00%
Plant and equipment	10 to 50 years	2.00–10.00%
Roads, bridges and footpaths*	17 to 58 years	1.71–6.03%
Water systems*	30 to 66 years	3.35–12.11%
Stormwater systems*	65 to 74 years	1.35–1.55%
Sewerage systems*	10 to 24 years	4.12–10.39%
Buildings	5 to 92 years	1.09–20.00%
Library collections	6 years	16.67%
Office equipment	3 to 10 years	10.00–40.00%
Fixtures and fittings	10 to 50 years	2.00–10.00%
Heritage assets	20 to 50 years	2.00–5.00%
Intangible assets	5 years	20.00%

In relation to infrastructural assets marked * (above), depreciation has been calculated at a componentry level based on the estimated remaining useful lives as assessed by the Council's engineers and independent registered valuers. A summary of these lives is detailed above.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Revaluation

Those asset classes that are revalued are valued on a three-yearly cycle on the basis described below. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

Operational land and buildings

At fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Kerry Stewart (Val Prof Urb, PG Dip Env Audit, MBA, FNZIV, and FPINZ), Angela Croad (BBS, (VPM), and MPINZ), and Jamie Benoit (BAppSci (Ag and VFM), MPINZ) of Darroch Valuations, and the valuation is effective as at 30 June 2009. The landfill liner and water races were not revalued in the 2009 year and are currently valued using the

deemed cost option under NZ IFRS 1. Heritage assets are also included in this category. Additions are recorded at cost.

Restricted land and buildings

At fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Kerry Stewart (Val Prof Urb, PG Dip Env Audit, MBA, FNZIV, FPINZ), Angela Croad (BBS (VPM), MPINZ), and Jamie Benoit (BAppSci (VFM and Ag), MPINZ) of Darroch Valuations, and the valuation is effective as at 30 June 2009. Additions are recorded at cost.

Infrastructure asset classes

Roads, bridges and footpaths, water systems, sewerage systems and stormwater systems

At fair value determined on a depreciated replacement cost basis by an independent valuer. At balance date the Council assesses the carrying values of its infrastructure assets to ensure that they do not differ materially from the assets' fair values. If there is a material difference, than the off-cycle asset classes are revalued.

The most recent valuations were performed by John Vessey (BE (Civil), BA (Economics), Reg Eng (MIPENZ)) of Opus International Consultants. The valuation for the sewerage, water supply, and stormwater systems is effective as at 30 June 2010, and the valuation for roads, streets, and footpaths is effective as at 30 June 2011. Additions are recorded at cost.

Land under roads

Valued based on fair value of adjacent land determined by John Vessey (BE (Civil), BA (Economics), Reg Eng (MIPENZ)) of Opus International Consultants, effective 30 June 2002. Under NZ IFRS, the Council has elected to use the fair value of land under roads as at 30 June 2002 as deemed cost. Land under roads is no longer revalued.

Library collections

At depreciated replacement cost in accordance with the guidelines released by the New Zealand Library Association and the National Library of New Zealand in May 2002. Library valuations are performed by Graeme Hughson (BE, MIPENZ) and Ian Martin (BE, CPEng, MIPENZ) of AECOM New Zealand, and the valuation is effective as at 30 June 2009.

Investment properties

Valued annually at fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Kerry Stewart (Val Prof Urb, PG Dip Env

Audit, MBA, FNZIV, FPINZ), Angela Croad (BBS (VPM), MPINZ), and Jamie Benoit (BAppSci (VFM and Ag), MPINZ) of Darroch Valuations, and the valuation is effective as at 30 June 2011.

Assets held for sale

Valued annually at the lower of carrying value and fair value less costs to sell as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Kerry Stewart (Val Prof Urb, PG Dip Env Audit, MBA, FNZIV, FPINZ), Angela Croad (BBS (VPM), MPINZ), and Jamie Benoit (BAppSci (VFM and Ag), MPINZ) of Darroch Valuations, and the valuation is effective as at 30 June 2011.

Intangible assets

Software acquisition

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by the Council, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Easements

Easements are recognised at cost, being the costs directly attributable in bringing the asset to its intended use. Easements have an indefinite life and are not amortised, but are instead tested for impairment annually.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when an asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the statement of financial performance.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software	5 years	20.00%
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Impairment of property, plant and equipment and intangible assets

Intangible assets that have an indefinite useful life, or not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash flows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount (other than goodwill), the reversal of an impairment loss is recognised in the surplus or deficit.



Forestry assets

Standing forestry assets are independently revalued annually at fair value less estimated cost to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs and silvicultural costs and takes into consideration environmental, operational and market restrictions.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell are recognised in the surplus or deficit.

Forestry maintenance costs are recognised in the surplus or deficit when incurred.

Investment property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is estimated initially at cost, including transaction costs.

After initial recognition, all investment property is estimated at fair value as determined annually by an independent valuer.

Gains and losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

Creditors and other payables

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

Borrowings

Borrowings are initially recognised at their fair value net of transactions costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance date or if the borrowings are expected to be settled within 12 months of balance date.

Employee entitlements

Short-term employee entitlements

Employee benefits that the Council expects to be settled within twelve months of balance date are estimated at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, long service leave entitlements expected to be settled within twelve months, and sick leave.

The Council recognises a liability for sick leave to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlements earning in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that the Council anticipates it will be used by staff to cover those future absences.

The Council has determined that no liability should be recognised in the LTP for sick leave as absences are not expected to exceed entitlements during the period of this LTP.

The Council recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Long-term employee entitlements

Long service leave

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- the present value of the estimated future cash flows.

A discount rate of 6.91 percent, and an inflation factor of 3.0 percent was used. The discount rate is based on the weighted average of government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factors are based on the expected long-term increases in remuneration for employees.

Presentation of employee entitlements

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Provisions

The Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are estimated at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

Financial guarantee contracts

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

Financial guarantee contracts are initially recognised at fair value, even if a payment under the guarantee is not considered probable. If a financial guarantee contract was issued in a standalone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, a liability is recognised based

on the probability that the Council will be required to reimburse a holder for a loss incurred discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

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

Equity

Equity is the community's interest in the Council and is estimated as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- public equity – accumulated funds
- restricted reserves
- other reserves – trust funds
- asset revaluation reserves
- fair value through other comprehensive income reserves.

Restricted reserves

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

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

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

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



Asset revaluation reserves

This reserve relates to the revaluation of property, plant and equipment to fair value.

Fair value through other comprehensive income reserves

This reserve comprises the cumulative net change in the fair value of fair value through other comprehensive income instruments.

Goods and Services Tax (GST)

All items in the financial forecasts are stated exclusive of GST, except for debtors and other receivables and creditors and other payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Cost allocation

The Council has derived the cost of service for each group of activities of the Council using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a group of activities. Indirect costs are those costs that cannot be identified in an economically feasible manner with a group of activities.

Direct costs are charged directly to groups of activities. Indirect costs are charged to groups of activities using appropriate cost drivers such as actual usage, staff numbers and floor area.

Critical accounting estimates and assumptions

In preparing these prospective financial statements, the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Landfill aftercare provision

A provision has been included in the financial forecasts for the exposure of the Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

Infrastructural assets

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets that are not visible, for example stormwater, sewerage, and water supply pipes that are underground. This risk is minimised by the Council performing a combination of physical inspections and condition modelling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of an asset.
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over and under estimating the annual depreciation charge recognised as an expense in the statement of financial performance. To minimise this risk, the Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the



Council's asset management planning activities, which gives the Council further assurance over its useful life estimates.

Experienced independent valuers perform the Council's infrastructural asset revaluations.

Critical judgements in applying the Carterton District Council's accounting policies

Management has exercised the following critical judgments in applying the Council's accounting policies for the ten-year period 2012–2022.

Classification of property

The Council owns a number of properties, which are maintained primarily to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of the Council's social housing policy. These properties are accounted for as property, plant and equipment.

Statement of cash flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Council invests as part of its day-to-day cash management. GST is disclosed net as disclosing gross amounts does not provide any further meaningful information.

Operating activities include cash received from all income sources and cash payments made for the supply of goods and services. Agency transactions (the collection of Regional Council rates) are recognised as receipts and payments in the Statement of Cash Flows because they flow through the Council's main bank account.

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

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

Group of activity statements

The prospective group of activity statements report the net cost of services for groups of activities of the Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities.



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Annual Plan 2012 \$	LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	Year ending 30 June		LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
						LTP 2017 \$	LTP 2018 \$				
<i>Income</i>											
Rates	7,808,604	8,453,838	8,994,668	9,607,248	9,921,536	10,103,107	10,305,491	10,562,568	10,950,674	11,331,099	11,673,029
Rates penalties	60,000	60,000	61,920	63,901	66,074	68,387	70,712	73,045	75,456	78,172	80,908
Finance income	70,564	97,082	116,525	154,645	173,520	235,438	290,469	308,086	319,178	334,285	349,886
Fees and charges	1,456,788	1,430,899	1,500,444	1,549,301	1,602,347	1,659,521	1,717,028	1,776,441	1,840,438	1,912,258	1,986,608
Recoveries	102,925	103,928	107,190	110,670	114,293	118,087	121,958	125,979	130,230	134,804	139,492
Commissions	41,500	44,000	45,396	46,836	48,412	50,089	51,765	53,450	55,200	57,172	59,163
LTA subsidy	1,579,163	1,576,238	1,629,060	1,618,109	1,589,122	1,589,122	1,618,109	1,589,122	1,589,122	1,618,109	1,589,122
Petrol tax	56,000	56,000	57,736	59,757	61,609	63,457	65,488	67,780	70,288	72,678	75,222
Grants, subsidies and donations	1,165,668	50,298	25,391	25,486	25,588	25,696	25,797	25,900	26,014	26,143	26,277
Rental income	241,424	246,682	253,836	261,197	269,033	277,373	285,139	293,123	301,917	311,880	322,172
Development and financial contributions	280,000	310,000	319,920	330,157	341,383	353,331	365,344	377,401	389,855	403,890	418,026
Forestry harvest	100,000	-	-	-	-	-	-	-	-	-	-
Assets vested in council	250,000	50,000	-	-	-	-	-	-	-	-	-
Profit on sale of assets	10,000	-	57,370	-	-	-	-	-	-	-	-
Share revaluation	-	-	-	-	-	-	-	-	-	-	-
Revaluation gains	506	468	466	479	510	543	505	520	572	648	670
Miscellaneous income	41,064	24,506	69,601	25,973	26,766	76,616	28,417	29,253	84,233	31,160	32,193
Internal charges	(64,000)	(64,000)	(66,048)	(68,162)	(70,479)	(72,946)	(75,426)	(77,915)	(80,486)	(83,384)	(86,302)
Total income	13,200,206	12,439,939	13,173,474	13,785,599	14,169,713	14,547,821	14,870,796	15,204,753	15,752,691	16,228,915	16,666,465
<i>Expenditure</i>											
Governance	649,922	732,466	818,877	786,182	819,578	903,180	821,465	841,438	932,577	881,481	906,714
Roads and footpaths	3,634,072	3,220,566	3,363,234	3,619,410	3,645,957	3,831,060	4,058,075	4,090,813	4,179,131	4,478,485	4,520,992
Water supply	1,544,001	1,528,138	1,585,674	1,608,554	1,648,734	1,699,051	1,769,413	1,848,289	1,930,195	1,955,021	2,054,502
Sewerage	837,311	1,034,195	1,243,203	1,354,114	1,491,793	1,496,929	1,512,693	1,594,605	1,693,015	1,784,076	1,905,443
Stormwater	142,553	172,240	182,178	204,346	181,863	188,312	190,164	192,654	202,497	205,341	208,926
Waste management	681,451	719,274	745,906	770,859	793,320	819,404	843,282	868,735	895,592	910,832	942,274
Community support - community development	435,221	353,498	367,875	373,974	378,436	384,153	377,680	383,384	388,961	393,492	400,787
Community support - parks and reserves	765,454	810,903	750,815	780,978	847,959	832,220	842,748	857,956	877,737	872,812	886,854
Community support - community amenities	1,629,990	2,461,433	2,736,523	2,818,451	2,771,298	2,819,948	2,865,469	2,832,347	2,863,952	2,880,455	2,869,941
Regulatory and planning	1,181,833	1,183,105	1,170,727	1,223,438	1,240,691	1,260,867	1,266,130	1,314,403	1,331,901	1,387,287	1,412,450
Bad debts	15,000	15,000	15,480	15,975	16,519	17,097	17,678	18,261	18,864	19,543	20,227
Loss on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Revaluation losses	-	-	-	-	-	-	-	-	-	-	-
Internal charges	(64,000)	(64,000)	(66,048)	(68,162)	(70,479)	(72,946)	(75,426)	(77,915)	(80,486)	(83,384)	(86,302)
Total expenditure	11,452,808	12,166,820	12,914,443	13,488,118	13,765,669	14,179,275	14,489,370	14,764,968	15,233,936	15,685,442	16,042,807
Surplus/(deficit) before tax	1,747,398	273,119	259,031	297,481	404,044	368,546	381,426	439,786	518,755	543,474	623,657
Taxation expense	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) after tax	1,747,398	273,119	259,031	297,481	404,044	368,546	381,426	439,786	518,755	543,474	623,657
Note—total expenditure includes:											
Depreciation	3,189,667	3,271,686	3,564,852	3,815,498	3,807,097	3,869,520	4,012,276	4,057,176	4,169,531	4,291,621	4,390,725
Finance expenditure	420,310	519,815	672,144	740,816	756,579	857,062	822,640	803,062	795,448	785,189	774,387



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Annual Plan 2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Surplus/(deficit) after tax	1,747,398	273,119	259,031	297,481	404,044	368,546	381,426	439,786	518,755	543,474	623,657
Increase/(decrease) in restricted reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in revaluation reserves	1,148,599	1,938,804	13,601,803	1,748,979	2,039,649	14,798,482	1,940,746	2,845,014	19,759,085	2,146,054	4,761,622
Financial assets at fair value through other comprehensive income	750	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Total other comprehensive income	1,149,349	1,940,804	13,603,803	1,750,979	2,041,649	14,800,482	1,942,746	2,847,014	19,761,085	2,148,054	4,763,622
Total comprehensive income	2,896,747	2,213,923	13,862,833	2,048,459	2,445,692	15,169,029	2,324,172	3,286,799	20,279,840	2,691,528	5,387,279



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF CHANGES IN EQUITY
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Annual Plan 2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Equity at start of year	138,550,055	146,577,142	148,791,065	162,653,898	164,702,358	167,148,050	182,317,079	184,641,251	187,928,050	208,207,890	210,899,418
Total comprehensive income	2,896,747	2,213,923	13,862,833	2,048,459	2,445,692	15,169,029	2,324,172	3,286,799	20,279,840	2,691,528	5,387,279
Equity at end of year	141,446,802	148,791,065	162,653,898	164,702,358	167,148,050	182,317,079	184,641,251	187,928,050	208,207,890	210,899,418	216,286,697
Components of equity											
Retained earnings at start of year	107,628,132	108,279,768	108,843,891	107,903,230	107,708,404	107,212,833	105,584,357	105,497,868	105,601,920	105,920,460	106,000,843
Surplus/(deficit) after tax	1,747,398	273,119	259,031	297,481	404,044	368,546	381,426	439,786	518,755	543,474	623,657
Transfers (to)/from restricted/council created reserves	2,966,616	291,004	(1,199,692)	(492,307)	(899,615)	(1,997,022)	(467,915)	(335,734)	(200,214)	(463,091)	(295,394)
Retained earnings at end of year	112,342,146	108,843,891	107,903,230	107,708,404	107,212,833	105,584,357	105,497,868	105,601,920	105,920,460	106,000,843	106,329,106
Revaluation reserves at start of year	26,277,600	33,690,093	35,628,897	49,230,699	50,979,678	53,019,327	67,817,809	69,758,555	72,603,569	92,362,654	94,508,708
Revaluation gains	1,148,599	1,938,804	13,601,803	1,748,979	2,039,649	14,798,482	1,940,746	2,845,014	19,759,085	2,146,054	4,761,622
Revaluation reserves at end of year	27,426,199	35,628,897	49,230,699	50,979,678	53,019,327	67,817,809	69,758,555	72,603,569	92,362,654	94,508,708	99,270,330
Restricted/council created reserves at start of year	4,644,323	4,607,281	4,318,277	5,519,969	6,014,275	6,915,890	8,914,913	9,384,828	9,722,562	9,924,776	10,389,867
Transfers (to)/from reserves	(2,966,616)	(291,004)	1,199,692	492,307	899,615	1,997,022	467,915	335,734	200,214	463,091	295,394
Financial asset revaluation gains	750	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Restricted/council created reserves at end of year	1,678,457	4,318,277	5,519,969	6,014,275	6,915,890	8,914,913	9,384,828	9,722,562	9,924,776	10,389,867	10,687,261
Equity at end of year	141,446,802	148,791,065	162,653,898	164,702,358	167,148,050	182,317,079	184,641,251	187,928,050	208,207,890	210,899,418	216,286,697

Note—To provide a more accurate forecast, the opening balance sheet figures for 2012/13 are based on a forecast closing balance sheet at 30 June 2012, not necessarily the closing 2011/12 Annual Plan figures.

CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF FINANCIAL POSITION
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Annual Plan 2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
ASSETS											
Current assets											
Cash and cash equivalents	2,023,851	2,120,385	3,307,497	3,581,852	4,457,169	6,443,132	6,894,363	7,208,336	7,385,316	7,830,236	8,101,691
Debtors and other receivables	1,453,611	1,199,008	1,269,543	1,328,443	1,365,498	1,401,991	1,433,199	1,465,461	1,518,250	1,564,193	1,606,430
Inventory	2,586	3,645	3,645	3,645	3,645	3,645	3,645	3,645	3,645	3,645	3,645
Investments	-	-	-	-	-	-	-	-	-	-	-
Non-current assets held for sale	57,400	-	-	-	-	-	-	-	-	-	-
Total current assets	3,537,448	3,323,038	4,580,685	4,913,940	5,826,312	7,848,768	8,331,207	8,677,442	8,907,211	9,398,074	9,711,765
Non-current assets											
Property, plant and equipment	146,218,520	155,895,575	169,444,761	171,451,467	173,181,077	187,475,264	188,862,544	191,748,552	211,713,298	213,799,044	218,761,730
Forestry assets	43,684	294,213	294,213	294,213	294,213	294,213	294,213	294,213	294,213	294,213	294,213
Investment property	16,306	16,053	16,518	16,997	17,507	18,050	18,555	19,075	19,647	20,295	20,965
Intangible assets	-	9,247	8,161	9,878	11,203	11,581	11,976	12,385	12,805	13,247	13,712
Investments	197,694	142,865	144,865	346,865	348,865	350,865	352,865	354,865	356,865	358,865	360,865
Total non-current assets	146,476,204	156,357,952	169,908,518	172,119,420	173,852,865	188,149,973	189,540,153	192,429,090	212,396,828	214,485,664	219,451,485
Total assets	150,013,652	159,680,990	174,489,203	177,033,359	179,679,176	195,998,741	197,871,360	201,106,532	221,304,039	223,883,738	229,163,251
LIABILITIES											
Current liabilities											
Creditors and other payables	1,735,409	1,172,818	1,244,705	1,299,917	1,326,754	1,366,651	1,396,624	1,423,290	1,468,506	1,512,079	1,546,627
Borrowings	537,898	468,830	505,228	569,870	630,740	660,406	638,488	725,852	795,242	827,390	827,390
Employee entitlements	286,160	272,673	279,217	285,918	293,352	300,979	308,203	315,292	323,489	332,223	341,193
Total current liabilities	2,559,467	1,914,321	2,029,150	2,155,706	2,250,846	2,328,037	2,343,315	2,464,434	2,587,237	2,671,692	2,715,210
Non-current liabilities											
Provisions	38,223	30,547	27,153	23,759	20,365	16,971	13,576	10,182	6,788	3,394	-
Borrowings	5,969,160	8,945,057	9,779,003	10,151,538	10,259,916	11,336,656	10,873,218	10,703,866	10,502,124	10,309,234	10,161,344
Total non-current liabilities	6,007,383	8,975,603	9,806,155	10,175,296	10,280,280	11,353,626	10,886,794	10,714,048	10,508,912	10,312,628	10,161,344
EQUITY											
Public equity	112,342,146	108,843,891	107,903,230	107,708,404	107,212,833	105,584,357	105,497,868	105,601,920	105,920,460	106,000,843	106,329,106
Restricted reserves	770,130	1,529,193	1,597,209	1,432,551	1,578,569	1,834,103	2,080,974	2,310,039	2,537,067	2,714,638	2,915,131
Asset revaluation reserves	27,426,199	35,628,897	49,230,699	50,979,678	53,019,327	67,817,809	69,758,555	72,603,569	92,362,654	94,508,708	99,270,330
Other reserves	908,327	2,789,084	3,922,760	4,581,724	5,337,321	7,080,810	7,303,854	7,412,523	7,387,709	7,675,229	7,772,130
Total equity	141,446,802	148,791,065	162,653,898	164,702,358	167,148,050	182,317,079	184,641,251	187,928,050	208,207,890	210,899,418	216,286,697
Total liabilities and equity	150,013,652	159,680,990	174,489,203	177,033,359	179,679,176	195,998,741	197,871,360	201,106,532	221,304,039	223,883,738	229,163,251

Note—To provide a more accurate forecast, the opening balance sheet figures for 2012/13 are based on a forecast closing balance sheet at 30 June 2012, not necessarily the closing 2011/12 Annual Plan figures.



**CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF CASHFLOWS
FOR THE YEARS ENDING 30 JUNE 2013-2022**

	Annual Plan 2012	LTP 2013	LTP 2014	LTP 2015	LTP 2016	Year ending 30 June		LTP 2019	LTP 2020	LTP 2021	LTP 2022
	\$	\$	\$	\$	\$	LTP 2017	LTP 2018	\$	\$	\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>											
<i>Cash was received from:</i>											
Receipts from rates income	7,868,604	8,513,838	9,056,588	9,671,149	9,987,610	10,171,494	10,376,203	10,635,613	11,026,130	11,409,271	11,753,937
Grants, subsidies and donations	2,744,831	1,626,536	1,654,451	1,643,595	1,614,710	1,614,818	1,643,906	1,615,022	1,615,136	1,644,252	1,615,399
Petrol tax	56,000	56,000	57,736	59,757	61,609	63,457	65,488	67,780	70,288	72,678	75,222
Finance income	70,564	97,082	116,525	154,645	173,520	235,438	290,469	308,086	319,178	334,285	349,886
Regional council rates	1,016,162	988,544	1,047,857	1,110,728	1,177,372	1,248,014	1,322,895	1,402,269	1,486,405	1,575,589	1,670,124
Receipts from other income	2,378,440	3,225,413	2,210,371	2,249,260	2,348,659	2,481,427	2,520,766	2,605,124	2,730,220	2,785,678	2,895,190
	14,134,601	14,507,413	14,143,527	14,889,134	15,363,480	15,814,648	16,219,726	16,633,894	17,247,357	17,821,753	18,359,758
<i>Cash was applied to:</i>											
Payments to suppliers & employees	7,830,965	9,022,939	8,652,979	8,925,470	9,225,077	9,464,412	9,678,400	9,934,023	10,280,560	10,623,559	10,903,647
Regional council rates	1,016,162	988,544	1,047,857	1,110,728	1,177,372	1,248,014	1,322,895	1,402,269	1,486,405	1,575,589	1,670,124
Finance expenditure	420,310	519,815	672,144	740,816	756,579	857,062	822,640	803,062	795,448	785,189	774,387
	9,267,437	10,531,298	10,372,979	10,777,015	11,159,028	11,569,488	11,823,934	12,139,354	12,562,413	12,984,337	13,348,158
Net cash flow from operating activities	4,867,164	3,976,115	3,770,548	4,112,120	4,204,452	4,245,160	4,395,791	4,494,540	4,684,944	4,837,416	5,011,600
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>											
<i>Cash was received from:</i>											
Sale of property, plant and equipment	160,000	-	250,000	-	-	-	-	-	-	-	-
Term investments, shares and advances	2,763,137	-	-	-	-	-	-	-	-	-	-
Forestry investment	-	-	-	-	-	-	-	-	-	-	-
	2,923,137	-	250,000	-	-	-	-	-	-	-	-
<i>Cash was applied to:</i>											
Purchase of property, plant and equipment	11,759,805	6,952,833	3,703,780	4,074,942	3,498,383	3,365,602	3,459,204	4,098,580	4,375,613	4,231,754	4,592,255
Term investments, shares and advances	-	-	-	200,000	-	-	-	-	-	-	-
Forestry capital expenditure	50,000	-	-	-	-	-	-	-	-	-	-
	11,809,805	6,952,833	3,703,780	4,274,942	3,498,383	3,365,602	3,459,204	4,098,580	4,375,613	4,231,754	4,592,255
Net cash flow from investing activities	(8,886,668)	(6,952,833)	(3,453,780)	(4,274,942)	(3,498,383)	(3,365,602)	(3,459,204)	(4,098,580)	(4,375,613)	(4,231,754)	(4,592,255)



CARTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF CASHFLOWS Contd.
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Annual Plan 2012 \$	LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	Year ending 30 June		LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
						LTP 2017 \$	LTP 2018 \$				
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>											
<i>Cash was received from:</i>											
Proceeds from borrowings	5,510,495	3,484,018	1,339,174	942,405	739,118	1,737,146	175,050	556,500	593,500	634,500	679,500
	5,510,495	3,484,018	1,339,174	942,405	739,118	1,737,146	175,050	556,500	593,500	634,500	679,500
<i>Cash was applied to:</i>											
Repayment of borrowings	1,393,079	333,126	468,830	505,228	569,870	630,740	660,406	638,488	725,852	795,242	827,390
	1,393,079	333,126	468,830	505,228	569,870	630,740	660,406	638,488	725,852	795,242	827,390
Net cash flow from financing activities	4,117,416	3,150,893	870,344	437,177	169,248	1,106,406	(485,356)	(81,988)	(132,352)	(160,742)	(147,890)
Net increase/(decrease) in cash held	97,912	174,175	1,187,112	274,355	875,317	1,985,963	451,231	313,973	176,980	444,920	271,455
Add cash at start of year (1 July)	1,155,809	1,946,210	2,120,385	3,307,497	3,581,852	4,457,169	6,443,132	6,894,363	7,208,336	7,385,316	7,830,236
Balance at end of year (30 June)	1,253,721	2,120,385	3,307,497	3,581,852	4,457,169	6,443,132	6,894,363	7,208,336	7,385,316	7,830,236	8,101,691
<u>REPRESENTED BY:</u>											
Cash, cash equivalents and bank overdrafts	1,253,721	2,120,385	3,307,497	3,581,852	4,457,169	6,443,132	6,894,363	7,208,336	7,385,316	7,830,236	8,101,691
	1,253,721	2,120,385	3,307,497	3,581,852	4,457,169	6,443,132	6,894,363	7,208,336	7,385,316	7,830,236	8,101,691

Note—The 1 July 2012 opening cash balance has been restated to reflect the estimated cash movements to 30 June 2012. This differs from the 30 June 2012 cash balance from the 2012 Annual Plan budget.



CARTERTON DISTRICT COUNCIL
PROSPECTIVE RECONCILIATION OF NET SURPLUS TO OPERATING ACTIVITIES
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Annual Plan 2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Surplus/deficit after tax	1,747,398	273,119	259,031	297,481	404,044	368,546	381,426	439,786	518,755	543,474	623,657
Add/(Less) non cash expenses											
Revaluation (gains)/losses	(506)	-	-	-	-	-	-	-	-	-	-
Depreciation & amortisation	3,189,667	3,271,686	3,564,852	3,815,498	3,807,097	3,869,520	4,012,276	4,057,176	4,169,531	4,291,621	4,390,725
Bad debts	15,000	15,000	15,480	15,975	16,519	17,097	17,678	18,261	18,864	19,543	20,227
Assets vesting in council	(250,000)	(50,000)	-	-	-	-	-	-	-	-	-
	2,954,161	3,236,686	3,580,332	3,831,473	3,823,616	3,886,617	4,029,954	4,075,437	4,188,395	4,311,164	4,410,952
Add/(Less) items classified as investing or financing activities											
(Gains)/losses on sale of property, plant and equipment	(10,000)	-	(57,370)	-	-	-	-	-	-	-	-
(Gains)/losses in fair value of forestry assets	-	-	-	-	-	-	-	-	-	-	-
(Gains)/losses in fair value of investment properties	-	(468)	(466)	(479)	(510)	(543)	(505)	(520)	(572)	(648)	(670)
	(10,000)	(468)	(57,836)	(479)	(510)	(543)	(505)	(520)	(572)	(648)	(670)
Plus/(less) movements in working capital											
(Increase)/decrease in inventories	-	-	-	-	-	-	-	-	-	-	-
(Increase)/decrease in debtors and other receivables	114,739	1,065,397	(86,015)	(74,875)	(53,574)	(53,590)	(48,886)	(50,523)	(71,652)	(65,486)	(62,464)
Increase/(decrease) in creditors and other payables	58,133	(595,226)	71,886	55,213	26,837	39,897	29,973	26,666	45,216	43,573	34,548
Increase/(decrease) in employee entitlements	6,980	-	6,544	6,701	7,434	7,627	7,224	7,089	8,198	8,734	8,970
Increase/(decrease) in provisions	(4,247)	(3,394)	(3,394)	(3,394)	(3,394)	(3,394)	(3,394)	(3,394)	(3,394)	(3,394)	(3,394)
	175,605	466,777	(10,979)	(16,355)	(22,697)	(9,460)	(15,084)	(20,163)	(21,633)	(16,573)	(22,340)
Net cashflow from operating activities	4,867,164	3,976,115	3,770,548	4,112,120	4,204,452	4,245,160	4,395,791	4,494,540	4,684,944	4,837,416	5,011,600

**CARTERTON DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT
FOR THE YEARS ENDING 30 JUNE 2013-2022**

	Annual Plan 2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
<u>OPERATING FUNDING</u>											
<i>Sources of operating funding</i>											
General rates, UAGC and rates penalties	5,529,746	6,000,371	6,377,641	6,850,889	7,011,485	7,242,784	7,377,399	7,524,872	7,702,855	7,960,832	8,114,036
Targeted rates (other than water supply)	2,338,857	2,513,468	2,678,947	2,820,260	2,976,125	2,928,710	2,998,804	3,110,741	3,323,275	3,448,439	3,639,901
Grants, subsidies and donations	836,368	707,816	709,071	737,275	708,390	708,498	737,586	708,702	708,816	737,932	709,079
Fees, charges and targeted rates for water supply	1,456,788	1,430,899	1,500,444	1,549,301	1,602,347	1,659,521	1,717,028	1,776,441	1,840,438	1,912,258	1,986,608
Interest and dividends from investments	70,564	97,632	117,075	155,195	174,070	235,988	291,019	308,636	319,728	334,835	350,436
Local authorities fuel tax, fines, infringement fees and other	743,420	461,034	467,626	436,201	449,594	512,669	477,297	491,640	561,403	524,409	542,059
Total operating funding	10,975,743	11,211,219	11,850,804	12,549,121	12,922,010	13,288,170	13,599,132	13,921,033	14,456,516	14,918,705	15,342,119
<i>Applications of operating funding</i>											
Payments to staff and suppliers	7,906,831	8,375,319	8,677,447	8,931,804	9,201,993	9,452,693	9,654,454	9,904,730	10,268,957	10,608,632	10,877,695
Finance costs	420,310	519,815	672,144	740,816	756,579	857,062	822,640	803,062	795,448	785,189	774,387
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	8,327,141	8,895,134	9,349,591	9,672,620	9,958,572	10,309,755	10,477,094	10,707,792	11,064,405	11,393,821	11,652,082
Surplus/(deficit) of operating funding	2,648,602	2,316,085	2,501,213	2,876,501	2,963,438	2,978,415	3,122,038	3,213,241	3,392,111	3,524,885	3,690,036
<u>CAPITAL FUNDING</u>											
<i>Sources of capital funding</i>											
Grants, subsidies and donations	1,908,463	918,720	945,380	906,320	906,320	906,320	906,320	906,320	906,320	906,320	906,320
Development and financial contributions	280,000	310,000	319,920	330,157	341,383	353,331	365,344	377,401	389,855	403,890	418,026
Increase/(decrease) in debt	4,117,416	3,150,893	870,344	437,177	169,248	1,106,406	(485,356)	(81,988)	(132,352)	(160,742)	(147,890)
Gross proceeds from sale of assets	250,000	-	250,000	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total capital funding	6,555,879	4,379,613	2,385,644	1,673,654	1,416,951	2,366,057	786,308	1,201,733	1,163,823	1,149,468	1,176,456
<i>Applications of capital funding</i>											
Capital expenditure - meet additional demand	8,502,500	1,124,589	12,372	375,026	82,933	-	318,358	6,731	340,900	3,592	20,701
Capital expenditure - improve level of service	253,713	1,530,728	404,474	527,265	284,318	137,146	-	84,140	-	-	-
Capital expenditure - replace existing assets	3,253,592	4,297,516	3,286,934	3,172,651	3,131,132	3,228,458	3,140,847	4,007,709	4,034,712	4,228,162	4,571,554
Increase/(decrease) in reserves	(2,805,324)	(257,135)	1,183,077	475,214	882,006	1,978,869	449,142	316,394	180,322	442,598	274,237
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	9,204,481	6,695,698	4,886,857	4,550,156	4,380,389	5,344,472	3,908,346	4,414,974	4,555,934	4,674,353	4,866,492
Surplus/(deficit) of Capital Funding	(2,648,602)	(2,316,085)	(2,501,213)	(2,876,501)	(2,963,438)	(2,978,415)	(3,122,038)	(3,213,241)	(3,392,111)	(3,524,885)	(3,690,036)
Funding balance	-	-	-	-	-	-	-	-	-	-	-



CARTERTON DISTRICT COUNCIL
PROSPECTIVE RECONCILIATION OF NET SURPLUS/(DEFICIT) TO COUNCIL FUNDING IMPACT STATEMENT
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Annual Plan 2012 \$	Year ending 30 June									
		LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Operating surplus/(deficit) from cost of service statements											
Governance	14,034	8,923	(11,813)	12,392	7,271	(31,989)	(7,191)	(6,551)	(30,909)	(3,436)	(16,338)
Roads and footpaths	(3,089)	144,150	194,325	227,152	224,779	243,228	168,029	165,140	163,401	70,991	69,897
Water supply	(6,447)	(8,862)	(11,908)	(15,570)	(17,922)	(22,408)	(27,661)	(28,580)	(26,524)	(24,460)	(40,225)
Sewerage	46,910	(8,996)	(50,336)	(34,951)	(10,649)	(106,360)	(99,325)	(127,507)	(71,198)	(42,970)	(26,308)
Stormwater	6,228	(343)	(566)	(3,129)	1,915	139	2,058	3,013	1,364	5,306	6,517
Waste management	11,150	12,045	12,086	11,265	10,721	9,008	7,776	7,921	8,547	9,488	9,717
Community support	1,055,324	(488,654)	(527,093)	(545,439)	(489,595)	(474,676)	(482,280)	(425,641)	(405,507)	(383,443)	(325,083)
Regulatory and planning	(77,582)	70,556	70,546	68,124	66,634	63,494	61,562	60,492	61,020	60,316	60,112
Administration and support services	700,870	544,300	583,789	577,637	610,889	688,111	758,458	791,498	818,560	851,681	885,370
add Vested assets	-	-	-	-	-	-	-	-	-	-	-
add Interest on internal borrowing	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) after tax per Statement of Comprehensive Income	1,747,398	273,119	259,031	297,481	404,044	368,546	381,426	439,786	518,755	543,474	623,657
add Proceeds from sale of assets not included in the FIS	150,000	-	192,630	-	-	-	-	-	-	-	-
less Vested assets and interest on internal borrowing not included in the FIS	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) before vested assets and internal interest	1,897,398	273,119	451,661	297,481	404,044	368,546	381,426	439,786	518,755	543,474	623,657
less Capital grants, subsidies and donations	(1,908,463)	(918,720)	(945,380)	(906,320)	(906,320)	(906,320)	(906,320)	(906,320)	(906,320)	(906,320)	(906,320)
less Development and financial contributions	(280,000)	(310,000)	(319,920)	(330,157)	(341,383)	(353,331)	(365,344)	(377,401)	(389,855)	(403,890)	(418,026)
less Gross proceeds from sale of assets	(250,000)	-	(250,000)	-	-	-	-	-	-	-	-
add Depreciation not included in the FIS	3,189,667	3,271,686	3,564,852	3,815,498	3,807,097	3,869,520	4,012,276	4,057,176	4,169,531	4,291,621	4,390,725
Surplus/(deficit) of operating funding	2,648,602	2,316,085	2,501,213	2,876,501	2,963,438	2,978,415	3,122,038	3,213,241	3,392,111	3,524,885	3,690,036
Balance as per Council FIS surplus/(deficit) of funding	2,648,602	2,316,085	2,501,213	2,876,501	2,963,438	2,978,415	3,122,038	3,213,241	3,392,111	3,524,885	3,690,036

