



Summary

Welcome to the Annual Plan

It is our privilege to present to you the Gore District Council's Annual Plan 2013/14.

It is, as the name suggests, the direction we are going to take and work we intend carrying out over the next 12 months and covers the second year of our Long Term Plan (LTP) – the 10 year blueprint for the District.

In most instances the Council is maintaining a course consistent with the LTP. It is particularly pleasing that, after some rigorous budget analysis, we have delivered a district-wide general rate increase slightly lower than that flagged in the LTP.

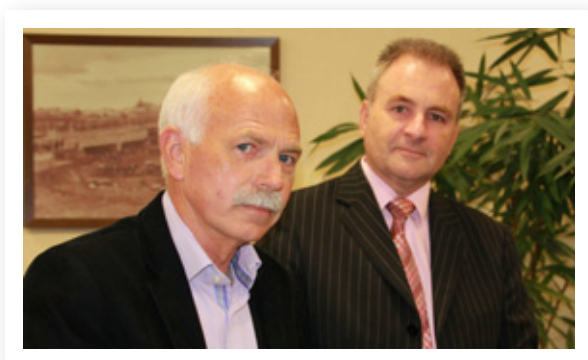
As we look forward to another year, it needs to be acknowledged that the potential growth opportunities from large scale lignite developments, talked about so much in recent years, are unlikely to happen in the near future. As a result we will focus on improving our wastewater, water and stormwater infrastructure to provide for the known demands of the community.

Venture Southland

The governance structure of Venture Southland was reviewed by the Council, Invercargill City Council and the Southland District Council and consulted on in tandem with the Annual Plan.

It had been proposed to change the structure to a council-controlled organisation (CCO) but the councils decided to retain the existing structure.

We want to thank everyone who took the time to make a submission on this year's draft Annual Plan. The Council values consultation processes such as this and it was heartening to see many well thought out and presented submissions.



Submissions

The Council received 28 submissions to the draft Annual Plan and of these, 12 people asked to present their submissions at a hearing, held on 24 May. As a result of submissions received there were some additions and alterations made to the draft plan, at an extraordinary meeting of the Council on 11 June. These, combined with an increase in remuneration for elected members that has been set down by the New Zealand Remuneration Authority, has delivered a district-wide rate increase of 4.78% for 2013/14.

Changes to the draft Annual Plan were:

- Southland Warm Homes Trust – continue funding of \$15,000,
- New Zealand Gold Guitar Awards – increase funding from \$4,000 to \$5,000,
- Gore Community Patrol – new funding of \$2,500,
- SPCA Gore – reduce funding by \$1,500,
- Rural roading – increase funding by \$5,000,
- Gore Multisports Aquatic Centre – increased revenue of \$20,000,
- Elected members' remuneration – increase of \$12,797.
- Two new education scholarships – \$750 each

In the draft Annual Plan there were a number of significant projects being undertaken by the Council in the coming year. Among them was the first major shutdown of the Gore Multisports Aquatic Centre to undertake maintenance in several areas. The draft Plan identified a capital works budget of \$228,366 for this work. However, subsequent to the draft being produced, further investigation of the work programmed resulted in an additional \$95,725 being required. This has been added to the budget and will be funded by loan, therefore has no impact on rates for this financial year.

Tracy Hicks JP
Gore District Mayor

Stephen Parry
Chief Executive

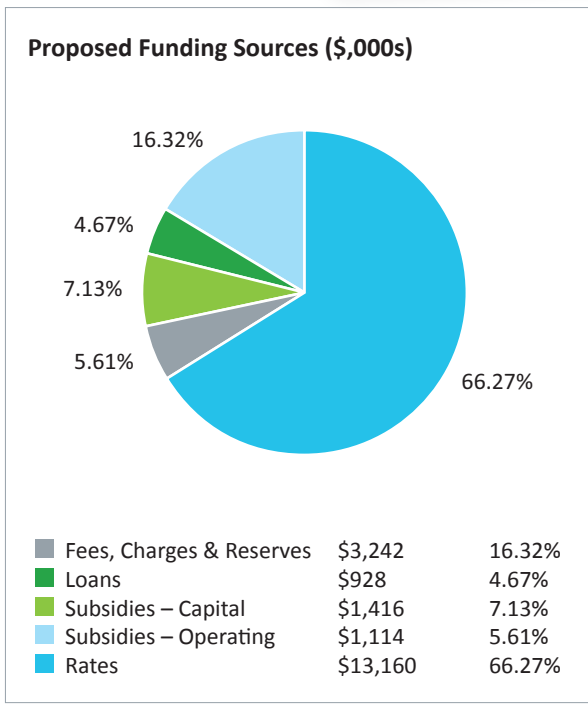
Money Matters

Rates are the Council’s main source of revenue and its rating system is capital value-based. This means that the value of your property is used to calculate how much you pay for certain activities. There are two types of rates – a general rate and a targeted rate. Most of our rates (71.5%) are collected via a targeted rate.



