CONTENTS

Page	
01	PURPOSE OF THE ANNUAL PLAN
02	DIRECTORY
03	COUNCIL AND COMMUNITY BOARD MEMBERS
04	SENIOR MANAGEMENT
05	MAYOR'S AND CHIEF EXECUTIVE'S COMMENTARY
12	SIGNIFICANT ACTIVITIES
13	CIVIC FUNCTIONS AND TOURISM MARKETING
16	PROPERTY SERVICES
20	COMMUNITY SERVICES
26	RESOURCE MANAGEMENT AND REGULATORY SERVICES
34	ROADING
37	UTILITY SERVICES
42	FORECAST FINANCIAL STATEMENTS
45	ACCOUNTING POLICIES AND EXPLANATORY NOTES
49	REVENUE AND FINANCING POLICY
56	RATES REVIEW REPORT
64	FUNDING IMPACT STATEMENT
75	RATES REMISSION AND POSTPONEMENT POLICIES
83	LONG TERM FINANCIAL STRATEGY SUMMARY
88	TREASURY MANAGEMENT POLICY
92	POLICY ON SIGNIFICANCE
94	POLICY ON PARTNERSHIPS WITH PRIVATE SECTOR
96	POLICY ON DEVELOPMENT / FINANCIAL CONTRIBUTIONS
97	QUEENSTOWN EVENTS CENTRE TRUST
98	QUEENSTOWN AIRPORT CORPORATION LTD
99	APPENDIX 1 – PROJECT LIST
122	EQUAL EMPLOYMENT OPPORTUNITY

PURPOSE OF ANNUAL PLAN

The purpose of the Annual Plan is to communicate to the public the Council's proposed activities and financial plans for the year ending 30 June 2004.

Council is currently in a transitional phase between the old 1974 Local Government Act and the new Local Government Act passed in December 2002. The transitional provisions in the new Act allow Council to prepare for the 2003/04 year either a Long Term Council Community Plan under the new Act or an Annual Plan under Section 223D of the 1974 Act. However, plans prepared under 223D need to make provision for some of the policy and procedural requirements of the new Act. Queenstown Lakes District Council opted for an Annual Plan.

The Local Government Act 2002 modifies the requirements for the transitional Annual Plan as follows:

Instead of the information required by section 233D(3)(d) to (g) of the 1974 Act, the following is required:

a) a revenue and financing policy
b) a liability management policy
c) an investment policy
d) a policy on development contributions or financial contributions
e) a policy on partnerships between the local authority and the private sector
f) a summary of the policy on determining significance
g) a funding impact statement

The Revenue and Financing Policy replaces Council's existing Funding Policy while the Treasury Management Policy incorporates the requirements of the Liability and Investment Policies. Also included in this plan after public consultation is Council's Policy on Significance and the Policy on Partnerships with the Private Sector, as well as a number of Policies on Rates Remission and Postponement.

CONSULTATION

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

The key dates in Annual Plan process were as follows:

23 May 2003	Council adopts draft Annual Plan
19-23 May 2003	Documents finalised
24 May 2003	Public Notice of submission period
24 May 2003	Submission period begins (one month)
04 June 2003	Annual Plan summary widely distributed
04-13 June 2003	Consultation meetings
24 June 2003	Submission period closes
30 June 2003	Council hearing to consider submissions
04 July 2003	Council hearing to consider submissions (if required)
18 July 2003	Council adopts Annual Plan

The original timetable allowed for the adoption of the final version at the Council meeting on the 18th July 2003. This meeting has subsequently been deferred to the 4th August 2003. The statutory deadline for adoption is 30 September 2003.

DIRECTORY

Main Office
Civic Centre
10 Gorge Road
Private Bag 50072
Queenstown

Telephone and Facsimile

Telephone	(03) 441 0499
Facsimile	(03) 442 7334
E-mail:	service@qldc.govt..nz

Service Centres

Arrowtown Library 58 Buckingham Street Arrowtown	Telephone	(03) 442 1607
Wanaka Office 68 Ardmore Street P O Box 43 Wanaka	Telephone Facsimile	(03) 443 8197 (03) 443 8826

Queenstown Events Centre Trust
Joe O'Connell Drive, Frankton
P O Box 2009
Queenstown

Queenstown Airport Corporation Limited
Terminal Building, Queenstown Airport
C/- P O Box 64
Queenstown

Auditors
Audit New Zealand on behalf of the Auditor General
Christchurch

Bankers
Bank of New Zealand
Queenstown

Solicitors
Macalister Todd Phillips Bodkins
Queenstown

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

COUNCIL AND COMMUNITY BOARD MEMBERS

MAYOR
Clive Geddes

DEPUTY MAYOR
Sally Middleton

COUNCILLORS

Arrowtown Ward
David Clarke

Queenstown/Wakatipu Ward
Chris Blackford
Christine Kelly
Barry Lawrence
Wayne McKeague
Gillian Macleod
Kathy Neal
Rick Pettit

Wanaka Ward
Peter Gray
Sally Middleton
Aaron Heath

Wanaka Community Board
Peter Barrow
Jude Battson
Bill Gordon (Chairman)
John Coe
Graham Dickson
Leigh Overton
Peter Gray
Sally Middleton
Aaron Heath

COUNCIL COMMITTEES

Finance, Audit, Property and Corporate Committee
Chairperson: Councillor Peter Gray

Reserves, Facilities and Services Committee
Chairperson: Councillor Sally Middleton

Strategy Committee
Chairperson: Councillor Barry Lawrence

Utilities Committee
Chairperson: Councillor Chris Blackford

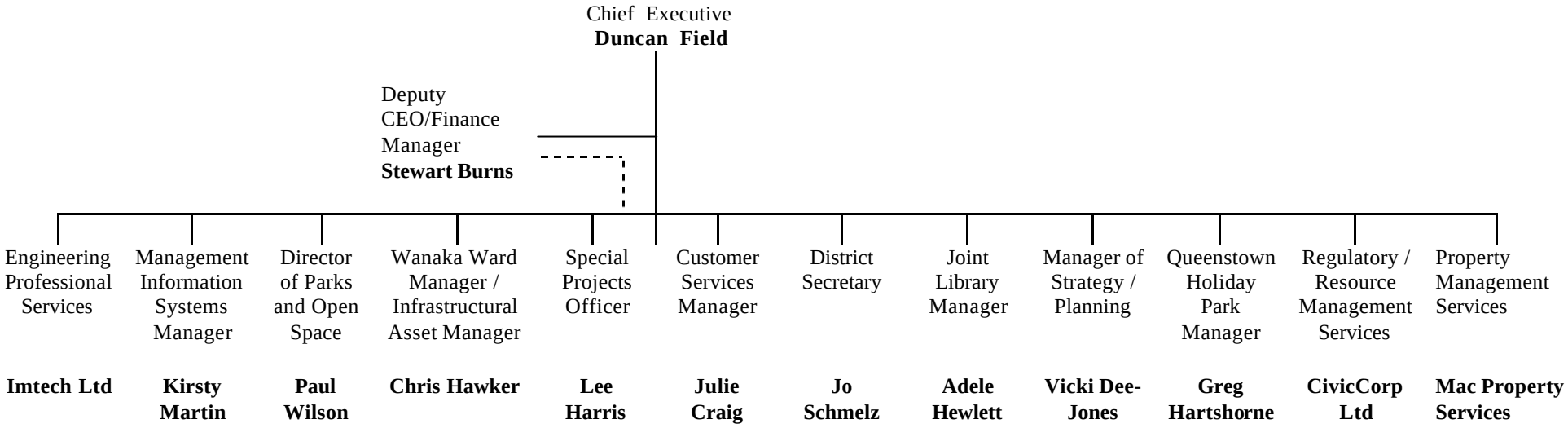
Regulatory and Hearings Committee
Chairperson: Councillor David Clarke

Wanaka Community Board
Chairperson: Wanaka Community Board Member Bill Gordon

Queenstown Airport Corporation Ltd
Chairperson: Mr John Davies

SENIOR MANAGEMENT

DELEGATED RESPONSIBILITIES
As at May 2003



MAYOR'S AND CHIEF EXECUTIVE'S COMMENTARY

INTRODUCTION

The elected members of the Council are now well over halfway through their three year term, which will end in October next year. This Annual Plan can be seen as a reflection of the great number of key projects that have been inherited, initiated and driven by this Council. Commitment to these projects has seen a major emphasis placed on successful community workshops and public interaction. This plan can be seen to be a solid second layer to that public consultation.

THE PURPOSE OF LOCAL GOVERNMENT IS TO PROMOTE THE SOCIAL, ECONOMIC, ENVIRONMENTAL AND CULTURAL WELL-BEING OF COMMUNITIES, IN THE PRESENT AND FOR THE FUTURE.
– LOCAL GOVERNMENT ACT 2002

NEW LEGISLATION - NEW COUNCIL ROLE

This Annual Plan reflects the introduction of two wide-ranging pieces of new legislation, both scheduled to commence on July, 1, 2003.
They are:

1. **Local Government Act 2002.**
2. **Local Government Rating Act 2002**

Much time and resources have been spent preparing for the impact of both acts.

LOCAL GOVERNMENT ACT

The Local Government Act signals a new era in local government, which is encapsulated in a number of new policies.

There are a number of new policies incorporated into the plan which will have a wide ranging impact on how the Council operates.
Included in these are the policy on significance (or in other words a policy which assesses the importance of decisions and indicates the level of consultation required); and the policy on partnerships with the private sector.

One of the key contrasts between the new Act and the 1974 Act is that local government now has a broad mandate to promote community well-being rather than simply undertaking particular tasks or activities.

The legislation requires Council's to develop a long term council community plan (LTCCP) which incorporates community outcomes. This Council took the initiative to get a 'head start' earlier last year with two major strategic community workshops already formulated into plans. They are Wanaka 2020 and Tomorrow's Queenstown. We have also updated the Arrowtown Plan and have committed to plans for other communities in the next year. Foresight and listening to our communities' means we are now in a position to advance these outcomes into a set of actions (see Strategic Planning). This Annual Plan contains a number of initiatives resulting directly from the community plan process**.**

LOCAL GOVERNMENT RATING ACT

There are two main changes:

- The owner will now be liable for rates as opposed to the occupier.
- The new Act allows the Council to target rates on properties to better recover the cost of services.

Rate Review

To use these new provisions effectively, the Council undertook a rate review this year. The review is conducted every three years, following the revaluation of the district. The 2002 property values will be used to assess rates from July, 1, 2003. The outcome of the review - conducted district-wide involving extensive consultation, meetings and workshops - was reported to the Council in March 2003. In very general terms the review will mean that new differentials will be set for general and road rates and that a new stormwater rate has been introduced. Perhaps for the first time the Council, as the result of extensive research, has a rating system which can be defended on robust and logical grounds. The changes have resulted in a shift in the rating allocation resulting in minor increases to the residential and accommodation sectors and reductions

for rural properties and the commercial sector. For more information refer to the report on the Rate Review included on page 56.

WHAT ARE THE KEY ISSUES?

STRATEGIC PLANNING

A major focus of this year's Annual Plan is the vigorous pursuit of the strategic issues identified during the workshop process. This is reflected in District Plan variations and plan changes including: signage, CBD car parking contribution, residential parking zones and residential and urban density zones. Strategic planning initiatives can also be seen in infrastructure design reviews, traffic and parking studies, a commitment to walkways, cycle ways, landscaping and reserve development.
The 'next step' is the development of community scenarios for the future. These will be developed and referred back to the community in order to confirm the direction needing to be taken. These scenarios will assist us to align future planning and coordinate action required from other agencies (for example power and roads).
Once again this process, already well underway in our district, is mandatory under the new Act. By developing those initiatives at an early stage we are well placed to both comply with our legal requirements and, more importantly, fulfil the community's expectation of us. This focus on strategic planning has included the Council supporting the strategic planning efforts of the Queenstown Airport Corporation, the Queenstown Events Centre, Destination Queenstown, Lake Hawea Tourism and the Wanaka Community Board.

DISTRICT PLAN

The Council aims to have the Proposed District Plan operational by December 31. This has been a very difficult, costly and time consuming eight year process. Moving to adoption of the plan is a major milestone. There are funding implications in this and future Annual Plans. Notably, up until this time the costs of the District Plan process have been loan funded on the basis that the plan serves not only today's residents but future members of the community. However adoption of the plan will not see an end to ongoing costs, which will stem from the need to constantly review the plan. The plan will now continue to be updated through the process of plan changes rather than embarking on the process of creating an entirely new document. These ongoing costs will be funded from rates in the future.

WASTE MANAGEMENT STRATEGY

Managing Waste Wisely
QUEENSTOWN LAKES DISTRICT COUNCIL

The Council's commitment to a zero waste future is reflected in its continuing drive towards the implementation of a waste management strategy. Like the strategic plan and rate review documents, the strategy is the direct result of district-wide consultation and workshops. The final strategy was presented to the Council in April and a decision taken to fully fund the implementation of the strategy. This Annual Plan includes $432,000 dedicated to new operating costs and capital works (a resource recovery for the Wakatipu Basin centre and regional green waste areas).

FLOOD MITIGATION $3.5 MILLION ?

The inclusion of flood mitigation as a capital project is contingent on two things: the resource consent (and its conditions); and an agreement with affected parties regarding funding.

The consent was not approved and as a result the proposed physical works have been deleted from the program. Funding, however, has been included to allow for continuing investigation into potential solutions.

2003/2004 ANNUAL PLAN HIGHLIGHTS

CAPITAL WORKS

ROADING

The biggest financial focus in this year's Annual Plan is a commitment to roading, illustrated by a capital works total of $5.7 million in the plan (last year was $4.1 million). Some of the key projects, many of which reflect the strategic plan process, are:

- Glenorchy/Rees Valley Road seal extension, stage one $750,000 (our contribution $187,500).
- Aubrey Road, Wanaka seal extension $270,000 (our contribution $149,000).
- Bernard Street, Albert Town $200,000.
- Cardrona bridge replacement $590,000 (Our contribution $300,000)
- Queenstown central business district improvements $265,000.
- Transport studies $140,000.
- Parking strategy $55,000.
- Cycleway development $125,000.
- Walking and cycle strategy $30,000.

SEWERAGE

Two small communities will benefit this year from a commitment to undertake investigative studies with a view to developing new sewerage schemes. Studies will be undertaken for Kingston and Glenorchy. A third study will investigate the establishment of a water scheme for Kingston.

WATER

The rate of growth is reflected in the Annual Plan's commitment to three major reservoir projects they are: Kelvin Heights $736,000, Arrowtown $830,000 and Beacon Point, Wanaka $2.9 million.

RESERVES/ COMMUNITY FACILITIES

Queenstown Community Centre
There are no plans to commit any funds in the coming financial year. The only project scheduled at the Stanley Street site will be the demolition of existing buildings to allow for additional central car parking. A working party is continuing to investigate the viability of developing a Queenstown Community Centre.

Arrowtown Pool Liner
The Annual Plan has committed $310,000 to improving the Arrowtown Pool with the addition of a new liner. The new liner will, in conjunction with last year's investment in a new filter system, considerably upgrade the pool as a Council asset.

Aquatic Centre
The Council has already set aside $1.5 million to implement any final decision on a new community pool for Queenstown. The timing of any expenditure will depend on the findings of the Pool Working Party and a fresh community mandate once the true operational cost of the pool is confirmed.

Other

- Albert Town Dale Street reserve development $100,000.
- Pembroke Park irrigation $70,000.
- Wakatipu walkways $140,000.
- Wanaka walkways $90,000.
- Kingston reserve acquisition $50,000
- Wanaka lake front upgrade, car parks, landscaping various cost.

PROPERTY

Queenstown Motor Park Freehold Land Plan
The working party has now engaged a consultant to further investigate possible future use of approximately 4ha of Council owned freehold land above the central business district. The maximum benefit from the land is being sought, with an emphasis on ongoing financial return and quality development options.

Scurr Heights
The Council is now ready to develop the next stage of this subdivision. The aim is to sell 75 percent of the next stage by the end of the 2003/2004 financial year. The sale of the 45 lots will be a source of additional funding for the Wanaka ward.

Commonage – Queenstown Hill
There is no immediately planned development work on the Commonage, which has excellent subdivision sale results. There could be an opportunity to develop further lots for sale depending on a proposed land swap with the Department of Conservation. Council owns land at the foot of the Commonage land which would be suitable for reserve, while DOC owns land at the top which would better suit subdivision. Negotiations are underway.

New Office at Wanaka
With the opening of the new Wanaka Library in July, the Council will take the opportunity to relinquish the lease on its current Wanaka Council office and move the office along the road to the old library building.

FINANCIAL ISSUES

This commitment to addressing the needs of our communities comes at a price. In finalising the Annual Plan, the Council must attempt to balance the investment we have discussed above with the financial cost.

a) Rates

To implement the initiatives we have described, rates will increase. On average the increase is 7.97% although the actual increase will be dependent on the nature of your property, the services it receives and where it is located. The Funding Impact Statement on page 72, indicates the rates for next year for a representative group of properties.

The rates increase allows a wide range of issues to be tackled:

i. Our understanding of the Community's wish for both strategic planning and an increase in services in some areas;
ii. Recent rapid growth has meant that the Council has incurred additional cost in maintenance of a range of infrastructure services;
iii. Our wish to help smaller communities tackle important local projects;
iv. Our wish to minimise debt funding where that is practical;
v. The need to tackle a number of important projects, particularly water supply and roading projects as a matter of urgency;

There are also increases for charges for specific water and sewerage schemes. These are necessary due to a range of factors relating to the self-funding nature of each local scheme and the number of contributors involved. These increases are included in the examples of rates increases on page 72.

Sewerage Scheme	**Annual Charge 2002/03**	**Annual Charge 2003/04**
Arrowtown	$220	$225
Hawea	$280	$290
Albert Town	$360	$380

Water Scheme	**Annual Charge 2002/03**	**Annual Charge 2003/04**
Luggate	$190	$210

b) Capital Works

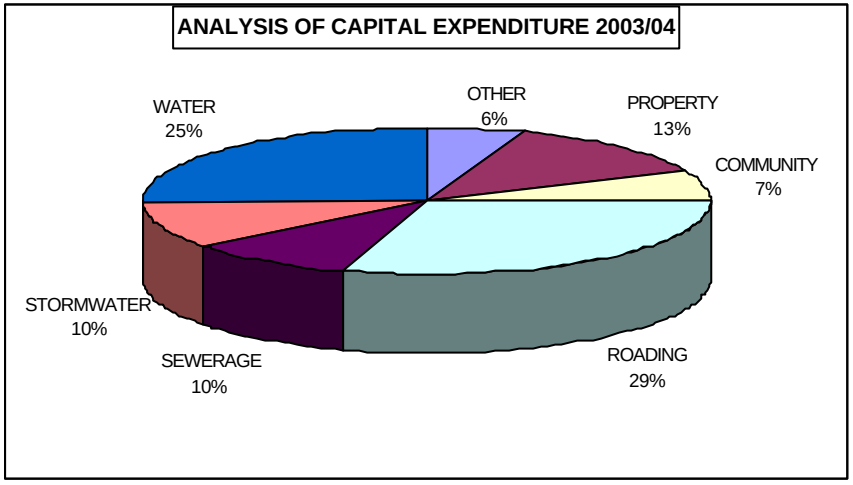
The Major Capital Projects table (on the following page) highlights the major works projects that the Council is taking on this year. We continue to be faced with a major investment programme to maintain the standards that our residents, ratepayers and visitors aspire to.

The total 2003/04 capital programme is $31.6m (including $3.7m of debt repayments and excluding carry forwards from 2002/03).

MAJOR CAPITAL PROJECTS 2003/04

Activity	Area	Project	Gross Cost 2003/04 $000's	QLDC to fund $000's
Subsidised Roading	Wakatipu	Major Rehabilitation	2,355	1,255
Subsidised Roading	Wakatipu	Glenorchy/Rees Road Seal Extension Stg 1	750	188
Subsidised Roading	Wanaka	Aubrey Road Seal Extension	270	149
Subsidised Roading	Wanaka	Bridge Replacement (Cardrona Valley) Stg 2	590	300
Subsidised Roading	Wanaka	Major Rehabilitation	746	120
Non Subsidised Roading	Wakatipu	Undergrounding of Overhead Power Lines (QLDC Share)	250	250
Non Subsidised Roading	Wakatipu	Queenstown CBD Improvements	265	265
Non Subsidised Roading	Wanaka	Bernard St (Albert Town) Seal Extension	200	200
Stormwater	Wanaka	Outlet to Cardrona (subject to 50% landowner contribution)	1,400	625
Stormwater	Wanaka	Reticulation - Hawea extension & upgrading	210	158
Waste Management	Wakatipu	Recycling Capital Projects	298	298
Reserves & Other Facilities	Wakatipu	Reserve Development	614	143
Reserves & Other Facilities	Wanaka	Reserve Development	813	170
Reserves & Other Facilities	Wakatipu	Toilet Upgrades	157	82
Reserves & Other Facilities	Wanaka	Toilet Upgrades	35	10
Water Supply	Queenstown	Kelvin Heights Reservoir	736	594
Water Supply	Arrowtown	New Reservoir & Pressure boosting	830	581
Water Supply	Wanaka	Beacon Point Reservoir	2,963	2,494
Water Supply	Hawea	Extend Scheme	305	170
Water Supply	Albert Town	Share of Beacon Point falling main	260	260
Sewerage	Wanaka	Golf Course Road - new main (subject to contributions)	200	0
Community Facilities	Arrowtown	Arrowtown Pool - replace damaged lining	310	180
Strategic Planning	n/a	Various projects	1,466	1,159
District Plan	n/a	Development (incl proposed variations/plan changes)	1,398	1,398
		Other Projects (not specfied above)	10,478	8,999
	Total		**27,899**	**20,049**

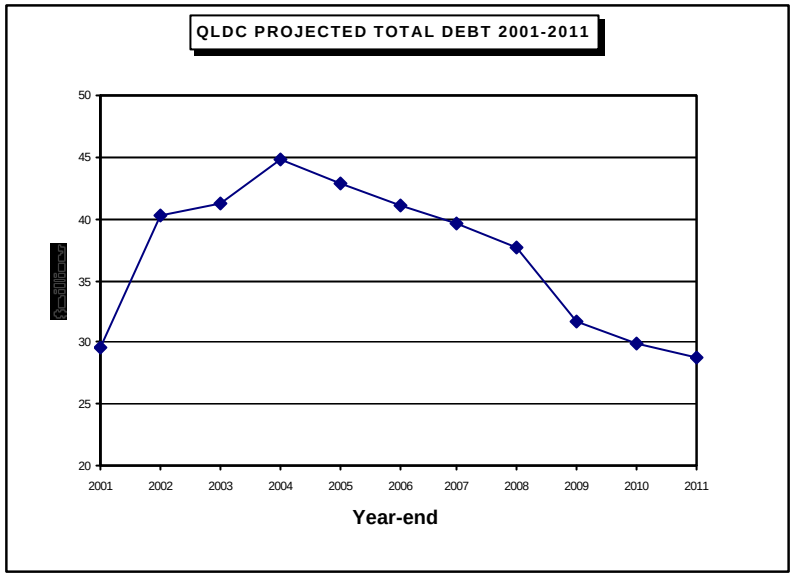
The following graph analyses the capital costs for 2003/04. Approximately 74% of our ongoing investment relates to basic infrastructure:



c) Debt

The Council is required to maintain debt at prudent levels in accordance with its liability management policy. Over recent years the Council's debt has risen significantly. This has been used in the main to fund, infrastructure projects as well as the District Plan development and the Queenstown Lakeview Holiday Park.

Every Council has periods where it uses debt to create its assets, and other periods where debt is paid off. From a peak in the forthcoming year our debt is projected to reduce to around $29m by 2011. It should be noted that this graph includes both internal and external debt and that the amount owed to third parties is not expected to exceed $30m at any time.



Debt then is an essential tool, which by necessity should be used in moderation. The Council has set limits on its borrowing through the borrowing policy. Proposed borrowings are well within those limits.

Debt Parameters	Estimate 30-Jun-04	Limit
Interest Expense/ Operating Revenue	2.8%	<10%
Total Servicing Costs/ Total Revenue	10.1%	<20%
Net Debt/Total Revenue	32.7%	<100%
Net Debt/Equity	3.5%	<15%

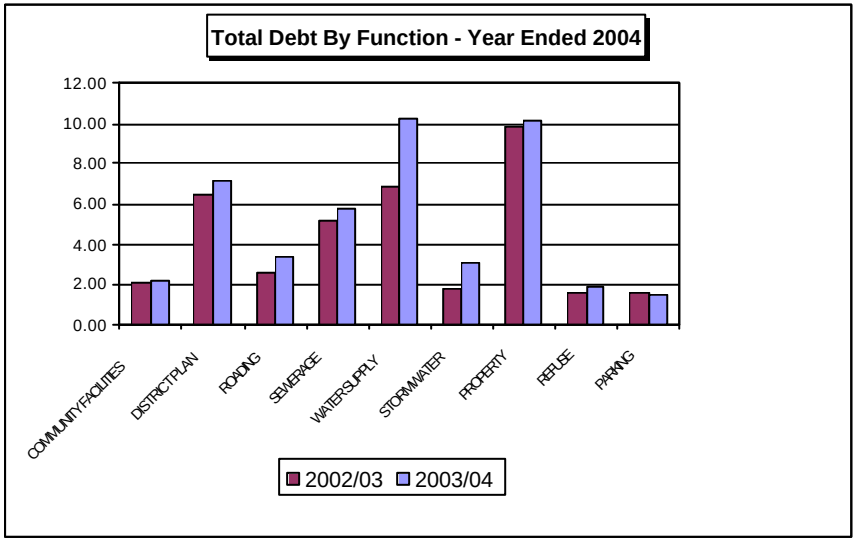
Loan funded expenditure for the 2003/04 financial year will be $7.3m (excluding carry forwards) against our most recent Long Term Financial Strategy (LTFS) projections of $4.8m. This has been caused by several factors:

i. The need to fund essential stormwater projects resulting in new loans of $1.2m compared to $393,000 in the LTFS;

ii. An increased funding requirement for the proposed district plan of $714,144 against an expectation of Nil in the LTFS;

iii. The inclusion of the loan funded work in relation to Waste Management Strategy which will be initially funded by debt $297,680;

iv. Adjustments to timing of various capital works



CONCLUSION

In this summary we have endeavoured to do just two things:

(a) Present the major issues and initiatives that have shaped this Annual Plan.
(b) Identify the cost of undertaking the plan as we have described it.

We thank those ratepayers who have participated in the process by making submissions. It is important that the Council receives feedback from the community to ensure that we are on track to deliver what is required both in terms of services and projects.

Clive Geddes
MAYOR

Duncan Field
CHIEF EXECUTIVE

SIGNIFICANT ACTIVITIES

INTRODUCTION

The following pages describe the intentions of the Council for 2003/2004 in its significant activities.

The main objectives of each significant activity are indicated and specific performance measures are included so that at year's end the Council can assess and report its effectiveness in delivering services to the community.

Many of the performance measures are of customer satisfactions which are evaluated by an independent annual random resident and ratepayer survey. The results of this satisfaction survey are reported and compared with the previous years.

In 1995 the Council undertook a strategic planning exercise with the purpose being for Council and the community to set strategic goals and objectives for the next twenty years. We have specifically included many of these goals and objectives within the appropriate significant activities.

Significant activity statements show the overall cost of services being provided, where the funds will come from to meet the costs, and an analysis of the main cost centres which make up the total cost of service.

Cost of service projections for the following two years is also estimated.

The Council's Annual Report at the end of the financial year will assess each of these planned activities and indicate the physical and financial achievements.

QUALITY MANAGEMENT

General

The Council has controls in place for monitoring and improving the quality of the services it provides. The controls consist of inspections by technical staff and reports to the Council. Other controls are by response to public enquiry and concerns.

Works—Roading and Utility Services

All physical maintenance and capital works are carried out under contract. Management and performance of maintenance activities are the responsibility of Lakes Contract Services (LCS). Auditing of their performance is undertaken by Imtech Ltd, who are also responsible for short term planning and the management and implementation of the capital works programme. All design work is undertaken by consulting engineers. The contracts with LCS and Imtech Ltd include prescribed performance auditing and appraisal systems for the monitoring and management of the quality of the services delivered.

Regulatory and Planning Services

These services have been delivered by an independent contractor, CivicCorp, from 01 July 1998. The contract provides for quality assurance in a number of ways, including specified time limits for approving applications, extensive reporting requirements and independent audits. As well as this, much of the work in these areas is subject to scrutiny by independent supervisory bodies including the Building Industry Association, the Liquor Licensing Authority and the Environment Court.

The change to service delivery by a contractor provides an incentive for greater monitoring of performance by contractors in this area. This will be primarily achieved with a combination of regular reports and the auditing of these reports and other areas by Council staff or appointees. There will be a focus on the quality of the work produced by the contractor to ensure it meets the requirements of the Council, public and relevant legislation.

Changes From Prior Years' Plans

No major changes have been made from last year's format.

CIVIC FUNCTIONS AND TOURISM MARKETING

CIVIC FUNCTIONS

Key Objective

To provide leadership and overall direction for Council activities through support of the Mayor, Councillors and Wanaka Community Board Members.

Goals

- To facilitate the democratic process and support the Mayor, Councillors and Community Board Members.
- To ensure that all Council's policies are implemented in an effective and co-coordinated manner.
- To provide a communication network between the Council, the Wanaka Community Board and the public.
- To produce the Annual Plan, Annual Report and other statutory reports in a timely and accurate manner with appropriate public consultation.

Services Provided

- Providing and servicing meetings through preparation of agendas and minutes
- Prepare and distribute the Annual Plan, Annual Report and other financial reports
- Undertake Annual Residents' satisfaction survey
- Provide leadership and policy advice to Council
- Meetings organised to keep the public informed of Council issues and allow inputs into the decision making process.

Performance Measures

- All public meetings held will have a public forum and agendas will be available not less than two days prior to the meeting
- The 2002/03 Annual Report is adopted by 31 November 2003
- The Annual Residents' satisfaction survey completed by 31 August 2003
- Implement 10 or more of the initiatives identified in the community planning documents for Wanaka and Queenstown (termed "strategies" in the Tomorrow's Queenstown workshop report and "recommendations" in the Wanaka 2020 workshop report), in accordance with the priorities that have been set by the Council by June 2004
- Completion of draft Community Plans for Hawea, Makarora, Luggate, Kingston, Cardrona & Albert Town by 31 December 2003
- Long Term Council Community Plan developed by 30 June 2004
- Satisfaction as determined by the Annual Residents' survey:
  - Level of public consultation 85%
  - Satisfaction with level of community involvement in Community Plan 85%

Significant activities in 2003/04 year

- Follow up to Strategic Workshops $94,000
- Complete Capacity Study $80,000
- Develop Planning Guidelines (Urban, Design, Rural) $95,000

TOURISM MARKETING

Strategic Objective

- **Tourism**

  The district will contain the premier year-round alpine resort destinations of the South Pacific.
  Queenstown will be the hub of a regional tourism product.
  Visitors will be from a very wide range of countries to avoid reliance on any one visitor market.
  The overall visitor industry in Wanaka and the Wakatipu Basin will be profitable on a sustainable basis throughout the year.
  Visitor activities and facilities will be sympathetic to the character of the district.
  Local character and history throughout the district will be retained in order to protect the tourism product.
  Retention of an airport in the Wakatipu Basin and in Wanaka.
  The average length of stay per visitor will be over two days.

CIVIC FUNCTIONS AND TOURISM MARKETING

Key Objective

To support economic development through the provision of funds to promotional organisations.

Goals

- To co-ordinate, facilitate and motivate the marketing of Queenstown Lakes District.
- To develop promotional material which is distinctively designed and effectively distributed
- To maintain public relations with the business community, the greater community and the wider industry
- To position Queenstown Lakes District as the premier Four Seasons Lakes & Alpine Resort Region

Services Provided

- Funding provided for:
    - Destination Queenstown
    - Lake Wanaka Tourism
    - Arrowtown Promotion and Business Association
- Attendance at Trade Shows promoting the District
- Operation of a convention bureau to facilitate conventions and handle enquiries
- Maintenance of a database of local products
- Maintenance of a website
- Development and distribution of brochures promoting local products i.e. accommodation, activities and services
- Facilitation of marketing groups such as the Winter Marketing Group
- To provide regular media releases on activities and host international media when they visit
- Management of the Queenstown Winter Festival

Performance Measures

- Production and distribution of 15,000 product directories to international and domestic travel trade
- Attend three international and one major domestic trade show promoting Queenstown as a conference and incentive destination
- Attend one trade show per annum specifically targeting shoulder season market
- Complete and distribute four newsletters updating the local community on activities by 30 June 2004
- Complete and distribute a fortnightly newsletter to local operators providing information about New Zealand tourism activities e.g. trade shows etc
- 100% of cost of Winter Festival met through corporate sponsorship and other commercial revenue streams facilitated by Destination Queenstown
- Quarterly reports to Council on progress by Destination Queenstown and Lake Wanaka Tourism
- Annual Report to Council from Arrowtown Promotion and Business Association
- Satisfaction as determined by the Annual Residents' Survey:
    - Tourism Promotion 85%

CIVIC FUNCTIONS AND TOURISM MARKETING

2002/2003 Forecast $000		2003/04 Forecast $000	2004/05 Forecast $000	2005/06 Forecast $000
	Source of Funds			
1,800	Promotion Rate	1,836	1,890	1,950
2,015	General Rate	2,675	2,598	2,648
3,815	Total Operating Revenue	4,511	4,488	4,598
	Cost of Services			
1,662	Cost of Democracy	2,089	2,109	2,159
243	Strategic Planning	389	289	289
1,860	Tourism Marketing	1,932	1,990	2,050
3,765	Total Operating Costs	4,410	4,388	4,498
50	**Operating Surplus / (Deficit)**	100	100	100
	Capital Expenditure			
50	General Contingency	100	100	100
50	Total Capital Cost	100	100	100
	Capital Funding			
50	Operating Surplus/(Deficit)	100	100	100
50	**Total Capital Funding**	100	100	100

PROPERTY SERVICES

LAND

Strategic Objective

- **Investment Purposes**

Key Objective

To maximise the utilisation and returns from Council owned and managed land through appropriate development and management.

