

WAIHANGATIA NGĀ
RANGI MEAKE NEI

SHAPING OUR FUTURE



“AHUTAHI KI MUA -
MOVING FORWARD TOGETHER!”



ANNUAL PLAN 2016-17

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MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE

Welcome to our Annual Plan 2016-17 that outlines the key activities of Masterton District Council for the year ahead. It also highlights the key changes that have been made to what was planned in Year 2 of our Long - Term Plan 2015-25.

As part of the annual planning process, we consulted on three key proposals relating to: increased investment in our people, supporting the Pure Cycling Tour 2017, provisions for Henley Lake, and the overall impact on rates. Alongside the Annual Plan we also consulted on a bylaw amendment related to outdoor fires and changes to food fees to align with the Food Act 2014.

Following consideration of 148 submissions, Council can confirm that the proposals for increased investment in our people and provisions for Henley Lake will be progressed in the 2016-17 financial year. Council has also confirmed support for a range of community projects that includes, for example, support for the Wairarapa Youth Education Training and Employment (YETE) scheme.

Applications to our annual events funding were also considered as part of the draft Annual Plan 2016-17 process. Examples of events we will be supporting from this funding round include Wings Over Wairarapa, the Golden Shears, and the Wairarapa Balloon Festival.

We have worked hard to hold the rates increase at the level projected in the draft Annual Plan, with the average rates change for the 2016-17 year being an increase of 2.6%. This compares favourably to the 3.2% average increase that was projected for Year 2 of the Long - Term Plan. We are pleased that we have been able to reduce this by 0.6% for this financial year.

For the last three years, the Local Government Commission (LGC) has been looking at options to strengthen local government arrangements. In December 2014 they undertook consultation on a proposal for a unitary council for the Wellington region. This proposal was subsequently withdrawn in June 2015.

The LGC is working with the three Wairarapa councils and consulting with the community on options going forward for council structures in the Wairarapa. We hope that Masterton residents took the opportunity to attend public forums and provide feedback on their preferred future council options in the Wairarapa.

The local elections are being held in October 2016 for Masterton District Council, Wairarapa DHB, Masterton Trust Lands Trust, Masterton Community Trust and the Montfort Trimble Foundation. We encourage Masterton District residents and ratepayers to ensure they are enrolled to have their say.

Ahutahi ki mua – Moving forward together



A handwritten signature in blue ink that reads "Lyn Patterson".

Lyn Patterson
MAYOR



A handwritten signature in blue ink that reads "Pim Borren".

Pim Borren
CHIEF EXECUTIVE

INTRODUCTION

The purpose of Masterton District Council’s Annual Plan is to:

- describe the Council’s activities for 2016/17 and their associated costs and funding
- link activities with the community outcomes of the Masterton District
- provide integrated decision-making and co-ordination of Council’s resources
- provide a basis for accountability of the Council to the community
- provide an opportunity for participation by the public in decision-making processes on activities to be undertaken by the Council.

Long-Term Plan

In 2015 the Masterton District Council adopted *Waihangatia Ngā Rangi Meake Nei – Shaping Our Future*, a long-term plan that outlines the Councils direction and work programme for the next ten years (2015-2025).

The 2016/17 Annual Plan covers year 2 of the ten-year timeframe covered by the 2015-25 Long-Term Plan (LTP). The Annual Plan includes some changes from what was in the LTP for the upcoming financial year. These changes are outlined in the *Key Changes* section of this document. For more information on the LTP, please refer to the 2015-2025 LTP available on the Masterton District Council website www.mstn.govt.nz

Community Outcomes

We want Masterton to be a great place to live, visit and do business and to provide the best of rural provincial living. Our intended outcomes are:

A Strong, Resilient Economy	•We want Masterton to be a desirable place to do business and for our people to benefit from a strong economy.
A Sustainable, Healthy Environment	•We will look after our green spaces and waterways, reduce our waste to landfill and reduce our energy consumption
An Active, Involved and Caring Community	•We want all residents to participate fully in our strong, vibrant community; to be able to access social services and support as needed; to pursue their own personal sporting, recreational and cultural goals and to support others to achieve theirs.
A Knowledgeable, Learning Community	•We want people in the Masterton District to have access to the knowledge they need, underpinned by quality educational opportunities.
An Easy Place to Move Around	•We want our transport links to be efficient, reliable, convenient and safe.
A Reliable and Well-Maintained Infrastructure	•We want to provide water supply, stormwater and wastewater systems in a cost effective way to address the present and future needs of the district.

ANNUAL PLAN TIMELINE

- The draft Annual Plan 2016/17 was launched for public consultation on 8 April 2016.
- The draft Annual Plan 2016/17 consultation document was delivered to every household in the Masterton district.
- The Mayor and Councillors held a series of consultation forums between 14 April 2016 and 6 May 2016. These forums were held outside Paper Plus; the car boot sale; Frank Cody Lounge; Library Square, the Library and the Town Square.
- Submissions on the Draft Annual Plan closed on 9 May 2016.
- The Council heard submissions on the Draft Annual Plan 2016/17 on 1st and 2nd June 2016.
- The Council adopted the Annual Plan at the Council meeting on 22 June 2016.

OUR COUNCIL

HER WORSHIP THE MAYOR



Cr Lyn Patterson

DEPUTY MAYOR & RURAL COUNCILLOR



Cr Graham McClymont

AT LARGE COUNCILLORS



Cr Brent Goodwin



Cr Pip Hannon



Cr David Holmes



Cr Jonathan Hooker



Cr Chris Peterson

URBAN COUNCILLORS



Cr Doug Bracewell



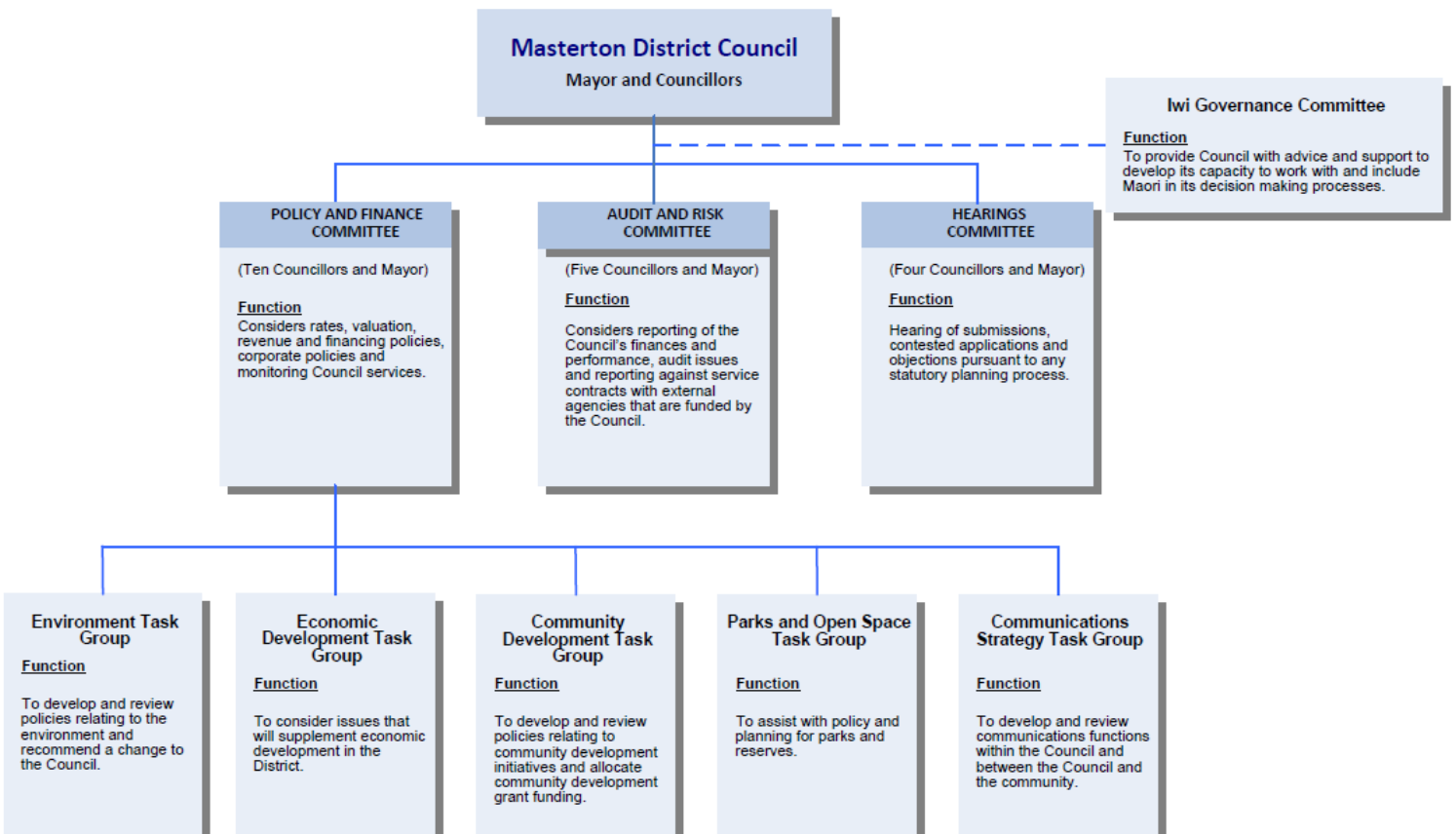
Cr Gary Caffell



Cr Mark Harris



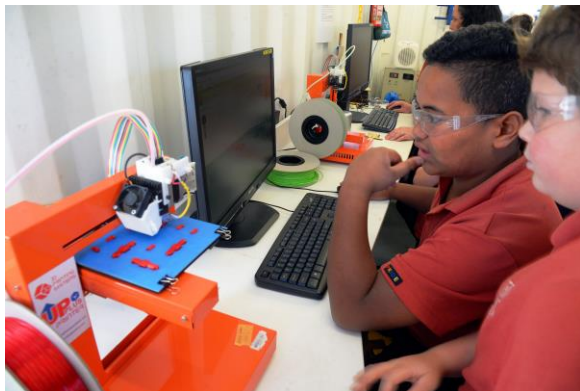
Cr Simon O'Donoghue



KEY CHANGES

Following public consultation and the subsequent adoption of the Annual Plan 2016/17, this section outlines the key changes for the upcoming financial year.

Increasing investment in our people



One of the key proposals consulted on as part of the draft Annual Plan 2016/17 process was investing an additional \$400,000 for the next three years in our community and our people.

To achieve sustainable development we need to invest in development across the spectrum – economic, environmental, cultural and social. We don't think we have the balance quite right yet so Council wants to invest more in our community.

People are at the heart of everything we do and we want all people in the Masterton district to have opportunities to thrive and succeed.

The majority of people who completed the submission form indicated that they supported this proposal.

We plan to allocate this funding toward additional resources to facilitate educational opportunities and the development of an education strategy; to support community development initiatives; and for local projects identified by our communities.

The funding comes from efficiency gains made in the 2015/16 year, so there will be no additional rates funding required and no reduction in service levels in other areas either.

Impact on Rates

The proposed average rates change for the 2016/17 year is an increase of 2.6%, compared to a forecasted 3.2% increase that was projected for Year 2 of the Long-Term Plan.

Lower than projected inflation and reduced interest rates on our debt have resulted in small reductions in expenditure across most of Council's operational areas. Changing the timing of the following projects has also resulted in budget adjustments:

- The Council's customer service area revamp in the main Council building was put on hold while we awaited the outcome of an earthquake assessment. The \$250,000 allowed for this project has been carried forward to the 2016/17 financial year, along with funding for carpeting and painting the building and a provision to undertake strengthening work.
- Road and footpath upgrades in Solway Crescent were dependent on Council receiving enough in contributions (funds that developers contribute toward the cost of infrastructure) to proceed. Contributions were lower than expected and the work has been deferred until 2018/19.
- Initial scoping work for the CBD upgrade will start in 2016/17. To enable this, funding of \$108,700 has been brought forward from years 3 and 4.
- Most of the water reticulation work that was planned for 2015/16 was not progressed, but more sewer renewal work was undertaken than was planned. This has changed the debt funding costs in 2016/17 for these two services.
- The budget included in the Annual Plan for 2016/17 shows a small accounting deficit – operating revenue will be 99.7% of operating expenditure. Council has chosen to use carried forward funding from a projected surplus in 2015/16 to fund some specific operating costs in 2016/17.

Provision for Henley Lake

The draft Annual Plan 2016/17 proposed including a capital sum of \$500,000 in 2016/17 to apply for a consent based on a new intake regime. Following consultation, we are proceeding with this work on Henley lake.

Henley Lake has suffered from toxic algae blooms over the summer months for a number of years. Hot weather and low water flows into the lake contribute to this. We have tried to improve the flow, but are limited within our current consent to take any more water from the Ruamahanga River. This consent is due to be renewed in 2017, which is an opportunity to apply for a change to the intake structure to allow an increased and more reliable flow. We expect this will improve the lake's health. There are several options to upgrade the intake which will be explored if consent is granted.

The capital funding for Henley Lake will be loan funded and will have no rates impact in the coming financial year.

From 2017-18, or Year 3 of the Long-Term Plan, the cost of this proposal to the average urban household is estimated at an extra \$6 (per annum).

Sporting Facilities Supported

The Annual Plan includes provision to contribute \$670,000 towards the upgrade of the Colombo Road netball courts. The project is being led by the netball community and has a target of \$2.1 million to be raised.

The Queen Elizabeth Park cricket grandstand at the oval is also scheduled for an upgrade valued at \$350,000.

Supporting Events

Major events have the potential to boost our economy and promote our region to new tourist markets.

The Wairarapa was offered the opportunity to host the Pure Tour cycling event in 2017 and the three Wairarapa Councils were asked to contribute to the cost of hosting the event.

We consulted our community about this, however the event has since been rescheduled to 2018. The Draft Annual Plan included an additional \$65,000 of rates funding in the events budget for the Pure Tour.

Annual Plan 2016-2017

The Council has now reallocated \$35,000 to fund grants for other initiatives and the remaining \$30,000 has been left in the events budget, which now totals \$130,000. As part of the submission and hearings process Council considered applications from 26 separate entities for an allocation from the events budget. Key events receiving support included Wings Over Wairarapa 2017, the Golden Shears 2017, and the Balloon Festival 2017.



Property

The Council has made provision in its 2016-17 Annual Plan for maintenance and upgrading of a number of its properties. A provision of \$1.225m has been budgeted (loan funded) for earthquake strengthening.

Food Premises Licensing and Bylaw Amendment

Alongside the annual plan, Council also consulted on food premise fees and a bylaw amendment.

In response to ongoing air quality concerns in the Masterton urban area, Council proposed an amendment to Part 6 of the Masterton and South Wairarapa District Council's Consolidated Bylaw 2012, being to extend the end of the annual outdoor fire ban in the Masterton District urban area from 31st July to 31st August each year. This has been enacted.

The Food Act 2014 came into effect on 1st March 2016. The Act requires food premises to operate under a Food Control Plan (FCP) or National Programme, and enables Councils to fix fees to recover the direct and indirect costs of Council's functions under this Act which include registration, verification and compliance/monitoring of food premises. In recognition of the public good value of these functions, Council have fixed fees to recover 50% of the full direct and indirect costs of the Council's functions. See the fees section for further details.

