

## STAFF REPORT

**TO:** Chair & Members, Grants and Facilities Rate Subcommittee

**FROM:** David Ward

**DATE:** 21 March 2007

**SUBJECT:** Facilities Rate Financial Statement and Projection

This report is prepared to give guidance to the Subcommittee on the anticipated balance of the Community Facilities Rates account at 30 June 2007 and 30 June 2008, together with the value of loans currently being serviced by this account. The report also identifies budgeted movements through the account during the two operational years ending June 2008.

In its LTCCP and draft 2007/2008 Annual Plan, Council has identified a number of projects to be funded by either the District Facilities Rate or Regional Facilities Rate. The impact of these projects on the balance of the Facilities Rate account during these two years will be as follows:

	\$
<b>Balance 30 June 2006</b>	<b>318,940</b>
Estimated income 2006/2007	
District Facilities Rate	304,528
Regional Facilities Rate	366,016
Museums Rate	575,275
Estimated interest to be earned 2006/2007	29,000
<b>Available for distribution 2006/2007 year</b>	<b>1,593,759</b>
Less known interest and principal costs	
- Avery Development	23,450
- Tasman Tennis Centre	45,169
- Moutere Sport Recreation and Cultural Complex	156,000
- Lake Rotoiti Community Hall	32,667
- ASB Bank Aquatic Centre	182,000
- All Sports Motueka	91,958
- Saxton Field Development	169,525
- Nelson Hockey Association	40,000
- Museums Operating	575,275
<b>Sub Total</b>	<b>1,316,775</b>
<b>Projected Account Balance at 30 June 2007</b>	<b>276,984</b>

The projections for the 2007/2008 financial year assume that Council adopts the proposed district facilities rate and regional facilities rate identified in the draft 2007/2008 Annual Plan. It also assumes that Council can continue to borrow below 8% and that proposed projects are completed according to the identified budget.

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<b>Projected Balance 1 July 2007</b>	<b>276,984</b>
Estimated income 2007/2008	
District Facilities Rate	388,088
Regional Facilities Rate	486,350
Museums Rate	587,000
Estimated interest to be earned 2007/2008	20,000
<b>Available for distribution 2007/2008 year</b>	<b>1,758,422</b>
Less known interest and principal costs	
- Avery Development	23,450
- Tasman Tennis Centre	45,169
- Moutere Sport Recreation and Cultural Complex	156,000
- Lake Rotoiti Community Hall	32,667
- ASB Bank Aquatic Centre	182,000
- All Sports Motueka	91,958
- Saxton Field Development	219,313
- Nelson Hockey Association	40,000
- Museums Operating	587,000
- Murchison Sport Recreation and Cultural Centre	46,800
- Trafalgar Park	46,800
<b>Sub Total</b>	<b>1,790,317</b>
<b>Projected Account Balance at 30 June 2008</b>	<b>-31,895</b>

## Loan Facilities

The Facilities Rate is currently supporting loans to the value detailed below:

	<b>Borrowed \$</b>	<b>Balance \$ June 07</b>	<b>Balance \$ June 08</b>
Daelyn Property	173,000	142,004	133,354
Avery Development	299,000	275,893	257,043
Tasman Tennis Centre	408,000	382,125	361,725
Moutere Sport Recreation and Cultural Centre	1,800,000	1,635,208	1,545,208
Lake Rotoiti Community Hall	350,000	303,333	285,833
ASB Bank Aquatic Centre	2,000,000	1,662,847	1,562,847
All Sports Motueka	1,040,000	983,417	931,417
Saxton Field Development	1,725,253	1,662,667	1,576,367
Nelson Hockey	410,000	384,375	363,875

Sub Total	8,205,253	7,017,669
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**Proposed 2007/2008**

<b>New Loans 2008/2009</b>	<b>Borrowed \$</b>	<b>Balance \$</b>
Murchison Sport Recreation and Cultural Centre	2,000,000	1,975,000

Should proposed projects during the 2007/2008 year proceed, the value of this loan will increase, albeit at the same time we note that the principal value of all loans identified above will reduce during the course of the 2007/2008 financial year.

**Recommendation**

**That this report be received.**

David Ward  
Corporate Services Manager