CARTERTON DISTRICT COUNCIL
NOTE—DEPRECIATION PER GROUP OF ACTIVITIES

This table shows the depreciation expense charged to each group of activities in each year of the Long Term Plan

	Year ending 30 June									
	LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Governance	1,406	2,194	2,511	2,538	2,824	2,683	3,003	2,970	2,917	2,672
Roads and footpaths	1,260,752	1,293,357	1,423,262	1,443,666	1,464,712	1,598,476	1,621,065	1,644,538	1,827,052	1,852,291
Water supply	465,045	476,420	488,948	497,908	512,983	554,358	598,487	642,650	626,886	679,279
Sewerage	292,573	407,276	455,869	511,227	508,118	514,726	561,804	602,410	633,574	688,703
Stormwater	58,415	66,210	66,216	66,218	70,477	70,479	70,479	77,582	77,475	77,476
Waste management	26,474	28,940	30,112	29,483	29,697	30,226	29,305	29,480	15,374	14,668
Community support	938,984	1,010,678	1,041,474	966,931	990,399	998,302	929,337	931,427	888,347	830,967
Regulatory and planning	18,425	22,066	25,784	26,783	28,449	20,987	17,318	17,148	14,624	16,683
Administration and support services	209,612	257,712	281,321	262,344	261,860	222,042	226,377	221,326	205,371	227,989
Total depreciation	3,271,686	3,564,853	3,815,497	3,807,098	3,869,519	4,012,279	4,057,175	4,169,531	4,291,620	4,390,728

Statement of special funds reserves

The Council maintains special funds reserves as a sub-part of its equity. Schedule 10, clause 16 of the Local Government Act 2002 requires certain information to be included in the Long Term Plan about these reserves. The Act defines reserve funds as ‘money set aside by a local authority for a specific purpose’. Reserves are part of equity, which may or may not be physically backed by cash/investments. Reserves are often used to separate a funding surplus of an activity.

The following statement presents movements over the ten years of the Plan for each of the reserves. An explanation of the purpose and activities of each reserve is included in the Council’s investment policy (see appendix A).



CARTERTON DISTRICT COUNCIL
STATEMENT OF SPECIAL FUNDS RESERVES
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Year ending 30 June									
	LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Major Projects Fund										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Deposits	-	250,000	-	-	-	-	-	-	-	-
Withdrawals	-	(250,000)	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-	-
Plant Purchase and Renewal Fund										
Opening Balance	28,376	29,653	30,987	32,381	33,838	35,361	36,952	38,615	40,353	42,169
Deposits	1,277	1,334	1,394	1,457	1,523	1,591	1,663	1,738	1,816	1,898
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	29,653	30,987	32,381	33,838	35,361	36,952	38,615	40,353	42,169	44,067
Recreation Reserve Levy Fund										
Opening Balance	309,982	423,931	546,208	305,239	363,279	493,605	575,320	722,951	881,244	1,051,187
Deposits	113,949	122,277	131,081	123,859	130,326	140,065	147,631	158,293	169,943	182,150
Withdrawals	-	-	(372,050)	(65,820)	-	(58,350)	-	-	-	-
Closing Balance	423,931	546,208	305,239	363,279	493,605	575,320	722,951	881,244	1,051,187	1,233,337
Roading Emergency Works Fund										
Opening Balance	74,114	110,099	147,703	187,000	228,065	270,978	315,822	362,684	411,655	462,829
Deposits	35,985	37,604	39,297	41,065	42,913	44,844	46,862	48,971	51,174	53,477
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	110,099	147,703	187,000	228,065	270,978	315,822	362,684	411,655	462,829	516,306
Water Race Intake Fund										
Opening Balance	21,642	27,616	33,859	40,383	47,200	54,324	61,769	69,549	77,679	86,175
Deposits	5,974	6,243	6,524	6,817	7,124	7,445	7,780	8,130	8,496	8,878
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	27,616	33,859	40,383	47,200	54,324	61,769	69,549	77,679	86,175	95,053
Waste Disposal Fund										
Opening Balance	7,801	26,152	45,905	67,141	89,985	114,550	140,918	169,173	199,423	231,848
Deposits	18,351	19,753	21,236	22,843	24,565	26,369	28,255	30,250	32,426	34,705
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	26,152	45,905	67,141	89,985	114,550	140,918	169,173	199,423	231,848	266,554



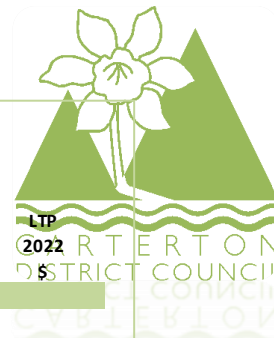
CARTERTON DISTRICT COUNCIL
STATEMENT OF SPECIAL FUNDS RESERVES
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Year ending 30 June									
	LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Creative NZ Fund										
Opening Balance	1,687	1,763	1,842	1,925	2,012	2,103	2,198	2,297	2,400	2,508
Deposits	76	79	83	87	91	95	99	103	108	113
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,763	1,842	1,925	2,012	2,103	2,198	2,297	2,400	2,508	2,621
Sport New Zealand Rural Travel Fund										
Opening Balance	7,180	7,503	7,841	8,194	8,563	8,948	9,351	9,772	10,212	10,672
Deposits	323	338	353	369	385	403	421	440	460	480
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	7,503	7,841	8,194	8,563	8,948	9,351	9,772	10,212	10,672	11,152
Keep Carterton Beautiful Fund										
Opening Balance	6,111	5,844	5,548	5,220	4,859	4,460	4,022	3,543	3,021	2,450
Deposits	275	263	250	235	219	201	181	159	136	110
Withdrawals	(542)	(559)	(577)	(597)	(618)	(639)	(660)	(682)	(706)	(731)
Closing Balance	5,844	5,548	5,220	4,859	4,460	4,022	3,543	3,021	2,450	1,830
Water Race Resource Consent Fund										
Opening Balance	-	12,000	24,540	37,644	51,338	65,648	80,602	96,229	112,559	129,624
Deposits	12,000	12,540	13,104	13,694	14,310	14,954	15,627	16,330	17,065	17,833
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	12,000	24,540	37,644	51,338	65,648	80,602	96,229	112,559	129,624	147,457
Clareville Grave Maintenance Trust Fund										
Opening Balance	2,215	2,315	2,419	2,528	2,642	2,761	2,885	3,015	3,151	3,293
Deposits	100	104	109	114	119	124	130	136	142	148
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	2,315	2,419	2,528	2,642	2,761	2,885	3,015	3,151	3,293	3,441
Memorial Square Trust Fund										
Opening Balance	6,219	6,499	6,791	7,097	7,416	7,750	8,099	8,463	8,844	9,242
Deposits	280	292	306	319	334	349	364	381	398	416
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	6,499	6,791	7,097	7,416	7,750	8,099	8,463	8,844	9,242	9,658



CARTERTON DISTRICT COUNCIL
STATEMENT OF SPECIAL FUNDS RESERVES
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Year ending 30 June									
	LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
WWII Memorial Trust Fund										
Opening Balance	61,580	63,351	65,202	67,136	69,157	71,269	73,476	75,782	78,192	80,711
Deposits	4,371	4,451	4,534	4,621	4,712	4,807	4,906	5,010	5,119	5,232
Withdrawals	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)
Closing Balance	63,351	65,202	67,136	69,157	71,269	73,476	75,782	78,192	80,711	83,343
Longbush Domain Board Fund										
Opening Balance	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998
Deposits	-	-	-	-	-	-	-	-	-	-
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998	1,998
West Taratahi Hall Board										
Opening Balance	14,348	14,348	14,348	14,348	14,348	14,348	14,348	14,348	14,348	14,348
Deposits	-	-	-	-	-	-	-	-	-	-
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	14,348	14,348	14,348	14,348	14,348	14,348	14,348	14,348	14,348	14,348
Election Contingency Fund										
Opening Balance	880	9,420	(7,156)	1,022	9,568	(7,001)	1,184	9,737	(6,825)	1,368
Deposits	8,540	424	8,178	8,546	431	8,185	8,553	438	8,193	8,562
Withdrawals	-	(17,000)	-	-	(17,000)	-	-	(17,000)	-	-
Closing Balance	9,420	(7,156)	1,022	9,568	(7,001)	1,184	9,737	(6,825)	1,368	9,930
Workshop Depot Upgrade Fund										
Opening Balance	43,688	45,654	47,708	49,855	52,098	54,442	56,892	59,452	62,127	64,923
Deposits	1,966	2,054	2,147	2,243	2,344	2,450	2,560	2,675	2,796	2,922
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	45,654	47,708	49,855	52,098	54,442	56,892	59,452	62,127	64,923	67,845
Combined District Plan Fund										
Opening Balance	(636,992)	(585,157)	(530,989)	(474,384)	(415,231)	(353,416)	(288,820)	(221,317)	(150,776)	(77,061)
Deposits	51,835	54,168	56,605	59,153	61,815	64,596	67,503	70,541	73,715	77,032
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	(585,157)	(530,989)	(474,384)	(415,231)	(353,416)	(288,820)	(221,317)	(150,776)	(77,061)	(29)



CARTERTON DISTRICT COUNCIL
STATEMENT OF SPECIAL FUNDS RESERVES
FOR THE YEARS ENDING 30 JUNE 2013-2022

	Year ending 30 June									
	LTP 2013 \$	LTP 2014 \$	LTP 2015 \$	LTP 2016 \$	LTP 2017 \$	LTP 2018 \$	LTP 2019 \$	LTP 2020 \$	LTP 2021 \$	LTP 2022 \$
Roading Contribution Fund										
Opening Balance	716,436	648,676	581,066	463,716	394,707	326,447	258,990	192,387	126,804	62,797
Deposits	132,240	132,390	132,650	130,990	131,740	132,543	133,397	134,417	135,993	137,673
Withdrawals	(200,000)	(200,000)	(250,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Closing Balance	648,676	581,066	463,716	394,707	326,447	258,990	192,387	126,804	62,797	470
Infrastructure Contributions Reserve										
Opening Balance	637,340	546,020	423,791	449,364	429,709	463,024	501,713	446,032	391,863	239,784
Deposits	128,680	127,771	125,573	130,344	133,315	138,689	144,319	145,831	147,921	145,637
Withdrawals	(220,000)	(250,000)	(100,000)	(150,000)	(100,000)	(100,000)	(200,000)	(200,000)	(300,000)	(300,000)
Closing Balance	546,020	423,791	449,364	429,709	463,024	501,713	446,032	391,863	239,784	85,421
Waingawa Infrastructure Contributions Reserve										
Opening Balance	101,756	116,335	131,890	148,475	166,169	185,044	205,157	226,563	249,334	273,583
Deposits	14,579	15,555	16,585	17,693	18,876	20,112	21,406	22,771	24,249	25,796
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	116,335	131,890	148,475	166,169	185,044	205,157	226,563	249,334	273,583	299,378
Belvedere Hall Fund										
Opening Balance	3,285	3,285	3,285	3,285	3,285	3,285	3,285	3,285	3,285	3,285
Deposits	-	-	-	-	-	-	-	-	-	-
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	3,285	3,285	3,285	3,285	3,285	3,285	3,285	3,285	3,285	3,285
Waingawa Industrial Zone Services Deficit										
Opening Balance	11,376	11,888	12,423	12,982	13,566	14,176	14,814	15,481	16,178	16,906
Deposits	512	535	559	584	610	638	667	697	728	761
Withdrawals	-	-	-	-	-	-	-	-	-	-
Closing Balance	11,888	12,423	12,982	13,566	14,176	14,814	15,481	16,178	16,906	17,667
Special Funds Reserves—Summary										
Opening Balance	1,421,022	1,529,193	1,597,209	1,432,551	1,578,569	1,834,103	2,080,974	2,310,039	2,537,067	2,714,638
Deposits	531,313	788,175	560,570	565,035	575,751	608,460	632,324	647,310	680,877	703,823
Withdrawals	(423,142)	(720,159)	(725,227)	(419,017)	(320,218)	(361,589)	(403,260)	(420,282)	(503,306)	(503,331)
Closing Balance	1,529,193	1,597,209	1,432,551	1,578,569	1,834,103	2,080,974	2,310,039	2,537,067	2,714,638	2,915,131

Funding impact statement

The revenue and financing mechanisms to be used to cover the estimated expenses of the Council are covered in the Revenue and Financing Policy.

The method and impact of both general and targeted rates is covered in the 'Rating System' section that follows. While the specific rating details given in the following pages are for the 2012/13 year the principles and definitions have been used for the full period covered by the LTP.

Definition of 'separately used or inhabited part of a rating unit'

Any part of a rating unit separately used or inhabited by the owner or any other who has the right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement.

Rating system

Introduction

Clause 20 of Schedule 10 of the Local Government Act 2002 requires a funding impact statement for the year to which the annual plan relates.

The funding impact statement must identify:

- the sources of funding to be used by the Council
- the amount of funds expected to be produced from each source
- how the funds are to be applied.

If the sources of funding include a general rate, the funding impact statement must:

- include particulars of the valuation system on which the general rate is to be assessed, eg land, annual or capital value
- state whether a uniform annual general charge is to be included and, if so, how the charge is to be calculated and the Council's definition of a separately used or inhabited part of a rating unit if the charge is to be calculated on that basis
- state whether the general rate is to be set differentially and, if so, state the category or categories that will be used for differentiating the general rate within the meaning of Section 14 of the Local Government (Rating) Act 2002 and the objectives of the differential rate in

terms of the total revenue sought from each category of rateable land or the relationship between the rates set on rateable land in each category.

If the sources of funding include a targeted rate, the funding impact statement must:

- specify the activity or groups of activities for which a targeted rate will be set
- specify any category or categories of rateable land that will be used to set a targeted rate on a differential basis or determine whether a property will be liable for a targeted rate
- state any factor or factors that will be used to calculate liability for a targeted rate
- state the Council's definition of a separately used or inhabited part of a rating unit if the rate is to be calculated on that basis
- state the total revenue sought from each category of rateable land or the relationship between the rates set on rateable land in each category if the targeted rate is to be set differentially
- state whether lump sum contributions will be invited in respect of the targeted rate
- state the basis for setting charges for water supply if it is to be by volume of water consumed, eg as a fixed charge per unit of water consumed or supplied or according to a scale of charges.

General rates

The Council proposes to set a general rate based on the capital value of each rating unit in the District.

The general rate will be set on a differential basis over three rating categories as follows:

- Residential
 - all rating units used primarily for residential purposes within the residential zone of the Carterton District as depicted in the District Plan
 - all rating units located in the commercial and industrial zones of Carterton District, as depicted in the District Plan, that are primarily used for residential purposes
 - all rating units associated with utility services (water, telecommunications, etc) that are located in the urban area.
- Commercial
 - all rating units in the commercial zone of Carterton District, including the Carterton Character Area, as depicted in the District Plan, and all rating units outside the said commercial zone that have existing use rights or resource consent to undertake commercial land use activities under the Resource Management Act 2001



- all rating units in the industrial zone of Carterton District, as depicted in the District Plan, and all rating units outside the said industrial zone that have existing use rights or resource consent to carry out industrial land use activities under the Resource Management Act 2001.
- Rural
 - all rating units within the rural zone of Carterton District, as depicted in the District Plan, but excluding those rating units that hold and are exercising existing use rights or resource consent to carry out commercial or industrial land use activities under the Resource Management Act 2001
 - all rating units associated with utility services (water, telecommunications, etc) that are located in the rural area.

Uniform Annual General Charge

The Council proposes to set a Uniform Annual General Charge on each rating unit in the District.

The Uniform Annual General Charge is calculated as one fixed amount per rating unit.

Targeted rates

Resource management and planning service rate

The Council proposes to set a resource management and planning service rate for resource management and district planning services, on every rating unit in the District calculated on capital value.

Urban sewerage rate

The Council proposes to set a differential targeted rate for the Council's urban sewerage and treatment and disposal of sewage services of a fixed amount per separately used or inhabited part of a rating unit in relation to all land in the district to which the Council's sewerage service is provided or available.

The rate applied is as follows:

- a charge per rating unit connected
- a charge per water closet or urinal within the rating unit after the first one

- a charge per rating unit that is able to be connected.

For the purposes of this rate:

- 'connected' means the rating unit is connected to the Council's urban sewerage service
- 'able to be connected' means the rating unit is not connected to the Council's urban sewerage drain but is within 30 metres of such a drain
- a rating unit used primarily as a residence for one household is treated as not having more than one water closet.