LONG-TERM PLAN - FINANCIAL STRATEGY SUMMARY

Long-Term Plan Overview

Council’s 2015-25 Long-Term Plan was adopted in June 2015. The Financial and Infrastructure Strategies are fundamental documents forming the basis of that plan, while the Revenue & Financing Policy sets out the basis of how the Council’s activities will be funded and how the rates will be spread across the District’s ratepayers.

For more information on our Financial and Infrastructure Strategies, and Revenue and Financing Policy, refer to our 2015-25 Long-Term Plan, Volumes 1 & 2.

Masterton District Council’s financial performance and position over the last ten years has been dominated by infrastructure project expenditure. Loan funding, largely for infrastructure projects, has meant Council’s external debt sits at \$54 million. Water and sewer reticulation renewals programmes have been in catch-up mode over the last five years, funded from a combination of depreciation funding and loans.

Council’s Financial Strategy has been focused on delivering the infrastructure upgrades and renewals at an affordable cost to ratepayers. It incorporates living within capped rate increases and a consistent level of renewal expenditure on roading, water, sewer and stormwater assets as well as ‘business as usual’ for all other Council services.

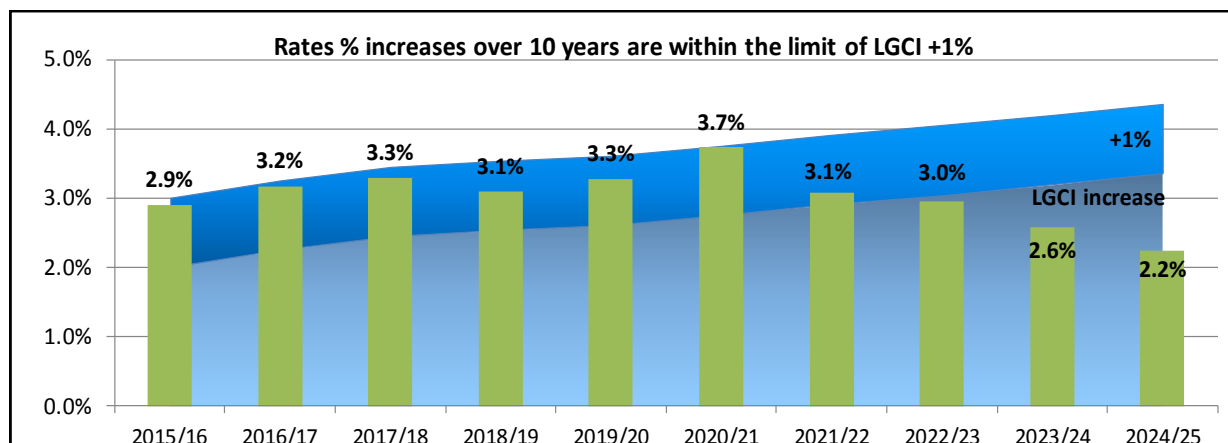
The end-point focus of the Financial Strategy is to ‘**maintain service delivery while ensuring financial sustainability**’. Asset management plans are a key tool in this strategy and form the basis for the renewals expenditure which is detailed in the Long-Term Plan. The Infrastructure Strategy is a culmination of the asset management plans and the forecast future expenditure levels are featured in this section of the report.

Rates Increases

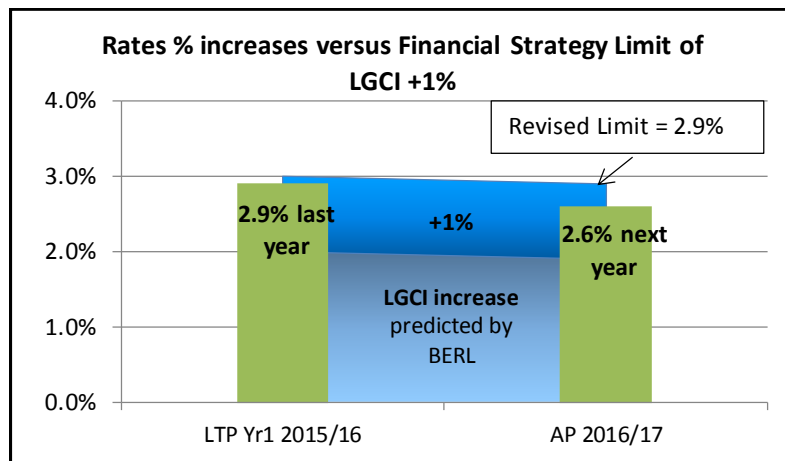
Rates income makes up approximately 68% of the Council’s operating income. Rates are paid by the property owners of the district and affordable changes in the level of those rates are a key aspect of the Council’s decision making framework.

Council has set a limit on how much its rates income can increase – that limit is the Local Government Cost Index (LGCI) movement plus 1%. For the year 2016-17 the LGCI is forecast to increase by 1.9%, so Council is looking to stay at or below a 2.9% increase in its rates income. The impact on individual properties will vary depending on how Council expenditure budgets translate through the Revenue & Financing Policy. The LGCI is calculated independently by BERL and in 2014 they forecast 2.24% for 2016-17. The current forecast is now a 1.9% increase in the LGCI.

See graph below for forecast rates increases as per the 2015-25 Long-Term Plan:

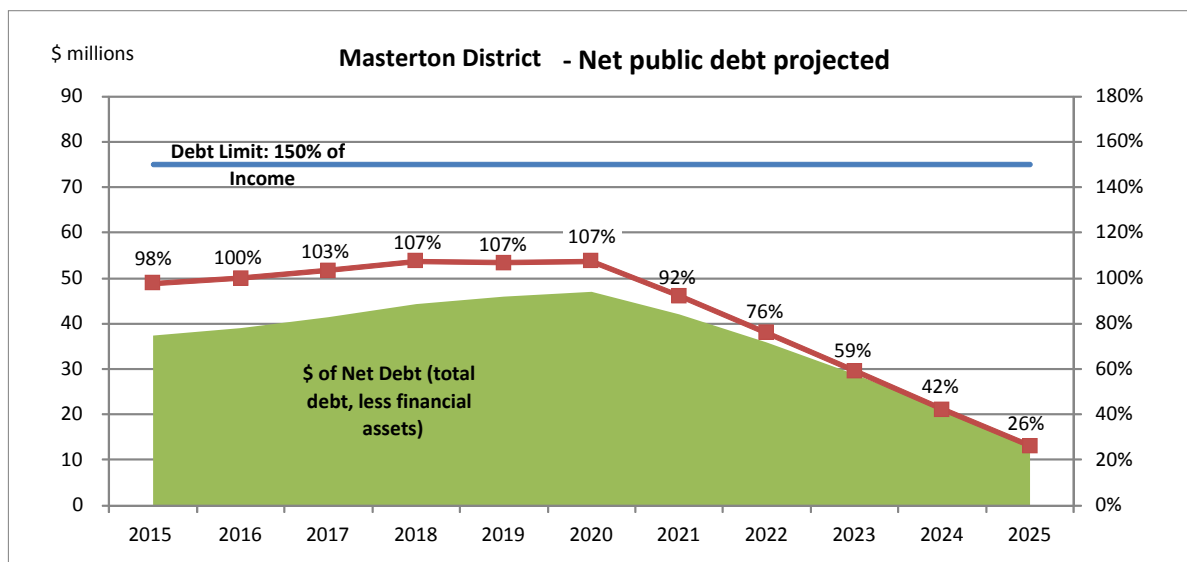


As updated for the 2016-17 Annual Plan, the rates increase remains lower than the limit set, despite the limit reducing, as the LGCI is lower than when the Long-Term Plan was adopted.

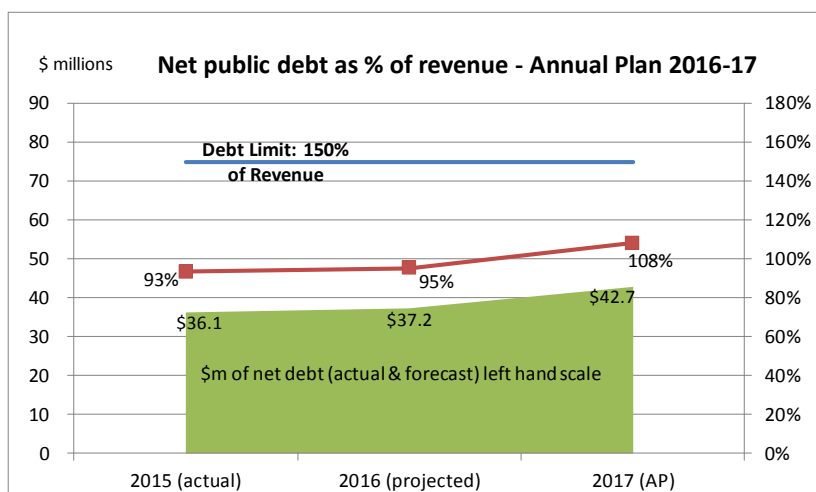


Debt Limits

The level of debt forecast over the next ten years is represented in the graph below, alongside the limit Council has imposed with respect to maintaining a prudent level of debt (Limit = Net debt to be less than 150% of Operating Income).



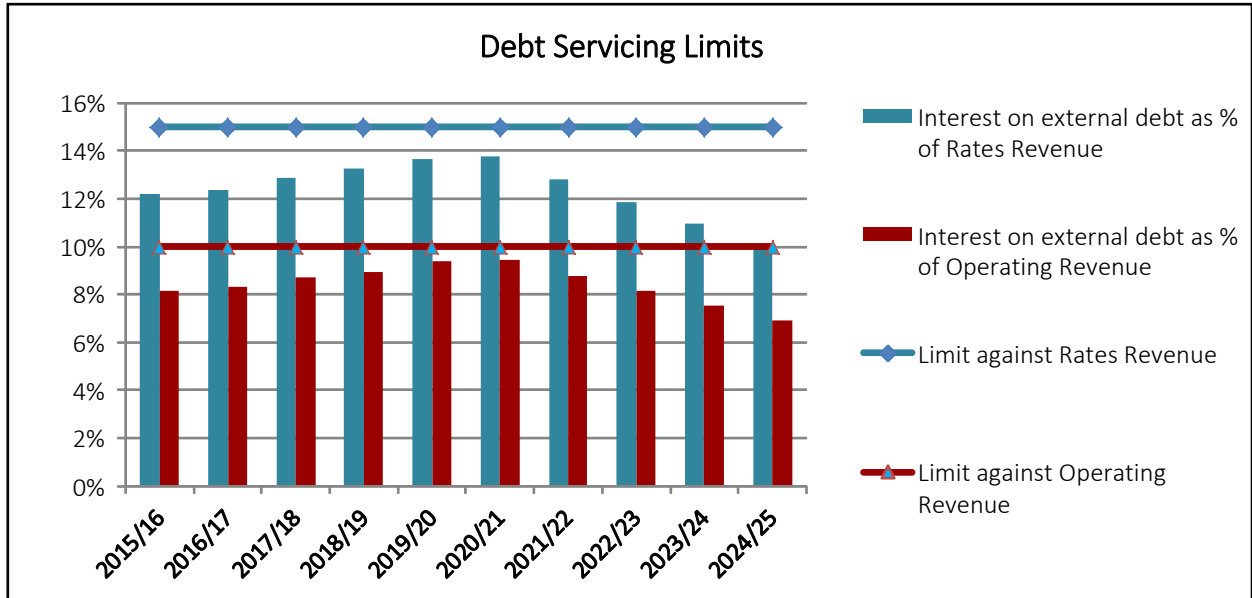
The graph below is updated for the 2016-17 Annual Plan, the net debt as a percentage of revenue will be 108% by 30 June 2017. This compares to 103% that was forecast in the Long-Term Plan.



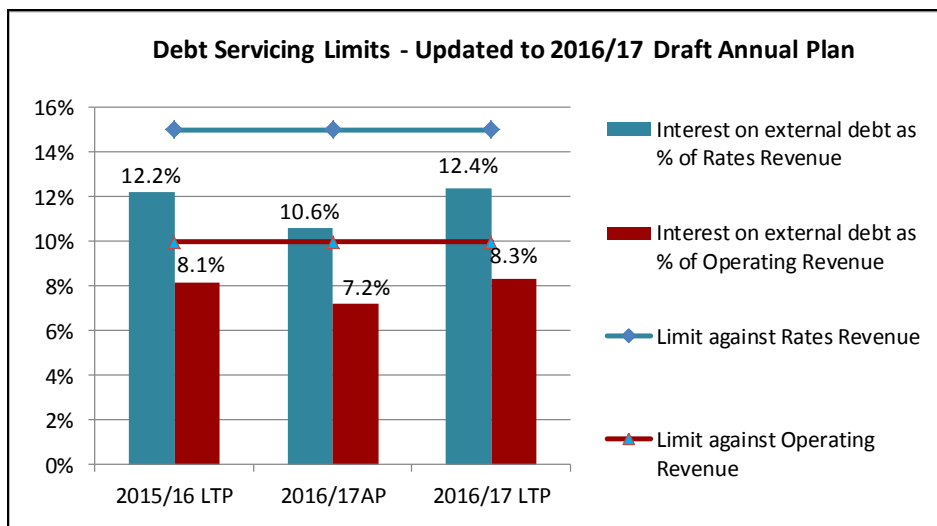
Council has also set a limit on how much debt servicing costs will be as a percentage of rates income and operating income. Those limits are:

- Interest on external debt is not to exceed 10% of Operating Revenue
- Interest on external debt is not to exceed 15% of Rates Revenue

The limits and planned performance within those limits are detailed below as follows:



The graph below is updated for the 2016-17 Annual Plan, with the percentages less than expected in the Long-Term Plan reflecting the lower interest rates we expect to pay on our debt.



Balancing the Books

The Local Government Act 2002 requires Councils to run a balanced budget. That is a budget where operating revenue is greater than operating expenditure. The long-term plan predicted achieving that position from year 2.