Goals

- To generate revenues from section sales that will assist in the financing of major projects such as water and sewerage, other infrastructure developments and community facilities.
- To rationalise Council owned and managed land that has no amenity value or benefit to the Community
- To maximise returns from Land and Reserves being used on a commercial basis
- To improve existing reserves to provide better facilities and amenities

Services Provided

- Development and sale of Council subdivisions at Scurr Heights, Wanaka.
- Accurate budgeting and forecasting of subdivisions, showing all related costs against income.
- Forward planning to match future demand with supply, bearing in mind the cyclical nature of the area's property market.
- Strategic overview of property portfolio to identify opportunities for increasing the utilisation of or revenue to be gained from Council owned land.

Performance Measures

- Achieve target deadlines for construction of subdivision through better co-ordination of contractors.
- Achieve the following levels of subdivision sales:
    - Sales will only be undertaken once construction is completed.

Wanaka		
- Scurr Heights	45 sections	$6,660,000(net)

- Provision of detailed monthly reporting of sales programs along with expenditure incurred.

HOUSING

Strategic Objective

- **Housing**

An adequate supply of a wide range of housing throughout the district to meet the demand from residents.

Key Objective

To provide a limited amount of affordable, safe and well maintained Elderly Persons' housing.

Goals

- To offer affordable and well maintained flats to the elderly on a cost recovery basis
- To maximise returns from all other Council owned housing
- To maintain heritage buildings to a good standard and obtain a commercial return from leasing where practical.

PROPERTY SERVICES

Services Provided

- Manage and maintain nine one bedroom elderly person's flats
- Manage and maintain five residential sites

Performance Measures

- 100% occupancy of all available housing
- 100% compliance with the Buildings Asset Management Plan 2002-2012
- Satisfaction as determined by the Annual Residents' Survey:
  - Housing 85%

CAMPING GROUNDS

Strategic Objective

- Investment Purposes

Key Objective

- To maximise returns from camping grounds and to provide well presented camping facilities throughout the District.

Goals

- To achieve optimum returns from each camping ground
- To ensure that existing facilities are maintained to an acceptable standard

Services Provided

- Lease camping grounds to private operators on a commercial basis at Frankton, Arrowtown, Wanaka, Glendhu Bay and Lake Hawea
- Manage and operate the Queenstown Lakeview Holiday Park

Performance Measures

- Provision and management of the Queenstown Lakeview Holiday Park that meets with user requirements and encourages increased utilisation
- 95% Occupancy of Council owned cabins situated at the Queenstown Lakeview Holiday Park
- That Camping Grounds contribute at least $550,000 in general rate subsidies for the 2003/04 year
- Review of long term leasing options at Wanaka, Glendhu Bay and Arrowtown in conjunction with the Strategic Plan completed by 30 June 2004
- Stage 1 (Master Plan) of the Strategic review of options for Queenstown Lakeview Holiday Park freehold sites completed by November 2003.

WATERWAYS FACILITIES

Strategic Objective

- **Recreation**

Provision of a wide range of high quality recreation facilities throughout the district.
Recreation facilities that are accessible and affordable.
Resources are spread fairly across a wide range of activities.

- **Tourism**

Visitor activities and facilities will be sympathetic to the character of the district.

Key Objective

- To support community and visitor participation in water-based recreation activities through the provision of waterways facilities which enable safe and easy access.

Goals

- To provide and maintain boat ramps for community and commercial use as appropriate

- To provide and maintain foreshore structures for community and commercial use as appropriate

Services Provided

- Maintain boat ramps and associated structures at Glenorchy Marina, Sunshine Bay and St Omer Park (Queenstown), Bay View (Kelvin Peninsula), Frankton Marina, Kingston, Hawea Foreshore and Roys Bay (Wanaka)

Performance Measures

- Completion within budget of all waterways facilities projects detailed in Appendix 1, by 30 June 2004
- Satisfaction as determined by the Annual Residents' Survey:
    - Waterways Facilities 80%

Significant Activities

- Replace concrete slabs – boat ramps $17,000

PROPERTY SERVICES

2002/03 Forecast $000		2003/04 Forecast $000	2004/05 Forecast $000	2005/06 Forecast $000
	Source of Funds			
8,374	Property Sales	6,660	3,700	2,356
3,598	User Charges	4,283	3,531	3,531
11,972	Total Operating Revenue	10,943	7,231	5,887
	Cost of Services			
2,819	Commercial Properties	3,442	2,909	2,515
2,812	Total Operating Costs	3,442	2,909	2,515
9,160	Operating Surplus	7,501	4,322	3,372
	Capital Expenditure			
6,186	Commercial Properties	3,796	4,125	1,125
6,186	Total Capital Cost	3,796	4,125	1,125
	Capital Funding			
9,160	Operating Surplus	7,501	4,322	3,372
-	Asset Sales	400	5,500	500
(2,974)	Internally Funded	(4,305)	(5,697)	(2,747)
-	Loans	200	-	-
6,186	Total Capital Funding	3,796	4,125	1,125

COMMUNITY SERVICES

COMMUNITY GRANTS

Strategic Objectives

- **Recreation**

Resources are spread fairly across a wide range of activities.

- **Community Groups**

A network of community support groups will operate across the district providing social support and other services for residents.

Key Objectives

- To provide assistance by way of grants to a range of sporting, arts and social institutions and groups within the district.

Goals

- To have a range of community grants readily available to all community groups
- To facilitate ease of access for community groups to various sources of funding
- To provide the community with advice on funding enquiries and applications

Services Provided

- Administration of Creative Communities, and Aspiring Arts & Culture funding
- Provision and administration of Council funded grants to community groups as appropriate
- Facilitate projects and events for 2003/04

Performance Measures

- Creative Communities, Aspiring Arts & Cultural funding policies and deadlines achieved
- Community grants initiatives completed and reports approved by Council
- Satisfaction as determined by the Annual Residents' survey:
    - Community Grants 85%

COMMUNITY INFORMATION

Key Objective

To effectively keep the community informed of Council's activities and services through regular ratepayer and resident communication.

Goals

- To provide timely media releases
- To provide and update a Council website
- To have regular written communication with all residents and ratepayers
- To provide information on Council and Contractor services
- To provide information on Community networks

Services Provided

- Provide a general Public Relations overview
- Preparation and distribution of Council newsletter – Scuttlebutt
- Maintain and administer Council website
- Develop and distribute media releases for Council and Contractors
- Responsibility for community information and overseeing all publications
- Work in with community groups advocacy, promotion and publicity

Performance Measures

- A minimum of six press releases per month to ensure the community is kept informed
- A minimum of six issues of Scuttlebutt delivered within deadlines and budget constraints by 30 June 2004
- Satisfaction as determined by the Annual Residents' Satisfaction survey:
    - How well residents are kept informed 80%

COMMUNITY SERVICES

COMMUNITY FACILITIES

Strategic Objectives

- **Recreation**

Provision of a wide range of high quality recreation facilities throughout the district.

- **Cultural**

The people of the Wakatipu Basin and Wanaka have access to multi-purpose cultural facilities.

Smaller communities have access to smaller flexible facilities based on local halls.

- **Community Groups**

A network of community support groups will operate across the district providing a social support service for residents.

Key Objective

To provide opportunities for the community to meet and become involved in activities through the provision of a network of appropriately managed facilities.

Goals

- To maintain facilities to a level where they are fit for the intended use
- To enhance the use of the facilities by working with community groups towards achieving self funding of these facilities
- To provide community groups with subsidised use of the facilities within the criteria set by Council policy.

Services Provided

- Maintain community halls in Arrowtown, Glenorchy, Hawea, Cardrona and Luggate
- Maintain and manage the Lake Hayes Pavilion
- Maintain and manage community facilities in Queenstown and Wanaka
- Provide a grant for the operation and management of the Events Centre and the Memorial Hall
- Provide and maintain a community swimming pool in Arrowtown
- Purchase 950 hours of community use at Wakatipu High School swimming pool

Performance Measures

- Provision/management and maintenance of community centres and halls that meet building standards and user requirements
- Operation of the Events Centre and the Memorial Hall within budget
- Community usage of Events Centre increased by 20%
- Satisfaction as determined by the Annual Residents' survey:

  - Swimming Pools 70%
  - Community Halls 90%

RESERVES

Strategic Objective

- **Recreation**

Provision of a wide range of high quality recreation facilities throughout the district.
Recreation facilities that are accessible and affordable.
Resources are spread fairly across a wide range of activities.
Reserve areas are maintained and enhanced for the community.

Key Objective

To promote the health and well being of the community through the provision of facilities for sporting and recreational purposes

COMMUNITY SERVICES

Goals

- To provide and maintain open undeveloped space in urban communities
- To support maintenance of significant recreational sites in rural areas
- To provide and maintain parks in urban communities
- To provide and maintain sports fields for public use
- To provide and maintain designated tracks for recreational and access use

Services Provided

- Maintain 230ha of designated reserve areas in the communities of Glenorchy, Queenstown, Arthurs Point, Kingston, Arrowtown, Luggate, Wanaka, Albert Town, Hawea and Makarora
- Maintain Queenstown Gardens
- Maintain 30 playground facilities
- Maintain 24.5ha of sports fields in Queenstown, Arrowtown and Wanaka and Hawea
- Replacement/rehabilitation of life expired assets and development of existing assets as detailed in Appendix 1 (Wakatipu) and (Wanaka)

Performance Measures

- Completion within budget of all reserves projects detailed in Appendix 1 by 30 June 2004
- Satisfaction as determined by the Annual Residents' Survey:
  - Parks, Reserves and Gardens 90%
  - Sports Fields 90%
  - Playgrounds 90%

Significant Activities in 2003/04 Year

- Lake Hayes Walking Track – Stage 2 $40,000
- Walkways Trust $50,000
- Eely Point, Wanaka – Development Stage 2 $50,000
- Arrowtown River Reserve upgrades $35,000
- Frankton Lakefront Reserve Roadway $55,000
- Wanaka – Walkways Development $60,000
- Wanaka – Foreshore Playground Upgrade $80,000
- Wanaka – Foreshore Carpark Reseal $106,000
- Wanaka – Dale Street Reserve Stage 1 $100,000

PUBLIC TOILETS

Strategic Objectives

- **Environmental - Infrastructure**

Provision of efficient high quality infrastructural services in all urban areas, which meet the demands of the population and other environmental goals, in a cost effective manner.

Key Objective

To provide for the health of the community and protect the environment through the provision of public toilet facilities.

Goals

- To provide public toilets in town centres and adjacent to high use recreational areas.
- To maintain clean and sanitary toilet facilities

Services Provided

- Maintain toilet facilities in the communities of Queenstown, Arrowtown and Wanaka
- Maintain toilet facilities for recreational areas at Glenorchy, One Mile Roundabout (Queenstown) Kingston Foreshore (2), Kelvin Heights (2), Frankton Marina, Hawea Tennis Courts, Wanaka Station Park, Aspiring Road, MacDougall Street, Lakefront Playground, Boat Ramp and Eely Point (Wanaka) and Mt. Iron
- Upgrade of existing assets as detailed in Appendix 1 (Wakatipu) and (Wanaka)

Performance Measures

- All Council toilet facilities available and operational 365 days per year
- All service requests are to be actioned within specified contractual time-frames
- Completion of projects detailed in Appendix 1 by 30 June 2004
- Satisfaction as determined by the Annual Residents' survey:

  - Provision of public toilets 75%
  - Cleanliness 75%

Significant Activities in 2003/04 Year

- Queenstown - Toilet upgrade – One Mile Toilets $52,000
- Queenstown - New Toilets – Sunshine Bay $95,000

LIBRARY SERVICES

Strategic Objective

- **Education**

Encourage a high standard of pre-school, primary and secondary education facilities in the district.

- **Libraries**

All communities in the district will have access to a wide range of affordable library facilities.

Key Objectives

- To provide quality library and information services which are responsive to the recreational, information and educational needs of the community.

Goals

- To continue the development of a wider range of information services, and develop a cost recovery system for some of these services including requested books
- To develop and implement service level agreements for each Library

Services Provided

- Operation of a district library in Queenstown
- Operation of branch libraries in Arrowtown and Wanaka
- Operation of sub-branch libraries in Glenorchy, Hawea and Kingston
- Operation and administration of Central Otago District Shared Library Service
- Replacement of assets and new assets as detailed in Appendix 1

Performance Measures

- Membership increased to 15,000
- Issues per member - 12.4
- To maintain existing levels of library usage, being measured by current level of active borrowers and the number of annual issues.
- Further enhancement of QLDC/CODC regional library service
- Completion of projects detailed in Appendix 1 by 30 June 2004
- Satisfaction as determined by the Annual Residents' survey:

  - Range of books, periodicals 90%
  - Library Facilities 90%
  - Helpfulness of staff 95%

Significant Activities in 2003/04 Year

  - Replacement books for Lakes District Region $122,000

EMERGENCY SERVICES

Strategic Objective

- **Statutory Responsibility**

Key Objective

To provide an appropriate response capability for emergency events that is the statutory responsibility of local authorities

Goals

- To provide fire-fighting resources for rural areas controlled by the Queenstown Lakes District Council
- To prevent uncontrolled rural fire emergencies
- To provide management resources for the control of Civil Defence emergencies

Services Provided

- Provision and maintenance of rural fire response parties at Wanaka and Queenstown
- Provision of equipment to and support of Volunteer Rural Fire Forces at Kingston, Glenorchy and Makarora.
- Provision of rural fire control through:
  - monitoring of the fire danger
  - implementation of fire restrictions
  - administration of fire permit systems
  - provision of public information
- Suppression of all uncontrolled fires in rural areas except Department of Conservation property
- Provision of Civil Defence Officer services to ensure that plans and procedures are in place for responding to Civil Defence emergencies
- Provision and support of a Civil Defence structure of volunteers to provide the management resources during an emergency

Performance Measures

- QLDC Fire Plan accepted by Otago Region Rural Fire Committee annually
- Response provided to all notified Rural Fire outbreaks in areas where QLDC is the Rural Fire Authority within 10 minutes of notification
- QLDC Civil Defence Plan is maintained and the required approvals for amendments have been granted.
- Satisfaction as determined by the Annual Residents' Survey:
  - Rural Fire Suppression 90%
  - Civil Defence 90%

Significant Activities in 2003/04 Year

- Implementation of the requirements of the new Emergency Management and Civil Defence Act ($50,000):
- Implementation of revised training programme to ensure compliance with Rural Fire Management code of practice

COMMUNITY SERVICES

2002/03 Forecast $		2003/04 Forecast $000	2004/05 Forecast $000	2005/06 Forecast $000
	Source of Funds			
3,948	General Rate	4,446	4,452	4,518
493	User Charges	262	262	262
462	Grants and Subsidies	191	-	-
4,903	Total Operating Revenue	4,899	4,714	4,780
	Cost of Services			
329	Community Activities	444	444	444
119	Community Grants	107	107	107
964	Community Facilities	1,077	1,070	1,070
66	Waterways Facilities	54	54	54
1,708	Active and Passive Recreation Areas	2,092	2,155	2,220
56	Cemeteries	62	62	62
354	Public Toilets	393	405	417
795	Libraries	930	931	931
228	Emergency Services	234	234	234
4,619	Total Operating Costs	5,394	5,462	5,539
284	Operating Surplus / (Deficit)	(495)	(748)	(759)
	Capital Expenditure			
197	Community Facilities	501	112	112
1,885	Active and Passive Recreation Areas	1,084	611	553
372	Public Toilets	192	150	150
1,646	Libraries	152	156	157
32	Emergency Services	18	30	30
4,132	Total Capital Cost	1,947	1,059	1,002
	Capital Funding			
284	Operating Surplus / (Deficit)	(495)	(748)	(759)
3,848	Internally Funded	2,442	1,807	1,761
-	Loans	-	-	-
4,132	Total Capital Funding	1,947	1,059	1,002

RESOURCE MANAGEMENT AND REGULATORY SERVICES

The role of the Resource Management and Regulatory Services activity involves the Council's statutory responsibilities under a number of Acts including the Resource Management Act, the Building Act and the Council's by-laws. The various functions included are detailed below. The overall objectives in this area are to undertake statutory responsibilities and ensure services are provided in a friendly, efficient, cost effective and professional manner.

THE DISTRICT PLAN

Strategic Objectives

- **Environmental – High Country**

Protection of remote areas in a natural state.

Sustainable management of the high country.

- **Environmental - Visual**

Protection of the outstanding landscape features of the district recognising that they are the biggest asset of the district.

Protect areas of high visual quality.

- **Environmental - Urban form**

To maintain existing and create new urban settlements in character with small towns.

- **Environmental - Heritage**

The remaining significant history of the district has been retained and is an integral part of the community.

Key Objective

To process the Proposed District Plan and Variations through the statutory process as identified in the Resource Management Act

Goals

- To progress hearings on the Proposed District Plan as expeditiously as possible;
- To prepare, consult and notify proposed Variations to the District Plan;
- To develop community communications programmes to disseminate information regarding the District Plan to the public;
- To maintain up to date copies of the Proposed District Plan.

Services Provided

- Management of the appeal resolution process
- Updating of public information as decisions made
- Processing of variations as appropriate

Performance Measures

- Conclude all outstanding reference hearings as a result of decisions on the Proposed District Plan issued August and September 1998 (subject to the Environmental Court continuing to make court time available) – Waterson; Financial contributions; Surface of Water; Fordyce Farms, Valentine, Cardrona landscape lines by 31st December 2003
- District Plan operative in the majority (subject to any decisions outstanding from the Court and any outstanding variations or references to those variations) by 31 December 2003
- Set up procedures for monitoring for the effectiveness of the District Plan by 6 January 2004
- Effectiveness of the District Plan monitoring procedures implemented by 30 June 2004
- Provide written updates via media, scuttlebutt and QLDC website on topical issues particularly those involved in the public consultation process
- Updated copies of the Proposed District Plan continuously available
- Completion of all projects detailed in Appendix 1 by 30 June 2004
- Satisfaction as determined by the Annual Residents' Survey:

District Planning Policy	60%

RESOURCE MANAGEMENT AND REGULATORY SERVICES

REGULATORY SERVICES

(a) Development Control and Monitoring

Strategic Objectives

- **Environmental – High Country**

Protection of remote areas in a natural state.

Sustainable management of the high country.

- **Environmental – Management of Growth**

Growth will be managed on a sustainable basis so that the state of the environment is maintained or improved.

- **Environmental - Visual**

Protection of the outstanding landscape features of the district recognising that they are the biggest asset of the district.

Protect areas of high visual quality.

- **Environmental - Urban form**

To maintain existing and create new urban settlements in character with small towns.

Key Objective

To process monitor and enforce resource consents in accordance with the requirements of the Council's District Plan whilst meeting the statutory time limits set by the Resource Management Act

Goals

- To process applications for land use and subdivision consents and new activities requiring special consents and ensuring that proposed activities meet the performance standards provided for in the District Plan;
- To publish support material to provide information and assistance to consent applicants;
- To monitor the ongoing compliance of conditions imposed on resource consents.

Services Provided

- Management and processing of resource consent application
- Management of objections and appeals to consent conditions
- Ensuring consent conditions are met
- Ensuring financial contributions are received as appropriate.

Performance Measures

- 95% of resource consent applications and related functions are processed within statutory time frames.
- All notified planning application reports are to be available five working days before the scheduled hearing date
- All resource consents are monitored for compliance or withdrawn within two years of being issued
- 90% of customer enquiries relating to resource planning issues are responded to within 10 working days

- Satisfaction as determined by the Annual Residents' Survey:
    - Resource consent management 60%

(b) General Environmental Health

Strategic Objectives

- **Environmental – Water**

Urban areas have a high quality water supply, and adequate water pressure and supply is available in urban areas.

- **Environmental – Noise**

Noise levels kept to significantly less than the New Zealand Standards levels.

- **Community - Health**

Promote healthy communities and healthy towns in the district.

Key Objective

- To maintain the health, safety and well-being of people in the District.

Goals

- To monitor noise levels and respond to public complaints of excessive noise;
- To investigate notifiable disease incidents and complaints in a timely and effective manner;
- To effectively carry out water analysis and provide timely advice on quality.

Services Provided

- Investigation of certain infectious diseases
- Actioning of complaints in relation to nuisances (including noise control)
- Provision of advice on drinking water quality

Performance Measures

- To respond to all complaints of excessive noise within one hour from receipt of complaint, 24 hours, 7 days per week
- To investigate, respond to and report all incidents and complaints of notifiable diseases within statutory time frames
- All water analysis reported on within seven days of receiving results
- Satisfaction as determined by the Annual Residents' Survey
    - Noise Control 80%

(c) Inspection and Licensing

Strategic Objectives

- **Community – Health**

Promote healthy communities and healthy towns in the district.

Key Objective

To ensure that appropriate retail outlets comply with the minimum statutory health and licensing requirements.

Goals

- To ensure compliance of food premises and other registered premises to statutory requirements;
- To carry out the functions of the District Licensing Agency in a timely and efficient manner;
- To ensure dangerous goods storage areas do not present a public hazard and comply with the relevant legislation.

Services Provided

- Ensuring food outlets, liquor licensed premises, hairdressers, camping grounds, offensive trades and dangerous goods storage areas comply with the relevant legislation.
- Council responsibilities in relation to liquor licensing.

Performance Measures

- All food premises and other registered premises are inspected once per year to ensure compliance. Non complying premises will be given a reasonable time to effect compliance and reinspected;
- District Licensing Agency functions completed within statutory time frames;
- All dangerous goods storage areas are licensed. Non-complying premises will be given a reasonable time to effect compliance and reinspected, to ensure that safety standards are complied with
- Satisfaction as determined by the Annual Residents' Survey:

  - Liquor Licensing 85%
  - Dangerous Goods 85%
  - Food Premises Registration 85%

(d) Dog and Animal Control

Strategic Objectives

- **Environmental – Noise**

Noise levels kept to significantly less than the New Zealand Standards levels.

- **Community – Law and Order**

All communities in the district will be safe, open and friendly places in which to live, work and visit.

Key Objective

To ensure that dogs and other animals are controlled so that residents are safe, annoyance factors are minimized and the welfare of animals is protected.

Goals

- To regularly patrol and monitor the District to ensure compliance to statutory and by-law requirements
- To maintain an up to date register of dogs in the District
- To respond to public complaints in an efficient and timely manner
- To ensure that appropriate enforcement action is taken where required in an effective, timely and correct manner

Services Provided

- Controlling dogs and other animals so they do not cause a nuisance or distress people or other animals
- Investigation of complaints about dangerous dogs
- Impounding roaming animals
- Provide a 24 hour, seven day a week Dog Ranger service
- Maintain the District's Dog Register and collect registration fees
- Free information provided to dog owners regarding rules/regulations
- Dog free zones in the Central Business District

Performance Measures

- A dog ranger service is continuously provided 7 days a week
- An up to date register of dogs is maintained
- Public complaints are acknowledged within one hour and actioned within twenty-four hours
- No genuine complaints are received regarding the dog and animal control service
- Satisfaction as determined by the Annual Residents' survey

  - Registration and licensing 85%
  - Dog Enforcement Services 60%

Significant Activity in 2003/04

- Upgrade Dog Pound $25,000

(e) Bylaw and General Enforcement

Strategic Objectives

- **Community – Law and Order**

All communities in the district will be safe, open and friendly in which to live, work and visit.

Key Objective

To ensure that appropriate enforcement action is taken where required in an effective, timely and correct manner.

Goals

- Monitor adherence to Council By-Laws;
- Respond to complaints effectively in a timely and correct manner.

Services Provided

- Administration of enforcement of by-laws and other legislation
- Investigation of complaints
- Undertake enforcement action as appropriate
- Issue urban fire permits

Performance Measures

- Public complaints are acknowledged within one hour, actioned within twenty-four hours and recorded
- No genuine complaints are received regarding the By-law and General Enforcement service
- Satisfaction as determined by the Annual Residents' survey:

  - By-law enforcement services 80%

(f) Car Parking Enforcement

Key Objective

To ensure the effective management of the Council's parking assets.

Goals

- To ensure that parking areas are regularly patrolled
- To ensure the regular turnover of public parking spaces in the Queenstown and Wanaka CBD
- To ensure that appropriate parking enforcement action is taken where required in an effective, timely and correct manner.

Services Provided

- Regular patrolling of Queenstown CBD area
- Limited patrolling of Wanaka CBD area
- Issue of infringement notices as appropriate
- Waiver of infringements as defined by Council policy

Performance Measures

- 103 hours of patrolling per week between 0900 hours and 1800 hours
- A monitoring system for CBD parking turnover is in place
- Public complaints are assessed and actioned within forty-eight hours
- No genuine complaints are received regarding parking enforcement service
- Satisfaction as determined by the Annual Residents' survey:

  - Parking in Queenstown 60%

(g) Building Control

Key Objective

To carry out the functions and responsibilities of the Building Act.

Goals

- To Process applications for building consents, PIMs and LIMs in a correct, timely and effective manner;
- To ensure compliance to building codes by monitoring and inspecting building works.

Services Provided

- To carry out functions and responsibilities in accordance with the Building Act
- Issue PIM's and LIM's
- Issue building consents
- Undertake inspections as required
- Issue of Code of Compliance Certificates

Performance Measures

- 100% of building consent, PIM and LIM applications are processed within statutory time frames
- All building work carried out under new consents is inspected
- 90% of inspections are completed within 24 hours of being requested
- Satisfaction as determined by the Annual Residents' survey:

  - Building Control Services 75%
  - LIM Services 80%

(h) Regulatory Public Enquiries

Key Objective

To provide information to public regarding the regulatory and resource management services available.

Goals

- To provide information to the public in a timely, efficient and correct manner.

Services Provided

- Answer enquiries from the public in a friendly, efficient and professional manner.

Performance Measures

- All public enquiries are acknowledged within one hour and responded to within twenty-four hours
- No genuine complaints are received regarding the regulatory public enquiries service

WATERWAYS CONTROL

Strategic Objective

- **Recreation**

Provision of a wide range of high quality recreation facilities throughout the district.
Recreation facilities that are accessible and affordable.
Resources are spread fairly across a wide range of activities.

Key Objective

- To support and encourage community and visitor participation in water-based recreation activities through monitoring the safe use of waterways and water based activities.

Goal

- To provide regular monitoring of waterways to ensure that users are behaving in a safe and appropriate manner in compliance with By-Law
- To increase public awareness of safety on the water and designated areas for particular activities.
- To liaise with commercial operators and provide guidance and auditing with regard to the safety of their customers

Services Provided

- Harbourmaster services provided 365 days a year
- Additional wardens and patrolling undertaken during periods of high use
- Enforcement of Waterways By-Law
- Auditing of Safe Operation Plans for Commercial Operators
- Monitoring of all commercial water-based activities
- Production of Boating Guide annually
- Water safety promotion over Christmas period

Performance Measures

- Inventory of all foreshore structures and moorings within the Queenstown Lakes District completed by 30 September 2003
- Provide for the engineering assessment of all public foreshore structures by 30 September 2003
- Boating Guides for Wakatipu and Wanaka updated and available to public by December 2003
- Water safety radio promotion undertaken in January 2004
- 100% of Safe Operation Plans audited annually
- Satisfaction as determined by the Annual Residents' Survey:
    - Harbourmaster Services 80%

RESOURCE MANAGEMENT AND REGULATORY SERVICES

2002/03 Forecast $		2003/04 Forecast $000	2004/05 Forecast $000	2005/06 Forecast $000
	Source of Funds			
2,384	General Rate	3,226	3,452	3,503
536	User Charges	609	609	609
2,920	Total Operating Revenue	3,835	4,061	4,112
	Cost of Services			
1,692	District Plan	1,833	1,175	1,175
1,834	Regulatory Services	1,946	1,946	1,946
173	Waterways Control	259	259	259
3,699	Total Operating Costs	4,038	3,380	3,380
(779)	Operating Surplus / (Deficit)	(203)	681	732
	Capital Expenditure			
70	Regulatory Services	25		
406	District Plan	534	681	732
476	Total Capital Cost	559	681	732
	Capital Funding			
(779)	Operating Surplus / (Deficit)	(203)	681	732
(26)	Internally Funded	48	-	-
1,281	Loans	714	-	-
476	Total Capital Funding	559	681	732

ROADING

Strategic Objectives

- **Environmental - Infrastructure**

Provision of efficient high quality infrastructural services in all urban areas, which meet the demands of the population and other environmental goals, in a cost effective manner.

Key Objective

To provide and maintain a roading network that allows the safe and efficient movement of people and goods throughout the District

Goals

- To maintain the roading and footpath network
- To provide roading and footpath network improvements commensurate with use
- To improve the safety of the roading network

Services Provided

- Maintain 354km of sealed roading network and associated drains, berms, signage and safety furniture
- Maintain 383.1km of unsealed roading network and associated drains, berms, signage and safety furniture
- Maintain 108.3km of formed footpaths
- Maintain 89 bridges
- Replacement / rehabilitation of life expired assets and development of existing assets as detailed in Appendix 1

Performance Measures

- Completion of all Roading projects detailed in Appendix 1 by 30 June 2004
- Securement of Transfund NZ assistance for maintenance and construction to the maximum levels allowed by Transfund policy
- Submission of a District Roading Programme to Transfund NZ by the specified funding application date
- No reported instances of flooding of habitable and commercial buildings due to failure of a roading stormwater system during a rainfall event with a probability of greater than 2%
- All service requests are to be actioned within specified contractual time-frames
- Satisfaction as determined by the Annual Residents' survey:

  - Sealed Roads 75%
  - Unsealed Roads 65%
  - Footpaths 65%

Significant Activities in 2003/04 Year

Subsidised Roading

- Glenorchy/Rees seal extension stage 1 $750,000
- Queenstown – minor safety projects $109, 500
- Queenstown - Pavement Smoothing $1,217,000
- Queenstown – maintenance chip seals $845,700
- Wanaka – maintenance chip seals $439,000
- Wanaka – Bridge replacement stage 2 $590,000
- Wanaka – Steal extension, Aubley Rd $270,000
- Transportation Study $120,000

Non-subsidised Roading

- Under grounding (QLDC share) $250,000
- Queenstown CBD improvements $265,000
- Queenstown – Fryer Street Parking Improvements $75,000
- Kelvin Peninsula kerb and channel $150,000
- Gibbston Back Road sealing $110,000
- Wanaka – Aspiring Road – footpath $130,000
- Wanaka – Russell Street Footpath $120,000
- Bernard St seal extension (Albert Town) $200,000

PARKING FACILITIES

Strategic Objectives

- **Environmental - Infrastructure**

Provision of efficient high quality infrastructural services in all urban areas, which meet the demands of the population and other environmental goals, in a cost effective manner.

Key Objectives

- To provide a range of short and long term on and off street parking.

Goals

- To ensure that adequate parking options are available to residents and visitors

Services Provided

- Provision of 62 Multi-bay meters for on-street parking in Queenstown
- Provision of 3 Pay and Display meters for off-street parking at Athol Street, and Ballarat Street
- Provision and maintenance of leased parking spaces at the Recreation Ground, Ballarat Street and Central 165 Carpark.
- Provision and management of an underground car parking facility at Central 165 Car Park in Church Street
- Provision of time restricted parking spaces in Wanaka and Queenstown

Performance Measures

- 100% occupancy of leased car parking spaces
- Completion of significant activities projects 2003/04
- Satisfaction as determined by the Annual Residents' survey:
  - o Parking Provisions 70%

Significant Activities

- o Stanley Street car park – Preliminary costs $250,000
- o Parking Strategy (as part of Transport Study) $70,000

ROADING

2002/03 Forecast $000		2003/04 Forecast $000	2004/05 Forecast $000	2005/06 Forecast $000
	Source of Funds			
6,794	Roading Rate	7,508	7,502	8,091
431	User Charges	487	487	487
175	Other	235	235	235
3,377	Grants and Subsidies	4,430	3,999	3,999
600	Vested Assets	700	700	700
11,377	Total Operating Revenue	13,360	12,923	13,512
	Cost of Services			
7,559	Roading	8,485	8,797	8,865
685	Town Centres	913	887	944
336	Parking Provision	404	357	352
8,580	Total Operating Costs	9,802	10,041	10,161
2,797	Operating Surplus	3,558	2,882	3,351
	Capital Expenditure			
6,984	Roading	7,983	4,988	5,065
1,207	Town Centres	579	1,938	2,216
397	Parking Provision	364	238	238
8,588	Total Capital Cost	8,926	7,164	7,519
	Capital Funding			
2,797	Operating Surplus	3,558	2,882	3,351
5,316	Internally Funded	4,608	3,798	3,832
475	Loans	760	484	336
8,588	Total Capital Funding	8,926	7,164	7,519

SOLID WASTE

Strategic Objectives

- **Environmental - Infrastructure**

Provision of efficient high quality infrastructural services in all urban areas, which meet the demands of the population and other environmental goals, in a cost effective manner.

Key Objectives

- To support the health of the community and protect the environment through the provision of solid waste management services
- To manage waste efficiently

Goals

- To implement recommendations of the Waste Management Strategy
- To provide refuse collection services to communities
- To provide environmentally secure disposal facilities
- To maintain and monitor closed landfills

Services Provided

- Weekly kerbside refuse collection to communities in Glenorchy, Queenstown, Arrowtown, Kingston, Wanaka, Albert Town, Hawea and Luggate
- Weekly refuse collection is provided on specific rural routes, where economically viable
- Operation of Refuse Transfer Stations at Frankton, Wanaka and Makarora
- Provision of a landfill disposal facility at Victoria Flats
- Monitoring of environmental impact of Refuse Transfer Stations and Victoria Flats landfill
- Monitoring of closed landfill sites at Tuckers Beach, Glenorchy, Kingston, Wanaka, Hawea, Luggate and Makarora
- Support of recycling programmes

Performance Measures

- Reduce net volume of waste to landfill in accordance with the Waste Management Strategy, considering growth affects within the district
- Provide collection services to nominated areas for 52 weeks per year
- Transfer Stations to be open 362.5 days per year
- Monitoring of Victoria Flats Landfill undertaken in accordance with requirements of the Resource Consent
- Zero instances of failure to achieve compliance with resource consent conditions for transfer stations and landfill which are judged by the Otago Regional Council to be serious and avoidable
- Provide financial assistance for community recycling programmes
- Undertake three monthly monitoring test for all closed landfills
- Completion of closure of landfills at Hawea, Makarora and Glenorchy
- All service requests are to be actioned within specified contractual time-frames
- Completion of significant activities by 30 June 2003/04
- Satisfaction as determined by the Annual Residents' survey:

  - Landfill site management 75%
  - Transfer Stations 75%
  - Refuse collection services 75%

Significant Activities 2003/04 Year

- Waste Management Strategy Projects:

Greenwaste sites for Queenstown and Arrowtown	$80,000
Resource Recovery Centre at Queenstown Transfer Station	$173,000
Township recycling drop off centres (3)	$18,000
Establish glass stockpile site at landfill	$12,000
Queenstown and Wanaka town centre recycle bins	$14,680

- Wanaka Wastebusters $30,000

STORMWATER

Strategic Objectives

- **Environmental - Infrastructure**

Provision of efficient high quality infrastructural services in all urban areas, which meet the demands of the population and other environmental goals, in a cost effective manner.

