Work project	Budget Assumptions	Year 1 (current year)	Year 2	Year 3
Route 5 & 6 increased frequency + extended service coverage				
Option 1 – achieve proposed LOS as set out in LTP	$1million for Route 5&6 + $800,000 for Extended Services in Years 2 and 3; Assumes farebox recovery of 18% then NZTA share 51% of remainder and local share (rates) 49% split 80/20 targeted/general.	The new services were intended to commence from Year2.	Rate Increase: Total budget to provide services is $1.8 million. Assumes: Farebox of $319,000 NZTA $755,000 Rates $145,000 General, $581,000 Targeted This option requires additional $755,000 in rates. Note any farebox shortfall would also fall 100% to rates.	Rate increase: Total budget to provide services is $1.8 million. Assumes: Farebox of $327,000 NZTA $751,000 Rates $144,000 General, $578,000 Targeted This option requires additional $751,000 in rates. Note any farebox shortfall would also fall 100% to rates.
Option 2 – either increase frequency on Routes 5 & 6 OR extend service coverage		The new services were intended to commence from Year 2.	Smaller increase in rates: Budget assumptions based on either Route 5&6 increased frequencies OR extended service coverage. Rating impacts will differ depending on which option selected. Cost $1.0 million requires additional rates of $420,000. Cost $800,000 requires additional rates of $336,000. Shortfall in farebox recovery would be rate funded.	Smaller increase in rates: Cost $1.0 million requires additional rates of $417,000. Cost $800,000 requires additional rates of $334,000. Shortfall in farebox recovery would be rate funded.
Option 3 (preferred) – maintain existing LOS	Remove years 2 and 3 rates for these activities.	Provided for in Year 1 (existing) rates.	Rate reduction: Remove $1.8million from budget. Local rates share of $726,000 would not be required so rates would reduce in Year 2.	Rate reduction: Remove $1.8million from budget. Local rates share of $722,000 would not be required so rates would reduce in Year 3.

Queenstown Ferries		**Year 1 (current year)**	**Year 2**	**Year 3**
Option 1 (preferred) – maintain existing LOS	No impact	Provided for in Year 1 (existing) rates.	No change in rates.	No change in rates.
Option 2 – increase LOS as per Stage 1 of Queenstown Public Transport Business Case to achieve hourly frequency all day	$500,000 per annum to run increased services in Years 2 and 3;	No cost included in Year 1.	Rate increase: Would require rates increase to enable ORC to fully fund net of any farebox recovery. Assuming 20% farebox recovery $400,000 of rates would be required These rates are not included in the LTP (Rates are split 80% targeted and 20% general).	Rate increase: Would require rates increase to enable ORC to fully fund net of any farebox recovery. Assuming 20% farebox recovery $400,000 of rates would be required These rates are not included in the LTP (Rates are split 80% targeted and 20% general).
Oamaru Service		**Year 1 (current year)**	**Year 2**	**Year 3**
Option 1 – investigate an alternative delivery model for the $ already rated, to achieve an 'around town' option.	Budget in Year 1 of $250,000, comprised of NZTA grant revenue $127,500, General rate $12,250 Targeted rate $ 49,000 Other income $61,250 Year 2 cost $630,578 comprised of $273,356 NZTA $26,364 general rate $105,054 targeted rate $94,587 farebox recovery $131,318 other income Year 3 $1,171,150 comprised of $507,693 NZTA $48,778 general rate $195,114 targeted rate $175,672 farebox recovery $243,892 other income	Rates collected: $12,250 general rate $49,000 targeted rate.	Likely rate reduction in Y2: Staff will determine what rating will be required over and above the Y1 rates already received to complete this investigation. Rates potentially not required to be struck or could be reduced: $26,364 general; $105,054 targeted.	Rating impacts will differ depending on final option selected. Rates potentially not required to be struck: $48,778 general; $195,114 targeted.