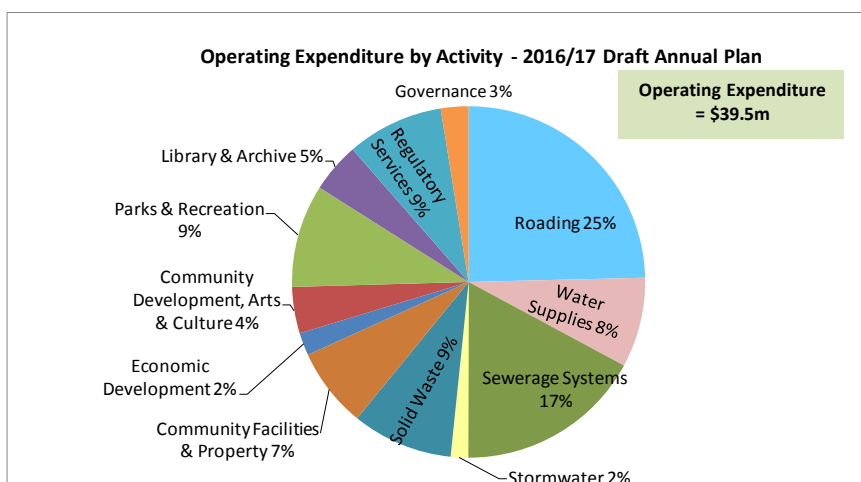
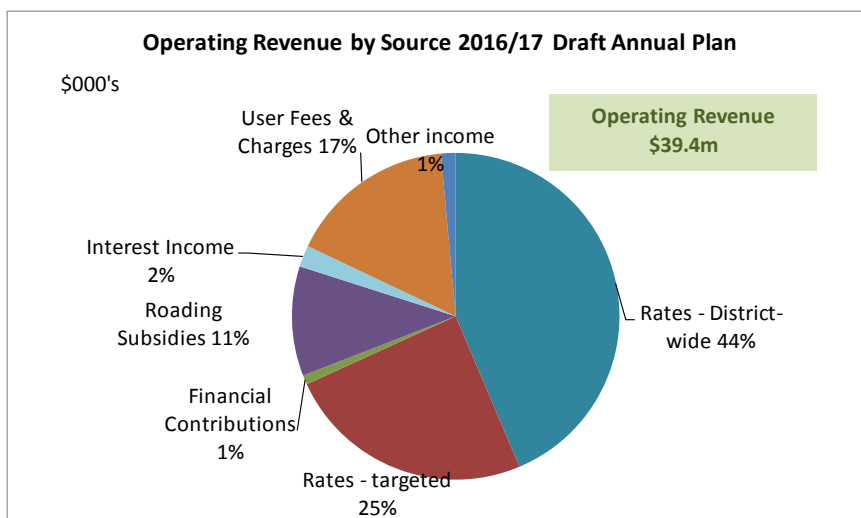
The Annual Plan for 2016-17 does not have a balanced budget. An accounting deficit of \$104,045 (or 0.26% of Operating Revenue) is predicted as there will be surplus funding of some \$480,000 from 2015/16 carried forward and used to fund some operating costs in 2016-17. The surplus that is forecast for the 2015-16 year will be generated from across a range of Council's operating activities and largely comes from efficiencies.

Rating Policy

Council recognises that most of the rates charged are a property tax, as they are payable whether or not you use or benefit from a service. The Annual Plan does not change the Revenue & Financing Policy i.e. the way Council divides up the rates for the district. The rating model is based on an initial allocation of costs between urban and rural wards and then the selection of the most appropriate rating tool to charge specific costs. The allocation between wards creates an effective differential and all rates then become targeted rates in each ward – there is no General rate set across the District.

The mix of tools includes uniform (flat) charges, rates per \$ of land value and rates per \$ of capital value. The full policy allocations are detailed in the Revenue & Financing Policy in the 2015-25 Long-Term Plan.

The graphs below provide a breakdown of the Operating Revenue and Operating Expenditure by Activity as per the proposed changes for the Annual Plan 2016-17:



LONG-TERM PLAN - INFRASTRUCTURE STRATEGY SUMMARY

The Infrastructure Strategy sets out how Council manages the assets within which it delivers services such as roading, water, wastewater and stormwater for the District. The sections below are drawn from the Infrastructure Strategy and have been updated where new information impacts on the 2016-17 Annual Plan.

Homebush Wastewater Treatment Plant Upgrade / Consent Review

The Natural Resources Plan will require Council to further reduce treated wastewater discharged into the river. The most likely scenario and timing of this will be subject to further consultation with iwi, GWRC and the community.

Options for increasing treatment capacity to further reduce the need to discharge the treated effluent into the river include:

1. Construction of wetlands.
2. Further treatment of effluent to Fonterra standards for use on adjacent dairy farms.
3. Construction of further irrigation areas on Council-owned land.
4. Construction of a reticulation system for treated effluent for irrigators to use.
5. Construction of additional pond capacity for the storage of winter flows.

A budget provision of \$1.5 million is allowed in the work programme for the implementation of the selected option, with a further \$37 million provision allowed for a plant upgrade to stop treated wastewater discharges to the river when the current consent expires in 2034. It is noted that until the Natural Resources Plan is fully implemented, the Homebush upgrade timetable and scope creates significant uncertainty for Council. The financial impact of the alternative options will be part of the consultation process.



Water Treatment Plant Consent Renewal

A consent renewal to take up to 40,000m³ of water/day (463 l/s) from the Waingawa River for public water supply is due in 2017.

The most likely scenario is that the Natural Resources Plan will require that the maximum water take to be reduced to meet the health needs of the community only during periods of low flow in the Waingawa River. Untreated water storage dams (\$5 million) will need to be constructed and water meters installed on all users (up to \$5 million) to ensure the expected water demand is managed.

The principal alternative to these measures is to restrict supply to commercial and domestic users at times of low flow in the rivers. It is noted that until the Natural Resources Plan is fully implemented, the water treatment plant upgrade timetable and scope creates significant uncertainty for Council. The financial impact of water restrictions is dependent on finalised rules of the Natural Resources Plan.

LED Streetlights

Council plans to upgrade the street lighting in the Masterton urban area with LED technology at a cost of \$0.7m starting in 2017. The driver for the upgrade is a combination of reduced electrical and maintenance costs.

The alternative to replacement is to continue with the current lamps and fittings with the financial impact of not realising approximately \$60,000 per year of electricity savings.

CBD Streetscape Redevelopment

The redevelopment of the CBD streetscape (\$3.5 million) is proposed for 2018/19. A vibrant and attractive retail and services area is critical to the economic success and image of the town.

The most likely scenario for redevelopment will be to repurpose the uses of the CBD and will include a combination of new street furniture, plantings, artwork, lighting, green space and mobility changes. The scope and timing of this redevelopment will be subject to consultation with the community.

The principle alternative is not to undertake this work or to reduce its scope. The financial benefits of the redevelopment are to be established in the design concept work planned.

Earthquake Resilience

A provision of \$2.265 million for strengthening work on Council buildings is included in the Long –Term Plan across 2016-17 and 2017-18. Details of strengthening work requirements are dependent upon engineering reports and the community's priorities that Council determines for its buildings.



Community Infrastructure Projects - Netball Upgrade

This project is part of the upgrade of sports facilities that was considered in the Sports Facility Strategy to meet current and future needs.

Council and Netball Wairarapa together have made considerable progress on a redevelopment proposal for the Colombo Road netball courts during 2015/16.

Council has included, in the 2016-17 Annual Plan, a provision to invest up to \$670,000 towards the community-led project which will see new clubrooms and facilities, 3 covered courts, all courts resurfaced, 6 courts with a new sports surface and new fencing.

Consultation on the concept drawings ran as a separate process from the Annual Plan and a major fundraising drive is underway. The overall cost of the upgrade is likely to be between \$1.8m and \$2.1m.

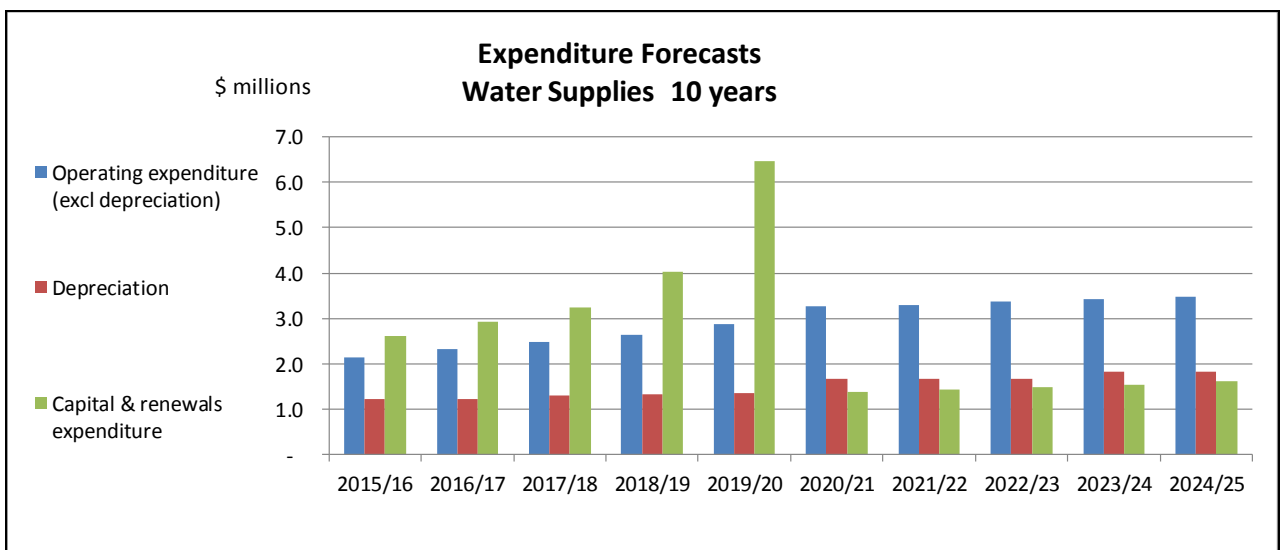
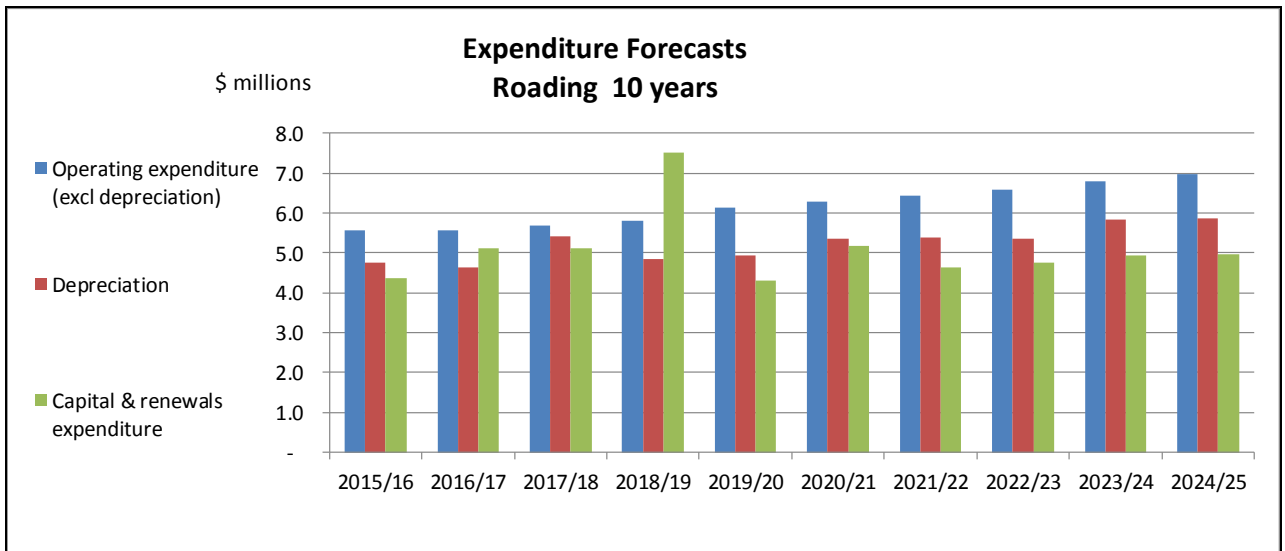
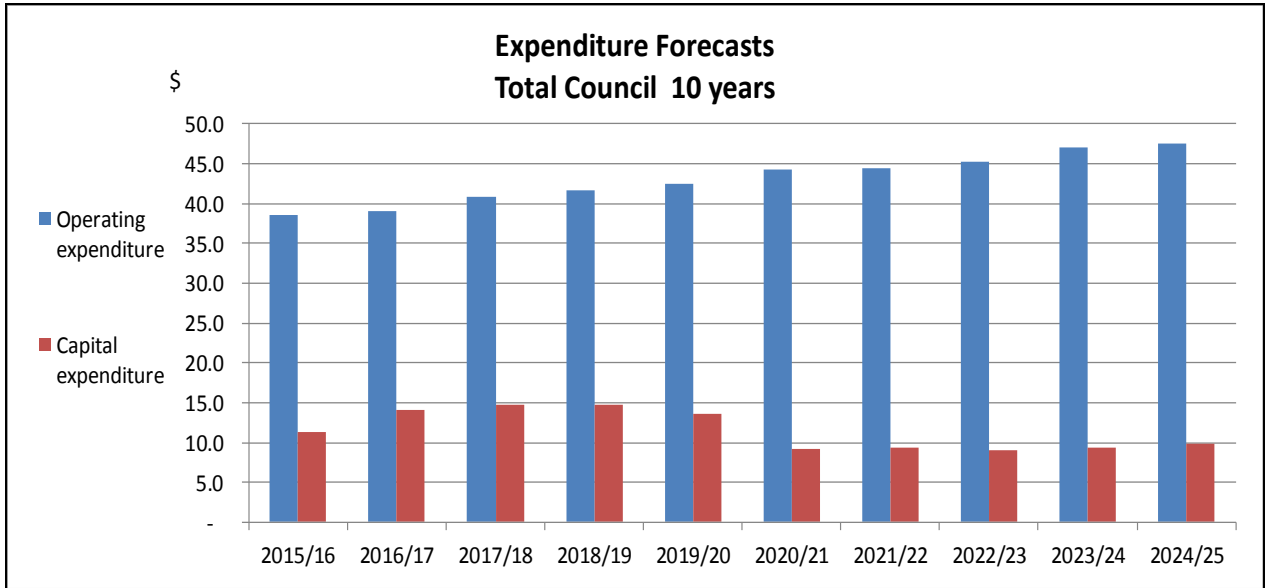
Community Infrastructure Projects – Library Extension

