

Dear Waitomo ratepayer...

Council adopted the Exceptions Annual Plan 2013/14 (Plan) on Tuesday 25th June 2013. As the Plan does not include any significant amendments to the 2012-2022 LTP, it is not required to contain a report from Council's Auditor on behalf of the Office of the Auditor General.

This planning process went well and we now look forward to putting the plans into action during 2013/14. The average rate increase in this Plan is 3.2% for all properties in the District, against the original LTP forecast of 7% for the 2013/14 financial year.

► **The rate increase indicated through the EAP 2013/14 is the lowest since 2003 and has been made possible through a commitment to very sound and consistent financial management practices over the last 5-6 years.**

The rates increase is an average across the District. The actual increase will vary between properties and may also be affected by the change in individual property values resulting from the recent 3 yearly District revaluation.

Our inspirational vision "Creating a better future with vibrant communities and thriving business" supports our plan is to facilitate better economic and social outcomes for our District. Our goal is to make Waitomo district an attractive place that people will choose to come and live, visit or work in.

To achieve this we work closely with all our key stakeholders including our local Police, government agencies and numerous community groups in Te Kuiti, Waitomo Village, Piopio and Benneydale. We work closely with our youth and youth services, to give them a sense of pride and purpose and belonging to our district.

The services Council provides are funded through a variety of sources. Council resolved that rates

fund 46.7% of the total required funding for the 2013/14 financial year. Council recognises and understands the concerns of the District's ratepayers' in respect of their ability to pay for services and also that rates affordability is exacerbated in these unsettled economic times.

Maintaining and replacing infrastructure is one of Council's key responsibilities and we continue to focus in this area. It is worth noting that all our capital investment in making upgrades to essential infrastructure has been delivered on or under budget.

We are aware that the economic conditions of the last 3-4 years have adversely affected many in our community and we will continue our endeavour to provide good quality services and infrastructure that are most needed by our communities in an optimal manner.

Best wishes
Mayor Brian Hanna



Waitomo District General Revaluation

The Rating Valuations Act 1998 requires that every property in New Zealand must be revalued for rating purposes at least once every three years. The last revaluation for the Waitomo District occurred in September 2012. As Council's appointed Valuation Service Provider, Quotable Value New Zealand (QV), undertook the revaluation on behalf of Council.

Rating values are assessed on behalf of Council by Quotable Value using a 'mass-appraisal' process. This method is used all over the world and takes into consideration your properties attributes and the value of local sales. A rating valuer will consider relevant property sales from your area around the time of the revaluation.

A market trend is established and applied to similar properties. Stringent quality standards need to be met and the process is independently audited by the Office of the Valuer General, a division of Land Information New Zealand.

Valuation Notices

All owners and ratepayers received notices of the revised values in October 2012. These notices detailed the new capital value of your property as at 1 September 2012. The capital value reflects the probable price that would be paid for the property if it had been for sale at the date of the general revaluation. This valuation does not include chattels, dairy company shares,

stock, crops, machinery or trees. The valuation is deemed to include GST (if any) for residential property, and exclude GST for other property types.

The new values will be first used for rating purposes from 1 July 2013.

Changes in rating values for each property are not the primary cause of the rates assessed. It is the value of your property in relation to the value of all properties in the area that is the significant factor. If your value increase is at the average increase for all properties in the District then the change in your rates will be minimal.

My Rating Valuation has gone down but my rates have stayed the same?

There are often a large number of ratepayers scratching their heads about why the amount of rates they are being asked to pay has stayed the same when their property value has gone down.

The answer is simple. Although determined on 1 September 2012, the new rating valuations will not affect the rating calculations until 1 July 2013. This is to allow time for people to object to their new valuations and is a requirement of the law.

However, when 1 July 2013 rolls around it doesn't necessarily mean those ratepayers who have experienced a drop in their rating valuation will automatically experience a drop in that year's rates.

The reason is twofold.

