

Section Three – Funding Impact Statement

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Summary of Changes to the Rating Method

The rating method for 2009/10 incorporates the following changes. When considering the rating method, the Council takes into consideration the funding principles listed on page 213:

- Fire Protection Rate - the discount to residential institutions on the Fire Protection rate reduces from 55% to 40% for the 2009/10 year.
- Allanton Drainage Rate – a new targeted rate from the 2010/11 year, for existing residential properties in Allanton, who have chosen to repay the 20% share of capital costs over 20 years.

As a result of the work done by the Rates and Funding Working Party, the following change will occur for the 2009/10 year, but will be reviewed again prior to the release of the 2010/11 draft Annual Plan. In addition, new differential categories will be considered, and a new targeted rate will be considered further.

- General Rate Differential – the Council consulted on a proposal to reduce the general rate differential for non-residential properties over a period of 10 years. The proposal remedies an imbalance in the distribution of the rating burden on non-residential properties which is attributed to changes in property valuations over time. Non-residential valuations have increased disproportionately and the Council wishes to acknowledge this and at the same time send a positive signal of support to the commercial sector in difficult economic times. Table 3.1 shows the proportion of general rates paid by each property category in the 2008/09 year compared to the proportion each category will pay at the end of the 10 year phase-in.

Table 3.1: General Rates Proportion by Category

Property Category	Proportion paid in 2008/09	Proportion paid in 2018/19
Residential	54.4%	58.9%
Non-residential	39.8%	34.8%
Farmland	5.8%	6.3%

The Council has confirmed the change to the general rate differential for this plan but prior to the release of the draft 2010/11 Annual Plan, the working party will review the proposal again and consult with appropriate sector interests.

The working party is also to consider new differential categories for small holdings and properties providing mixed residential and commercial accommodation.

- Economic Development Targeted Rate - During the next six months the Rates and Funding Working Party will continue to consider the concept of an economic development targeted rate. Beneficiaries of the Council's Economic Development activity will be examined to determine an equitable means of funding this expenditure via a targeted rate.

Funding Impact Statement

For the Years Ending 30 June 2010 to 30 June 2019

	2008/09 Forecast Budget \$'000	2009/10 Budget \$'000	2010/11 Budget \$'000	2011/12 Budget \$'000	2012/13 Budget \$'000	2013/14 Budget \$'000	2014/15 Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000
Revenue and Financing Mechanisms											
General Rate	42,760	45,587	51,259	57,562	59,644	62,682	66,329	68,865	70,917	72,780	74,599
Targeted Rates:											
Community Services Rate	9,073	9,560	9,885	10,247	10,506	10,740	11,027	11,356	11,638	11,914	12,181
Kerbside Recycling Rate	1,424	1,441	1,495	1,535	1,561	1,597	1,633	1,672	1,713	1,754	1,797
Citywide Water Rates	17,772	19,529	20,297	21,230	22,413	23,768	25,158	25,977	26,639	27,598	28,301
Citywide Drainage Rates	20,315	21,662	23,321	26,890	31,831	31,888	33,944	34,695	34,873	35,225	34,814
Rocklands/Pukerangi Water Scheme Rate	36	39	41	44	45	46	49	51	50	52	54
Allanton Drainage Rate			21	21	21	21	21	21	21	21	21
Private Street Lighting Rate	17	19	19	20	21	21	22	22	23	23	24
Revenue (Note 1)	65,741	96,867	100,216	100,539	89,959	92,279	92,169	93,836	95,539	97,221	99,035
Development Contributions	785	463	1,878	1,509	628	1,536	1,116	930	953	1,279	2,042
DCHL Dividend	15,442	12,762	12,862	12,862	7,862	7,862	7,862	7,862	7,862	7,862	7,862
NZTA Income	16,893	22,989	25,720	18,155	19,090	21,317	19,297	19,898	20,385	19,625	24,647
Loans Raised	41,328	97,928	126,911	49,361	7,124	18,412	7,779	4,123	4,220	891	1,457
Sale of Assets	22,444	6,547	4,331	233,507	60	61	63	64	66	67	69
Cash		1,885									
Reduction in Loans and Advances	546	2,413	365	345	331	72	72	73	72	72	54
Reduction in Investments	268			56					4		28
	254,844	339,691	378,621	533,883	251,096	272,302	266,541	269,445	274,975	276,384	286,985
Use of Funds											
Operating Expenditure	137,592	141,837	145,342	157,058	175,126	180,083	183,307	186,269	189,848	194,054	196,721
Capital Expenditure	107,574	190,781	223,326	120,266	55,827	69,383	57,550	56,700	57,724	54,387	64,756
Debt Servicing	6,657	6,755	8,500	128,290	16,624	17,545	17,467	18,580	19,154	18,182	18,594
Increase in Investments	296	318	305	259	280	309	247	298	230	246	197
Increase in Cash	2,725		1,148	3,395	3,239	4,982	7,970	7,598	8,019	9,515	6,717
Shareholders Advance				124,615							
	254,844	339,691	378,621	533,883	251,096	272,302	266,541	269,445	274,975	276,384	286,985

