

# MINUTES OF THE COUNCIL MEETING HELD AT 9.01AM ON WEDNESDAY 22 JUNE 2016 AT MEMORIAL HALL SUPPER ROOM, ESPLANADE, KAIKOURA.

**PRESENT:** Mayor W Gray (Chair), Councillors T Blunt, J Diver, J Howden, C Mackle, D Millton.

**IN ATTENDANCE:** A Oosthuizen (Chief Executive Officer), S Syme (Committee Secretary).

**APOLOGIES:** Councillors G Harmon, D Morgan.  
***Moved by Councillor Mackle, seconded by Councillor Howden and resolved that apologies be accepted.***

## **1. OPEN FORUM**

No members of the public wished to present in the open forum.

***The meeting adjourned at 9.02am and resumed at 9.32am.***

## **2. REQUEST FOR TEMPORARY ROAD CLOSURE – SEAFEST 2016**

***Moved by Councillor Diver, seconded by Mayor Gray and resolved that under Transport (Vehicular Traffic Road Closure) Regulations 1965 Council agree to close Killarney Street and Torquay Street from the Post Office cutting to the Kaikoura Bowling Club from 7.30am to 6pm on Saturday 1 October 2016.***

## **3. FINANCE REPORT**

The operating deficit was just over \$1.2million. Overall revenue was \$278,000 better than budgeted and expenses had stayed within budget. Personal expenses were less than budgeted also. Working capital was positive and liquidity was 2.94:1.

A discussion was held regarding the reported budget for the Civic Centre as Council had approved an increase. It was noted reporting had to be against latest budgets as presented in the Annual Plan. An explanation would be provided in the Annual Report that Council had approved an increased budget.

## **4. CIVIC CENTRE BUILDING REPORT**

An updated timeline for the remainder of the construction and fit-out was provided. It had been anticipated that the building would be ready to move into in August but this has been extended until September. The Library would be the first to relocate into the new building.

## **5. ADOPTION OF THE ANNUAL PLAN**

A copy of the Annual Plan 2016/17 had been circulated separately.

***Moved by Mayor Gray, seconded by Councillor Millton that;***

- 1. Council, in accordance with the requirements of Section 100 of the Local Government Act 2002, resolves that it is financially prudent to***

**adopt the Annual Plan 2016/17 that contains budget deficits. This decision takes account of:**

- a) the estimated expenses of achieving and maintaining the predicted levels of service provision set out in the Annual Plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and**
- b) the projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and**
- c) the equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life; and**
- d) the funding and financial policies adopted by Council.**

**2. The Kaikoura District Council Annual Plan 2016/17 be adopted.**

**Discussion:**

A discussion was held regarding the change in the District Planning rate which had increased by a large percentage. The Finance Manager advised the increase had come from a more realistic allocation of salary.

An overview of the changes made as are result of the submission process was provided.

A discussion was also held regarding including unforeseen litigation costs in the Plan. The Chief Executive Officer advised Council did not budget for unforeseen costs as it was very difficult to come up with a figure. It was noted adding a budget would increase rates. It was suggested that forestry funds could be used for unforeseen costs.

An error was noted in the commentary around the roading budget on page 75 which would be corrected.

***The motion was put and carried.***

***Moved by Mayor Gray, seconded by Councillor Mackle and resolved that Council confirm its intention to make rates for the 2016/17 rating year. It resolved to set the rates and due dates for payment and authorise the penalty regime for the 2016/17 financial year commencing 1 July 2016 and ending 30 June 2017, in accordance with the financial information contained in the 2016/17 Annual Plan as shown below. All amounts are GST inclusive.***

# Rating Funding Impact Statement

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The following pages set out what your rates are used for, and how they are calculated.

## *General Rate*

The general rate is a rate set for all rateable properties within the district, and is based on the property's capital value. The council has introduced a differential of 0.9:1 on the general rate for rural and semi-rural properties, in the 2016/2017 financial year.

## *Uniform Annual General Charge*

This shall be a fixed amount per separately used or inhabited part of a rating unit, for all rateable land within the district.

A "separately used or inhabited part of a rating unit" is defined as:

*Any portion of a rating unit used or inhabited by any person, other than the ratepayer or member of the ratepayers household, having a right to use or inhabit that portion by virtue of a tenancy, lease, license or other agreement.*

For clarification, this means that each flat within a block of flats, or each shop within a block of shops, for example, would be rated a uniform annual general charge. The same would apply to a farm with more than one dwelling (i.e. worker accommodation), or a residential property with a separate fully self-contained unit available for visitor accommodation.

## *Targeted Rates*

Targeted rates enable the council to identify specific properties that it considers receive the greatest benefit from, or create the greatest need for, the council's various activities.

Targeted rates can be applied on a number of categories of rateable property, including (for example);

- the use to which the land is put,
- the provision of a service to the land,
- the availability of a service to the land,
- the location of the land

Targeted rates may be either a rate based on a property's value, or a set dollar amount per annum. Unless otherwise specified throughout the following pages, where a targeted **rate** is applied, this is a rate based on a property's capital value; and where a targeted **charge** is applied, this refers to a set dollar amount per annum.