The total amount we plan on collecting in rates (GST inclusive) is	
URBAN	\$11,025,735
RURAL	\$3,893,431
INDUSTRIAL	\$244,125
TOTAL:	\$15,163,291

Our proposed funding sources (GST exclusive) are	
OPERATIONAL:	
Rates	\$13,160,000
Fees, charges & reserves	\$3,242,000
Subsidies (capital expenditure)	\$1,416,000
Subsidies (operating costs)	\$1,114,000
CAPITAL	
Loans	\$928,000



What you can expect to pay

We realise that sometimes it can be a challenge to pay your rates and staff have worked hard to ensure the Council’s drive to deliver quality services and maintain essential infrastructural assets is balanced with keeping the financial impact on residents to a minimum.

The district-wide rate increase will be 4.78%, compared to the 4.94% we had predicted in the LTP. Your rate increase will vary depending on the rating area you live in – urban or rural – and on the capital value of your property.

On average, urban properties will have a rates increase of \$2 a week. In the rural sector, lifestyle blocks can expect a \$1 a week increase while we are anticipating a \$3 a week increase for farms.

What do your rates pay for?

If you live in town (CV \$200,000), on average you will pay...

\$40.61 per week

\$ 2.43	\$ 1.78	\$ 2.70	\$ 2.06	\$ 2.17	\$ 5.50	\$ 5.31	\$ 5.80	\$ 5.25	\$ 2.90	\$ 4.71
Leadership	Arts & Heritage	Aquatic Facilities	Libraries	Property	Parks & Reserves	Water	Drainage	Solid Waste	Roading	Other

If you live on a lifestyle block (CV \$760k), on average you will pay...

\$37.33 per week

\$ 2.43	\$ 1.78	\$ 2.58	\$ 1.97	\$ 1.97	\$ 6.38	\$ -	\$ -	\$ 0.89	\$ 12.65	\$ 6.68
Leadership	Arts & Heritage	Aquatic Facilities	Libraries	Property	Parks & Reserves	Water	Drainage	Solid Waste	Roading	Other

If you live on a farm (CV \$3m), on average you will pay...

\$91.14 per week

\$ 2.43	\$ 1.78	\$ 5.64	\$ 4.30	\$ 1.97	\$ 6.38	\$ -	\$ -	\$ 0.89	\$ 50.35	\$ 17.40
Leadership	Arts & Heritage	Aquatic Facilities	Libraries	Property	Parks & Reserves	Water	Drainage	Solid Waste	Roading	Other

NB: These figures are indicative and will vary depending on a property's capital value

Money Matters

The Council spends all of its rating income on keeping the District running, funding such essential services as roads, water, footpaths, wastewater, and parks and recreation. Your rates also contribute to making the Gore District a great place to live with financial assistance to various groups and events.



Total Expenditure

DISTRICT ASSETS – \$16,709,000 (79.17% of total expenditure)

- Roading – 894km of roads (341.2km sealed, 552.8km unsealed); 116 bridges, 96km footpaths, 1491 streetlights, 2594 culverts and 3577 signs.
- Water – 3 urban supply sources (Jacobstown, Coopers wells and Pleura Dam); 1 rural supply scheme (Otama); 330.6km of pipelines; 4,608 domestic connections, 248 rural connections.
- Wastewater – 88.5km of pipeline, 3 wastewater schemes; 854 manholes.
- Stormwater – 5 stormwater drainage areas (Gore, Mataura, Waikaka, Pukerau and Mandeville); 52.8km of pipeline.
- Solid waste – 1 transfer station; 4 closed landfill sites; kerbside recycling and rubbish collection service
- Civil Defence/Emergency Management
- Parks and reserves – 8 sportsfields, 26 playgrounds, numerous public gardens
- Gore Multisports Complex – including MLT Event Centre
- Aquatic services – two public swimming pools (Gore Multisports Aquatic Centre and Mataura Centennial Pool)
- 4 cemeteries – Gore, Charlton Park, Mataura and Pukerau
- 15 blocks of public toilets
- Community and civic buildings – 10 community/office buildings, 11 reserve/cemetery buildings, 20 wastewater/water/stormwater pumping buildings, parks and reserves/essential services depot at Miro Street.

