

Extra-ordinary Whangarei District Council

Creating the ultimate
living environment



WHANGAREI
DISTRICT COUNCIL

Notice of Meeting

An extra-ordinary meeting of the Whangarei District Council will be held in the Council Chamber & Committee Room 1, Forum North, Whangarei on:

**Wednesday
23 June 2010
1.30 pm**

Committee

His Worship the Mayor (Chairperson)
Cr C B Christie
Cr V P D Cocurullo
Cr S J Deeming
Cr S M Glen
Cr A D Goodhew
Cr P R Halse
Cr S L Mai
Cr G M Martin
Cr B L McLachlan
Cr S L Morgan
Cr K J Sutherland
Cr W L Syers
Cr M R Williams

Vision Statement

To be a vibrant, attractive and thriving District by developing sustainable lifestyles based around our unique environment, the envy of New Zealand and recognised world wide.

Call to order – all present rise for the Mayor
Opening Prayer
Apologies
Declaration of Conflicts of Interests

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**Recommendations contained in the Council agenda are NOT Council decisions.
Please refer to Council minutes for resolutions.**

1. Annual Plan 2010/2011 and an Amendment to the 2009-2019 Long Term Council Community Plan (Adoption)

Reporting Officer: Bernard Murphy (Financial Controller)

Date: 18 June 2010

Vision, Mission and Values

The Annual Plan forms the basis for Council activities over the next year, and as such is an integral part of creating 'a vibrant, attractive and thriving District'.

Local Government Act 2002 – The Four Well-Beings

Cultural: *The Annual Plan 2010-11 and Amendment sets out the means by which the District's cultural values can be enhanced, and specifically notes how Council can build the capacity of Maori to contribute to the decision-making process.*

Economic: *The Plan and Amendment make provision for the projected economic growth of the District, including the development of a vibrant and growing local economy as one of the identified Community Outcomes.*

Environmental: *The Plan identifies 'a sustainable, environmentally responsible District which values its natural resources' as one of the Community Outcomes that Council must look to achieve in conjunction with the wider community.*

Social: *The Community Outcomes include 'a District which is safe and crime free' and 'a community that is healthy and educated'. These form the basis for Council activities associated with social issues.*

Introduction

After consultation with ratepayers and deliberation by Councillors the final changes to the Annual Plan 2010/2011 and the amendment to the Long Term Council Community Plan 2009-2019 have now been completed and these documents are ready for adoption.

Changes since the Draft Annual Plan

The Draft Annual Plan 2010/2011 has been updated as a result of the consultation process and subsequent workshops and deliberations. While the draft Plan was prepared based on the best information available at the time, factors that have since had a significant impact on the Plan have necessitated some changes in the final document.

The final Plan includes a section titled 'Action to be taken as a result of submissions to the Annual Plan' (page 25). This section highlights a number of initiatives that Council will undertake as a result of the submissions process. The majority of these initiatives did not require a change to the Annual Plan budgets but will be actioned as priorities for 2010/11.

Rates revenues in the draft Plan have been reviewed and have been decreased overall by \$100k in the final Plan. There is still a high level of uncertainty around the impact on Rates Revenue of the large number of property valuations currently being reassessed by Quotable Value New Zealand. It is difficult to quantify the final impact of these reviews on Rates revenue but the final Plan budgets have been prepared on the best information currently available.

Changes to the Amendment to the Long Term Council Community Plan 2009-2019

The draft Annual Plan has also been updated to reflect changes made to the Amendment to the Long Term Council Community Plan 2009-2019.

Since developing the Draft Amendment it is apparent that the anticipated sales of endowment properties for the 2009/2010 financial year will not proceed until the 2010/2011 year. This has resulted in these sales being moved into Year Two of Amendment. Corresponding changes to rental income, interest, gain on sale and disposal of assets have been made including an increase in interest of \$440k and various changes to the Statement of Position and Cashflows to reflect the delay in the property sales.

The proposed sale of endowment land has been approved by the Minister of Local Government, with his endorsement of the sales "if it (the property portfolio) is to be better managed for the benefit of the Whangarei District".