The council has chosen to apply most of its targeted charges to separately used or inhabited parts of a rating unit, to remain consistent with the principles of the uniform annual general charge. In some instances, however, such as the registered premises charge, or sewerage charges, these are applied subject to certain other factors.

### General Rates

General Rates and the Uniform Annual General Charge apply to all rateable land. In 2016/2017 the council has introduced a differential on the general rate of 0.9:1 for all properties, except for utilities, in the rural and semi-rural areas (i.e. outside the urban area). A map on page 52 indicates those rating areas.

<b><i>General Rate: to fund the general operations of Council, including general management, community services, environmental planning, the net costs of statutory planning, building control, dog control, community facilities, general parks and reserves, and a portion of public toilets and traffic control.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties within the urban area, and all rateable properties classified as utilities	\$0.00076396 per dollar of rateable capital value	\$540,189
All rateable properties outside the urban area, except for properties classified as utilities	\$0.00068756 per dollar of rateable capital value	\$527,928
<b>Total</b>		<b>\$1,068,117</b>
<b><i>Uniform Annual General Charge: to fund the general operations of Council, including landfill operations, governance, library services, sports fields, playgrounds, cemetery, walkways, public halls, general environmental health and civil defence.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties within the district	\$451.03 per separately used or inhabited part of a rating unit	\$1,355,353

### Targeted Rates

The roading rate and the district planning rate (as follows), are also applied to all properties within the district. They are separate targeted rates for the purposes of transparency and accountability, rather than for the purpose of targeting certain categories of land.

<b><i>Roading Rate: to fund the net costs of upgrading and maintenance of the district bridges and roading network</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties within the district	\$0.00051005 per dollar of rateable capital value	\$752,278

<b><i>District Planning Rate: to fund the costs of District Planning for the Kaikoura district.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties within the district	\$0.00014533 per dollar of rateable capital value	\$214,351

The Kaikoura Hospital Charge and the Civic Centre Charge are both relatively new uniform charges, first levied in 2015/2016 financial year. Like the roading and district planning rates, they are separate targeted rates for the purposes of transparency, rather than to target certain categories of land. They differ from the roading and district planning rates, however, in that they are a set amount per rateable property, rather than being calculated on the capital value of property.

<b><i>Kaikoura Hospital Charge: to fund the loan servicing costs of the shortfall for the Canterbury District Health Boards new hospital construction.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties within the district	\$88.14 per separately used or inhabited part of a rating unit	\$264,871

<b><i>Civic Centre charge: to fund the net costs of the museum, library and council office building.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties within the district	\$60.15 per separately used or inhabited part of a rating unit	\$180,763

The following pages are targeted rates (and charges) applied to specific rateable properties based on certain categories of land and calculated as stated.

<b><i>Kaikoura Water Annual Charge: to fund the costs of the supply, treatment, upgrading and maintenance of the Kaikoura water supply, including the Suburban water scheme, as well as to partially subsidise the net costs of the Peketa and Oaro water supplies.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
<u>Full Charge:</u> All rateable properties connected to the Kaikoura water supply.	\$263.19 per separately used or inhabited part of a rating unit	\$452,423

<u>Half Charge</u> : All rateable properties situated within 100 metres of any part of the Kaikoura water supply, but not connected to the supply.	\$131.59 per separately used or inhabited part of a rating unit	\$26,714
<b>Total</b>		<b>\$479,137</b>

***Kaikoura Water Loan Charge: to fund the loan servicing costs of the Kaikoura water supply.***

<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties situated within 100 metres of any part of the Kaikoura water supply.	\$57.03 per separately used or inhabited part of a rating unit	\$109,449

***Ocean Ridge Water Annual Charge: to fund the costs of the supply, treatment, and maintenance of the Ocean Ridge water supply.***

<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
<u>Full Charge</u> : All rateable properties connected to the Ocean Ridge water supply.	\$335.70 per separately used or inhabited part of a rating unit	\$13,764
<u>Half Charge</u> : All rateable properties situated within 100 metres of any part of the Ocean Ridge water supply, but not connected to the supply.	\$167.85 per separately used or inhabited part of a rating unit	\$18,128
<b>Total</b>		<b>\$31,892</b>

<b><i>Rural Water Charges to fund the supply, treatment, upgrading, and maintenance of the following water supply areas.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
East Coast Rural Water Charge: all rateable properties connected to the East Coast rural water supply.	\$690.00 per water unit (1,800 litres per day)	\$97,290
Kincaid Rural Water Charge: all rateable properties connected to the Kincaid rural water supply.	\$167.88 per water unit (1,000 litres per day)	\$103,579
Oaro Rural Water Charge: all rateable properties connected to the Oaro rural water supply.	\$263.19 per separately used or inhabited part of a rating unit	\$17,897
Peketa Rural Water Charge: all rateable properties connected to the Peketa rural water supply.	\$263.19 per separately used or inhabited part of a rating unit	\$5,001
Suburban Water Charge: all rateable properties within the Suburban water area.	\$184.23 per water unit (1,000 litres per day)	\$18,239
Fernleigh Rural Water Charge: all rateable properties connected to the Fernleigh rural water supply	\$21.12 per water unit (1,000 litres per day)	\$6,210

A “water unit” refers to a certain water connection, generally a rural water connection, that restricts the quantity of water supplied to a property, to the quantity of litres per day as specified.

