
Minutes of a meeting of the Nelson City Council to Adopt the Annual Plan 2013/14

Held in the Council Chamber, Civic House, Trafalgar Street, Nelson

On Thursday 27 June 2013, commencing at 9.06am

Present: His Worship the Mayor (A Miccio), Councillors I Barker, A Boswijk, C Collingwood, R Copeland, E Davy, K Fulton, P Matheson, J Rackley, P Rainey, R Reese, D Shaw, and M Ward

In Attendance: Chief Executive (C Hadley), Acting Executive Manager Community Services (R Ball), Chief Financial Officer (N Harrison), Executive Manager Support Services (H Kettlewell), Executive Manager Network Services (A Louverdis), Executive Manager/ Kaihautū Community Relations (G Mullen), Executive Manager Policy and Planning (M Schruer), Manager Administration (P Langley), Manager Policy and Planning (N McDonald), Manager Community Relations (A Ricker), and Administration Adviser (L Canton)

Opening Prayer

Councillor Davy gave the opening prayer.

1. Apologies

There were no apologies.

2. Interests

There were no updates to the Interests Register, and no conflicts of interest with any agenda items were declared.

3. Confirmation of Order of Business

There was no change to the order of business.

4. Adoption of the Final Annual Plan 2013/14

Document number 1535043, agenda pages 11-94 refer.

Councillors discussed the formation of a charitable trust as the entity preferred by the Nelson School of Music and the Theatre Royal Trust boards to govern the new joint entity. It was noted that the intention to set up the new entity at the same time as preparing for the transfer of assets had been signalled early in the Annual Plan 2013/14 process. In

response to a question, Executive Manager Support Services, Hugh Kettlewell, advised that a Wellington recruitment agency had been used for trustee recruitment to avoid any sense of impropriety around the selection.

Resolved

THAT the final Annual Plan 2013/14 (1538014 v2) be adopted;

AND THAT the Nelson City Council set the following rates under the Local Government (Rating) Act 2002, on rating units in the district for the financial year commencing on 1 July 2013 and ending on 30 June 2014. All figures are GST inclusive.

The revenue approved below will be raised by the following rates:

<i>General Rate</i>	<i>\$30,358,318</i>
<i>Uniform Annual General Charge</i>	<i>\$7,243,817</i>
<i>Separate General Charge</i>	<i>\$3,889,933</i>
<i>Waste Water Charge</i>	<i>\$6,800,048</i>
<i>Water Charge</i>	<i>\$11,263,471</i>
<i>Clean Heat Warm Homes & Solar Saver</i>	<i>\$581,649</i>
<i>Rates and Charges</i>	<i>\$60,137,236</i>
<i>Goods and Services Tax (at the prevailing rates)</i>	<i>\$9,020,585</i>
<i>Total Rates and Charges</i>	<i>\$69,157,821</i>

(1) General Rate

A general rate set under section 13 of the Local Government (Rating) Act 2002, assessed on a differential land value basis as described below:

- a rate of 0.61023 cents in the dollar of land value on every rating unit in the "residential" category***

- *a rate of 0.67125 cents in the dollar of land value on every rating unit in the “part non-rateable” category*
- *a rate of 0.67125 cents in the dollar of land value on every rating unit in the “multi residential” category*
- *a rate of 1.46455 cents in the dollar of land value on every rating unit in the “commercial outside the inner city zone” category*
- *a rate of 1.25097 cents in the dollar of land value on every rating unit in the “commercial outside the inner city zone subject to 25% residential & 75% commercial” category*
- *a rate of 1.03739 cents in the dollar of land value on every rating unit in the “commercial outside the inner city zone subject to 50% residential & 50% commercial” category*
- *a rate of 0.82381 cents in the dollar of land value on every rating unit in the “commercial outside the inner city zone subject to 75% residential & 25% commercial” category*
- *a rate of 1.95273 cents in the dollar of land value on every rating unit in the “commercial inside the inner city zone” category*
- *a rate of 1.61710 cents in the dollar of land value on every rating unit in the “commercial inside the inner city zone subject to 25% residential & 75% commercial” category*
- *a rate of 1.28148 cents in the dollar of land value on every rating unit in the “commercial inside the inner city zone subject to 50% residential & 50% commercial” category*
- *a rate of 0.94585 cents in the dollar of land value on every rating unit in the “commercial inside the inner city zone subject to 75% residential & 25% commercial” category*
- *a rate of 0.39665 cents in the dollar of land value on every rating unit in the “rural” category*

- *a rate of 0.54921 cents in the dollar of land value on every rating unit in the “small holding” category*

(2) Uniform Annual General Charge

A uniform annual general charge under section 15 of the Local Government (Rating) Act 2002 of \$372.10 per separately used or habitable portion of a rating unit, (excluding properties subject to statutory declarations for unoccupied or second residential units not being used as separate units).