Waingawa sewerage rate

The Council proposes to charge a targeted rate of a fixed amount on every separately used or inhabited part of a rating unit that is connected to the Waingawa sewerage service.

Additionally, the Council proposes to set a Waingawa sewerage rate based on capital value on all properties connected or able to be connected to the Waingawa sewerage service.

For the purposes of this rate:

- 'connected' means a rating unit that is connected to the reticulated sewerage service
- 'able to be connected' means a rating unit that can be connected to the sewerage service, but is not, and is a property situated within 30 metres of such a drain.

The purpose of this rate is to fund the operation and maintenance of the Waingawa sewerage service.

Stormwater rate

The Council proposes to set stormwater rate on all rating units within the urban area and is calculated on land value.

Refuse collection and kerbside recycling rate

The Council proposes to set a refuse collection and kerbside recycling rate for kerbside refuse and recycling collection on every separately used or inhabited part of a rating unit where the Council provides the service.



Urban water rate

The Council proposes to charge a targeted urban water rate of a fixed amount for an allowance of up to 300 cubic metres of water per year, on every separately used or inhabited part of a rating unit that has been fitted with a water meter or meters and is connected to the Council's urban water supply system.

Additionally, the Council proposes to charge a targeted water rate per cubic metre of water supplied, as measured by meter, for water consumed over 300 cubic metres per year. This rate will be invoiced separately from land rates.

The Council proposes to charge a targeted water rate of a fixed amount for rating units that are not yet connected but are able to be connected to the urban water supply.

For the purposes of this rate:

- 'connected' means a rating unit to which water is supplied
- 'able to be connected' means a rating unit to which water can be, but is not, supplied being a property situated within 100 metres of the water supply.

The purpose of this rate is to fund the operation and maintenance of the urban water supply.

Rural water race rate

Carrington Water Race System

The Council proposes to charge a targeted rate on a differential basis, calculated on land area, on rating units within the Carrington water race system classified area as follows:

- Class A land area 200 metres either side of the centreline of the water race
- Class B land area from 200 to 500 metres either side of the centreline of the water race
- Class C land area irrigated.

Additionally, the Council proposes to set a rural water services rate, on every rating unit situated in the Carrington Water Race Classified Area for provision of the service.

Taratahi Water Race System

The Council proposes to charge a targeted rate on a differential basis, calculated on land area, on rating units within the Taratahi water race system classified area as follows:

- Class A land area 200 metres either side of the centreline of the water race
- Class B land area from 200 to 500 metres either side of the centreline of the water race
- Class C land area irrigated.

Additionally, the Council proposes to set a rural water services rate, on every rating unit situated in the Taratahi Water Race Classified Area for provision of the service.

Waingawa water rate

The Council proposes to charge a targeted rate of a fixed amount on every separately used or inhabited part of a rating unit that has been fitted with a water meter or meters and is connected to the Waingawa Water Supply service.

Additionally, the Council proposes to charge a targeted rate per cubic meter of water supplied, as measured by meter, for all water consumed. This rate will be invoiced separately from other rates.

The Council proposes to charge a targeted rate of a fixed amount for rating units that are not yet connected but are able to be connected to the Waingawa Water Supply service.

For the purposes of this rate:

- 'connected' means a rating unit to which water is supplied
- 'able to be connected' means a rating unit to which water can be, but is not, supplied being a property situated within 100 metres of the water supply.

The purpose of this rate is to fund the operation and maintenance of the Waingawa Water Supply service.

Rates and charges 2012/13

The following rates and charges should be read in conjunction with the funding impact statement on the previous pages.

	GST inclusive
General rates—differential factor	
Residential	1.0
Commercial	2.0
Rural	0.8
General rates—capital value	
Residential	0.23346 cents in the \$
Commercial	0.46693 cents in the \$
Rural	0.18677 cents in the \$
Uniform Annual General Charge	\$714.44
50% Uniform Annual General Charge	\$357.22
Regulatory and planning services—capital value	0.01992 cents in the \$
Urban sewerage	
Connected	\$327.63
Able to be connected (half charge)	\$163.81
Waingawa sewerage—capital value	
Connected	\$346.25
Connected or able to be connected commercial properties in the Waingawa industrial zone	0.2868 cents in the \$
Connected or able to be connected residential properties in the Waingawa industrial zone	0.1434 cents in the \$

	GST inclusive
Stormwater—land value	0.08926 cents in the \$
Refuse collection and kerbside recycling	\$72.43
Urban water	
Connected	\$420.11
Able to be connected	\$210.05
Metered water in excess of 300 cubic metres	\$1.90 per cubic metre
Rural water race	
<i>Carrington water race</i>	
Class A	\$59.35719 per ha
Class B	\$11.94972 per ha
Class C	\$98.90874 per ha
Rural water services rate	\$207.71
<i>Taratahi water race</i>	
Class A	\$11.56304 per ha
Class B	\$2.33529 per ha
Class C	\$78.9940 per ha
Rural water services rate	\$157.68
Waingawa water	
Connected	\$172.86
Metered water	\$1.75 per cubic metre



Independent Auditor's Report

To the readers of

Carterton District Council's

Long-Term Plan

for the ten years commencing 1 July 2012

The Auditor-General is the auditor of Carterton District Council (the District Council type). The Auditor-General has appointed me, Leon Pieterse, using the staff and resources of Audit New Zealand, to report on the Long Term Plan (LTP), on her behalf. We have audited the District Council's LTP dated 27 June 2012 for the ten years commencing 1 July 2012.

The Auditor-General is required by section 94(1) of the Local Government Act 2002 (the Act) to report on:

- the extent to which the LTP complies with the requirements of the Act; and
- the quality of information and assumptions underlying the forecast information provided in the LTP.

Opinion

Overall Opinion

In our opinion the District Council's LTP dated 27 June 2012 provides a reasonable basis for long term integrated decision-making by the District Council and for participation in decision-making by the public

and subsequent accountability to the community about the activities of the District Council.

In forming our overall opinion, we considered the specific matters outlined in section 94(1) of the Act which we report on as follows.

Opinion on Specific Matters Required by the Act

In our view:

- **the District Council has complied with the requirements of the Act in all material respects demonstrating good practice for a council of its size and scale within the context of its environment; and**
- **the underlying information and assumptions used to prepare the LTP provide a reasonable and supportable basis for the preparation of the forecast information.**

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Accordingly, we express no opinion as to whether the forecasts will be achieved.

Our report was completed on 27 June 2012. This is the date at which our opinion is expressed.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the International Standard on Assurance Engagements (New Zealand) 3000: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the Auditor-General's Auditing Standards, which incorporate the International



Standards on Auditing (New Zealand). We have examined the forecast financial information in accordance with the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information.

Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain all the information and explanations we considered necessary to obtain reasonable assurance that the LTP does not contain material misstatements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves performing procedures to obtain audit evidence about the forecast information and disclosures in the LTP. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the information in the LTP. In making those risk assessments we consider internal control relevant to the preparation of the District Council's LTP. We consider internal control in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.

Our audit procedures also include assessing whether:

- the LTP provides the community with sufficient and balanced information about the strategic and other key issues, and implications it faces and provides for participation by the public in decision making processes;
- the District Council's financial strategy, supported by financial policies is financially prudent, and has been clearly communicated to the community in the LTP;
- the presentation of the LTP complies with the legislative requirements of the Act;
- the decision-making and consultation processes underlying the development of the LTP are compliant with the decision-making and consultation requirements of the Act;

- the information in the LTP is based on materially complete and reliable asset or activity information;
- the agreed levels of service are fairly reflected throughout the LTP;
- the District Council's key plans and policies have been consistently applied in the development of the forecast information;
- the assumptions set out within the LTP are based on best information currently available to the District Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast information has been properly prepared on the basis of the underlying information and the assumptions adopted and the financial information complies with generally accepted accounting practice in New Zealand;
- the rationale for the activities is clearly presented;
- the levels of service and performance measures are reasonable estimates and reflect the key aspects of the District Council's service delivery and performance; and
- the relationship of the levels of service, performance measures and forecast financial information has been adequately explained within the LTP.

We do not guarantee complete accuracy of the information in the LTP. Our procedures included examining on a test basis, evidence supporting assumptions, amounts and other disclosures in the LTP and determining compliance with the requirements of the Act. We evaluated the overall adequacy of the presentation of information. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Council

The Council is responsible for preparing a LTP under the Act, by applying the Council's assumptions and presenting the financial information in accordance

with generally accepted accounting practice in New Zealand. The Council is also responsible for such internal control as it determines is necessary to enable the preparation of a LTP that is free from material misstatement.

The Council's responsibilities arise from Section 93 of the Act.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the LTP and reporting that opinion to you based on our audit. This responsibility arises from section 15 of the Public Audit Act 2001 and section 94(1) of the Act.

It is not our responsibility to express an opinion on the merits of any policy content within the LTP.

Independence

When reporting on the LTP we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than this report and in conducting the audit of the LTP Statement of Proposal and the annual audit, we have no relationship with or interests in the District Council.

Other than this report and in conducting the annual audit, we have no relationship with or interests in the District Council or any of its subsidiaries.



Leon Pieterse
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand

Matters relating to the electronic presentation of the Report to readers of the Long-Term Plan

This audit report relates to the Long-Term Plan of Carterton District Council for the ten years commencing 1 July 2012 included on the Council's website. Carterton District Council is responsible for the maintenance and integrity of its website. We have not been engaged to report on the integrity of Carterton District Council's website. We accept no responsibility for any changes that may have occurred to the Long-Term Plan since they were initially presented on the website.

The audit report refers only to the Long-Term Plan named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the Long-Term Plan. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited Long-Term Plan as well as the related audit report dated 27 June 2012 **Error! Bookmark not defined.** to confirm the information included in the audited Long-Term Plan presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.





Appendix A

Funding and financial policies

Introduction to funding and financial policies

This appendix contains funding and financial policies required by the Local Government Act 2002. The policies are as follows:

Revenue and financing policy

This policy describes the process and rationale for how the Council activities are funded.

Investment policy

This policy sets out the approach taken to the management of the Council's investments.

Liability management policy

This policy describes the approach to borrowing, cash management, and other financial liabilities, including the management of associated risks.

Development contributions or financial contributions policy

This policy describes the financial contributions the Council will require from developers when their property development imposes increased demand on Council services.

Remission and postponement of rates policies

These policies provide for those circumstances where there is legitimate case for some rates to be reduced, or for the payment to be deferred, and include a specific policy on the remission and postponement of rates on Māori freehold land.

Significance policy

This policy sets out how the Council will determine the relative significance of proposals, decisions in relation to issues, assets, or other matters. The degree of significance is important in determining the level and extent of analysis, review and consultation that may be required.

Revenue and financing policy

Introduction

This revenue and financing policy summarises the funding of activities undertaken by the Council, with a view to achieving the fairest funding mix for the community as a whole. Section 103 of the Local Government Act 2002 ('the Act') requires a local authority to have a revenue and financing policy that demonstrates how operating expenditure and capital expenditure are funded or financed.

Legislative requirements

Section 103 of the Act requires the Council to:

- state the Council's policies in respect of funding operating expenses
- state the Council's policies in respect of funding capital expenditure
- show how the funding mechanisms for operating expenditure chosen comply with the provision of Section 101(3) of the Act.

Section 101 of the Act requires the Council to:

- manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community
- make adequate and effective provision in its LTP and in its annual plan to meet the expenditure needs identified in the LTP and annual plan
- meet its funding needs from those sources that it determines to be appropriate, following consideration of the:
 - community outcomes to which the activity primarily contributes
 - distribution of benefits between the community as a whole, any identifiable part of the community, and individuals
 - period in or over which those benefits are expected to occur
 - extent to which the action or inaction of particular individuals or a group contributes to the need to undertake the activity

- costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities
- overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

How the Council decides to fund its activities

Councils are required to have a revenue and financing policy to show who pays for the services it provides. The principles relating to this are outlined above. When determining how to fund an activity the council considers, among other things, who benefits from the activity. This is done by considering the private and public benefits of an activity.

Private benefits

Some services are provided to distinct groups of properties within the service or contract areas. The prominent services under this heading are:

- sewerage and the treatment and disposal of sewage
- stormwater drainage
- waste management
- water supply.

The costs of these services are generally shared among the ratepayers who either have access to or use these services. These are called private benefits.

Public benefits

More difficult to determine are the beneficiaries of other Council services such as:

- cemeteries
- governance (the cost of running the Council and its committees)
- social and economic development
- Events Centre
- parks and reserves



- public toilets
- roads and footpaths.

Control of negative effects

The Council may incur expenditure to protect the community from actual or potential problems. Wherever possible the cost of this will be passed on to those persons who cause the negative effect. Dog control and noise control are examples where the Council will endeavour to pass on expenditure through fines and penalties.

Funding of operating expenditure

The funding for operating expenditure will come from the following sources:

General rates

Funding from general rates is applied to those activities where it has been deemed that there is a general district-wide benefit to providing the service.

Uniform Annual General Charge (UAGC)

A UAGC is a rate of a uniform amount levied on each separately used or inhabited part of a rating unit. The Council endeavours to use the UAGC for services that have a roughly equal value of public benefit to each ratepayer.

Targeted rates

Funding from targeted rates is applied to specific activities where it has been deemed that there is a direct benefit to those ratepayers receiving a particular service, eg water and wastewater services.

Fees and charges

Where the Council has deemed there is a direct or partial benefit to the end user, eg building control and resource consents. For activities where enforcement action is necessary the 'exacerbator pays' principle applies where practicable.

Other sources

There are other sources of funding for operating expenditure. These include grants and subsidies, the majority of which are from the NZTA, as well as interest and dividends from investments, proceeds from the sale of assets, and donations.

Section 100 of the Act requires that the Council set operating revenue at such a level as to meet the year's operating expenditure. The Council may choose to not fully fund operating expenditure in any particular year if the deficit can be funded from operating surpluses from the immediately preceding year or subsequent years. An operating deficit will only be budgeted for when it is beneficial to avoid significant fluctuations in rates, fees or charges.

Funding of capital expenditure

Capital expenditure relates to the purchase of new assets, the replacement and renewal of existing assets, and the repayment of loan principal.

The funding for capital expenditure will generally come from depreciation reserves, subdivision financial contributions, borrowing, or a combination. Targeted rates may also fund some of the loan principal repayments for community support, water supply, stormwater drainage, sewerage and the treatment and disposal of sewage, waste management, and regulatory and planning services.

One of the considerations in relation to the funding of activities is 'the period in or over which the benefits are expected to occur' [Section 101(3)(a)(iii)]. The principle is that if the Council provides a new asset or renews an existing asset (such as a new sewerage treatment system) the cost of providing that asset should be spread over its life, so that all who benefit from it pay for its cost. This is described as 'inter-generational equity'. This is achieved by borrowing



for the cost of the asset and repaying the loan over the life of the asset, thus spreading the capital cost over the life of the asset.

Borrowing is managed within the framework specified in the liability management policy.

The Council's overall borrowing requirement is reduced to the extent that other funds are available to fund capital expenditure. Such other funds include:

- Council special fund reserves
- development contributions and financial contributions under the Resource Management Act 1991 (criteria are set out in the Wairarapa District Plan)
- annual revenue collected to cover depreciation charges
- proceeds from the sale of assets
- grants and subsidies
- donations.

Groups of activities

The following sections outline the Council's revenue and financing policy for each group of activities of the Council's operations:

- governance
- community support
- regulatory and planning
- roads and footpaths
- sewerage and the treatment and disposal
- stormwater drainage
- waste management
- water supply.

Governance

Description

- Reflects the cost of democracy associated with elected members and meetings including the cost of administration services to elected members and meetings.
- The function includes election and operating costs of the Council, standing committees and advisory groups. The costs include the holding of regular meetings and the preparation and consideration of reports for policy development, resource allocation and performance monitoring. Also the costs of general services provided for the public benefit including records preservation and costs associated with representing the interests of residents and ratepayers.

Distribution of Benefits

- Benefits the district as a whole.

Funding Mechanism

- 100 percent Uniform Annual General Charge

Community support

Description

Community development

- Promotion of economic growth and tourism potential in the district.
- Provision of funds to actively promote health, cultural and community development initiatives in the Carterton district.

Parks and reserves

- Active promotion of the use of recreational facilities by providing parks and reserves for community use.
- Management of the Kaipaitangata forest and of miscellaneous small roadside blocks in the Admiral/Clifton Grove area.

Community amenities

- A multi-purpose Events Centre that is vibrant, welcoming, and the heart of the community for cultural and social services.
- An efficient and effective library service that will meet the recreational, educational and information needs of the residents of Carterton.
- A cemetery that meets the needs of the people of the district and maintains the dignity of a last resting place.
- An outdoor swimming complex during the summer months to meet the recreational needs of the general public.
- Clean and tidy public toilets for the general public.
- A clean and tidy holiday park to attract visitors to the district.
- Reasonable-cost rental accommodation for the aged in the Carterton district.

Distribution of benefits

Community development

- Benefits to the district are related to the economic, social and cultural well-being of the community.
- Benefits the district as a whole.

Parks and reserves

- Benefits to the district are related to the recreational and aesthetic value of having attractive open spaces available for residents and visitors to the district.
- Proceeds from the sale of timber after costs of replanting and loan repayments will be

used for any other purpose as resolved by the Council for the benefit of the district as a whole.

Community amenities

- Benefits to the district are related to the health of the district's community and the general welfare of the community.

Funding mechanisms for operating expenditure

Community development

After taking into account income received, the balance of funding required for this activity is funded as follows:

- 100 percent Uniform Annual General Charge

Parks and reserves

After taking into account income received the balance of funding required for this activity is funded as follows:

- 70 percent Uniform Annual General Charge
- 30 percent General Rates

If overall Uniform Annual General Charge exceeds the statutory limit, then increase General Rates for parks and reserves first, then increase General Rates for community amenities.

Community amenities

The district as a whole benefits from the provision of these community amenities. After taking into account income received the balance of funds required to operate the community amenities is funded as follows:

- Uniform Annual General Charge, up to the statutory limit

If overall Uniform Annual General Charge exceeds the statutory limit, then increase General Rates for parks and reserves first, then increase General Rates for community amenities.