Key Objective

To protect property and the environment through the provision of stormwater control systems

Goals

- To provide stormwater collection and disposal systems to urban communities
- To facilitate the provision of flood mitigation measures for urban areas

Services Provided

- Provide and maintain reticulated stormwater systems in the communities of Queenstown and Wanaka
- Provide and maintain partially reticulated stormwater systems in the communities of Arrowtown, Arthurs Point, Hawea and Albert Town
- Provide and maintain open channel stormwater systems in the communities of Glenorchy, Kingston and Luggate
- Investigate the provision of flood control measures for Queenstown CBD

Performance Measures

- No reported instances of flooding of habitable and commercial buildings due to failure of a stormwater system during a rainfall event with a probability of greater than 2%
- Completion of all stormwater projects listed by 30 June 2004
- All service requests are to be actioned within specified contractual time-frames
- Satisfaction as determined by the Annual Residents' survey
    - o Stormwater / flood protection facilities 75%

Significant Activities in 2003/04 Year

- Queenstown – Horne Creek upgrade Stage 1 $65,000
- Queenstown – Suburb / York Street upgrade $98,300
- Reticulation – Arrowtown (Centennial Ave) $166,450
- Wanaka - Outlet to Cardrona $1,400,000
- Reticulation – Hawea extension & upgrading $210,000

SEWERAGE

Strategic Objectives

- **Environmental – Water**

All new urban housing is connected to reticulated water and sewerage systems.

Protection and maintenance of the groundwater supply.

- **Environmental - Infrastructure**

Provision of efficient high quality infrastructural services in all urban areas, which meet the demands of the population and other environmental goals, in a cost effective manner.

Key Objective

To protect the health of the Community and minimise adverse environmental affects through the provision of sewerage disposal facilities.

Goals

- To provide and maintain wastewater treatment and disposal facilities.
- To provide and maintain wastewater reticulation networks to communities
- To monitor Council disposal facilities to minimise environmental effects
- To monitor Council wastewater systems to ensure adequate capacity and treatment capability

Services Provided

- Operation and maintenance of sewerage schemes for the communities of Arthurs Point, Queenstown, Arrowtown, Lake Hayes, Wanaka, Albert Town and Hawea
- Testing of all treatment facilities and discharges
- Operation of SCADA and other monitoring systems for all sewerage schemes

Performance Measures

- Clearance of obstructions of the public sewer that cause sewerage flow to be restricted, to be carried out within one day
- No more than an average of six blockages per kilometer of reticulated pipe in each scheme per annum
- Zero reported instances of above ground discharge from the reticulation network due to pump failure.
- Completion of all sewerage projects detailed in Appendix 1 by 30 June 2004
- Testing of schemes undertaken in accordance with requirements of the Resource Consent for each facility
- Zero instances of failure to achieve compliance with resource consent conditions for each facility which are judged by the Otago Regional Council to be serious and avoidable
- Zero instances of discharge fom the reticulation network due to the failure of SCADA or other monitoring systems
- All service requests are to be actioned within specified contractual time-frames
- Satisfaction as determined by the Annual Residents' survey
    - Sewerage system 85%

Significant Activities 2003/04 Year

- Queenstown – Pump Station – Marine Parade Odour control $50,000
- Queenstown -Pump Station – Cedar Drive upgrade $40,000
- Remediation of Arrowtown ponds $100,000
- Wanaka - Golf Course Road – New main $200,000
- Wanaka – Renew Bremner Bay Sewer Stage 4 $61,000
- Wanaka – Reticulation upgrade Aspiring Rd $111,300
- Hawea – Cemetery Rd Main $155,000

WATER SUPPLY

Strategic Objectives

- **Environmental – Water**

Urban areas have a high quality water supply, and adequate water pressure and supply is available in urban areas.

All new urban housing is connected to reticulated water and sewerage systems.

- **Environmental - Infrastructure**

Provision of efficient high quality infrastructural services in all urban areas, which meet the demands of the population and other environmental goals, in a cost effective manner.

Key Objective

To provide a continuous, safe and adequate water supply for public consumption and urban fire fighting

UTILITY SERVICES

Goals

- To provide and maintain water supply, treatment and storage facilities.
- To provide and maintain water reticulation networks to communities
- To monitor Council water supplies to ensure good public health
- To monitor Council water supplies to ensure adequate volume and pressure for public use and fire fighting

Services Provided

- Operation and maintenance of water supply schemes to the communities of Glenorchy, Arthurs Point, Queenstown, Arrowtown, Lake Hayes, Luggate, Wanaka, Albert Town and Hawea
- Replacement/rehabilitation of life expired assets and installation of new assets as detailed in Appendix 1
- Completion of all water supply projects as detailed in Appendix 1
- Testing of all water supplies
- Operation of SCADA and other monitoring systems for all water supply schemes

- **Performance Measures**

- No more than an average of two reticulation pipe failures per 100 connections in each scheme per annum
- Zero instances of the supply of water not being available to the reservoir sites for a period in excess of eight hours
- Completion of all water supply projects detailed in Appendix 1 by 30 June 2004
- Monitoring of all schemes undertaken in accordance with requirements of NZDWS 2000
- All service requests are to be actioned within specified contractual time-frames

- Satisfaction as determined by the Annual Residents' survey

  - o Reliability of water supply 85%
  - o Quality of water supply 75%

Significant Activities in 2003/04 Year

- Kelvin Heights Reservoir (carried forward from 2002/03) $736,484
- Queenstown – Park St main upgrade Stage 2 $150,000
- Queenstown – Goldfields to Panners Way Falling Main $158,758
- Wanaka – Beacon Point Reserve $2,963,220
- Arrowtown – New reservoir & pressure boosting $830,000

UTILITY SERVICES

2002/03 Forecast $000		2003/04 Forecast $000	2004/05 Forecast $000	2005/06 Forecast $000
	Source of Funds			
2,508	Sewerage Rate	2,727	2,796	2,866
2,481	Water Rate	2,771	2,840	2,911
483	Waste Management Charge	618	634	650
1,187	Stormwater Rate	879	901	923
653	General Rate	665	667	676
1,865	User Charges	1,647	1,288	1,288
780	Vested Assets	1,060	1,060	1,060
9,957	Total Operating Revenue	10,307	10,186	10,374
	Cost of Services			
2,014	Waste Management	2,271	2,328	2,386
2,869	Sewerage	3,286	3,368	3,452
670	Stormwater	829	850	871
2,622	Water	3,093	3,170	3250
8,175	Total Operating Costs	9,479	9,716	9,959
1,782	Operating Surplus	828	470	415
	Capital Expenditure			
334	Waste Management	477	115	115
6,750	Sewerage	2,899	1,788	1,975
3,491	Stormwater	3,056	835	837
6,579	Water	7,584	1,965	2,264
17,154	Total Capital Cost	14,016	4,703	5,191
	Capital Funding			
1,784	Operating Surplus	828	470	415
8,372	Internally Funded	7,634	3,454	3,410
6,997	Loans	5,554	779	1,366
17,154	Total Capital Funding	14,016	4,703	5,191

FORECAST STATEMENT OF FINANCAL PERFORMANCE

Council Only		Council Only		
2002/03 Forecast $000		2003/04 Forecast $000	2004/05 Forecast $000	2005/06 Forecast $000
	Source of Funds			
14,751	Targeted Rates	15,797	16,113	16,940
8,329	General Rate	10,088	11,476	11,602
7,051	User Charges	7,348	6,252	6,252
3,839	Grants and Subsidies	4,621	3,999	3,999
8,374	Property Sales	6,660	3,700	2,356
1,380	Vested Assets	1,760	1,760	1,760
1,500	Capital Contributions	2,869	2,120	1,943
825	Other	965	475	475
46,049	Total Operating Revenue	50,108	45,895	45,327
	Cost of Services			
3,765	Civic and Tourism Marketing	4,410	4,388	4,498
2,812	Property	3,442	2,909	2,515
4,619	Community Services	5,394	5,461	5,537
3,699	Resource Management and Regulatory	4,038	3,380	3,380
	Services	-	-	-
8,580	Roading	9,802	10,041	10,161
8,174	Utility Services	9,479	9,716	9,959
-	Internal Services	-	-	-
31,649	Total Operating Costs	36,565	35,895	36,050
14,400	Operating Surplus	13,543	10,000	9,277

FORECAST FINANCIAL STATEMENTS

FORECAST STATEMENT OF MOVEMENTS IN EQUITY

	2003/04 $000's Projection	2004/05 $000's Projection	2005/06 $000's Projection
Forecast Opening Equity	449,566	463,109	473,109
Net Surplus from Operations	13,543	10,000	9,276
Total Recognised Revenues and Expenses	13,543	10,000	9,276
Forecast Closing Equity	463,109	473,109	482,385

FORECAST STATEMENT OF FINANCIAL POSITION

	2003/04 $000's	2004/05 $000's	2005/06 $000's
Current Assets			
Bank and Cash	807	8,568	13,321
Short Term Investments	483	483	483
Accounts Receivable	4,108	4,243	4,123
Prepayments	200	200	200
Property Intended for Sale	2,355	1,911	1,800
Total Current Assets	5,516	10,612	12,719
Non-Current Assets			
Investments	5,520	5,520	5,520
Investment Properties	34,185	28,685	28,685
Fixed Assets	442,268	447,899	451,923
Total Non-Current Assets	481,973	482,104	486,128
Total Assets	489,926	497,509	506,055

FORECAST STATEMENT OF FINANCIAL POSITION

	2003/04 $000's	2004/05 $000's	2005/06 $000's
Liabilities			
Current Liabilities			
Accounts Payable	6,769	6,634	6,754
Income In Advance	109	109	109
Current Term Debt	3,545	2,552	2,542
Total Current Liabilities	10,423	9,295	9,405
Non-Current Liabilities	16,394	15,105	14,265
Total Liabilities	26,817	24,400	23,670
Public Equity			
Revaluation Reserve	226,467	226,467	226,467
Operating Reserves	2,400	2,445	2480
Capital Reserves	3,244	5,025	6,280
Accumulated Funds	230,998	239,172	247,158
Total Public Equity	463,109	473,109	482,385
	489,926	497,509	506,055

FORECAST FINANCIAL STATEMENTS

FORECAST STATEMENT OF CASHFLOWS

CASHFLOWS FROM OPERATING ACTIVITIES

	2003/04 $000's Forecast	2004/05 $000'S Forecast	2005/06 $000'S Forecast
Cash was provided from:			
Receipts from Ratepayers and Other Income	41,497	40,314	41,090
Interest Received	120	120	120
	41,617	40,434	41,210
Cash was applied to:			
Payments for Expenses and Services	(25,924)	(25,448)	(25,537)
Interest Paid on Loans	(1,353)	(1,198)	(1,140)
Net GST Payments	(175)	(135)	(145)
	(27,452)	(26,871)	(26,822)
Net Cash Used in Operating Activities	14,165	13,653	14,388

CASHFLOWS FROM INVESTING ACTIVITIES

Cash was provided from:			
Sale of Fixed Assets	7,060	9,200	2,856
Cash was applied to:			
Purchase of Plant and Assets	(24,164)	(12,810)	(11,640)
Net Cash Used in Investing Activities	(17,104)	(3,610)	(8,784)

CASHFLOWS FROM FINANCING ACTIVITIES

	2003/04 $000's Projection	2004/05 $000's Forecast	2005/06 $000's Forecast
Cash was provided from:			
Long Term Debt	7,358	1,263	1,702
Cash was applied to:			
Settlement of Long Term Debt	(3,711)	(3,545)	(2,522)
	3,647	(2,282)	(850)
Net Increase/(Decrease) in Cash Held	707	7,761	4,753
Total Cash Resources at 01 July	100	807	8,568
Total Cash Resources at 30 June	807	8,568	13,321
Cash Resources as represented by:			
Bank and Cash	807	8,568	13,321
Bank Overdraft	-	-	-
Total Cash Resources	807	8,568	13,321

ACCOUNTING POLICIES AND EXPLANATORY NOTES

A REPORTING ENTITY

The Queenstown Lakes District Council (the Council) is a Local Authority within the definition of the Local Government Act 2002. Included within the group are the Queenstown Airport Corporation Limited (100% owned) and the Queenstown Events Centre Trust.

B MEASUREMENT BASE

The measurement base adopted is historical cost, modified by the revaluation of certain assets.

C ACCOUNTING POLICIES

a) Basis of Consolidation

The financial statements of the Queenstown Airport Corporation Limited (100% owned) have not been incorporated into the forecast financial statements of the Council

b) General Revenue

Rates and levies are recognised when assessments are issued. Government grants are recognised when eligibility has been established by the grantor agency.

c) Cost Allocation Policy

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.

Criteria for Direct and Indirect Costs

"Direct Costs" are those costs directly attributable to a significant activity. "Indirect Costs" are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

d) Financial Instruments

The Council and group are party to financial instrument arrangements as part of its everyday operations. Revenue and expenses in relation to all financial instruments are recognised in the operating statement. Financial instruments are recognised in the statement of financial position on the basis of the Council's general, and where applicable, specific accounting policies. All financial instruments disclosed on the statement of financial position are recorded at fair value. There are no off balance sheet financial transactions.

e) Taxation

The Council's income is generally exempt from income tax.

Goods and Services Tax

These financial statements are prepared exclusive of goods and services tax except for debtor and creditor balances, which are shown inclusive of GST.

f) Employee Entitlements

Provision is made in respect of the group's liability for annual leave, which has been calculated on an actual entitlement basis at current rates of pay.

g) Investments

Investments are stated at cost. The shares in the New Zealand Local Government Insurance Corporation Limited were transferred to the Council at no cost and are reported at net asset backing as at 30 June 2002.

h) Accounts Receivable

Accounts receivable are stated at estimated realisable value, after provision for amounts considered doubtful.

i) Fixed Assets

Valuation:

Investment Properties and Properties Intended for Sale

Land, buildings and improvements which meet the definitions set out in SSAP 17 "Accounting for Investment Properties and Properties Intended for Sale" were revalued on 30 June 2002 by an independent registered valuer at Quotable Value New Zealand. Investment Properties were valued at net current value. Revaluation gains and loses are debited or credited to the investment property revaluation reserve at the time of the revaluation. Where this result is a debit balance to the reserve this balance is expensed to the Statement of Financial Performance.

Proceeds from the sales of investment properties are recorded as revenue in the financial statements, whilst costs are recorded within expenditure. In the year in which a property is sold, the revaluation reserve attributable to the sold property is credited to the Statement of Financial Performance. Properties intended for sale are valued at the lower of cost or net current value as at 30 June 1999. Investment Properties and Properties intended for sale are not subject to depreciation.

Other Land, Buildings and Improvements

All other land, including parks and reserves land and improvements were valued at net current value for reporting purposes on 31 March 1992, by Valuation New Zealand, by staff who are registered valuers and associate members of the New Zealand Institute of Valuers. Buildings have been valued at 31 March 1992 at net current value less depreciation. The foreshore structures were valued by registered engineers at Duffill Watts and King, Consulting Engineers as at May 1992. All subsequent additions are valued at cost.

Infrastructure Assets

These assets include the roading network (including land under roads) bridges, water, sewerage and stormwater schemes. The value of unformed roads is not included. Infrastructure assets are revalued on a 3 yearly cycle. The roading assets were revalued by registered valuers at Montgomery Watson Harza Limited. The remaining infrastructure assets were revalued by an independent valuer at Rationale. The effective date for the revaluations is 01 July 2001.

The infrastructure assets have been valued on the basis of optimised depreciated replacement cost (ODRC) in accordance with New Zealand Infrastructure Asset Management Manual (NZIAM Manual). Subsequent additions are valued at cost. The value of land under roads has been assessed by analyzing the sales of both vacant rural and residential block land to give an average rate per hectare for the part of the district in question.

Library Books

The valuation of the library collection was performed on 30 June 1993 by Council staff, who were members of the N. Z. Library Association, based on actual cost where available and estimated cost if this was not. Subsequent additions are valued at cost.

Vested Assets

The assets vested in the Council were valued at existing market rates for the quantities taken from as-built plans provided as part of the subdivision process.

Forestry Asset

A revaluation of the Coronet forest, a joint project with the Central Otago District Council, and the plantation at Wanaka was performed by Wrightson Forestry Services, a forestry consultant recognised by the New Zealand Institute of Forestry. The valuation was based on the net present value method and gave a value of the forests as at 30 June 2002. The Council has a 75% holding in the Coronet Forest and it is the Council's share which appears in the financial statements. The Council administers the Coronet Forest block with total costs shown with an annual recovery from Central Otago District Council for their share, shown as revenue.

Other Assets

All other assets are valued at cost less accumulated depreciation.

Depreciation:

Queenstown Lakes District Council

Land, Investment Properties, Forestry assets and assets under construction are not depreciated. The following components of the roading network are also not depreciated: land under roads; sub base, formation, shoulder surfacing and drainage ditches. For assets under construction, the total cost of the project is transferred to the relevant class of asset on completion and then depreciated.

Depreciation is provided on a straight line basis for infrastructure assets, buildings and other assets except vehicles, where diminishing value is used, at rates that will write off the cost of the assets over their expected useful lives. The rates used for each class of asset are as follows:

	Years	Rate
Buildings	40-100	1-2.5% CP
Improvements	15	6.5 % CP
Foreshore Structures	33	3 % CP
Plant, machinery and office equipment	5 - 8	12.5 - 20% CP
Fixtures, fittings and furniture	10	10% CP
Computer equipment	4	25% CP
Library Books	10	10% CP
Motor vehicles		20% DV
Roading Network	12-50	2-8.33% CP
Water Network	10 - 60	1.67 - 10% CP
Sewer Network	10 - 60	1.67 - 10% CP
Stormwater Network	10 - 60	1.67 - 10% CP

Funding of Depreciation

The funding of depreciation is an implied requirement of the "balanced budget" provision of the new Local Government Act. It requires that the Council fully fund all operating costs, including reductions in the useful life or quality of assets. The requirement arises from Government concern that some local authorities were not adequately maintaining infrastructural assets. In instances where this occurred current ratepayers were paying too little and leaving a major financial burden for future generations.

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

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

The new Act provides a more flexible approach through the "balanced budget" requirements which has allowed the Council some flexibility in the requirement to fully fund depreciation.

The revised interpretation has allowed Councils flexibility in four key areas which we have taken advantage of in preparing these budgets:

(i) The Council needs to fund depreciation only on its share of roading funding. The component attributable to Transfund is excluded. Allowing for SPR roading arrangements and other subsidisable costs only 46% of roading depreciation will be funded (2002/03 – 46%);

(ii) Depreciation on Community facilities may not need to be funded as they are often funded by non-Council sources and will never be replaced in the same form at the end of their useful life. Depreciation on halls, libraries, and other facilities (including the Events Centre) will therefore not be funded;

(iii) The Council has accepted that it is not reasonable to fund depreciation where a community has funded a scheme, particularly water and sewerage, by lump sum contributions or loan charges. That community ends up paying twice – for loan charges and depreciation;

(iv) Because we have generally maintained the value of our infrastructure the Council will use funded depreciation to finance renewal projects and repay loans. It cannot be used to fund new assets or asset improvements.

These changes have focused on the intent of legislation, the maintenance of the capacity of major operational assets. This Council has had this focus for some time now and so is not greatly affected by the new provisions. The impact of the above decision has lead to the following amounts of depreciation not being funded:

	Total Depreciation 2003/04 $000	Depreciation Not Funded 2003/04 $000
Roading	4,511	2,104
Sewerage	1,228	243
Water	900	149
Stormwater	376	-
Community Facilities/Other Assets	1,227	636
Total	7,742	3,132

j) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset are transferred to the group, are classified as finance leases.

The leased assets and corresponding liabilities are disclosed. The leased assets are depreciated over the period the entity is expected to benefit from their use.

Operating lease payments, where the leasors effectively retain substantially all the risks and benefits of ownership of the leased item, are charged as expenses in the periods in which they are incurred.

k) Equity

Equity is the community's interest in the parent and group as measured by total assets less total liabilities. Public equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that the Council and the group make of its accumulated surpluses.

l) Statement of Cashflows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Council or group invests as part of its day-to-day cash management.

Operating activities include cash received from all income sources of the group and record the cash payments made of the supply of goods and services. Agency transactions are recognised as receipts and payments in the Statement of Cash Flows given that 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 capital structure of the Council and group.

m) Internal Funding

This item includes the funding transferred from capital or operating reserve funds, and the change in accumulated surplus or deficit in self funding and special rates activities. The impact of depreciation not funded is also included in this line item.

REVENUE AND FINANCING POLICY – BACKGROUND

Section 102(4)(a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy, which must be adopted through the special consultation process.

Section 103 outlines that this Policy must state the Council's policies in respect of the funding of both operating expenses and capital expenditure from listed sources, with the sources as outlined in section 103(2) being:

(a) General rates including-

  (i) choice of valuation system; and

  (ii) differential rating; and

  (iii) uniform annual general charges;

(b) targeted rates;

(c) fees and charges;

(d) Interests and dividends from investments;

(e) borrowing;

(f) proceeds from asset sales;

(g) development contributions;

(h) financial contributions under the Resource Management Act 1991;

(i) grants and subsidies;

(j) any other source.

Section 101(3) states that in identifying the appropriate sources the Council must consider the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community. Council must also consider with regards to each activity to be funded:

(a) the community outcomes to which the activity primarily contributes; and

(b) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and

(c) the period in or over which those benefits are expected to occur; and

(d) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and

(e) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

Queenstown Lakes District Council has undertaken several comprehensive reviews of its funding principles in the past through the development, adoption and review of its Funding Policy. This document identifies the funding sources for each of Council's functions. These reviews were completed as requirements under the Local Government Act 1974 in 1998, 2001 and again in 2002, and will therefore form the basis for this Revenue and Financing Policy.

REVENUE AND FINANCING POLICY

FUNDING SOURCES – OPERATIONAL EXPENDITURE

The "revenue" part of the title "revenue and financing policy" relates to funding of operating expenditure. The following sources of income are recognized in the operating statement:

1. Rates

A number of Council activities are funded by a combination of revenue types. Council practice is to initially account for income from fees and charges, and grants and subsidies. If the Activity still requires additional funding, the remainder is funded by way of a rate.

Council will use a capital value rating system across the district. The table on the following page shows the funding mechanisms proposed for each activity of Council. Rates are generally used where it is economically impractical to use fees and charges.

There are two classification types for rates:

- General rates - Includes UAGC and capital valued based rate
- Targeted rates - Includes Tourism Promotion Rate, Water Supply Rate, Sewerage Rate, Storm water Rate, Waste Management Rate and Roading Rate

2. Fees and charges

There is a wide range of revenue under this general title. Generally, Council will look to use fees and charges to recover the "private benefit" costs of a particular activity (see table on following page) if it is economically viable to do so. Some fees and charges referred to on the following page are paid to the Council directly, whilst others are paid direct to Council's contractor (i.e. Consent fees to CivicCorp)

3. Interest and dividends from investments

Interest is recognised from all investment sources. The use of the interest depends on the investment source. The majority of investment income is used to offset rates.

Some income is derived from investments held for special reserve purposes. This income is funded to these reserves to fund capital expenditure.

4. Other sources of income including Grants and subsidies

Some activities of Council qualify for a grant or subsidy from the Crown. In particular, Council receives a subsidy from Transfund NZ for roading. Other smaller grants are also received from the Crown, for example the Safer Community Council.

.

Summary of Funding Decisions By Activity

Function	Economic Benefit Assessment		Funding Mechanism	
	Private	Public	Private	Public
Civic Function	0%	100%	-	UAGC/General Rate (CV)
Tourism Marketing	95%	5%	Targeted CV Rate (Tourism Promotion)	UAGC
District Plan	5%	95%	Fees & Charges	General Rate (CV)
Waterways Control	70%	30%	Fees & Charges	Waterways Concession
Regulatory Services	67%	33%	Fees & Charges	General Rate (CV)
Library Services	10%	90%	Fees & Charges	UAGC
Community Programmes	0%	100%	-	UAGC
Community Grants	0%	100%	-	UAGC/Grants
Commercial Property	100%	0%	Fees & Charges	-
Public Toilets	0%	100%	-	General Rate (CV)
Cemeteries	60%	40%	Fees & Charges	UAGC
Community Facilities	70%	30%	Fees & Charges	UAGC
Waterways Facilities	70%	30%	Fees & Charges	Waterways Concession
Active Recreation Facilities	15%	85%	Fees & Charges	UAGC
Passive Recreation Areas	0%	100%	-	General Rate (CV)
Emergency Services	0%	100%	-	General Rate (CV)
Water Supplies	90%	10%	Targeted Uniform Rate (Water)/ Targeted CV Rate (Water)	-
Stormwater	0%	100%	-	Targeted CV Rate (Stormwater)
Sewage Disposal	90%	10%	Targeted Rate (Sewerage)	-
Landfill Provision & Management	50%	50%	Fees & Charges	Targeted Uniform Rate (Refuse)/ General Rate (CV)
Refuse Collection	100%	0%	Fees & Charges	-
Commercial Area Development	50%	50%	Targeted CV Rate (Roading)	Targeted CV Rate (Roading)
Parking Facilities	80%	20%	Fees & Charges	Fees & Charges
Roading	45%	55%	Transfund Subsidy/Petrol Tax	Targeted CV Rate (Roading)

FUNDING OF THE OPERATIONAL EXPENDITURE BY ACTIVITY

Civic Function

This function includes the leadership and setting of the overall direction by the Council, Community Board and various committees. This also includes all activities in relation to the public involvement in the democratic process including elections, the holding of public meetings, and distribution of information to residents and ratepayers as well as the preparation of the statutory financial reports, including the Annual Plan and Annual Report.

This activity will be funded 50% from the Uniform Annual General Charge, and 50% from the capital value based General Rate.

Tourism Promotion

Council makes grants to suitable groups which market the district as a visitor destination and therefore increase the economic benefits to the district from its major industry.

This activity will be funded 95% from the Targeted Rate for Tourism Promotion based on Capital Value and applied on a ward basis, and 5% from the Uniform Annual General Charge.

District Plan

This function includes work on the development, adoption and refinement of the District Plan. (NB Processing of resource consents is covered under **Regulatory Services**). The objectives of the District Plan are set out in the Resource Management Act, "The establishment, implementation and review of the objectives, policies and methods of achieving integrated management of the effects of the use, development or management of land and associated natural and physical resources of the district".

This activity will be funded 100% from the capital value based General Rate.

Waterways Control

The purpose of this function is to control, by way of inspection, enforcement and promotion the safe use of waterways and safety in waterways based activities in the District.

Waterways Control will be funded from user charges as far as practicable, and thereafter from the revenue generated from waterways based concessions.

Regulatory Services

This function includes all activities covered by the fixed management fee of the regulatory services contract, which commenced in July 1998. It includes all aspects of the resource consent process, environmental health services, dog control, building control as well as general enforcement issues with regard to by-laws.

Building control and resource consent processing activities will be funded from user charges, apart from the public enquiry service provided in this area which is funded by the Uniform Annual General Charge.

Environmental health and licensing will be funded from user charges as far as possible and then from the capital value based General Rate.

General by-law enforcement & dog control will be funded from user charges as far as possible and then from the Uniform Annual General Charge.

Library Services

The purpose of this function is to help meet the information, cultural, educational and recreational needs of its users in a timely, convenient and cost effective manner. This is achieved through the District Library based in Queenstown, branch libraries in Arrowtown and Wanaka and sub branches in Hawea and Glenorchy. The services include book and magazine loans, a reference and information service, compact disc and video rentals and, research and other sundry services. Some of the specialist services provided include a local history collection and a special needs service including large print and talking books, and foreign language text. The libraries also act as community information centres holding community information and contact names and addresses.

This activity will be funded 95% from the Uniform Annual General Charge, and 5% from user charges for some specialised or high demand services.

Community Programmes

The purpose of this function is to facilitate programmes to expose children and youth to a wide variety of recreational opportunities. It is also designed to help keep adults informed of the recreational, social and cultural opportunities in the area and to assist groups in maximising the benefits they provide to the community. Assistance will also be provided to seeking financial support from organisations other than Council. The Council is also involved in programmes at New Year in order to minimise the impact of this traditionally challenging time of year.

This activity will be funded from the Uniform Annual General Charge.

Community Grants

The purpose of this function is the provision of grants to help fund community groups that provide a wide range of activities and services in the District, including the Lakes District Museum. It is also to ensure the District gains its share of available external grants and that the effect of any grant is maximised by the involvement of an interested group.

After allowing for the receipt of grants by Council in its role as agent, this activity will be funded from the Uniform Annual General Charge.

Commercial Property

The Council is involved in these activities to provide the maximum possible return from assets involved. This function includes residential and commercial subdivisions, Queenstown Lakeview Holiday Park, leased camping grounds, Wanaka Airport, forests, rental housing, elderly person housing, and road closing/legalisation. This activity also includes any undeveloped areas of land which will be maintained at a minimum level until decisions about their final use is made.

This activity will be funded by user charges with any surplus derived used to reduce general rate requirement.

Public Toilets

The purpose of this function is to provide public toilets throughout the District to meet the needs of locals and visitors while promoting health and hygiene.

This activity will be funded 100% from the capital value based General Rate.

Cemeteries

The purpose of this activity is to provide for cemeteries throughout the District. Services provided by the Council include areas for the burial of human remains, internment of human ashes, the maintenance of burial records and the maintenance of grounds.

This activity will be funded 60% from user charges in the form of plot sales and burial fees with the balance of 40% coming from the Uniform Annual General Charge.

Community Facilities

The purpose of this function is to help provide halls and similar multi-use indoor facilities for the district. This includes the indoor facilities at the Queenstown Events Centre.

This activity will be funded 70% from user charges with the balance of 30% coming from the Uniform Annual General Charge.

Waterways Facilities

The purpose of this function is to help provide affordable and accessible water based recreation facilities throughout the District that may also be used by commercial operators. This function includes the maintenance and development of Council owned waterways facilities including ramps, jetties and marinas. This does not include facilities which are attached to Council land but owned by other organisations i.e. yacht clubs, individuals or companies, nor does it include facilities that are leased out such as the Queenstown Main Town Pier.

This activity will be funded 70% from user charges with the balance of 30% coming from the revenue generated from waterways based concessions.

Active Recreation Facilities

The purpose of the function is to help provide affordable and accessible recreation facilities throughout the District. This includes the maintenance and development of primarily outdoor active recreation facilities that are owned by Council. This does not include facilities which are on Council land but are owned by other organisations i.e. some bowling, tennis and golf clubs. Multi-use indoor facilities are covered in the Community Facilities function,

and facilities Council assists but does not operate are covered under Community Grants.

This activity will be funded 15% from user charges with the balance of 85% coming from the Uniform Annual General Charge.

Passive Recreation Facilities

The purpose of the function is to help provide accessible passive recreation and beautification areas throughout the District. This activity includes most items that are traditionally called parks and reserves and covers the maintenance and development of outdoor passive recreation areas that are owned and/or administered by Council. This development includes such items as amenity lighting, playgrounds, furniture and beautification and other plantings. Active recreation facilities are covered in a separate function, and facilities Council supports but does not operate are covered under Community Grants.

After allowing for any revenue derived from permitted activities on reserves, this activity will be funded 100% from the capital value based General Rate.

Emergency Services

The purpose of this function is to be able to respond appropriately to Civil Defence or Rural Fire emergencies by having plans and procedures in place and an appropriate level of preparedness in these areas. This is primarily achieved by the development of a Civil Defence Plan and the establishment and maintenance of the required communications and other infrastructure. With rural fire this also includes supporting one Rural Fire Unit, two volunteer fire brigades based at Kingston and Glenorchy, and providing limited financial support to the Hawea and Luggate volunteer fire brigades with respect to rural fire response. There are also arrangements in place to ensure additional trained resources are available when required.

After allowing for any central government subsidies in this area, this activity will be funded 100% from the capital value based General Rate.

Water Supply

The purpose of this function is to provide reliable, high quality water supplies for domestic and commercial consumers and for fire fighting purposes. Council has provided water schemes in Queenstown, Arrowtown, Glenorchy, Lake Hayes, Arthurs Point, Wanaka, Hawea, Albert Town and Luggate.

This activity will be funded 40% from the Targeted Uniform Rate (Water) which will be charged to all serviceable properties in the nature of a supply charge and 60% from a Targeted Water Rate based on Capital Value and applied on a scheme basis to all properties connected to the public water supply.

Stormwater

The primary purpose is to provide reliable and efficient stormwater collection and disposal systems from buildings and land in Queenstown, Arrowtown, Glenorchy, Wanaka, Hawea and Albert Town.

This activity will be funded 100% from a Targeted Stormwater Rate based on Capital Value and applied on a ward basis to all urban properties.

Sewage Disposal

The primary purpose is to provide reliable and efficient sewerage collection, treatment and disposal systems that meet all discharge consent conditions. Sewerage schemes are provided in Queenstown, Arrowtown, Arthur's Point, Wanaka, Hawea, Albert Town and Lakes Hayes and will be considered for Kingston, Glenorchy.