The draft and final Amendment have been audited by Audit New Zealand with an unqualified opinion received for the draft document and clearance to publish the final document.

Recommendation

1. That Council adopt the Annual Plan 2010/2011 in accordance with Section 95 of the Local Government Act 2002.
2. That Council adopt the Amendment to the Long Term Council Community Plan 2009-2019 in accordance with Section 97 of the Local Government Act 2002.

Under Separate Cover (to be circulated)

Annual Plan 2010/2011

Amendment to the Long Term Council Community Plan 2009-2019

2. Rates Resolution 2010/2011

Reporting Officer: Helen McKenzie (Revenue Manager)
Date: 30 May 2010

Vision, Mission and Values

Creating the ultimate living environment.

Local Government Act 2002 – The Four Well-Beings

- Cultural:*** *Setting of rates recognises the significance of cultural values. WDC has developed policy in relation to rates relief for Maori land to meet the requirements of the Local Government Act 2002.*
- Economic:*** *The primary purpose of rates when set is to achieve a fair balance between users pays principles, fairness and equity between ratepayers, and encouraging economic development where possible.*
- Environmental:*** *The setting of rates includes relief by way of remission of rates on properties where land or portions of land have been covenanted for protection purposes.*
- Social:*** *WDC has also developed policy in relation to rates postponement or remission which recognises hardship or special circumstances related to land values and applies these to create a greater balance of social needs within our communities.*

Section 23 of the Local Government (Rating) Act 2002 requires that rates must be:

- a) Set by a resolution of the local authority;
- b) Set in accordance with the relevant provisions of the local authority's long-term council community plan and funding impact statement for that financial year.

The details in the recommendation that follows are an extract from those included in the Annual Plan and Funding Impact Statement for 2010/11. The adoption of the Annual Plan has completed that part of the process and now the resolution to formally set the rates is able to proceed.

Due to the proposed increase in Goods and Services Tax (GST) on 1 October 2010, all figures included in this resolution are excluding GST. GST will be applied at the prevailing rate at the time an invoice is issued.

Recommendation

That the Whangarei District Council in pursuance of its powers under the Local Government (Rating) Act 2002 hereby resolves to set the following rates and charges upon the rateable value of all rateable properties appearing in the District Valuation Roll now in force in the Whangarei District for the period 1 July 2010 to 30 June 2011.

The rates will be set in accordance with the relevant provisions of the Funding Impact Statement covering the financial year 1 July 2010 to 30 June 2011.

General Rates and Charges

General Rates

	Differential Land Use Category	Cents in Dollar of Land Value plus GST at the prevailing rate
1.	Residential	\$0.0020192
2.	Residential – Step 1	\$0.0010096
3.	Residential – Step 2	\$0.0005048
4.	Multi – Unit	\$0.0040383
5.	Rural	\$0.0016153
5.	Commercial / Industrial	\$0.0100958
6.	Miscellaneous Properties	\$0.0020192

Uniform Annual General Charge

A charge of \$215.11 plus GST at the prevailing rate to every separately used or inhabited part of a rating unit.

Targeted Rates

Sewage Disposal

A targeted rate of \$457.78 plus GST at the prevailing rate for residential and for any other premises having no more than two toilet pans and a targeted rate of \$296.89 plus GST at the prevailing rate per pan for all other premises having more than two toilet pans connected to the districts sewer reticulation and sewage disposal systems. The rate will be based on the number of water closets or urinals within the rating unit.

Educational establishments will be subject to a special remissions policy.

Refuse Facilities

A targeted rate of \$122.67 plus GST at the prevailing rate in respect of every separately used or inhabited part of a rating unit.

Water Supply

A charge of \$1.68 plus GST at the prevailing rate per cubic metre of water consumed (as measured by meter) in respect of every separate rating unit to which water is supplied and where a meter is installed. For water invoiced after 1 July 2010 where consumption is apportioned as being prior to that date the rate payable will be \$1.64 plus GST at the prevailing rate.

An annual supply charge of \$22.67 plus GST at the prevailing rate will apply to every separately metered used or inhabited part of a rating unit and will be calculated and applied to each account according to the consumers' cyclic billing period.

For calculation purposes, water will be treated as having been consumed on an equal daily basis over the period of the reading. An estimated account may be calculated and this will be in accordance with clause 1.3.10.5 of the (WDC) Water Supply By-Law 2000.

Rating units, where the consumption of water is not charged through a meter, but are connected to any of the districts water supply systems, will be subject to an annual charge of \$281.78 plus GST at the prevailing rate.

Rating units that are situated within 100 meters of any public water reticulation system that are capable of being connected but are not connected an annual charge of \$22.67 plus GST at the prevailing rate (for availability) will apply.

Recreation Facilities Rate

A targeted rate of \$35.56 plus GST at the prevailing rate to every separately used or inhabited part of a rating unit.

Coastal Amenities Rate

A targeted rate of \$13.33 plus GST at the prevailing rate to every separately used or inhabited part of a rating unit.

Miscellaneous Targeted Rates

These rates will be charged as a set amount per rating unit and will only apply to rating units within a defined and specified area where it is considered that the ratepayers within this defined area are receiving a direct benefit from the specified works.

Targeted Rate – Project Works	Annual Charge plus GST at the prevailing rate
Whangarei Heads Sewerage Scheme (Stage 1)	\$629.20
Whangarei Heads Sewerage Scheme (Stage 3)	\$1,400.00
Oakura Sewerage Scheme	\$1,217.78
Lake Ora Sewerage Scheme	\$222.22
Cullen Road Seal Extension	\$355.93
Finlayson Road Seal Extension	\$274.11
Malone Road Seal Extension	\$373.33
Pataua Boat Ramp and Foreshore Protection	\$122.67
McGregors Bay, Taiharuru Erosion Protection (Beachfront)	\$1720.00
(Other)	\$322.67

Hikurangi Swamp Major Scheme Rating District

A differential targeted rate to every rating unit in a specific location within the Northland Catchment area. Rates will be charged on the basis of the land area within the rating unit in accordance with the following scale:

Class – Scale of Charges	Dollar per Hectare plus GST at the prevailing rate
A	\$59.22
B	\$53.18
C	\$41.46
D	\$ 5.93
E	\$ 2.99
F	\$ 1.19

Hikurangi Swamp Drainage Rating District

A differential targeted rate to every rating unit in a specific location within the Northland Catchment area. Rates will be charged on the basis of the land area within the rating unit in accordance with the following scale:

Class – Scale of Charges	Dollar per Hectare plus GST at the prevailing rate
A	\$6.84
F	\$0.68

Due Dates for Payment

For those ratepayers who are unable to pay their years rates in full by the due date of the first instalment (20 August 2010) payment may be made by way of four instalments with each instalment due and payable on the date specified on the rate invoice for that instalment as follows:

Instalment	Date Rates Due and Payable
1.	20 August 2010
2.	22 November 2010
3.	21 February 2011
4.	20 May 2011

Water (by meter) accounts are processed monthly, two-monthly or six-monthly. The due dates of these accounts will be relative to the consumer's cyclic billing period. The due date for payment will be shown on every separate account.

Discount for Rates and Charges Paid in Full

Discount of five per cent (5%) will be allowed if the 2010/2011 rates and charges are paid in full by the due and payable date of the first instalment, i.e. 20 August 2010.

In the case of water (by meter) accounts the due and payable dates will be relative to the consumer's cyclic billing period. The due dates for payment will be shown on every separate account.

Penalties Added to Unpaid Rates

A penalty of ten per cent (10%) will be added to each instalment or part thereof, or in the case of water (by meter) to each account or part thereof, which are not paid by the due date. All rates and charges (excluding water by meter) charged prior to 30 June 2010 (i.e. all previous years rates) that still remain unpaid as at 1 September 2010 will be subject to a further additional penalty of ten per cent (10%).

Goods and Services Tax

All rates and charges exclude Goods and Services Tax (GST) which will be applied at the prevailing rate at the time the invoice is issued. Penalties added to unpaid rates are exempt from GST but will be applied to the GST inclusive amount.