Regulatory and planning

Description

- Undertaking environmental, land use and development controls and monitoring within the district in accordance with the Resource Management Act and the District Plan.
- Maintenance and development of the Council's Geographic Information System.
- Provision of environmental health services, building control, liquor licensing, civil defence/emergency management, animal and dog control and rural fire control in compliance with the relevant legislation, regulations and bylaws in the interests of the health, safety and general welfare of residents of the district and the public in general.

Distribution of benefits

- Benefits to the district are related to the public health, safety and welfare of the community. These activities substantially benefit the district as a whole.
- There are benefits to individuals for some activities.

Funding mechanisms for operating expenditure

After taking into account income received the balance of funds required for this activity is funded as follows:

- 100 percent Targeted Rates for resource management and planning
- 100 percent General Rates for environmental health services, building control, liquor licensing, and other regulatory services

Roads and footpaths

Description

- Development and maintenance of roads, streets, footpaths and associated infrastructure.
- Promotion of policies and allocation of resources and achievement of a safe efficient land transport system that maximises local safety, economic and social benefits in partnership with NZTA.

Distribution of benefits

- Benefits to the district relating to the general availability of the roading system for public good.
- Benefits to individual users and properties at the end of rural roads, access for forestry operations, use of roads by heavy carriers, tankers and trucks.

Funding mechanisms for operating expenditure

After taking into account income received (Land Transport Subsidy) the balance of funding required for this activity is funded as follows:

- 100 percent general rates

Sewerage and the treatment and disposal of sewage

Description

- Providing the residents of the Carterton urban area, limited adjacent rural areas where access is available, and Waingawa industrial zone with a high quality and efficient sewerage system that will satisfy the needs of domestic, commercial, and industrial users.



Distribution of benefits

- Benefits to the district are related to the public health of the community.
- Benefits to the individual property owners is access to the sewerage system. This activity is substantially a private benefit to users.

Funding mechanisms for operating expenditure

After taking into account income received, the balance of funding required for this activity is funded as follows:

- 10 percent General Rates
- 90 percent Targeted Rates

Stormwater drainage

Description

- Providing the residents and ratepayers of the Carterton urban area with an efficient stormwater drainage system that will satisfy the needs of domestic, commercial and industrial users.

Distribution of benefits

- Benefits to the district are related to the protection of infrastructural assets of the district, providing safe access to the public and maintaining public health.
- Benefit to the individual property owner is that stormwater drainage is available to private properties. This activity is substantially a private benefit to users.

Funding mechanisms for operating expenditure

- 10 percent General Rates
- 90 percent Targeted Rates

Waste management

Description

- Provision of a contracted refuse and recycling collection and disposal service for urban households and some commercial properties and a disposal service for delivered solid waste.
- Provision of transfer station and facilities for disposal of refuse.

Distribution of benefits

- Benefits to the district are related to the public health of the community.
- Benefits to the individual property owners is the availability of the service. This activity is substantially a private benefit to users.

Funding mechanisms for operating expenditure

Refuse collection and kerbside recycling rate

After taking into account income received, the balance of funding required for this activity is funded as follows:

- 5 percent General Rates
- 95 percent Targeted Rates

Transfer station

After taking into account income received, the balance of funding required for this activity is funded as follows:

- 100 percent General Rates



Water supply

Description

- This activity involves the provision and maintenance of a quality water supply to meet the needs of the Carterton urban ward, of rural users where access is approved by the Council, and of commercial users in the Waingawa industrial zone.
- The provision of water for stock, industrial users at Waingawa, non-potable domestic users, and other rural users through the open water race system and the maintenance of that system.

Distribution of benefits

- Benefits to the district are public health from a quality water supply, the availability of water for fire fighting purposes, the provision of water for wetlands, and protection of the ecosystem.
- Availability of potable water to property owners connected to the water supply system is a benefit to the individual properties that can be clearly identified.
- Access to the water race system and use of water by property owners is a benefit to the individual properties that can be clearly identified.

Funding mechanisms for operating expenditure

After taking into account income received the balance of funding required for each activity—urban water, Waingawa water, and rural water races—is funded as follows:

- 10 percent General Rates
- 90 percent Targeted Rates

Operating expenditure

The following table summarises the funding mix for operating expenditure for each group of activities.

Group of activities	General rates	UAGC	Targeted rates	User charges	Subsidies
Governance		100%			
Community support—community development		100% of balance required		√	
Community support—parks and reserves	30% of balance required	70% of balance required		√	
Community support—community amenities		100% of balance required		√	
Regulatory and planning—resource management and planning			100% of balance required	√	
Regulatory and planning—regulatory services	100% of balance required			√	
Roads and footpaths	100% of balance required				√
Sewerage and the treatment and disposal of sewage	10% of balance required		90% of balance required	√	
Stormwater drainage	10%		90%		
Waste management—refuse collection and recycling	5% of balance required		95% of balance required	√ √	
Waste management—transfer station	100% of balance required			√	
Water supply	10% of balance required		90% of balance required	√	



Investment policy

Introduction

This policy has been prepared to fulfil the Council's obligations under Section 102(2)(c) and Section 105 of the Local Government Act 2002.

Legislative requirements

The Local Government Act 2002 requires every local authority to adopt a policy in respect to investments, including:

- the objectives in terms of which financial and equity investments are to be managed
- the mix of investments
- the acquisition of new investments
- an outline of the procedures by which investments are managed and reported on to the local authority
- an outline of how risks associated with investments are assessed and managed.

General policies on investments

The objectives of the Investment Policy will be consistent with overall Council objectives and strategic plans. In particular, investments will be made with regard to the following objectives:

- to manage short term cash flows in an efficient and prudent manner
- to manage a level of liquidity sufficient to meet both planned and unforeseen cash requirements
- to invest only in approved financial securities
- to maximise income on investments approved within the policy
- to minimise the risk of investments.

The Council acknowledges that there are various financial risks arising from its financial activities. The Council recognises its fiduciary responsibility as a public authority and any investments that it does hold should be at an appropriate level of risk, giving preference to conservative investment policies and avoiding speculative investments. The Council accepts that lower risk generally means lower returns on investment.

The Council has the following investments:

- cash investments held with banks for general purposes
- cash investment held with banks for specific purposes
- equity (shares)
- property intended for sale
- forestry
- land and buildings for strategic and investment purposes.

Cash investments held with banks for general purposes

The Council holds cash for a variety of reasons. These include sums reserved for particular purposes and funds held for working capital requirements. These funds are managed according to the following policies:

- To minimise the risk to the Council, funds will only be invested in institutions with a high degree of security—NZ Government, State Owned Enterprises, and Local Authorities or with institutions, being registered Banks with a Standard & Poors credit rating of 'A' or better for long term investment, and 'A-1+' or better for short term investment.
- Within the above institutions, funds are invested to optimise the return to the Council from the investment.
- Funds are invested in a way that maintains the liquidity of the Council's investment so that cash is available when needed.

Cash investment held with banks for specific purposes

The Council has a number of specific cash investments that represent monies put aside for a particular purpose as follows:

WWII Memorial Trust—Joint Council and Carterton RSA initiative. Grants from interest earned on investment distributed to Carterton district residents undertaking tertiary education.

Clareville Grave Maintenance Trust—Funds left in trust for the Council to maintain a grave at the Clareville Cemetery.

Equipment Purchase and Renewal Fund—Funds predominantly used for the purchase of plant, equipment vehicles and IT equipment.



Roading Emergency Fund—Contingency fund to be used for emergency roading works, eg damage caused by flooding. A contribution of 0.5 percent of general rates to be made to the fund annually.

Water Race Intake Reserve—Contingency fund to be used to upgrade or replace the water race intakes. An annual contribution of \$5,000.00 is to be made to the fund from the water race targeted rates.

Major Projects Fund—The funds to be used for projects that benefit the community as a whole as determined by the Council of the day.

Recreation and Reserve Account—Funds from Recreation Reserve levies as provided for in the District Plan. Funds to be used for the purchase of Esplanade Reserves and Strips as required under the Resource Management Act or for the purchase or development of new or existing recreation reserves.

Roading Contributions Fund—Monies from Roding Contribution levies as provided for in the District Plan. Funds to be used for upgrading and expanding the district's roading network.

Infrastructure Contributions Fund—Monies from Infrastructure Contribution levies as provided for in the District Plan. Funds to be used for upgrading and expanding public water supplies, and the disposal of sewage and stormwater.

Waingawa Infrastructure Contributions Fund—Monies from Waingawa Infrastructure Contribution levies as provided for in the District Plan. Funds to be used for upgrading and expanding water supply and the disposal of sewage for the Waingawa industrial area.

Longbush Domain, Belvedere Hall, and West Taratahi Hall—Monies held by the respective community organisations for activities in association with the community halls and property in their communities owned by the Council.

Waste Disposal Fund—Under the Waste Minimisation Act, a waste levy is charged on all waste disposed of in a landfill. Half the levy money goes to territorial authorities, on a population basis, so that they can improve waste minimisation in their areas.

Creative New Zealand Fund—Monies received from Creative New Zealand for the Council to distribute as grants for community arts.

Sport New Zealand Rural Travel Fund—Monies received from Sport New Zealand for the Council to distribute as travel subsidy grants to assist young people in rural school and club sports teams to participate in local sporting competitions.

Keep Carterton Beautiful Fund—Monies managed by the Keep Carterton Beautiful committee. Funds to be used for beautifying the town centre.

Water Race Resource Consent Fund—Monies set aside each year to build funds for expenditure related to renewing resource consents for the district's water races.

Memorial Square Fund—Established under the Carterton and District Memorial Square Act 1932 to obtain land and erect a memorial (now Memorial Square) and for the ongoing maintenance and upkeep of the memorial and of the associated public park or recreation ground.

Election Contingency Fund—Monies set aside by Council in non-election years to assist with the costs of elections.

Workshop Depot Upgrade Fund—Monies set aside by Council for the upgrade of the garage workshop in the Council Operations Depot.

Equity (shares)

The Council has three small shareholdings with NZ Local Government Insurance Corporation (Civic Insurance), Airtel Ltd and Farmlands. These investments are required to enable the Council to utilise specific services.

As the Council is risk adverse, it prefers not to expose itself to the risks of equity investments. With the exception of the above three shareholdings, the Council will not acquire equity investments.

Property intended for sale

The Council will not purchase property solely for investment purposes. It may purchase property to assist in social, physical, and economic development of the community in ways that the Council considers the private sector would be unlikely to achieve without the Council's intervention. Once these goals have been achieved, the properties will be disposed of.



The Council will review its portfolio of properties intended for sale every three years.

Forestry

The Council has a substantial investment in forestry due to the extensive planting of 243.8 ha from 1973 to 1983, assisted by forestry encouragement loans from the Ministry of Agriculture and Forestry ('MAF').

Harvesting began in the summer of 2003/04. Harvesting is continuing during times of favourable log prices. As trees are felled the forest is being re-planted.

Mix of investments and acquisition of new investments

The mix of Council's investments will be determined by the individual investment decisions made in furtherance of the Council's goals and objectives as set out in the LTP and Annual Plan. Investments are made to achieve a particular goal or objective.

Cash investments

Surplus funds are invested in a way that maintains the liquidity of the Council's investments so that cash is available when needed. New investments are acquired when surplus funds are available for investing. The Chief Executive has delegated authority to acquire these investments.

Disposition of revenue from investment and proceeds from sale

Revenue from special funds and reserves is retained in that fund, unless the Council approves otherwise in the Long Term Plan or Annual Plan.

Revenue from the sale of investment property is retained in the Council's Major Projects Fund.

Revenue from the realisation of the forestry investment is retained in the Council's Major Projects Fund.

Revenue from sales is either reserved or off-set for further asset acquisition.

Managing and reporting to the Council on investments

The Chief Executive has delegated authority to invest funds within the criteria outlined in this investment policy. The Chief Executive is authorised to sub-delegate this authority to the Corporate Services Manager.

The monthly financial report to the Council is to provide a copy of the bank reconciliation and a list of investment accounts, amounts invested, and the banks in which those investments are held.

Given that the Council has only three small equity investments, disclosure in the Annual Report on these items is sufficient for reporting to the Council.

The disposal of properties can only proceed by resolution of the Council.

The Council's forestry consultants provide annual reports to the Council on the forest valuation and calculations of the anticipated cash flows from harvest.

Investment risk management

The Council's exposure to risk in relation to its investment activities is relatively minimal. The greatest risk exposure arises in relation to its cash investments and property investments.

In managing its investments, the Council always seeks to minimise its risk by investing only in institutions with a high degree of security and credit rating.

The Council will not generally invest surplus funds in equity investments due to the risks involved.

The Council has a statutory obligation to promote prudent, effective, and efficient financial management. In considering investments, the Council may consider the following:

- managing risk by having a diversified investment portfolio
- identifying all or any risks
- the estimated return on investment
- the term of the investment
- the marketability of the proposed investment during its term and on completion.

Liability management policy

Introduction

This policy has been prepared to fulfil the Council's obligations under Section 102(2)(b) and Section 104 of the Local Government Act 2002.

Legislative requirements

Section 104 of the Act sets out what is to be included in the Council's Policies with respect to the management of both borrowing and other liabilities and must include the following:

- interest and rate exposure
- liquidity
- credit exposure
- debt repayment
- specific borrowing limits
- the giving of securities.

General policy

The Carterton District Council will use term borrowing to fund capital expenditure providing assets where the benefits of such expenditure are received over terms greater than one financial year and the term of borrowing would be related to the expected economic life of the assets purchased.

Internal borrowing

The Council will fund its borrowing programme for both the purchase of new assets and the re-financing of existing term debt by way of internally borrowing if it is considered prudent to do so in any given circumstances. The rate of interest charged on internal borrowing is calculated to be the weighted average rate that the Council receives on its investment portfolio.

Interest rate exposure policy

Interest rate exposure refers to the impact that movements in interest rates has on the Council's debt servicing costs and cash flow.

Factors that influence interest rates for long and short term securities are beyond the control of the Council. It is prudent to be aware of where interest rate cycles are when making a decision as to the type of borrowing to be undertaken and what arrangements might need to be entered into to manage the interest on borrowing.

The Council's objective in managing interest risk is to minimise debt servicing cost and to maintain stability of debt servicing costs.

Liquidity management policy

Liquidity refers to the availability of financial resources to meet all obligations as they arise, without incurring penalty costs.

The Council requires a minimum level of surplus liquidity to meet unexpected cash expenditure or revenue shortfall.

Short-term liquidity management is monitored and controlled through daily cash management activities with long-term liquidity management being monitored and controlled through the annual plan and LTP.

As part of its overall liquidity policy, the Council seeks to avoid a concentration of debt maturity dates and may maintain an overdraft facility to meet cash requirements if required.

Credit exposure policy

The only credit exposure risk to the Council in relation to its borrowing activities is the risk that a counterpart to an incidental arrangement may default.

Any incidental arrangement involving a contract or arrangement for the hedging of financial risks is restricted to only those with credit worthy counterparts. Creditworthy counterparts are selected on the basis of their current rating with Standard & Poors, which must be A- or better.



Any incidental arrangements involving contracts or arrangements with underwriters, brokers or any other agents are considered to be low risk and therefore do not require Council approval.

Debt payment policy

The objective of the debt payment policy is to ensure that the Council is able to repay debt on maturity with minimum impact on Council cash flows.

The Council repays its debt from targeted rates, general funds, debt repayment reserves, or from any other source that the Council may resolve to use for debt repayment.

The Council may establish 'debt repayment reserves' for external loans, but will have the discretion whether to repay or reinvest those funds having regard to the comparative interest rates and other relevant market conditions.

Borrowing limits

The Council will limit its borrowing such that all three of the following conditions are met:

- total debt as a percentage of total assets will not exceed 15 percent
- in any financial year, gross interest paid on term debt will not exceed 12 percent of gross operating revenue
- in any financial year, gross interest expense will not exceed 50 percent net cash inflow from operating activities.

Security

The objective of the security policy is to ensure that the Council is able to provide suitable security to investors whilst retaining maximum flexibility and control over assets.

The Council will offer as a security for borrowing a deed of charge over its rates. The Council will not offer security over assets of the Council, with the exception of borrowing by way of financial lease or some other form of trade credit under which it is normal practice to provide security over the asset concerned.

Management of borrowing

The Council approves all proposed borrowing through the annual plan process and reports public debt levels in the annual report.

The Council's borrowing activities are managed through its finance function, which has the following responsibilities:

- provide appropriate finance, in terms of both maturity and interest rates and manage the Council's borrowing programme to ensure funds are readily available at the best margins and costs available to the market
- minimise adverse interest rate related increases on ratepayers' charges and maintain overall interest cost and revenues within budgeted parameters
- management the overall cash and liquidity position of the Council's operations
- provide timely and accurate reporting of treasury activity and performance.



Development contributions or financial contributions policy

Introduction

This policy is prepared under section 106 of the Local Government Act 2002 (The Act) and it outlines in which circumstances the Council intends to require development or financial contributions.

Legislative requirements

The Act requires the Council to adopt a policy on development contributions or financial contributions. This applies regardless of whether it has decided to assess:

- development contributions under the Act; or
- financial contributions under the Resource Management Act 1991.

Once adopted, this policy may be amended as a Long Term Plan (LTP) amendment.

Financial contributions provision in the Wairarapa Combined District Plan

The Council has adopted the Wairarapa Combined District Plan. Section 23 specifies in detail the provisions relating to financial contributions:

23. Financial Contributions

23.1 Introduction

As further subdivision occurs and new activities are established within the Wairarapa, the existing infrastructure and amenities come under pressure. Financial contributions are a way of ensuring that any adverse effects from subdivision and development on the environment or on community resources are minimised, including ways of offsetting any adverse effects with a contribution toward environmental improvements. Such contributions can be in the form of money, land, works and services and may include the provision of roads and services, the protection of important historic or natural features, the visual enhancement of a site

through landscape treatment or the provision of access to a hitherto inaccessible river or stream.