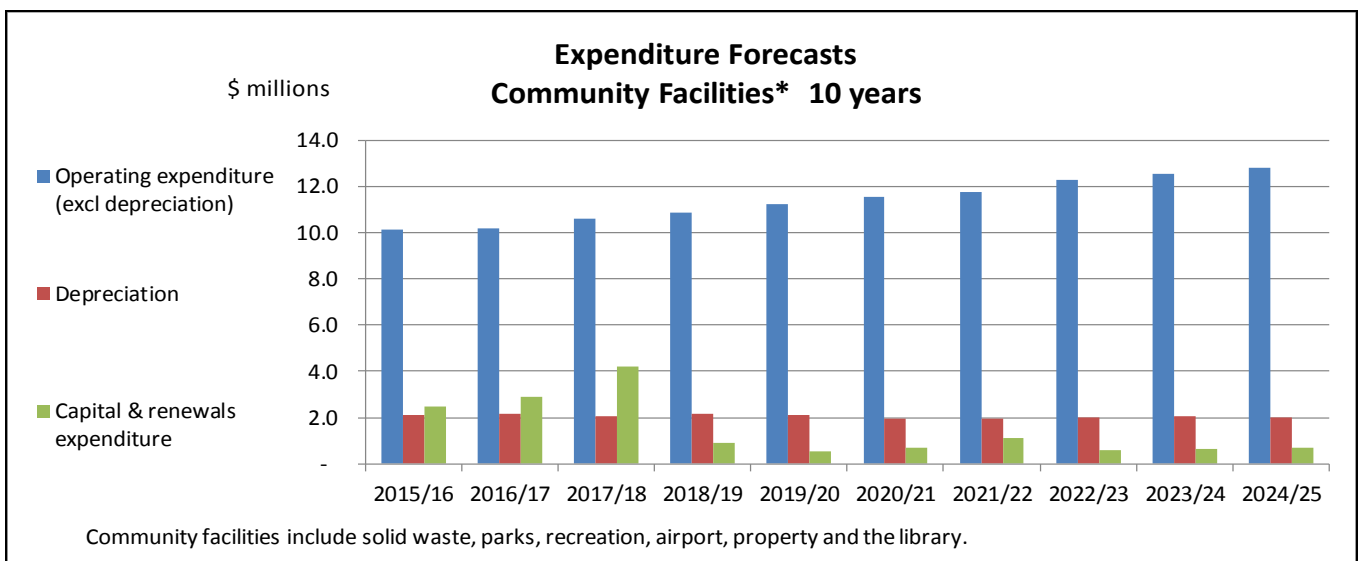
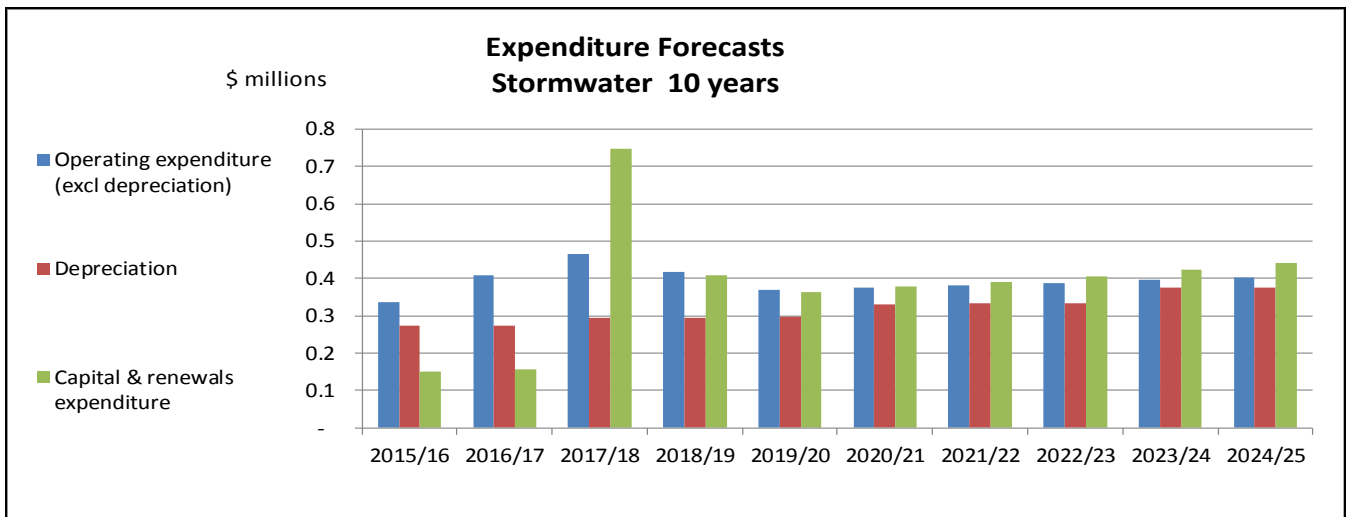
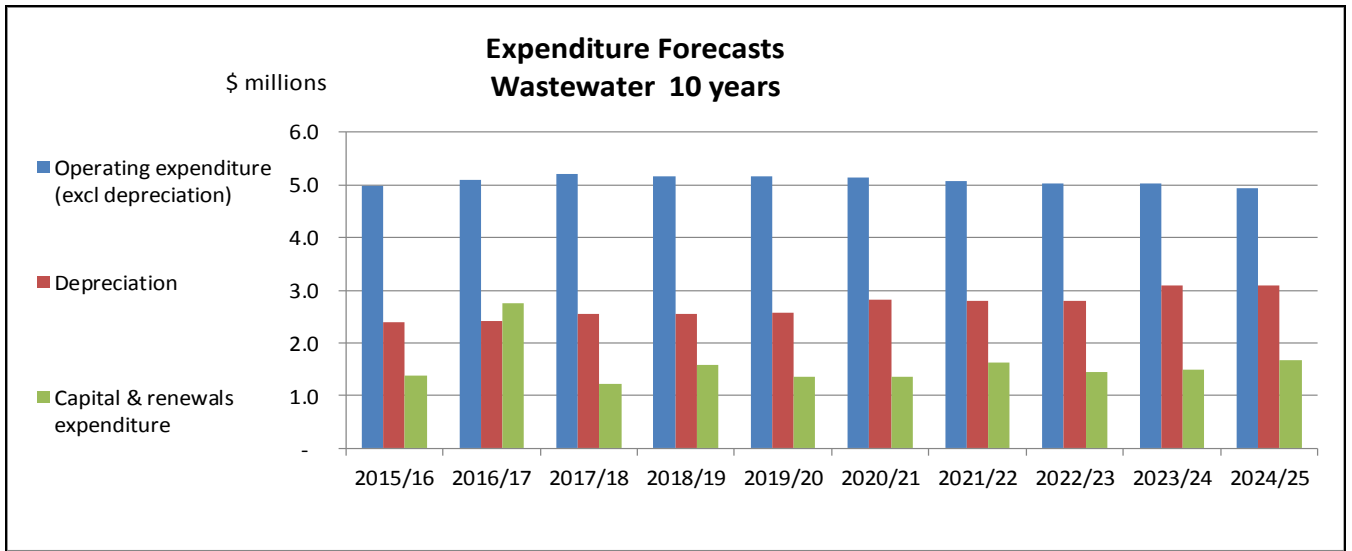
This project is a response to changing roles and services that libraries are expected to provide. The current space in the library is below the recommended standard for the population of Masterton and limits displays of materials and space for programmes.

The most likely scenario is to extend the floor space of the library. Work is being undertaken to review the options on the current site. The proposed provision is \$1.26 million in 2017/18 to be funded by a loan. Relocating the archives from its leased site to within the library building is an option that will be considered.

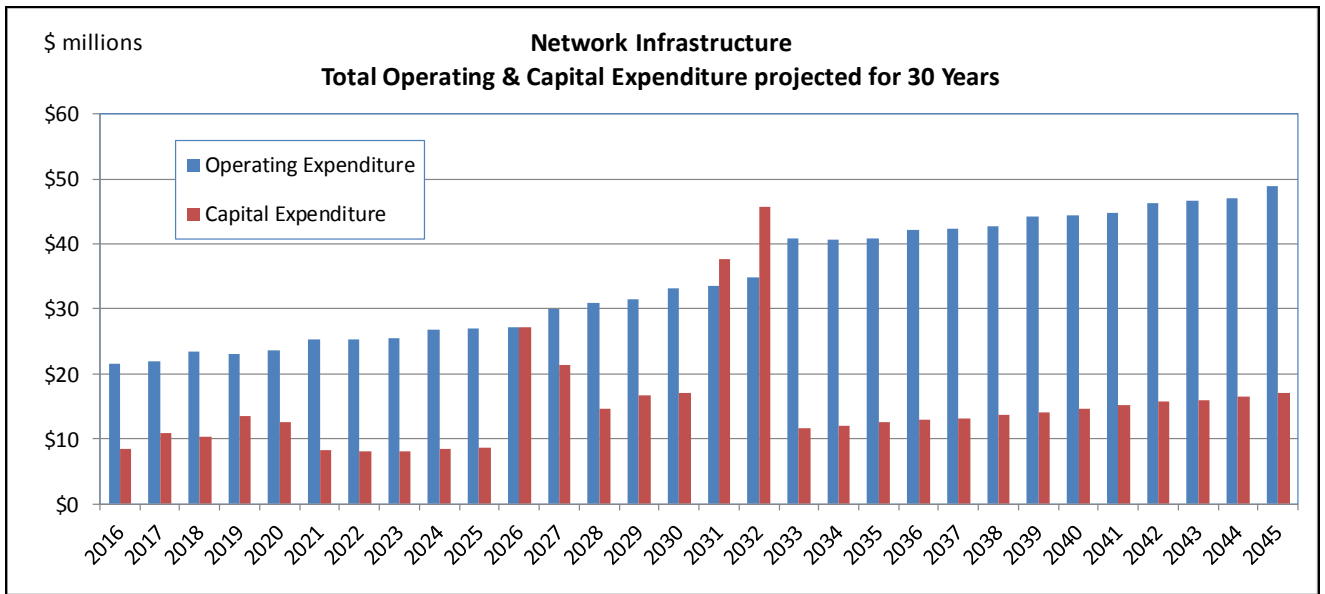
The alternatives are to relocate to a larger building or purpose build a new library on a new site. The other option is to make do with the current building and review the need once the impact of e-books on space requirements is clearer. The planned feasibility study will establish the financial implications of the extension and its alternatives.

The graphs below have been extracted from the 2015 Infrastructure Strategy and reflect Council expenditure forecasts for the ten years as per the 2015-25 Long-Term Plan:





30 year Infrastructure Expenditure Forecasts



Note: Capital expenditure peaks in 2026, 2027 and 2031, 2032 are provisions for costs, funded by borrowing, associated with stormwater, water and wastewater treatment potential upgrades assumed to be required by the new Natural Resources Plan. Only the four network services are included in the graph above (roading, stormwater, water, and wastewater).





ACTIVITY STATEMENTS



ROADS, STREETS, FOOTPATHS AND PARKING

The Council constructs, manages and maintains the road, street and footpath networks including pavements, bridges, traffic services and streetlights throughout the Masterton District. We own and maintain off-street car park spaces and on-street metered time-limit spaces. Assets include 803 km of road, 243 bridges, 183 km of footpaths and 2,447 streetlights. In addition to this, there are 4,000 culverts, over 1,000 km of drainage channels and nearly 7,000 signs and road edge markers.

Priorities for 2016-17

Priorities for roading in 2016-17 include roading renewals; an upgrade to street lighting; provision for cycling projects; provision for neighbourhood improvements and the CBD redevelopment.

In terms of roading renewals – rural roads have been allocated \$2.4 million, while urban road renewals have been allocated \$0.75 million.

An upgrade to street lighting in the Masterton urban area with LED technology at a cost of \$726,000 over two years.

An annual provision of \$70,000 has been made available in the roading programme for cycling projects.

\$100,000 per annum has been allowed for an ongoing programme of neighbourhood improvements.

For the CBD redevelopment project, 100,000 of the funding that was allowed in 2017/18 (year 3 of the LTP) for this project has been brought forward to the 2016-17 financial year to enable initial ideas, concept designs and consultation to start.

Performance Measures

For the full list of the non-financial performance measures for roads, streets, footpaths and parking, refer to the 2015-2025 Long-Term Plan.



Financials

ROADING			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
3,854,014	Road maintenance - subsidised	3,783,519	3,808,341
1,195,614	Road maintenance - non-subsidised	1,193,542	1,231,355
513,200	Flood damage provision	500,000	519,358
4,725,102	Depreciation	4,624,341	4,642,160
10,287,930		10,101,402	10,201,214
	Operating Income		
2,162,636	NZ Transport Agency subsidy (on maintenance)*	2,149,392	2,132,263
170,000	Local authority petrol tax	175,000	172,040
289,020	Other recoveries	135,020	167,000
2,621,656		2,459,412	2,471,303
	Appropriations		
(125,000)	Transfers from reserves	(125,000)	(125,000)
189,000	Tsfs to reserves - roading contributions & flood damage	45,000	75,900
117,067	Provision for loan repayments	25,156	25,156
(4,034,735)	Reverse depreciation**	(3,676,993)	(3,786,993)
\$ 3,812,606	Rates Requirement	\$ 3,910,153	\$ 3,918,974

* Further subsidy income is shown in the Capital Expenditure Summary

** Depreciation is reversed to arrive at the rates requirement. Renewals expenditure (shown in the Capital Expenditure) is reversed to set funding.



ROADING

LTP Year 1 2015/16		Capital Expenditure Summary		Renewal/ New/ Growth	Source of Funds	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Capital Projects					\$	\$
	Subsidised Roothing						
2,320,300	Roothing Renewals - rural	Renewal	Rates & Subsidy		2,329,868	2,329,868	
633,700	Roothing renewals - urban	Renewal	Rates & Subsidy		746,710	746,710	
71,900	Bridge renewals	Renewal	Rates & Subsidy		72,907	72,907	
720,000	Manawa Bridge	Renewal	Reserves & Subsidy		-	-	
-	Solway Cres upgrading	Growth	Subdiv Contrib		-	606,372	
368,000	Rural/Urban Minor Improvement projects	LOS	Rates & Subsidy		509,092	515,112	
174,000	Columbo Road - new footpath western side	LOS	Rates & Subsidy		-	-	
70,000	Cycleways	LOS	Rates & Subsidy		70,980	70,980	
-	Castlepoint - Rural foothpath	LOS	Loan 2016/17 AP		180,000	-	
4,357,900	Total Subsidised Roothing				3,909,556	4,341,948	
	Non-subsidised Roothing						
54,000	Carpark reseal	Renewal	Depn Reserve		5,000	5,070	
380,000	Footpath upgrading [incl reseals]	Renewal	Depn Reserve		370,000	304,200	
270,000	CBD upgrade	LOS	Devel Contrib & loan		108,700	-	
-	Upgrade to LED streetlighting	LOS	Loan/Depn Reserve				
-	Streetscape & neighbourhood design (provision)	LOS	Rates		350,000	358,400	
183,600	Lansdowne village project (roading, paving & seating)	LOS	Loan,		105,800	101,400	
200,000	Lansdowne village project (underground power)	LOS	Loan/General Capital fund		-	-	
10,000	Railway Street Scape	LOS	General capital		-	-	
1,097,600	Total Non-subsidised Roothing				939,500	769,070	
5,455,500	Total				4,849,056	5,111,018	
	Capital Funding						
(2,434,413)	NZ Transport Agency subsidy (roading)				(2,125,847)	(2,232,968)	
(1,023,600)	Transfers from reserves				(630,265)	(912,930)	
(383,600)	Loan funds				(414,785)	(179,200)	
(\$3,841,613)	Total other funding				(3,170,897)	(3,325,098)	
\$1,613,887	Rates Requirement (Capital)				\$1,678,159	\$1,785,920	

ROADING

LTP Year 1 2015/16		Rates Requirement Summary		Annual Plan 2016/17	LTP Year 2 2016/17
\$					
3,839,341	Subsidised roading			3,990,406	4,089,523
1,039,954	Non-subsidised roading (urban)			1,166,212	1,166,137
236,524	Non-subsidised roading (rural)			216,696	225,912
310,676	Flood damage provision			215,000	223,324
\$5,426,495	Rates Requirement			\$5,588,312	\$5,704,895

WATER SUPPLIES (Urban & Rural)

The Council provides appropriately treated water to the urban reticulation system and to the Waingawa industrial area, and provides and maintains an effective, economic and secure distribution system for drinkable water. It also supports the provision of non-drinking and water race supplies in rural areas.

Priorities for 2016-17

The second stage of the renewal for one of the trunk mains into the urban area is proposed for 2016-17. Water reticulation renewals will also continue, with a higher spend in 2016-17 than in the Long-Term Plan as 2015/16 work is carried forward.

Performance Measures

For the full list of the non-financial performance measures for urban and rural water supplies, refer to the 2015-2025 Long-Term Plan.