Sewerage operational costs will be funded by a Targeted Uniform Sewerage Rate which is charged out on the basis of the number of connected pans / urinals within the property. A rating unit used primarily as a residence for one household shall be deemed to have not more than one pan / urinal in accordance with the Local Government (Rating) Act 2002. Remission policies have been developed in relation to the application of this rate to businesses with multiple connections and to various non profit organisations.

Landfill Provision and Management

The purpose of this function is to provide and manage landfills and transfer stations for the purpose of disposing of solid waste and the provision of hazardous waste facilities in accordance with Regional Council and environmental requirements. This function covers the development and operation of one sanitary landfill for the District. As part of this service, transfer stations have been

built in Queenstown and Wanaka. In addition, the Council is required to monitor and rehabilitate its disused landfill sites at Hawea, Tuckers Beach, Wanaka, Kingston, Glenorchy and Makarora.

This activity will be funded 50% from user charges in the form of transfer station fees and disposal fees, 30% from the general capital value based rate to cover the cost of existing waste management loans and the rehabilitation of disused tips with the balance of 20% coming from the Targeted Uniform Waste Management Charge to cover the operating shortfall of the transfer stations, including the cost of any recycling initiatives.

Refuse Collection

The purpose of this function is to provide a kerbside refuse collection service in Queenstown, Arrowtown, Glenorchy, Kingston, Wanaka, Hawea, Albert Town and Luggate.

This activity will be funded 100% from user charges.

Commercial Area (Town Centre) Developments

The purpose of this function is to provide attractive, functional and safe town centres that are well maintained and developed to meet the changing needs of the District. This includes the maintenance and development of street furniture, specialised lighting, signage and other facilities that contribute to the atmosphere of the Town Centres. It also includes street cleaning in these areas. This is considered as a separate function as the requirements of these areas are significantly different to that of an urban street.

After allowing for any Transfund subsidy this activity will be funded 100% from a Targeted Roading Rate based on Capital Value and applied on a ward basis to all properties.

Parking Facilities

The objective of this function is to provide a range of on and off street parking in the town centres of the District. The enforcement of parking and other restrictions are covered as a separate function.

This activity will be funded 100% from user charges.

Roading

The purpose is to provide a reliable, efficient and safe roading network that is well maintained and develops to meet the changing needs of the District. This covers all the requirements of a "boundary to boundary" corridor and includes pavement, footpath and bridge maintenance and development. It also includes traffic safety services such as road marking, sign posting, street lighting, accident studies and the Road Safety Co-ordinator. It does not include the items covered under the Town Centre (Commercial Area Development) function.

After allowing for any Transfund subsidy and Petrol Tax, this activity will be funded 100% from a Targeted Roading Rate based on Capital Value and applied on a ward basis to all properties.

FUNDING SOURCES – CAPITAL EXPENDITURE

Funding to pay for new assets will come from a mix of borrowing, financial contributions, grants and subsidies, capital revenue, reserves and asset sales. Generally the costs of new assets will not be met from rates; however the costs of servicing loans will be.

Funding for new capital works will come from available sources in the following order of priority:

1. Vested assets
2. Financial contributions
3. Capital grants and subsidies
4. Capital revenues and asset sale proceeds
5. Capital reserves
6. Rates

Funding for renewal assets will be met from available depreciation reserves, and then from rates. Renewal capital works are those capital expenditure costs that are incurred in restoring an asset to previous service levels, usually reflected in the amount that an asset has depreciated. Therefore by using those depreciation funds Council is attempting to maintain infrastructural networks to at least their existing service levels

RATES REVIEW REPORT - BACKGROUND

The Council last undertook a comprehensive review of the Rating system during the 1998/99 year. The changes that resulted from this review were incorporated into the Annual Plan for the 1999/00 year. The previous Council gave a commitment that the current system would be reviewed on a three yearly basis. The Local Government (Rating) Act 2002 comes into full force from 1st July 2003. It was therefore considered timely to instigate a Rates review during the 2002/03 year, which will have effect for the 2003/04 year.

The Rates Review was conducted by a working party known as the Funding Policy and Rating Review Working Party. This working party was made up of members of the Finance Audit Property and Corporate Committee (FAPAC). The following is a summary of the report from the working party. A copy of the full report can be obtained from the Council on request.

RATES REVIEW PROCESS

During the course of the review, it has always been the intention of the working party to encourage ratepayer participation. This has involved general publicity and also direct notification to those persons who have raised rating issues during the past three years that may have remained unresolved. Letters explaining the purpose of and process for the review were sent to the various community associations; the chambers of commerce in Queenstown and Wanaka as well as to previous submitters on rates issues.

The rates review process began with the holding of public briefings in Queenstown and Wanaka. The briefings set the scene for the review and explained the current Rates system with an overview of the issues for consideration by the working party.

The timeframe for the Rates Review was relatively tight, commencing in late November with a view to having made a recommendation to the March meeting of full Council. It was recognised that any proposed changes to the Rates system or Funding Policy would need to be incorporated into the Draft Annual Plan for 2003/04 which is then subject to public submission through the special consultative procedure. The Annual Plan process, therefore, provides for a second formal opportunity to consult with ratepayers.

The meetings were advertised as public workshops and the first half an hour of each meeting was set aside for any member of the public to address the committee. All sessions of each workshop were open to the public and business was conducted in an informal, friendly manner. Standing orders did not apply so as to encourage meaningful discussion. Interested councillors, who are not members of FAPAC were invited to attend and fully participate at any meeting. Several councillors and members of the community board took the opportunity to do this. The working party received 34 written submissions many of which were spoken to during the extended public forum at the beginning of each workshop.

A copy of each submission received as well as copies of historic rating submissions were copied to each member of the working party. The issues raised in each submission were discussed at some point during the review process. The vast majority of the submitters (80%) raised issues related to the rating of rural properties. Other issues raised included the rating of utilities; funding for the impact of tourism; rating of vacant land, charges for water; the roading differential for Country Dwellings; rating of dwellings used for short-term rental; and a review of trade waste charges.

From the outset, the working party recognised the importance of maintaining a structured approach. For this reason, the review commenced with an overview of the current system including new statutory framework and the relationship between the Funding Policy and the rates system. The Funding Policy indicates which funding tools are most appropriate for any given function. It was recognised that a good understanding of this is essential before examining the rating mechanisms themselves. It was at this point that the working party agreed to the principles by which it would be guided during the review.

From here, the working party looked at the different types of rates currently charged. This included an examination of which functions are funded by each rate and how the rate is applied.

This lead to a review of the differential categories for each rate and the differential levels that will apply to each category. Most of the time was required for this part of the review. Considerable time and effort has been spent in preparing for a new approach to the calculation of roading rates in particular.

Finally, it was necessary to evaluate the impacts of proposed changes by recalculating the 2002/03 rates using the new framework; including the effect of the new 2002 rating valuations. A number of sample rate accounts for a comprehensive range property types were produced to assess the effects of the changes to the different sectors of the community.

PROPOSED CHANGES TO THE QLDC RATES SYSTEM

Guiding Principles

The guiding principles that were adopted during 1998/99 were reviewed. The following principles were endorsed:

- equity, i.e. as far as possible the system should be fair to all ratepayers.
- transparency, i.e. the system should be able to be understood by ratepayers and all activities within it should be clear for all to observe.
- enforceability, i.e. the system should be administratively simple to operate and able to be complied with,

Additional principles to be adopted included:

- The rates system should deliver allocations of costs that are justifiable.
- Those who benefit from Council services (including secondary beneficiaries) should contribute to costs.
- The rating system should be consistent with Council's objectives, so that desired outcomes are complemented or advanced.

Following authoritative advice it was agreed to drop the existing principle on tax deductibility (see below). The working party concurred that this principle could not be justified on sound economic grounds:

- tax deductibility should be recognised, i.e. those rate payers who have an ability to claim tax and GST deductions on Council charges should be weighted accordingly.

Funding Policy

Charges for Water Supply

The issue of charging for water supply was discussed. In the absence of water meters, which the working party acknowledged as the best charging tool available for consumption purposes, it is recommended that the existing regime for the main urban schemes be extended to the smaller schemes.

The existing regime for Queenstown Arrowtown and Wanaka is for 40% of the required operating cost to be recovered by way of a fixed per property charge, with the balance (60%) recovered by way of a differentiated capital value (CV) rate. The fixed charge can be compared to a "line charge" which gives access to the network, whilst the CV rate acts as a surrogate for a metered consumption charge. This system allows for a distinction to be made between properties of differing value (size) and also allows for a differential to be placed on the CV rate for certain land use categories; i.e. Accommodation and Commercial (1.5). This regime is seen as more equitable than the existing flat per property charge.

Civic Function

The Civic function includes all those costs incurred in regard to the governance of the district. This includes the direct costs of democracy as well as the costs associated with strategic planning and leadership. All of these costs are currently collected by way of Uniform Annual General Charge (UAGC); however, given that most of the pressing issues facing this district relate to the management of growth and/or development, there is a strong argument for allocating part of this cost on the basis of CV rates.

A limited analysis of funding policies from other Councils showed that a mixture of approaches exists. Some Councils maximise UAGC to 30% cap, whilst others recover these costs by way of general rate rather than UAGC. Growth and development control are major issues across all committees; it is therefore recommended that this function be funded in the future by 50% UAGC/ 50% CV rate.

Tourism Promotion

Some discussion took place over the nature of Council's role in the Tourism Promotion function. The working party recommends that the current framework for the funding of tourism promotion be debated at a philosophical level by the full Council.

In the interim, it is recommended that there be no change to the 95:5 Private/Public good allocation in the Funding Policy, although it is recognised that this may need to be reviewed if the funding framework is altered in some way.

Waste Management Charge

The current Waste Management Charge of $50 per property covers the shortfall in cost of the provision of transfer stations. It is likely that the Council will be faced with increased costs in relation to recycling. These costs are currently recovered within the General rate. It is recommended that these costs be recovered by way of the Waste Management Charge.

Shape of the Rates System

Stormwater Rate

The existing Roading rate includes costs associated with provision and maintenance of stormwater systems. Stormwater reticulation systems service primarily urban environments, which provide an unnecessary complication to the successful allocation of roading costs. The working party considered a number of scenarios in relation to the rating treatment of stormwater costs, including the introduction of a combined sewer and stormwater "drainage" rate.

All things considered, however, it is recommended that stormwater costs be recovered by a new ward based targeted rate to reflect the urban based nature of the service. Initially, it is recommended that the new stormwater rate will be based on undifferentiated capital value and will apply to all differential categories except Primary Industry, Country Dwelling and Hydro.

Tourism Promotion Rate

The existing Tourism Promotion Rate is charged on a district-wide basis via an undifferentiated CV rate on all Commercial and Accommodation property including Mixed Use. This revenue is then allocated to the three promotional organisations: Destination Queenstown; Lake Wanaka Tourism and Arrowtown Promotion Board.

It is recommended that this rate be differentiated on a ward basis. This will ensure that all revenue collected in the ward will be returned to the relevant promotion organisation and will eliminate potential cross subsidisation.

Differential Categories

Town Centre Zones

The working party has recommended the creation of new differential categories based on location within the Town Centre zones of Queenstown and Wanaka. New categories will be created for CBD Accommodation and CBD Commercial for the General and Roading rates.

Initially the differentials applying to the CBD categories will be the same as those applying to Accommodation and Commercial properties outside of the Town Centre zones, however, it is anticipated that if future analysis justifies a higher differential then this can be relatively easily implemented.

Dwellings Used for Short Term Rental

The issue of rating treatment for dwellings rented on a nightly basis was discussed at some length. Research undertaken confirms that there are a significant number of dwellings available for short term rental within the district. Proportionately, there are more available for this purpose within the Wanaka ward than elsewhere.

Concern has been raised that these properties are not being recognised as "accommodation" and being rated accordingly. Typically, these properties are managed by a local agency who arranges short term rentals directly with the prospective client. The difficulty from a rating perspective is that these properties are difficult

to differentiate from similar properties that are rented for residential purposes. Indeed, in a single calendar year, it is common for a single property to be rented on a nightly basis as well as under a residential tenancy for six months or more.

The working party has determined that the current differential category definition for Accommodation is adequate but it is recognised that the Council should undertake an information gathering exercise in order to ensure the correct rates are charged and are in line with the manner in which the property is managed. Council will have to rely on cooperation from local property mangers to ensure that property owners are aware of the issues.

Country Dwellings

A review of the Country Dwelling definition has been undertaken as some anomalies still exist in this category. Currently, this category includes all residential properties within the various Special Zones (except for Penrith Park), but excludes all Rural Residential properties. There are several Special Zones which clearly possess more of an urban nature than rural, and as such should not be included within the Country Dwelling category. Many of these properties are as yet are undeveloped and are rated currently as Vacant.

Most Rural Residential properties however, should be rated as Country Dwellings. This was the original intention of the Council. However, all Rural Residential properties were removed from the definition when the area of land in the vicinity of Beacon Point Road and Waimana Place was excluded in 2000.

It is recommended that the definition for Country Dwellings be amended to exclude the following Special Zones (in addition to those relating to Penrith Park): Remarkables Park; Quail Rise; Woodbury Park; Peninsula Bay; Meadow Park and will include all Rural Residential Zones except for the land north of Wanaka township in the vicinity of Beacon Point Road bounded by the low density residential zone to the south, Penrith Park zone to the north and Peninsula Bay to the east.

Differential Levels

General Rate

Category	Existing	Proposed	Notes
Residential	1.00	1.00	Base
Vacant	2.50	1.50	Cease penalty for vacant
Hydro	0.25	0.75	Increase to 50% Commercial
Accommodation	2.00	1.50	Remove tax deductibility element, retain visitor loading
Commercial	2.00	1.50	Remove tax deductibility element, retain visitor loading
Primary Industry	1.70	1.00	Remove tax deductibility element
Country Dwelling	1.00	1.00	No change
Mixed Use/Accom	1.25	1.10	75% Res/ 25% Accom
Mixed Use/Comm	1.25	1.10	75% Res/ 25% Comm
CBD Accommodation	-	1.50	As per Accommodation above
CBD Commercial	-	1.50	As per Commercial above

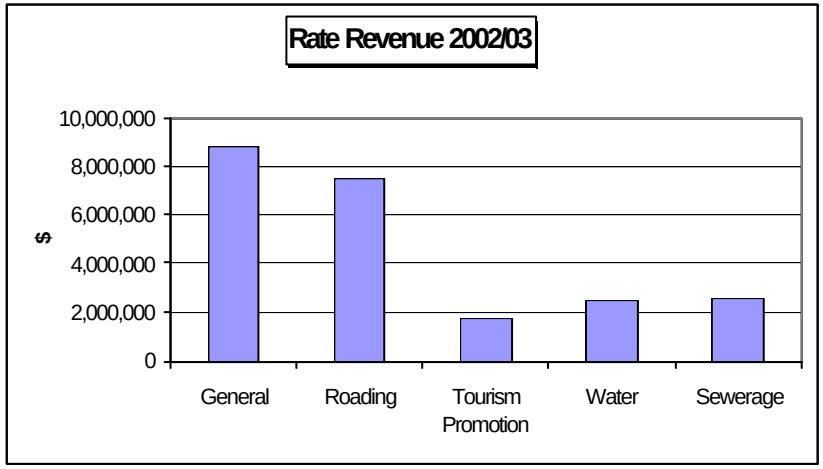
This table shows the proposed differential levels for the various differential categories. The removal of the tax deductibility factor has effectively flattened the range of differentials, with Commercial, Accommodation, Primary Industry and Mixed Use properties benefiting from this change.

Other changes include the reduction of the differential for vacant land. Previously, a differential of 2.5 existed for this category, which was justified on the basis that it was imposed to encourage development on the land. The working party has found that the continuation of this policy is at odds to the guiding principles for the review. It is therefore recommended to reduce the differential to 1.5 which can be justified on the basis that it will offset the loss of revenue in the first year during which a building is constructed. Council may only rate for any year based on the conditions that exist at 1 July.

It is proposed to increase the differential for Hydro property to 50% of that of Commercial. This will increase the differential to 0.75 and provide a more reasonable contribution to costs.

Roading Rate

One of the key outcomes from the 1998/99 review was the introduction of a separate rate for roading. Previously the costs of roading had been recovered through the General rate. Since that time, the roading rate, and in particular the roading rate differential levels have been the single most contentious local rating issue. This has been the case partly because of the separation of the roading costs which make them more obvious on the rate demand, and also because of the relatively large impact these costs have. The roading rate accounts for 32.3% of Council's total rating revenue.



For the aforementioned reasons, Council commissioned a project to review and improve the framework for calculating roading differentials. The original analysis on which the roading differentials were calculated was recognised as having certain limitations. Much of the justification for the differentials was based on the allocation of costs for the assessed impact of heavy vehicles. This approach has since been confirmed as appropriate by the independent consultants engaged to undertake the review.

The review was undertaken by Rationale who in conjunction with a senior transportation engineer from Beca Cater Hollings and Ferner Ltd (Beca) have developed a comprehensive model which enables the relationship between property capital value, roading impact and roading rates to be defined. The full report from Rationale (including the input from Beca) is not included in this report, but is available upon request.

A working draft of the Road Rating Differentials report was presented to the working party on 12th February 2003. The general reaction to the methodology and presentation of the issues has been very favourable to date. The positive feedback reflects the genuine attempt by the Council to better understand the nature of the roading network and its users. The model allows the Council to allocate roading costs to the various land use groups based on vehicle impact in a clearly transparent manner. As such, it represents a significant step forward in terms of approach, and could provide a template for cost allocation for other types of expenditure.

The following table shows the proposed differential levels for the roading rate:

Category	Existing	Proposed	Notes
Residential	1.00	1.00	Base
Vacant	2.00	1.50	Cease penalty for vacant
Hydro	0.25	0.25	No change
Accommodation	3.00	4.30	Per new Rating Differential model
Commercial	3.00	2.80	Per new Rating Differential model
Primary Industry	2.00	1.00	Per new Rating Differential model
Country Dwelling	1.70	1.50	Per new Rating Differential model
Mixed Use/Accom	1.50	1.83	75% Res/ 25% Accom
Mixed Use/Comm	1.50	1.45	75% Res/ 25% Comm
CBD Accommodation	-	4.30	As per Accommodation above
CBD Commercial	-	2.80	As per Commercial above

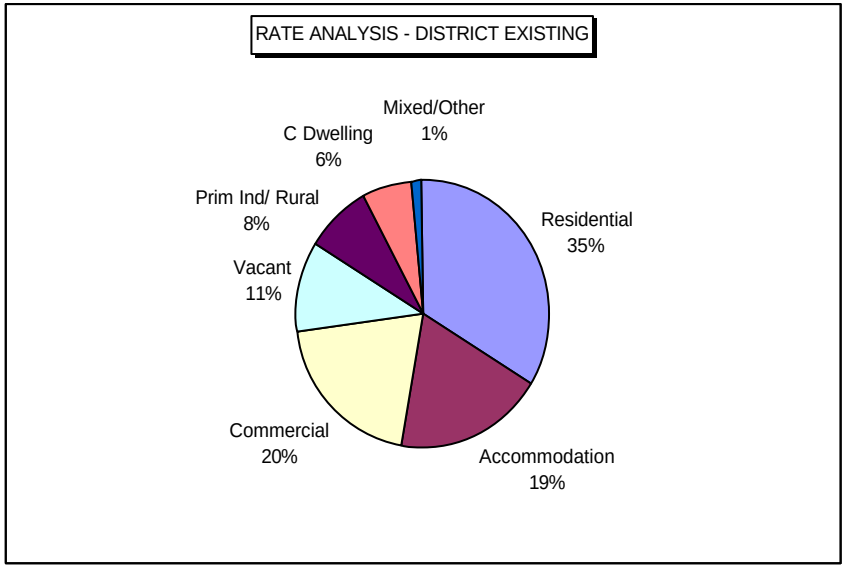
EFFECTS OF PROPOSED CHANGES TO THE QLDC RATES SYSTEM

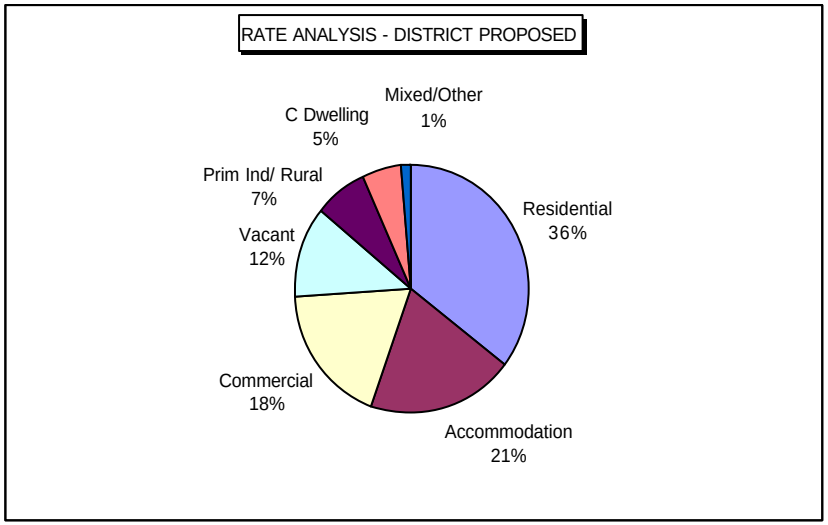
The last stage of the rates review process involved a series of calculations to assess the impact of the proposed new framework. The approach taken was to rework the rates requirement for the current 2002/03 year applying it to the new (2002) valuations, which will take effect from 1st July 2003. The following proposed changes to the rates system were incorporated into the calculations:

- New differentials for general rate
- New differentials for roading rate
- Application of new stormwater rate
- Change to funding of Civic function to 50% UAGC/50% General CV rate

The working party then examined the results on two levels. Firstly, the overall incidence of rates was modelled for the existing framework as opposed to the new proposals. This is represented by the pie charts on the following page.

These charts show the change in incidence of rates over the various differential groups for all rates except water and sewerage. The main features are an overall increase to the Residential sector of 1% ($328,960), Accommodation of 2% ($282,712) whilst the rural sector enjoy reductions of 1% ($235,849) for Primary Industry and 1% ($174,935) for Country Dwellings.
The Commercial differential group shows an overall reduction of 2% ($403,302). It is important to remember that this analysis is based on a rework of the 2002/03 rates and is not an estimate of what the rates requirement will be for 2003/04, which has yet to be determined through the Annual Plan process.





The second level of analysis of the effects of the proposed changes involved the recalculation of individual rate accounts for a sample of representative property types. These examples represent actual properties and have been chosen because they are close to the median in terms of the recent valuation movement.

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS
BASED ON 2002/03 RATE REQUIREMENT

PROPERTY TYPE	OLD CV	NEW CV	LOCATION	MOVEMENT %	MOVEMENT $
RESIDENTIAL	$240,000	$354,000	QUEENSTOWN/WAKATIPU	1.75%	$25.28
RESIDENTIAL	$220,000	$351,000	WANAKA	2.65%	$35.84
RESIDENTIAL	$170,000	$270,000	ARROWTOWN	2.18%	$25.93
RESIDENTIAL	$134,000	$165,000	GLENORCHY	-5.77%	-$71.62
RESIDENTIAL	$112,000	$175,000	ALBERT TOWN	-1.92%	-$22.87
RESIDENTIAL	$140,000	$215,000	HAWEA	0.28%	$3.42
RESIDENTIAL	58,000	80,000	KINGSTON	-10.78%	-$58.67
RESIDENTIAL	$180,000	$215,000	ARTHURS POINT	-5.38%	-$101.16
COMMERCIAL	$750,000	$1,100,000	QUEENSTOWN/WAKATIPU	-6.55%	-$449.38
COMMERCIAL	$490,000	$720,000	WANAKA	-7.32%	-$336.57
COMMERCIAL	$260,000	$350,000	ARROWTOWN	-13.13%	-$369.63
ACCOMMODATION	$1,000,000	$1,400,000	QUEENSTOWN/WAKATIPU	4.60%	$475.16
ACCOMMODATION	$735,000	$1,100,000	WANAKA	8.81%	$679.18
ACCOMMODATION	$540,000	$800,000	ARROWTOWN	7.94%	$454.04
M/U ACCOMMODATION	$445,000	$690,000	QUEENSTOWN	10.09%	$262.82
M/U ACCOMMODATION	$415,000	$664,000	WANAKA	10.04%	$241.18
M/U ACCOMMODATION	$315,000	$475,000	ARROWTOWN	5.60%	$111.93
PRIMARY INDUSTRY	$550,000	$1,050,000	WAKATIPU	-26.81%	-$712.86
PRIMARY INDUSTRY	$400,000	$835,000	WANAKA	-20.20%	-$401.74
COUNTRY DWELLING	$465,000	$700,000	WAKATIPU	-11.40%	-$215.40
COUNTRY DWELLING	$310,000	$475,000	WANAKA	-9.60%	-$130.46
VACANT	$150,000	$275,000	QUEENSTOWN/WAKATIPU	-7.65%	-$95.66
VACANT	$137,000	$250,000	WANAKA	-9.14%	-$106.71
VACANT	$72,000	$135,000	ARROWTOWN	-8.99%	-$77.16
M/U COMMERCIAL	$260,000	$340,000	QUEENSTOWN	-8.47%	-$156.46
M/U COMMERCIAL	$220,000	$305,000	WANAKA	-7.17%	-$117.51
M/U COMMERCIAL	$140,000	$210,000	ARROWTOWN	-4.13%	-$53.47

The table shows that residential properties in the main urban areas face increases of between 1.75% and 2.65% whilst those in the smaller townships can expect a moderate decrease. Commercial properties including mixed use show reductions in total rate liability of between 6.55% and 13.13%, whist Accommodation properties can expect to pay between 4.6% and 10.13% more.

Rural properties enjoy significant reductions of between 20.20% and 26.81% for Primary Industry and 9.6% to 11.4% for Country Dwellings. Vacant land will also show reductions of between 7.65% and 9.14%.

It is very important to understand that these movements are indicative only. The level of movement is influenced by amongst other things, the level of valuation movement, location, and property type.

RECOMMENDATION

That the report of the Funding Policy and Rating Review Working Party be received and that the following changes to Rating policy be adopted for incorporation into the draft Annual Plan for 2003/04:

a) Water Supply - Apply the existing charging regime for urban schemes of 40% fixed charge per property and 60% capital value rate to the following water schemes: Hawea, Albert Town, Luggate, Arthurs Point, Glenorchy.

b) Funding of Civic Function – recover 50% of the cost from Uniform Annual General Charge and 50% from capital value General Rate.

c) Waste Management Charge – recover the cost of any future recycling initiatives in the Waste Management Charge.

d) Introduce a new ward based targeted rate for Stormwater to be based on capital value and applied to all differential categories except Primary Industry, Country Dwellings, and Hydro.

e) Introduce new differential categories for Commercial and Accommodation properties within the Town Centre Zones of Queenstown and Wanaka to be known as CBD Commercial and CBD Accommodation.

f) Amend the differential category definition of Country Dwellings to: " All separately rateable properties of less than 10 hectares, located in any of the Rural Zones (except for the land zoned as Rural Residential north of Wanaka township in the vicinity of Beacon Point Road bounded by the low density residential zone to the south, Penrith Park zone to the north and Peninsula Bay to the east) or Special Zones (excluding Penrith Park; Remarkables Park; Quail Rise; Woodbury Park; Peninsula Bay; and Meadow Park) as shown in the Queenstown Lakes District Council's Proposed District Plan, which are used exclusively for Residential purposes."

g) Introduce the following differential levels for the General Rate:

Category	Proposed
Residential	1.00
Vacant	1.50
Hydro	0.75
Accommodation	1.50
Commercial	1.50
Primary Industry	1.00
Country Dwelling	1.00
Mixed Use/Accom	1.10
Mixed Use/Comm	1.10
CBD Accommodation	1.50
CBD Commercial	1.50

h) Introduce the following differential levels for the Roading Rate:

Category	Proposed
Residential	1.00
Vacant	1.50
Hydro	0.25
Accommodation	4.30
Commercial	2.80
Primary Industry	1.00
Country Dwelling	1.50
Mixed Use/Accom	1.83
Mixed Use/Comm	1.45
CBD Accommodation	4.30
CBD Commercial	2.80

FUNDING IMPACT STATEMENT - BACKGROUND

Clause 13 of Schedule 10 to the Local Government Act 2002 requires each Council to prepare a Funding Impact Statement as part of its Annual Plan or Long Term Council Community Plan, which states:

(a) the revenue and financing mechanisms to be used to cover the estimated expenses of the local authority for the year; and

(b) the nature of, and the reasons for, any departure from the funding impact statement of that year in the long-term council community plan; and

(c) in relation to any general rate, -

- (i) the valuation system on which the general rate is to be assessed; and
- (ii) whether a uniform annual general charge is to be included; and
- (iii) if a uniform annual general charge is to be included, how that uniform annual general charge will be calculated; and
- (iv) whether the general rate is to be set differentially, and, if so,-
  - (A) the categories of rateable land, within the meaning of section 14 of the Local Government (Rating) Act 2002, to be used; and
  - (B) the objectives of the differential rate, in terms of the total revenue sought from each category of rateable land or of the relationship between the rates set on rateable land in each category; and

(d) in relation to each targeted rate, -

- (i) the activities or groups of activities for which the targeted rate is to be set; and
- (ii) the category, or categories, of rateable land, within the meaning of section 17 of the Local Government (Rating) Act 2002, to be used; and
- (iii) for each such category, how liability for the targeted rate is to be calculated; and
- (iv) if the targeted rate is set differentially, the total revenue sought form each category of rateable land or the relationship between the rates set on the rateable land in each category.

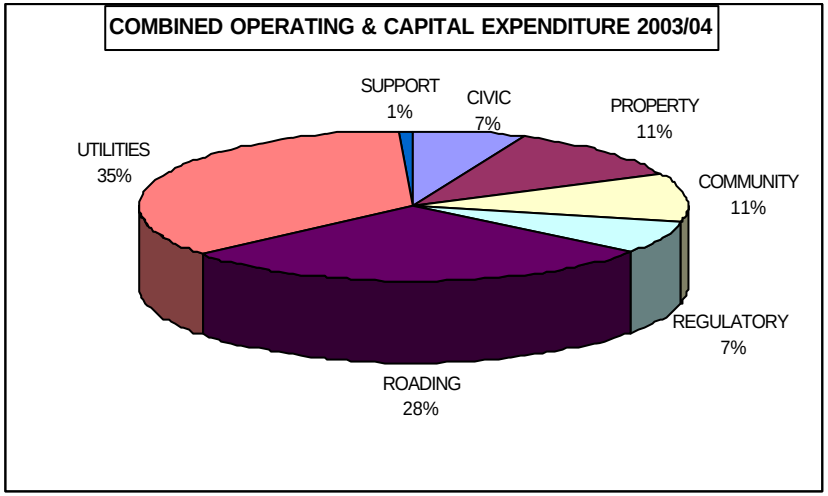
Following is the Funding Impact Statement for the 2003/04 Annual Plan.

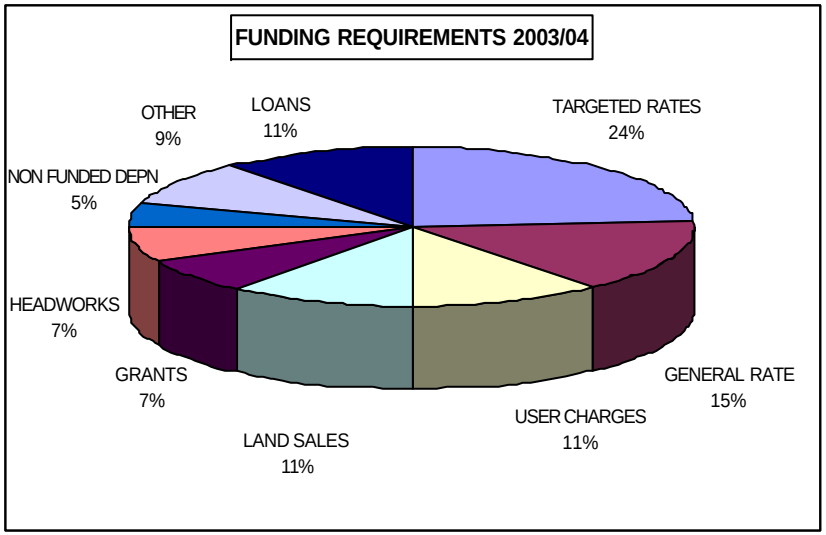
FUNDING IMPACT STATEMENT

REVENUE AND FUNDING MECHANISMS

Queenstown Lakes District Council will use the following revenue and financing mechanisms to fund its expenses for the 2003/04 financial year:

Mechanisms	2004 Forecast $000	2003 Forecast $000
Rates	25,885	23,120
Capital Contributions	4,949	3,627
Property Sales	7,060	8,374
Loans	7,358	8,873
User Charges	7,348	7,051
Non Funded Depreciation	3,132	2,802
Grants & subsidies	4,621	3,839
Other	6,087	11,066





FUNDING IMPACT STATEMENT

PROPOSED RATES AND CHARGES FOR 2003/04

The rating system used by Council is based on Capital Value and the property valuations produced by Quotable Value as at 1 September 2002 are to be used for the 2003/04 rating year.
All proposed rates in the section that follows are inclusive of GST.

UNIFORM ANNUAL GENERAL CHARGE

Pursuant to sections 15 of the Local Government (Rating) Act 2002 (the Act), Council resolves to set a uniform annual general charge of $330.00 on each separately used or inhabited part of every rating unit in the district.

The uniform annual general charge revenue ($5,054,796) will be used to fund the costs associated with the following activities:

- Cemeteries.
- Community development and grants.
- District library services.
- Public halls and other community facilities including swimming pools.
- Regulatory and advisory services relating to public enquiries, health, animal control, general enforcement and waterways control.
- Civic Function (including cost of democracy, communications, management of Council including corporate, financial and rating administration services.)
- Active Recreation facilities.
- A general contribution to the promotion of the District.