Financial contributions for subdivision and land use consents may include the cost of upgrading and expanding community works and services as a result of the proposal, including (but not limited to) public roads, public water supplies, and the disposal of sewerage and stormwater.

This section deals with the requirements for financial contributions, with a standard of a permitted activity, or a land use or subdivision consent.

Where a financial contribution is required as a condition of a permitted activity or resource consent, the purpose, circumstances in which a contribution may be required, and the amount of that contribution are stated. For some types of contributions, a maximum contribution is specified to ensure such contributions are equitable and not unreasonably onerous for some forms of development.

Contributions for land use development through the resource consent process will be sought in full, unless a previous contribution has been received in the subdivision of the site. Conversely, if a contribution was paid at the time of land use development, then no contribution may be required at the time of any subsequent subdivision consent in recognition of the previous contributions.

23.2 Reserves Contributions Standard

23.2.1 Circumstances when a general reserve contribution is required as a condition of a permitted activity or a resource consent.

- (a) As a condition of a land use resource consent for any additional residential unit, provided that a general reserve contribution has not already been made at the time of subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.
- (b) As a condition of subdivision resource consent for any new allotment, provided that a general reserve contribution has not already been made under the relevant Council's Long Term Council Community Plan.
- (c) As a standard of a permitted land use activity for any additional residential unit, with the payment of the contribution to be made prior to the issuance of code of



Code of Compliance Certificate for the building consent, provided that a general reserve contribution has not already been made at the time of subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.

23.2.2 Amount of Contribution Required as a Condition of a Permitted Activity or Resource Consent

- (a) For subdivision, 3 percent of the land value of each allotment to be created in the Residential, Commercial and Industrial Zones (plus GST), and 2 percent of the land value of each allotment to be created in the Rural Zone (plus GST). In the Rural Zone, the maximum of the total combined contribution for reserves and roading contributions shall be \$7,500 (plus GST) per allotment created by a subdivision, or
- (b) For land use development for residential purposes, 0.25 percent of the value of each additional residential unit (plus GST).

23.2.3 Assessment Criteria for Remission or Waiver of Reserves Contribution

In determining whether to grant a remission or waiver of any reserves contribution, regard shall be had, but not limited to, the following criteria:

- (a) The activity's impacts on the reserves network and the cost to the relevant Council to avoid, remedy or mitigate these impacts.
- (b) Measures proposed by the developer to enhance an existing reserve or the open space of the locality.
- (c) Other methods proposed by the developer to avoid, remedy or mitigate any adverse effects on the reserve network.
- (d) Whether any site of natural and cultural heritage can and should be enhanced or protected.

23.2.4 Form of Contribution

- (a) The contribution may be required in the form of money or land or any combination thereof.

If a reserve contribution is in the form of land which is acceptable to Council, the value of the land to be vested as a reserve shall be established on the basis of a registered valuer's report. Registered valuer's reports shall be produced at the consent holders cost and be no older than three months at the time the contribution is paid.

23.2.5 Purpose

- (a) To provide for the acquisition and development of reserves and open spaces in response to the needs arising from subdivision and development.
- (b) To protect conservation values of riparian and coastal margins, and associated water quality and aquatic habitat.
- (c) To provide opportunities for public access to and along water bodies including the coast.
- (d) To provide recreational opportunities near water bodies.

23.2.6 Contributions

- (a) For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the building consent.
- (b) For land use resource consents, contributions shall be payable as and when required by any condition of that consent.
- (c) For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.

23.3 Infrastructure Contributions Standard

23.3.1 Circumstances when an infrastructure contribution is required as a condition of a permitted activity or resource consent

- (a) As a condition of a land use resource consent for any additional residential unit or administrative, commercial or industrial purposes, provided that any

infrastructure contribution has not already been made at the time of the subdivision creating that lot or under the relevant Council’s Long Term Council Community Plan.

(b) As a condition of subdivision resource consent for any new allotment, provided that an infrastructure contribution has not already been made under the relevant Council’s Long Term Council Community Plan.

(c) As a standard of a permitted land use activity, with the payment of the contribution to be made prior to the issuance of Code of Compliance Certificate for the building consent, provided that an infrastructure contribution has not already been made at the time of subdivision creating that lot under the relevant Council’s Long Term Council Community Plan.

23.3.1 Amount of Contribution as a condition of a permitted activity or a resource consent

(a) The actual cost of water supply, wastewater or stormwater disposal systems to the development, and

(b) The actual cost of all necessary water supply, wastewater or stormwater disposal reticulation within the development for each allotment or building, and

(c) The actual cost of connecting between the water supply, wastewater or stormwater disposal reticulation in the development and the Council’s water supply, wastewater and stormwater disposal system, and

(d) The actual cost of upgrading of any existing Council water supply, wastewater or stormwater disposal system to the extent that it is necessary to service the development, and

(e) A share of the cost of the existing water supply, wastewater or stormwater disposal system where additional capacity has been created in anticipation of future development. The share will be calculated on the proportion of the additional capacity required to service the development, and

(f) A share of the cost of new water supply, wastewater or stormwater disposal system or upgraded water supply, wastewater or stormwater disposal system where additional capacity will be required by the cumulative effects of an area’s development—the share will be calculated on the proportion of the additional capacity required by the development, and

(g) For subdivisions, \$5000 (plus GST) per allotment that connects with public infrastructure and services, or

(h) For land use development for residential, administrative, commercial and industrial purposes, \$5,000 (plus GST) per new unit for linking with public infrastructure and services, plus 0.5 percent of the assessed value of any building development in excess of \$1,000,000 (plus GST). The assessed value of the development will be based on the estimated value of the building as stipulated on the building consent application, or

(i) For land use development for additions and alternations for administrative, commercial or industrial purposes that connects with public infrastructure and services 0.5 percent of the assessed value of any building development in excess of \$50,000 (plus GST). The assessed value of the development will be based on the estimated value (excluding GST) of the building as stipulated on the building consent application.

23.3.3 Assessment Criteria for Remission or Waiver of Infrastructure Contribution

In determining whether to grant a remission of any infrastructure contribution, regard shall be had, but not limited to, the following criteria:

(a) Whether any allotment or any part of the development is proposed to be connected to public infrastructure and services.

(b) The effect of the proposed subdivision or development on the infrastructure and the cost to the relevant Council to avoid, remedy, or mitigate these impacts.

(c) Measures proposed by the developer to upgrade any existing infrastructure.

(d) Whether any contribution has been previously made towards the establishment or upgrade of the infrastructure.

23.3.4 Form of Contribution



- (a) The contribution may be required in the form of money or works or any combination thereof.

23.3.5 Purpose

- (a) To provide a potable water supply.
- (b) To safeguard the health of inhabitants and protect the natural environment from inappropriate disposal of sewage.
- (c) To prevent damage to property or amenity from the indiscriminate and uncontrolled runoff of stormwater.
- (d) To ensure sufficient water is available for fire fighting purposes.

23.3.6 Contributions Payable

- (a) For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the building consent.
- (b) For land use consents, contributions shall be payable as and when required by any condition of that consent.
- (c) For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.

23.4 Roads, Access Parking and Loading Contributions Standard

23.4.1 Circumstances when a roads, access parking and loading contribution is required as a condition of a permitted activity or resource consent

- (a) As a condition of a land use resource consent for any residential, commercial or industrial activity, provided that a roads, access parking and loading contributions has not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.

- (b) As a condition of a subdivision resource consent for any new allotment, provided that a roads, access parking and loading contribution has not already been made under the relevant Council's Long Term Council Community Plan.

- (c) As a standard of a permitted land use activity, with the payment of the contribution to be made prior to the issuance of Code of Compliance Certificate for the building consent, provided that a roads, access, parking and loading contribution has not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Council Community Plan.

- (d) AS a condition of land use resource consent in the Commercial or Industrial Zones in which the waiver of all or some of the required on-site parking is sought.

23.4.2 Amount of contribution for roads, access, parking and loading as a condition of a permitted activity or resource consent

- (a) The actual cost of providing a road or access to the development, and
- (b) The actual cost of all necessary roads and accesses within the development area for each allotment or building, and
- (c) The actual cost of road or access crossings between allotments, or buildings in the development, and
- (d) A share of the cost of the existing roads and access where additional capacity has been created in anticipation of future subdivision or development. The share will be calculated on the proportion of that additional capacity which is to serve the development, and
- (e) A share of the cost of new or upgraded roads or access where additional capacity is necessary to accommodate the cumulative effects of the development within an area. The share will be calculated on the proportion of the additional capacity necessary to serve the development, and
- (f) The cost of forming of the parking spaces (where a waiver from the District Plan parking requirements is sought, the cost of forming a parking space is deemed to be at a rate of \$5,000 (plus GST) per space, and

(g) For subdivision, 2 percent of the land value of each allotment to be created in the Residential, Commercial, Industrial Zones (plus GST), and 3 percent of the land value of each allotment to be created in the Rural Zone (plus GST). In the Rural Zone, the maximum amount of the total combined contribution for reserves and roading contributions shall be \$7,500 (plus GST) per allotment created by a subdivision.

23.4.3 Form of Contribution

(a) The contribution may be required in the form of money or land or any combination thereof.

23.4.4 Purpose

(a) To provide for the safe and convenient movement on roads of motor vehicles, bicycles and pedestrians within and through the Wairarapa.

23.4.5 Contributions Payable

(a) For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance for the building consent.

(b) For land use resource consents, contributions shall be payable as and when required by any condition of that consent.

(c) For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.

Remission of rates policy

Introduction

In order to allow rate relief where it is considered fair and reasonable to do so, the Council is required to adopt policies specifying the circumstances under which rates will be considered for remission. There are various types of remission, and the circumstances under which a remission will be considered for each type may be different. The conditions and criteria relating to each type of remission are therefore set out separately in the following pages, together with the objectives of the policy.

Legislative requirement

Section 109 Local Government Act 2002 requires the Council to adopt a Rates Remission Policy that includes:

- the objectives sought to be achieved by the remission of rates
- the conditions and criteria to be met in order for rates to be remitted.

Remission of penalty rates

Objectives

- To enable the Council to act fairly and reasonably in its consideration of rates that have not been received by the due date.
- To provide relief and assistance to those ratepayers experiencing financial hardship.

Criteria and Conditions

The Council will consider each application on its merit and remission may be granted where it is considered that the application meets the following criteria and conditions.

Criteria

- Remission of penalty incurred on instalment one will be considered where the ratepayers pays the total amount due for the year on or before the penalty date of the second instalment.

- Remission of one penalty will be considered in any one rating year where payment had been late due to significant family disruption. Significant family disruption is likely to be the ratepayer or a member of the household affected by serious illness, serious accident, hospitalisation or death.
- Remission of penalty may be granted if the ratepayer is able to provide evidence that their payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control. Applications under this criterion will only be accepted if the ratepayer has a history of regular payments of rates and has not incurred penalty rates in the previous two years.
- Remission of penalty rates will be considered for those ratepayers who due to financial hardship, are in arrears and who have entered into an agreement with the Council to repay all outstanding rates. Penalty rates remission will not be considered if the agreement plan is not being adhered to.
- Remission will be considered if a new owner receives penalty rates through the late issuing of a sale notice, a wrong address on the sale notice or late clearance of payment by the Solicitor on a property settlement. This only applies to penalty rates incurred on one instalment. Future instalments do not qualify under this criterion.

Conditions

- Application for remission of penalty rates must be in writing using the prescribed form.
- Penalty rates will not be considered for remission if the penalty rates were incurred in a previous rating year, regardless if the application otherwise meets the criteria.

Delegation

The Council delegates the authority to remit penalty rates to the Chief Executive and the Corporate Services Manager.

Remission of rates for land used by sporting, recreational and community organisations

Objectives

- To facilitate the ongoing provision of non-commercial sporting, recreational and community services that meet the needs of the residents of Carterton.
- To provide indirect financial assistance to community organisations.

- To make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These include children, youth, young families, aged people and economically disadvantaged people.

Conditions and Criteria

This policy will apply to land owned by the Council, or owned and occupied by a charitable organisation, that is used exclusively or principally for sporting, recreation or community purposes.

The Council will remit 50 percent of rates, with the exception of targeted rates, for organisations that qualify under this policy. Sporting organisations will qualify for 50 percent remission regardless of whether they hold a current license under the Sale of Liquor Act 1989.

The Council will remit 100 percent of all rates for Rural Halls, to be reviewed annually to ensure that the use still remains the same.

The policy does not apply to organisations that operate for pecuniary profit or that charge tuition fees.

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

Applications for remission must be made to the Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be back dated.

Organisations making application should include the following documents in support of their application. Information of activities and programmes, details of membership and statement of objectives

Delegation

The Council delegates the authority to remit 50 percent of rates for sporting, recreational and community organisations to the Chief Executive and the Corporate Services Manager.



Remission of rates on land protected for natural, historical, or cultural conservation purposes

Objective

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

Conditions and Criteria

- Ratepayers who own rating units that have some feature of cultural, natural or historic heritage that is voluntarily protected may qualify for remission of rates under this part of the policy.
- Land that is non-rateable under section 8 of the Local Government (Rating) Act and is liable only for rates for water supply, sewage disposal or refuse collection will not qualify for remission under this part of the policy.
- Applications must be made in writing, Applications should be supported by documentary evidence of the protected status of the rating unit eg a copy of the covenant or other legal mechanism.
- In considering any application for remission of rates under this part of the policy the Council will consider the following criteria:
 - the extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission of rates on the rating unit
 - the degree to which features of natural, cultural or historic heritage are present on the land
 - the degree to which features of natural, cultural or historic heritage inhibit the economic utilisation of the land
 - the degree to which features of natural, cultural or historic heritage are present on the land.
- In granting remissions under this part of the policy, the Council may specify certain conditions before remissions will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.
- The Council will decide what amount of rates will be remitted on a case by case basis.

Delegations

Applications for remission of rates on land protected for natural, historical, or cultural conservation purposes will be considered by the Council.

Remission of Uniform Annual General Charge in certain circumstances

Objective

- To encourage continued subdivision activity by providing rates relief to new subdivisions by limiting the rates impact of multiple UAGCs in the first year.

Conditions and Criteria

This policy will apply to land that fulfils all three of the following criteria:

- subdivided into three lots or more
- where title has been issued
- is owned by the original developer who is holding the individual titles.

Remission will only apply for the first rating year that the individual titles have been separately rated after subdivision. To avoid doubt, remission under this policy will not be given to subdivisions that were given a block rating valuation for any rating year prior to 1 July 2003. Remission will be limited to 100 percent of the UAGC for each unsold lot except one.

Delegation

The Council delegates the authority to remit UAGCs to the Chief Executive and the Corporate Services Manager.

Remission of rates for natural disasters

Objectives

- To provide relief to properties affected by natural disasters.

Conditions and criteria

- The Council will remit rates to those properties identified according to the conditions and criteria set by Central Government.
- The level of remission will be the extent of funding provided by Central Government.

Postponement of rates policy

Introduction

This policy is prepared under Section 110 Local Government Act 2002.

Legislative requirements

The Local Government Act 2002 requires that the Postponement of Rates Policy must state:

- the objectives sought to be achieved by a postponement of the requirement to pay rates.
- the conditions and criteria to be met in order for the requirement to pay rates to be postponed.

Objective

To assist ratepayers experiencing extreme financial circumstances that affects their ability to pay rates.

Criteria and conditions

The Council will consider, on a case by case basis, all applications received that meet all the criteria and conditions listed below.

Criteria

- The ratepayer(s) is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision of maintenance of the home and chattels at an adequate standard as well as making provision for normal day-to-day living expenses.
- The ratepayers(s) must be the current owner of the rating unit and have owned or resided on the property or within the district for not less than five years.
- The rating unit must be used solely for residential purposes and the ratepayer(s) must reside on the property.
- The ratepayer(s) must not own any other rating units or investment properties, whether in this district or another.

Conditions

- Application must be in writing by the ratepayer(s) or by any authorised agent.
- The ratepayer(s) is required to disclose to the Council, all personal circumstances, including the following factors; age, physical or mental disability, injury, illness and family circumstances so that the Council can consider these factors to establish whether extreme financial hardship exists.
- Application for postponement of rates will only be considered from the beginning of the rating year in which the application is made.
- If the Council decides to postpone rates the ratepayer(s) must first enter into an agreement with the Council to make regular payments for future rates.
- The Council will charge a postponement fee on the postponed rates for the period between the due date and the date they are paid. This fee is designed to cover the Council's administrative and financial costs and may vary from year to year.
- Any postponed rates will be postponed until:
 - The death of the ratepayer(s), or
 - the ratepayer(s) ceases to be the owner or occupier of the rating unit, or
 - the ratepayer(s) ceases to use the property as their residence, or
 - a date specified by the Council as determined by council in any particular case.
- Postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.
- Postponed rates will be registered as a statutory land charge on the rating unit under the Statutory Land Charges Registration Act 1928 and no dealing with the land may be registered by the ratepayer while the charge is registered except with the consent of the Council.

Delegation

The Council delegates the authority to approve applications for rate postponement to the Chief Executive and the Corporate Services Manager.

Remission and postponement of rates on Māori freehold land policy

Introduction

Māori freehold land is defined in the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by a freehold order issued by the Māori Land Court. Only land that is subject of such an order may qualify for remission or postponement under this policy. Currently there are 38 rating units in the district that meet the definition of Māori freehold land, of which 16 are non-rateable.

Whether rates are remitted or postponed in any individual case will depend on the individual circumstances of each application. In general, a remission of rates will be considered, unless there is a reasonable likelihood that the subject land will be used or developed in the immediate future.

This policy has been formulated for the purposes of:

- Ensuring the fair and equitable collection of rates from all sectors of the community by recognising that certain Māori-owned lands have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide relief from rates.
- Meeting the requirement of Section 108 of the Local Government Act 2002 to have a policy on the remission and postponement of rates on Māori freehold land.
- In determining the policy, the Council has considered the matters set out in Schedule 11 of the Act.

