

# STAFF REPORT

**TO:** Mayor and Councillors  
**FROM:** Community Services Manager  
**DATE:** 20 January 2009  
**SUBJECT:** Facilities Operating Rate

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## PURPOSE

This report has been prepared to provide information to Council to enable consideration of the proposal to set a targeted rate for facilities operating costs covering the total district.

## BACKGROUND

Since the introduction of the facilities rate (regional and district) and the completion of various projects, the annual operating costs of these have been met from various sources. Council previously discussed this issue and agreed that a more consistent approach was required.

## DISCUSSION

The facilities proposed to be funded by a Facilities Operating Rate and how they are currently funded are:

- ASB Aquatic Centre – special rate over Richmond and part of Waimea/Moutere Wards.
- Moutere Hills Community Centre – general rate.
- Rotoiti Community Hall – general rate.
- Murchison Sport, Recreation and Cultural Centre – general rate.
- Motueka Recreation Centre – general rate.
- Motueka Swimming Pool – yet to be built.
- Golden Bay Community Facility – yet to be built.

The total operating costs for the completed facilities is estimated to be \$372,000 per annum. Currently there are no facilities funded from the facilities rate in the Golden Bay Ward and therefore it is proposed to levy a nil rate in this Ward until a community facility is completed in Golden Bay (proposed for 2012/2013).

There are a total of 20810 properties in the district that would be affected by a facilities operating rate of which 3105 are in Golden Bay.

## **RATING IMPACT**

In the 2009/2010 year the facilities operating rate would be \$21.70 being the total operating costs divided by the number of rateable properties. This rate would increase to approximately \$26.29 in year 2011/2012 with the completion of the Motueka Swimming Pool.

With the completion of a Golden Bay community facility, the total operating costs would be met by the full 20810 properties in year 2012/2013 which would reduce the facilities operating rate to approximately \$25.63 in 2012/2013.

Please note that these figures include an allowance for inflation.

## **FIT TO POLICY**

Council's rating policy (LTCCP 2006/2016) states that where practical, identifiable beneficiaries of Council activities pay for the costs by targeted rate. The introduction of the facilities operating rate is consistent with that policy and with the views expressed in the recent rates enquiry.

## **CONSULTATION**

It is the statutory role of Council to include all proposed rates for a financial year in its draft funding impact statement.

## **SIGNIFICANCE**

The introduction of the proposed rate is not considered significant in terms of Council's significance policy.

## **RECOMMENDATION**

That Tasman District Council:

1. incorporates into its draft 2009/2019 LTCCP a rate for the purpose of meeting the annual operating costs of Council owned facilities funded from the facilities rate. This rate will be set on a uniform basis over the whole district, however the

Golden Bay Ward will be exempt from this rate until a new community facility is completed in the Ward.

The rate per rating unit for 2009/10 is \$21.70 plus GST.

2. agrees to discontinue the ASB Bank Aquatic Centre Operational Rate with effect from 1 July 2009.

L L Kennedy  
Community Services Manager

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