Note 1: Revenue includes fees and charges, subsidies, capital revenue, interest and dividends. Revenue also includes water rates as metered on properties.

Rating Method

Rating Policy

This rating policy should be read in conjunction with the Revenue and Financing Policy on page 217 and the funding principles on page 213.

Figures in this policy are GST inclusive.

The following rates will be set by the Council for the financial year commencing 1 July 2009 and ending 30 June 2010.

General Rate

A general rate based on the capital value of each rating unit in the district.

The general rate will be set on a differential basis based on land use (the categories are "residential", "non-residential" and "farmland").

The rates (in cents per dollar of capital value) for the 2009/10 year are:

Table 3.2: General Rates

Categories	Rates, Cents in \$ per Capital Value	Factor	Revenue Sought \$	General Rate Share
Residential	0.2058	1.00	\$28,155,000	54.9%
Non-residential	0.6236	3.03	\$20,155,000	39.3%
Farmland	0.1855	0.90	\$2,975,000	5.8%

The objective of the differential rate is to provide a mechanism to charge general rates to the three differential categories in a way that best achieves the 11 funding principles listed on page 213.

The Council will not be using a Uniform Annual General Charge.

Targeted Rates

Community Services

A targeted rate for Community Services of \$199.00. This rate will be set on a differential basis based on land use (the categories are "residential and farmland" and "non-residential"). The rate will be charged on the following basis:

Table 3.3: Targeted Rate – Community Services

Categories	Rate/Liability Calculated	Revenue Sought
Residential and Farmland	\$199.00 per separately used or inhabited part of a rating unit	\$10,167,000
Non-residential	\$199.00 per rating unit	\$588,000

The community services targeted rate will be used to fund part of the Parks and Reserves activity, the Botanic Garden and the Resource Recovery and Waste Management Strategy.

Kerbside Recycling Collection

A targeted rate for kerbside recycling per separately used or inhabited part of a rating unit, for all rating units that receive a kerbside recycling collection service. This rate shall not apply to vacant sections. The rate for the 2009/10 year is:

Table 3.4: Targeted Rate – Kerbside Recycling Collection

Liability Calculated	Rate	Revenue Sought
Per separately used or inhabited part of a rating unit	\$34.90	\$1,620,000

Drainage

A targeted rate for drainage. This rate will be set on a differential basis based on the provision of service (with the categories being "connected" and "serviceable") and on land use (with the categories being "residential and farmland", "non-residential, residential institutions and schools", and "churches"). The rate will be charged on the following basis:

Table 3.5: Targeted Rate – Drainage Categories

Categories	Liability Calculated	Revenue Sought
Residential and Farmland	Per separately used or inhabited part of a rating unit	\$15,826,000
Non-Residential, Residential Institutions and Schools	Per rating unit	\$1,050,000

Categories	Liability Calculated	Revenue Sought
Churches	Per rating unit	\$13,000

The rates for the 2009/10 year are:

Table 3.6: Targeted Rate – Drainage Rates

Residential and Farmland	Rates
Connected	\$351.00
Serviceable	\$175.50
Non-Residential, Residential Institutions and Schools	Rates
Connected	\$351.00
Serviceable	\$175.50
Churches	Rates
Connected	\$100.00

Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

Non-residential Drainage—Capital Value

In addition, a capital value based targeted rate for drainage on a differential basis based on land use (the categories are "non-residential", "residential institutions" and "schools") and the provision of services (the categories being "connected" and "serviceable"). This rate shall not apply to properties in Karitane, Middlemarch, Seacliff, Waikouaiti and Warrington.

This rate shall not apply to churches.

