

DRIVING FOR CONTINUOUS IMPROVEMENT



Last year the Council adopted a 10-Year Plan that set out all the services, infrastructure and facilities we will provide between 2015 and 2018.

This year we have updated our budgets to take account of changes in circumstances and demand that have occurred in the last 12 months. Mostly it's business as usual, but there are a few areas where the variations are big enough that we want to check with you, our residents and ratepayers, before going ahead with them – you'll find a short summary of these inside

If you would like more details, they're all in our Annual Plan Consultation Document online at www.qldc.govt.nz and in print at any QLDC office or library.

This is a short and simple process. When you've had a look at what's proposed, tell us whether you think it's a good idea by Friday 29 April. Read on to find out how.

Even though we aren't proposing huge changes, we are focused on constantly improving how we deliver services to you, our customers. Please get involved, have your say – not just now but whenever you have something to say. Our ears are open – get involved!

Vanessa van Uden
Mayor

TELL US WHAT YOU THINK

Your elected representatives want to hear what you think about the proposed adjustments to budgets and levels of service.

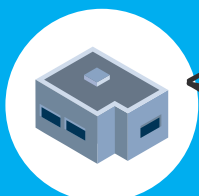
Go online at www.qldc.govt.nz click on the Draft Annual Plan link on the front page, and use the feedback form to share your views.



ONLINE AT
WWW.QLDC.GOV.T.NZ

You can use the same form to ask the Council to make provision for other projects that you think should be funded or supported by QLDC.

If you don't have a computer or internet access, you can use the public terminals at any QLDC office or library. Alternatively, you can put



AT ANY QLDC
OFFICE OR LIBRARY

your views in writing – remember to include your name, address and a contact phone number. Drop it in to any QLDC office or library, or post it to 10 Gorge Road, Queenstown 9300.

Whichever way you choose to share your views, feedback closes on **Friday 29 April.**



IN WRITING.
DROPPED IN OR
POSTED TO QLDC

WHAT DO YOU THINK?

We're proposing some variations to the programme of major works and activities agreed with the community in last year's 10-Year Plan. Please tell us whether you agree with these changes and, if not, what you think we should do instead.

TRAFFIC ISSUES IN DOWNTOWN QUEENSTOWN

We propose to move more quickly to cater for increasing numbers of vehicles coming into Queenstown from the Frankton Road. The response to the Transport Strategy we adopted last year shows that the community expects faster action to relieve congestion and improve

traffic flows. We have increased the budget to \$232,000 so that the business case for stage 1s and 2 of Inner Links can be considered in combination with a Queenstown transport and parking hub. This work will commence in the 2016/17 financial year.

DO YOU THINK THIS IS THE RIGHT THING TO DO?

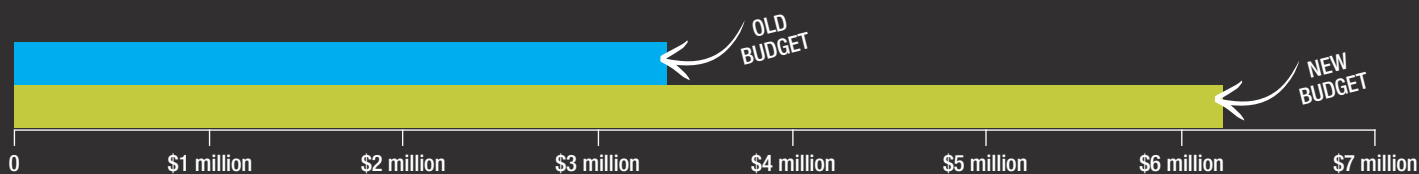


PLANNING FOR THE FUTURE GROWTH OF OUR DISTRICT

The District Plan guides new development all over our district and it's under review at the moment. Hearings of over 1000 submissions are in progress for Stage 1 and at the same time, background work is getting underway for Stage 2. In terms of its impact on where people live, what they can do and how they do it, developing the new District Plan is our

most significant project and it is not a cheap exercise. We had originally budgeted to spend \$3.31 million over 4 years, which is insufficient for the scale of the work to be done. The new budget is \$6.29 million with \$1.83 million of this required in 2016-17.

DO YOU THINK THIS IS THE RIGHT THING TO DO?

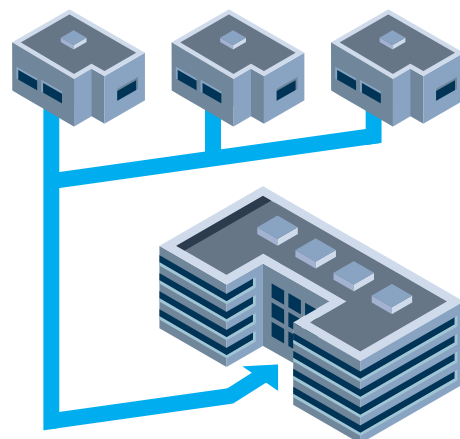


A ONE-STOP SHOP FOR QLDC IN QUEENSTOWN

QLDC operates from three different locations in downtown Queenstown. We lease two of the offices and own the Gorge Rd building, which is unsuitable for further expansion.

It is inconvenient for the public and inefficient to have staff operating from three locations. The Council has resolved to investigate building a new office to house all the Queenstown-based staff on land QLDC owns in central Queenstown. We propose allocating \$250,000 for investigation and design work in 2016-17, with a full proposal to be put to the community for consideration in 2017-18.

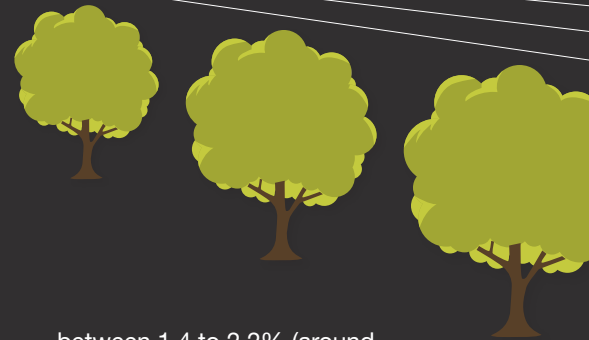
DO YOU THINK THIS IS THE RIGHT THING TO DO?



SHIFT POWERLINES UNDERGROUND

When Delta announced that a row of iconic trees on Ladies Mile would be cut down because they were encroaching on power lines, the community response was swift – a way needed to be found to save the trees. The trees are

on private land but many people think they are an important part of the landscape. Although we have not yet set aside funds, we could allocate \$500,000 to pay half the cost of putting the powerlines underground along the Ladies Mile. This would be on the basis that the lines company contributed the other 50%. This would increase rates in the Queenstown/Wakatipu wards by between 0.6 to 0.75% for median residential properties (around \$12 to \$20 per year). The impact on median businesses will be an increase of



between 1.4 to 2.2% (around \$61 to \$124 per year).

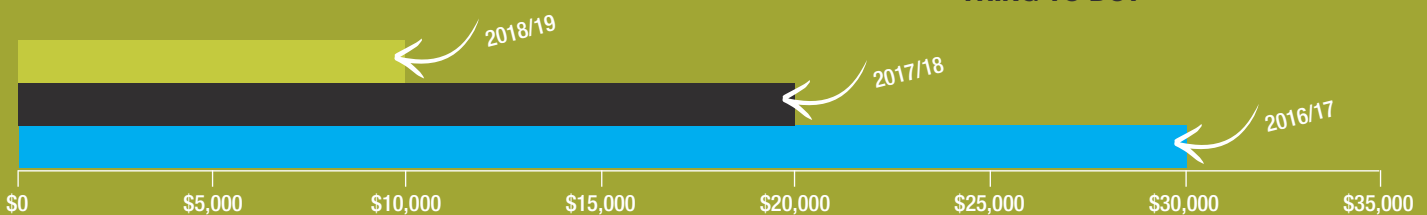
DO YOU THINK THIS IS THE RIGHT THING TO DO?

THE WEED THAT THREATENS OUR WATERWAYS

Lagarosiphon is an invasive water weed that is well established in Lake Wanaka and has been found in the upper reaches of the Kawarau River near the outlet of Lake Wakatipu. Lagarosiphon chokes waterways, posing an environmental threat and interfering with recreation. QLDC has been asked to join the Otago Regional Council and Land

Information New Zealand (LINZ) in a campaign to stop Lagarosiphon colonising the Kawarau River or becoming established in Lake Wakatipu. We propose to allocate \$30,000 for this joint work this year with \$20,000 and \$10,000 budgeted for the following two years.

