

Dear Ratepayer

We have recently approved the first Annual Plan from Council since we were elected in October 2016. It follows (as it must by law) the themes and direction of the Long Term Plan (LTP) set in 2015.

We are managing the balance between providing essential infrastructure, reducing debt and continuing the programme of replacing end of life assets while being aware of the affordability of rates for many of you.

Regarding affordability, Council has approved an average land rates increase of 2.65%, 1% less than the LTP but more in line with CPI for the local government sector. For debt, Council is committed to lowering this and debt is projected to drop by another \$3.8 million in the year as we continue to push this down to manageable levels. For infrastructure, we aim to spend \$1.8 million more on roading than provided for in the LTP. This is to allow some capital works catch-up while returning to historic maintenance levels.

Changes that your Council has made to this Annual Plan are:

- Carrying forward of \$1.3 million of capital projects from 2016/2017;
- Increased income from developer contributions and activity revenues due to the higher levels of building activity;
- Reduction in financing costs resulting from faster than planned debt reduction; and
- Increased subsidy income from NZ Transport Agency reflecting increased roading activity planned for 2017/2018.

On the other side of this letter are two very important graphs. They display both our projected operational expenditure and capital expenditure for the year to June 2018. Our biggest spend will be on roading and footpaths (\$17.7 million operational and \$14.2 million capital) across the district.

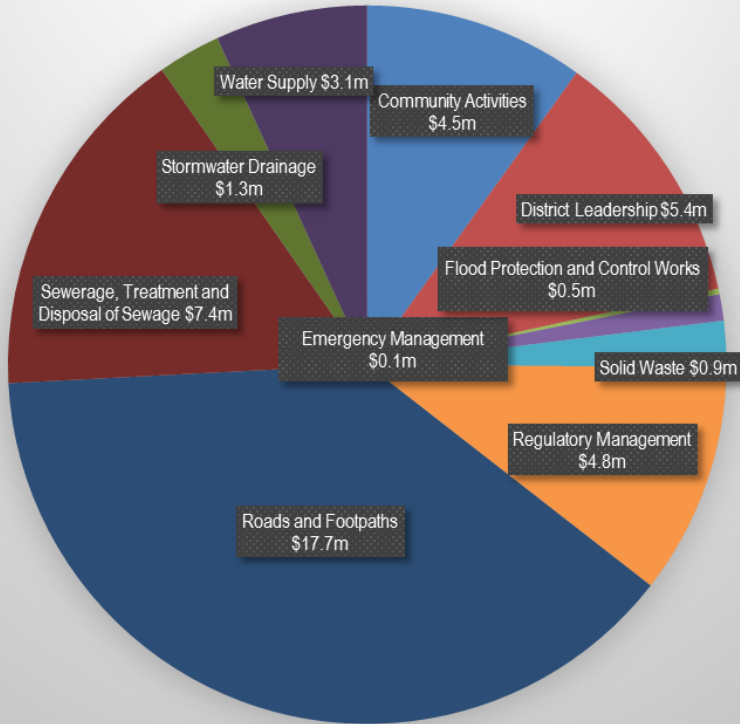
We also intend spending about \$4.5 million on operating community activities across the district, helping to run things like libraries, pools, sportsgrounds, and other community facilities. District leadership covers staff costs and core services to keep the business of Council running which is reflected in the operating expenditure of \$5.4 million. A significant portion of our operational spend is in regulatory management (\$4.8 million), to keep on top of our growing building and development activity across the district.

Moving forward into the beginning stages of the Long Term Plan 2018/2028 process I would encourage you to think about what you want to see happen in the district. Please contribute to the process, your input is valuable to ensure we get things right. We will be communicating more on this in the coming months.

Greg Gent

Mayor

Annual plan operational expenditure (\$45.7 million) for 2017/2018



Annual plan capital expenditure (\$20.1 million) for 2017/2018