GENERAL RATE

Pursuant to Sections 13 and 14 of the Act, Council resolves to set a differential general rate based on land use on the rateable capital value of all property within the Queenstown Lakes District as follows:

1.	Residential	0.000825 cents in the $
2.	Hydro Electric Power	0.000619 cents in the $
3.	Vacant Sections	0.001238 cents in the $
4.	Accommodation	0.001238 cents in the $
5.	CBD Accommodation	0.001238 cents in the $
6.	Commercial	0.001238 cents in the $
7.	CBD Commercial	0.001238 cents in the $
8.	Primary Industry	0.000825 cents in the $
9.	Country Dwelling	0.000825 cents in the $
10.	Other	0.000825 cents in the $
11.	Mixed Use Apportioned	See note (i)

Note(i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential or Country Dwelling as appropriate.

The general rate revenue ($6,545,697) will be used to fund the costs associated with the following activities:

- Passive recreation areas, gardens, walkways and reserves.
- Civic Function (including cost of democracy, communications, management of Council including corporate, financial and rating administration services.)
- The provision of public toilets
- Provision of emergency services.
- Waste management including transfer stations and landfills.
- Regulatory and advisory services relating to planning and resource management, the district plan, building control and, health and liquor licensing.

ROADING RATE (WANAKA WARD)

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

1.	Residential	0.000666 cents in the $
2.	Hydro Electric Power	0.000167 cents in the $
3.	Vacant Sections	0.000999 cents in the $
4.	Accommodation	0.002864 cents in the $
5.	CBD Accommodation	0.002864 cents in the $
6.	Commercial	0.001865 cents in the $
7.	CBD Commercial	0.001865 cents in the $
8.	Primary Industry	0.000666 cents in the $
9.	Country Dwelling	0.000999 cents in the $
10.	Other	0.000666 cents in the $
11.	Mixed Use Apportioned	See note(i)

Note(i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential or Country Dwelling as appropriate.

The Wanaka roading rate revenue ($1,956,387) will be used to fund the costs associated with the following activities:

- Wanaka ward's roading network, which includes footpaths and other amenities within the road reserve.
- The development of commercial areas.
- The maintenance and upgrading of roading drainage systems.

ROADING RATE (QUEENSTOWN/WAKATIPU & ARROWTOWN WARDS)

Pursuant to sections 16, 17 & 18 of the Act, Council resolves to set a targeted differential roading rate based on land use on the rateable capital value of all property within the Queenstown/Wakatipu and Arrowtown wards of the Queenstown Lakes District as follows:

1.	Residential	0.000719 cents in the $
2.	Hydro Electric Power	0.000179 cents in the $
3.	Vacant Sections	0.001079 cents in the $
4.	Accommodation	0.003092 cents in the $
5.	CBD Accommodation	0.003092 cents in the $
6.	Commercial	0.002013 cents in the $
7.	CBD Commercial	0.002013 cents in the $
8.	Primary Industry	0.000719 cents in the $
9.	Country Dwelling	0.001079 cents in the $
10.	Other	0.000719 cents in the $
10.	Mixed Use Apportioned	See note(i)

Note(i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential or Country Dwelling as appropriate.

The Wakatipu/Arrowtown roading rate revenue ($5,964,479) will be used to fund the costs associated with the following activities:

- Wakatipu/Arrowtown ward's roading network, which includes footpaths and other amenities within the road reserve.
- The development of commercial areas.
- The maintenance and upgrading of roading drainage systems.

STORMWATER RATE (WANAKA WARD)

Pursuant to sections 16, 17 & 18 of the Act, Council resolves to set a targeted stormwater rate based on land use on the rateable capital value of the following categories of property within the Wanaka ward of the Queenstown Lakes District as follows:

1.	Residential	0.000158 cents in the $
2.	Vacant Sections	0.000158 cents in the $
3.	Accommodation	0.000158 cents in the $
4.	CBD Accommodation	0.000158 cents in the $
5	Commercial	0.000158 cents in the $
6.	CBD Commercial	0.000158 cents in the $
7.	Other	0.000158 cents in the $
8	Mixed Use Apportioned	See note(i)

Note(i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential as appropriate.

The Wanaka stormwater rate revenue ($258,218) will be used to fund the costs associated with the following activities:

- The maintenance and upgrading of stormwater reticulation systems.

STORMWATER RATE (QUEENSTOWN/WAKATIPU & ARROWTOWN WARDS)

Pursuant to sections 16, 17 & 18 of the Act, Council resolves to set a targeted stormwater rate based on land use on the rateable capital value of the following categories of property within the Queenstown/Wakatipu and Arrowtown wards of the Queenstown Lakes District as follows:

1.	Residential	0.000182 cents in the $
2.	Vacant Sections	0.000182 cents in the $
3.	Accommodation	0.000182 cents in the $
4.	CBD Accommodation	0.000182 cents in the $
5.	Commercial	0.000182 cents in the $
6.	CBD Commercial	0.000182 cents in the $
7.	Other	0.000182 cents in the $
8.	Mixed Use Apportioned	See note(i)

Note(i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential as appropriate.

The Wakatipu/Arrowtown stormwater rate revenue ($670,322) will be used to fund the costs associated with the following activities:

- The maintenance and upgrading of stormwater reticulation systems.

TOURISM PROMOTION RATE (WANAKA WARD)

Pursuant to sections 16, 17 & 18 of the Act, Council resolves to set a targeted tourism promotion rate based on land use on the rateable capital value of the following categories of property within the Wanaka ward of the Queenstown Lakes District as follows:

1.	Accommodation	0.001076 cents in the $
2.	CBD Accommodation	0.001076 cents in the $
3.	Commercial	0.001076 cents in the $
4.	CBD Commercial	0.001076 cents in the $
5.	Mixed Use Apportioned	See note(i)

Note(i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential or Country Dwelling as appropriate.

The Wanaka tourism promotion rate revenue ($264,319) will be used to fund the costs associated with the following activities:

- To finance promotional activities of Lake Wanaka Tourism.

TOURISM PROMOTION RATE (QUEENSTOWN/WAKATIPU & ARROWTOWN WARDS)

Pursuant to sections 16, 17 & 18 of the Act, Council resolves to set a targeted tourism promotion rate based on land use on the rateable capital value of the following categories of property within the Queenstown/Wakatipu and Arrowtown wards of the Queenstown Lakes District as follows:

1.	Accommodation	0.001433 cents in the $
2.	CBD Accommodation	0.001433 cents in the $
3.	Commercial	0.001433 cents in the $
4.	CBD Commercial	0.001433 cents in the $
5.	Mixed Use Apportioned	See note(i)

Note(i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential as appropriate.

The Wakatipu/Arrowtown tourism promotion rate revenue ($1,800,677) will be used to fund the costs associated with the following activities:

- To finance promotional activities of Destination Queenstown and the Arrowtown Promotion Association.

WASTE MANAGEMENT CHARGES

Pursuant to sections 16, 17 & 18 of the Act, Council resolves to set a targeted waste management charge of $60.00 on each separately used or inhabited part of every rating unit in the district, except for Vacant properties.

The Waste Management Charge revenue ($696,180) will be used to fund the costs associated with the following activities:

- To fund the operating deficit of the transfer stations and the recycling initiatives proposed in the Waste Management Strategy.

WATER SUPPLY RATES

(i) Queenstown and District Water Supply, Arrowtown Water Supply and Wanaka Water Supply

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted rate for water supply on each separately used or inhabited part of every serviceable rating unit within the respective water supply areas as follows:

- Queenstown and District water supply. $150
- Arrowtown water supply. $100
- Wanaka and District water supply $125

Pursuant to sections 16, 17 & 18 of the Act, Council resolves to set a targeted differential water supply rate based on land use on the rateable capital value of all rating units connected in the following water supply areas.

		Queenstown (cents in the $)	Arrowtown (cents in the $)	Wanaka (cents in the $)
1.	Residential	0.000324	0.000195	0.000243
2.	Accommodation	0.000486	0.000293	0.000365
3.	CBD Accommodation	0.000486	0.000293	0.000365
4.	Commercial	0.000486	0.000293	0.000365
5.	CBD Commercial	0.000486	0.000293	0.000365
6.	Primary Industry	0.000324	0.000195	0.000243
7.	Country Dwelling	0.000324	0.000195	0.000243
8.	Other	0.000324	0.000195	0.000243
9.	Mixed Use Apportioned	See note (i)	See note (i)	See note (i)

Note(i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential or Country Dwelling as appropriate.

(ii) Other Water Supplies

Pursuant to sections 16, 17 and 18 of the Act, Council resolves to set a targeted rate for water supply on each separately used or inhabited part of every rating unit connected to the respective scheme, and a half charge on each separately used or inhabited part of every serviceable rating unit.

Water Supply	Full Charge	Half charge
Albert Town	$170	$85
Arthurs Point	$550	$275
Glenorchy	$520	$260
Hawea	$220	$110
Lake Hayes	$331	$165.50
Luggate	$190	$95

The Targeted Water Supply Rates revenue ($3,119,005) will be used to fund the costs associated with the following activities:

- To provide supplies of potable (drinkable) water to the above communities

WATER SCHEME LOAN RATE

(i) Luggate Water Supply Area

Pursuant to sections 16, 17 & 18 of the Act, Council resolves to set a targeted water scheme loan rate of $415 on every serviceable rating unit within the Luggate water supply area, other than those in respect of which the ratepayer has elected to make the lump sum contribution.

(ii) Lake Hayes Water Supply Area

Pursuant to sections 16, 17 & 18 of the Act, Council resolves to set a targeted water scheme loan rate of $417 on every serviceable rating unit within the Lake Hayes water supply area, other than those in respect of which the ratepayer has elected to make the lump sum contribution

The Targeted Water Scheme Loan Rates revenue ($32,436) will be used to fund the costs associated with the following activities:

- Revenue sought by way of annual loan charges is to cover the cost of financing loans raised to pay for the capital cost of water schemes.

SEWERAGE RATES

Pursuant to sections 16, 17 & 18 of the Act, Council resolves to set a targeted sewerage rate on every rating unit connected to a district sewerage scheme, on the basis of one full charge per first pan or urinal connected, with a discounted charge on every subsequent pan or urinal connected. A half charge will apply to every serviceable rating unit. The charges for each scheme are set out in the schedule below.

Note: every rating unit used exclusively or principally as a residence of not more than one household is deemed to have not more than one connection.

Sewerage Scheme	Charge (per 1st pan connected)	Half charge (capable of connection)	Charge (per pan after 1 connected)
Arrowtown	$225	$112.50	$112.50
Arthurs Point	$500	$250	$360
Albert Town	$380	$190	$190
Hawea	$290	$145	$145
Queenstown	$220	$110	$110
Wanaka	$240	$120	$120
Lake Hayes	$216	$108	$108

The Targeted Sewerage Rates revenue ($3,046,815) will be used to fund the costs associated with the following activities:

- To provide public sewerage services to the above communities.

SEWERAGE SCHEME LOAN RATES

(i) Arthurs Point (East) Sewerage Area

Pursuant to sections 16, 17 & 18 of the Act, Council resolves to set a targeted sewerage scheme loan rate on every serviceable rating unit within the Arthurs Point (East) Sewerage area, on the basis of one charge per pan or urinal connected or capable of being connected of $282, on the first pan or urinal, and $202 for each subsequent pan or urinal.

(ii) Lake Hayes Sewerage Area

Pursuant to sections 16, 17 & 18 of the Act, Council resolves to set a targeted sewerage scheme loan rate on every serviceable rating unit within the Lake Hayes Sewerage scheme area, on the basis of one charge per pan or urinal connected or capable of being connected of $345.50, on the first pan or urinal, and $172.75 for each subsequent pan or urinal.

Note:

- The targeted sewerage scheme loan rate will not apply to those properties in respect of which the ratepayer elected to make the lump sum contribution; and

- Every rating unit used exclusively or principally as a residence of not more than one household is deemed to have not more than one connection.

The Targeted Sewerage Scheme Loan Rates revenue ($56,943) will be used to fund the costs associated with the following activities:

- Revenue sought by way of annual loan charges is to cover the costs of financing loans raised to pay for the capital cost of sewerage schemes.

DUE DATES FOR PAYMENTS

The Council resolves that the above rates and charges for the financial year commencing on the 1st day of July 2003 are payable in four instalments, the due dates and last days for payment without penalty being as follows:

	Due Date	Last Day for Payment (*Without 10% Penalty*)
Instalment One	25 July 2003	29 August 2003
Instalment Two	24 October 2003	28 November 2003
Instalment Three	23 January 2004	27 February 2004
Instalment Four	23 April 2004	28 May 2004

and that the instalment due on 29 August 2003 will be an interim instalment (as per section 50 of the Act) for 25% of the rates payable on all rating units in the 2002/03 financial year.

PAYMENT OF RATES

Rates payments can be made during normal office hours at:

- Civic Centre, 10 Gorge Road, Queenstown
- Wanaka Service Centre, Ardmore Street, Wanaka
- Arrowtown Public Library, Buckingham Street, Arrowtown

ADDITIONAL CHARGES (PENALTIES)

Pursuant to Sections 24, 57 and 58 of the Act, Council resolves that the following penalties will apply under delegated authority to the Rating Administrator :

(i) A penalty of 10% will be added to the rates and charges levied in each instalment which remains unpaid on the day after the last day for payment date of each installment as shown above (i.e. the penalty will be added on **29 August 2003, 28 November 2003, 27 February 2004 and 28 May 2004**, respectively).

(ii) A penalty of 10% will be added to the amount of rates or instalments (including penalties) levied in any previous financial year and remaining unpaid on **30 September 2003**.

(iii) A second penalty of 10% will be added to the amount of rates or instalments (including penalties) levied in any previous financial year which remains unpaid on **31 March 2004**

INDICATIVE RATE MOVEMENTS FOR 2003/04

SUMMARY OF FINAL INDICATIVE TOTAL RATE MOVEMENTS

PROPERTY TYPE	OLD CV	NEW CV	LOCATION	MOVEMENT %	$
RESIDENTIAL	$240,000	$354,000	QUEENSTOWN/WAKATIPU	8.96%	$121.82
COMMERCIAL	$750,000	$1,100,000	QUEENSTOWN/WAKATIPU	0.65%	$42.98
ACCOMMODATION	$1,000,000	$1,400,000	QUEENSTOWN/WAKATIPU	10.99%	$1,096.90
M/U ACCOMMODATION	$445,000	$690,000	QUEENSTOWN	19.60%	$479.77
VACANT	$150,000	$275,000	QUEENSTOWN/WAKATIPU	-0.08%	-$0.96
M/U COMMERCIAL	$260,000	$340,000	QUEENSTOWN	-2.45%	-$51.88
RESIDENTIAL	$220,000	$351,000	WANAKA	10.85%	$138.45
COMMERCIAL	$490,000	$720,000	WANAKA	-6.55%	-$289.74
ACCOMMODATION	$735,000	$1,100,000	WANAKA	10.35%	$770.92
M/U ACCOMMODATION	$415,000	$664,000	WANAKA	17.02%	$384.22
PRIMARY INDUSTRY	$400,000	$835,000	WANAKA	-11.77%	-$217.52
COUNTRY DWELLING	$310,000	$475,000	WANAKA	0.21%	$2.57
VACANT	$137,000	$250,000	WANAKA	-1.16%	-$12.96
M/U COMMERCIAL	$220,000	$305,000	WANAKA	-1.20%	-$18.77
RESIDENTIAL	$170,000	$270,000	ARROWTOWN	8.75%	$98.87
COMMERCIAL	$260,000	$350,000	ARROWTOWN	-7.65%	-$208.21
ACCOMMODATION	$540,000	$800,000	ARROWTOWN	15.22%	$841.86
M/U ACCOMMODATION	$315,000	$475,000	ARROWTOWN	13.05%	$246.57
VACANT	$72,000	$135,000	ARROWTOWN	-0.93%	-$7.76
M/U COMMERCIAL	$140,000	$210,000	ARROWTOWN	3.07%	$38.25
PRIMARY INDUSTRY	$550,000	$1,050,000	WAKATIPU	-18.63%	-$459.20
COUNTRY DWELLING	$465,000	$700,000	WAKATIPU	-0.47%	-$8.18
RESIDENTIAL	$134,000	$165,000	GLENORCHY	-0.40%	-$4.76
RESIDENTIAL	$112,000	$175,000	ALBERT TOWN	6.04%	$69.73
RESIDENTIAL	$140,000	$215,000	HAWEA	6.55%	$77.22
RESIDENTIAL	$58,000	$80,000	KINGSTON	-0.08%	-$0.44
RESIDENTIAL	$180,000	$215,000	ARTHURS POINT	-0.88%	-$16.04

In order to fund the draft expenditure for the 2003/04 year an overall rate increase of 7.97% is required (after allowing for growth).

The effect of this increase on individual properties will vary however according to a number of factors. These factors include location, services received, valuation and property usage. The table above indicates the expected rates movements for a range of property types. The effects of the decisions made as part of the rates review are also significant (see section on Rates Review Report).

Indicative Residential Rates 2003-04

Location	Queenstown	Wanaka	Arrowtown	Glenorchy	Kingston	Albert Town	Hawea
Capital Value	354,000	351,000	270,000	165,000	80,000	175,000	215,000
UAGC	330	330	330	330	330	330	330
General Rate	290	288	221	134	64	142	175
Roading Rate	254	233	193	117	56	115	142
Stormwater Rate	63	54	48	29	14	27	38
Water	264	210	152	520	0	170	220
Sewerage	220	240	225	0	0	380	290
Waste Mgmt	60	60	60	60	60	60	60
Total Rates	$1,481	$1,415	$1,229	$1,190	$524	$1,224	$1,255
% Increase	8.96%	10.85%	8.75%	-0.40%	-0.08%	6.04%	6.55%
$ Increase	$122	$138	$99	-$5	$0	$70	$77

An analysis of residential rate movements is included for a range of representative properties within the district.

The table shows increases of between $0 and $138 (10.85%) per annum. The highest rates are payable for the properties in Queenstown and Wanaka. However, when you compare the monthly outgoing on rates for these properties of around $120 to the amount paid by households for electricity or telephone services, ratepayers will see that this expenditure compares very favourably. For the $120 per month for rates, these properties receive a wide range of services including; water supply, sewerage disposal, roading, parks & reserves, community facilities as well as local governance services.

DIFFERENTIAL MATTERS USED TO DEFINE CATEGORIES OF RATEABLE LAND

Where Council's propose to assess rates on a differential basis they are limited to the list of matters specified in Schedule Two of the Local Government (Rating) Act 2002. Council is required to state which matters will be used for what purpose, and the category or categories of any differentials.

A. Differentials by Land Use

The categories are:

1. Residential

All rating units which are used exclusively for residential purposes, but excluding properties categorised as Primary Industry or Country Dwelling.

2. Hydro Electric Power

All rating units on which there are structures used exclusively or principally for, or in connection with, the generation of hydro-electric power, including structures used to control the flow of water to other structures used for generating hydro-electric power.

3. Vacant Sections

All rating units which are vacant properties and suitable for development and for which there is no apparent land use.

4. Accommodation

All rating units used exclusively or principally for the accommodation of paying guests on a short term basis including hotels, motels, houses and flats used for such purposes, commercial time share units, managed apartments, bed and breakfast properties, motor camps and home stay properties; but excluding properties categorised as pursuant to clause 10 (Mixed Use Apportioned) or clause 5 (CBD Accommodation).

5. CBD Accommodation

All rating units used exclusively or principally for the accommodation of paying guests on a short term basis including hotels, motels, houses and flats used for such purposes, commercial time share units, managed apartments, bed and breakfast properties, motor camps and home stay properties located within the Town Centre Zones contained in the Queenstown Lakes District Council's Proposed District Plan as at 1 July of the current rating year; but excluding properties categorised as pursuant to clause 11 (Mixed Use Apportioned).

6. Commercial

All rating units used exclusively or principally for commercial activities including industrial, retail, transport, utility services, storage, recreation and tourist operations, offices, or rest homes; but excluding properties categorised as Hydro-Electric Power, Accommodation, CBD Accommodation, Primary Industry, or pursuant to clause 11 (Mixed Use Apportioned) or clause 7 (CBD Commercial).

7. CBD Commercial

All rating units used exclusively or principally for commercial activities including industrial, retail, transport, utility services, storage, recreation and tourist operations, offices, or rest homes located within the Town Centre Zones contained in the Queenstown Lakes District Council's Proposed District Plan as at 1 July of the current rating year; but excluding properties categorised as CBD Accommodation or pursuant to clause 11 (Mixed Use Apportioned).

8. Primary Industry

All rating units:

(i) Used exclusively or principally for agricultural or horticultural purposes including dairying, stock fattening, arable farming, share sheep, market gardens, vineyards, orchards, specialist livestock, forestry or other similar uses, or

(ii) Which are ten hectares or more in area and located in any of the Rural or Special Zones contained in the Queenstown Lakes District Council's Proposed District Plan as at 1 July of the current rating year.

9. Country Dwelling

All rating units of less than 10 hectares, located in any of the Rural Zones (except for the land zoned as Rural Residential north of Wanaka township in the vicinity of Beacon Point Road bounded by the low density residential zone to the south, Penrith Park zone to the north and Peninsula Bay to the east) or Special Zones (excluding Penrith Park; Remarkables Park; Quail Rise; Woodbury Park; Peninsula Bay; and Meadow Park) as shown in the Queenstown Lakes District Council's Proposed District Plan, which are used exclusively for Residential purposes.

10. Other

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

11. Mixed Use Apportioned

All rating units which are used in part, but not exclusively, for residential purposes, and in part, but not principally, for commercial or accommodation purposes.

These categories are used to differentiate the following rates:

- general rate,

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

B. Targeted Rates Based on Location

The categories are:

1. Location within the Wanaka ward

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

These categories are used to differentiate the following targeted rates:

- roading rate, stormwater rate, tourism promotion rate

C. Targeted Rates Based on Availability of Service

The categories are:

1. Connected – any rating unit that is connected to a Council operated water scheme or is connected to a public sewerage drain

2. Serviceable – any rating unit within the area of service that is not connected to a Council operated water scheme but is within 100 metres of any part of the waterworks and to which water can be supplied. Any rating unit within the area of service, that is not connected to a public sewerage drain, but is within 30 metres of such a drain, and is capable of being connected.

These categories are used to differentiate the following targeted rates:

- water supply rates, water scheme loan rates, sewerage rates, sewerage scheme loan rates

RATE REMISSION AND POSTPONEMENT POLICIES

These policies are prepared pursuant to Sections 102 and 109 of the Local Government Act 2002 for consultation using the special consultative procedure in the same Act.

A. Community, Sporting and Other Organisations

Objectives of the Policy
To facilitate the ongoing provision of community services or recreational opportunities for the residents of the Queenstown Lakes District Council.

The purpose of granting rates remission to an organisation is to:

- Assist the organisation's survival; and
- Make membership of the organisation more accessible to the general public, particularly children, youth, young families, aged people, and economically disadvantaged people.

Conditions and Criteria
The land must be owned by the Council or owned, occupied or leased by an organisation (with liability for rates), which is used exclusively or principally for sporting, recreation, or community purposes.

The organisation must not operate for private pecuniary profit.

The application for rate remission must be made to the Council prior to 31st October of the rating year in question. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

Organisations making application should include the following documents in support of their application:

- Statement of Objectives;
- Full financial accounts;
- Details of any Leases (where applicable);
- Information on activities and programmes;
- Details of membership or clients.

Application
Generally, the Policy will 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.

Remissions to any qualifying organisation shall be on the basis of 100% reduction in rates and charges except that no remission will be granted on targeted rates/charges for water supply, sewerage disposal or refuse collection, or areas used for bars.

The policy shall apply to the ratepayers who meet the relevant criteria as jointly approved by the Chairperson of the Finance, Audit, Property and Corporate Committee and the Finance Manager.

B. Land Protected for Natural, Historic or Cultural Conservation Purposes

Objective of the Policy
To preserve and promote natural resources and heritage, to encourage the protection of land for natural, historic or cultural purposes.

Conditions and Criteria

Ratepayers with rating units which have some feature of cultural, natural or historic heritage which 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 2002 and is liable only for targeted rates covering 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 e.g. 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 and 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.

Application
The extent of any remission shall be determined by the Finance, Audit, Property and Corporate Committee on a case by case basis.

If an application is approved the Council will direct its valuation service provider to inspect the rating unit and prepare a valuation that will take into account any restrictions on the use that may be made of the land imposed by the protection mechanism. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal, for valuations of this nature.

In granting remissions under this part of the Policy, the Council may specify certain conditions before remission 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.

C. Residential Land in Commercial or Industrial Areas

Objective
To ensure that owners of residential rating units situated in commercial or industrial areas are not unduly penalised by the zoning decisions of this Council.

Conditions and Criteria
To qualify for remission under this part of the Policy, the rating unit must:

- Be situated within the area of land that has been zoned for commercial or industrial use.
- Be listed as a "residential" property for differential rating purposes. (Ratepayers wishing to ascertain whether their property is residential property may inspect the Council's rating information database at the Council office).
- The application for rate remission must be made to the Council prior to 31st October of the rating year in question. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

Application
If an application is approved the Council will direct its valuation service provider to inspect the rating unit and prepare a valuation that will treat the rating unit as if it were a comparable rating unit elsewhere in the district. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal, for valuations of this nature.

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager. The extent of any remission will be based on valuations supplied by its valuation service provider.

D. Land Affected by Natural Calamity

Objective of the Policy
To enable rate relief to be provided where the use that may be made of any land has been detrimentally affected by natural calamity.

Conditions and Criteria
Council may remit wholly or in part, any rate or charge made and levied in respect of the land, where it considers it to be fair and reasonable to do so.

Application
The extent of any remission shall be determined by the Finance, Audit, Property and Corporate Committee on a case by case basis.

If an application is approved the Council may direct its valuation service provider to inspect the rating unit and prepare a valuation that will take into account any restrictions on the use that may be made of the land as a result of the natural calamity. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal, for valuations of this nature.

E. Uniform Annual Charges and Targeted Rates on Contiguous Rating Units in Separate Ownership, Used Jointly as a Single Entity.

Objective of the Policy
To limit the incidence of multiple charges where a farming or other business entity consists of a number of contiguous rating units with different owners.

Conditions and Criteria
Each rating unit must be leased to the operator for a term not less than five years.

The operator must provide Council with a statutory declaration confirming that each unit will be operated as part of the entity.

The ratepayer will remain liable for at least one uniform annual general charge and one set of each type of targeted rate calculated as a fixed amount per rating unit.

Application
The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

F. Rate Penalties

Objective of the Policy
To enable Council to remit penalties where-

- payment has not been received by the penalty date, due to circumstances outside the ratepayer's control; or
- it is deemed equitable to remit the penalty for other reasons

Conditions and Criteria
Each application will be considered on its merits and remission may be granted where it is considered just an equitable to do so.

The Council will consider remission of rate penalties where an application is made and meets any of the following criteria:

- payment has been late due to significant family disruption. [Significant family disruption would include death, illness, or accident]; or
- 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; or
- penalties have arisen through processing errors in Council's records or an outstanding balance has arisen as a result of a shortfall caused by the operation of an agreed payment plan; or
- the ratepayer provides a reasonable explanation of the circumstances which caused the late payment, and this is the first occasion on which late payment has occurred.

Application
The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

G. Sundry Remissions

Objective of the Policy
To remit rates and charges that are the result of fundamental errors; or where the balance owing is considered uneconomic to recover; or where the amount levied is unable to be recovered pursuant to Sections 67-76 of the Local Government (Rating) Act 2002, or where Council or its delegated officer(s) consider the levy impractical to recover.

Conditions and Criteria
The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

H. Rates and Postponement Policy – Extreme Financial Hardship

Objective of the Policy
To assist ratepayers experiencing extreme financial hardship.

Conditions and Criteria
The ratepayer must make written application to the Council.

When considering whether extreme financial circumstances exist, all of the ratepayer's personal circumstances will be relevant.

The Council must postpone rates in accordance with the Policy where the application meets all of the following criteria:

- The ratepayer must be the current owner of the rating unit.
- Generally, this policy will apply to rating units used for residential purposes.
- The Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over after the payment of rates, for normal health care, appropriate provision for maintenance of his/her home and chattels at an adequate standard, as well as making provision for normal day to day living expense.
- The ratepayer must not own any other rating units or investment properties or other realisable assets.
- The ratepayer must make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.

Even if rates are postponed, as a general rule the ratepayer will be required to pay the first $520 of the annual rates payable.

The Council may add a postponement fee to the rating year in which the application is made although the Council may consider backdating past the rating year in which the application is made depending on the circumstances.

Any postponed rates will be postponed until:

- The death of ratepayer(s); or
- Until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
- Until the ratepayer(s) ceases to use the property as his/her residence; or
- Until a date determined by the Council in any particular case.

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 to this Policy by paying the postponed rates or any part thereof.

Application
Postponed rates will be registered as a Statutory Land Charge on the rating unit's title.

The policy shall apply to the ratepayers who meet the relevant criteria as jointly approved by the Chairperson or the Finance, Audit, Property and Corporate Committee and the Finance Manager.

RATES REMISSION AND POSTPONEMENT POLICIES

I. Policy for Remission and Postponement of Rates on Maori Freehold Land

Objectives of the Policy
Section 102(4)(f) of the Local Government Act 2002 requires Council to adopt a policy on the remission and postponement of rates on Maori freehold land; section 108 and Schedule 11 set out the matters to be considered.

Conditions and Criteria
Council has reviewed the matters set out in section 108 and Schedule 11 and has decided that the appropriate policy is to consider applications for remission or postponement of rates on Maori freehold land in terms of the policies adopted by Council regarding remissions postponements of rates on other land.

J. Remission of Postponed Rates

Policy Objectives
Council has adopted a number of policy statements that grants a postponement of rates to ratepayers under certain circumstances. A number of these policies contain a provision that allow the postponed rates to be written off or remitted after a predetermined period, subject to the terms and conditions of the policy being complied with.

This policy statement provides the power for those postponements to be remitted in accordance with the postponement policies.

Conditions and Criteria
1. The conditions that gave rise to the postponement of the rates must have been fully complied with over the term of the postponement period.

2. Subject to the conditions and criteria being complied with as set out in (1) above, Council will remit the applicable postponed rates without any further applications being required from the ratepayer.

3. This policy statement will only apply to those rate postponement policy statements that provide for the rates to be remitted after a predetermined period of time.

Application
The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

K. Remission of Rates on Land that has Made Lump Sum Contributions

Policy Objectives
A number of water and sewerage schemes have been developed using loans. In certain cases the ratepayers were offered the opportunity to make a lump sum contribution rather than paying an annual loan rate. Because some ratepayers made the lump sum contributions it would be inappropriate to charge them any costs relating to these loans. The most appropriate solution to resolving this problem would be to offer these ratepayers a remission of rates equal to the amount of the rate that they were previously exempt from paying.

This policy statement provides the authority to make the necessary remissions.

Conditions and Criteria
1. Rating unit must have previously paid a lump sum contribution in lieu of paying a loan rate.

2. The amount of the remission must not exceed the amount of the exemption from paying the loan rate.

3. The remission will only apply for so long as the underlying loan which gave rise to the loan rate remains in existence.

Application
The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

L. Policy for Sewerage Charge Remission on Non-Residential Rating Units

Policy Objectives
The objective of this Policy is to provide relief for non-residential rating units which have more than 1 toilet pan or urinal connected to a Queenstown Lakes District sewerage reticulation system.
Conditions and Criteria
The policy will apply to the following rating units:

- Commercial
- CBC Commercial
- Accommodation
- CBD Accommodation
- Mixed Use Apportioned

The policy does not apply to residential properties or multiple residential units.

Application

- The sewerage targeted rates are reduced in accordance with the following graduated formula for the following schemes; Arrowtown, Albert Town, Hawea, Lake Hayes, Queenstown, Wanaka:
    - the full charge for the first toilet or urinal, and
    - 50% of the full charge for each toilet/urinal after the first.

- The sewerage targeted rates are reduced in accordance with the following graduated formula for the following scheme; Arthurs Point:
    - the full charge for the first toilet or urinal, and
    - 72% of the full charge for each toilet/urinal after the first.

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

M. Policy for Rate Postponement for Farmland

Policy Objectives
To ensure that owners of rural rating units used as farmland but with the potential for non-farming development are not unduly penalised by rating valuations which reflect in some measure the potential use to which the land may be put.

Conditions and Criteria
The policy will apply to the rating units that are:

- Actively farmed by the ratepayer as an economic farming unit and be the primary source of income for the property owner
- Ten hectares in area or more
- Farmland whose rateable value in some measure is attributed to the potential use to which the land may be put for residential, commercial, industrial, or other non-farming development

The application for rate postponement must be made to the Council prior to 31st October of the rating year in question. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

Ratepayers making application should include the following documents in support of their application:

- Details of ownership of the rating unit;
- Full financial accounts;
- Information on the farming activities;

Application
If an application is approved the Council will request its Valuation Service Provider to determine a rates-postponement value of the land. The purpose of this requirement is to exclude any potential value that, at the date of valuation, the land may have for residential purposes, or for commercial, industrial, or other non-farming use in order to

preserve uniformity and equitable relativity with comparable parcels of farmland whose valuation do not contain any such potential value.

The rates postponed for any rating period will be an amount equal to the difference between the amount of the rates for that period calculated according to the rateable land value of the property and the amount of the rates that would be payable for that period if the rates postponement land value of the property were it's rateable land value.

No objection to the amount of any rate-postponement value determined by the Council and its Valuation Service Provider will be upheld.

All rates whose payment has been postponed and which have not been written off become due and payable immediately on;

- The land ceasing to be farmland
- The land being subdivided
- The value of the land ceasing to include a portion of its value attributable to the potential use to which the land may be put for residential, commercial, industrial, or other non-farming development
- The interest of the person who was the ratepayer at the date on which the rates postponement land value was entered on the Council's Rating Information Database becoming vested in another person other then the ratepayer's spouse, the executor/administrator of the ratepayer's estate or where the ratepayer was the proprietor of the interest as a trustee, a new trustee under the trust.

Postponed rates may be registered as a charge against the land so that in the event that the property is sold the Council has first call against any of the proceeds of that sale

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

N. Policy for Rates Remission for Sewerage Charges for: Schools, Places of Religious Worship and Instruction, Marae, Children's Health Camps, Hospital and Welfare Homes, Community Health Services, and Charitable Institutions that Provide Free Maintenance or Relief.