Note that, for the Kaikoura water supply, certain properties are “extraordinary consumers”, such as commercial and accommodation premises, or properties with a swimming pool, for example. These properties are metered and water meter charges apply in addition to the applicable rates above.

<b><i>Stormwater Rate: to fund the costs of stormwater disposal, loan servicing, upgrading and maintenance of the Kaikoura Stormwater scheme.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties within the Kaikoura urban area.	\$0.00021209 per dollar of rateable capital value	\$142,347
<b><i>Sewerage Loan Rate: to fund the loan servicing costs of the Kaikoura Sewerage scheme.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties within the area serviced by the Kaikoura sewerage system, or within 100 metres of any part of that system.	\$0.00025116 per dollar of rateable capital value	\$174,471
<b><i>Sewerage Charge: to fund the costs of sewage disposal, treatment, upgrading and maintenance of the Kaikoura sewerage scheme.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties within the area serviced by the Kaikoura sewerage system, not being either commercial or self contained and serviced (definition on the following page).	<p>\$230.93 for the first water closet and urinal within each separately used or inhabited part of a rating unit, and</p> <p>\$115.46 for each subsequent water closet and urinal within each separately used or inhabited part of a rating unit where there are more than one water closet or urinal.</p> <p><i>A rating unit used primarily as a residence for one household will not be treated as having more than one water closet or urinal.</i></p>	\$384,494
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
<u>Half Annual Charge:</u> All rateable properties situated within 100 metres of any part of the Kaikoura sewerage system, but not connected to the system.	\$115.46 per separately used or inhabited part of a rating unit.	\$36,833

Continued ...



***Sewerage Charge: to fund the costs of sewage disposal, treatment, upgrading and maintenance of the Kaikoura sewerage scheme.***

<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
<p><u>Self Contained and Serviced:</u> All rateable properties within the area serviced by the Kaikoura sewerage system, and used principally for short term accommodation, but limited to those properties with motel-type units, including motels, motor lodges, motor inns, motel apartments, serviced apartments and serviced holiday cottages, each of which contain a private or ensuite bathroom, with bedding, linen and cooking facilities provided, and which are serviced daily.</p>	<p>\$230.93 for the first water closet and urinal within each rating unit, and \$105.00 for each subsequent water closet and urinal within each separately used or inhabited part of a rating unit where there are more than one water closet or urinal.</p>	<p>\$42,210</p>
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
<p><u>Commercial:</u> All rateable properties within the Kaikoura urban area used principally for commercial and/or industrial purposes; or used as a licensed premise under the Sale of Liquor Act 1989; or used for providing short term accommodation for commercial reward, but not including rateable properties defined as Self Contained and Serviced.</p>	<p>\$230.93 for the first water closet and urinal within each rating unit, and \$189.00 for each subsequent water closet and urinal within each separately used or inhabited part of a rating unit where there are more than one water closet or urinal.</p>	<p>\$48,384</p>
<b>Total</b>		<b>\$511,921</b>

The next two charges pertain to whether or not a property has access to the weekly kerbside collection service. More properties may be charged the kerbside recycling charge if the service is extended over a wider area.

<b><i>Kerbside Recycling Charge: to fund the costs of the weekly kerbside recycling collection service.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties that have access to the kerbside recycling collection service (including Oaro)	\$40.77 per separately used or inhabited part of a rating unit	\$79,737
<b><i>Rural Recycling Charge: to fund the net costs of the rural weekly recycling collection service which is made available at various pickup points around the district, and the residual costs of recycling facilities available at the landfill.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties other than those that have access to the kerbside recycling collection service	\$27.46 per separately used or inhabited part of a rating unit	\$28,337

## Commercial Rates and Charges

Commercial businesses use, and contribute to the need for, certain services that a residential household or rural property does not. The commercial rate and accommodation sector charge ensure that these types of property continue to contribute to the costs of activities and services that they benefit from.