The rates for the 2009/10 year are:

Table 3.7: Targeted Rate – Non-Residential Drainage Rates

Categories	Rates, Cents in \$ per Capital Value		Revenue Sought	
	Connected	Serviceable	Connected	Serviceable
Non-Residential	0.1898	0.0949	\$6,348,000	\$89,000
Residential Institutions	0.1898	N/A	\$634,000	N/A
Schools	0.1424	0.0712	\$407,000	\$3,000

Water

A targeted rate for water supply per separately used or inhabited part of a rating unit on all property either connected or for which connection is available to receive an ordinary supply of water within the meaning of the Dunedin City bylaws, excepting properties in Karitane, Merton, Rocklands/Pukerangi, Seacliff, Waitati, Warrington, East Taieri, West Taieri and North Taieri. This rate will be set on a differential basis based on the availability of service (the categories are "connected" and "serviceable").

Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

The rates for the 2009/10 year are:

Table 3.8: Targeted Rate – Water (Ordinary)

Categories	Rate/Liability Calculated	Revenue Sought
Connected	\$383.00 per separately used or inhabited part of a rating unit	\$17,034,000
Serviceable	\$191.50 per separately used or inhabited part of a rating unit	\$193,000

A targeted rate for water supply that is based on the volume of water made available to all separately used or inhabited parts of a rating unit in Karitane, Merton, Seacliff, Waitati, Warrington, East Taieri, West Taieri and North Taieri. This rate will be set on a differential basis based on the availability of service (the categories are "connected" and "serviceable").

The rates for the 2009/10 year are:

Table 3.9: Targeted Rate – Water (Volume of Water)

Categories	Rate/Liability Calculated	Revenue Sought
Connected	\$383.00 per unit of water being one cubic metre (viz 1,000 litres) per day supplied at a constant rate of flow during a full 24 hour period	\$882,000
Serviceable	\$191.50 per separately used or inhabited part of a rating unit (Note this rate shall not apply to the availability of water in Merton, Karitane or Seacliff)	\$9,000

Fire Protection

A targeted rate for rating units that receive a water supply for the provision of a fire protection service. The rate will be set on a differential basis based on land use on certain categories of property ("non-residential" and "residential institutions").

This rate will be based on capital value. This rate shall not apply to churches.

The rates for the 2009/10 year are:

Table 3.10: Targeted Rate – Fire Protection Capital Value

Categories	Rates, Cents in \$ per Capital Value	Revenue Sought
Non-Residential	0.0973	\$3,650,000
Residential Institutions	0.0584	\$194,000

From 1 July 2006 the Council changed the way the Fire Protection water rate was charged to residential institutions. Residential institutions are to pay the same rate as non-residential properties for this service, with an eventual discount of 25%. The Council phased in the increase to residential institutions over five years by providing the following discount:

2006/07 year	85% discount
2007/08 year	70% discount
2009/10 year	55% discount
2009/10 year	40% discount
and from the 2010/11 year	25% discount

A targeted rate for water supply for the provision of a fire protection service for each separately used or inhabited part of a rating unit within the "residential and farmland" categories that are not receiving an ordinary supply of water within the meaning of the Dunedin City bylaws.

The rate for the 2009/10 year is:

Table 3.11: Targeted Rate – Fire Protection

	Rate/Liability Calculated	Revenue Sought
Fire Protection Water Rate	\$114.90 per separately used or inhabited part of a rating unit	\$9,000

Water—Quantity of Water

A targeted rate for the quantity of water provided to any rating unit fitted with a water meter, being an extraordinary supply of water within the meaning of the Dunedin City bylaws, according to the following scale of charges:

Table: 3.12: Targeted Rate – Quantity of Water

	Annual Meter Rental Charge
20mm nominal diameter	\$152.00
25mm nominal diameter	\$165.00
30mm nominal diameter	\$179.00
40mm nominal diameter	\$203.00
50mm nominal diameter	\$431.00
80mm nominal diameter	\$694.00
100mm nominal diameter	\$708.00
150mm nominal diameter	\$930.00
300mm nominal diameter	\$1,128.00

	Water Charge
Merton, Rocklands, Hindon and individual farm supplied Bulk Water	7.70 cents per cubic metre
All other treated water per cubic metre	118.00 cents per cubic metre

Rocklands/Pukerangi Rural Water Scheme

A targeted rate for water supply that is based on the volume of water made available to all rating units in the Rocklands/Pukerangi Water Scheme Area. The rate is \$190.00 for each unit of water being one cubic metre (viz 1,000 litres) per day supplied at a constant rate of flow during a full 24-hour period.