Policy Objectives

The objective of this Policy is to provide relief and assistance in respect of the payment of sewerage charges to the following: Schools, Places of Religious Worship and Instruction; Marae; Children's Health Camps; Hospital and Welfare Homes; Community Health Services; and Charitable Institutions that provide free maintenance or relief.

Conditions and Criteria

The policy will apply to the following establishments:

- An educational establishment established as a special school under section 98 (1) of the Education Act 1964
- An educational establishment defined as a state school under section 2 (1) of the Education Act 1989
- An integrated school defined under section 2 (1) of the Private Schools Conditional Integrated Act 1975
- A special institution defined under section 92 (1) of the Education Act 1989
- An early childhood centre defined under section 308 (1) of the Education Act 1989, but excluding any early childhood centre operated for profit.
- A property used solely or principally as a place of religious worship.
- A Sunday or Sabbath School or other form of religious education and not used for private pecuniary profit.
- A property owned and used for the purpose of an institution for the instruction and training of students in theology, on land that does not exceed 1.5 hectares.

- A property used solely or principally as a Children's Health Camp.
- A property owned by the District Health Board and used to provide health or related services, including living accommodation for hospital purposes and child welfare homes.
- A property used for the purposes of providing a community health service and not used for private pecuniary profit.
- A Maori meeting house which is erected on land that does not exceed two hectares, that is used for the purposes of a Marae
- A Maori meeting house which is erected on Maori freehold land that does not exceed two hectares.
- Land used and occupied by or for the purposes of a charitable institution which is carried on for the free maintenance or relief of orphans or of the aged, infirm, physically or mentally disabled, sick or needy.

Application
Under this policy the sewerage disposal rate is reduced in accordance with the following graduated formula:

- A full charge for the first toilet/urinal.
- 25% of the full charge for each subsequent toilet/urinal.

The policy shall apply to Schools, places of Religious Worship and Instruction; Marae; Children's Health Camps, Hospital and Welfare Homes; Community Health Services; and Charitable Institutions that provide free maintenance or relief, who meet the criteria as approved by the Finance Manager.

O. Rating of Separately Used or Inhabited Parts of a Rating Unit

Objective of the Policy
To limit the incidence of multiple charges on a property containing separate uses or separate inhabitants, where it is equitable to do so.

Conditions and Criteria
The Council will charge multiple uniform charges against each separately used or inhabited part of a rating unit.
The basis of a unit of occupancy is that which can be separately let and permanently occupied. For the purpose of this charge, where the occupancy is an accessory one or is ancillary to another property or part thereof no separately used part exists. For example:

- Not separately used parts of a rating unit:

  - A residential sleep-out or granny flat without independent kitchen facilities
  - A hotel room with or without kitchen facilities
  - Motel rooms with or without kitchen facilities
  - Individual storage garages/sheds/partitioned areas of a warehouse
  - Individual offices/premises of partners in a partnership

- These are separately used parts of a rating unit:

  - Flats/apartments
  - Flats which share kitchen/bathroom facilities
  - Separately leased commercial areas even though they may share a reception
  - Rooms in a residential hostel with a common kitchen

Application
The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

LONG TERM FINANCIAL STRATEGY SUMMARY

1 Introduction

The original Long Term Financial Strategy (LTFS) was adopted in June 1998 and has been comprehensively revised during 2001. In preparing the revised LTFS a number of assumptions and predictions about the future have been made. There are always inherent risks with such forecasting.

The purpose of this section is to set out the assumptions and then the risks associated with those assumptions should they prove to be incorrect.

2 Growth

Expenditure growth varies due to expected population growth, capital value (development) and increased level of service. Expenditure growth is also dependant on the activity being undertaken. Figures from asset management plans have been linked into the LTFS as growth expectations have been assessed appropriately in them. Other activities have had their expenditure growth assessed and generally range between 2% - 5%. It is expected that the capital value of this district will increase by 2% per annum.

3 Inflation

The financial statements in this document have been prepared on the basis of 2001 dollars. This is the only practical method of accounting for the costs and revenue so that readers are able to acquire a clear understanding of how Council proposes to deliver services and the real cost of that service.

4 Interest Rates

The interest rate cost on new, and existing debt when renewed, has been set at 7.5%. Because no inflation has been programmed into the budget, if interest rates were to rise the real cost of debt is not likely to change.

5 Operating Structures

It is assumed that the existing operating structure will be maintained. Therefore structures such as roading companies, total maintenance management and further contracting out are not anticipated in the Long Term Financial Strategy.

6 Local Government

The current units of Local Government remain substantially unaltered since 1989. Focus continues to be on providing predominantly public goods and benefits efficiently and effectively. This Plan is prepared on the basis that there will be no change.

7 Taxation

No allowance has been made for taxation apart from GST. At the time of preparing this Long Term Financial Strategy there were no indications that central government proposed to make local authority income assessable for taxation purposes, apart from L.A.T.E.'s and other separate legal entities.

8 Asset Management Plans

Where current asset management plans are available operational and capital expenditure estimates have been used. Current asset management plans were available for water supply, wastewater, stormwater and roading.

For the remaining management areas (significant activities), estimates have been used and in some instances the status quo from the 1998 LTFS. More detail is provided in Section 3.0 – Statements by Function.

Where asset management plan expenditure figures have been used, the AMP spreadsheets are linked to the LTFS spreadsheets. It is important to note that all overheads identified in the AMPs have been ignored.

9 Financial Contributions

Financial contributions (headworks) have been recorded using the financial contribution spreadsheets that are attached to the asset management plans. Financial contributions have been considered for water, wastewater, roading and reserves (open space and recreation). Direct links have been made with these spreadsheets. However, some adjustments have been made. These are recorded below.

Financial contributions are used to fund the growth component of capital projects. The model shows that financial contributions are being used on capital projects but not specifically growth.

Services

- 2001/02 financial contributions have been set using the annual report for 1999/00 (financial contribution revenue is consumed in the year following receipt).
- Water and sewerage – 2001/02, 85% of what has been calculated in the financial contributions s/s will be received. This is due to the Proposed District Plan (PDP) provisions for financial contributions not being operative.
- Water/wastewater for Glenorchy not collected until 2001/02 and then only 75% of what has been calculated.
- No stormwater financial contributions.
- Roading contributions are a very contentious issue. They have been opposed by PDP referrers and remain a sticking point in the mediation proceedings. It is assumed that the roading contributions provisions will not be operative for two years. Following this, only 50% of what has been calculated will be collected.

10 Funding Policy

The Long Term Financial Strategy has been prepared on a basis consistent with the Funding Policy.

11 Depreciation

Funded depreciation will be used to fund:

- the renewal or replacement of existing assets
- the balance of capital additions to existing network assets which would otherwise be funded from loans

Depreciation used to fund renewal/replacement or capital works is limited to the amount collected for the asset type in question in the area the new work has taken place. This is done so that for example, depreciation charged on the water network in Queenstown cannot be used to fund roads in Wanaka.

12 New Loans

The term of new loans are 10 years for roads, 20 years for utilities and 15 years for all other areas.

13 Asset Sales

Significant levels of funding are expected from asset sales over the 10 year period. Sub divisional sales in Wanaka are expected to net $5.9 million and $6.9 million is expected from the Commonage in Queenstown. In addition to this a $7.4 million land sale is shown in 2008/09 from the sale of freehold land at the old Queenstown Motor Park. The proceeds of this sale have been applied to repay existing debt with the remainder available to repay debt or fund capital development.

14 New Community Amenities

No formal provisions have been made for possible new community amenities. However, the Long Term Financial Strategy does show an uncommitted balance in the Wakatipu Asset Sale Reserve of some $4 million which could be used for this purpose.

LONG TERM FINANCIAL STRATEGY SUMMARY

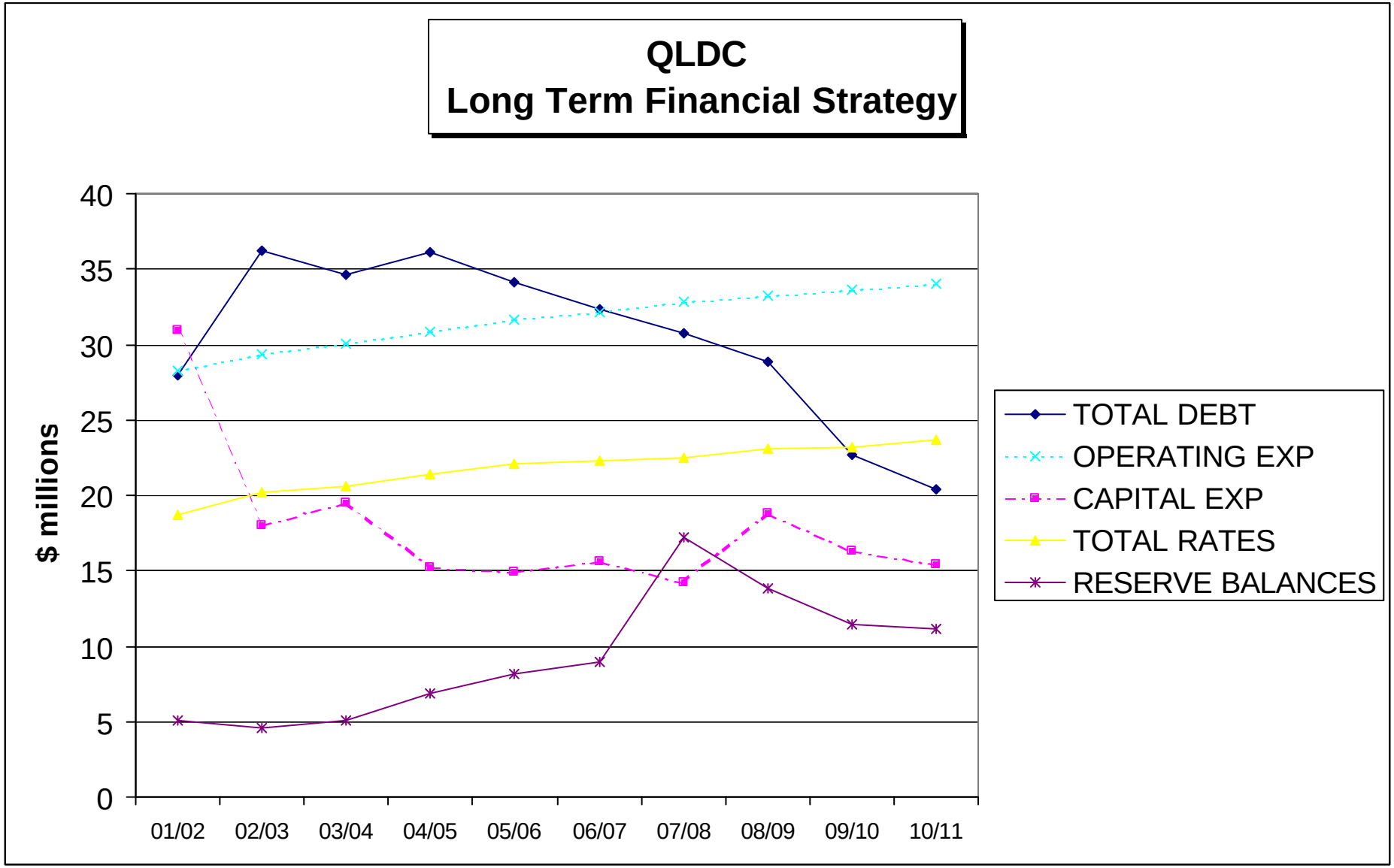
FORECAST STATEMENT OF FINANCIAL PERFORMANCE

	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Source of Funds										
Separate Rates	6,223,512	6,816,816	6,854,281	7,183,012	7,324,366	7,209,417	7,365,343	7,241,234	7,029,575	7,285,309
Roading Rates	5,762,653	6,010,645	6,072,281	6,379,165	6,644,502	6,781,982	6,581,475	6,900,704	6,754,698	7,158,822
General Rates	6,686,844	7,328,789	7,651,294	7,828,011	8,089,227	8,259,191	8,566,488	8,925,513	9,406,846	9,258,991
User Charges	5,735,289	5,542,426	5,504,446	5,650,213	5,641,209	5,631,163	5,624,141	5,382,021	5,271,596	5,217,106
Grants and Subsidies	3,700,021	4,252,515	4,235,707	3,998,803	4,144,653	3,998,386	3,970,599	4,180,555	4,016,070	4,078,057
Subdivision Sales	6,412,854	4,377,777	2,755,555	2,355,555	1,911,110	1,911,111	1,466,666	1,200,000	444,444	444,444
Financial Contributions	1,530,917	1,750,615	2,119,753	1,943,330	1,952,386	1,960,428	1,968,631	1,976,998	1,985,533	1,994,238
Other (incl Vested Assets)	2,015,532	677,000	1,187,000	1,234,000	1,234,000	1,234,000	1,234,000	1,394,000	1,441,000	1,441,000
Total Operating Revenue	38,067,622	36,756,584	36,380,316	36,572,089	36,941,454	36,985,678	36,777,343	37,201,025	36,349,762	36,877,967
Cost of Services										
Civic Function	1,575,772	1,695,872	1,746,327	1,799,134	1,854,405	1,912,256	1,972,809	2,036,192	2,102,538	2,171,985
Tourism Marketing	1,087,290	1,096,901	1,118,337	1,140,197	1,162,491	1,185,227	1,208,411	1,232,055	1,256,166	1,280,751
Commercial Properties	1,902,653	1,737,203	1,721,017	1,727,063	1,732,374	1,743,352	1,754,844	1,664,147	1,678,156	1,692,516
Community Programmes	224,600	223,989	227,700	231,482	235,332	239,252	243,243	247,306	251,441	255,650
Community Grants	112,968	304,494	311,941	319,573	327,394	335,410	343,625	352,044	360,673	369,514
Public Toilets	315,468	332,916	366,851	403,887	444,334	488,533	534,912	585,830	641,743	703,151
Cemeteries	48,571	53,686	60,782	68,892	78,162	88,758	100,868	114,710	130,531	148,614
Community Facilities	781,094	829,486	783,331	743,096	708,011	677,414	598,685	524,759	504,414	486,731
Waterways Facilities	57,678	74,783	76,121	78,066	80,034	82,025	84,038	86,076	88,137	90,223
Open Space and Recreation	1,522,238	1,543,593	1,596,408	1,647,853	1,698,134	1,747,617	1,787,400	1,832,355	1,883,911	1,873,169
Emergency Services	219,895	246,320	255,135	264,146	273,356	282,774	292,403	302,251	312,324	322,627
Libraries	635,288	719,002	744,979	771,476	798,508	826,088	854,230	882,951	912,264	942,187
Waterways Control	172,543	181,080	188,510	198,310	204,496	213,088	222,107	231,572	245,506	251,932
Regulatory Services	1,697,843	1,694,259	1,764,468	1,837,982	1,914,962	1,995,573	2,079,991	2,168,401	2,260,994	2,357,973
District Plan	1,817,012	1,183,393	1,157,602	1,174,571	1,180,554	1,125,413	1,100,433	1,067,425	1,023,607	535,446
Roading	8,128,222	8,242,652	8,597,423	8,764,798	8,994,824	9,270,721	9,532,013	9,792,692	10,076,359	10,335,377
Town Centres	643,915	817,289	886,679	943,933	1,000,279	1,101,292	1,170,489	1,270,119	1,372,075	1,462,782
Parking Provision	350,626	360,350	356,583	352,463	348,588	344,971	337,333	330,516	306,425	244,159
Sewerage Disposal	2,425,365	2,613,122	2,611,693	2,771,232	2,835,635	2,784,054	2,774,348	2,697,995	2,534,573	2,794,665
Stormwater	420,545	618,650	646,808	678,768	708,973	730,737	752,556	774,475	797,690	819,898
Waste Management	1,862,138	1,853,128	1,941,028	1,907,733	1,936,261	1,965,632	1,995,865	2,026,981	2,058,995	2,091,933
Water Supply	2,288,846	2,946,704	2,880,058	3,045,989	3,087,338	3,008,809	3,063,650	2,964,979	2,858,645	2,784,940
Total Operating Cost	28,290,570	29,368,870	30,039,780	30,870,643	31,604,446	32,148,996	32,804,253	33,185,831	33,657,167	34,016,222
Operating Surplus	9,777,052	7,387,713	6,340,537	5,701,446	5,337,008	4,836,682	3,973,090	4,015,195	2,692,595	2,861,745

LONG TERM FINANCIAL STRATEGY SUMMARY

FORECAST STATEMENT OF FINANCIAL PERFORMANCE

	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	*2010/11*
Capital Expenditure										
Civic Function (incl Internal Services)	130,131	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Commercial Properties	6,869,022	2,912,622	1,405,122	1,509,859	403,442	1,465,718	403,218	4,396,289	35,016	21,366
Public Toilets	250,750	150,000	150,000	150,000	150,000	50,000	50,000	50,000	50,000	50,000
Community Facilities	1,082,307	82,407	52,407	52,407	52,407	52,407	52,407	52,407	52,407	52,407
Waterways Facilities	-	30,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Open Space and Recreation	1,092,200	923,206	696,826	611,418	552,842	620,478	679,096	719,709	764,384	811,712
Emergency Services	28,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Libraries	1,151,700	154,000	154,980	155,970	156,969	157,979	158,999	160,029	161,069	162,120
Regulatory Services	173,500	-	-	-	-	-	-	-	-	-
District Plan	300,387	563,811	630,111	680,911	731,711	672,511	718,311	763,111	806,911	849,711
Roading	5,746,490	5,015,757	5,367,300	4,987,673	5,065,230	4,893,091	4,792,811	5,139,318	4,746,473	4,755,507
Town Centres	1,860,300	1,625,947	1,709,008	1,938,239	2,216,395	2,116,395	2,263,967	2,297,106	1,943,903	1,959,398
Parking Provision	160,925	268,000	238,000	238,000	238,000	203,000	173,000	173,000	93,000	63,000
Sewerage Disposal	4,388,136	2,591,589	2,405,332	1,788,132	1,974,827	1,265,327	1,501,787	1,798,737	4,178,818	2,813,803
Stormwater	2,586,667	628,787	811,816	834,901	837,357	887,674	918,292	976,616	1,068,172	1,103,825
Waste Management	206,050	115,300	115,300	115,300	115,300	115,300	115,300	115,300	115,300	115,300
Water Supply	4,913,933	2,817,793	5,575,359	1,964,958	2,263,815	2,938,615	2,240,501	2,005,931	2,098,235	2,507,763
Total Capital Cost	30,940,498	17,979,220	19,471,562	15,187,768	14,918,294	15,598,494	14,227,689	18,807,552	16,273,688	15,425,912
Source of Funds										
Operating Surplus	9,777,052	7,387,713	6,340,537	5,701,446	5,337,008	4,836,682	3,973,090	4,015,195	2,692,595	2,861,745
Internal Transfers	9,583,532	7,777,141	7,734,629	6,869,082	7,690,097	8,444,842	8,409,103	5,825,421	11,909,635	10,408,929
Property Sales	779,807	219,000	587,000	993,825	189,610	244,500	-	7,184,000	-	-
Loans	10,800,107	2,595,366	4,809,397	1,623,414	1,701,580	2,072,470	1,845,497	1,782,937	1,671,459	2,155,238
	30,940,498	17,979,220	19,471,562	15,187,768	14,918,294	15,598,494	14,227,689	18,807,552	16,273,688	15,425,912


QLDC
Long Term Financial Strategy
$ millions
40
35
30
25
20
15
10
5
0
01/02
02/03
03/04
04/05
05/06
06/07
07/08
08/09
09/10
10/11
TOTAL DEBT
OPERATING EXP
CAPITAL EXP
TOTAL RATES
RESERVE BALANCES

TREASURY MANAGEMENT POLICY

A. Liability Management Policy

Introduction and Application

Introduction
This liability management policy has been prepared pursuant to sections 102(4)(b) and 104 of the Local Government Act 2002.

The Council's borrowing programme for any particular year will be approved as part of the Council's Annual Planning process, which is affected by projections made in the Long Term Financial Strategy.

Generally, borrowing will be identified as a funding mechanism only for capital or long term projects which will provide benefits into the future.

The only borrowing to meet operating costs will be the use of overdraft facilities or other short term facilities to cover temporary fluctuations in cash flow.

General Provisions

Borrowing Limits
Council's borrowing limits are:

Ratios	Acceptable Range
Interest Expense/Operating Revenue	<10%
Total Servicing Cost/ Total Revenue	<20%
Net Debt / Total Revenue	<100%
Net Debt / Equity	<15%

For the purpose of calculating the ratios above:

Interest Expenses =	Interest expenses recorded in Council's accounts
Operating Revenue =	Operating revenue recorded in Council's accounts excluding income from vested assets and income from asset revaluations
Net Debt / Total Revenue =	Total interest and principle payments
Net Debt / Equity =	Debt less any repayment reserves

Form of Borrowing

Primary Instruments
The primary instrument for Council borrowing will be the committed cash advance facility with Council's banker, or fixed interest stocks, modelled on Government stocks. Floating rate securities, finance leases and credit lines may be used, but to a lesser extent

Hire Purchase, Deferred Purchase and Trade Credit
These arrangements are not considered to be borrowing under the terms of the Act.

Other
Instruments not specifically referred to in this policy may only be used with specific Council approval.

Security
It is Council's general policy to offer security for its borrowing by way of negative pledge or a charge over its rates.

In the normal course, the Council's policy is not to offer security over any of the other assets of the Council. However:

- where borrowing is by way of finance lease, or some other form of trade credit under which it is normal practice to provide security over the asset concerned, or
- where the Council considers doing so would help further its community goals and objectives, the Council may decide to offer security over the asset.

Policies

Interest Rate Exposure Policy
Council will manage its borrowing activities prudently in the best interests of the District, its inhabitants and ratepayers. In furtherance of this goal, Council will keep the following objectives firmly in mind:

1. Cost minimisation
2. Cost stabilisation/Risk minimisation

Prudent selection of funding instruments and mix should help the Council achieve its low debt servicing costs and risk minimisation objectives.

Debt Repayment Policy
It is Council's general policy to repay debt as it falls due. This will be repaid from accumulated funds, reserve funds, contributions, land sales or a combination of these methods depending on the project the loan was raised for. If the loan was raised for a period less than a term the Council considers appropriate for the project, part of the balance will be financed with new debt.

The Council may repay debt before maturity in special cases where the circumstances suggest that this would be in the best interest of residents and ratepayers.

Total debt levels are determined through the Long Term Financial Strategy and Annual Plans.

Liquidity Policy
The Council will strive to ensure the timely availability of funds to meet the Council's various expenditure needs, preferably without incurring penalties or holding unnecessary cash reserves. The Council will:

- match revenue requirements with expenditure streams, ensuring any timing differences, if any, are favourable for the Council;
- ensure replacement funds are available no later than the debt repayment date;
- avoid concentration of debt repayment dates.

Credit Exposure Policy
Council will only enter incidental arrangements with credit worthy counterparties.

Credit worthy counterparties are selected on the basis of their current Standard and Poors (S&P) rating which must be A- or better.

Other Matters

Borrowing for Cash Management Purposes
This section applies to what might be described as borrowing to manage day to day fluctuations in cash flow.

Council will maintain an overdraft facility not exceeding a limit of $500,000 for day to day cash management purposes.

Council may maintain a standby credit facility for urgent financing in emergencies.

Incidental Arrangements

"Incidental arrangement" is defined to mean:

(a) A contract or arrangement for the management, reduction, sharing, limiting, assumption, offset, or hedging of financial risks and liabilities in relation to any investment or investments or any loan or loans or other incidental arrangement, whether or not that contract or arrangement involves-
(i) The expenditure, borrowing, or lending of money; or
(ii) The local authority undertaking to make payments in exchange for another person undertaking to make payments to the local authority; or
(iii) The creation or acquisition or disposal of any property or right; or
(b) A contract or arrangement with any bank, financial institution, or other person providing for any person to act as underwriter, broker, indemnifier, guarantor, accommodation party, manager, dealer, trustee, registrar, or paying, fiscal, or other agent for, or in connection with, any loan or investment.

Hedging
Hedging instruments may be used for risk management purposes, on advice from financial advisors.

Agents
Council may appoint only reputable persons or companies to fulfil the following roles:

- *Financial/Investment Advisors*
- *Registrars/paying agents*
- *Brokers*
- *Trustees*

Other
Other forms of incidental arrangement may only be entered into with a specific resolution of Council.

B. Investment Policy

General

Introduction
This investment policy has been prepared pursuant to sections 102(4)(c) and 105 of the Local Government Act 2002. It applies to the management of the Council's financial and equity investments.

Overview
The Council has a variety of investments which at any time may include cash, trust funds, special funds, shares, property held for investment purposes and financial reserves.

These investments are acquired, held and realised by the Council in furtherance of the community goals and objectives which are identified in the Council's Long Term Financial Strategy and each Annual Plan.

In managing its investments the Council is not driven by commercial considerations alone. As a public body the Council is accountable to the community in terms of community health, safety, benefit and well-being and these considerations may lead to the Council making investment decisions which would not have been made on commercial/financial considerations alone.

In managing its investments in accordance with its general policy the Council seeks to:

- achieve the goals and objectives set out in the Long Term Financial Strategy and the Annual Plan;
- balance the protection of its investment with maximising investment return;
- ensure investments are of a type which provide the Council with funds when required;

Policies

Mix of Investments

Nature of Investment	Term	Rationale for retention
Cash Investments	Short term	To meet cash flow requirements
Shares/equity	Long term	To support the strategic objectives of the Council and the District
Investment Property	Variable	To provide a commercial return to Council

It should be noted that Council does have some investments that do not currently meet these criteria, particularly some land holdings. The future of these are under review and it will be decided if these will be held to meet future core function requirements or will be disposed when it is considered that it is appropriate.

Acquisitions of New Investments

Call and short term: delegated to Council staff to invest in approved institutions.

Medium to long term: through the Council, having regard to the goals, objectives and provisions of the Council's long term financial strategy and annual plans.

Use of Revenue from Investments
Revenue from funds which are reserved for particular purposes is added to that fund. Revenue from other investments used to offset general rates

Revenue from Asset Sales
Revenue from asset sales will be used to repay debt or fund the purchase of new assets. If there are no appropriate uses available at the time of disposal, it will be held in a separate fund until there are.

Other Matters

Procedures for Management and Reporting to Council
The Council's procedures for the management of investments and associated reporting to Council involve reporting results of investment to the Council through the Finance Committee on a quarterly basis.

Risk Management
In managing its investments Council always seeks to protect its investments and manage its risk.

When investing the Council seeks to minimise its risk by investing only in institutions with a high degree of security or credit rating. A list of approved financial institutions will be reviewed and will be updated annually. These institutions will primarily be trading banks and there will be a cap as to how much can be placed with any one institution.

The Council also has statutory obligations to properly administer, manage, and account for its funds. In particular the Council must make its investments in accordance with the provisions of the Trustee Act 1956 as they apply to the investment of trust funds. This requires the Council to exercise the care, diligence, and skill that a prudent person of business would exercise in managing the affairs of others. The Council may consider, in making any investment decisions:

- The desirability of diversifying investments:
- The nature of existing investments:
- The risk of capital loss or depreciation:
- The potential for capital appreciation:
- The likely income return:
- The length of the term of the proposed investment:
- The marketability of the proposed investment during, and on the determination of, the term of the proposed investment:
- The effect of the proposed investment in relation to tax liability:
- The likelihood of inflation affecting the value of the proposed investment.

POLICY ON SIGNIFICANCE - BACKGROUND

Section 90 of the Local Government Act 2002 requires each Council to adopt a Policy on Significance, which:

- Sets out that Council's general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters;
- Set out any thresholds, criteria, or procedures that are to be used by the Council in assessing the extent to which issues, proposals, decisions, or other matters are significant; and
- Lists the assets considered by the local authority to be strategic assets.

Each Council will therefore define its own interpretation of significance, but the Local Government Act 2002 gives the following three definitions with regards to significance, significant and strategic assets respectively:

> *"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,-*
>
> *(a) the current and future social, economic, environmental, or cultural well-being of the district or region:*
> *(b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter:*
> *(c) 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.*
>
> *"strategic asset", in relation to the assets held by a local authority, means 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-*
>
> *(a) any asset or group of assets listed in accordance with section 90(2) by the local authority; and*
> *(b) 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; and*
> *(c) any equity securities held by the local authority in-*
> *(i) a port company within the meaning of the Port Companies Act 1988:*
> *(ii) an airport company within the meaning of the Airport Authorities Act 1966*

Following is the adopted Policy on Significance.

POLICY ON SIGNIFICANCE

General Approach in Determining Significance

When determining the question of the significance of proposals and decisions in relation to issues, assets or other matters the Council will determine the extent to which:

- The consequences or impacts of the issue, assets, or other matters, affect a large number of residents and ratepayers to a moderate extent;
- The consequences or impacts of the issue, assets, or other matters, affect a small number of residents and ratepayers to a large extent; and
- The issue, asset, or other matters have a history of generating wide public interest within Queenstown Lakes District, the Otago Region of New Zealand generally.

These will be considered within the context of the likely impact of that decision on:

- The current and future social, economic, environmental, or cultural well-being of the district or region;

- The achievement of, or ability to achieve, the Council's strategic issues and objectives as currently set out in the Strategic Plan (or Community Outcomes once determined);

- 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 carry out its activities, now and in the future; and

- The financial, resource and other costs of the decision.

Thresholds, Criteria and Procedures

When undertaking a process to determine the extent to which issues, proposals, decisions and other matters are significant, the Council will use the following thresholds, criteria and procedures:

Thresholds:

- Issues, assets, or other matters that incur more than $1 million of budgeted or $100,000 of unbudgeted expenditure;

- Any transfer of ownership or control, or the construction, replacement or abandonment, of a strategic asset as defined by the Act or listed in this policy;

- The sale of the Council's shareholding in any council controlled trading organisation, or council controlled organisation;

- The decision that will, directly or indirectly, significantly affect the capacity of the Council to carry out, or the cost to the Council in carrying out, in relation to any activity identified in the Long-Term Council Community Plan;

Criteria:

- Whether the asset is a strategic asset within the meaning of the Act or listed in this policy;

- The extent to which there is, or is likely to be, a change in the level of service in carrying out any significant activity;

- The extent to which there is, or is likely to be, a change in the way in which any significant activity is carried out;

- The extent to which there is, or is likely to be, a change in the capacity of the Council to provide any significant service or carry out any significant activity.

Procedures:

- Decisions on significance will be made in accordance with Council's adopted documents and delegation manual.

- When a significant issue is taken to a Council or Committee meeting it will be specifically identified as a significant issue and any impact highlighted.

- If determined to be significant then the issue, decision, asset or other matter will be addressed as required by the relevant sections of the Local Government Act 2002.

Strategic Assets

Council has determined the following Council-owned assets to be strategic in nature:

- Queenstown Lakes District Roading network;
- Wastewater network and treatment;
- Water treatment, storage and supply network;
- Stormwater network;
- Reserves listed and managed under the Reserves Act;
- Shares held in Queenstown Airport Corporation;
- Housing for the Elderly.

Note: Queenstown Lakes District Council considers all asset classes listed above as single whole assets. This is because the asset class as a whole delivers the service. Strategic decisions therefore only concern the whole asset class and not individual components, unless that component substantially affects the ability of the Council to deliver the service, or would be deemed significant and strategic under the thresholds, criteria or procedures noted above.

POLICY ON PARTNERSHIPS WITH THE PRIVATE SECTOR

Sections 102(4) (e) and 107 of the Local Government Act 2002 requires each Council to adopt a Policy on Partnerships with the Private Sector. For the purposes of this policy, a partnership with the private sector is defined according to section 107(2) the Local Government Act 2002 as:

"…any arrangement or agreement that is entered into between 1 or more local authorities and 1 or more persons engaged in business, but does not include

(a) Any such agreement to which the only parties are
(i) Local authorities; or
(ii) 1 or more local authorities and 1 or more Council organisations; or

(b) A contract for the supply of any goods or services to, or on behalf of, a local authority."

This policy sets out the circumstances and terms for the commitment of Council resources to partnerships with the private sector.

Circumstances Where Partnerships with the Private Sector Will be considered:

Queenstown Lakes District Council will consider partnership arrangements with the private sector for the provision of infrastructure and service where:

- A need has been defined in measurable output terms;
- There is scope for the private sector to demonstrate particular skills and/or innovative capacity;
- The project size justifies the transaction and ongoing management costs of a partnership; and
- Such a partnership is likely to deliver better value for money, based on cost, time and financial arrangements that alternative delivery methods.

Consultation

Consultation procedures mandated under sections 78 and 79 of the LGA 2002 will be applied in regard to any proposal for a partnership with the private sector to carry out significant activity.

Conditions to be Imposed

Before committing any resources to any form of private sector partnership, Queenstown Lakes District Council will establish the following conditions:

- Private participation will be subject to competitive tendering processes, with an emphasis on transparency and disclosure of processes and outcomes, acknowledging the need to protect commercial confidentialities where appropriate;
- Outputs will be clearly specified including measurable performance standards;
- Payments will only be made upon delivery of the specified services to the required standards;
- A clear and enforceable risk management regime will be agreed;
- All private sector parties will be fully accountable to the Queenstown Lakes District Council for the delivery of the specified products and/or services; and
- Queenstown Lakes District Council's information requirements for monitoring of outcomes will be agreed.

Risk Assessment and Management

A comprehensive assessment of risks associated with any partnership proposal will be undertaken before any commitment to proceed.

A risk management regime will be agreed to as a condition of the partnership.

The prime principle for risk management within a partnership shall be to transfer risk to the party best placed to manage it.

Monitoring and Reporting

Partnership contracts will be monitored and reported in accordance with an agreed financial and programme reporting regime.

The contribution of any partnership arrangement to community outcomes will be assessed and monitored as required under the Local Government Act 2002.

POLICY ON DEVELOPMENT / FINANCIAL CONTRIBUTIONS

This policy describes what financial contributions the Council will require from developers when their property developments impose increased demand on Council services.