COMMUNITY SERVICES – \$3,453,000 (16.35%)

- Libraries – Gore and Mataura
- Arts & Heritage – Eastern Southland Gallery, Hokonui Heritage Centre and various heritage organisations in the District
- Destination Gore Visitor Centre
- Grants
- Resource and Building consents
- Regulatory – animal control, noise control, liquor licensing and inspections, parking control
- District Plan

LEADERSHIP – \$948,000 (4.48%)

- Elected Representatives
- Election Expenses
- Council support



Did you know you can get a rebate on your rates? The Council provides the rebate scheme, which is for low income homeowners, on behalf of the Department of Internal Affairs. For more information go to <http://www.goredc.govt.nz/node/403>

What we are planning

The Council has kept a tight rein on capital expenditure for the coming year. However, we must look after what we have and, in some cases, expand on it. The infrastructure for many services, such as our stormwater and wastewater, was put in when Gore was a much different town than it is now. As a result the Council is faced with upgrading and future proofing these assets.

3 WATERS

Keeping things flowing – whether it’s the water we drink (potable water), the water we need to get rid of (wastewater), or the water that flows down the gutter after a downpour (stormwater) – is an essential part of what the Council does.

Urban Water Supply

Ensuring everyone has access to sufficient water is a priority for the Council and we have developed a water strategy to look at options so we can meet supply obligations in the future. While the strategy is still in draft form, some of the steps laid out are being undertaken already, such as tracking down leakage and waste in our water network.

We have set aside \$25,000 to implement water strategy projects and will be looking at talking with residents in the coming months about what options we face and your expectations, in terms of quality of service and cost.

Wastewater upgrade

Among the significant capital works projects earmarked next year is a major upgrade in capacity for what is known as the Ajax Pump Station, located in south Gore.

This station, which takes wastewater from a large area of West Gore, urgently needs upgraded because it is struggling to cope with existing demand and pressures during heavy rainfall.

In order to handle any future residential and industrial developments in the greater West Gore area, we have increased the capital funding flagged in the LTP by \$350,000 to ensure the upgrade gets done soon. We are budgeting on spending \$591,242 in the 2013/14 year, of which the additional \$350,000 will be funded by loan.

Other work planned

- Install treatment systems to improve stormwater quality in Gore’s southern industrial area \$45,000
- Install telemetry at critical pump station \$10,000





Gore Multisports Aquatic Centre

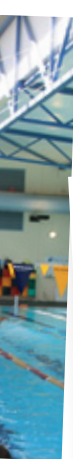
It has been 11 years since the aquatic centre, a source of so much pride in the community, opened and in that time about one million people have been through the doors. It's not surprising then that the centre is in line for some much needed maintenance.

To enable us to undertake various maintenance projects, the pool's first major shutdown is scheduled to take place in May 2014. The programme includes repairing tiles in the pool tanks, acoustic panels and non-slip flooring, and work on mechanical plant. The shutdown, which will affect the ice skating rink as well, will take a few weeks and because of its complicated nature the Council has charged Signal Management, the company that managed construction of the pool, with overseeing it.

The Council has allowed an additional \$36,000 to the maintenance budget and added \$160,725 to the LTP estimate for capital works. Total capital expenditure is \$324,091 of which \$263,725 will be funded by loan.

On the other side of the coin, the Council anticipates a \$20,000 increase in revenue from the aquatic centre after a review of fees and charges, in May this year, resulted in admission and swim school fees going up.

The Council has also reinstated a \$25,000 annual loan repayment as we believe it is important to keep paying off debt given the ageing nature of the complex.



Roading

A significant reduction in the subsidy we receive from the New Zealand Transport Agency (NZTA) for our roading programme, compared to what we requested, will have a marked impact on some roading activities in 2013/14 and the following year. Some of you may notice a variation to the activities we flagged in our LTP, which is due to the NZTA not confirming its subsidy levels until after the LTP was finalised.

The largest funding reduction was to resealing work. This prompted a comprehensive reassessment of the reseal programme and as a consequence we have decided to defer the reseal date of some sites, effectively increasing the expected life of the seal. While this increases the risk of premature failure, the risk level remains low and we are confident that there will be no discernible change in the level of service.

To further reduce risk, the Council is putting \$40,000 into a reserve fund to assist with any unforeseen resealing in the future.

Our roading works programme includes

- Resealing: Urban – \$225,334 for 3.3km, Rural – \$656,550 for 18.3km.
- Footpath maintenance: \$311,053
- Gravel road maintenance: Urban – \$6,228, Rural – \$249,414.
- Drainage improvements: Urban – \$192,030, Rural – \$95,000.



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Gore
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