(3) Separate General Charge – Stormwater and Flood Protection

A targeted rate under section 16 of the Local Government (Rating Act) 2002 of

\$219.40 per rating unit, (excluding rural category, small holding category east of Gentle Annie saddle, residential properties east of Gentle Annie saddle, Saxton’s Island and properties subject to statutory declarations for unoccupied or second residential units not being used as separate units).

(4) Waste Water Charge

A targeted rate for waste water disposal under section 16 of the Local Government (Rating) Act 2002 of:

- *\$374.90 per separately used or habitable portion of a residential rating unit, (excluding properties subject to statutory declarations for unoccupied or second residential units not being used as separate units), that is connected either directly or through a private drain to a public waste water drain*
- *For non-residential rating units, a waste water charge of \$374.90 per separately used or habitable portion of a rating unit that is connected either directly or through a private*

drain to a public waste water drain and a "trade" waste charge will be levied.

(5) Water Supply Charges

A targeted rate for water supply under Section 19 of the Local Government (Rating) Act 2002, of:

A minimum annual charge **\$191.42**

Price of water:

0 – 10,000 cu.m/year **\$1.968 per m³**

10,001 – 100,000 cu.m/year **\$1.504 per m³**

> 100,000 cu.m/year **\$1.188 per m³**

Summer irrigation **\$1.736 per m³**

(6) Clean Heat Warm Homes

A targeted rate per separately used or habitable portion of a rating unit that has been provided with home insulation and/or a heater to replace a non-complying solid fuel burner under Section 16 of the Local Government (Rating) Act 2002 in accordance with agreement of the original ratepayer, of:

- *For properties levied the Clean Heat Warm Homes as a result of agreements entered into after 1 July 2011, the targeted rate for each year for 10 years will be the total cost of the installed works excluding GST, divided by 10, plus GST.*
- *For properties levied the Clean Heat Warm Homes as a result of agreements entered into prior to 1 July 2011 the targeted rate of:*

Loan Assistance Range	Installation after 30 Sept 2010	Completed prior to 30 Sept 2010
\$1,400 to \$1,599	\$140.00	\$143.11

\$1,600 to \$1,799	\$160.00	\$163.56
\$1,800 to \$1,999	\$180.00	\$184.00
\$2,000 to \$2,199	\$200.00	\$204.44
\$2,200 to \$2,399	\$220.00	\$224.89
\$2,400 to \$2,599	\$240.00	\$245.34
\$2,600 to \$2,799	\$260.00	\$265.78
\$2,800 to \$2,999	\$280.00	\$286.22
\$3,000 to \$3,199	\$300.00	\$306.67
\$3,200 to \$3,399	\$320.00	\$327.11
\$3,400 to \$3,599	\$340.00	\$347.56
\$3,600 to \$3,799	\$360.00	\$368.00
\$3,800 to \$3,999	\$380.00	\$388.44
\$4,000 to \$4,199	\$400.00	\$408.89
\$4,200 to \$4,399	\$420.00	\$429.34
\$4,400 to \$4,599	\$440.00	\$449.78
\$4,600 to \$4,799	\$460.00	\$470.22
\$4,800 to \$4,999	\$480.00	\$490.67

(7) Solar Hot Water Systems

A targeted rate per separately used or habitable portion of a rating unit that has been provided with financial assistance to install a solar hot water system under Section 16 of the Local Government (Rating) Act 2002 in accordance with agreement of the original ratepayer, of:

- ***0.14964 (including GST) for agreements entered into prior to 1 July 2011, multiplied by the Net Cost of the Work adjusted for any increased GST.***
- ***0.13847 (including GST) for agreements entered into after 1 July 2011 multiplied by the Net Cost of the Work.***

(8) Postponement Application Charge

A targeted rate for rates postponement application charge under Section 16 of the Local Government (Rating) Act 2002, of \$400.00 per rating unit that commenced rates postponement during the 2013/14 rating year.

(9) Postponement Interest Charge

A targeted rate for rates postponement interest charges under Section 16 of the Local Government (Rating) Act 2002 per rating unit based on the 2013/14 rates levied and any outstanding balance from previous rating years, of:

<i>Interest charge</i>	<i>5.75%pa</i>
<i>Reserve fund</i>	<i>0.25%pa</i>
<i>Scheme application fee</i>	<i>1.00%pa</i>

Other Rating Information:

Differential Categories

The Nelson City Council adopts the following as its definition for its differential categories for the 2013/14 financial year:

General Rate

- Residential – all rating units that are used primarily for residential purposes*
- Multi Residential – all rating units that contain more than one residential dwelling that are capable of being used primarily for residential purposes*
- Commercial – any rating unit which is used primarily for commercial use. Properties that have a portion of residential use shall have a reduced commercial differential*

Instalment Number	Instalment Date	Penalty Date
Instalment 1	1 August 2013	27 August 2013
Instalment 2	1 November 2013	27 November 2013
Instalment 3	1 February 2014	27 February 2014
Instalment 4	1 May 2014	27 May 2014

- ***Commercial Inner City Zone – any rating unit which is used primarily for commercial use that is located within the Inner City Zone. Properties that have a portion of residential use shall have a reduced inner city commercial differential***
- ***Rural – any rating unit having an area greater than 15 hectares which is used primarily for dairy, fattening and grazing, quarries, forestry or horticultural use and is recorded as rural on the District Valuation Roll***
- ***Small Holding – any rating unit which is primarily used as a small holding and having an area greater than 0.5 hectares but is less than 15 hectares and is recorded as a small holding on the District Valuation Roll***

Due Dates for Payment of Rates

The above rates (excluding water charges) are payable at the Nelson City Council office, 110 Trafalgar Street, Nelson and shall be payable in four instalments on the following dates:

Due Dates for Payment of Water Rates

Residential water rates are payable at the Nelson City Council office, 110 Trafalgar Street, Nelson and shall be payable on the following dates:

<i>Billing Month</i>	<i>Penalty Date</i>
<i>July 2013</i>	<i>16 September 2013</i>
<i>August 2013</i>	<i>16 September 2013</i>
<i>September 2013</i>	<i>15 October 2013</i>
<i>October 2013</i>	<i>16 December 2013</i>
<i>November 2013</i>	<i>16 December 2013</i>
<i>December 2013</i>	<i>15 January 2014</i>

<i>January 2014</i>	<i>17 March 2014</i>
<i>February 2014</i>	<i>17 March 2014</i>
<i>March 2014</i>	<i>15 April 2014</i>
<i>April 2014</i>	<i>16 June 2014</i>
<i>May 2014</i>	<i>16 June 2014</i>
<i>June 2014</i>	<i>15 July 2014</i>

Special (final) water rates will be due and payable 14 days from the date of the special (final) water reading.

Commercial water rates are payable at the Nelson City Council office, 110 Trafalgar Street, Nelson on the 20th of the month following the date shown on the water invoice.

Penalty on Rates

Pursuant to Sections 57 & 58 of the Local Government (Rating) Act 2002, the council delegates authority to the Chief Financial Officer to apply the following penalties on unpaid rates (including water accounts) at their discretion:

- a first additional charge of 10% of the amount of each rate instalment remaining unpaid on the penalty date as shown on each rate instalment notice.*
- a second additional charge of 10% will be added to any balance remaining outstanding from a previous rating year (including penalties previously charged) as at 31st December 2013*
- a further additional charge of 10% will be added to any balance remaining outstanding from a previous rating year (including penalties previously charged) as at 30 June 2014*

The above penalties will not be charged where Council has agreed to a program for payment of outstanding rates.

Penalty Remission

In accordance with Council's rate remission policy, the council will approve the remission of the penalty levied on instalment one due to late payment provided the total annual rates are paid

in full by 27 November 2013. If full payment of the annual rates is not paid by 27 November 2013 the penalties relating to the first instalment outlined above will apply.

Discount on Rates

Pursuant to Section 55 of the Local Government (Rating) Act 2002, the Council will allow a discount of 2.0 percent of the total rates (excluding water charges) where a ratepayer pays the year's rates in full on or before the penalty date for instalment one being 27 August 2013.

Payment of Rates

The rates shall be payable at the Council offices, Civic House, 110 Trafalgar Street, Nelson between the hours of 8.30am to 5.00pm Monday, Tuesday, Wednesday and Friday and 9.00am to 5.00pm Thursday. Where any payment is made by a ratepayer that is less than the amount now payable, the Council will apply the payment firstly to any rates outstanding from previous rating years and then proportionately across all current year rates due.

His Worship the Mayor/Rackley

Carried

There being no further business the meeting ended at 9.22am.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date