Development Contributions

The Local Government Act 2002 makes provision for policy on development contributions. It is proposed that these will be the subject of a policy to be developed through the Long Term Council Community Plan to be prepared for the year commencing on 1 July 2004.

Financial Contributions

The draft policy on financial contributions is provided for in terms of the Resource Management Act 1991 as contained in the proposed Queenstown Lakes District Plan. However, these provisions cannot be used until the District Plan is fully operative; this is anticipated to occur during 2004. In the mean time Council collects financial contributions under sections 283-286 of the Local Government Act 1974. This is provided for under sections 407 and 409 of the Resource Management Act (Transitional provisions).

The Council's policy on financial contributions is set out in Part 15 of the Queenstown Lakes District Plan (Subdivision, Development and Financial Contributions). The District Plan describes the issue of increased demand for infrastructure and community facilities resulting from growth.

The District Plan sets out the objectives and policies relating to financial contributions and the reasons for requiring financial contributions when development occurs. It also sets out the rules applying to financial contributions including the circumstances under which a contribution may be required, the purpose for which financial contributions will be needed, the method of calculation of financial contributions (the appropriate proportion of providing the full costs of the service or of open space and recreation) and other matters. The calculation for the level of contribution required by council is calculated from the relevant Asset Management Plan, which sits outside of the District Plan.

The District Plan can be viewed at:

- Queenstown Lakes District Council offices during normal office hours (8.30am to 5.00pm) at 10 Gorge Road, Queenstown and 62 Ardmore Street, Wanaka.
- Queenstown Public Library, 10 Gorge Road, Queenstown.
- Wanaka Public Library, 90 Ardmore Street, Wanaka.
- Arrowtown Library, 58 Buckingham Street, Arrowtown.
- CivicCorp, CivicCorp House, Shotover Street, Queenstown and 38 Ardmore Street, Wanaka.

QUEENSTOWN EVENTS CENTRE TRUST

VISION AND MISSION

The QEC vision is:

- To activate the Wakatipu community

and mission:

- To provide world-class region event facilities and services

STRATEGIC DIRECTION AND VALUES

- To continue to plan for and develop the QEC Frankton site as a central hub for all local and regional sport, recreation and entertainment;
- To increase visitation and usage of the centre;
- Play a key role in the 'building of a sense of community';
- To ensure that an appropriate balance exists between:
  - Special events providing premium commercial income, and
  - Reasonable cost community access and public access special events;
- To effectively manage the facilities under the Trust's control;
- To continually improve the service to centre users and visitors;
- To position the Centre as a centre of sporting excellence which provides facilities, services and support to local and touring athletes and sporting teams;
- To attract events of a local, regional, national and international significance to the Trust's facilities;
- To have in place 'best practice' solutions to meet the challenges of providing quality event facilities and services;
- To regularly communicate with and receive feedback from stakeholders, especially local community;
- To minimise the impact of the Trust's operations on the environment;
- To provide a safe environment for users of and visitors to Trust facilities.

OBJECTIVES

- To improve ratepayer value by reducing the level of dollar subsidy per visit by 10% per annum;
- To exceed 10% annual growth in total visitation for each year ending 30 June;
- Maximise community usage of facilities. Increase community usage by 20% throughout the year;
- To prepare a Master Facilities Plan for the QEC Frankton Site, by December 2003;
- Add Value to the Wakatipu community by attracting large events to the Trust's facilities;
- Maintain a rate of zero major incidents / accidents per annum;
- Provide quarterly financial and management reports to QLDC;
- Present a QLDC annually Audited Financial Statements and Annual Report;
- Present to QLDC Statement of Corporate Intent, Operations Budget, and Capital Expenditure Budget for the forthcoming 2 years.

FINANCIAL PERFORMANCE

- To work within a QLDC Operating Grant of $237,000 for the financial year.

2002/2003 Forecast $000		**2003/2004 Forecast $000**
663	Operating Revenue	710
663	Operating Expenses	710
-	Net Profit Before Tax	-
-	Taxation	-
-	Net Profit After Tax	-

QUEENSTOWN AIRPORT CORPORATION LIMITED

CORPORATE MISSION

To provide airport and related facilities in the district and meet the growing needs for airport services to the Southern Lakes District, to the highest quality and at a level within the means and in the best interests of the Community.

GOALS

To achieve its mission the Company has a number of goals. These are:

- To provide a quality of service to its customers and take all reasonable steps to enhance safety margins wherever possible.
- To continue operating the company as a successful business and in an effective and efficient manner maximising the return on funds invested in the medium and long term – subordinating the latter when appropriate and necessary in order to achieve social and broader economic objectives for the benefit of the community at large.
- To expand and maintain the facilities at the airport to allow for full domestic and Trans-Tasman operational capability of aircraft types currently in use, and likely to be in use in the foreseeable future, by New Zealand's major domestic airlines and International Airlines likely to operate here.
- To promote Queenstown's commercial and non-commercial air travel and increase the usage of the airport facilities.
- To seek and develop profitable business opportunities that make best use of the people, technical and financial resources of the Company.
- To act as a good employer by providing equal employment opportunities, good and safe working conditions as well as opportunities for individual career development.
- To act as a good corporate citizen in regard to the needs of the greater Queenstown Lakes District Community and the environment.
- To act as a 'good neighbour' to the adjacent residential areas.

OBJECTIVES

To ensure that the company takes action towards achieving its goals there will be a number of objectives identified at the start of each financial year which it believes can and should be achieved within the following year. These objectives will be measurable and achievable and the performance of the company achieving its objectives will be reported annually.

The company has established the following objectives in order to achieve the given goals:

- Provide suitable terminal facilities for satisfactory Trans – Tasman operations.
- Promote planning measures designed to ensure the mission and goals of the QAC can be achieved.
- Ensure adequate communication exists between the QAC. and the community and its elected representatives by way of an ongoing public information service and the holding of regular open meetings with a liaison group comprising community group representatives, interested individuals, airport users, etc., while continuing existing reporting systems.
- Implement all viable steps to mitigate the noise impact of the airport on the surrounding residential area especially at the western end.
- Achieve the forecast profit result

FINANCIAL PERFORMANCE TARGETS

The Company's long term goal is to achieve an average tax paid rate of return on Shareholder's Funds commensurate with that achieved by similar organizations. For the year ending 30 June 2004 the target is 7.92%.

2002/2003 Forecast $000		**2003/2004 Forecast $000**
3,168	Sales	3,608
2,802	Operating Expenses	2,769
366	Net Profit Before Tax	839
121	Taxation	277
245	Net Profit After Tax	562

APPENDIX 1 – PROJECT LIST

The following sets out the projects included in the Annual Plan. These are shown by activity and include the total cost and funding used for each item. The final column shows the funding required from rates.

Page	
100	SUBSIDISED ROADING - WAKATIPU
100	SUBSIDISED ROADING - WANAKA
101	SUBSIDISED ROADING – CROWN RANGE
102	NON-SUBSIDISED ROADING - WAKATIPU
103	NON-SUBSIDISED ROADING - WANAKA
104	STORMWATER - WAKATIPU
104	STORMWATER - WANAKA
105	REFUSE
105	EMERGENCY SERVICES
106	RESERVES AND OTHER FACILITIES - WAKATIPU
107	RESERVES AND OTHER FACILITIES - WANAKA
108	WATER SUPPLY
111	SEWERAGE
114	COMMUNITY FACILITES
114	MOTOR PARKS
114	COMMUNITY DEVELOPMENT
115	LIBRARIES
115	OTHER PROPERTY
116	ADMINISTRATION ACTIVITES
117	REGULATORY
118	SUMMARY OF CHANGES AS A RESULT OF THE SUBMISSION PROCESS

APPENDIX 1 – PROJECT LIST

SUBSIDISED ROADING - WAKATIPU

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
13.68	WAKATIPU	Minor Safety Projects	109,500			48,144		61,356
13.69	WAKATIPU	Cycleway Development	125,000			54,959		70,041
13.70	WAKATIPU	Walking & Cycling Strategy	30,000			23,006		6,994
13.71	WAKATIPU	Transportation Study	80,000			35,828	0	44,172
	SUBTOTAL - NEW CONSTRUCTION		**344,500**	**0**	**0**	**161,938**	**0**	**182,562**
13.72	WAKATIPU	Thin A.C. Reseals	242,000	135,599		106,401		0
13.73	WAKATIPU	Maintenance Chip seals	845,700	473,867		371,833		0
13.74	WAKATIPU	Pavement Smoothing (various)	1,217,000	419,696		597,304		200,000
13.75	WAKATIPU	Fernhill Road Tree Removal	50,000	0		24,540		25,460
	SUBTOTAL - RENEWALS & OTHER WORK		**2,354,700**	**1,029,162**	**0**	**1,100,078**	**0**	**225,460**
13.76	GLENORCHY	Glenorchy Road Seal Extension Stg 1	750,000			562,500	187,500	0
	SUBTOTAL - NEW CONSTRUCTION		**750,000**	**0**	**0**	**562,500**	**187,500**	**0**
13.77	GLENORCHY	Minor Safety Projects	13,000			13,000		
	SUBTOTAL - RENEWALS & OTHER WORK		**13,000**	**0**	**0**	**13,000**	**0**	**0**
13.78	UPPER SHOTOVER	Minor Safety Projects	4,300			1,891		2,409
	SUBTOTAL		**4,300**	**0**	**0**	**1,891**	**0**	**2,409**
	SUB-TOTAL		**3,466,500**	**1,029,162**	**0**	**1,839,407**	**187,500**	**410,431**
	FUNDING	Opening Balance						
		Income		1,106,863				
		Expense		-1,029,162	0	-1,839,407	-187,500	
		Closing Balance		77,701	0	-1,839,407	-187,500	

SUBSIDISED ROADING - WANAKA

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
13.79	WANAKA	Minor Safety Projects	65,500			28,799	36,701	0
13.80	WANAKA	Seal Extension - Aubrey Rd	270,000			120,921	149,079	0
13.81	WANAKA	Transportation Study	40,000			17,914	22,086	0
	SUBTOTAL - NEW CONSTRUCTION		**375,500**	**0**	**0**	**167,634**	**207,866**	**0**
13.82	WANAKA	Maintenance Chip seals	439,000	189,060		193,017	56923	-0
13.83	WANAKA	Thin A.C. Reseals	142,500	61,369		62,654	18477	0
13.84	WANAKA	Bridge Replacement Stg 2	590,000	254,089		289,572	46,339	0
13.85	WANAKA	Pavement Smoothing - Ballantyne Road	165,000	0		80,982	84,018	0
	SUBTOTAL - RENEWALS & OTHER WORK		**1,336,500**	**504,518**	**0**	**626,225**	**205,757**	**0**
	SUB-TOTAL		**1,712,000**	**504,518**	**0**	**793,859**	**413,623**	**0**
	FUNDING	Opening Balance					-1,280,396	
		Income		504,518				
		Expense		-504,518	0	-793,859	-413,623	
		Closing Balance		-0	0	-793,859	-1,694,019	

APPENDIX 1 – PROJECT LIST

SUBSIDISED ROADING - CROWN RANGE

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
13.86	CROWN RANGE	Minor Safety Projects	10,500			10,500		0
	SUBTOTAL - NEW CONSTRUCTION		**10,500**	**0**	**0**	**10,500**	**0**	**0**
	SUB-TOTAL		**10,500**	**0**	**0**	**10,500**	**0**	**0**
	FUNDING	Opening Balance						
		Income		0				
		Expense		0	0	-10,500	0	
		Closing Balance		0	0	-10,500	0	

APPENDIX 1 – PROJECT LIST

NON SUBSIDISED ROADING - WAKATIPU

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Land salaes	Loans	Net Rates 2003/04
14.156	WAKATIPU TOWN CENTRES	Minor works	4,000	0	0	0	0	4,000
14.157	WAKATIPU TOWN CENTRES	Undergrounding (QLDC Share)	250,000	0	0	0	0	250,000
14.158	WAKATIPU TOWN CENTRES	Capital share of Imtech fee	16,000	0	0	0	0	16,000
14.159	WAKATIPU TOWN CENTRES	Queenstown Sea Wall Stabilisation	50,000	0	0	0	0	50,000
14.160	WAKATIPU TOWN CENTRES	Ballarat St Bridge - Wingwall	10,000	10,000	0	0	0	0
14.161	WAKATIPU TOWN CENTRES	Queenstown CBD Improvements	265,000	0	0	0	0	265,000
14.162	WAKATIPU TOWN CENTRES	Loan Repayments	97,500	0	0	0	0	97,500
	SUBTOTAL		**692,500**	**10,000**	**0**	**0**	**0**	**682,500**
14.163	WAKATIPU OTHER	Minor works	5,000	0	0	0	0	5,000
14.164	WAKATIPU OTHER	Footpath Renewals	60,000	60,000	0	0	0	0
14.165	WAKATIPU OTHER	Upper Ballarat St Upgrade	32,000	0	0	0	0	32,000
14.166	WAKATIPU OTHER	Twelve Mile Pit Restoration	58,000	0	0	0	0	58,000
14.167	WAKATIPU OTHER	Contingency Fund - Wakatipu	140,000	0	0	0	0	140,000
14.168	WAKATIPU OTHER	Wakatipu Street Lights - Capital	39,000	0	0	0	0	39,000
14.169	WAKATIPU OTHER	Traffic Calming Projects	20,000	0	0	0	0	20,000
14.170	WAKATIPU OTHER	Centennial Ave parking bay (outside school)	11,000	0	0	0	0	11,000
14.171	WAKATIPU OTHER	Relocate Gorge Rd pedestrian crossing	50,000	0	0	0	0	50,000
14.172	WAKATIPU OTHER	Durham Street Redevelopmente	75,000	0	0	0	0	75,000
14.173	WAKATIPU OTHER	Gorge Road Carpark Landscaping	70,000	0	0	0	0	70,000
14.174	WAKATIPU OTHER	Adamson Drive Footpath	42,500	0	0	0	0	42,500
14.175	WAKATIPU OTHER	Centennial Ave Footpath	52,000	0	0	0	0	52,000
14.176	WAKATIPU OTHER	Disabled Drop Crossings	5,000	0	0	0	0	5,000
14.177	WAKATIPU OTHER	Capital share of Imtech fee	37,000	0	0	0	0	37,000
14.178	WAKATIPU OTHER	Capacity Study - Update AMPs	10,000	0	0	0	0	10,000
14.179	WAKATIPU OTHER	Glenorchy Town Streetscape Stg 2	102,000	0	0	0	0	102,000
14.180	WAKATIPU OTHER	Arrowtown Intersections K & C	20,000	0	0	0	0	20,000
14.181	WAKATIPU OTHER	Hansens Park - develop carpark Stg 2	164,000	0	0	82,000	0	82,000
14.182	WAKATIPU OTHER	Kelvin Peninsula Kerb & Channel	150,000	0	0	0	0	150,000
14.183	WAKATIPU OTHER	SH6A Access Sealing Stg 2	50,000	0	0	0	0	50,000
14.184	WAKATIPU OTHER	Amenity enhancement subsidised roading projects	100,000	0	0	0	0	100,000
14.185	WAKATIPU OTHER	Fryer St Parking Improvements	75,000	0	20,000	0	0	55,000
14.186	WAKATIPU OTHER	Gibbston Back Road Sealing	110,000	0	0	0	0	110,000
14.187	WAKATIPU OTHER	Park St/Frankton Track Entrance Improvements	60,000	0	0	0	0	60,000
14.188	WAKATIPU OTHER	Loan Repayments	147,741	7,701	0	0	0	140,040
	SUBTOTAL		**1,685,241**	**67,701**	**20,000**	**82,000**	**0**	**1,515,540**
	SUB-TOTAL		**2,377,741**	**77,701**	**20,000**	**82,000**	**0**	**2,198,040**
	FUNDING							
		Opening Balance		0	0	0	-1,402,981	
		Income		0	20,000		245,241	
		Expense		-77,701	-20,000	-82,000	0	
		Closing Balance		0	0	-82,000	-1,157,740	

APPENDIX 1 – PROJECT LIST

NON SUBSIDISED ROADING - WANAKA

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Land Sales	Loans	Net Rates 2003/04
14.189	WANAKA TOWN CENTRES	Minor works	3,200	0	0	0	0	3,200
14.190	WANAKA TOWN CENTRES	Capital share of Imtech fee	5,000	0	0	0	0	5,000
14.191	WANAKA TOWN CENTRES	Ardmore St Footpath (Wanaka Hotel to LWC)	7,500	0	0	0	0	7,500
14.192	WANAKA TOWN CENTRES	Street Lighting	30,000	0	0	0	30,000	0
14.193	WANAKA TOWN CENTRES	Foreshore Carparking Alterations	50,000	0	0	50,000	0	0
14.194	WANAKA TOWN CENTRES	Loan Repayments	45,000	0	0	0	0	45,000
	SUBTOTAL		**140,700**	**0**	**0**	**50,000**	**30,000**	**60,700**
14.195	WANAKA OTHER	Minor works	4,000	0	0	0	0	4,000
14.196	WANAKA OTHER	Contingency Fund - Wanaka	60,000	0	0	0	0	60,000
14.197	WANAKA OTHER	Street Lighting	50,000	0	0	0	50,000	0
14.198	WANAKA OTHER	Plantation Road Footpath Upgrades	20,000	0	0	0	20,000	0
14.199	WANAKA OTHER	Lakeview Tce Footpath , Hawea	50,000	0	0	0	50,000	0
14.200	WANAKA OTHER	Capital share of Imtech fee	18,000	0	0	9,000	9,000	0
14.201	WANAKA OTHER	Aspiring Rd - Footpath	130,000	0	0	130,000	0	0
14.202	WANAKA OTHER	Russell St Footpath	120,000	0	0	120,000	0	0
14.203	WANAKA OTHER	Disabled Drop Crossings	5,000	0	0	0	0	5,000
14.204	WANAKA OTHER	Capacity Study - Update AMPs	5,000	0	0	0	0	5,000
14.205	WANAKA OTHER	Bernard St Seal Extn (Albert Town)	200,000	0	0	200,000	0	0
14.206	WANAKA OTHER	Monley-Lismore Footpath	15,000	0	0	0	0	15,000
14.208	WANAKA OTHER	Loan Repayments	96,068	0	0	0	0	96,068
	SUBTOTAL		**773,068**	**0**	**0**	**459,000**	**129,000**	**185,068**
	SUB-TOTAL		**913,768**	**0**	**0**	**509,000**	**159,000**	**245,768**
	FUNDING							
		Opening Balance		0	0		-305,854	
		Income		0			141,068	
		Expense		0	0	-509,000	-159,000	
		Closing Balance		-0	0	-509,000	-323,786	

APPENDIX 1 – PROJECT LIST

STORMWATER - WAKATIPU

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
16.88	WAKATIPU	CCTV Survey	30,000	0	0	0	0	30,000
16.89	WAKATIPU	Gorge Rd/Henry St Upgrade	20,700	8,798	2,153	0	0	9,750
16.90	WAKATIPU	Edgar/Hallenstein/Beetham St Upgrade	17,550	7,459	1,825	0	0	8,266
16.91	WAKATIPU	Horne Creek Upgrade Stg 1	65,000	27,625	6,760	0	30,615	0
16.92	WAKATIPU	Suburb/York St Upgrade	98,300	41,778	10,223	0	46,299	0
16.93	WAKATIPU	Reticulation - Cameron Place to Fernhill Rd	24,600	0	0	0	0	24,600
16.95	WAKATIPU	Reticulation - Arrowtown (Centennial Ave)	166,450	0	20,000	0	146,450	0
16.96	WAKATIPU	Thompson St Headworks	10,000	0	0	0	10,000	0
16.97	WAKATIPU	Reticulation - McChesney	80,400	0	0	0	0	80,400
16.98	WAKATIPU	Dart Place Headworks	6,000	0	0	0	6,000	0
16.99	WAKATIPU	O'Leary Paddock Headworks extensions	30,000	0	0	0	30,000	0
16.100	WAKATIPU	Capital share of Imtech fee	97,500	0	0	0	97,500	0
16.101	WAKATIPU	Asset Mgmt Projects (Capacity Study)	21,500	0	0	0	21,500	0
16.102	WAKATIPU	Ramshaw Lane - avoid bank erosion	10,150	0	0	0	10,150	0
16.103	WAKATIPU	Stormwater Effects Study (Horne Creek/QT Bay)	15,000	0	0	0	15,000	0
16.104	WAKATIPU	Loan Repayments	124,682	124,682	0	0	0	0
	SUBTOTAL		**817,832**	**210,341**	**40,961**	**0**	**413,514**	**153,016**
	SUB-TOTAL		**817,832**	**210,341**	**40,961**	**0**	**413,514**	**153,016**
	FUNDING							
		Opening Balance			41,000		-1,564,963	
		Income		210,533			124,682	
		Expense		-210,341	-40,961	0	-413,514	
		Closing Balance		192	39	0	-1,853,795	

STORMWATER - WANAKA

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
16.124	WANAKA	Outlet to Cardrona (subject to 50% landowner contribution)	1,400,000	0	775,000	0	625,000	0
16.125	WANAKA	Reticulation - Hawea extension & upgrading	210,000	52,000	52,500	0	105,500	0
16.126	WANAKA	Capital share of Imtech fee	41,500	0	0	0	41,500	0
16.127	WANAKA	Asset Mgmt Projects (Capacity Study)	20,750	0	0	0	20,750	0
16.128	WANAKA	Albert Town follow up works from Mgmt Plan	70,000	20,000	0	0	50,000	0
16.129	WANAKA	Bullock Creek/Roys Bay effects study	15,000	0	0	0	15,000	0
16.130	WANAKA	Loan Repayments	93,234	93,234	0	0	0	0
	SUBTOTAL		1,850,484	165,234	827,500	0	857,750	0
	SUB-TOTAL		1,850,484	165,234	827,500	0	857,750	0
	FUNDING							
		Opening Balance			130,000		-417,762	
		Income		165,298	700,000 (50% landowner)		93,234	
		Expense		-165,234	-827,500	0	-857,750	
		Closing Balance		64	2,500	0	-1,182,278	

APPENDIX 1 – PROJECT LIST

REFUSE

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
12.28	WAKATIPU	Greenwaste facilities (Kingston & Glenorchy)	16,000	0	0	0	0	16,000
12.29	WAKATIPU	Recycling (estimate only)	297,680	0	0	0	297,680	0
12.30	WAKATIPU	Loan Repayments	115,000	21,390	0	0	0	93,610
	SUBTOTAL		**428,680**	**21,390**	**0**	**0**	**297,680**	**109,610**
12.31	WANAKA	Greenwaste facilities (Hawea & Makarora)	16,000	0	0	0	0	16,000
12.32	WANAKA	Wanaka Wastebusters	30,000	0	0	0	0	30,000
	SUBTOTAL		**46,000**	**0**	**0**	**0**	**0**	**46,000**
	SUB-TOTAL		**474,680**	**21,390**	**0**	**0**	**297,680**	**155,610**
	FUNDING	Opening Balance		0	0		-1,691,834	
		Income		21,390	0		115,000	
		Expense		-21,390	0	0	-297,680	
		Closing Balance		0	0	0	-1,874,514	

EMERGENCY SERVICES

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
18.17	RURAL FIRE	Major appliance overhaul	7,500	0	0	0	0	7,500
18.18	RURAL FIRE	Replacement Equipment	8,000	1,469	0	3,750	0	2,781
18.19	RURAL FIRE	New High Volume Pump	3,000	0	0	1,500	0	1,500
	SUBTOTAL		**18,500**	**1,469**	**0**	**5,250**	**0**	**11,781**
	FUNDING	Opening Balance			0			
		Income		1,469	0			
		Expense		-1,469	0	-5,250	0	
		Closing Balance		0	0	-5,250	0	

APPENDIX 1 – PROJECT LIST

RESERVES AND OTHER FACILITIES ; WAKATIPU

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
11.146	WAKATIPU	Queenstown Gardens Re-sealing Stg 2	44,000	44,000	0	0	0	0
11.147	WAKATIPU	Kelvin Peninsula C A Grant	5,000	0	5,000	0	0	0
11.148	WAKATIPU	Minor Works	25,000	25,000	0	0	0	0
11.149	WAKATIPU	Queenstown Gardens Ponds	12,000	0	12,000	0	0	0
11.150	WAKATIPU	Arrowtown River Reserve upgrade	35,000	0	35,000	0	0	0
11.151	WAKATIPU	Reserve Management Plans Stg 2	20,000	0	20,000	0	0	0
11.152	WAKATIPU	Pigeon Island Revegetation	12,000	0	12,000	0	0	0
11.153	WAKATIPU	Wilding Trees	60,000	0	0	0	0	60,000
11.154	WAKATIPU	Lake Hayes Walking Track Stg 2	40,000	0	40,000	0	0	0
11.155	WAKATIPU	Walkways Trust	50,000	0	50,000	0	0	0
11.156	WAKATIPU	Walkways Development	50,000	0	50,000	0	0	0
11.157	WAKATIPU	Design for AMP projects	50,000	0	50,000	0	0	0
11.158	WAKATIPU	Kingston Foreshore Reserve Purchase (ex LINZ)	50,000	0	50,000	0	0	0
11.159	WAKATIPU	Gorge Road Wetland	30,000	0	30,000	0	0	0
11.160	WAKATIPU	Reserve Asset Register & Valuation	10,000	0	10,000	0	0	0
	SUBTOTAL		**493,000**	**69,000**	**364,000**	**0**	**0**	**60,000**
21.54	WAKATIPU RESERVE	Reserve Seats & Signage	56,000	14,000	42,000	0	0	0
21.55	WAKATIPU RESERVE	Frankton lakefront Reserve roadway	55,000	0	55,000	0	0	0
21.56	WAKATIPU RESERVE	Tree Programme (database & heritage trees)	10,000	0	10,000	0	0	0
	SUBTOTAL		**121,000**	**14,000**	**107,000**	**0**	**0**	**0**
21.58	WAKATIPU CEMETERIES	Develop Cremation Areas _ Kingston	2,250	0	0	0	0	2,250
21.59	WAKATIPU CEMETERIES	Cemetery Records preservation	8,000	0	0	0	0	8,000
	SUBTOTAL		**10,250**	**0**	**0**	**0**	**0**	**10,250**
23.21	TOILETS - WAKATIPU	Toilet Upgrades - Vandal proof fittings	10,000	10,000	0	0	0	0
23.22	TOILETS - WAKATIPU	Toilet Upgrade - One Mile Toilets (Internal)	52,000	52,000	0	0	0	0
23.23	TOILETS - WAKATIPU	New Toilets - Sunshine Bay	95,000	20,000	75,000	0	0	0
	SUBTOTAL		**157,000**	**82,000**	**75,000**	**0**	**0**	**0**
	SUB-TOTAL		**781,250**	**165,000**	**546,000**	**0**	**0**	**70,250**
	FUNDING	Opening Balance		4,637	834,000		0	
		Income		159,714			0	
		Expense		-165,000	-546,000		0	
		Closing Balance		-649	288,000	0	0	

APPENDIX 1 – PROJECT LIST

RESERVES AND OTHER FACILITIES ; WANAKA

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
11.163	WANAKA	Wanaka Station Park Committee	5,000	0	0	0	0	5,000
11.164	WANAKA	Ruby Island Management Committee	5,000	0	0	0	0	5,000
11.165	WANAKA	Minor Works	18,000	18,000	0	0	0	0
11.166	WANAKA	Complete Seal Hawea Community Centre Carpark	40,000	0	40,000	0	0	0
11.167	WANAKA	Foreshore Carpark Reseal	106,000	106,000	0	0	0	0
11.168	WANAKA	Wanaka Foreshore Playground Upgrade	80,000	0	80,000	0	0	0
11.169	WANAKA	Reserve Rubbish Bins	2,490	0	2,490	0	0	0
11.170	WANAKA	Bremner Bay track upgrade	30,000	11,000	19,000	0	0	0
11.171	WANAKA	Pembroke Park Mgmt Plan	20,000	0	20,000	0	0	0
11.172	WANAKA	Pembroke Park Irrigation (includes C/fwd)	70,000	0	70,000	0	0	0
11.173	WANAKA	Eely Point Development Stg 2	50,000	0	50,000	0	0	0
11.174	WANAKA	Eely Point Boat Ramp	25,000	0	25,000	0	0	0
11.175	WANAKA	Lismore Park Upgrade Stg 2	30,000	0	30,000	0	0	0
11.176	WANAKA	Hawea Foreshore Mgmt Plan	15,000	0	15,000	0	0	0
11.177	WANAKA	Asset register & valuation	7,000	0	7,000	0	0	0
11.178	WANAKA	Walkways Development	60,000	0	60,000	0	0	0
11.179	WANAKA	Wicklow Tce Reserve Development	10,000	0	10,000	0	0	0
11.180	WANAKA	Makarora Reserve Mgmt Plan	10,000	0	10,000	0	0	0
11.181	WANAKA	Dale St Reserve Development Stg 1	100,000	0	100,000	0	0	0
11.182	WANAKA	Waimana Place Reserve	5,000	0	5,000	0	0	0
11.183	WANAKA	Wanaka Lakefront - Tidy up willows, Lakeside Road	25,000	0	0	0	0	25,000
11.184	WANAKA	Bullock Creek Rec Reserve Landscape (ex 02-03)	60,000	0	60,000	0	0	0
11.185	WANAKA	Lagarosiphon Project	10,000	0	10,000	0	0	0
	SUBTOTAL		**783,490**	**135,000**	**613,490**	**0**	**0**	**35,000**
21.60	WANAKA RESERVE	Reserve Seats & Signage	20,000	0	20,000	0	0	0
21.61	WANAKA RESERVE	Tree Programme (database & heritage trees)	10,000	0	10,000	0	0	0
			30,000	**0**	**30,000**	**0**	**0**	**0**
21.62	WANAKA AIRPORT	Minor capital works	16,000	0	0	0	0	16,000
21.63	WANAKA AIRPORT	Designation/Certification issues re: Airport master plan	50,000	0	0	0	50,000	0
21.64	WANAKA AIRPORT	Loan Repayments	19,535	14,282	0	0	0	5,253
			85,535	**14,282**	**0**	**0**	**50,000**	**21,253**
21.65	CEMETERIES - WANAKA	Cemetery Records preservation	4,000	0	0	0	0	4,000
21.66	CEMETERIES - WANAKA	Wanaka Cemetery Reserve	25,000	0	25,000	0	0	0
			29,000	**0**	**25,000**	**0**	**0**	**4,000**
23.24	TOILETS - WANAKA	Toilet Upgrades - Vandal proof fittings	10,000	10,000	0	0	0	0
23.25	TOILETS - WANAKA	Pembroke Park Toilet (consultation requirements)	25,000	0	25,000	0	0	0
			35,000	**10,000**	**25,000**	**0**	**0**	**0**
	SUB-TOTAL		**963,025**	**159,282**	**693,490**	**0**	**50,000**	**60,253**
	FUNDING	Opening Balance		48,646	810,000		-63,288	
		Income		112,759	0		19,535	
		Expense		-159,282	-693,490	0	-50,000	
		Closing Balance		2,123	116,510	0	-93,753	

APPENDIX 1 – PROJECT LIST

WATER SUPPLY

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Land Sales	Loans	Net Rates 2003/04
1701.65	QUEENSTOWN	Water Treatment Assessment	25,000	0	0	25,000	0	0
1701.66	QUEENSTOWN	Kelvin Hts - Renew variable dosing drive	6,600	6,600	0	0	0	0
1701.67	QUEENSTOWN	Reticulation - London Lane upsize	8,400	0	0	8,400	0	0
1701.68	QUEENSTOWN	Reticulation - Bolton Lane upgrade	40,000	18,000	0	22,000	0	0
1701.69	QUEENSTOWN	Upgrade SCADA - Twin Reservoir	15,000	15,000	0	0	0	0
1701.70	QUEENSTOWN	Kelvin Hts Reservoir (carry forward)	736,484	0	142,100	300,000	294,384	0
1701.71	QUEENSTOWN	Kelvin Hts Pump Stn - New bldg & hoist	68,880	44,772	0	6,888	17,220	0
1701.72	QUEENSTOWN	Park St main upgrade stg 2	150,000	51,000	0	15,000	84,000	0
1701.73	QUEENSTOWN	Goldfields to Panners Way falling main	158,758	23,814	0	15,876	119,069	-0
1701.74	QUEENSTOWN	Duplicate SCADA Repeater system	15,000	0	0	15,000	0	0
1701.75	QUEENSTOWN	Wynyard Crescent PRV	18,000	0	0	18,000	0	0
1701.76	QUEENSTOWN	Capital share of Imtech fee	39,000	0	0	19,500	19,500	0
1701.77	QUEENSTOWN	Asset Mgmt Projects (Capacity Study)	49,400	0	36,900	12,500	0	0
1701.78	QUEENSTOWN	Flow Metering	0	0	0	0	0	0
1701.79	QUEENSTOWN	Loan Repayment	383,902	287,927	95,976	0	0	0
	SUB-TOTAL		**1,714,424**	**447,112**	**274,976**	**458,164**	**534,173**	**-0**
	FUNDING							
		Opening Balance		0	275,000	1,991,965	-3,730,169	
		Income		447,436	0		383,902	
		Expense		-447,112	-274,976	-458,164	-534,173	
		Closing Balance		324	25	1,533,801	-3,880,440	

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1702.20	ARROWTOWN	New Reservoir & Pressure boosting	830,000	0	249,000	0	581,000	0
1702.21	ARROWTOWN	Marioneth St Upgrade stg 2	31,500	0	0	0	0	31,500
1702.22	ARROWTOWN	Rising Main Upgrade	165,000	0	0	0	165,000	0
1702.23	ARROWTOWN	Berkshire St watermain replacement	25,000	0	0	0	25,000	0
1702.24	ARROWTOWN	Nairn St laterals	33,000	0	0	0	33,000	0
1702.25	ARROWTOWN	Asset Mgmt Projects (Capacity Study)	11,250	0	7,050	0	0	4,200
1702.26	ARROWTOWN	Capital share of Imtech fee	28,000	0	0	0	28,000	0
1702.27	ARROWTOWN	Loan Repayments	133,600	71,897	0	0	0	61,703
	SUB-TOTAL		**1,257,350**	**71,897**	**256,050**	**0**	**832,000**	**97,403**
	FUNDING	Opening Balance			0		-449,472	
		Income		71,897	305,720 (Millbrook)		133,600	
		Expense		-71,897	-256,050	0	-832,000	
		Closing Balance		0	49,670	0	-1,147,872	

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1703.13	GLENORCHY	Investigate Supply Options	20,000	0	0	0	20,000	0
1703.14	GLENORCHY	Capital share of Imtech fee	600	0	0	0	600	0
1703.15	GLENORCHY	Asset Mgmt Projects (Capacity Study)	3,400	0	0	0	3,400	0
1703.16	GLENORCHY	Loan Repayments	6,250	0	0	0	0	6,250
	SUB-TOTAL		**30,250**	**0**	**0**	**0**	**24,000**	**6,250**
	FUNDING	Opening Balance					-96,647	
		Income		0			6,250	
		Expense		0	0	0	-24,000	
		Closing Balance		0	0	0	-114,397	

APPENDIX 1 – PROJECT LIST

WATER SUPPLY

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1704.05	LAKE HAYES	Capital share of Imtech fee	0	0	0	0	0	0
1704.06	LAKE HAYES	Asset Mgmt Projects (Capacity Study)	5,200	0	0	0	0	5,200
1704.07	LAKE HAYES	Loan Repayments	205,000	0	196,000	0	0	9,000
	SUB-TOTAL		**210,200**	**0**	**196,000**	**0**	**0**	**14,200**
	FUNDING							
		Opening Balance					-2,835,289	
		Income					205,000	
		Expense		0	-196,000	0	0	
		Closing Balance		0	-196,000	0	-2,630,289	

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1705.35	ARTHURS PT	Capital share of Imtech fee	500	0	0	0	500	0
1705.36	ARTHURS PT	Asset Mgmt Projects (Capacity Study)	5,200	0	0	0	5,200	0
1705.37	ARTHURS PT	New Scheme	0	0	0	0	0	0
	SUB-TOTAL		**5,700**	**0**	**0**	**0**	**5,700**	**0**
	FUNDING							
		Opening Balance					-22,689	
		Income		0	0			
		Expense		0	0	0	-5,700	
		Closing Balance		0	0	0	-28,389	

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1706.01	KINGSTON	Investigate Supply Options	20,000	0	0	0	20,000	0
	SUB-TOTAL		**20,000**	**0**	**0**	**0**	**20,000**	**0**
	FUNDING							
		Opening Balance					0	
		Income		0	0			
		Expense		0	0	0	-20,000	
		Closing Balance		0	0	0	-20,000	

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Land Sales	Loans	Net Rates 2003/04
1755.37	WANAKA	Brownston St Renewal of main Stg 2	50,000	50,000	0	0	0	0
1755.38	WANAKA	Beacon Point Reservoir	2,963,220	37,400	469,000	1,178,820	1,278,000	0
1755.39	WANAKA	Water Treatment Assessment	15,600	0	0	15,600	0	0
1755.40	WANAKA	Lakeside Rd water main	7.000	7.000	0	0	0	0
1755.41	WANAKA	Lakefront Reserve - Ridermain Toilets	7.000	7,000	0	0	0	0
1755.42	WANAKA	GPS Asset locations	5.000	0	0	5,000	0	0
1755.43	WANAKA	Asset Mgmt Projects (Capacity Study)	39.300	0	31.000	8.300	0	0
1755.44	WANAKA	Capital share of Imtech fee	75,000	0	0	0	75,000	0
1755.45	WANAKA	Cardrona Valley Rd mains	280.000	0	70,000	0	210,000	0
1755.46	WANAKA	Loan repayments	160,733	160,733	0	0	0	0
	SUB-TOTAL		**3,602,853**	**262,133**	**570,000**	**1,207,720**	**1,563,000**	**0**
	FUNDING							
		Opening Balance		38,447	500,000		-292,801	
		Income		223,780	70,000		160,733	
		Expense		-262,133	-570,000	-1,207,720	-1,563,000	
		Closing Balance		94	0	-1,207,720	-1,695,068	

APPENDIX 1 – PROJECT LIST

WATER SUPPLY

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1756.07	HAWEA	Pump Power Investigation & Report	3,500	0	0	0	0	3,500
1756.08	HAWEA	Intake Pump Gantry	7,500	0	0	0	7,500	0
1756.09	HAWEA	Grandview Subdivision Supply	305,000	0	135,000	0	170,000	0
1756.10	HAWEA	Gas Chlorine injection	5,500	0	0	0	5,500	0
1756.11	HAWEA	Turbidity Meter	12,000	0	0	0	12,000	0
1756.12	HAWEA	Capital share of Imtech fee	2,500	0	0	0	2,500	0
1756.13	HAWEA	Asset Mgmt Projects (Capacity Study)	2,550	0	0	0	2,550	0
1756.14	HAWEA	Loan repayments	500	0	0	0	0	500
	SUB-TOTAL		**339,050**	**0**	**135,000**	**0**	**200,050**	**4,000**
	FUNDING							
		Opening Balance		0			-7,500	
		Income		0	135,000		500	
		Expense		0	-135,000	0	-200,050	
		Closing Balance		0	0	0	-207,050	

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1757.06	ALBERT TOWN	Lateral Installation	5,000	0	0	0	0	5,000
1757.07	ALBERT TOWN	Share of new Beacon Pt Falling Main	259,908	0	0	0	240,000	19,908
1757.08	ALBERT TOWN	Asset Mgmt Projects (Capacity Study)	2,550	0	0	0	0	2,550
1757.09	ALBERT TOWN	Capital share of Imtech fee	1,100	0	0	0	0	1,100
	SUB-TOTAL		**268,558**	**0**	**0**	**0**	**240,000**	**28,558**
	FUNDING							
		Opening Balance		0				
		Income		8,113				
		Expense		0	0	0	-240,000	
		Closing Balance		8,113	0	0	-240,000	

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1759.08	LUGGATE	Asset Mgmt Projects (Capacity Study)	2,550	0	0	0	0	2,550
	SUB-TOTAL		**2,550**	**0**	**0**	**0**	**0**	**2,550**
	FUNDING	Opening Balance					-108,416	
		Income					0	
		Expense		0	0	0	0	
		Closing Balance		0	0	0	-108,416	

APPENDIX 1 – PROJECT LIST

SEWERAGE

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1501.71	QUEENSTOWN	Treatment - modification to digester	35,000	0	0	0	0	35,000
1501.72	QUEENSTOWN	Renewal provision for life expired assets	100,890	100,890	0	0	0	0
1501.73	QUEENSTOWN	Pump Station - Willow Place - new pumps	30,000	30,000	0	0	0	0
1501.74	QUEENSTOWN	Online BOD system	15,000	0	0	0	0	15,000
1501.75	QUEENSTOWN	Inflow/Infiltration investigations	40,000	0	0	0	0	40,000
1501.76	QUEENSTOWN	Pump Station - Cedar Drive Upgrade	40,000	40,000	0	0	0	0
1501.77	QUEENSTOWN	Pump Station - Marine Pde Odour Control	50,000	0	0	0	0	50,000
1501.78	QUEENSTOWN	Upgrade SCADA	15,000	0	0	0	0	15,000
1501.79	QUEENSTOWN	Manhole de-odourisers (Frankton)	15,000	0	0	0	0	15,000
1501.80	QUEENSTOWN	Asset Mgmt Projects (Capacity Study)	57,100	0	9,880	0	0	47,220
1501.81	QUEENSTOWN	Capital share of Imtech fee	20,000	0	0	0	0	20,000
1501.82	QUEENSTOWN	Treatment - Investigation of Land Treatment & Disposal and	0	0	0	0	0	0
1501.83	QUEENSTOWN	Loan Repayments	440,600	352,480	88,120	0	0	0
	SUB-TOTAL		**858,590**	**523,370**	**98,000**	**0**	**0**	**237,220**
	FUNDING							
		Opening Balance		0	98,000	1,533,801	-1,899,600	
		Income		524,799	0	0	440,600	
		Expense		-523,370	-98,000	0	0	
		Closing Balance		1,429	0	1,533,801	-1,459,000	

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1502.30	ARROWTOWN	Renewal provision for life expired assets	75,050	75,050	0	0	0	0
1502.31	ARROWTOWN	Arrowtown to Frankton Sewer - ongoing investigations	35,000	0	0	0	35,000	0
1502.32	ARROWTOWN	Remediation of Arrowtown ponds	100,000	70,000	0	0	30,000	0
1502.33	ARROWTOWN	Asset Mgmt Projects (Capacity Study)	9,550	0	5,350	0	0	4,200
1502.34	ARROWTOWN	Capital share of Imtech fee	6,000	0	0	0	6,000	0
1502.35	ARROWTOWN	Loan Repayments	29,400	0	29,400	0	0	0
	SUB-TOTAL		**255,000**	**145,050**	**34,750**	**0**	**71,000**	**4,200**
	FUNDING	Opening Balance		11,318	87,500		-474,467	
		Income		134,352	0		29,400	
		Expense		-145,050	-34,750	0	-71,000	
		Closing Balance		620	52,750	0	-516,067	

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1503.08	ARTHURS PT	Asset Mgmt Projects (Capacity Study)	3,850	0	0	0	0	3,850
1503.09	ARTHURS PT	Loan Repayments	0	0	0	0	0	0
	SUB-TOTAL		**3,850**	**0**	**0**	**0**	**0**	**3,850**
	FUNDING	Opening Balance					-1,144,514	
		Income		0			0	
		Expense		0	0	0	0	
		Closing Balance		0	0	0	-1,144,514	

APPENDIX 1 – PROJECT LIST

SEWERAGE

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1504.01	GLENORCHY	Humboldt Park Scheme - RC application	10,000	0	0	0	10,000	0
1504.02	GLENORCHY	Investigate of new scheme	20,000	0	0	0	20,000	0
	SUB-TOTAL		**30,000**	**0**	**0**	**0**	**30,000**	**0**
	FUNDING	Opening Balance					0	
		Income		0			0	
		Expense		0	0	0	-30,000	
		Closing Balance		0	0	0	-30,000	

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1506.01	KINGSTON	Investigate of new scheme	20,000	0	0	0	20,000	0
	SUB-TOTAL		**20,000**	**0**	**0**	**0**	**20,000**	**0**
	FUNDING	Opening Balance					0	
		Income		0			0	
		Expense		0	0	0	-20,000	
		Closing Balance		0	0	0	-20,000	

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1555.35	WANAKA	Pump Station - Bremner Bay Upgrade	40,000	30,000	6,000	4,000	0	0
1555.36	WANAKA	Renewal provision for life expired assets	55,000	55,000	0	0	0	0
1555.37	WANAKA	Renew Bremner Bay sewer stg 4	61,000	18,300	36,600	6,100	0	0
1555.38	WANAKA	Reticulation - upgrade Aspiring Rd (root infested)	111,300	55,650	0	55,650	0	0
1555.39	WANAKA	Online BOD system	15,000	0	15,000	0	0	0
1555.40	WANAKA	Treatment - Sewerage Working Party	30,000	0	30,000	0	0	0
1555.41	WANAKA	Inflow/Infiltration investigations	40,000	0	20,000	20,000	0	0
1555.42	WANAKA	Gravel trap near Pembroke Park P/S	35,000	35,000	0	0	0	0
1555.43	WANAKA	Pump Station - Bremner Bay Odour Control	50,000	25,000	25,000	0	0	0
1555.44	WANAKA	Treatment - Aerators	100,000	0	100,000	0	0	0
1555.45	WANAKA	Asset Mgmt Projects (Capacity Study)	36,000	0	27,700	8,300	0	0
1555.46	WANAKA	Capital share of Imtech fee	20,000	10,000	10,000	0	0	0
1555.47	WANAKA	Golf Course Road - new main (subject to contributions)	200,000	0	200,000	0	0	0
1555.47	WANAKA	Cardrona Valley Rd mains	200,000	0	50,000	0	150,000	0
1555.48	WANAKA	Loan Repayments	83,040	83,040	0	0	0	0
	SUB-TOTAL		**1,076,340**	**311,990**	**520,300**	**94,050**	**150,000**	**0**
	FUNDING							
		Opening Balance		1,351	440,000	0	-582,740	
		Income		342,733	250,000		83,040	
		Expense		-311,990	-520,300	-94,050	-150,000	
		Closing Balance		32,094	169,700	-94,050	-649,700	

APPENDIX 1 – PROJECT LIST

SEWERAGE

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1556.14	HAWEA	Provision of laterals	7,000	0	0	0	7,000	0
1556.15	HAWEA	Cemetry Road Main	155,000	0	65,000	0	90,000	0
1556.16	HAWEA	Inflow/Infiltration investigations	40,000	25,000	0	0	15,000	0
1556.17	HAWEA	Treatment - Aerator	50,000	0	0	0	50,000	0
1556.18	HAWEA	Asset Mgmt Projects (Capacity Study)	3,100	0	0	0	3,100	0
1556.19	HAWEA	Capital share of Imtech fee	6,000	0	0	0	6,000	0
1556.20	HAWEA	Loan Repayments	9,980	9,980	0	0	0	0
	SUB-TOTAL		**271,080**	**34,980**	**65,000**	**0**	**171,100**	**0**
	FUNDING							
		Opening Balance		15,241			-102,653	
		Income		20,415	65,000		9,980	
		Expense		-34,980	-65,000	0	-171,100	
		Closing Balance		676	0	0	-263,773	

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1557.16	ALBERT TOWN	Provision of laterals	7,000	0	0	0	7,000	0
1557.17	ALBERT TOWN	Inflow/Infiltration investigations	40,000	0	0	0	40,000	0
1557.18	ALBERT TOWN	Treatment - Flood protection at ponds	15,000	0	0	0	15,000	0
1557.19	ALBERT TOWN	Pump Stations - Update pump control systems	14,000	5,000	0	0	9,000	0
1557.20	ALBERT TOWN	Treatment - Aerator	50,000	0	0	0	50,000	0
1557.21	ALBERT TOWN	Asset Mgmt Projects (Capacity Study)	2,350	0	0	0	2,350	0
1557.22	ALBERT TOWN	Capital share of Imtech fee	3,500	0	0	0	3,500	0
1557.23	ALBERT TOWN	Loan Repayments	7,500	1,365	0	0	0	6,135
	SUB-TOTAL		**139,350**	**6,365**	**0**	**0**	**126,850**	**6,135**
	FUNDING							
		Opening Balance		0			-200,768	
		Income		6,365			7,500	
		Expense		-6,365	0	0	-126,850	
		Closing Balance		0	0	0	-320,118	

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Subsidy	Loans	Net Rates 2003/04
1558.07	LAKE HAYES	Loan Repayments	182,600	0	162,600	0	0	20,000
	SUB-TOTAL		**182,600**	**0**	**162,600**	**0**	**0**	**20,000**
	FUNDING							
		Opening Balance					-1,289,330	
		Income					182,600	
		Expense		0	-162,600	0	0	
		Closing Balance		0	-162,600	0	-1,106,730	

APPENDIX 1 – PROJECT LIST

COMMUNITY FACILITES

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Land Sales	Loans	Net Rates 2003/04
22.18	EVENTS CENTRE	Loan Repayment	100,000	0	100,000	0	0	0
22.19	LAKE HAYES PAVILION	Replace power feed, connect to water supply	14,600	0	14,600	0	0	0
22.20	LAKE HAYES PAVILION	Door servery, kitchen floor	5,000	0	5,000	0	0	0
22.21	EVENTS CENTRE	Complete Master Facilities Plan	50,000	0	50,000	0	0	0
22.22	EVENTS CENTRE	Modify bund in main sports oval	0	0	0	0	0	0
22.23	EVENTS CENTRE	Complete prcatice wickets	0	0	0	0	0	0
22.24	GLENORCHY HALL	Replace lino to supper room	2,000	0	2,000	0	0	0
22.25	CARDRONA HALL	Grant to Hall committee	2,500	0	0	0	0	2,500
22.26	WANAKA COMM CENTRE	Investigate ventilation options	5,000	0	0	0	0	5,000
			179,100	**0**	**171,600**	**0**	**0**	**7,500**
	FUNDING	Opening Balance		0	288,000	(wak Res cont)	-1,750,000	
		Income		0			100,000	
		Expense		0	-171,600	0	0	
		Closing Balance		0	116,400	0	-1,650,000	

MOTOR PARKS

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Land Sales	Loans	Net Rates 2003/04
24.06	CAMP GROUNDS	Asset & Reserve Mgmt Plans	60,000	0	60,000	(Res cont)	0	0
24.07	QTN MOTOR PARK	Freehold Master Plan	150,000	0	0	0	150,000	0
24.08	QTN MOTOR PARK	Outside tables & pergola	10,000	0	10,000	0	0	0
24.09	CAMP GROUNDS (leased)	Various upgrades (to be determined)	65,000	38,431	26,569	0	0	0
24.10	QTN MOTOR PARK	Loan Repayment	128,466	128,466	0	0	0	0
24.11	QTN MOTOR PARK	Loan Repayment	400,000	0	0	400,000	0	0
24.12	WAN MOTOR PARK	Loan Repayment	12,500	0	12,500	0	0	0
			825,966	**166,897**	**109,069**	**400,000**	**150,000**	**0**
	FUNDING	Opening Balance		38,431			-10,443,151	
		Income		128,466			540,966	
		Expense		-166,897	-60,000	-400,000	-150,000	
		Closing Balance		0	-60,000	-400,000	-10,052,185	

COMMUNITY DEVELOPMENT

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Land Sales	Loans	Net Rates 2003/04
25.38	GRANTS	Cultural Trust Devpt	50,000	0	0	0	0	50,000
25.39	GRANTS	One Mile Pumphouse Restoration	50,000	0	25,000	0	0	25,000
25.40	GRANTS	Regional Sports Co-ordinator	10,000	0	0	0	0	10,000
			110,000	**0**	**25,000**	**0**	**0**	**85,000**
25.41	SWIMMING POOLS	Arrowtown Pool - replace damaged lining	310,000	0	180,000	130,000	($50k Endowment)	0
25.42	SWIMMING POOLS	Aquatic Centre Feasilibilty	15,000	0	7,500	0	0	7,500
			325,000	**0**	**187,500**	**130,000**	**0**	**7,500**
	SUB-TOTAL		**435,000**	**0**	**212,500**	**130,000**	**0**	**92,500**
	FUNDING	Opening Balance			86,400	(wak Res cont)		
		Income			0	0		
		Expense		0	-82,500	-130,000	0	
		Closing Balance		0	3,900	-130,000	0	

APPENDIX 1 – PROJECT LIST

LIBRARIES

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Land Sales	Loans	Net Rates 2003/04
26.48	QUEENSTOWN	Projects	20,000	0	0	0	0	20,000
26.49	QUEENSTOWN	Equipment	6,000	6,000	0	0	0	0
26.51	GLENORCHY	Equipment	2,000	2,000	0	0	0	0
26.53	HAWEA	Equipment	2,000	2,000	0	0	0	0
26.55	QUEENSTOWN	Book Replacement	60,000	60,000	0	0	0	0
26.56	ARROWTOWN	Book Replacement	20,000	20,000	0	0	0	0
26.57	GLENORCHY	Book Replacement	5,000	5,000	0	0	0	0
26.58	WANAKA	Book Replacement	30,000	30,000	0	0	0	0
26.59	HAWEA	Book Replacement	5,000	5,000	0	0	0	0
26.60	KINGSTON	Book Replacement	2,000	2,000	0	0	0	0
	SUB-TOTAL		**152,000**	**132,000**	**0**	**0**	**0**	**20,000**
	FUNDING	Opening Balance		17,654	0			
		Income		141,364				
		Expense		-132,000	0	0	0	
		Closing Balance		27,018	0	0	0	

OTHER PROPERTY

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Land Sales	Loans	Net Rates 2003/04
21.67	WAKATIPU NON-RESERVE	Skippers/Heritage Landscape Study	90,000	0	90,000	(ex Concession)	0	0
21.68	WAKATIPU NON-RESERVE	Loan Repayments	17,789	0	0	0	0	17,789
21.69	W/WAYS FACILITIES - WAKATIPU	Replace concrete slabs - boat ramps	17,000	17,000	0	0	0	0
21.70	W/WAYS FACILITIES - WANAKA	Roys Bay Boat Ramp Wharf - new fenders	2,000	2,000	0	0	0	0
21.73	EPH HOUSING - ARROWTOWN	Loan Repayments	523	0	0	0	0	523
21.75	EPH HOUSING - WANAKA	Loan Repayments	1,697	665	0	0	0	1,032
21.76	SUBDIVISIONS - WANAKA	Scurr Hts Development Costs	2,700,000	0	0	2,700,000	0	0
21.77	SUBDIVISIONS - QUEENSTOWN	Commonage Development Costs	123,000	0	0	123,000	0	0
	SUB-TOTAL		**2,952,009**	**19,665**	**90,000**	**2,823,000**	**0**	**19,344**
	FUNDING	Opening Balance		0	0		-40,865	
		Income		19,665	90,000	(ex Concession)	20,009	
		Expense		-19,665	-90,000	-2,823,000	0	
		Closing Balance		0	0	-2,823,000	-20,856	

APPENDIX 1 – PROJECT LIST

ADMINISTRATION ACTIVITES

Ref.	Sub-Activity	G.L.	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Land Sales	Loans	Net Rates 2003/04
10.07	ASSET PLANNING	1001801	Asset Verification	125,000	0	0	0	0	125,000
		SUBTOTAL		**125,000**	**0**	**0**	**0**	**0**	**125,000**
41.02	CEO ADMIN	410180101	New LGA Implementation Costs	30,000	0	0	0	0	30,000
41.03	CEO ADMIN	410180101	District Wide Contingency Fund	100,000	0	0	0	0	100,000
		SUBTOTAL		**130,000**	**0**	**0**	**0**	**0**	**130,000**
28.07	COUNCIL OFFICES	2803801	Resurface roof to alleviate leaks	20,000	0	0	0	0	20,000
28.08	COUNCIL OFFICES	2803801	Convert Old Wanaka Library to Office (c/fwd)	120,000	0	0	0	120,000	0
28.09	COUNCIL OFFICES	2803801	Furniture & Equipment for new office	9,550	0	0	0	9,550	0
28.10	COUNCIL OFFICES	2803811	Loan Repayment	37,333	0	0	0	0	37,333
		SUBTOTAL		**186,883**	**0**	**0**	**0**	**129,550**	**57,333**
51.24	INFORMATION SYSTEMS ADMIN	510180105	Replace Printers	6,320	0	0	0	0	6,320
51.25	INFORMATION SYSTEMS ADMIN	510180105	Upgrade Unix Server & Software	36,945	0	0	0	0	36,945
51.26	INFORMATION SYSTEMS ADMIN	510180105	Projects - enhance web site	25,000	0	0	0	0	25,000
51.27	INFORMATION SYSTEMS ADMIN	510180105	Projects - video conferencing	30,000	0	0	0	0	30,000
		SUBTOTAL		**98,265**	**0**	**0**	**0**	**0**	**98,265**
51.29	RECORDS MANAGEMENT	510280101	Trim - Projects	8,800	0	0	0	0	8,800
		SUBTOTAL		**8,800**	**0**	**0**	**0**	**0**	**8,800**
51.30	GIS	5104801	Data Integration with LCS/Imtech	16,500	0	0	0	0	16,500
51.31	GIS	5104801	Project: Aerial Photos	30,000	0	0	0	0	30,000
51.32	GIS	5104801	Hardware - make system more robust	44,850	0	0	0	0	44,850
		SUBTOTAL		**91,350**	**0**	**0**	**0**	**0**	**91,350**
53.06	CUSTOMER SERVICES	530280101	KnowledgeBase enhancements	20,000	0	0	0	0	20,000
		SUBTOTAL		**20,000**	**0**	**0**	**0**	**0**	**20,000**
	SUB-TOTAL			**660,298**	**0**	**0**	**0**	**129,550**	**530,748**
	FUNDING		Opening Balance		0	0		-450,557	
			Income		0			37,333	
			Expense		0	0	0	-129,550	
			Closing Balance		0	0	0	-542,774	

APPENDIX 1 – PROJECT LIST

REGULATORY

Ref.	Sub-Activity	Project	Gross Cost 2003/04	FUNDING 2003/04 Depreciation	Contrib.	Land Sales	Loans	Net Rates 2003/04
31.05	BUILDING INSPECTION	Hazards Register	20,000	0	0	0	0	20,000
			20,000	**0**	**0**	**0**	**0**	**20,000**
32.12	PARKING	Replace validators, cash boxes - Parking meters	18,000	18,000	0	0	0	0
32.13	PLANNING ADMIN	Parking Strategy (as part of Transportation Study	55,000	0	55,000	0	0	0
32.14	PARKING	Parking AMP (incl Financial Contribution)	15,000	0	15,000	0	0	0
32.15	PARKING	Stanley St carpark - preliminary costs (c/fwd)	250,000	0	0	250,000	0	0
32.16	PARKING	Loan Repayments	96,310	96,310	0	0	0	0
			434,310	**114,310**	**70,000**	**250,000**	**0**	**0**
32.17	DOG CONTROL	Upgrade Dog Pound (c/fwd)	25,000	0	25,000	0	0	0
			25,000	**0**	**25,000**	**0**	**0**	**0**
37.04	PLANNING ADMIN	Hazards Register	20,000	0	0	0	0	20,000
37.05	PLANNING ADMIN	Follow Up to Strategic Workshops	94,000	0	0	0	0	94,000
37.06	PLANNING ADMIN	Follow Up to Capacity Study (unspecified)	80,000	0	0	0	0	80,000
37.07	PLANNING ADMIN	Develop Planning Guidelines (Urban Design, Rur	95,000	0	0	0	0	95,000
37.08	PLANNING ADMIN	Tenure Reviews	10,000	0	0	0	0	10,000
37.09	PLANNING ADMIN	Develop Brief for SOE monitoring	5,000	0	0	0	0	5,000
37.10	PLANNING ADMIN	Wilding Species Control Project	15,000	0	0	0	0	15,000
			319,000	**0**	**0**	**0**	**0**	**319,000**
37.11	DISTRICT PLAN	Round I & II Variations	285,190	0	0	0	285,190	0
37.12	DISTRICT PLAN	PDP Development	857,907	0	0	0	428,954	428,954
37.13	DISTRICT PLAN	Round IV Plan Changes (to Stg 1)	255,000	0	0	0	0	255,000
37.14	DISTRICT PLAN	Loan Repayments	534,300	0	0	0	0	534,300
			1,932,397	**0**	**0**	**0**	**714,144**	**1,218,254**
	SUB-TOTAL		**2,730,707**	**114,310**	**95,000**	**250,000**	**714,144**	**1,557,254**
	FUNDING							
		Opening Balance			139,235	1,350,000	-8,558,979	
		Income		114,310			630,610	
		Expense		-114,310	-95,000	-250,000	-714,144	
		Closing Balance		0	44,235	1,100,000	-8,642,513	

APPENDIX 1 – PROJECT LIST

APPENDIX 1 – PROJECT LIST

SUMMARY OF CHANGES TO DRAFT PLAN FROM SUBMISSION PROCESS

GL Number	Project	Draft Plan 03/04	Revised Plan 03/04	$ Change Sought	Funding Source	Explanation
	Roading					
1402344	Dust Supression	45,000	55,000	10,000	Rates	Increase in Wakatipu dust supression
	Increase in Wakatipu Roading Rates			10,000		
Various	2002/03 Roading Projects - Wakatipu	-	657,492	657,492	Carry Forward	Complete outstanding 2002/03 Capital projects
Various	2002/03 Roading Projects - Wanaka	-	595,700	595,700	Carry Forward	Complete outstanding 2002/03 Capital projects
	2002/03 Roading Carry Forward			1,253,192		
	Waste Management					
Various	2002/03 Waste Management Projects	-	73,522	73,522	Carry Forward	Complete outstanding 2002/03 Capital projects
	2002/03 Waste Management Carry Forward			73,522		
	Sewerage					
1555703	Wanaka Sewer Loan	-	(150,000)	(150,000)	Loan	New project recommended by Imtech
1555707	Wanaka Sewer Headworks	(470,300)	(520,300)	(50,000)	Headworks	New project recommended by Imtech
1555801	Cardrona Valley Rd Mains	-	200,000	200,000	AS above	New project recommended by Imtech
	Increase in Sewerage Rates			-		
Various	2002/03 Sewerage Projects - Queenstown	-	2,439,647	2,439,647	Carry Forward	Complete outstanding 2002/03 Capital projects
1502801	2002/03 Sewerage Projects - Arrowtown	-	81,000	81,000	Carry Forward	Complete outstanding 2002/03 Capital projects
1558801	2002/03 Sewerage Projects - Arthurs Pt	-	8,030	8,030	Carry Forward	Complete outstanding 2002/03 Capital projects
1558801	2002/03 Sewerage Projects - Wanaka	-	203,485	203,485	Carry Forward	Complete outstanding 2002/03 Capital projects
1558801	2002/03 Sewerage Projects - Hawea	-	264,475	264,475	Carry Forward	Complete outstanding 2002/03 Capital projects
1558801	2002/03 Sewerage Projects - Albert Town	-	23,000	23,000	Carry Forward	Complete outstanding 2002/03 Capital projects
	2002/03 Sewerage Carry Forward			3,019,637		

APPENDIX 1 – PROJECT LIST

GL Number	Project	Draft Plan 02/03	Revised Plan 02/03	$ Change Sought	Funding Source	Explanation
	Water Supply					
1755703	Wanaka Water Loan	-	(210,000)	(210,000)	Loan	New project recommended by Imtech
1755707	Wanaka Water Headworks	(500,000)	(570,000)	(70,000)	Headworks	New project recommended by Imtech
1755801	Cardrona Valley Rd Mains	-	280,000	280,000	As above	New project recommended by Imtech
	Increase in Water Rates			-		
Various	2002/03 Water Supply Projects - Queenstown	-	289,100	289,100	Carry Forward	Complete outstanding 2002/03 Capital projects
Various	2002/03 Water Supply Projects - Arrowtown	-	176,000	176,000	Carry Forward	Complete outstanding 2002/03 Capital projects
1704801	2002/03 Water Supply Projects - Glenorchy	-	28,610	28,610	Carry Forward	Complete outstanding 2002/03 Capital projects
1704801	2002/03 Water Supply Projects - Lake Hayes	-	325,915	325,915	Carry Forward	Complete outstanding 2002/03 Capital projects
1704801	2002/03 Water Supply Projects - Arthurs Pt	-	1,091,392	1,091,392	Carry Forward	Complete outstanding 2002/03 Capital projects
Various	2002/03 Water Supply Projects - Wanaka	-	1,396,366	1,396,366	Carry Forward	Complete outstanding 2002/03 Capital projects
	2002/03 Water Supply Carry Forward			3,307,383		
	Stormwater					
1601703	Wakatipu Stormwater Loan	(3,913,514)	(413,514)	3,500,000	Loan	Delete proposed physical works - consent declined
160180102	Flood Mitigation Works (Queenstown)	3,500,000	-	(3,500,000)	Loan	Delete proposed physical works - consent declined
	Increase in Stormwater Rates			-		
160180102	2002/03 Stormwater Projects - Wakatipu	-	341,300	341,300	Carry Forward	Complete outstanding 2002/03 Capital projects
Various	2002/03 Stormwater Projects - Wanaka	-	486,060	486,060	Carry Forward	Complete outstanding 2002/03 Capital projects
	2002/03 Stormwater Carry Forward			827,360		

APPENDIX 1 – PROJECT LIST

GL Number	Project	Draft Plan 03/04	Revised Plan 03/04	$ Change Sought	Funding Source	Explanation
	Reserves & Community					
2504711	Grants	(65,000)	(115,000)	(50,000)	Grants	Change budget for project to reflect revised costings
2504707	Reserve Contributions	(65,000)	(65,000)	-	Reserve Contri	Change budget for project to reflect revised costings
2504714	Arrowtown Endowment Land	-	(50,000)	(50,000)	Asset sales	Change budget for project to reflect revised costings
2504714	Arrowtown Asset sales	(70,000)	(80,000)	(10,000)	Asset sales	Change budget for project to reflect revised costings
250480102	Arrowtown Pool	200,000	310,000	110,000	As above	Change budget for project to reflect revised costings
	Increase in General Rates			-		
2202811	QEC Loan Repayment	100,000	-	(100,000)	Reserve Contri	Agreement to underwrite cost of bund work from proposed loan repayment
2202811	QEC Bund Revelopment	-	100,000	100,000	Reserve Contri	Agreement to underwrite cost of bund work from proposed loan repayment
2501269	Happiness House Grant	5,000	7,500	2,500	Rates	Increase Grant - operating costs
250280101	Wanaka Pool Grant	36,000	43,500	7,500	Rates	Increase Grant - operating costs
	Increase in General Rates			10,000		
Various	2002/03 Reserves/Community Projects - Wakatipu	-	838,400	838,400	Carry Forward	Complete outstanding 2002/03 Capital projects
Various	2002/03 Reserves/Community Projects - Wanaka	-	688,161	688,161	Carry Forward	Complete outstanding 2002/03 Capital projects
	2002/03 Reserve/Community Carry Forward			1,526,561		
	Regulatory & Other					
Various	2002/03 Asset Mgmt Projects	-	74,834	74,834	Carry Forward	Complete outstanding 2002/03 Capital projects
Various	2002/03 Emergency Services Projects	-	26,900	26,900	Carry Forward	Complete outstanding 2002/03 Capital projects
Various	2002/03 Admin Projects	-	15,368	15,368	Carry Forward	Complete outstanding 2002/03 Capital projects
	2002/03 Regulatory/Other Carry Forward			117,102		

EQUAL EMPLOYMENT OPPORTUNITY

POLICY STATEMENT

Everybody in New Zealand is entitled by law to equal treatment in their employment. The Queenstown Lakes District Council supports this and has an Equal Employment Opportunity Policy to help ensure that this is a reality.

When making employment related decisions, the Council will make sure that employees are not treated unfairly because of their: age, sex, ethnic or national origins, marital status, religious or ethical beliefs or disability.

Employment related decisions include: appointments, terms of employment, conditions of work, training, promotion, transfer, dismissal or other disciplinary action.

The Council will provide a working environment which is free from sexual harassment.