Private Street Lighting

A targeted rate for street lighting in the private streets to which the Council supplies a private street lighting service. The targeted rate will be set on a differential basis based on land use (the categories are "residential" and "non-residential"). The private street addresses are as follows:

1-10	Achilles Avenue	9	Hampton Grove	15	Campbell Lane
7	Angle Avenue	10	Hampton Grove	3	Stanley Square
9	Angle Avenue	11	Hampton Grove	2	Stanley Square
11	Angle Avenue	12	Hampton Grove	1	Stanley Square
20	Angle Avenue	14	Hampton Grove	13	Stanley Square
22	Angle Avenue	15	Hampton Grove	14	Stanley Square
24	Angle Avenue	16	Hampton Grove	15	Stanley Square
43	Arawa Street	19	Devon Place	6	Stanley Square
47	Arawa Street	11	Balmoral Avenue	5	Stanley Square
62	Balmacewen Road	10	Balmoral Avenue	4	Stanley Square
60A	Balmacewen Road	7	Thomas Square	1	Eton Drive
60B	Balmacewen Road	3	Campbell Lane	2	Eton Drive
64	Balmacewen Road	1	Campbell Lane	3	Eton Drive
1	Beaufort Street	6	Campbell Lane	7	Stanley Square
2	Meldrum Street	5	Campbell Lane	8	Stanley Square
10	Meldrum Street	4	Campbell Lane	14	Campbell Lane
390	Pine Hill Road	7	Campbell Lane	9	Stanley Square
3	Beaufort Street	2	Campbell Lane	10	Stanley Square
119	Belford Street	8	Campbell Lane	11	Stanley Square
14	Bell Crescent	9	Campbell Lane	12	Stanley Square
12	Bell Crescent	10	Campbell Lane	1	Wenlock Square
26	Bell Crescent	11	Campbell Lane	2	Wenlock Square
24	Bell Crescent	12	Campbell Lane	3	Wenlock Square
10	Bishop Verdon Close	13	Campbell Lane	7	Wenlock Square
				9	Wenlock Square
				12	Wenlock Square
				11	Wenlock Square
				6	Wenlock Square
				4	Wenlock Square
				8	Wenlock Square
7	Bishop Verdon Close				
9	Bishop Verdon Close				
11	Bishop Verdon Close				
12	Bishop Verdon Close				
8a	Bonnington Street				
8	Bonnington Street				
10	Bonnington Street				
41	Norwood Street				
20	Brighton Road				
20A	Brighton Road				
20B	Brighton Road				
20C	Brighton Road				
20D	Brighton Road				
20E	Brighton Road				
20F	Brighton Road				
20G	Brighton Road				
20H	Brighton Road				
20J	Brighton Road				
20K	Brighton Road				
34	Burgess Street				
36	Burgess Street				
38	Burgess Street				
40	Burgess Street				
42	Burgess Street				
44	Burgess Street				
46	Burgess Street				
48	Burgess Street				
50	Burgess Street				
183	Burt Street				
181	Burt Street				