<b><i>Commercial Rate: to fund the net costs of tourism and economic development, the annual grant paid to the visitor centre, and a portion of traffic control, harbour facilities and public toilets.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties in the district; <ul style="list-style-type: none"> <li>• Used principally or exclusively for commercial and/or industrial purposes, (not being farmland as defined by Land Information NZ); or</li> <li>• Used principally for visitor accommodation for commercial reward for <b><i>not less than five persons</i></b>, and for the avoidance of doubt, including any motel, hotel, motor lodge, bed and breakfast, hostel, camping ground or “boarding house”<sup>1</sup>; or</li> <li>• Used as licensed premises under the Sale of Liquor Act 1989.</li> </ul>	\$0.00242788 per dollar of rateable capital value	\$357,941
<b><i>Accommodation Sector Charge: to fund the net costs of tourism and economic development, the annual grant paid to the visitor centre, and a portion of traffic control, harbour facilities and public toilets.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties providing accommodation for commercial reward, but not meeting the criteria of a commercial property, and for the avoidance of doubt, including any property providing short-term accommodation such as small bed & breakfasts, and baches rented out as holiday homes, but not including long-term rental accommodation.	\$320.00 per separately used or inhabited part of a rating unit	\$58,880

<sup>1</sup> As defined in the Kaikoura District Plan

***Public Rubbish Bin Charge: to fund the costs of providing a public rubbish bin collection service at various locations around the district.***

<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
<p>All rateable properties in the district;</p> <ul style="list-style-type: none"> <li>• Used principally or exclusively for commercial and/or industrial purposes, (not being farmland as defined by Land Information NZ); or</li> <li>• Used principally for visitor accommodation for commercial reward for <b><i>not less than five persons</i></b>, and for the avoidance of doubt, including any motel, hotel, motor lodge, bed and breakfast, hostel, camping ground or “boarding house”<sup>2</sup>; or</li> <li>• Used as licensed premises under the Sale of Liquor Act 1989.</li> </ul>	\$155.00 per separately used or inhabited part of a rating unit	\$35,650

***Registered Premises Charge: to fund the net costs of liquor licensing, food and health safety inspections, and environmental health.***

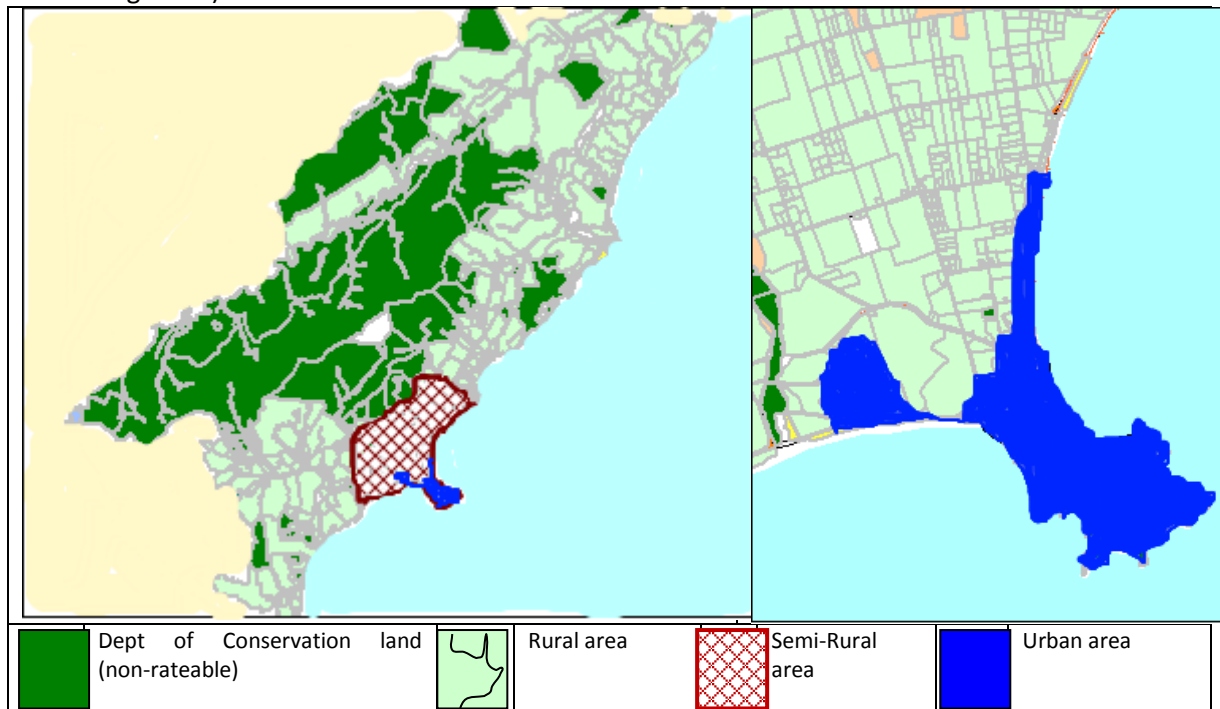
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties undertaking a licensed activity, such as premises where alcohol is sold or consumed, food premises, camping grounds, or hairdressers.	\$268.52 per license	\$33,565

Please refer to the sewerage charges on page 46 as they pertain to certain commercial properties, and also to the water meter charges on page 53 for commercial properties that are metered.