1. Rating value is only one of many things considered by Council when apportioning the rates in the Waitomo District. Fixed charges for services provided, which are not influenced by the rating value of a property in any way at all, actually make up a larger share of most people's rates.
2. The rating-value-based part of your rates is expressed as a percentage of the total value of all properties in order to apportion the rates.

Still sounds tricky? Once you get your head around the concept, it's actually a piece of cake.

Imagine the total value of all properties in your street is a chocolate cake. The cake is divided into slices based on the value of each property. Your neighbour's property is worth more than yours so they have a bigger slice of the cake than you do. Then you receive your rating revaluations. The value of your property has dropped by 7% but so has the value of every house on the street. Therefore, your rating value has dropped but your percentage total of the cake remains the same, so there will be no difference in your rating-value-based rates.

However, if your property's rating value drops by 7% but everyone else puts in a new swimming pool and their value increases, you'll end up with a smaller slice of the total cake and your rating-value-based rates will reflect that change.

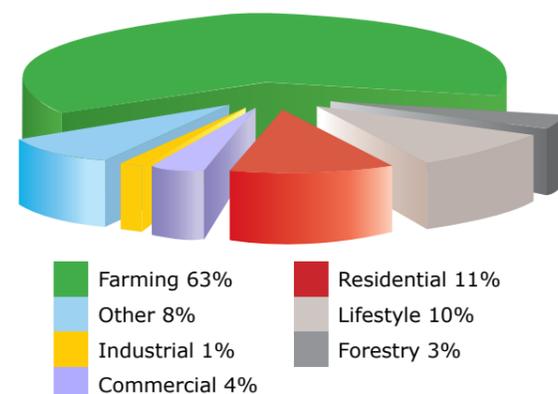
Revaluation Summary of Movements by Sector

Sector	No. Assessments	2012 Capital Value (\$000)	% Change	2012 LV (\$000)	% Change
Farming	1,181	1,863,708	-8.5%	1,523,592	-10.2%
Forestry	276	96,477	-4.9%	86,346	-5.2%
Lifestyle	1,310	298,853	-5.3%	154,287	-9.2%
Residential	2,445	323,046	-9.2%	116,434	-4.5%
Commercial	201	109,333	-0.7%	40,552	0.8%
Industrial	108	44,258	-3.6%	5,595	5.0%
Other	529	243,198	-0.8%	24,440	-6.5%
TOTAL	6,050	2,978,873	-7.2%	1,951,246	-9.2%

Waitomo District Revaluation Summary

- The overall value of the Waitomo District is \$2.979 billion which is 7.2% lower than 2009.
- The majority of properties in the Waitomo District are Residential (40%) followed by rural (24%) and lifestyle properties made up 22% of the district.
- Rural properties make up the majority of value in the district (63% based on capital value) followed by Residential properties (11%) and Lifestyle properties (10%).
- The Capital value of farming properties dropped by 8.5% which mirrors trends seen throughout the country.
- Residential properties showed a 9.2% average decrease in capital value, 66% of all residential properties in the District are in the Te Kuiti township.
- The capital value for mineral assessments in the District has gone up 17%.

2012 Value of District Based on Capital Value \$2,978,873,000



Rates Newsletter 2013/14

Rates

In setting the level of rates for the coming year, your Council continues to consolidate its financial position whilst delivering essential services on a reliable and sustainable basis. Council has looked long and hard at developing a plan that seeks to 'strike the right balance' between rates affordability, robust financial health and the delivery of essential services to serve residents. Council has also endeavoured to keep the required level of rate income at a moderate level.

Description of Rates

The following provides a description of rate lines that may appear on your rates invoice/assessment and outlines the activities and/or services funded by each.

General Rate

The General Rate of 0.12224 is assessed as a rate per \$100 of capital value across the District (for example, a property with a capital value of \$100,000 will be levied a general rate of \$122.24). The General Rate is not set differentially. The rationale for assessing the General Rate using capital value is contained in the Council's Revenue and Financing Policy.