185	Burt Street	10	Wenlock Square	13	Corstorphine Road	11	Devon Place
82	Caldwell Street	5	Wenlock Square	15	Corstorphine Road	15	Devon Place
80	Caldwell Street	15	Wenlock Square	21	Corstorphine Road	17	Eton Drive
64	Caldwell Street	14	Wenlock Square	23	Corstorphine Road	14	Devon Place
30	Cardigan Street, North East Valley	4	Eton Drive	25	Corstorphine Road	8	Balmoral Avenue
32	Cardigan Street, North East Valley	5	Eton Drive	11	Corstorphine Road	7	Balmoral Avenue
34	Cardigan Street, North East Valley	6	Eton Drive	11A	Corstorphine Road	1	Thomas Square
36	Cardigan Street, North East Valley	9	Eton Drive	11	Craighall Crescent	2	Thomas Square
28	Centennial Avenue, Fairfield	8	Eton Drive	15	Craighall Crescent	3	Thomas Square
26	Centennial Avenue, Fairfield	7	Eton Drive	22	Davies Street	6	Thomas Square
24	Centennial Avenue, Fairfield	19	Eton Drive	21	Davies Street	5	Thomas Square
22	Centennial Avenue, Fairfield	21	Wenlock Square	149	Doon Street	4	Thomas Square
150A	Chapman Street	19	Wenlock Square	139	Doon Street	3	Devon Place
150	Chapman Street	10	Eton Drive	139a	Doon Street	2	Devon Place
152	Chapman Street	11	Eton Drive	139b	Doon Street	1	Devon Place
12	Clearwater Street	12	Eton Drive	141	Doon Street	8	Thomas Square
14	Clearwater Street	15	Eton Drive	143	Doon Street	9	Thomas Square
16	Clearwater Street	14	Eton Drive	145	Doon Street	16	Balmoral Avenue
18	Clearwater Street	13	Eton Drive	151	Doon Street	32	Haywood Street
20	Clearwater Street	16	Eton Drive	7	Dorset Street	70	Hazel Avenue
22	Clearwater Street	20	Wenlock Square	5	Dorset Street	70a	Hazel Avenue
24	Clearwater Street	18	Wenlock Square	10	Dorset Street	72	Hazel Avenue
26	Clearwater Street	20	Eton Drive	11	Dorset Street	215a	Helensburgh Road
28	Clearwater Street	18	Eton Drive	12	Dorset Street	217a	Helensburgh Road
30	Clearwater Street	10	Devon Place	14	Dorset Street	217b	Helensburgh Road
32	Clearwater Street	13	Devon Place	16	Dorset Street	219	Helensburgh Road
34	Clearwater Street	12	Devon Place	18	Dorset Street	219a	Helensburgh Road
36	Clearwater Street	17	Wenlock Square	20	Dorset Street	219b	Helensburgh Road
22	Cole Street	7	Devon Place	21	Dorset Street	221	Helensburgh Road
17	Corstorphine Road	9	Devon Place	23	Warwick Street	223	Helensburgh Road

16	Warwick Street	295	Highcliff Road	20 - 31	Eastbourne Street	25	London Street
18	Warwick Street	297	Highcliff Road	21 - 31	Eastbourne Street	23a	London Street
41	Duckworth Street	313	Highcliff Road	22 - 31	Eastbourne Street	8	Lynwood Avenue
35	Duckworth Street	315a	Highcliff Road	23 - 31	Eastbourne Street	10	Lynwood Avenue
37	Duckworth Street	315b	Highcliff Road	24 - 31	Eastbourne Street	12	Lynwood Avenue
39	Duckworth Street	317	Highcliff Road	25 - 31	Eastbourne Street	12a	Lynwood Avenue
39a	Duckworth Street	327	Highcliff Road	26 - 31	Eastbourne Street	12b	Lynwood Avenue
49	Duckworth Street	329	Highcliff Road	27 - 31	Eastbourne Street	12c	Lynwood Avenue
47	Duckworth Street	331	Highcliff Road	28 - 31	Eastbourne Street	14	Lynwood Avenue
53	Duckworth Street	333	Highcliff Road	29 - 31	Eastbourne Street	15	Malvern Street
	Dunedin Airport	335	Highcliff Road	30 - 31	Eastbourne Street	11	Malvern Street
1 - 31	Eastbourne Street	337	Highcliff Road	31 - 31	Eastbourne Street	17a	Malvern Street
2 - 31	Eastbourne Street	339	Highcliff Road	32 - 31	Eastbourne Street	44	Marne Street
3 - 31	Eastbourne Street	347	Highcliff Road	33 - 31	Eastbourne Street	30	Marne Street
4 - 31	Eastbourne Street	351	Highcliff Road	34 - 31	Eastbourne Street	32	Marne Street
5 - 31	Eastbourne Street	20	Highgate	35 - 31	Eastbourne Street	42	Marne Street
6 - 31	Eastbourne Street	18	Highgate	36 - 31	Eastbourne Street	46	Marne Street
7 - 31	Eastbourne Street	16	Highgate	37 - 31	Eastbourne Street	48	Marne Street
8 - 31	Eastbourne Street	34	Highgate	38 - 31	Eastbourne Street	50	Marne Street
9 - 31	Eastbourne Street	34a	Highgate	39 - 31	Eastbourne Street	33	Melville Street
10 - 31	Eastbourne Street	216	Highgate	40 - 31	Eastbourne Street	24	Middleton Road
11 - 31	Eastbourne Street	218	Highgate	41 - 31	Eastbourne Street	14	Middleton Road
12 - 31	Eastbourne Street	20	Kinvig Street	42 - 31	Eastbourne Street	16	Middleton Road
13 - 31	Eastbourne Street	22	Kinvig Street	43 - 31	Eastbourne Street	18	Middleton Road
14 - 31	Eastbourne Street	4	Koremata Street	46 - 31	Eastbourne Street	20	Middleton Road
15 - 31	Eastbourne Street	2	Koremata Street	47 - 31	Eastbourne Street	22	Middleton Road
16 - 31	Eastbourne Street	12	Koremata Street	50 - 31	Eastbourne Street	26	Middleton Road
17 - 31	Eastbourne Street	3	Lawson Street	51 - 31	Eastbourne Street	28	Middleton Road
18 - 31	Eastbourne Street	5	Leven Street	45	Eglington Road	30	Middleton Road
19 - 31	Eastbourne Street	21-67	Lock Street	204	Elgin Road	37	Middleton Road

202	Elgin Road	37a	Middleton Road	150C	Gladstone Road North	89a	Riselaw Road
206	Elgin Road	39	Middleton Road	150D	Gladstone Road North	91	Riselaw Road
208	Elgin Road	43	Middleton Road	150E	Gladstone Road North	93	Riselaw Road
3	Everton Road	47a	Middleton Road	152B	Gladstone Road North	93a	Riselaw Road
2	Everton Road	23	Montague Street	152C	Gladstone Road North	21	Rosebery Street
4	Everton Road	19	Montague Street	152D	Gladstone Road North	16	Selkirk Street
76	Every Street	21	Montague Street	152E	Gladstone Road North	14	Sheen Street
64	Every Street	415	Moray Place	154A	Gladstone Road North	1-27	St Albans Street
66	Every Street	72	Newington Avenue	228	Gladstone Road North	2-27	St Albans Street
68	Every Street	49	Nottingham Crescent	214	Gladstone Road North	3.27	St Albans Street
70	Every Street	39	Pacific Street	216	Gladstone Road North	4-27	St Albans Street
53	Forfar Street	274	Pine Hill Road	218	Gladstone Road North	5-27	St Albans Street
53a	Forfar Street	264	Pine Hill Road	220	Gladstone Road North	6-27	St Albans Street
51	Forfar Street	264a	Pine Hill Road	222	Gladstone Road North	7-27	St Albans Street
49	Forfar Street	266A	Pine Hill Road	224	Gladstone Road North	8-27	St Albans Street
47a	Forfar Street	266B	Pine Hill Road	226	Gladstone Road North	9-27	St Albans Street
47	Forfar Street	268A	Pine Hill Road	230	Gladstone Road North	10-27	St Albans Street
45	Forfar Street	268B	Pine Hill Road	232	Gladstone Road North	11-27	St Albans Street
6 - 80	Formby Street	270	Pine Hill Road	234	Gladstone Road North	12-27	St Albans Street
1 - 80	Formby Street	272	Pine Hill Road	60	Glenross Street	13-27	St Albans Street
7 - 80	Formby Street	278A	Pine Hill Road	48	Glenross Street	365	Stuart Street
8 - 80	Formby Street	278B	Pine Hill Road	50	Glenross Street	367	Stuart Street
14 - 80	Formby Street	411	Pine Hill Road	54	Glenross Street	367a	Stuart Street
15 - 80	Formby Street	409	Pine Hill Road	56	Glenross Street	19	Sunshine Lane
16 - 80	Formby Street	19A	Queen Street	58	Glenross Street	21	Sunshine Lane
17 - 80	Formby Street	19	Queen Street	110	Glenross Street	23	Sunshine Lane
18 - 80	Formby Street	558	George Street	114	Glenross Street	25	Sunshine Lane
19 - 80	Formby Street	91a	Riselaw Road	116	Glenross Street	27	Sunshine Lane
150A	Gladstone Road North	87	Riselaw Road	34	Grandview Crescent	45	Rewa Street
150B	Gladstone Road North	89	Riselaw Road	17	Balmoral Avenue	2	Taupo Street

