

SOUTHLAND DISTRICT COUNCIL

EXTRAORDINARY COUNCIL MEETING

9 APRIL 2008

MINUTES of an EXTRAORDINARY MEETING of the SOUTHLAND DISTRICT COUNCIL held at the Council Chambers, 15 Forth Street, Invercargill on WEDNESDAY, 9 APRIL 2008 at 1.00 pm.

PRESENT: Mayor F Cardno (Chairperson), Crs L A Bailey, J D Copland, R A Dobson, J Douglas, B J Dillon, B W Drummond, P Duffy, B Ford, G Harpur, W Jack, G MacPherson and A D Ridley.

IN ATTENDANCE: Messrs D P Adamson, C McIntosh, L McKenzie, Ms N Taylor, C Tan and A Robson, Mesdames R Heerdegen and J O'Shannessy.

1.0 **APOLOGIES**

No apologies were recorded.

2.0 **PUBLIC FORUM**

Moved Macpherson, seconded Dillon and RESOLVED THAT STANDING ORDERS BE SUSPENDED TO ALLOW A PUBLIC FORUM TO BE HELD ON AMENDMENTS TO THE LTCCP.

2.1 **Mr Alister Wilson**

Mr Wilson said he wished to speak on the proposed amendments to the LTCCP and he made the following points:

- * There had been a feeling the consultation process the previous year had been compromised and he hoped that would not be the case this year.
- * There was not a lot of information on the way the differentials would be changed, he suggested.
- * He was concerned at the accuracy of the web sites used to capture the data used in the differential calculations.
- * Tonnage credited to dairy farmers did not take into account other aspects such as fertiliser etc.
- * "Other" category had been reduced from 3.5% in the Morrison Low model to 1% in the modified model.
- * Important to rate properties according to "what they were".

In response to a question on satisfaction with forestry tonnage from Cr Jack, Mr Wilson said it appeared Southland accounted for 33% of the forestry in Otago Southland. Not all forestry was included in the target rate. Forestry only showed if it was a "stand alone" forest. He urged Council to look carefully at the "Other" section.

Mayor Cardno thanked Mr Wilson for attending the meeting.

Moved Cr Ridley, seconded Cr Bailey
and RESOLVED THAT STANDING ORDERS BE REINSTATED.

3.0 **NOTIFICATION OF URGENT BUSINESS**

No items of Urgent Business were recorded.

4.0 **REPORTS**

4.1 **DRAFT ANNUAL PLAN 2008/2009 - INCORPORATING AMENDMENTS TO LTCCP 2006-2016**

140/15/2/1 and 140/15/4/1

NT/08/4/4053

Report by Miss Anne Robson and Miss N Taylor dated 1 April 2008.

The report recommended that Council adopt the 2008/2009 draft Annual Plan and LTCCP amendment and proceed to the consultation phase. The report reviewed the main components of the draft plan, activities and performance measures, key issues and projects, financial considerations, and the consultation process.

The projected district rate increase in the draft plan for 2008/2009 was 6.12%, compared to the estimated increase of 6.15% in the LTCCP. The figures excluded the \$515,000 for kerbside recycling as the draft plan included several options which had differing costs and timing.

Ms Taylor tabled replacement pages 50, 60, 127 and 141 for the Annual Plan and also a copy of the Opinion from Audit New Zealand approving the amendment to the LTCCP for the ten years commencing 1 July 2006. Refer Appendix I.

Three key issues addressed in the draft plan, LTCCP amendment and the plan summary were:

- A change to the way the differential portion of the roading rate would be collected from a targeted differential rate based on Land Value of a property to one based on its Capital Value. In addition the plan included a proposal to change the methodology used to derive the percentage share of roading costs to which each land use sector contributed.
- Fully funding development and promotions rate from a Uniform Annual Charge.
- Options for kerbside recycling including a three bin system (either stand alone or in conjunction with neighbouring Councils) or a two bin system.

In addition, the plan included a number of changes to rating boundaries and new rating boundaries for services established during the 2007/2008 year. To formalise the boundaries, Council was asked to confirm these with separate resolutions as part of this report.

Moved Cr Jack, seconded Cr Duffy
and RESOLVED:

- (a) THAT THE REPORT ON THE DRAFT ANNUAL PLAN FOR 2008/2009 INCORPORATING AMENDMENTS TO THE LONG TERM COUNCIL COMMUNITY PLAN (LTCCP) 2006-2016 BE RECEIVED.

- (b) THAT COUNCIL NOTES AND RECEIVES THE BACKGROUND PAPERS. THE TOPICS INCLUDE:
- UAC CALCULATION
 - BREAKDOWN OF PROJECTED RATES
 - FINANCIAL RESERVES
 - RATING BOUNDARY CHANGES
 - CONSULTATION PLAN

The draft plan supports the third year of the Council's Long Term Council Community Plan. In particular, the draft plan set out Council's:

- * Annual budget,
- * Funding Impact Statement, and
- * Variations from the funding and financial information in the LTCCP.

The plan also included the Statement of Proposal regarding the proposed amendment to the LTCCP, in particular the Revenue and Financing Policy.

The proposal document identified two areas of amendment. The first amendment related to moving from a differential based on land value to collect part of the Roothing Rate to a differential based on capital value. The second amendment related to moving totally to a uniform annual charge to fund the Development and Promotions Rate (currently collected using a mix of UAC with the balance based on capital value).

The Statement of Proposal also explained the proposed change to the way the differential was calculated, which while not an amendment, was associated with the funding of roads.