In 2013/14 this rate contributes to the funding of the following activities:

- Governance: Leadership and Investments
- Leased Reserves
- District Libraries
- District Swimming Pool
- Arts, Culture and Heritage
- Aerodrome
- Public Facilities
- Community Service
- District Development
- Regulation
- Waste Minimisation
- Resource Management

Uniform Annual General Charge (UAGC)

A Uniform Annual General Charge (UAGC) of \$650 will be assessed on each separately used or inhabited part of a rating unit under Section 15(1)(b) of the Local Government Rating Act, across the District. The rationale for use of the UAGC is contained in the Council's Revenue and Financing Policy.

Roads and Footpaths Rate

This rate is levied as a rate per \$100 of capital value of a property across the District. It is used to fund the local Roads Network (part of Roads and Footpaths Activity).

As the Roads and Footpaths activity forms a substantial part of Council's expenditure, this rate has been separated from the General Rate so that ratepayers can clearly see their contribution to the maintenance, renewal and development of the Roding network.

District Roding Rate	Rate per \$100 Capital Value	Total Revenue Requirement 2013/14 (\$000)
Roads and Footpaths	0.21840	6,209

District Development Rate

A District Development Rate will be assessed as a rate per \$100 of capital value across Commercial, Industrial and Rural Businesses to part fund the Economic Development, Visitor Information Centre, District and Regional Promotion and Event Co-ordination activities.

Rationale for the use of this rate is contained in the Council's Revenue and Financing Policy.

District Development Rate	Rate per \$100 Capital Value	Total Revenue Requirement 2013/14 (\$000)
Commercial and Industrial Businesses	0.02677	79
Rural Businesses	0.00414	79

Service Charges

Te Kuiti Urban Stormwater TUAC and Targeted Rate

The Stormwater Rates are levied to fund the Stormwater activity. A Targeted Uniform Annual Charge (TUAC) is set on every separate rating unit in the Te Kuiti Urban Stormwater area to partly fund the Urban Stormwater Activity. The Rating Area for the purpose of levying the Urban Stormwater Targeted Rates will be the Te Kuiti Urban Rating Area.

A Targeted Rate will be assessed as a rate per \$100 of capital value on every separate rating unit in the Te Kuiti Urban area to partly fund the Urban Stormwater Activity. The Rating Area for the purpose of levying the Urban Stormwater Targeted Rates will be the Te Kuiti Urban Rating Area.

Urban Stormwater	Charge	Total Revenue Requirement 2013/14 (\$000)
TUAC	\$150	267
Targeted Rate	0.04457	131

Rural Stormwater TUAC

This rate is set on every separately used or inhabited part of a rating unit in the rural areas of the District to fund the Rural Stormwater Activity. The Rating Area for the purpose of levying the Rural Stormwater TUAC will be the Rural Rating Areas (rest of the District).

Rural Stormwater TUAC	Charge	Total Revenue Requirement 2013/14 (\$000)
Rural Rating Areas	\$12	41

Water Supply Service Charges

These charges take the form of Targeted Uniform Annual Charges (TUACs) levied on a uniform basis within every community where Council provides a reticulated water supply service. The annual charges are levied either on the basis of a separately used or inhabited portion of a rating unit within a community that is connected, or on the basis of a rating unit that has the ability to connect (serviceable) to a Council water supply network. Council currently provides a water supply service in Te Kuiti, Piopio, Benneydale and Mokau, as follows:

Water Supply (TUAC)	Rate		Total Revenue Requirement 2013/14 (\$000)
	Per connected rating unit	Per serviceable rating unit	
Te Kuiti	\$501	\$250	1,024
Piopio	\$899	\$450	223
Benneydale	\$1,400	\$700	162
Mokau	\$1,400	\$700	296

Water Meter Charges

Any rating unit situated in Te Kuiti, Piopio, Benneydale or Mokau that has been fitted with a water meter and is defined as being an extraordinary water user will be charged based on the volume of water consumed over and above the amount paid for through the targeted water rate.