DO YOU THINK THIS IS RIGHT THING TO DO?



REVIEW OF RATES, FEES AND CHARGES

We have reviewed the fees and charges for animal control, bylaws

enforcement, environmental health, alcohol licensing, waterways facilities, waterways control, building control, resource consent and our pools. As a result, increases are proposed for animal control (including dog registration), environmental health, waterways, resource consents and pool charges. Increasing these charges reduces the call on rates for these activities.

We propose to reduce the rates charged for residential flats.

Land which is zoned for development but used for farming will be rated for its zoned use, i.e. development, which will result in an increase in rates for these properties.

DO YOU THINK THIS IS THE RIGHT THING TO DO?

OPENING SOONER

Two significant facilities will be completed and in use sooner than we had programmed in the 10 Year Plan. They are the Wanaka Pool and Project Shotover.

The decision to build the pool early alongside the new Wanaka Sports

Facility was made after the 10-Year Plan was adopted. The capital cost is budgeted at \$12.3 million, with the operational deficit for 2016-17 to be funded from a targeted rate of \$101.00 per residential property in the Wanaka Ward. This will rise to at least the \$184 per year signalled in the LTP for 2017-18.

Project Shotover is being upgraded and some of the work is being done slightly earlier than originally planned to meet increasing demand

and ensure we comply with our resource consents. As a result, the sewerage rates for Queenstown and Arrowtown will increase next year by \$120 per connection; Lake Hayes and Shotover Country by \$210 per year and Arthurs Point by \$60 per year. These increases were originally forecast for 2017-18 year but now take effect in 2016-17. Further increases will occur in 2017-18, which will be the first full year of operation.

DO YOU CARE HOW YOUR RATES WILL BE SPENT?

↓
SUBMISSIONS
CLOSE

FRIDAY
29 APRIL

FINANCIAL INFORMATION - A SHORT SUMMARY

RATES

We will deliver a lower rates increase than forecast in the 10-Year Plan – 2.56% instead of 3.27%. The actual impact on every property will differ. Some will have an increase that is higher or lower than 2.56% depending on location and the services QLDC provides. In some areas, rates will drop slightly. You will find details of the rates for a range of typical properties around the district on pages 10/11 of the Draft Annual Plan supporting documents at www.qldc.govt.nz

The main factors that have led to a different rates increase than we forecast are:

- Queenstown Convention Centre is on hold while we try to attract outside funding
- The upgrade of Project Shotover has been brought forward by six months, providing a higher standard of treatment for sewage and wastewater for most of the Wakatipu
- The Wanaka pool will be built and opened in autumn 2017, earlier than originally planned

SPENDING, REVENUE AND DEBT

Capital Works – budget less than forecast: \$81.07 million instead of \$86.1 million

Total Revenue – budget more than forecast: \$129.4 million instead of \$126.79 million

Debt – repaying more than forecast: \$17.09 million instead of \$16.32 million

New loans – borrowing less than forecast: \$52.78 million instead of \$56.7 million

Operating costs – budget more than forecast: \$102.2 million instead of \$95.1 million

WHY ARE OPERATING COSTS MORE THAN WE FORECAST LAST YEAR?

Operating costs are up by \$7.10m compared to the LTP which is largely due to:

- Depreciation up \$1.86m with changes in timing of some capex projects
- Staff costs up \$1.38m due to a significant increase in activity in consenting, regulatory services and planning. We have hired more staff to meet growing workloads, and much of this cost has been offset by additional revenue. Extra staff will be hired for the new Wanaka sports facility and pool, both of which will be opened earlier than originally planned.
- District Plan Review costs up \$1.16m. The original estimates

assumed we would receive far fewer submissions and take much less time to consider them.

- Operating costs up \$378k for power and heating in the new sports facilities and \$341k for Project Shotover.
- Interest costs up \$236k due to changes in timing of some capex projects
- Landfill costs up \$592k, including \$395k to dispose of sludge from Project Shotover.

WHY IS REVENUE HIGHER THAN FORECAST?

We are budgeting to receive \$2.61 million more than in the original forecast. This reflects higher demand and – in some cases – more cost recovery for resource consents, animal control, environmental health, liquor licensing, leases and parking.

THIS IS ONLY A SHORT SUMMARY

This is only a short summary of the main factors affecting the rates for 2016-17. **Please look at the full detail in the supporting documents if you would like to know more.**