



Dear Ratepayer

Please find enclosed your first rates notice for the Council's financial year beginning 1 July 2013. This year the rates notice will come out four times per year, rather than six times as previously. This means of course that the rates bill enclosed will represent one quarter of one year, rather than one sixth of one year. If you need to set up a payment arrangement, please contact the Council.

The rates for this year and those indicated for years through to 2022 have been set according to an annual plan of expenditure and investment for the District approved by Commissioners after considerable community engagement. The Commissioners want to acknowledge the advice provided through the submission process by some residents and ratepayers, as this plan was constructed.

The plan restores the Council financial position. Debt levels, which were capped at \$80 million by Commissioners immediately after their appointment, are projected to move down to \$50 million by 2022. This brings the Council debt ratios to more sensible levels.

As property owners, you will be keen to know where rating levels are heading. The table below shows projected rates revenues through to 2022.

Year End June	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Rates (\$m)	19.6	23.8	26.0	26.8	27.5	28.1	28.9	29.4	30.2	31.1	31.9
Total Revenue (\$m)	37.7	41.2	44.8	45.3	45.9	47.3	49.0	51.1	55.9	53.2	55.0
Total Rates % of Total Revenue	52.0%	57.7%	58.0%	59.2%	59.8%	59.4%	58.9%	57.5%	54.1%	58.4%	58.0%
Forecast Increase For Total Rates		21.4%	9.3%	3.1%	2.5%	2.5%	2.5%	1.8%	2.9%	2.0%	2.6%

For the Council financial years beginning in July 2014 and carrying on through to 2022, you will see that rate increase forecasts approximate inflation levels.

For this current rating year, beginning 1 July 2013, the rate increase is 9.3 percent on average above the last year's revenues. However, there is wide variability in the rates movement on each property for this year, arising from the changes that Commissioners have made to rates policy. For example:

- The roading differential rates have been removed;
- There is a new general differential rate of 155 percent applied to lifestyle and farming blocks that are 2 hectares or greater;
- The Plan introduces a District-wide approach to charging for services, with operating costs for stormwater, wastewater and water services being allocated evenly across the District. (The capital costs of each scheme will continue to be allocated to the users of each scheme.)

For some ratepayers, little change in annual rate levels over last year's rates will occur. For others there will be increases or decreases that arise from the changes to the form of the rating system, for reasons such as the examples provided above.

42 Hokianga Road,
 Private Bag 1001,
 Dargaville 0340, Northland,
 New Zealand

p 09 439 3123

p 0800 727 059

f 09 439 6756

e council@kaipara.govt.nz

www.kaipara.govt.nz



Kaipara te Orangaūū

**KAIPARA
DISTRICT**

Two Oceans Two Harbours

Attending to the issues faced by the Kaipara District Council has involved a number of initiatives. The development of the Annual Plan for this rating year, and the amendment to the Long Term Plan through to 2022 have been key initiatives to get right. The Commissioners believe that these Plans get the Council back into a good financial state.

Alongside side these initiatives are those that deal to Council's history. You are aware of the Auditor General's Inquiry into the Mangawhai Wastewater Scheme. You are also aware of the Bill before Parliament that resolves rating errors made back to 2006.

Finally there are the initiatives underway to improve Council services and to build capability and capacity within the Council organisation in many key areas, including asset and financial management. Commissioners are working with the Council's Chief Executive and his team to implement these changes.

Should you have any questions about detail on your rates invoice, please contact Council's helpful customer service team on 439 3123 or 0800 727 059.

On another note, Council will be consulting on a number of policies throughout the month of August. These include:

- Rates Postponement Policy
- Dangerous and Insanitary Buildings Policy
- Earthquake Prone Buildings Policy
- Community Assistance Policy

More information about these policies and the submission process will be available on Council's website www.kaipara.govt.nz towards the end of July.

John Robertson
Chair of Commissioners

42 Hokianga Road,
Private Bag 1001,
Dargaville 0340, Northland,
New Zealand

p 09 439 3123

p 0800 727 059

f 09 439 6756

e council@kaipara.govt.nz

www.kaipara.govt.nz