<sup>2</sup> As defined in the Kaikoura District Plan

## Rating Areas

Throughout these pages there is reference to properties within defined areas (urban, semi-rural and rural rating areas).



The map on the left is of the whole Kaikoura district, a large proportion of which is Department of Conservation land which is non-rateable. The bulk of the district is rural, portrayed in pale green. The red and white thatched area is the semi-rural area for rating purposes. It is an area defined for its proximity to urban services, and has no relationship to the size, land use, or value of individual properties within, or outside of, this area. The semi-rural area extends to the Hapuku River in the north, and to the Kahutara River to the south (thereby including the villages of Hapuku and Peketa). This area also extends inland to the foothills of Mt Fyffe, abutting the Dept of Conservation land.

The map on the right (above) shows the current urban area for rating purposes. As the town grows, this area may be extended to incorporate new areas as appropriate to meet the intent of these rates – i.e. in areas where footpaths, streetlights and/or stormwater is developed. The rating boundaries shown in the above maps are approximate, and for indicative purposes only.

These rating areas apply differentials to acknowledge that it is the properties within the urban area that benefit most from urban-type services, properties on the outskirts of the township benefit to a lesser extent, and properties further away from the town benefit least of all. Therefore, for each of the following three targeted rates (harbour rate, town centre rate, and footpath & streetlighting rate) a differential has been applied thus:

	Harbour Rate	Town Centre Rate	Footpath & Streetlights Rate	General Rate
Urban	1:1	1:1	1:1	1:1
Semi-rural	0.5:1	0.5:1	0.5:1	0.9:1
Rural	0.25:1	0.25:1	0.2:1	0.9:1
Utilities	N/A	N/A	N/A	1:1

***Harbour Rate: to fund 50% of the net costs of operating the harbour facilities, including South Bay and the North and Old Wharves, including loan servicing costs.***

<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties within the <b>urban</b> area.	\$0.00006966 per dollar of rateable capital value	\$46,659
All rateable properties within the <b>semi-rural</b> area.	\$0.00003483 per dollar of rateable capital value	\$14,348
All rateable properties within the <b>rural</b> area.	\$0.00001742 per dollar of rateable capital value	\$6,198
Total		\$67,205

***Town Centre Rate: to fund the net costs of town centre maintenance, including cleaning and servicing the West End toilets, and the loan servicing costs of the West End upgrading loans.***

<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties within the <b>urban</b> area.	\$0.00013491 per dollar of rateable capital value	\$90,362
All rateable properties within the <b>semi-rural</b> area.	\$0.00006746 per dollar of rateable capital value	\$27,787
All rateable properties within the <b>rural</b> area.	\$0.00003373 per dollar of rateable capital value	\$12,004
Total		\$130,153

***Footpath & Streetlight Rate: to fund the net costs of maintaining, upgrading and operating footpaths and streetlights, including electricity and loan servicing costs.***

<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties within the <b>urban</b> area.	\$0.00022826 per dollar of rateable capital value	\$152,884
All rateable properties within the <b>semi-rural</b> area.	\$0.00011413 per dollar of rateable capital value	\$47,013
All rateable properties within the <b>rural</b> area.	\$0.00004565 per dollar of rateable capital value	\$16,247
Total		\$216,144

Two other targeted rates also rely upon these definitions of rating areas to determine which properties the rate applies to. They are the stock control rate and the rural fire rate.

<b><i>Stock Control Rate: to fund the net costs of stock control.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties <b><i>outside the urban area</i></b> (i.e. including both semi-rural and rural properties).	\$0.00001769 per dollar of rateable capital value	\$13,581
<b><i>Rural Fire Control Rate: to fund the net costs of rural fire control.</i></b>		
<b>Category</b>	<b>Calculation</b>	<b>Amount required (including GST)</b>
All rateable properties <b><i>outside the urban area</i></b> (i.e. including both semi-rural and rural properties).	\$0.00012629 per dollar of rateable capital value	\$96,969

The previous pages identify each rate for the 2016/2017 financial year. Note that all amounts are GST inclusive, whereas those amounts within the Forecast Funding Impact Statement (on page 41) exclude GST.

## **Other Rates & Charges**

### *Water Meter Charges*

Extraordinary consumers, such as commercial properties and homes with swimming pools, and properties with more than one connection, have water meters attached to their property to measure water use. These water meters are read twice each year (in January and June), and the consumers are charged for the amount of water they use. Charges are in addition to the water rates on the previous pages.

For water usage which exceeds 365m<sup>3</sup> per annum, a charge of \$1.00 including GST per cubic meter applies. All properties with a meter will incur a twice-annual meter maintenance charge of \$25.00 to cover the costs of the meter as well as administration expenses.

### *Rates Penalties*

A 10% penalty will be added to any portion of the instalment remaining unpaid after the relevant last date for payment. However, a penalty on the first instalment will be waived if the total years rates are paid on or before 20 December (the last day for payment of instalment 2).