Financials

Urban Water Supply			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
1,127,380	Water treatment costs	1,117,520	1,176,313
762,476	Water reticulation costs	761,428	887,134
1,159,736	Depreciation	1,187,694	1,157,997
3,049,593		3,066,643	3,221,445
	Operating Income		
226,100	User charges & recoveries	242,400	235,560
	Appropriations		
252,517	Provision for loan repayments	283,172	310,935
(115,110)	Reverse depreciation	(147,961)	(161,361)
\$ 2,960,900	Rates Requirement	\$ 2,959,454	\$ 3,135,458

Rural Water Supplies			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
227,628	Rural water supplies & races	208,878	225,718
54,544	Depreciation & decline in service	54,867	55,377
282,172		263,746	281,095
	Operating Income		
174,500	Rural water scheme charges	183,200	173,054
	Appropriations		
-	Transfer from reserves	-	-
-	Transfer to reserves	-	-
1,566	Provision for loan repayment	3,438	2,695
(14,950)	Reverse depreciation	-	(12,192)
\$ 94,288	Rates Requirement	\$ 83,984	\$ 98,544

WATER SUPPLIES

LTP Year 1 2015/16	Capital Expenditure Summary	Renewal/New/ Growth	Source of Funds	Annual Plan 2016/17	LTP Year 2 2016/17
\$				\$	\$
	Urban water treatment				
-	WTP Consent Renewal - take	Renewal	Reserves	175,000	176,460
145,000	WTP - plant, equipment & infrastructure renewals	Renewal/LOS	Depn Reserve	95,000	98,610
39,000	WTP - building renewals	Renewal	Depn Reserve	-	-
-	Fluoride Free - water access	LOS	Depn Reserve	10,000	-
-	Reseal Access Road WTP	Renewal	Depn Reserve	30,000	31,140
\$184,000	Total Urban water treatment			310,000	306,210
	Urban water reticulation				
2,150,000	Water mains renewals (reticulation)	Renewal	Loan/Depn Reserve	2,750,000	2,387,400
200,000	Water connections replacements	Renewal	Depn Reserve	200,000	207,600
45,000	Reservoir upgrades	Renewal	Depn Reserve	-	-
2,395,000	Total Urban water reticulation			2,950,000	2,595,000
	Rural water supply				
20,000	Wainuioru water supply renewals	Renewal	Depn Reserve	30,000	20,760
5,000	Tinui water supply upgrades	Renewal	Depn Reserve	5,000	5,190
-	Opaki water race consent renewal	Renewal	Loan	-	-
25,000	Total Rural water supply			35,000	25,950
2,604,000	Total			3,295,000	2,927,160
	Capital Funding				
(746,500)	Transfers from reserves			(977,500)	(843,375)
(1,857,500)	Loan funds			(2,317,500)	(2,083,785)
(\$2,604,000)	Total capital funding			(\$3,295,000)	(\$2,927,160)
\$0	Rates requirement			\$0	\$0

WATER SERVICES

LTP Year 1 2015/16	Rates Requirement Summary	Annual Plan 2016/17	LTP Year 2 2016/17
2,960,900	Masterton urban water supply	2,959,454	3,135,458
27,435	Tinui water supply	32,564	29,527
39,909	Opaki water race	38,295	41,538
26,944	Miscellaneous rural water costs	\$13,124	\$27,480
\$3,055,188	Rates Requirement	\$3,043,437	\$3,234,002

WASTEWATER SERVICES

Council provides systems to collect and dispose of wastewater from residential, commercial and industrial properties in the urban area, the Waingawa industrial area, and at Riversdale, Castlepoint and Tinui.

Priorities for 2016-17

Wastewater priorities for 2016-17 include \$1.45 million that has been allocated to progress new initiatives to improve and reduce the discharge to the Ruamahanga River; and the renewal of sewer reticulation will continue at the \$1.1 million allowed in the Long-Term Plan, Year 2.



Performance Measures

For a full breakdown of the non-financial performance measures for wastewater, refer to the 2015-2025 Long-Term Plan.

Financials

Sewerage Services - urban			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
1,198,082	Sewerage reticulation	1,208,257	1,251,473
3,525,529	Wastewater treatment	3,206,440	3,609,448
2,126,816	Depreciation	2,099,318	2,164,508
6,850,427		6,514,014	7,025,429
	Operating Income		
477,900	User charges & lease income	435,750	498,466
	Appropriations		
(170,000)	Transfers from reserves	(170,000)	(170,000)
-	Transfer to reserves	-	-
1,315,282	Provision for loan repayments	1,411,408	1,404,606
(1,055,758)	Reverse depreciation	(1,139,030)	(1,176,866)
6,462,051	Rates Requirement	6,180,642	6,584,703

Sewerage Services - rural

Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
43,452	Castlepoint sewerage scheme	49,567	45,121
225,278	Riversdale Beach sewerage scheme	195,402	222,463
16,238	Tinui sewerage scheme	16,028	16,715
268,417	Depreciation	252,311	264,521
553,386		513,309	548,819
	Operating Income		
5,150	User charges & other income	5,150	5,273
111,500	Riversdale Beach capital contributions	96,600	117,298
116,650		101,750	122,571
	Appropriations		
-	Tsf to reserves - ex Cstlpt sewerage	-	-
(30,000)	Transfer from reserves - Riversdale	(30,000)	(30,000)
131,652	Provision for loan repayments	152,650	152,545
(226,088)	Reverse depreciation	(231,387)	(239,387)
312,300	Rates Requirement*	302,822	309,406
* Note includes Riversdale Beach Sewerage Scheme capital contributions that are being paid off over 20 years.			

SEWERAGE SERVICES

LTP Year 1 2015/16	Capital Expenditure Summary	Renewal/New/ Growth	Source of Funds	Annual Plan 2016/17	LTP Year 2 2016/17
\$				\$	\$
	Urban Sewerage system				
150,000	Hydraulic/groundwater modeling	LOS	Depn Reserve	75,000	-
1,100,000	Sewer reticulation renewals	Renewal	Loan/Depn Reserve	1,100,000	1,141,800
40,000	Homebush treatment plant renewals	Renewal	Depn Reserve	40,000	41,520
150,000	Homebush contract completion	Renewal	Depn Reserve	150,000	155,700
180,000	Homebush treatment plant upgrade	LOS	Loan/Depn Reserve	1,450,000	1,453,200
\$1,620,000	Total Urban Sewerage system			2,815,000	2,792,220
	Rural Sewerage schemes				
0	Riversdale sewerage scheme	Renewal	Loan/Depn Reserve	12,000	12,456
\$0	Total Rural Sewerage system			12,000	12,456
1,620,000	Total			2,827,000	2,804,676
	Capital Funding				
(770,000)	Loan funds			(1,875,000)	(1,894,350)
(850,000)	Transfer from reserves			(952,000)	(910,326)
(\$1,620,000)	Total capital funding			(\$2,827,000)	(\$2,804,676)
\$0	Rates Requirement (Capital)			\$0	\$0

SEWERAGE SERVICES

Rates Requirement Summary

LTP Year 1 2015/16		Annual Plan 2016/17	LTP Year 2 2016/17
\$			
6,462,051	Urban sewerage system	6,180,642	6,584,703
54,302	Castlepoint sewerage scheme	54,417	57,848
153,934	Riversdale Beach sewerage scheme	153,335	147,018
85,743	Riversdale Beach capital contributions	77,168	85,743
18,321	Tinui sewerage scheme	17,901	18,798
\$6,774,349	Rates Requirement	\$6,483,464	\$6,894,110



STORMWATER

Council provides systems, including use of natural channels and streams, to collect and dispose of stormwater from residential, commercial and industrial properties in the urban area. The stormwater system in the rural area are largely open drains. Assets include 33kms of pipes, 800 man holes, and 4km of stop banks.

Priorities for 2016-17

Stormwater services has a provision of \$75,000 for operating budgets (as per the Long-Term Plan) to allow for the development of management plans for our stormwater catchments.

Performance Measures

For a full breakdown of the non-financial performance measures for stormwater, refer to the 2015-2025 Long-Term Plan.

Financials

Stormwater			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
336,535	Stormwater	379,452	408,564
273,730	Depreciation	273,250	273,980
610,265		652,702	682,544
	Operating Income		
-	User charges & other income	-	-
	Appropriations		
(135,000)	Transfer from reserves	(135,000)	(135,000)
-	Transfer to reserves	-	-
132,456	Provision for loan repayments	141,302	141,302
(132,456)	Reverse depreciation	(141,302)	(141,302)
475,265	Rates Requirement	517,702	547,544

STORMWATER

LTP Year 1 2015/16	Capital Expenditure Summary	Renewal/New /Growth	Source of Funds	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Stormwater			\$	\$
150,000	Stormwater renewal & upgrades	Renewal	Depn Reserve	150,000	155,700
\$150,000	Total Stormwater			150,000	155,700
	Capital Funding				
(150,000)	Transfer from reserves			(150,000)	(155,700)
(\$150,000)	Total capital funding			(\$150,000)	(\$155,700)
\$0	Rates Requirement (Capital)			\$0	\$0

SOLID WASTE MANAGEMENT

Council owns, maintains and manages three transfer stations in the Masterton District, with waste transferred to the Bonny Glen landfill near Marton. Former landfill sites are closed and monitored and the Nursery Road landfill has some limited use for cleanfill/cover material. The current refuse collection and transfer station operations, gate fee collection, composting, and recycling services at both Nursery Road and in the rural areas are carried out under performance-based contracts let by competitive tender to the private sector.

Priorities for 2016-17

Two projects are being carried forward from 2015/16 into 2016-17, namely the capping the Nursery Road landfill and building a cover over the Nursery Road Transfer Station. In addition to this, we have made provision for \$50,000 in 2016-17 and \$250,000 in 2017-18 towards establishing a resource recovery centre, and \$50,000 is also being set aside to investigate our waste management options over 2016-17.

Performance Measures

For a full breakdown of the non-financial performance measures for solid waste management, refer to the 2015-2025 Long-Term Plan.

Financials

Solid Waste Management			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
	Operating Costs	\$	\$
417,550	Urban refuse collection costs	401,345	427,113
40,000	Nursery Rd landfill closure costs	7,500	40,920
2,020,899	Transfer station operation & refuse disposal	2,134,156	2,100,834
1,052,518	Waste minimisation (incl recyc & composting)	1,034,832	1,062,762
213,905	Rural waste operations	217,096	217,293
3,744,872		3,794,929	3,848,923
	Operating Income		
2,106,550	User charges - external	2,187,195	2,114,081
202,767	User charges - internal	184,938	207,431
75,000	Recoveries - waste levy	85,000	76,725
390,500	Recoveries from bag sales	365,200	399,482
2,774,817		2,822,333	2,797,718
	Appropriations		
(40,000)	Transfers from reserves	(65,000)	(40,000)
40,000	Transfers to reserves	-	-
84,096	Provision for loan repayments	91,079	95,481
(70,204)	Reverse depreciation	(68,122)	(75,122)
\$ 983,947	Rates Requirement	\$ 930,553	\$ 1,031,564

SOLID WASTE SERVICES

LTP Year 1 2015/16		Capital Expenditure Summary		Annual Plan 2016/17	LTP Year 2 2016/17
\$				\$	\$
	Solid Waste Management				
335,000	Nursery Road landfill capping	Renewal	Depn Reserve	335,000	-
100,000	Special Waste	LOS	Loan & Reserves(External contributions)	-	-
-	Reuse Recovery Store	LOS	Depn Reserve	50,000	51,250
200,000	Roof over Transfer Station Pad	LOS	Loan	200,000	-
\$635,000	Total Solid Waste Management			585,000	51,250
	Capital Funding				
(260,000)	Loan funds			(200,000)	-
(375,000)	Transfer from reserves			(385,000)	(51,250)
(\$635,000)	Total capital funding			(\$585,000)	(\$51,250)
\$0	Rates Requirement (Capital)			\$0	\$0

SOLID WASTE SERVICES

LTP Year 1 2015/16		Rates Requirement Summary		Annual Plan 2016/17	LTP Year 2 2016/17
414,071	Recycling collection			404,768	428,598
84,680	Refuse transfer station & landfill			42,389	122,933
292,447	Waste minimisation			290,065	283,895
192,749	Rural refuse services			193,331	196,137
\$983,948	Rates Requirement			\$930,553	\$1,031,564



COMMUNITY FACILITIES AND ACTIVITIES

There are seven services that sit under Community Facilities and Activities, namely: Community Services, Library and Archive, Property (including Mawley Park), Parks, Reserves and Sportsfields, the Recreation Centre, Cemeteries, and the Masterton Airport (Hood Aerodrome).



Financials

COMMUNITY FACILITIES / ACTIVITIES

LTP Year 1 2015/16	Rates Requirement Summary	Annual Plan 2016/17	LTP Year 2 2016/17
2,161,569	Parks, reserves & sportsfields	2,174,902	2,207,662
1,244,688	Recreation Centre	1,239,719	1,273,717
72,661	Cemeteries	76,556	90,031
317,088	District building	353,574	362,755
27,819	Housing for the elderly	29,504	31,759
45,281	Other rental properties	81,291	53,519
281,883	Public conveniences	302,449	293,640
99,613	Rural halls	107,072	96,577
7,151	Forestry	13,707	13,406
94,843	Mawley Park	93,461	68,021
138,653	Masterton Airport	150,820	124,923
1,294,114	Library	1,424,265	1,316,367
284,243	Archives	314,802	294,229
573,829	Community Development	987,576	621,910
354,294	Arts and Culture	394,634	362,436
768,347	Economic Development and Promotion	828,969	775,720
\$7,766,079	Rates Requirement	\$8,573,301	\$7,986,673

COMMUNITY SERVICES

Community Services covers a range of activities including community development, arts and culture, economic development, district promotion and environmental initiatives. Council plays a major role in identifying, initiating and supporting activities through projects, partnerships and funding agreements.

Priorities for 2016-17

Additional funding of \$400,000 will be invested in the community and our people. The additional funding will include projects such as facilitating educational opportunities; the development of an education strategy; community development initiatives; and local projects identified by our communities.

Council will continue to make provision for funding grants and to support external organisations in undertaking community development, arts activities, environmental and economic development initiatives, and Marae development.

Performance Measures

For a full breakdown of the non-financial performance measures for Community Services, refer to the 2015-2025 Long-Term Plan.

Financials

Community Services			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$		\$	\$
	Operating Costs		
763,229	Community development	1,488,976	656,319
376,294	Arts & culture	431,634	384,942
770,993	Economic development & promotion	770,524	674,654
40,000	Regional amenities contribution	-	40,920
67,039	CBD Amenities	79,691	71,726
2,017,556		2,770,825	1,828,562
	Operating Income		
400	Government grants	400	409
22,000	Creative NZ grants	22,000	22,506
14,500	Events grants & other recoveries	4,500	14,834
36,900		26,900	37,749
	Appropriations		
(289,000)	Transfers from reserves	(536,000)	(34,000)
13,289	Provision for loan repayments	15,541	15,541
(8,474)	Reverse depreciation	(12,287)	(12,287)
\$1,696,471	Rates Requirement	\$2,211,179	\$1,760,067

LIBRARY AND ARCHIVE

Council owns and maintains a public library service and provides an archive service from leased premises.

Priorities for 2016-17

Book purchases will continue in both hard copy and electronic versions at an increased annual cost of \$190,000.

Performance Measures

For a full breakdown of the non-financial performance measures for the Library and Archive, refer to the 2015-2025 Long-Term Plan.

Financials

Library & Archive			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
1,174,571	Operating costs - Library	1,282,665	1,190,449
296,061	Operating costs - Archive	317,185	296,877
143,559	Depreciation - books	150,280	158,410
113,417	Depreciation - bldg, furniture & equipment	129,187	108,783
1,727,607		1,879,317	1,754,520
	Operating Income		
27,650	Grants & donations	27,650	25,217
91,600	User charges & other recoveries	87,600	93,707
119,250		115,250	118,924
	Appropriations		
(10,000)	Transfer from reserves	-	-
(20,000)	Reverse depreciation	(25,000)	(25,000)
\$1,578,357	Rates Requirement	\$1,739,067	\$1,610,597
	Analysis of Rates Requirement		
1,294,114	Library	1,424,265	1,316,367
284,243	Archive	314,802	294,229
\$1,578,357		\$1,739,067	\$1,610,597

PROPERTY

Council owns, maintains and manages a range of properties within the District including the Municipal Building, Town Hall, housing for the elderly, public toilet facilities, rural halls and holding paddocks, small roadside forestry blocks, a camping ground, and other rental properties.

Priorities for 2016-17

Priorities for Property in 2016-17 include fire system upgrades and earthquake strengthening, with a provision of \$2.5 million spread over 2016-17 and 2017-18.

Performance Measures

For a full breakdown of the non-financial performance measures for Property, refer to the 2015-2025 Long-Term Plan.

Financials

Property			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
366,557	District Building	390,097	390,789
294,947	Housing for the Elderly	319,456	301,887
335,358	Mawley Holiday Park	406,826	342,275
716,148	Other Property	626,578	585,815
775,808	Depreciation	795,095	795,286
2,488,818		2,538,051	2,416,052
	Operating Income		
47,350	Rental income - Halls & Dist. Bldg	41,350	48,392
401,200	Rental income - Housing for Elderly	398,200	410,026
179,300	Rental income - Other Property	179,300	183,245
319,250	Mawley Holiday Park	368,500	348,758
180,000	Forestry harvest proceeds	-	-
50,000	Internal recoveries - forestry	50,000	51,150
179,700	Internal recoveries - offices rental	181,400	183,833
1,356,800		1,218,750	1,225,403
	Appropriations		
(10,000)	Transfers from reserves	(75,000)	(50,000)
-	Transfers to reserves	-	-
47,878	Provision for loan repayments	51,012	56,119
(296,217)	Reverse depreciation	(314,255)	(277,091)
\$873,679	Rates Requirement	\$981,058	\$919,677

PARKS, RESERVES AND SPORTS FIELDS

Council owns, maintains and manages 215 hectares of urban and rural recreation parks, reserves and sports fields. These include sports grounds, gardens, neighbourhood open spaces, natural bush, and beachfront esplanades.

Priorities for 2016-17

Additional funding of \$500,000 will be allocated to apply for a consent based on a new intake regime to improve water flow for Henley Lake. We expect that this will improve the Lake's health.

The Long-Term Plan confirmed that funding provisions had been made to upgrade cricket and netball buildings and playing facilities. The work planned for both projects is now scheduled to be undertaken in 2016-17.

Other Council-owned sports facilities will also be upgraded as part of the wider 2016-17 programme. A total \$1.143 million funded from depreciation reserves and general capital funds is planned to be spent on Council sports facilities and buildings in 2016-17.

The Queen Elizabeth Park rejuvenation project has a budget of \$50,000 in 2016-17 as the next phase of planning and consultation work is undertaken.

We plan to extend our off-road recreation trails network, with provision of \$154,500 in 2016-17.

Performance Measures

For a full breakdown of the non-financial performance measures for parks, reserves and sports fields, refer to the 2015-2025 Long-Term Plan.

Financials

Parks, Reserves & Sportsfields			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
1,480,313	Parks & reserves maintenance	1,547,562	1,464,621
464,890	Sportsfields maintenance	421,886	474,928
410,407	Depreciation	467,399	435,815
2,355,609		2,436,847	2,375,364
	Operating Income		
30,900	Miscellaneous parks income	30,900	31,580
39,340	Sportsground rentals	27,840	40,205
70,240		58,740	71,785
	Appropriations		
(150,000)	Transfers from reserves	(231,000)	(120,000)
-	Transfers to reserves	-	-
71,343	Provision for loan repayments	64,989	67,466
(45,143)	Reverse depreciation	(37,194)	(43,383)
\$2,161,569	Rates Requirement	\$2,174,902	\$2,207,662

MASTERTON RECREATION CENTRE

Council owns and maintains the Masterton Recreation Centre which consists of a stadium and indoor/outdoor pools. A contractor manages the Centre and operates gym facilities on the premises.

Priorities for 2016-17

An assessment of the remaining life of the old indoor pool will be undertaken as well as continued renewals of plants and equipment, with funding coming from depreciation reserves.

Performance Measures

For a full breakdown of the non-financial performance measures for the Masterton Recreation Centre, refer to the 2015-2025 Long-Term Plan.

Financials

Recreation Centre			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
1,015,829	Recreation centre operating costs**	967,014	1,035,760
447,460	Depreciation	491,305	457,626
1,463,288		1,458,319	1,493,386
	Operating Income		
48,600	Grants & recoveries	48,600	49,669
	Appropriations		
19,243	Provision for loan repayments	20,530	20,530
(189,243)	Reverse depreciation	(190,530)	(190,530)
\$1,244,688	Rates Requirement	\$1,239,719	\$1,273,717

** Costs are net of user charge recoveries which go to the facility management contractor.



CEMETERIES

Council owns and maintains both urban and rural cemeteries.

Priorities for 2016-17

The main priority for cemeteries in 2016-17 is the scheduled capital work at a cost of \$23,000.

Performance Measures

For a full breakdown of the non-financial performance measures for cemeteries, refer to the 2015-2025 Long-Term Plan.

Financials

Cemeteries			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
156,361	Cemeteries operating and maintenance	162,256	175,573
	Operating Income		
83,700	Burial fees and sale of plots	78,700	85,541
	Appropriations		
-	Transfer from reserves	(7,000)	-
\$72,661	Rates Requirement	\$76,556	\$90,031



MASTERTON AIRPORT (HOOD AERODROME)

Council manages and operates the Hood Aerodrome for the benefit of commercial and recreational aircraft users from within and outside the Masterton district.

Priorities for 2016-17

The resealing of the runway is scheduled for 2016-17 and is included in this plan, but if the condition assessment indicates it is not required, the work will be deferred. There will also be investment in additional fencing of areas of the airport.

Performance Measures

For a full breakdown of the non-financial performance measures for the Masterton Airport (Hood Aerodrome), refer to the 2015-2025 Long-Term Plan.

Financials

Masterton Airport (Hood Aerodrome)				
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17	
\$	Operating Costs	\$	\$	
239,087	Airport operation & maintenance	234,191	240,277	
75,870	Depreciation	78,218	78,870	
314,957		312,410	319,148	
	Operating Income			
215,500	Leases and other income	211,500	238,456	
	Appropriations			
(10,000)	Transfers from reserves	(10,000)	(10,000)	
-	Transfers to reserves	-	-	
79,196	Provision for loan repayments	83,910	84,231	
(30,000)	Reverse depreciation	(24,000)	(30,000)	
\$ 138,653	Rates Requirement	150,820	124,923	



COMMUNITY FACILITIES / ACTIVITIES

LTP Year 1 2015/16	Capital Expenditure Summary	Renewal/New/ Growth	Source of Funds	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Parks & Reserves			\$	\$
150,000	Queen Elizabeth Park rejuvenation			195,000	51,200
50,000	Upgrade Kidz Own Playground	Renewal	Depn Reserve	50,000	-
-	Upgrade structures / facilities (incl playgrounds)	Renewal	Depn Reserve Reserve Contributions / Loan	28,000	28,672
40,000	Recreation trails network (urban & rural)	LOS	Loan	194,500	150,528
16,750	Street trees renewals & new	LOS	Reserves	12,000	17,152
-	Castlepoint furniture renewals	Renewal	Depn Reserve	10,000	-
-	Parks & Open Spaces - Signage	Renewal	Depn Reserve	10,000	-
-	Henley Lake - intake chanel realignment	LOS	Loan	500,000	-
-	Chinese Pagoda	LOS	General capital	30,000	-
11,000	Henley - landscape development	LOS	Reserves	5,000	-
-	Flow meter telemetry (for consent purposes)	LOS	Depn Reserve	50,000	36,864
70,000	Urban reserves upgrades	LOS	Depn Reserve/Reserves	-	-
90,000	Rural reserves upgrades	Renewal/ LOS	Reserves/Reserve Contributions	33,000	-
427,750	Total Parks, Reserves & Sportsfields			1,117,500	284,416
	Sportsfields				
40,000	Sportsfield buildings renewals	Renewal	Depn Reserve	253,000	209,920
320,000	Netball facility upgrade	Renewal	Depn Reserve/General capital	670,000	184,320
6,000	South Park Sports Facilities Provision	Renewal	General Building Reserve	6,000	-
100,000	Sport Facilities Provisions	LOS	Parks & Reserves Depn Fund	55,000	102,400
200,000	Cricket facility upgrade	Renewal	Reserves	385,000	-
666,000	Total Sportsfields			1,369,000	496,640
	Recreation Centre				
35,000	Outdoor Pools upgrades	Renewal	Depn Reserve	45,000	-
65,000	Other Plant & Equip	Renewal	Depn Reserve	85,000	51,200
100,000	Total Recreation Centre			130,000	51,200
	Cemeteries				
10,000	Cemetery renovations & extensions	Renewal/LOS	Reserves/General Capital	33,000	23,552
	District Building				
50,000	Facilities & equipment renewals	Renewal	Depn Reserve	70,900	60,160
85,000	Building upgrades	Renewal	Depn Reserve	90,000	-
250,000	District Building - renovations office areas	Renewal	Loan	314,500	-
35,000	Town hall renewals (include stage & generator)	Renewal	Depn Reserve	35,000	-
420,000	Total District Building			510,400	60,160
	Housing for the Elderly				
136,900	Pensioner housing upgrades and renewals	Renewal/LOS	Depn Reserve	167,250	135,424

COMMUNITY FACILITIES / ACTIVITIES continued

LTP Year 1 2015/16	Capital Expenditure Summary	Renewal/New/ Growth	Source of Funds	Annual Plan 2016/17	LTP Year 2 2016/17
	Other Property				
25,000	Public conveniences	Renewal/ LOS	Depn Reserve	3,000	3,072
15,000	Rural halls	Renewal/ LOS	Loan/Depn Reserve/External	60,000	46,080
250,000	Riversdale Beach toilets upgrade	-	Reserve	20,000	-
-	Kaituna land replanting	Renewal	General capital	70,000	70,980
50,000	Rental Property upgrades	Renewal	Depn Reserve/General capital	55,500	41,472
-	Earthquake strengthen Council buildings (to comply with code)	LOS	Loan	1,225,000	1,228,800
	Mawley Park - Playground	Renewal	Depn Reserve	35,000	
35,000	Mawley Park facility upgrades	Renewal	Depn Reserve	30,000	15,360
375,000				1,498,500	1,405,764
	Airport				
-	Runway reseal & remarking	Renewal	Depn Reserve	160,000	163,840
45,000	Other airport development & upgrades	Growth/Renewal	Depn Reserve/Loan	45,000	30,720
150,000	Runway lights replacement	Renewal	Depn Reserve	150,000	-
195,000	Total Airport			355,000	194,560
\$ 2,330,650	Total			\$ 5,180,650	\$ 2,651,716
	Funding				
(1,966,650)	Transfers from reserves			(2,756,150)	(1,236,036)
(364,000)	Loan funds			(2,220,500)	(1,391,104)
-	External funding			(204,000)	(24,576)
(\$2,330,650)	Total capital funding			(\$5,180,650)	(\$2,651,716)
\$0	Rates requirement			\$0	\$0

COMMUNITY FACILITIES / ACTIVITIES (part)

LTP Year 1 2015/16	Capital Expenditure Summary	Renewal/New/ Growth	Source of Funds	Annual Plan 2016/17	LTP Year 2 2016/17
\$				\$	\$
	Library & Archive				
175,000	Book stock renewals	Renewal	Depn Reserve	190,000	179,200
62,000	Computer & Equipment replacements	Renewal	Depn Reserve	25,000	25,600
49,000	Replace furniture / fittings and Building renewals	Renewal	Depn Reserve	36,000	36,864
-	Library extension (incl. Design)	LOS	Loan	75,000	-
-	Archive renewals (incl. IT)	LOS	Loan/Reserves	-	30,720
286,000	Total Library & Archive			326,000	272,384
	Economic Development & Promotion				
20,000	CBD Security Camera	LOS/ Renewal	Loan/Reserves	20,000	20,480
51,000	Signage & promotional signs	LOS/ Renewal	Reserves	-	-
-	Town Square - irrigation & trees	LOS	Depn Reserve	25,000	-
-	CBD - Public Wi-Fi infrastructure	LOS	Reserves	19,000	-
5,000	Town Square	LOS	Depn Reserve	-	-
31,000	Decorative Lighting (upgrade LED)	LOS	Reserves	-	-
107,000	Total Economic Development & Promotion			64,000	20,480
393,000	Total			390,000	292,864
	Capital Funding				
(373,000)	Transfers from reserves			(295,000)	(272,384)
(20,000)	Loan funds			(95,000)	(20,480)
(\$393,000)	Total capital funding			(\$390,000)	(\$292,864)
\$0	Rates requirement			\$0	\$0

REGULATORY SERVICES

There are seven functions under regulatory services, namely: resource management and planning, building control, environmental health and alcohol licencing, parking control and general inspection, animal control, rural fire control, and civil defence and emergency management.

Financials

REGULATORY SERVICES

LTP Year 1 2015/16		Rates Requirement Summary	Annual Plan 2016/17	LTP Year 2 2016/17
643,935		Resource Management and Planning	660,903	687,713
172,153		Building Control	233,475	160,558
362,254		Environmental Health & Licensing	385,049	372,414
71,981		By-law Control & General Inspection	73,510	84,864
458,072		Rural Fire Control & Emergency Management	453,379	455,005
33,233		Animal Control	36,324	27,541
(68,561)		Parking Control	(69,190)	(79,642)
\$1,673,068		Rates Requirement	\$1,773,449	\$1,708,453

REGULATORY SERVICES

LTP Year 1 2015/16	Capital Expenditure Summary	Renewal/New/ Growth	Source of Funds	Annual Plan 2016/17	LTP Year 2 2016/17
\$				\$	\$
	Capital Projects				
92,000	Vehicle replacements	Renewal	Depn Reserve	80,000	82,000
8,000	Environmental Health Testing Equipment	Renewal	Depn Reserve	24,000	24,600
1,500	Animal Control - equipment	Renewal	Depn Reserve	4,500	1,538
-	Animal Control - pound renewal	Renewal	Reserves Opex/Loan	50,000	-
14,000	Building Control - equipment	LOS/Renewal	Depn Reserve	6,000	6,150
40,000	Rural fire stations	Renewal	Depn Reserve	47,000	-
\$ 155,500				211,500	114,288
	Capital Funding				
(155,500)	Transfers from reserves			(211,500)	(114,288)
(\$155,500)	Total capital funding			(\$211,500)	(\$114,288)
\$0	Rates Requirement			\$0	\$0

RESOURCE MANAGEMENT AND PLANNING

Council staff undertake resource management and planning functions. These include administering the resource consent process, maintaining and developing the District Plan, and providing advice on specific planning issues as required.

Priorities for 2016-17

The Review of the Wairarapa Combined District Plan will commence in this financial year.

Performance Measures

For a full breakdown of the non-financial performance measures for resource management and planning, refer to the 2015-2025 Long-Term Plan.

Financials

Resource Management & Planning			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
494,585	Resource management & planning	527,552	527,124
22,000	Wairarapa Combined District Plan development (MDC share)	22,000	32,736
135,550	River scheme contributions	139,551	138,668
652,135		689,103	698,528
	Operating Income		
72,700	User charges - incl consent fees	82,700	74,372
163,320	Reserves & Infrastructure contributions	215,000	464,000
41,000	Internal recoveries	41,000	41,943
277,020		338,700	580,315
	Appropriations		
(1,500)	Transfer from reserves	(11,500)	(1,500)
270,320	Transfer to reserves - various contributions	322,000	571,000
\$643,935	Rates Requirement	\$660,903	\$687,713



BUILDING CONTROL

Council staff and contractors undertake regulatory functions such as administering building consents and monitoring and enforcing compliance with the building code.

Priorities for 2016-17

Priorities for 2016-17 include the continued provision of good quality customer service, while ensuring the Building Act and other regulations are adhered to.

Performance Measures

For a full breakdown of the non-financial performance measures for building control, refer to the 2015-2025 Long-Term Plan.

Financials

Building Control			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
862,979	Building control operating costs	901,801	867,273
862,979		901,801	867,273
	Operating Income		
690,826	Consent fees & charges	668,326	706,715
690,826		668,326	706,715
	Appropriations		
-	Tsf from reserves	-	-
\$172,153	Rates Requirement	\$233,475	\$160,558



ENVIRONMENTAL HEALTH, ALCOHOL LICENSING AND GENERAL INSPECTION

Council staff and contractors carry out environmental health, alcohol licensing and general inspection functions which include: monitoring and inspecting food premises, monitoring water quality, dealing with noise control complaints, receiving and processing alcohol licences and trade waste licences, as well as enforcing bylaws, regulatory requirements and patrolling and enforcing parking restrictions.

Priorities for 2016-17

Implementation of the new Food Act will be a key focus in 2016-17. The Food Act 2014 came into effect on 1st March 2016.

The Act requires food premises to operate under a Food Control Plan (FCP) or National Programme, and enables Councils to fix fees to recover the direct and indirect costs of Council's functions under this Act which include registration, verification and compliance/monitoring of food premises. In recognition of the public good value of these functions, Council have fixed fees to recover 50% of the full direct and indirect costs of Council's functions.

Towards the end of the 2016-17 financial year we will review our Smokefree policy.

Performance Measures

For a full breakdown of the non-financial performance measures for environmental health, alcohol licensing and general inspection, refer to the 2015-2025 Long-Term Plan.



Financials

Environmental Health & Licensing			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
543,522	Environmental Health other operating costs	585,936	565,124
136,643	Alcohol Act enforcement activities	141,543	139,162
680,165		727,479	704,286
	Operating Income		
49,955	License fees & charges	49,955	51,104
82,890	Alcohol licensing fees & charges	89,390	91,446
185,066	Internal recoveries	195,085	189,323
317,911		334,430	331,872
	Appropriations		
-	Tsf from reserves	(8,000)	-
\$362,254	Rates Requirement	\$385,049	\$372,414

By Law Control / General Inspection

Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
257,781	General inspection costs (incl pool vehicles)	259,310	274,937
	Operating Income		
10,100	Miscellaneous recoveries	10,100	10,332
175,700	Internal recoveries	175,700	179,741
185,800		185,800	190,073
	Appropriations		
-	Tsf from reserves	-	-
\$71,981	Rates Requirement	\$73,510	\$84,864

Parking Control

Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
151,685	Parking control costs	161,884	157,408
17,900	Depreciation - meters	14,426	14,097
169,585		176,310	171,505
	Operating Income		
245,500	Parking meters and fines	245,500	251,147
	Appropriations		
7,354	Provision for loan repayments	-	-
(68,561)	Rates Requirement	(69,190)	(79,642)

ANIMAL CONTROL

Council staff and contractors undertake animal control functions, which include responding to complaints about animals, impounding and releasing animals, finding homes for unclaimed animals, managing dog registrations, as well as educating dog owners and the general public about dog and animal control.

Performance Measures

For a full breakdown of the non-financial performance measures for animal control, refer to the 2015-2025 Long-Term Plan.

Financials

Animal Control			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
416,679	Animal control & pound costs	403,712	409,444
	Operating Income		
382,333	Dog registration fees & fines	366,219	380,734
	Appropriations		
(1,112)	Reverse depreciation	(1,169)	(1,169)
\$33,233	Rates Requirement	\$36,324	\$27,541



RURAL FIRE CONTROL

This activity is managed externally by the Wairarapa Rural Fire Authority. Council pays a share of the operational costs, sourcing the funding from rural rates. Council also incurs other costs such as depreciation on the fire station buildings it owns and corporate overheads allocated to the activity.



CIVIL DEFENCE AND EMERGENCY MANAGEMENT

This activity is managed externally by Wellington Regional Emergency Management Office (WREMO). Council pays a share of the operational costs. For information on civil defence and emergency management, refer to the Greater Wellington Regional Council's Long-Term Plan.



Financials

Rural Fire & Emergency Management			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
47,463	Rural fire costs - MDC	46,040	49,768
228,100	Wairarapa Rural Fire Authority (MDC share)	233,346	233,346
84,425	CD/EM - Wairarapa Costs	87,635	55,768
120,143	WREMO CD/Emergency Mgmt costs (MDC share)	125,456	125,546
480,131		492,478	464,428
	Operating Income		
27,059	Misc recoveries - CD/EM Wairarapa	14,099	14,423
	Appropriations		
-	Tsf from reserves - project funding	(30,000)	-
5,000	Tsf to reserves - self insurance	5,000	5,000
\$458,072	Rates Requirement	\$453,379	\$455,005

GOVERNANCE AND CORPORATE SERVICES

Governance and corporate services together perform the duties of local government under the Local Government Act 2002. They maintain the democratic process of Local Government and deliver a range of public services. Corporate services cover a range of support services for the organisation and include engineering services, asset and project management, human resources, communications, finance, IT, general administration and senior management. The costs of all of these functions are allocated to the service delivery functions of Council by way of an allocation model.

Priorities for 2016-17

There is annual provision for the regular renewal of IT equipment.

Performance Measures

For a full breakdown of the non-financial performance measures for building control, refer to the 2015-2025 Long-Term Plan.

Financials

Governance			
Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
374,600	Mayor & councillors remuneration	391,092	381,343
102,000	Reporting & consultation	47,000	104,346
-	Election costs (provision)	78,000	56,265
432,247	Operating expenses	534,392	418,972
908,847		1,050,484	960,926
	Operating Income		
370,739	Internal allocation of governance	408,994	369,570
-	(per Funding Policy 40% internal)		
370,739		408,994	369,570
	Appropriations		
-	Transfer (from) reserves	(28,000)	(55,000)
18,000	Transfers to reserves (election costs)	-	18,000
\$556,108	Rates Requirement	\$613,490	\$554,355

Roading Advisory Services

Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
505,026	Professional staff & operating costs	552,034	516,169
2,202	Depreciation	2,528	1,420
507,228		554,562	517,589
	Operating Income		
447,228	Prof. services - Roading	494,562	456,809
65,000	External income	65,000	65,780
512,228		559,562	522,589
	Appropriations		
5,000	Transfer to reserves	5,000	5,000
\$0	Rates Requirement	\$0	\$0

Asset & Project Management

Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
718,902	Professional staff & operating costs	798,189	735,223
	Operating Income		
718,902	Internal charges	783,189	735,223
-	External recoveries	15,000	-
	Appropriations		
-	Transfer to reserves	-	-
\$0	Rates Requirement	\$0	\$0

Corporate Services

Annual Plan 2015/16	Cost of Service Statement	Annual Plan 2016/17	LTP Year 2 2016/17
\$	Operating Costs	\$	\$
1,993,878	Management & administration	1,670,164	2,008,439
1,239,613	Financial management	1,242,821	1,263,588
443,944	Information systems	550,084	490,814
-	Communications & Promotions	361,617	-
-	Human Resource	315,832	-
3,677,434		4,140,518	3,762,841
	Operating Income		
223,204	Miscellaneous income & recoveries	884,786	232,941
766,000	Interest income (external)	725,000	794,000
211,401	Interest income (on internal loans)	262,000	195,681
3,123,829	Support services allocated internally	2,873,732	3,248,220
4,324,434		4,745,518	4,470,841
	Appropriations		
(53,000)	Transfer (from) reserves	(100,000)	-
	Transfers to reserves	-	-
700,000	Transfer to reserves - interest	705,000	708,000
\$0	Rates Requirement	\$0	\$0

INTERNAL FUNCTIONS

LTP Year 1 2015/16	Capital Expenditure Summary	Renewal/New/ Growth	Source of Funds	Annual Plan 2016/17	LTP Year 2 2016/17
\$				\$	\$
	Corporate Services				
70,000	Document mgmt system	Renewal	Equipment Fund	62,900	-
89,000	IT equipment replacement	Renewal	Equipment Fund	90,000	91,225
	IT Council Meetings Info systems	LOS	Depn Reserve	25,000	-
40,000	Website Upgrade	LOS	Special funds	40,000	-
-	GIS aerial photos & data capture	Renewal	Depn Reserve	58,000	58,425
\$ 199,000				275,900	149,650
	Capital Funding				
(\$199,000)	Transfers from reserves			(275,900)	(149,650)
\$0	Rates Requirement			\$0	\$0







FORECAST FINANCIAL STATEMENTS



Cautionary Note

The financial statements in this document and the figures presented are Council's best estimate of the costs and income needed to provide the services in the period reported. The actual financial results achieved for the period covered are likely to vary from the information presented and the variations may be material. There may be minor errors in the figures displayed due to rounding differences. Variations from the planned figures and performance measures will be reported in Council's Annual Reports for the future years.

Statement of Accounting Policies

For a full breakdown of the Statement of Accounting Policies, refer to the 2015-2025 Long-Term Plan.

Statement of Financial Position

MASTERTON DISTRICT COUNCIL		Annual Plan 2016/17		
PROSPECTIVE STATEMENT OF FINANCIAL POSITION				
NZ \$	Notes	2015/16 Forecast	Annual Plan 2016/17	Year 2 LTP 2016/17
Current Assets				
Cash & Bank Accounts		4,670,824	3,669,566	2,904,707
Financial Assets - Current		3,299,518	2,602,837	3,876,537
Inventories		208,939	208,939	239,600
Debtors & Other Receivables		2,349,595	2,420,083	3,707,969
Total Current Assets		10,528,876	8,901,425	10,728,813
Non-Current Assets				
Property, Plant & Equipment		87,081,728	90,555,925	86,509,121
Infrastructural Assets		633,364,114	636,771,322	637,660,131
Intangible Assets		3,989,452	3,877,811	3,829,305
Forestry assets		400,250	490,941	402,154
Investment Property Assets		2,087,000	2,087,000	2,053,000
Derivative financial instruments		-	-	224,185
Investments in CCO's & other similar entities		1,029,676	1,029,676	1,091,311
Other Non-current financial assets		10,116,388	10,526,388	11,168,670
Total Non-Current Assets		738,068,608	745,339,064	742,937,876
Total Assets		748,597,484	754,240,488	753,666,690
Current Liabilities				
Creditors & Other Payables		5,259,413	5,835,387	6,800,255
Employee Benefits - Current Portion		759,309	796,393	816,900
Provisions - Current Portion		49,529	63,680	63,680
Financial liabilities - current portion	3	1,971,283	1,915,979	1,963,987
Total Current Liabilities		8,039,534	8,611,439	9,644,822
Non-Current Liabilities				
Financial liabilities	3	50,356,628	55,563,434	57,379,441
Derivative financial instruments		2,844,771	2,844,771	786,616
Employee benefits		93,859	95,719	32,980
Provisions & other liabilities		248,531	215,010	164,230
Total Non-Current Liabilities		53,543,789	58,718,934	58,363,267
Net Assets		\$ 687,014,161	\$ 686,910,116	\$ 685,658,600
Equity				
Ratepayers' Equity		428,768,401	430,850,257	431,917,870
Asset Revaluation Reserves		237,736,283	237,736,283	234,668,137
Special funds & restricted reserves	4	20,509,477	18,323,576	19,072,593
Total Equity		\$ 687,014,161	\$ 686,910,116	\$ 685,658,600

PROSPECTIVE STATEMENT OF CASHFLOWS

NZ \$	Notes	2015/16 Year 1 LTP	2016/17 Annual Plan	2016/17 Year 2 LTP
Cash flows from Operating Activities				
Cash was received from:				
Rates		26,125,811	26,941,125	27,061,654
Grants, subsidies & donations		4,792,299	4,424,987	4,545,552
Petrol tax		170,000	175,000	172,040
Other revenue		6,946,815	7,126,675	7,293,312
Interest on investments		767,800	725,800	796,361
		38,802,725	39,393,587	39,868,920
Cash was applied to:				
Payments to suppliers and employees		23,818,372	25,241,077	24,645,939
Interest paid		3,182,379	2,851,844	3,340,446
		27,000,751	28,092,921	27,986,385
Net cash flow from operating activities		11,801,974	11,300,666	11,882,536
Cash flows from Investing Activities				
Cash was received from:				
Sale of fixed assets		-	23,999	24,576
Term investments, shares & advances		1,060,803	-	-
Forestry investment		180,000	-	-
		1,240,803	23,999	24,576
Cash was applied to:				
Purchase of fixed assets		13,542,650	17,764,106	14,258,322
Term investments, shares & advances		92,236	410,000	1,130,172
Purchase of intangible assets		-	-	-
		13,634,886	18,174,106	15,388,493
Net cash flow from investing activities		(12,394,083)	(18,150,107)	(15,363,917)
Cash flows from Financing Activities				
Cash was received from:				
Drawdown of public debt		3,655,100	7,122,785	5,568,919
		3,655,100	7,122,785	5,568,919
Cash was applied to:				
Repayment of public debt (incl Finance Leases)		1,963,546	1,971,283	2,046,685
		1,963,546	1,971,283	2,046,685
Net cash flow from financing activities		1,691,554	5,151,502	3,522,234
Net Increase/(Decrease) in Cash Held		1,099,445	(1,697,939)	40,853
Add cash at start of year (1 July)		5,640,946	7,970,342	6,740,391
Balance at end of year (30 June)		6,740,391	6,272,403	6,781,244
Represented By:				
Cash & bank		3,204,570	3,669,566	2,904,707
Short term deposits		3,535,821	2,602,837	3,876,537
Balance at end of year (30 June)		6,740,391	6,272,403	6,781,244

The closing balance of 2015/16 is the Plan position. An updated forecast position has been used as the opening balance for 2016/17

MASTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

Annual Plan 2016/17

NZ \$	Notes	2015/16 Forecast	2016/17 Annual Plan	2016/17 Year 2 LTP
Ratepayer's Equity		428,474,415	428,768,401	431,714,746
Special Funds & Reserves		19,242,600	20,509,477	18,375,680
Revaluation Reserves		237,763,905	237,736,283	234,668,137
Equity at start of year		685,480,920	687,014,161	684,758,563
Comprehensive Revenue & Expenses for the year*		1,533,241	(104,045)	900,036
Total recognised revenues & expenses for the period		\$ 1,533,241	\$ (104,045)	\$ 900,036
Ratepayer's Equity		428,768,401	430,850,257	431,917,870
Special Funds & Reserves		20,509,477	18,323,576	19,072,593
Revaluation Reserves		237,736,283	237,736,283	234,668,137
Equity at end of year		687,014,161	686,910,116	685,658,600