Key Issues and Projects

Key issues and projects for Council to consider when reviewing the Draft Annual Plan for 2008/2009 were:

- A change to the way the differential portion of the roading rate was collected from a targeted differential rate based on land value of a property to one based on its capital value (LTCCP amendment). In addition the plan included a proposal to change the methodology used to derive the percentage share of roading costs which each land use sector contributed.
- Fully funding the Development and Promotions rate from a uniform annual charge (LTCCP amendment).
- Options for kerbside recycling including a three bin system (either stand alone or in conjunction with neighbouring Councils) or a two bin system.
- A higher than budgeted funding assistance rate for roading.
- Changes to the timing of construction and financing of sewerage schemes and water supplies, including changes to the subsidy contributions to proposed water schemes.
- New rates for the Tuatapere sewerage scheme and Lumsden/Balfour Rural Water Supply loan.
- A change to funding for Venture Southland.
- A one-off contribution to the Riverton Heritage and Tourist centre (Te Hikoi).

The members sought clarification from staff on various items in the plan.

Boundary changes were proposed as follows:

- * Tuatapere Sewerage Rating boundary - Refer Map A.
- * Lumsden/Balfour Rural Water Loan Rating boundary - Refer Map B.
- * Eastern Bush Hall Rating boundary - Refer Map C.
- * Wyndham Township Rating boundary - Refer Map D.
- * Te Anau Township Rating boundary - Refer Map E.
- * Dipton Hall Rating boundary - Refer Map F.
- * Limehills Community Centre Rating boundary - Refer Map G.

The Chief Executive reminded the members that submissions to the Draft Annual Plan would be heard and considered on 10/11 June. If a Councillor had not been present when the submissions were made, they would not be able to vote on them.

Cr Duffy commented that Councils accounts and practices had been audited each year by Audit New Zealand with very satisfactory results each time.

Moved Cr Copland, seconded Cr Ridley

and RESOLVED THAT COUNCIL CONSIDER AND ADOPT THE AMENDED RATING BOUNDARIES (INCLUDED IN THE FUNDING IMPACT STATEMENT OF THE DRAFT ANNUAL PLAN) AS FOLLOWS:

- (i) TUATAPERE SEWERAGE RATING BOUNDARY (MAP A) - TO ESTABLISH A SEWERAGE RATE WHICH ENCOMPASSES THE AREA OF TUATAPERE SERVICED BY THE NEW SEWERAGE SCHEME.
- (ii) LUMSDEN/BALFOUR RURAL WATER LOAN RATING BOUNDARY (MAP B) - TO ESTABLISH A WATER SUPPLY LOAN RATE WHICH ENCOMPASSES THE AREA OF LUMSDEN/BALFOUR WITH NON-RESIDENTIAL PROPERTIES REQUIRED TO REPAY THE LOAN ASSOCIATED WITH THE IMPROVEMENTS TO THE LUMSDEN/BALFOUR WATER SUPPLY.
- (iii) EASTERN BUSH HALL RATING BOUNDARY (MAP C) - TO ESTABLISH A COMMUNITY CENTRE RATE FOR THE EASTERN BUSH HALL WHICH ENCOMPASSES THE AREA SURROUNDING THE HALL.
- (iv) WYNDHAM TOWNSHIP RATING BOUNDARY (MAP D) - TO ALTER THE TOWNSHIP RATING BOUNDARY IN LINE WITH THE RECOMMENDATION OF THE WYNDHAM COMMUNITY BOARD FROM THEIR MEETING 31 MARCH 2008 AND SUBSEQUENTLY AMEND THE TOETOES WARD RATING AREA TO ADD THE IDENTIFIED PROPERTIES INTO THE WARD RATING AREA.
- (v) TE ANAU COMMUNITY BOARD SEPARATE RATING BOUNDARY (MAP E) - TO ALTER THE TOWNSHIP RATING BOUNDARY IN LINE WITH THE RECOMMENDATION OF THE TE ANAU COMMUNITY BOARD FROM ITS MEETING 5 MAY 2008 AND SUBSEQUENTLY AMEND THE TE ANAU WARD RATING AREA TO REMOVE IDENTIFIED PROPERTIES FROM THE WARD RATING AREA.
- (vi) DIPTON HALL RATING BOUNDARY (MAP F) - TO ALTER THE HALL RATING AREA TO ENCOMPASS PART OF THE AREA PREVIOUSLY CONTRIBUTING TOWARDS THE KAUANA PUBLIC HALL.

- (vii) LIMEHILLS COMMUNITY CENTRE RATING BOUNDARY (MAP G) - TO ALTER THE HALL RATING AREA TO ENCOMPASS PART OF THE AREA PREVIOUSLY CONTRIBUTING TOWARDS THE KAUANA PUBLIC HALL.
- (viii) THAT COUNCIL CONSIDER AND ADOPT THE STATEMENT OF PROPOSAL (INCORPORATING THE DRAFT ANNUAL PLAN 2008/2009 AND LTCCP AMENDMENTS) INCORPORATING ANY ALTERATIONS AS INDICATED AT ITS MEETING.
- (ix) THAT COUNCIL RECEIVE THE REPORT FROM AUDIT NEW ZEALAND REGARDING THE AUDIT OF THE AMENDMENTS TO THE LONG TERM COUNCIL COMMUNITY PLAN 2006-2016 - REFER APPENDIX I.
- (x) THAT COUNCIL UNDERTAKES PUBLIC CONSULTATION ON THE DRAFT ANNUAL PLAN 2008/2009.

The meeting closed at 2.30 pm.

C O N F I R M E D :

MAYOR:

DATE: