

We're delivering more value

The financial strategy we embarked on three years ago is delivering great results. In the 2017/2018 year, rates and debt will again be lower than we forecast in our Long Term Plan (LTP) for 2015 – 2025.

The direction we set back in 2014 has put us in an excellent position to capitalise on favourable financial conditions to deliver best value to our community. This continuing improvement in our financial position gives us the capacity to accommodate the growth in the District and the resilience to respond to future events. Improving our financial position is just one part of the picture. We intend to maintain the same levels of service, so the quantity and quality of what we deliver will be the same or better.

We've received a clear message from the community over the past six years that we need to focus on reducing debt levels and rate increases. In the LTP, we capped debt at a maximum of \$200 million, while rates income

risers were limited to a maximum of 3% per annum. Following on from a 1% rates increase last year, we are forecasting an increase in total rates revenue of 0.63% in the coming year – meaning most of you will see only a very small rise in your rates bill. We expect our debt will be at \$158.7 million at year-end, \$35.1 million lower than forecast.

In terms of the work we plan to carry out in the coming year, there are no major changes to what we signalled through the Long Term Plan. You can find more detail about our major projects for 2017/2018 in this document. However, some projects from the current year have taken longer than expected and will continue into 2017/2018.



Richard

Richard Kempthorne
Mayor

Lindsay

Lindsay McKenzie
Chief Executive Officer

We'll be at public meetings and events throughout the District over the next month or so. Come along to chat about our plans for the year, and let us know what you'd like to see us focus on in the future.

Date	Place	Time
Monday 13 March 2017	Mapua Community Association, Mapua Village Hall	7.00 pm
Tuesday 14 March 2017	Wakefield Community Council, St John's Church, Wakefield	7.30 pm
Tuesday 21 March 2017	Tapawera & Districts Community Council, Tapawera Community Centre	7.30 pm
Tuesday 21 March 2017	Motueka Community Board, Motueka Service Centre	4.00 pm
Saturday 25 March 2017	In Your Neighbourhood – Richmond Boot Market, Baptist Church, Richmond, 123 Salisbury Road	8.00 am – 12 noon
Monday 27 March 2017	In Your Neighbourhood – Richmond Library, Constance Barnicoat Room	9.30 am – 1.00 pm
Wednesday 29 March 2017	Tasman Area Community Association, Tasman School	7.30 pm
Monday 3 April 2017	Brightwater Community Association, Brightwater School Staff Room	7.30 pm
Monday 10 April 2017	Murchison Community Association, Murchison Emergency Services (MESI) building	1.15 pm
Tuesday 11 April 2017	Golden Bay Community Board, Takaka Service Centre	9.00 am
Tuesday 11 April 2017	In Your Neighbourhood – Takaka, The Green, Takaka	3.00 – 6.00 pm
Tuesday 11 April 2017	Moutere Hills Community Association, Moutere Hills Community Centre	7.00 pm

Your early input to the Long Term Plan 2018 – 2028

In the next year, we will be developing the Long Term Plan (LTP) 2018–2028. This provides a great opportunity to consider whether we are heading in the right direction and how we can work with our communities better.

We want to hear your views about:

- What are the key issues the Council needs to address over the next 10 years and how should we do this?
- Are there projects or improved services you would like us to consider in the future?
- Should the focus remain on financial

prudence in the form of low rates increases (<3%) and reduced debt levels?

- Are there things we could do better, or more or less of in the future?

Send us your feedback and ideas to www.tasman.govt.nz/feedback between 13 March and 18 April 2017.

Major Projects for 2017/2018

Queen Street Upgrade, Richmond

- Replacement of water main, stormwater pipes and redesign of road and footpaths
- Provides greater storm resilience, replaces 50-year-old infrastructure and creates pedestrian-friendly town centre
- \$7.1 million in 2017/2018 (overall project costs \$11.3 million)

Kaiteriteri wastewater pipeline

- New underground pipeline along the Riwaka-Kaiteriteri Road, replacing Tapu Bay pipeline
- Relocates pipeline from under the estuary, addressing cultural concerns and meeting resource consent requirements
- \$2.8 million in 2017/2018 (overall project costs \$4.3 million)

Bateup Road widening

- Widening and upgrade of road from Three Brothers corner to Paton Road
- Makes the road safer and helps cater for increased traffic owing to subdivision growth and a new supermarket planned for the area
- \$2.8 million in 2017/2018 (overall project costs \$3 million)



Motueka Water Treatment Plant

- First phase of a project to ensure a safe, secure drinking water supply to the part of the Motueka community receiving Council supply
- \$811,000 in 2017/2018 (overall project costs \$1.7 million)

Kaiteriteri Water Treatment Plant

- A new water treatment plant and second water supply bore
- Ensures safe, secure water supply for Kaiteriteri
- \$725,000 in 2017/2018 (overall project costs \$1.4 million)

Motueka Ward Reserve Management Plan

- Review of all reserves in the Motueka ward is underway – seeking community input
- Will enable recreation spaces and parks to meet the community's needs and expectations

Council website upgrade

- First major upgrade since launch in 2011
- To improve ease of use, look and feel – including for mobile devices

Changes to the Tasman Resource Management Plan (TRMP)

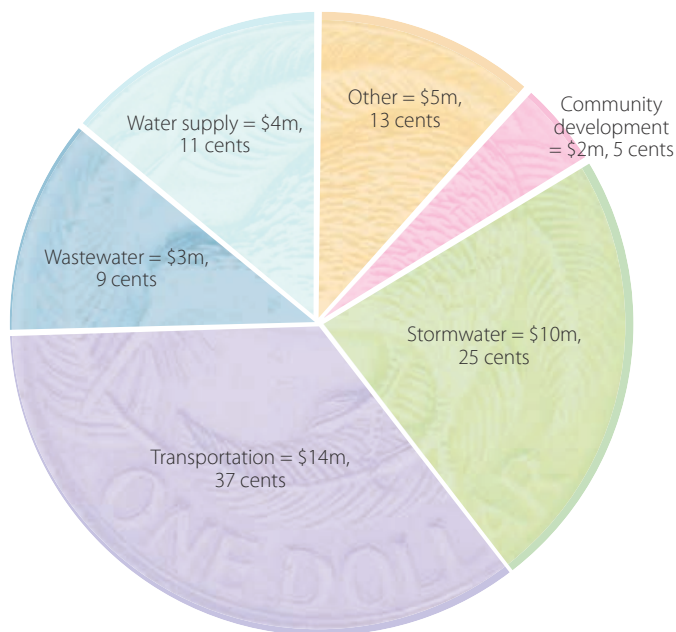
- Development of higher density residential subdivision and development in Richmond areas, possibly for application district wide
- Review of Brightwater and Wakefield zoning to accommodate residential and business growth
- Golden Bay Landscape Project to protect outstanding landscapes and features for future generations
- Continuing to meet our Regional Council responsibilities including freshwater management
- Freshwater management reviews, led by community-based Freshwater and Land Advisory Groups (FLAGs), to manage the varied demands on our freshwater resources

Solid waste – Eves Valley and York Valley landfills

- Joint operations with Nelson City Council to commence 1 July 2017. All waste to go to York Valley Landfill
- Eves Valley Landfill held 'in reserve' until needed at a future date or in an emergency
- Increases efficiency, aids waste minimisation efforts

Total capital expenditure by activity

The \$38 million we will spend on capital works is divided between the activities shown below:



Number of cents we intend to spend on activities for every \$1 of capital expenditure.

Spending, debt and your rates

0.63%
TOTAL RATES REVENUE INCREASE EXCLUDING GROWTH

▼ DOWN FROM **2.16%** FORECAST IN THE LTP FOR 2017/2018 YEAR.

\$38.1M
CAPITAL EXPENDITURE

▲ INCREASE FROM **\$34.1M** FORECAST IN THE LTP FOR 2017/2018 YEAR.

\$158.7M
NET DEBT

▼ DOWN FROM **\$193.8M** FORECAST IN THE LTP FOR 2017/2018 YEAR.

\$108.2M
OPERATING EXPENDITURE

▼ DOWN FROM **\$110.7M** FORECAST IN THE LTP FOR 2017/2018 YEAR.

Not all rates across the District will change by the same amount.

The 0.63% increase is in the total rates revenue Council collects. The rates bill for an individual property is made up of the general rate and a number of targeted rates. The combination of these targeted rates will vary depending on where the property is located, the services used and the property's value.

Want to know how much your rates will be in 2017/2018?

Visit www.tasman.govt.nz/link/rates-search and enter your property details to see your current and indicative future rates.

The year-end financials (30 June 2017) will confirm our debt position and could change the rates requirement. We will maintain the total rates revenue increase at 0.63% (noting that within this overall level, there may be changes to the individual types of rates e.g. stormwater rate, general rate, wastewater rate). The intention is to use the majority of any operating surplus to repay debt.

Programme changes

It is now nearly three years since we developed the capital works programme in the LTP 2015 – 2025. Some things have changed since then. We have had delays in some projects, which will not take place until 2017/2018. In some cases we have adjusted the timing of projects to respond to growth pressures and priorities and added a few new projects to the programme.

Brought forward or new	Delayed
Poutama drain capacity	Motueka Town Centre roading programme
Stormwater land acquisitions (various)	Richmond deviation bund
Lower Queen Street wastewater pipe	Middlebank Drive stormwater pipe
Motueka water treatment plant – chlorination capability	Wakefield water supply enhancement
Water main Richmond West and Bateup Road	
Mapua Wharf and commercial property renovation	

We have reviewed our fees and charges for the 2017/2018 year.

Go to www.tasman.govt.nz/feedback to view the proposed Schedule of Charges.

Submissions are open on the Schedule of Charges between 13 March – 18 April 2017.

There are a number of carryover projects. These were in the Annual Plan 2016/2017 for completion this year. Project delivery has been delayed or taken place more slowly than planned. For example, the Queen Street upgrade will continue into the 2017/2018 financial year.

Waimea Community Dam

Finding a secure water supply solution for the communities that draw water from the Waimea Plains is still a priority for the Council. The Waimea Community Dam is the preferred solution.

Up to \$25 million has been allocated by the Council towards the project subject to our

partners being able to fund their shares. Over the past two years, we have been working with Waimea Irrigators Limited, Crown Irrigation Investment Limited, Central Government, and Nelson City Council to secure the funds needed for the project to proceed.

Over the coming months we intend to consult on the ownership structure for the Dam. Once the ownership structure is finalised, we will then be out again talking to our community

about how the \$25 million should be allocated across water users and ratepayers.

Nelson City Council will also be consulting with its residents about a contribution to the Dam. Waimea Irrigators Limited is continuing to work with irrigators to secure their support.

WE'VE BEEN BUSY DOING SOME GREAT THINGS

We have been delivering high quality services and projects that help our communities enjoy the Tasman lifestyle. Here is a sample of our work in the past year.

Review of Moturoa/Rabbit Island Reserve Management Plan

Responding to the effects of the Kaikoura-Hurunui Earthquake on Murchison and St Arnaud

Improved Stormwater capacity and flood protection in Richmond West

Self-issue technology in libraries.

Improved road safety signage at nine schools.

New Seaton Valley Walkway between Stafford Drive and the Mapua Causeway

New Community Recreation Facility for Golden Bay

\$8 million Upgrade of Motueka Wastewater Treatment Plant

Our Waters in Common video

PLUS MANY MORE...

- Tasman's Great Taste Trail extended through Spooners Tunnel to Norris Gully
- Reduced chlorine in the lane pool at the Richmond Aquatic Centre with a new water treatment system
- Seismic Upgrades for Golden Bay Service Centre Richmond Town Hall, Motueka Memorial Hall and Bainham Hall
- Rural land use and subdivision policy review
- Council bid and digital enablement plan successful in securing Government commitment to rollout ultrafast broadband to more Tasman communities
- Responded to 183,307 counter and telephone enquiries
- Consented 214 new lots in subdivisions
- Issued consents for 396 new dwellings January – December 2016

More frequent water monitoring in rivers and streams