9	Balmoral Avenue	223	Ravensbourne Road
20	Devon Place	225	Ravensbourne Road
12	Balmoral Avenue	227	Ravensbourne Road
18	Devon Place	1	Taupo Lane
17	Devon Place	146	Victoria Road
16	Devon Place	44	Waimea Avenue
6	Devon Place	46	Waimea Avenue
5	Devon Place	48	Waimea Avenue
4	Devon Place	50	Waimea Avenue
1	Balmoral Avenue	58/60	Waimea Avenue
2	Balmoral Avenue	62/64	Waimea Avenue
3	Balmoral Avenue	3	Wanaka Street
6	Balmoral Avenue	33	Wickliffe Street
5	Balmoral Avenue	25	Woodside Terrace
4	Balmoral Avenue	20	Woodside Terrace
1	Hampton Grove	22	Woodside Terrace
2	Hampton Grove	23	Woodside Terrace
3	Hampton Grove	24	Woodside Terrace
4	Hampton Grove	25a	Woodside Terrace
5	Hampton Grove	26	Woodside Terrace
6	Hampton Grove	27	Woodside Terrace
7	Hampton Grove	29	Woodside Terrace
8	Hampton Grove	19	Woodside Terrace

The rate for the 2009/10 year will be charged on the following basis:

Table 3.13: Targeted Rate – Private Street Lighting

Categories	Liability Calculated	Rate	Revenue Sought
Residential	For each separately used or inhabited part of a rating unit in a private street the sum calculated on the formula of \$124.00 per street light in a private street divided by the number of separately used or inhabited parts of a rating unit in the private street.	\$124.00 for each street light	\$15,600
Non-residential	For each rating unit in a private street the sum calculated on the formula of \$124.00 per street light in a private street divided by the number of rating units in the private street.	\$124.00 for each street light	\$5,400

Differential Matters and Categories

Where councils assess rates on a differential basis the definition of differential categories is limited to the list of matters specified in Schedule 2 of the Local Government (Rating) Act 2002. The Council is required to state which matters will be used for definition of the categories and the category or categories of any differentials.

The differential categories are determined in accordance with the Council's land use codes and the provision or availability of services.

1 Differentials Based on Land Use

The Council uses this matter to:

- Differentiate the general rate
- Differentiate the Community Services Rate
- Differentiate the Private Street Lighting Rate.

The differential categories based on land use are:

- Residential – includes all rating units used for residential purposes including single residential, multi unit residential, residential special accommodation, residential commercial residence dependent on other, residential bach/cribs, non-residential properties in Strath-Taieri and all rural residential properties

- Non-residential – includes all rating units with land uses not otherwise categorised as Residential or Farmland
- Farmland – includes all rating units used solely or principally for agricultural or horticultural or pastoral purposes.

2 Differentials Based on Land Use and Provision or Availability of Service

The Council uses these matters to differentiate the drainage rate and non-residential drainage rate.

The differential categories based on land use are:

- Residential – includes all rating units used for residential purposes including single residential, multi unit residential, residential special accommodation, residential commercial residence dependent on other, residential bach/cribs and all rural residential properties
- Farmland – includes all rating units used solely or principally for agricultural or horticultural or pastoral purposes
- Non-residential – includes all rating units with land uses not otherwise categorised as Residential, Farmland, Residential Institutions, Churches or Schools
- Residential Institutions – includes only rating units with Council's land use codes 95 and 96
- Churches – includes all rating units used solely or principally as places of religious worship
- Schools – includes only rating units used for schools that do not operate for profit.

The differential categories based on provision or availability of service are:

- Connected – any rating unit that is connected to a public sewerage drain
- Serviceable – any rating unit that is not connected to a public sewerage drain but is capable of being connected to the sewerage system (being a property situated within 30 metres of a public drain).

3 Differentials Based on Provision or Availability of Service

The Council uses these matters to differentiate the water rates.

The differential categories based on provision or availability of service are:

- Connected – any rating unit that is supplied by the water supply system
- Serviceable – any rating unit that is not supplied but is capable of being supplied by the water supply system (being a rating unit situated within 100 metres of the nearest water supply).

Minimum Rates

Where the total amount of rates payable in respect of any rating unit is less than \$5.00, the rates payable in respect of the rating unit shall be such amount as the Council determines, but not exceeding \$5.00.

Low Value Rating Units

Rating units with a capital value of \$3,500 or less will only be charged the general rate.

Separately Used or Inhabited Part of a Rating Unit

For each category of rateable land includes, in addition to any portion occupied by the ratepayer, any portion of a separately rateable property used or inhabited by any person, other than the ratepayer, having a right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.

Lump Sum Contributions

No lump sum contributions will be sought for any targeted rate.

Rating by Instalments

All rates to be collected by the Council will be payable by four instalments according to the following schedule.