Objectives

- To recognise situations where there is no occupier or person gaining an economic or financial benefit from the land.
- To set aside land that is better set aside for non-use because of its natural features (whenua rāhui).
- To recognise matters related to the physical accessibility of the land.
- To recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes.

- Where only part of a block is occupied, to grant remission for the portion of land not occupied.
- To facilitate development or use of the land where the Council considers rates based on the rateable value make the use of the land uneconomic.

Conditions and criteria

Application for the remission or postponement should be made prior to commencement of the rating year.

Applications made after the commencement of the rating year may be accepted at the discretion of the Council. Owners or trustees making application should include the following information in their application:

- Details of the property.
- The objectives that will be achieved by providing the remission.
- Documentation that proves the land that is the subject of the application is Māori freehold land.

The Council may, of its own will, investigate and grant remissions or postponement of rates on any Māori freehold land in the district.

Relief and the extent thereof, are at the sole discretion of the Council and may be cancelled and reduced at any time.

The Council will give a remission or postponement of up to 100 percent of all rates, except targeted rates set for water supply or wastewater disposal, based on any of the following criteria:

- The land is unoccupied and no income is derived from the use or occupation of that land.
- The land is better set aside for non-use (whenua rāhui) because of its natural features, or is unoccupied, and no income is derived from the use or occupation of that land.
- The land is inaccessible and is unoccupied.
- Only a portion of the land is occupied.
- The property carries a best potential use value that is significantly in excess of the economic value arising from its actual use.

Significance policy

Introduction

This policy has been prepared to satisfy the Council’s obligations under Section 90 of the Local Government Act 2002.

Legislative requirement

The Local Government Act 2002 requires every local authority to adopt a policy setting out:

- the local authority’s general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters
- any thresholds, criteria, or procedures that are to be used by the local authority in assessing the extent to which issues, proposals, decisions, or other matters are significant.

The policy must list the assets considered by the local authority to be strategic assets.

Objective

To apply a disciplined, standardised process that enables the Council to assess the significance of issues, assets or other matters and fulfil its legislative obligations under the Local Government Act 2002, particularly in relation to significant strategic assets, decision making processes and consultation procedures.

Defining significance

Every decision the Council makes must be made in accordance with the decision making requirements set out in sections 77, 78, 80, 81, and 82 of the Act. However, the nature, extent and detail of compliance that is appropriate in any particular case will be guided by the ‘significance’ of the matter (section 79). The level of ‘compliance’ includes:

- the extent to which different options are considered
- the degree to which benefits and costs are quantified
- the extent and detail of information to be considered
- the extent and nature of any written records to be kept as to compliance.

Section 90(1)(a) of the Act requires local authorities to set out their ‘general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters’.

General approach to determining significance

The Act includes definitions of ‘significant’ and ‘significance’:

- significance**, in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for,*
- *the current and future social, economic, environmental, or cultural well-being of the district or region*
 - *any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision or matter*
 - *the capacity of the local authority to perform its role, and the financial and other costs of doing so.*

***significant**, in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.*

The Council will determine the significance of any issue, requiring a decision, by making judgements about the likely impact of that decision on:

- the current and future social, economic, environmental, or cultural well-being of the district
- any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision or matter
- the Council’s capacity to perform its role and carry out its activities, now and in the future, and the financial resources and other costs of doing so.

As part of its consideration the Council will take into account how important the decision or matter is in terms of the achievement of, or ability to achieve, the community outcomes in the Long Term Plan .

Procedures for assessing significance

The policy must also set out any ‘thresholds, criteria, and procedures’ that the council uses for assessing significance (section 90(1) (b)).



The range of issues requiring decisions by local authorities is very wide and it is impossible to foresee every possibility. It is, therefore recommended that thresholds are not used in assessing significance but that the criteria for assessing significance will be the **general approach** outlined above for determining significance.

The following procedure is then followed:

1. Council officers identify whether an issue, proposal or other matter requires a decision by the elected Council.
2. Council officers consider the issue, proposal or other matter and document an assessment of significance, using the general approach to determining significance.
3. Council officers provide the Council with a report on significance and options.
4. The Council considers and makes the final decision based on the degree of significance of the issue and the appropriate level and type of consultation.

Procedure for reporting to the Council

Council reports will include an assessment of the significant quantitative or qualitative (as appropriate) impact of the issue, proposal, decision or other matter including:

- how many residents and ratepayers the issue may affect or interest
- to what extent residents and ratepayers may be affected or interested
- how much public interest the issue is likely to generate
- to what extent the issue is likely to affect the current and future social, economic, environmental, and cultural well-being of the Carterton District
- to what extent the issue will affect the capacity of the Council to perform its role and carry out its existing activities, now and in the future
- to what extent the issue is likely to affect service levels of any significant activity
- to what extent the outcome(s) of the issue is likely to affect the way in which any significant activity is carried out
- to what extent the outcome(s) of the issue is likely to affect the capacity of the Council to provide any significant service or carry out any significant activity.

Finally, the report should include a recommendation on the type and extent of consultation (if any) that is appropriate given the nature of the issue.

Strategic assets

This policy must also list those council-owned assets, considered by the council to be 'strategic assets' (section 90(2)).

Strategic asset is defined in the LGA as an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes—

- any asset or group of assets listed in accordance with section 90(2) by the local authority
- any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy
- any equity securities held by the local authority in:
 - a port company within the meaning of the Port Companies Act 1988
 - an airport company within the meaning of the Airport Authorities Act 1966.

The Council has identified its strategic assets as:

- roading network, including bridges, street lighting, and footpaths
- water treatment, storage, and supply network
- sewerage reticulation network and sewage treatment facilities
- stormwater drainage network
- rural water race network
- landfill site, including transfer station
- parks and reserves, Council-owned land and buildings, public toilets, and sports fields
- cemetery
- Events Centre
- Outdoor Swimming Complex
- housing for the elderly
- Kaipaitangata Forest.

Significant decisions in relation to strategic assets will be those decisions that affect the whole asset group and not individual components, unless that component substantially affects the ability of the Council to deliver the service. It is the principle of provision of the services, not individual items that make these asset groups strategic.



Appendix B

Additional information

Community support—asset details

The Community support group of activities includes a range of amenities and facilities. More details of these assets are given below. Further information on the district's urban and rural parks and reserves, the Clareville Cemetery, the Outdoor Swimming Complex, and the Holiday Park can be obtained from the reserve management plans.

- Library collection comprising 30,545 items:
 - books 30,093
 - compact discs 162
 - jigsaw puzzles 83
 - videos 171
 - talking books 36
- Carrington Park
 - area 5.82 ha
 - band rotunda
 - changing rooms complete with hot showers and men's and women's toilets
 - public toilets
 - outdoor tables and seating
 - small well and pump adjacent to the cricket wicket
 - cricket practice nets with a concrete base
 - 2 long jump pits and a discus/shot-put launching pad
 - 2 sealed carparks
 - play equipment
 - lighting
 - fitness trail
 - rubbish bins
 - drinking fountains.
- Howard Booth Park
 - area 8.81 ha (including Holiday Park)
 - public toilets (open during the soccer season)
 - play equipment
 - lighting
 - shed
 - rubbish bins
 - drinking fountains.
- Toilets
 - Carrington Park, Holloway Street, and Memorial Square.
- Memorial Square
 - area 0.23 ha
 - Cenotaph
 - flag pole
 - colonnade and small stage
 - lighting
 - irrigation system and well
 - seating
 - rubbish bins.
- Millennium Park
 - area 0.09 ha
 - tiled daffodil water feature
 - street sign directory
 - seating
 - lighting
 - rubbish bins.
- South End Park
 - area 1.01 ha
 - play equipment on soft fall matting
 - BMX track
 - picnic table and seating
 - rubbish bins.
- Clareville Cemetery
 - total area 16.28 ha
 - currently used area is 4.12 ha
 - fenced off swamp land reserve area of 1.50 ha
 - remaining paddocks leased for grazing of 10.58 ha
 - chapel
 - caretaker's shed and workshop
 - unisex toilet
 - burial plots
 - ash interment plots
 - pet cemetery
 - outdoor seating and tables



- pump.
- Outdoor Swimming Complex
 - area 0.35 ha
 - main pool: 34 x 20 metres, depth 1.00–2.06 metres, holds 1087 cubic metres of water
 - learners pool: 6.1 x 15.3 metres, depth 0.60 metres, holds 80 cubic metres of water
 - toddlers pool: 12.25 x 6.1 metres, depth 0.25 metres, holds 19 cubic metres of water
 - changing rooms/toilets
 - 2 slides
 - diving board
 - three shade structures
 - kiosk
 - pump shed
 - storage shed.
- Carterton Holiday Park
 - area of 8.81 ha (including Howard Booth Park)
 - 6 fully furnished, heated, carpeted ensuite cabins, sleeping up to 6 people each
 - 4 budget cabins
 - 24 powered camp sites and numerous non-powered tent sites
 - communal kitchen and dining room
 - laundry
 - toilets and shower facilities
 - dump station
 - BBQ shelter.
- Pensioner housing complexes
 - Porritt Place: area 0.55 ha, 20 units
 - Dudson Place: area 1.01 ha (including South End Park), 10 units
 - Fisher Place: area 0.075 ha, 4 units
 - Wakelin Street: area 0.11 ha, 4 units.

- Events Centre
 - located in Holloway Street
 - 300-seat auditorium
 - meeting rooms
 - Youth Centre
 - foyer/art gallery
 - library
 - information Centre
 - heat and serve kitchen.
- Halls
 - Exhibition Centre, Holloway Street
 - Belvedere Hall
 - West Taratahi Hall
 - Longbush Hall.
- Forestry
 - Kaipaitangata Forest: 250 ha in the foothills of the Tararua Ranges at the end of the Kaipaitangata Road
 - various small woodlots in Clifton Grove/Admiral Road area.



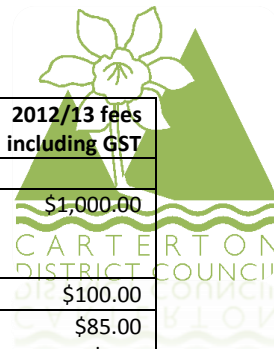
Schedule of fees and charges 2012/13

User fees and charges are used to recognise that there is a private benefit from the operation of the variety of services provided by the Council to the community. User fees revenue reduces the rates revenue required to be collected from ratepayers.

The following schedule of fees and charges are for the 2012/13 year.

2011/12 fees including GST		2012/13 fees including GST
	Health Licences	
\$210.00	New food premises	\$210.00
\$175.00	Cafés, restaurants, catteries/kennels	\$175.00
\$175.00	Supermarket and food manufacturers	\$175.00
\$150.00	Mobile shops	\$150.00
\$175.00	Motels	\$175.00
\$200.00	Itinerant trader – annual registration including inspection	\$200.00
\$100.00	Hawkers licence	\$100.00
\$75.00	Transfer of registration	\$75.00
\$105.00	Hairdressers	\$105.00
\$110.00	Inspection on request	\$110.00
\$75.00	Reinspection for failure to comply with requisition or FCP record	\$75.00
\$20.00 per week	Street stall – licence	\$20.00 per week
\$130.00	Offensive trade, sale yards, camping grounds	\$130.00
\$60.00	Hall (inspection services)	\$60.00
	Noise control – recover all reasonable costs associated with second and subsequent noise complaints investigated from the same property	
	Noise/health-related complaints under the Resource Management Act 1991 and Health Act 1956 – recover all reasonable costs associated with investigating/resolving the matter	
\$100.00	Gambling venue applications	\$100.00
\$50.00	Beekeepers	\$50.00
\$175.00	Funeral directors	\$175.00
\$11.25	Amusement devices	\$11.25

2011/12 fees including GST		2012/13 fees including GST
	Resource Consent Fees (deposit only)	
\$1,000.00	Non-notified resource consents, including land subdivision up to 4 lots – deposit only (applicants are to meet the full cost of processing applications)	\$1,000.00
\$100.00	• Plus each additional lot thereafter	\$100.00
\$80.00 per hour	• Additional processing time above 5 hours	\$85.00 per hour
\$5,000.00	District Plan changes – deposit only (applicants are required to meet the full cost of processing applications)	\$5,000.00
\$1,700.00	Notified resource consents – deposit only (applicants are required to meet the full cost of processing applications inclusive of hearing costs)	\$1,700.00
\$300.00	Application for land use of a minor nature (eg relocated dwelling, building setback dispensation)	\$400.00
\$500.00	Change or cancellation of consent conditions under Section 127 Resource Management Act	\$500.00
\$300.00	Certificate of Compliance and any other certificates eg Section 226	\$300.00
\$300.00	Section 223 and 224 certificates	\$300.00
\$1,000.00	Monitoring compliance with resource consents – cost with maximum of	\$1,000.00
\$85.00	District Plan	\$85.00
\$150.00	Land Information Memorandum	\$185.00
\$250.00	Land Information Memorandum – urgent service	\$250.00
actual cost	Other external reports – eg engineers, commissioners, solicitors, special advisors (indicative charges between \$150–300 per hour)	actual cost
\$5,750.00	Infrastructure Contribution	\$5,750.00
\$7,475.00	Infrastructure Contribution – Waingawa Industrial Zone	\$7,475.00
2% of land value + GST	Roading Contribution – Residential, Commercial and Industrial Zones	2% of land value + GST
3% of land value + GST	Roading Contribution – Rural Zone	3% of land value + GST
3% of land value + GST	Reserve Contribution – Residential, Commercial and Industrial Zones	3% of land value + GST
2% of land value + GST	Reserve Contribution – Rural Zone	2% of land value + GST
\$105.00 per hour	Rural effluent field assessment Labour in excess of 2 hours charged at \$26.25 per 15 minutes or part thereof	\$105.00 per hour
\$10.00	Monthly building consent lists	\$10.00



2011/12 fees including GST		2012/13 fees including GST
	Service fees	
Actual Cost	Water connection	Actual Cost
Actual Cost	Sewer connection	Actual Cost
\$51.00	Administration fee	\$51.00
Actual Cost	Combined sewer and water connection	Actual Cost
Actual Cost	Standard vehicle crossing	Actual Cost
\$57.50	Applications for water race draw off	\$57.50
Actual Cost	Clearing sewers (property owner boundary to main)	Actual Cost
Actual Cost	Damage to Road Reserve	Actual Cost
	Transfer station entry fees	
	- General refuse	
\$15.00	Car boot	\$15.00
\$33.00	Small trailer, ute up to 1.8m x 1.2m x 0.4 high (sorted)	\$33.00
\$176.00	Any load after this weight (per tonne)	\$176.00
\$26.00	Car bodies (stripped)	\$26.00
	- Greenwaste	
\$5.00	Car boot	\$5.00
\$10.00	Small trailer, ute	\$10.00
\$20.00	Large trailer/medium truck less than 2 tonne	\$20.00
\$41.00	Large truck up to 6 tonne	\$41.00
	Any larger loads as charged by Council	
	- Tyres	
\$500.00	Tyres (per tonne)	\$500.00
\$3.00 each	Car and 4WD tyres – up to 4 tyres on rims	\$3.00 each
\$5.00 each	Truck tyres – up to 4 tyres	\$5.00 each
\$500.00 per tonne	Tractor or earthmover tyres, more than 4 tyres/load (any type) or mixed load containing tyres	\$500.00 per tonne
	Dog registration	
	Before 1 August	
\$82.00	Urban – entire dogs	\$84.00
\$57.00	Urban – spayed/neutered dogs	\$59.00
\$57.00 per dog	Rural – non-neutered and neutered dogs – first two dogs	\$59.00 per dog
\$31.00 per dog	Rural – non-neutered and neutered dogs – all remaining dogs	\$31.00 per dog
\$88.50	Dog classified as dangerous	\$88.50

2011/12 fees including GST		2012/13 fees including GST
	For certified seeing eye or hearing dogs, a fee of 50% of those stated above	
	From 1 August – 50% of the fee will be added as penalty	
	Impounding fees	
\$50.00	Dogs, sheep, goats	\$50.00
\$75.00	Cattle, deer, horses and all other animals	\$75.00
	Droving charge – calculated on actual cost including labour and plant hire	
\$8.00 per day	Sustenance fee – dogs	\$8.00 per day
\$10.00 per day	Sustenance fee – all other animals	\$10.00 per day
	Outdoor Swimming Complex	
Free	Entry fee – adult/child – Per Person	Free
Free	School groups – per child per season (schools are responsible for lifeguard arrangements and costs)	Free
	Cemetery	
\$25.00	Headstone permit	\$25.00
	Plots	
\$920.00	• Lawn	\$980.00
\$153.00	• Child under 1 year old	\$153.00
\$306.00	• Child over 1 year old and below 10 years old	\$306.00
\$204.00	• Cremation	\$204.00
\$255.00	Extra depth charge	\$255.00
	Interment	
\$665.00	• Lawn	\$665.00
\$153.00	• Cremation	\$153.00
\$123.00	• Child under 1 year old	\$123.00
\$305.00	• Child over 1 year old and below 10 years old	\$305.00
\$600.00	• Servicemen	\$600.00
\$777.00	Out of town burial fee	\$777.00
\$1,022.00	Saturday burials	\$1,022.00
\$1,278.00	Saturday burials – out of town	\$1,278.00
Actual Cost	Disinterment	Actual Cost
	No burials on Public Holidays	
	Private Burial Service	
\$50.00	Chapel	\$50.00