An additional 10% penalty will be added to all previous year's rates unpaid as at 20 July and 20 January (up to 20% pa in total).

Penalties are applied no earlier than the next working day after the last date for payment, and as soon as practicable.

	For the period:	Last date for payment:
Instalment 1:	1 July 2016 to 30 September 2016	20 September 2016
Instalment 2:	1 October 2016 to 31 December 2016	20 December 2016
Instalment 3:	1 January 2017 to 31 March 2017	20 March 2017
Instalment 4:	1 April 2017 to 30 June 2017	20 June 2017

### *Environment Canterbury Rates*

The Council acts as agent for the collection of rates for Environment Canterbury, which makes its own rates. This Annual Plan does not refer to those rates, however your rates invoice does show the amount of rates we collect from you on behalf of Environment Canterbury.



## Rates for 2016/2017

	Rates 2015/2016 \$	Rates 2016/2017 \$	Change %
General Rate (Urban & Utility)	0.00076337	0.00076396	0.08%
General Rate (Rural & Semi-rural)	0.00076337	0.00068756	(9.93)%
Uniform Annual General Charge	489.42	451.03	(7.84)%
Kaikoura Water Loan Charge	64.62	57.03	(11.74)%
Kaikoura Water Annual Charge	248.96	263.19	5.72%
Kaikoura Water Half Annual Charge	124.48	131.59	5.72%
Sewerage Loan Rate	0.00024584	0.00025116	2.16%
Sewerage Charge (1 Pan)	221.21	230.93	4.39%
Sewerage Half Charge	110.61	115.46	4.39%
Sewerage Charge*	110.61	115.46	4.39%
Sewerage Commercial Charge*	180.00	189.00	5.00%
Sewerage Self Contained Charge*	100.00	105.00	5.00%
* = 2 <sup>nd</sup> and subsequent pans			
Stormwater Rate	0.00021244	0.00021209	(0.17)%
Ocean Ridge Water Annual Charge	319.96	335.70	4.92%
Ocean Ridge Water Half Charge	159.98	167.85	4.92%
Roading Rate	0.00054038	0.00051005	(5.61)%
Footpath & Streetlight Rate			
Urban	0.00022340	0.00022826	2.17%
Semi-rural	0.00011170	0.00011413	2.17%
Rural	0.00004468	0.00004565	2.17%
Kerbside Recycling Charge	40.87	40.77	(0.26)%
Rural Recycling Charge	27.22	27.46	0.88%
Public Rubbish Bin Charge	160.21	155.00	(3.25)%

## Rates for 2016/2017

	Rates 2015/2016 \$	Rates 2016/2017 \$	Change %
Stock Control Rate	0.00002106	0.00001769	(16.01)%
Rural Fire Control Rate	0.00013988	0.00012629	(9.71)%
Commercial Rate	0.00204912	0.00242788	18.48%
Accommodation Sector Charge	315.00	320.00	1.59%
Registered Premises Charge	265.47	268.52	1.15%
Civic Centre Charge	24.24	60.15	148.16%
Kaikoura Hospital Charge	52.67	88.14	67.35%
Town Centre Rate			
Urban	0.00014809	0.00013491	(8.90)%
Semi-rural	0.00007405	0.00006746	(8.91)%
Rural	0.00003702	0.00003373	(8.89)%
District Planning Rate	0.00011037	0.00014533	31.68%
Harbour Rate			
Urban	0.00007247	0.00006966	(3.88)%
Semi-rural	0.00003624	0.00003483	(3.89)%
Rural	0.00001812	0.00001742	(3.89)%
East Coast Water Charge	575.00	690.00	20.00%
Kincaid Water Charge	167.91	167.88	(0.02)%
Fernleigh Water Charge	21.14	21.12	(0.00)%
Oaro Water Charge	248.96	263.19	5.72%
Peketa Water Charge	248.96	263.19	5.72%
Suburban Water Charge	174.27	184.23	5.72%
Water Meter Charge (per m <sup>3</sup> )	1.00	1.00	-
Water Meter Maintenance Charge	50.00	50.00	-

All rates are shown GST inclusive.

## Impact of Rates on Benchmark Properties

Each year the council measures the impact of its rates on a group of benchmark properties. These are real properties within the district that were selected over ten years ago, and have been used as benchmarks ever since.

The district rating valuation was completed as at 30 September 2015, which means that all property rates will be assessed on that valuation, plus the value of any construction work completed since that date, for the 2016/2017 rating year. Changes in rating values have an impact on individual property rates beyond any changes to rates from this Annual Plan, these changes in rating values are outside the council's control.

Note CV is Capital Value; the total value of each property including land and buildings, for rating purposes.