On 1 July 2012, Council implemented the following charges for water used by extraordinary (metered) consumers other than those connected to the Te Kuiti water supply system:

1. Each rating unit will receive a basic allocation of 292m³ per annum. This is the volume of water on which the targeted rate per rating unit is based.
2. Water used in excess of the allocation will be charged on the cost per m³ applicable to that supply as set out in the table below.
3. In terms of the provisions of the Water Services Bylaw water billing for extraordinary users for that portion that exceeds the allocation will still occur on a six-monthly basis.

* The new billing was introduced over a period of two years for Benneydale and Mokau. In other words part of the charge applied from 1 July 2012 and the full charge will apply from 1 July 2013.

Community	Charge per m ³ (1m ³ = 1,000 litres)	
	From 1 July 2012	From 1 July 2013
Benneydale*	\$3.05	\$4.85
Piopio	\$2.05	\$2.10
Mokau*	\$5.20	\$9.20
Te Kuiti	\$1.57	\$1.60

Sewerage Service Charges - Residential

These charges take the form of Targeted Uniform Annual Charges (TUACs) levied on a uniform basis within every community where Council provides a reticulated sewerage collection and disposal service. Council currently provides sewerage schemes in Te Kuiti, Piopio, Benneydale and Te Waitere.

These TUACs are levied either on the basis of a separately used or inhabited portion of a rating unit within a community that is connected or, on the basis of a rating unit that has the ability to connect (serviceable) to a Council sewerage reticulation network differentiated by supply area as follows:

Sewerage TUAC	Charge		Total Revenue Requirement 2013/14 (\$000)
	Per connected rating unit	Per serviceable rating unit	
Benneydale	\$1,100	\$550	119
Te Waitere	\$1,100	\$550	16
Te Kuiti	\$900	\$450	1,517
Piopio	\$1,100	\$550	243

Targeted Services Rate

A Targeted Services TUAC will be assessed on every separately used or inhabited portion of a rating unit in the District, differentiated by rating areas, to fund the Unsubsidised Roding Activity and part fund the Swimming Pool Activity. The Rating Areas for the purpose of levying the Targeted Services TUAC will be the Te Kuiti Urban and Periphery Rating Area and the Rural Rating Area (rest of the District).

Targeted Services TUAC	Rate	Total Revenue Requirement 2013/14 (\$000)
Te Kuiti Urban and Periphery	\$187	433
Rural	\$35	109

Rates Newsletter 2013/14 continued...

Te Kuiti Sewerage - Non Residential

Non residential properties will be charged a base charge for up to 3 pans and will be charged on a per pan basis for any additional pans over that number. These charges will be calculated based on an assessment of the average hours of operation or business hours per week (calculated as an average over the year).

All non residential properties will fall under one of the three categories below and the base charge and per pan charge will be calculated as follows:

Sewerage TUAC	Charge		Total Revenue Requirement 2013/14 (\$000)
	Per connected rating unit	Per serviceable rating unit	
Business hours more than 40 hours	0.76	\$684	44
Business hours equal to 40 hours	0.36	\$324	45
Business hours less than 40 hours	0.20	\$180	6

Piopio Wider Benefit Rating Area

Council considers that there are a few communities outside of Piopio for whom a separate catchment of properties has been identified called the "Piopio Wider Benefit Rating Area" (PWBRA). Council considers that Piopio Township is the main 'community of interest' for these properties and they receive an indirect benefit from the development and well-being of Piopio.

Council has set a Targeted Services TUAC on every separate rating unit situated within the Piopio Wider Benefit Rating Area to assist the funding of the sewerage reticulation networks in Piopio.