2011/12 fees including GST		2012/13 fees including GST
	Park Fees	
\$572.00	Association Football – per ground	\$572.00
\$884.00	Cricket Association	\$884.00
\$572.00	Athletic Club	\$572.00
	Rentals – Housing for the Elderly – GST exempt	
\$82.00 per week	Porritt Place – unit per week	\$87.00 per week
\$85.00 per week	Dudson Place – Single Unit Per Week	\$90.00 per week
\$95.00 per week	Dudson Place – Double Unit Per Week	\$100.00 per week
\$115.00 per week	Fisher Place – Unit Per Week	\$120.00 per week
\$115.00 per week	Wakelin Street – Single Unit Per Week	\$120.00 per week
\$127.00 per week	Wakelin Street – Double Unit Per Week	\$132.00 per week
Note: The above housing rentals are a subsidised rental for those tenants on low incomes and with limited assets. Tenants who do not meet the criteria to qualify for a subsidised rental will be charged the market rate rental.		
	Community Notice Board	
Free	Use of the Community Notice Board – community groups	Free
\$5.00 per day	Use of the Community Notice Board – commercial and private	\$5.00 per day
	Holiday Park (all per night)	
\$28.00	Tent site (2 persons)	\$28.00
\$14.00	• Additional person	\$14.00
\$5.00	• Additional children	\$5.00
	Cabins – Peak season rates may apply	
\$40.00	• Standard Cabin (2 persons)	\$40.00
\$75–95.00	• Self-Contained Cabin (2 persons)	\$75–95.00
\$15.00	• Additional Adult	\$15.00
\$5.00	• Additional Child	\$5.00
	Library	
	Rentals	

2011/12 fees including GST		2012/13 fees including GST
\$0.50	• Fiction books	\$0.50
\$0.50	• Magazines	\$0.50
\$2.00	• CDs and videos	\$2.00
	Fines	
\$0.50	• Adult book – first week	\$0.50
\$1.00	• Per week thereafter	\$1.00
\$0.20	• Children’s books – first week	\$0.20
\$0.70	• Per week thereafter	\$0.70
\$0.50	Reserves	\$0.50
	Inter-loans	
\$5.00	• Per books, article or subject request (\$2.00 non-refundable in advance, \$3.00 on delivery)	\$5.00
	• Charges from other libraries (at cost)	
\$2.00	Replacement cards	\$2.00
Replacement cost	Lost library book	Replacement cost
	Administration	
	Photocopying – Per Page	
\$1.00	• A3 – Black & White	\$1.00
\$0.50	• A4 – Black & White	\$0.50
	• Double Sided B&W – Add 10 cents per page to the above	
\$0.10	• School homework	\$0.10
	• 20 or more copies – Librarian’s discretion	
\$2.00	• A3 – Colour	\$2.00
\$1.00	• A4 – Colour	\$1.00
	• Double Sided Colour – Add 30 cents per page to the above	
	Laminating Per Page	
\$3.00	• A3	\$3.00
\$2.00	• A4	\$2.00
\$2.60	Rubbish Bags	\$2.60
\$11.50	Replacement/Additional Recycling Bins	\$11.50
\$15.00	Rating Information Schedule	\$15.00
\$55.00	Street Index	\$55.00

Building consent and PIM fees (all fees include GST)

PIM only fee 2011/12	Total Fee (excl. BRANZ and DHB levies) 2011/12	Classification	PIM only fee 2012/13	When included with other work (excl. BRANZ and DHB levies) 2012/13	Total stand alone fee (excl. BRANZ and DHB levies) 2012/13
		Minor work			
\$42.00	\$252.00	Solid fuel heater	\$42.00	\$109.00	\$260.00
\$42.00	\$336.00	Minor plumbing and drainage work, eg fittings, drain alteration	\$42.00	\$109.00	\$344.00
\$42.00	\$843.00	Drainage work, eg new minor, subdivision service, and common drains	\$42.00		\$882.00
\$42.00	\$716.00	Drainage work, eg new effluent disposal system	\$42.00	\$311.00	\$748.00
\$42.00	\$.00	Wet area shower (vinyl floor)	\$42.00	\$176.00	\$479.00
\$42.00	\$.00	Wet area shower (tile floor)	\$42.00	\$210.00	\$655.00
\$42.00	\$.00	Private marquee >100 m ² – professional assembly only (no inspection)	\$42.00		\$126.00
		Public marquee >100 m ² <50 people – professional assembly (no inspection)	\$42.00		\$126.00
		Public marquee >100 m ² >50 people	\$42.00		\$260.00
		Private marquee >100 m ² (with inspection)	\$42.00		\$260.00
		Sheds / garages / conservatories etc			
\$130.00	\$336.00	Swimming pool 1200mm above ground & pool fencing only	na		\$84.00
\$130.00	\$336.00	Inground swimming pools (includes fence)	\$42.00		\$344.00
\$130.00	\$506.00	Garden sheds/retaining walls/carports/conservatories/other minor works	\$42.00		\$521.00
\$130.00	\$579.00	Minor farm buildings haysheds covered yards 1–6 bays, etc	\$84.00		\$605.00
\$130.00	\$843.00	Larger farm buildings (covered yards, wool sheds)	\$84.00		\$874.00
\$130.00	\$579.00	Proprietary garages standard	\$84.00		\$605.00
\$130.00	\$706.00	Proprietary garages with fire wall	\$84.00		\$739.00
\$130.00	\$706.00	Proprietary garages including sleepout	\$84.00		\$739.00
		Plumbing and drainage	\$84.00	\$197.00	\$1,008.00
\$130.00	\$748.00	Garages, simple custom design, single level	\$84.00		\$781.00
\$130.00	\$506.00	Residential repile	\$42.00		\$521.00
\$130.00	\$336.00	Residential demolition	\$42.00		\$193.00
		Residential dwellings – new (note: double units charged at single unit rate + 50%)			
\$316.00	\$2,790–3,770	Single storey	\$336.00		\$3,326.00
\$316.00	\$3,106–4,085	Multi-storey	\$504.00		\$3,394.00
\$316.00	\$2,453.00	Transportable dwelling (yard built)	\$84.00		\$2,570.00
\$316.00	\$1,442–1,706	Relocated residential dwelling <i>(if applicable, add alteration fee)</i>	\$420.00		\$1,478.00

PIM only fee 2011/12	Total Fee (excl. BRANZ and DHB levies) 2011/12	Classification	PIM only fee 2012/13	When included with other work (excl. BRANZ and DHB levies) 2012/13	Total stand alone fee (excl. BRANZ and DHB levies) 2012/13
		Residential dwellings – additions and alterations			
\$130.00	\$506.00	Internal alterations	\$42.00		\$521.00
\$316.00	\$1,042–1,464	Addition to single storey	\$84.00		\$1,226.00
\$316.00	\$1,252–1,674	Addition to multi-storey	\$84.00		\$1,310.00
	\$125–262	Plumbing and drainage		\$197.00	\$1,008.00
		Commercial / industrial			
		Commercial demolition	\$42.00		\$521.00
\$130.00	\$1,032.00	Single storey shop fitouts	\$84.00		\$1,084.00
\$130.00	\$1,295.00	Multi-storey shop fitouts	\$84.00		\$1,352.00
\$316.00	\$1,516.00 plus \$316 per unit	Single storey, multi-unit apartments/motels	\$546.00		\$1982.00 plus \$403 per unit
\$316.00	\$1,780.00 plus \$516 per unit	Multi-storey, multi-unit apartments/motels	\$756.00		\$2318.00 plus \$672 per unit
\$316.00	\$663.00	Minor commercial work eg signs/shop fronts/minor fitouts (no plumbing or drainage)	\$231.00		\$689.00
\$316.00	\$1958.00	Commercial/industrial ≤\$50,000.00	\$445.20		\$2,050.00
\$316.00	\$2727.00	Commercial/industrial \$50,000.01–\$100,000.00	\$613.20		\$2,856.00
\$316.00	\$3496.00	Commercial/industrial \$100,000.01–\$150,000.00	\$781.20		\$3,662.00
\$316.00	\$4264.00	Commercial/industrial \$150,000.01–\$250,000.00	\$949.20		\$4,469.00
\$316.00	\$5033.00	Commercial/industrial \$250,000.01–\$350,000.00	\$1,117.20		\$5,275.00
\$316.00	\$5801.00	Commercial/industrial \$350,000.01–\$500,000.00	\$1,285.20		\$6,082.00
\$316.00	\$6307.00	Commercial/industrial \$500,000.01–\$1,000,000.00	\$1,285.20		\$6,619.00
\$316.00	\$6307.00 plus \$379 per \$100,000 or part thereof	Commercial/industrial/agricultural >\$1,000,000.00	\$749.70		\$6,619 plus \$403 per \$100,000 or part thereof
		Other charges			
	\$1.00 per \$1,000	BRANZ levy for work \$20,000 or more			\$1.00 per \$1,000
	\$2.01 per \$1,000	DBH levy for work \$20,000 or more			\$2.01 per \$1,000
	\$153.00	Unscheduled building, plumbing, and drainage inspections			\$134.00
	cost plus 10 percent	Structural engineering or fire engineering assessment/peer review (the building consent fee does not include the cost of any structural or fire engineers assessments that may be required)			cost plus 10 percent
	\$153.00	Compliance schedule change			\$168.00
	\$153.00	Inspection hourly rate			\$168.00
	\$123.00	Re-inspection fee per inspection			\$134.00



PIM only fee 2011/12	Total Fee (excl. BRANZ and DHB levies) 2011/12	Classification	PIM only fee 2012/13	When included with other work (excl. BRANZ and DHB levies) 2012/13	Total stand alone fee (excl. BRANZ and DHB levies) 2012/13
		Certificate of acceptance—building consent fee for the applicable building payable on lodgement plus actual costs			
	\$153.00 plus \$153.00 per hour	Reassessment fee (amended plans) lodgement fee (includes first half hour)			\$168.00 plus \$168.00 per hour after first half hour
	\$153.00 per hour	Building warrant of fitness audit inspection fee—actual cost if not current			\$168.00 lodgement fee plus \$168.00 per hour after first half hour
		Vehicle crossing bonds will be assess for each application where required			
	\$500.00	Street, crossing, footpath, and berm damage bond for buildings removed from site			\$1,500.00

Events Centre charges and fees (all fees include GST)

(These charges and fees will be reviewed during 2012/13.)

Charges/day unless otherwise specified	Meeting Room 1 (Large) [per half day]	Meeting Room 2 (Small) [per half day]	Auditorium [per full day]	Dressing Room	Youth Centre [per full day]	Library as arranged	Foyer [per half day]	Interview Room (Plunket) [per half day]
Meetings 15 or fewer people	\$25.00 (\$10.00/hr)	\$25.00 (\$10.00/hr)		\$12.00			\$25.00 (\$10.00/hr)	\$25.00 (\$10.00/hr)
Meetings 16–30 people	\$45.00 (\$12.00/hr)	n/a					\$45.00	
Meetings over 30 people			\$100.00		\$100.00	\$100.00	\$75.00	
Meetings (commercial enterprise)	\$75.00	\$50.00				\$250.00	\$75.00	\$45.00
Performances ordinary rehearsals			\$30.00		n/a			
Performances ordinary rehearsals (half auditorium)			\$15.00		n/a			
Dress or lighting rehearsals			\$50.00	Free with auditorium				
Performances (community theatre or amateur performance)	\$12.00		\$150.00	Free with auditorium	\$100.00		\$50.00	

Charges/day unless otherwise specified	Meeting Room 1 (Large)	Meeting Room 2 (Small)	Auditorium	Dressing Room	Youth Centre	Library	Foyer	Interview Room (Plunket)
	[per half day]	[per half day]	[per full day]		[per full day]	as arranged	[per half day]	[per half day]
Performance (half auditorium)			\$75.00	Free with auditorium				
Performance (professional)	\$25.00		\$250.00	Free with auditorium	\$150.00			
Conferences	\$50.00	\$35.00	\$250.00		\$100.00		\$15.00	\$15.00
Displays (community service)						Free	Free	
Exhibitions (non-profit)			\$75.00		\$50.00		\$25.00	
Exhibitions (commercial)			\$150.00				\$50.00	
Commercial sales and auction events	\$75.00	\$50.00	\$250.00		\$200.00		\$100.00	
Social Events – bond	\$200.00		\$500.00		\$200.00		\$500.00	
Social events – hire	\$75.00		\$250.00		\$100.00		\$75.00	
Kitchen use (per day)	\$12.00	\$12.00	\$12.00		\$12.00	\$12.00	\$12.00	\$12.00
Pack in/out fee	\$10.00	\$10.00	\$50.00		\$50.00		\$25.00	
Cougar Hire			\$12.00/hr		\$12.00/hr		\$12.00/hr	
Staff time for assistance with pack in, pack out, or setup	\$15.00/hr	\$15.00/hr	\$15.00/hr		\$15.00/hr		\$15.00/hr	
Staff time (security/lockup/unlock)	\$15.00/hr	\$15.00/hr	\$15.00/hr		\$15.00/hr		\$15.00/hr	

Note: The Centre user is responsible for returning the rooms hired in a clean and tidy state; additional charges may be levied for additional cleaning and/or repairs.

Note: All fees subject to change as part of Carterton District Council's Annual Plan and Long Term Plan processes.

Trade waste

Administration charges

2011/12 charges excluding GST	Category	Description	2012/13 charges excluding GST
At cost	Connection fee	Payable on application for connection to discharge	At cost
At cost	Compliance monitoring	The cost of sampling and analysis of trade waste discharge	At cost
At cost	Disconnection fee	Payable following a request for disconnection from sewage system	At cost
Small business (1–5) staff \$100 Medium business (6–15 Staff) \$190 Large business (16+ staff) \$370	Trade waste application fee	Payable on an application for a trade waste discharge	Small business (1–5 staff) \$152 Medium business (6–15 staff) \$288 Large Business (16+ staff) \$560



2011/12 charges excluding GST	Category	Description	2012/13 charges excluding GST
\$80 per hour	Reinspection fee	Payable for each reinspection visit by the Waste Water Authority (WWA) where a notice served under the bylaw has not been complied with by the trade waste discharger	\$85 per hour
Small Controlled \$90 pa Conditional \$220 pa Medium Controlled \$360 pa Conditional \$700 pa Large Controlled \$800 pa Conditional \$1500 pa	Annual trade waste charges	An annual management fee for a trade waste discharge to cover the WWA's costs associated with for example: a. administration b. general compliance monitoring c. general inspection of trade waste premises d. use of the sewerage system This charge may vary depending on the trade waste sector or category of the discharger	Small Controlled \$190 pa Conditional \$390 pa Medium Controlled \$650 pa Conditional \$1,050 pa Large Controlled \$1,400 pa Conditional \$2,000 pa
	Rebates for trade premises within the District	Reduction in fees provided for in Section 150(2). Section 150(4) of the LGA states that the fees prescribed by the Council to recover more than the reasonable cost incurred by the Council for the matter for which the fee is charged. In no event shall the resultant charge be less than the Council's sewerage charge for the equivalent period.	Discretion of Council As calculated by Council
	New or Additional Trade Premises	Pay the annual fees and a pro rata proportion of the various trade waste charges relative to flows and loads	As per charges outlined below
\$0.40/ m ³	B1 Volume	Payment based on the volume discharged	\$0.52/ m ³
\$0.45/kg	B3 Suspended Solids	Payment based on the mass of suspended solids \$/kg	\$0.60/kg
\$0.50/kg	B4 Organic Loading	Biochemical oxygen demand or chemical oxygen demand \$/kg	\$0.65/kg
\$10.00/kg	B5 Nitrogen	Payment based on the defined form(s) of nitrogen \$/kg.	\$10.00/kg
\$10.00/ kg	B6 Phosphorous	Payment based on the defined form(s) of phosphorous \$/kg.	\$10.00/ kg

Tankered Waste Charges

\$120 per cubic metre or tonne (1000kg)	C1 Tankered Waste	Set as a fee(s) per tanker load, or as a fee(s) per cubic metre, dependent on trade waste category	\$120 per cubic metre or tonne (1000kg)
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Interesting Carterton Statistics

The following information has been sourced primarily from the 2006 Census (Department of Statistics).

Population

Ward	2001 Census Usually Resident Population Count	2006 Census Usually Resident Population Count	2011 Estimate Usually Resident Population Count
Rural	2751	2976	3280
Urban	4104	4122	4370
Total	6849	7098	7650

Occupied Dwelling Count

Ward	1996 Occupied Dwelling Count	2001 Occupied Dwelling Count	2006 Occupied Dwelling Count
Rural	912	1011	1095
Urban	1599	1632	1701
Total	2514	2643	2796

Personal Income for the Census Usually Resident Population Count Aged 15 Years and Over

Income Range	Number of People
Loss or Zero Income	240
\$1 to \$25,000	2595
\$25,001 to \$50,000	1641
\$50,001 to \$100,000	552
\$101,000 or More	114
Not Stated	456

Qualifications for Usually Resident Population Count Aged 15 Years and Over

Qualification	Number of People
No Qualifications	1620
Level 1 to 4 Certificates Gained at School	1473
Overseas Secondary School Qualification	168
Level 1 to 4 Certificate Gained Post-School	846
Level 5 and 6 Diplomas	477
Bachelor Degree and Level 7 Qualification	369
Post Graduate and Honours Degree	69
Masters Degree	54
Doctorate Degree	12
Not Elsewhere Included	510

Access to Telecommunication systems for Households in Private Occupied Dwellings

Type of Telecommunication Systems	Number of Households
Access to a Cellphone/Mobile Phone	1917
Access to a Telephone	2464
Access to a Fax Machine	774
Access to the Internet	1533
No Access to Telecommunication Systems	42

Access to Motor Vehicles for Households in Private Occupied Dwellings

Number of Motor Vehicles	Number of Households
No Motor Vehicle	165
One Motor Vehicle	966
Two Motor Vehicles	1053
Three or More Motor Vehicles	477
Not Elsewhere Included	99

Birthplace for the Census Usually Resident Population Count

Birth Place	Number of People
New Zealand	5997
Australia	81
Pacific Islands	42
UK and Ireland	477
Europe (excl. United Kingdom and Ireland)	123
North America	33
Asia	54
Other	42

Ethnic Group for the Census Usually Resident Population Count

Ethnic Group	Number of People
European	5703
Māori	678
Pacific Peoples	108
Asian	78
Middle Eastern, Latin, American and African	18
New Zealander	828
Other Ethnicity	3