		<b>Rates 2015/2016</b>	<b>Rates 2016/2017</b>
<b>Residential - Whitby Place</b>	<i>Change %</i>	5.58%	3.45%
<b>CV \$270,000</b>	<i>Total rates</i>	\$1,755.83	\$1,816.41
<b>CV increase 1.89%</b>	<i>Change \$</i>	\$92.86	\$60.58
<b>Commercial - Beach Road</b>	<i>Change %</i>	4.45%	0.75%
<b>CV \$1,350,000</b>	<i>Total rates</i>	\$12,069.15	\$12,159.72
<b>CV decrease (10.0)%</b>	<i>Change \$</i>	\$513.78	\$90.59
<b>Commercial - Beach Road</b>	<i>Change %</i>	4.88%	2.7%
<b>CV \$730,000</b>	<i>Total rates</i>	\$5,807.28	\$5,963.85
<b>CV decrease (6.41)%</b>	<i>Change \$</i>	\$269.95	\$156.58
<b>Farm – Inland Road*</b>	<i>Change %</i>	(4.50)%	8.61%
<b>CV \$8,350,000</b>	<i>Total rates</i>	\$13,330.00	\$14,477.60
<b>CV increase 15.17%</b>	<i>Change \$</i>	\$(628.81)	\$1,147.62
<b>Commercial - West End</b>	<i>Change %</i>	4.28%	(2.81)%
<b>CV \$1,150,000</b>	<i>Total rates</i>	\$9,926.54	\$9,648.07
<b>CV decrease (14.81)%</b>	<i>Change \$</i>	\$407.11	\$(278.47)
<b>Accommodation – Scarborough St</b>	<i>Change %</i>	3.01%	6.57%
<b>CV \$1,070,000</b>	<i>Total rates</i>	\$5,160.86	\$5,499.98
<b>CV increase 10.31%</b>	<i>Change \$</i>	\$151.03	\$339.13
<b>Farm – Kekerengu*</b>	<i>Change %</i>	(4.68)%	7.62%
<b>CV \$4,560,000</b>	<i>Total rates</i>	\$7,293.07	\$7,848.53
<b>CV increase 14.0%</b>	<i>Change \$</i>	\$(358.05)	\$555.46

## Impact of Rates on Benchmark Properties

		Rates 2015/2016	Rates 2016/2017
<b>Farm – Schoolhouse Rd*</b>	<i>Change %</i>	(2.09)%	3.64%
<b>CV \$5,650,000</b>	<i>Total rates</i>	\$10,495.82	\$10,877.42
<b>CV increase 9.07%</b>	<i>Change \$</i>	\$(219.36)	\$381.60
<b>Commercial – Beach Road</b>	<i>Change %</i>	5.77%	4.08%
<b>CV \$760,000</b>	<i>Total rates</i>	\$5,196.40	\$5,408.67
<b>CV decrease (3.8)%</b>	<i>Change \$</i>	\$283.40	\$212.27
<b>Residential – Bayview Street</b>	<i>Change %</i>	5.78%	3.52%
<b>CV \$255,000</b>	<i>Total rates</i>	\$1,721.08	\$1,781.68
<b>CV increase 2.0%</b>	<i>Change \$</i>	\$94.04	\$60.60
<b>Residential – Esplanade</b>	<i>Change %</i>	3.72%	3.30%
<b>CV \$460,000</b>	<i>Total rates</i>	\$2,184.35	\$2,256.34
<b>CV increase 2.22%</b>	<i>Change \$</i>	\$78.27	\$71.98
<b>Residential – Beach Road</b>	<i>Change %</i>	4.67%	3.12%
<b>CV \$350,000</b>	<i>Total rates</i>	\$1,941.12	\$2,001.64
<b>CV increase 1.45%</b>	<i>Change \$</i>	\$86.53	\$60.51
<b>Residential – South Bay</b>	<i>Change %</i>	3.52%	6.82%
<b>CV \$520,000</b>	<i>Total rates</i>	\$2,242.26	\$2,395.26
<b>CV increase 9.47%</b>	<i>Change \$</i>	\$76.28	\$153.00
<b>Residential – Oaro</b>	<i>Change %</i>	6.39%	1.86%
<b>CV \$255,000</b>	<i>Total rates</i>	\$1,283.25	\$1,307.13
<b>CV no change</b>	<i>Change \$</i>	\$77.11	\$23.88
<b>Residential – Ocean Ridge (Bare Land)</b>	<i>Change %</i>	8.31%	(0.07)%
<b>CV \$115,000</b>	<i>Total rates</i>	\$1,190.50	\$1,189.68
<b>CV decrease (14.81)%</b>	<i>Change \$</i>	\$91.33	\$(0.82)

\* Rural water charges have been excluded from this table where they apply to rural farms, so as to make comparisons easier, because other farms in the district may or may not have these charges.

## **6. COMMITTEE UPDATES**

### **Kaikoura Information and Tourism Inc**

A tour bus company had booked 40 people to stay in Kaikoura on 70 nights during the next 12 months.

In terms of events, work had commenced on a golden oldies event. The Rugby Club had held a trial event over Queens Birthday weekend.

### **Airport**

The Airport Committee were investigating safe areas for helicopters to work safely. This was progressing well. A representative from Total Aviation Services had been on site and the outcome had been positive.