Targeted Services TUAC	Charge	Total Revenue Requirement 2013/14 (\$000)
TUAC	\$9	5

Piopio Retirement Village Contribution

Council has set a Targeted Services TUAC on every rating unit situated within the **Piopio Township** and the **Piopio Wider Benefit Rating Area** to fund the support of the continued delivery of elderly housing accommodation services provided by the Piopio Retirement Trust Inc. through the remission of service charges.

Targeted Services TUAC	Charge	Total Revenue Requirement 2013/14 (\$000)
TUAC	\$21	16

District Support for Services

Council resolved that a contribution be made by all rating units in the District towards the funding of existing Water and Wastewater services in smaller communities that are eligible for that level of support, so that appropriate and affordable services can be provided on a sustainable basis in response to community outcomes.

The 'Assistance for Smaller Communities' component of the Council's Revenue and Financing Policy provides that the shortfall

between the annual operating cost of the schemes and the total revenue from the uniform water and sewerage charges (calculated at the agreed caps) be funded by a contribution made by all rating units in the District, in the form of an 'Assistance for Smaller Communities' subsidy which aims to assist smaller communities with the sustainable operation of such services.

Mokau Water Supply

This Targeted Uniform Annual Charge (TUAC) is levied on every rating unit in the district to assist the Mokau community meet the cost of the operation of their water supply network. This assistance is provided when the cost per connection to a property on an existing water supply network exceeds \$1,400 per annum.

Subsidy for Mokau Water	Rate	Total Revenue Requirement 2013/14 (\$000)
District	\$13	61

Benneydale Sewerage

This rate is a Targeted Uniform Annual Charge (TUAC) is levied on every rating unit in the district to assist the Benneydale community meet the cost of the operation of their sewerage network. This assistance is provided to a community when the cost per connection to a property on an existing wastewater network exceeds \$1,100.

Subsidy for Benneydale Sewerage	Rate	Total Revenue Requirement 2013/14 (\$000)
District	\$5	25

Te Waitere Sewerage

This rate is a Targeted Uniform Annual Charge (TUAC) is levied on every rating unit in the district to assist the Te Waitere community meet the cost of the operation of their sewerage network. This assistance is provided to a community when the cost per connection to a property on an existing wastewater network exceeds \$1,100.

Subsidy for Te Waitere Sewerage	Charge	Total Revenue Requirement 2013/14 (\$000)
District	\$4	18

Marokopa Community Centre

This rate is levied to recover the Council assistance provided for the development of the Marokopa Community Hall. It is a Targeted Uniform Annual Charge levied on every separately used or inhabited portion of a rating unit within the Marokopa Community Centre rating area.

Marokopa Community Centre TUAC	Charge	Total Revenue Requirement 2013/14 (\$000)
TUAC	\$24	5

Te Kuiti Wastewater (Trade Waste Contribution)

A Trade Waste Contribution TUAC is levied on every rating unit in the district in recognition of the contribution made to the social and economic well-being of the District by the large industrial users of the Te Kuiti Wastewater Network.

Trade Waste Contribution	Charge	Total Revenue Requirement 2013/14 (\$000)
Te Kuiti	\$39	181

Solid Waste Management

This Targeted Uniform Annual Charge rate is levied on every separately used or inhabited portion of a rating unit District wide to part fund the Solid Waste Management activity which involves the management of recycling centres, transfer stations and the Waitomo District Landfill. It also funds Waste Minimisation activities undertaken by Council.

Solid Waste Management (TUAC)	Charge	Total Revenue Requirement 2013/14 (\$000)
Solid Waste	\$100	557

Solid Waste Collection

A Targeted Uniform Annual Charge is levied on every separately used or inhabited part of a rating unit in every community where Council provides a kerbside collection and recycling service to fund the cost of the services. Council operates kerbside refuse collection and recycling services in Te Kuiti, Piopio, Mokau (townships) and Waitomo (part of).