	Would invest $61,250 from Year 1 collected as rates on whichever option Council wants to pursue.			
Option 2 (preferred) – investigate an option of connecting to the Dunedin network as an alternative to an 'around town' option.	Would invest $61,250 from Year 1 collected as rates on whichever option Council wants to pursue.	Rates collected: $12,250 general rate $49,000 targeted rate.	Rate reduction: Use rates collected in Y1 to undertake this investigation with a view to commencing any service in Y3. Results in a rates reduction for Y2.	Rating impacts will differ depending on which option selected.
Option 3 – investigate a community trust type model.	Would invest $61,250 from Year 1 collected as rates on whichever option Council wants to pursue.	Rates collected: $12,250 general rate $49,000 targeted rate.	Rate reduction: Use rates collected in Y1 to undertake this investigation with a view to commencing any service in Y3. Results in a rates reduction for Y2.	Rating impacts will differ depending on which option selected.
Alexandra – Clyde- Cromwell - Queenstown		**Year 1 (current year)**	**Year 2**	**Year 3**
Option 1 – do not deliver a service (maintain existing LOS).	Year 1 $50,000 comprised of $25,500 NZTA and $24,500 general rate. Year 2 $395,395 comprised of $171,404 NZTA and $164,682 general rate and $60, 495 farebox recovery. Year 3 $403,303 comprised of $371,736 NZTA and $357,158 general rate and $119,805 farebox recovery.	Rates collected: $24,500 general.	Rate reductions. General rates $164,682 not required in Y2.	Rate reduction. General rates $357,158 not required in Y3.
Option 2 (preferred) - small funding investment to investigate how to		Rates collected: $24,500 general.	Rate reduction: Would not require full rate collection of $164,682 (general rates). Would require	TBC, depending on Year 2 decisions; will require funding decisions if implementing.

move workers from Alexandra /Cromwell through to Queenstown.			smaller amount to undertake feasibility study, in the order of $50,000.	
Balclutha – Airport - Dunedin		**Year 1 (current year)**	**Year 2**	**Year 3**
Option 1 – do not deliver a service (maintain existing LOS).	Year 1 $50,000 comprised of $25,500 NZTA and $24,500 general rates. Year 2 $236,210 comprised of $102,397 NZTA and $98,381 general rates and $35,432 farebox recovery. Year 3 $240,934 comprised of $104,445 NZTA and $100,349 general rates and $36,140 farebox recovery.	Rates collected: $24,500 general.	Rate reduction. General rates $98,381 not required in Y2.	Rate reduction. General rates $100,349 not required in Y3.
Option 2 – investigate community trust model.		Rates collected: $24,500 general.	Rate reduction: Would not require full rate collection. Would require smaller amount to undertake investigation, approximately $50,000.	TBC, depending on Year 2 decisions; will require funding decisions if implementing.
Option 3 (preferred) – investigate a PT option to connect to existing Dunedin services.		Rates collected: $24,500 general.	Rate reduction. Would not require full rate collection of $164,682 (general rates). Would require smaller amount to undertake feasibility study, in the order of $50,000.	TBC, depending on Year 2 decisions; will require funding decisions if implementing.
Wanaka Business Case		**Year 1 (current year)**	**Year 2**	**Year 3**
Option 1 (preferred) – do not deliver a service (maintain existing LOS)	Year 2 $256,750 comprised of $130,943 NZTA and $125,808 general rates	No specific rate for Year 1.	Rate reduction: Rates not required in Y2.	Rate reduction: Rates not required in Y3.

	Year 3 $0			
Option 2 – continue to investigate options for the delivery of PT in Wanaka / Upper Clutha.			No change to rates: Collect the local share rates. Approximately $98k and investigate options for some form of PT delivery noting that there is no funding from NZTA. Currently General Rate funded.	TBC, depending on Year 2 decisions; will require funding decisions if implementing.
Public Transport Infrastructure		**Year 1 (current year)**	**Year 2**	**Year 3**
Option 1 (preferred) – Deliver PT infrastructure improvements to the value of the local share currently provided for in the LTP. Prioritise infrastructure spend based on - Health and Safety Risk; and - Functionality With a view to understanding what can be delivered over a longer period of time.	No change – Year 2 and 3 rates are retained as included in the LTP budget as local share. Rates are 80% targeted and 20% general. .	$1,078,000 rates (already collected) $1,122,000 NZTA (not approved)	No change to rates: Local share collected as per LTP and invest on a priority basis.	No change to rates: Local share collected as per LTP and invest on a priority basis.
Option 2 - Do not deliver any PT infrastructure improvements.	Rate reduction. Remove year 2 and 3 rates included in the LTP for this activity as local share not required. Invest local share rates collected in Y1 on a priority basis.	$1,078,000 rates (already collected) $1,122,000 NZTA (not approved).	Rate reduction Y2. $654,199 rates (not required) $680,901 NZTA (not approved).	Rate reduction Y3. $402,584 rates (not required) $419,016 NZTA (not approved).

Note: Financial figures included are approximate as per LTP. Final figures, including impacts on Annual Plan rates, will be confirmed following the decisions at Council.