## **7. MAYOR'S REPORT**

Mayor Gray would be chairing the Visitor Strategy meeting which was to be held at the Christchurch Airport the following day. Items on the agenda included; freedom camping, infrastructure, signage and transport routes.

## **8. CONFIRMATION OF MINUTES**

### **Council 18/05/2016**

*Moved by Mayor Gray, seconded by Councillor Diver and resolved that the minutes of the Council meeting held on 18 May 2016 be confirmed a true and accurate record.*

### **Extraordinary Council 2/06/2016**

*Moved by Mayor Gray, seconded by Councillor Howden and resolved that the minutes of the Extraordinary Council meeting held on 2 June 2016 be confirmed a true and accurate record.*

## **9. ADOPTION OF REPORTS**

### **Works and Services Committee 18/05/2016**

*Moved by Mayor Gray, seconded by Councillor Mackle and resolved that the report of the Works & Services Committee meeting held on 18 May 2016 be adopted.*

### **Environmental Services Committee 18/05/2016**

*Moved by Councillor Blunt, seconded by Councillor Mackle and resolved that the report of the Environmental Services Committee meeting held on 18 May 2016 be adopted.*

### **Finance, Audit & Risk Committee 21/04/2016**

*Moved by Councillor Howden, seconded by Councillor Millton and resolved that the report of the Finance, Audit & Risk Committee meeting held on 21 April 2016 be adopted.*

## **10. MINUTES TO BE RECEIVED**

### **Hearings & Applications Committee 22/03/2016**

*Moved by Councillor Mackle, seconded by Councillor Diver and resolved that the minutes of the Hearings and Applications Committee meeting held on 22 March 2016 be adopted.*

**Hearings & Applications Committee 19/04/2016**

***Moved by Councillor Mackle, seconded by Councillor Diver and resolved that the minutes of the Hearings and Applications Committee meeting held on 19 April 2016 be adopted.***

**Kaikoura Zone Water Committee 20/04/2016**

***Moved by Mayor Gray, seconded by Councillor Blunt and resolved that the minutes of the Kaikoura Zone Water Committee meeting held on 20 April 2016 be received.***

**11. COUNCIL PUBLIC EXCLUDED SESSION**

***Moved by Mayor Gray, seconded by Councillor Millton and resolved that the public be excluded from the following parts of the proceedings of this meeting namely;***

- a) Civic Centre Project Report***
- b) Kaikoura Wharf Developments***
- c) Sale of Property***
- d) Confirmation of Minutes 18/05/2016***
- e) Adoption of Report of Finance, Audit & Risk Committee 21/04/2016.***

***The meeting adjourned at 12.01pm and resumed at 1.00pm.***

**12. PUBLIC FORUM**

**Lynda Scott – 25 Beach Road**

The Kaikoura Op Shop was currently operating out of the building at 25 Beach Road. The Op Shop had been set up as a Charitable Trust to raise funds for projects which benefited health and wellbeing in Kaikoura. All objectives had been raised and the Trust had raised over \$100,000 for the hospital and was now aiming for \$150,000. 35 volunteers worked at the shop at it had created a hub for older people who had lost partners or just moved to Kaikoura.

It had not been foreseen how successful the project would be. The Trust was concerned that the building was for sale. The Trust requested that Council retain the building and look at extending the area which the Trust could use. More display space was required. It was noted that once fundraising for the hospital was complete the Trust would start requesting applications for funding however the Trustees in conjunction with volunteers would need to make a decision on project for future funding.

**13. 25 BEACH ROAD SALE VS TENANCY**

Included in the agenda was a report on whether Council should sell or retain the property at 25 Beach Road. The property currently had three tenants one of which was the Op Shop.

A discussion was held regarding costs associated with maintenance of the property if it was retained.

It was noted in terms of value the Op Shop was providing more money per annum than what Council would obtain from selling the property. If the Op

Shop directed money towards other community based Council projects was a benefit to Council.

***Moved by Councillor Diver, seconded by Councillor Mackle and resolved that Council;***

- ***Take the property at 25 Beach Road off the market***
- ***Retain the Kaikoura Community Op Shop Trust as a tenant under existing lease terms and conditions, and***
- ***Amend the performance target for investment properties so that the property at 25 Beach Road was exempt from the 5% net return target until such time as the Community Op Shop was no longer a tenant.***

#### **14. YOUTH COUNCIL**

O Hughes, P Jellyman and S Beardmore were in attendance to present this item.

A report of Youth Council activities was tabled and presented which included;

- Monthly youth jam nights
- Lyell Creek
- Basketball Court
- Youth health month
- Summer wine programme
- Careers Expo
- Representation at a Council level
- Collaboration with other Youth Councils
- Top of the South youth connect
- Canterbury Youth Awards
- Skate Park
- Youth Council AGM
- Youth Coordinator.

***There being no further business the meeting closed at 2.10pm.***