Solid Waste Collection (TUAC)	Charge	Total Revenue Requirement 2013/14 (\$000)
Te Kuiti	\$70	139
Waitomo	\$95	53
Piopio	\$161	37
Mokau	\$188	53

Rates Instalments

Rates are set and charged annually at 1 July every year and are invoiced in four (4) instalments plus GST at the prevailing rate.

	Date	Due Date	Period Covered	
Instalment	1	1 Aug 2013	30 Aug 2013	1 July - 30 Sept 2013
	2	1 Nov 2013	29 Nov 2013	1 Oct - 31 Dec 2013
	3	1 Feb 2014	28 Feb 2014	1 Jan - 31 March 2014
	4	1 May 2014	30 May 2014	1 Apr - 30 June 2014

Rating Information Database

As a property owner your details (your name and postal address) are made public on Council's rating information database. You have the right to request that this information is treated as confidential and withheld. To do this you must give notice in writing and your details will be withheld.

The Rating Information Database also contains details about your property that Council uses to set and levy rates.

Information such as the number of separately used or inhabited parts of each property influences the rates levied. It is important that this information is correct.

► If you believe that the information Council has about your property is incorrect, it is important to notify Council in writing so it can be investigated.

Rates Rebate Scheme

The Rates Rebate Scheme benefits ratepayers who are on lower incomes and pay rates for the home in which they live.

The amount of rate rebate depends on a combination of your income, the amount of rates you are charged and the number of dependents you have.

For example, the maximum rates rebate available to a legal ratepayer for the property that was their home on 1 July 2013 is **now \$595.00**. Different levels of rates rebates remain available on household earnings up to a maximum of \$39,000 per annum.

If you are not sure if you qualify for a rates rebate please contact our Customer Services Team on (07) 878 0800 to discuss.

If homeowners meet additional criteria, they can apply for the new rates rebate from 1 July 2013 for the 2013/14 rating year.



The closing date for applications is 30/6/14.

Rates Remission Policy

This Policy has been developed because Council would like to ensure that certain land use situations that fall outside of what is defined in the Local Government Rating Act.

Recent amendments made to the Policy are aimed at improving the efficiency thereof and include:

- The requirement for applicants to submit an Annual Statutory Declaration for clubs, societies and community organisations, that include the most recent audited accounts if they had been granted rate remissions in the previous year.
- A schedule of benefiting Organisations aligned to this Policy will be maintained and advised annually to Council.
- Both solid waste collection and solid waste management service charges are to be EXCLUDED from rate remissions.

Applications must be received by 30 April 2014 to apply to the 2013/14 rating year.

Remission can be sought under the headings as listed below.

- Remission of Penalties
- Remission of Rates for New Residential Subdivisions
- Remission of Rates for Properties used Jointly as a Single Unit.
- Remissions for Community Organisations
- Remission for Organisations Providing Care for the Elderly
- Remission for Land Owned by Clubs and Societies
- Remission of Rates on Maori Freehold Land.
- Remission of Rates in cases of Genuine Financial Hardship.

For a full copy of the Rates Remission Policy refer to www.waitomo.govt.nz or contact our Customer Services Centre for a paper copy to be sent.

Please be aware that all rates must be paid by the due date regardless of the status of your rates remission application.

Penalty for Overdue Rates

Any rates remaining unpaid at 5.00pm on the final day for payment will attract a 10% penalty. A further 10% penalty will be added on 1 July in each year to any unpaid rates from the previous year.

If you think you will have problems paying your rates by the due dates please contact a member of our Customer Services Team to discuss how we might assist you with a solution.

How to Pay

There are various options available to you, in order to make it efficient to pay your rates. Your choices are: Easy Pay, Direct Credit, Automatic Payment, Cash, Cheque, Eftpos, Post-dated cheques, Credit Card, or at the Council Office, Queen Street Te Kuiti.

► **For all rating enquiries phone our friendly Customer Services Centre on Freephone 0800 932 4357, email info@waitomo.govt.nz or fax (07) 878-7771.**