The City is divided into four areas based on Valuation Roll Numbers, as set out below:

Table 3.14: Rating Areas

Area 1	Area 2	Area 3	Area 3 continued
Valuation Roll Numbers:			
26700	26990	26500	27550
26710	27000	26520	27560

Area 1	Area 2	Area 3	Area 3 continued
Valuation Roll Numbers:			
26760	27050	26530	27600
26770	27060	26541	27610
26850	27070	26550	27760
26860	27080	26580	27770
26950	27150	26590	27780
26960	27350	26620	27790
26970	27360	26640	27811
26980	27370	26651	27821
27160	27380	26750	27822
27170	27500	26780	27823
27180	27510	27250	27831
27190	27520	27260	27841
27200	27851	27270	27871
	27861	27280	27911
	27880	27450	27921
	27890	27460	27931
	27901	27470	27941
	28000		
	28010		
	28020		

Area 4 comprises ratepayers with multiple assessments who pay on a schedule.

Due Dates for Payment of Rates

All rates, with the exception of water rates which are charged based on water meter consumption, will be payable in four instalments due on the dates below:

Table 3.15: Rate Instalment Due Dates by Area

	Area 1	Areas 2 and 4	Area 3
Instalment 1	28/08/09	11/09/09	18/09/09
Instalment 2	13/11/09	27/11/09	11/12/09

Instalment 3	05/02/10	19/02/10	05/03/10
Instalment 4	21/05/10	28/05/10	11/06/10

Water meter invoices are sent separately from other rates at intervals depending on the quantity of water consumed.

Sample Rate Accounts

	Capital Value	2008/09 Rates \$	2009/10 Rates \$	Increase \$	Increase %
Residential					
Sample rates include all services eg Water, Drainage and Kerbside Recycling					
Mode	225,000	1,341	1,431	90	6.7%
Median Value	250,000	1,390	1,482	93	6.7%
Average	291,000	1,469	1,567	97	6.6%
Non-residential					
Sample rates include all services eg Drainage and Fire Protection					
Median Value	325,000	3,342	3,510	168	5.0%
Average	968,000	8,925	9,366	441	4.9%
Farmland					
Sample rates include no services (ie charged general and community services rates only)					
Median Value	470,000	1,011	1,071	60	5.9%
Average	710,000	1,431	1,516	85	6.0%

Definitions

Mode this is the most frequently occurring capital value.

Median this capital value is the one in the middle of the list of individual capital values. Half of the values are above this amount, and half below.

Average this is the capital value calculated if the whole value in each category was divided by the number of properties in each category.

Mix of Funding Mechanisms by Group Activity

The following funding mechanisms are applied to the Council's group activities. All mechanisms that have been used are in accordance with the Revenue and Financing Policy.

Note 1: Revenue includes fees and charges, subsidies, capital revenue, interest and dividends (other than Dunedin City Holdings Limited dividends). Revenue also includes water rates based on quantity of water.

	General Rate	Community Services Rate	Kerbside Recycling Rate	City-wide Water Rates	City-wide Drainage Rates	Rocklands/Pukerangi Water Scheme Rate	Private Street Lighting Rate	Revenue ¹	Loans Raised	Sale of Assets	Reduction in Loans and Advances	Dunedin City Holdings Limited Dividend	NZTA Income	Cash	Reduction in Investments	Development Contributions
Sport, Recreation and Leisure																
Community Development and Support																
Museums, Libraries and Art Gallery																
Public Health																
Personal Safety																
City Planning and Urban Design																
Economic Development and City Promotion																
Transport Network																
Corporate Support																

Funding Principles

The Dunedin City Council, in adopting the rating method, takes into consideration the following funding principles:

- 1 That, in so far as possible, the rating method should be simple, efficient and understandable.
- 2 People who benefit (including secondary beneficiaries) should contribute to costs.
- 3 Capital value is the primary method of determining the rating method. Capital value is based on market value and reflects the property valuation.
- 4 Property rates are a mechanism, which contains principles of public benefit taxation. Rates are not a user-pays mechanism.
- 5 The application of funding mechanisms should not distort markets.
- 6 The funding of activities and services should have regard to the interests of residents and ratepayers, including future ratepayers.
- 7 The funding of services and activities should not make these unaffordable.
- 8 People who pollute or damage the environment should bear the cost of redress.
- 9 To promote fairness and equity in rating, fixed charges may be used.
- 10 Where changes are contemplated to the rating method, transition arrangements may be used.
- 11 Specific rating areas may be considered on a case-by-case basis.