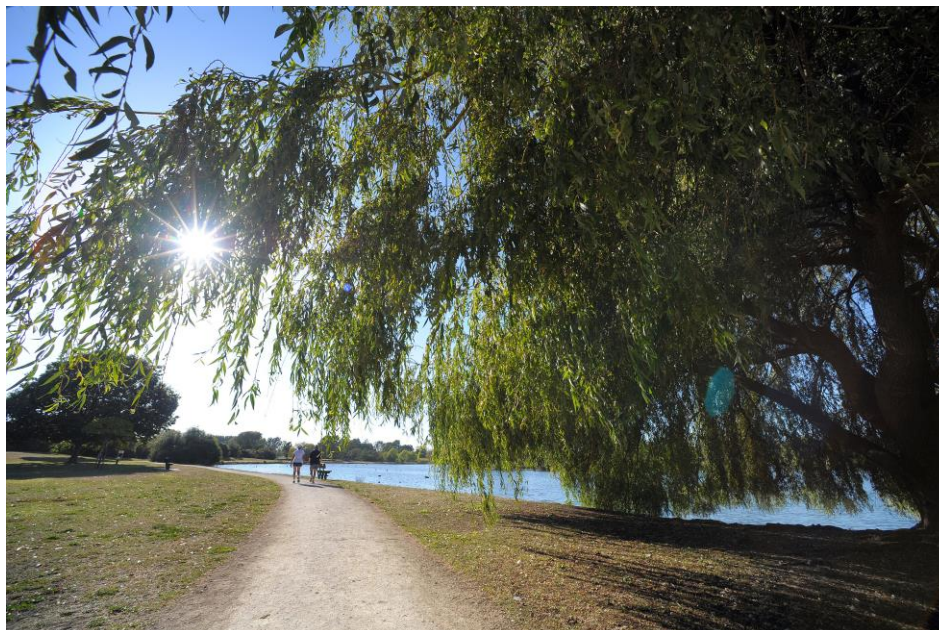
*The Comprehensive Revenue for 2015/16 is the forecast figure, not the figure from the 2015/16 Annual Plan.

TREASURY POLICY CHECK

Net External Debt	36,211,505	41,650,946	41,393,514
Operating Revenue	39,108,626	39,520,566	40,041,743
Rates Revenue	26,061,822	26,882,178	26,998,918
Interest on External Debt	3,182,380	2,851,844	3,340,446
Interest on Internal and External Debt	3,398,725	3,014,715	3,541,069
Net External Debt as a % of Operating Revenue (limit = 150%)	92.6%	105.4%	103.4%
Interest expense on external debt as a % of Operating Revenue (limit = 10%)	8.1%	7.2%	8.3%
Interest expense on external debt as a % of Rates Revenue (limit = 15%)	12.2%	10.6%	12.4%
Interest expense on internal & external debt as a % of rates revenue (limit = 20%)	13.0%	11.2%	13.1%
Number of rateable properties (estimated)		12,225	12,286
Average rates per property (excl GST)		\$ 2,250	\$ 2,244
Operating Revenue = revenue/earnings from rates, government grants and subsidies, user charges, interest, recoveries, financial contributions and all other revenue.			
Net External Debt = Gross External debt (aggregate borrowings of the Council, including any capitalised finance leases) less any financial assets including cash and both current and term treasury investments held.			
Interest Expense = interest paid on any type of debt, including margins, line fees and interest on finance leases.			

PROSPECTIVE STATEMENT of COMPREHENSIVE REVENUE AND EXPENSE

Operating Revenue			2015/16	2016/17	2016/17
NZ \$	Notes	Year 1 LTP	Annual Plan	Year 2 LTP	
Rates revenue		26,061,822	26,882,178	26,998,918	
Rural sewerage schemes capital contrib.		89,678	82,532	89,678	
Financial contributions		377,820	363,600	661,406	
NZTA roading subsidy		4,597,049	4,275,237	4,365,231	
Fees and charges		6,723,161	6,728,977	6,630,355	
Interest and dividends		777,800	735,800	806,361	
Other revenue		481,297	452,242	489,794	
Total Operating Revenue	2	39,108,626	39,520,566	40,041,743	
Operating Expenditure					
Personnel costs		6,636,358	7,090,802	6,747,868	
Finance costs		3,182,380	2,851,844	3,340,446	
Depreciation & amortisation		10,834,329	10,936,143	10,903,135	
Other Operating costs		18,148,944	18,745,823	18,150,258	
Total Operating Expenditure		38,802,011	39,624,611	39,141,706	
Net Surplus / (Deficit)*		\$ 306,615	\$ (104,045)	\$ 900,036	
Revaluations		-	-	-	
Total Comprehensive Revenue & Expenses		\$ 306,615	\$ (104,045)	\$ 900,036	
*Note: Income Tax is nil					
Note: rates on Council Properties assumed		559,000	559,000	573,000	



Note 1

RATES REQUIREMENT STATEMENT

LTP Year 1 2015/16		Annual Plan 2016/17	LTP Year 2 2016/17
\$	Roading	\$	\$
4,150,017	Subsidised Rooding	4,205,406	4,312,847
1,276,478	Non-subsidised Rooding	1,382,907	1,392,048
	Water Services		
2,960,900	Urban Water supply	2,959,454	3,135,458
94,288	Rural Water supplies & races	83,984	98,544
	Sewerage Services		
6,462,051	Urban Sewerage system	6,180,642	6,584,703
312,300	Rural Sewerage systems	302,822	309,406
	Stormwater Services		
475,265	Urban Stormwater System	517,702	547,544
	Solid Waste Services		
691,500	Solid Waste Management	640,488	747,668
292,447	Waste Minimisation Services	290,065	283,895
	Community Facilities/Activities		
2,161,569	Parks, Reserves & Sportsfields	2,174,902	2,207,662
1,244,688	Recreation Centre	1,239,719	1,273,717
72,661	Cemeteries	76,556	90,031
1,578,357	Library & Archive	1,739,067	1,610,597
778,836	Property	887,597	851,656
1,696,471	Community Services	2,211,179	1,760,067
138,653	Airport	150,820	124,923
94,843	Mawley Park	93,461	68,021
	Regulatory Services		
643,935	Resource Management & Planning	660,903	687,713
362,254	Environmental Health	385,049	372,414
172,153	Building Control	233,475	160,558
71,981	Bylaw Control/General Inspection	73,510	84,864
(68,561)	Parking Control	(69,190)	(79,642)
33,233	Animal Control	36,324	27,541
458,072	Rural Fire/Emergency Mgmt	453,379	455,005
	Governance		
556,108	Representation	613,490	554,355
-	Internal Functions (net)	-	-
\$ 26,710,500	Total Rates Requirement	\$ 27,523,710	\$ 27,661,596
26,615,500	MDC Rates Revenue*	27,478,710	27,564,771
(89,678)	less rural sewerage capital contributions	(82,532)	(89,678)
26,525,822		27,396,178	27,475,093
	% Change (pre growth) from prior year	3.3%	3.6%
	% Change (after growth) from prior year**	2.6%	3.2%
190,000	Penalty Revenue	180,000	194,200
(95,000)	Rates Remissions	(135,000)	(97,375)
0	Discounts Given	-	-
\$ 26,620,822	Net Rates Revenue	\$ 27,441,178	\$ 27,571,918

* Rates Revenue includes the rates charged on Council properties.

** Growth in the rating base allows rates to be spread across the larger pool, benefiting all ratepayers.

NOTE 2
Prospective Summary of Revenue

Operating Income

	2015/16 Annual Plan \$ 000's	2016/17 Annual Plan \$ 000's	2016/17 LTP Year 2 \$ 000's
Revenue from Non-Exchange Transactions			
Targeted Rates (including penalties)	26,062	26,882	26,999
Rural sewerage schemes capital contrib.	90	83	90
Financial Contributions	378	364	661
NZTA Subsidy	4,597	4,275	4,365
Other Government Grants	153	122	113
Other Grants	42	28	68
Other Non Exchange Revenue	452	471	466
Revenue from Exchange Transactions			
Interest	768	726	796
Dividends	10	10	10
Fees & User charges	6,536	6,528	6,434
Other Gains/(losses)- Profit on Sale of Assets	21	32	40
Total Operating Revenue	39,109	39,521	40,042
Rates Remissions			
Rates revenue is shown net of rates remissions.			
Rates remissions estimated per year:	(95)	(135)	(97)



Note 3

Prospective Statement of Public Debt (External)

	Forecast Annual Plan Year 1 2015-16 (\$ 000)	Forecast Annual Plan 2016-17 (\$ 000)	Forecast LTP Year 2 2016-17 (\$ 000)
Opening Balance	54,294	52,328	55,821
Loans raised during the year		7,123	5,569
Less repayments during the year	(1,966)	(1,971)	(2,047)
Balance as at 30 June	52,328	57,479	59,343
Less current borrowings repayable in 12 months	(1,971)	(1,916)	(1,964)
Closing balance for non-current borrowings	50,357	55,563	57,379

Schedule of External Loan End Of Year Balances by Groups of Activities

	Forecast Annual Plan Year 1 2015-16 (\$ 000)	Forecast Annual Plan 2016-17 (\$ 000)	Forecast LTP Year 2 2016-17 (\$ 000)
Roading	139	549	689
Water Services	2,490	4,536	6,191
Sewerage Services	45,041	45,539	46,092
Stormwater Services	868	727	727
Solid Waste Services	1,400	1,539	1,599
Community Facilities/ Activities	2,390	4,588	4,045
Regulatory Services	0	0	0
	52,328	57,479	59,343

Note 4 Prospective Statement of Special Funds & Reserves

The Council maintains special funds and reserves as a sub-part of its equity. Schedule 10, clause 10 (21) of the LG Act requires certain information to be included in the Annual Plan relating to these reserves. The following presents a summary of reserve funds movements as projected over the Annual Plan 2016/17 year.

The management of financial reserves forms an integral part of meeting the obligations of prudent financial management.

The Council tracks some 30 separate reserve accounts, but many have similar purposes and have been grouped together for the purposes of this Annual Plan.

Council Created Reserves	Forecast Opening Balance 2016 \$ 000's	Transfers In 2016/17 \$ 000's	Transfers Out 2016/17 \$ 000's	Forecast Closing Balance 2017 \$ 000's
Purpose and application				
General Capital Reserves				
These funds have been set aside from the sale of assets, the most significant of which was the Wairarapa Electricity shares sold in 1996. They can be utilised for new asset purchases and to fund one-off Council projects and grants.	3,096	0	816	2,280
Investment Interest Fund				
These funds are generated by receiving the proceeds of interest earnings on investments. Currently the LTP financial model allocates this fund all interest allocated from operating activities. The funds in this fund are applied to offset debt servicing costs on specific projects including the CBD upgrading, Chapel St stormwater line, Castlepoint seawall and rural transfer stations.	77	701	681	97
Reserves & Development Funds				
These funds represent reserves and development contributions that are generated from the District Plan provisions for financial contributions on development and subdivision. The funds can only be applied to the purpose for which they were taken ie development of assets on reserves and general district development.	987	119	288	818
Plant & Equipment Depreciation Funds				
These funds are built up from depreciation on plant and equipment and are used to fund replacements	1,576	339	485	1,429
Buildings Depreciation Funds				
The Council has a series of specific depreciation reserve accounts for assets such as Housing for the Elderly, the District Building, Genesis Energy Recreation centre and parks & reserves buildings. Depreciation funds on these assets are accumulated in these funds and used for renewal expenditure as required.	6,177	1,534	2,218	5,493

Prospective Statement of Special Funds & Reserves (continued)

Council Created Reserves Purpose and application	Forecast Opening Balance 2016	Transfers In 2016/17	Transfers Out 2016/17	Forecast Closing Balance 2017
	\$ 000's	\$ 000's	\$ 000's	\$ 000's
Roading, Bridges & Flood Damage Funds				
Most roading renewal expenditure is funded from rates and NZTA subsidies, but some funding for Council's share of bridge renewals and street furniture is being built up in this fund. Roading contributions taken as per the District Plan financial contributions are accumulated in this fund and a separate fund for responding to road flood damage is also part of this group. Use of these funds can be for roading and bridge renewals, upgrades and flood damage.	4,361	986	581	4,766
Urban Infrastructure Depreciation Funds				
Depreciation on urban infrastructural assets is accumulated in this fund and applied to renewal of those assets. Infrastructure contributions taken as per the District Plan financial contributions are accumulated in this fund and utilised on renewing and upgrading the network assets.	2,266	2,104	2,263	2,107
Miscellaneous Funds				
These funds are made up of surpluses and deficits of various distinct entities under Council's control. Separate balances are maintained for a number of rural water and sewerage supplies and the Dog Control carry forward surpluses. A separate Special Funds account represents a balance of funds carried forward. They are generally rated for specific items, but not spent. The sums are identified at year end and carried forward so they can be applied to the expenditure for which they were raised. The Council has also utilised, or borrowed from these funds to advance projects and repay back to the fund, eg Wairarapa Combined District Plan project.	1,856	226	863	1,219
Crematorium Fund - ex Mrs Smart bequest				
To manage a bequest made to establish a crematorium.	114	-	-	114
	\$ 20,509	\$ 6,009	\$ 8,195	\$ 18,324

NOTE 5

PROSPECTIVE CAPITAL SUMMARY STATEMENT

Prior Year Plan 2015/16		Annual Plan 2016/17	LTP Year 2 2016/17
\$	Roading	\$	\$
4,357,900	Subsidised Roding	3,909,556	4,341,948
1,097,600	Non-subsidised Roding	939,500	769,070
	Water Services		
2,579,000	Urban Water supply	3,260,000	2,901,210
25,000	Rural Water supplies & races	35,000	25,950
	Sewerage Services		
1,620,000	Urban Sewerage system	2,815,000	2,792,220
-	Rural Sewerage systems	12,000	12,456
	Stormwater Services		
150,000	Urban Stormwater System	150,000	155,700
	Solid Waste Services		
635,000	Solid Waste	585,000	51,250
	Community Facilities/Activities		
427,750	Parks & Reserves	1,117,500	284,416
666,000	Sportsfields	1,369,000	496,640
100,000	Recreation Centre	130,000	51,200
10,000	Cemeteries	33,000	23,552
286,000	Library & Archive	326,000	272,384
931,900	Property	2,176,150	1,601,348
107,000	Community Services	64,000	20,480
195,000	Airport	355,000	194,560
	Regulatory Services		
8,000	Environmental Health	24,000	24,600
14,000	Building Control	6,000	6,150
92,000	Bylaw Control/General Inspection	80,000	82,000
1,500	Animal Control	54,500	1,538
40,000	Rural Fire/Emergency Mgmt	47,000	-
	Internal Functions		
199,000	Corporate Services	275,900	149,650
\$ 13,542,650	Total Capital expenditure	\$ 17,764,106	\$ 14,258,322
	Funded by		
(2,434,413)	NZ Transport Agency subsidy (roading)	(2,125,847)	(2,232,968)
(5,839,250)	Transfers from reserves	(6,633,315)	(4,645,939)
(3,655,100)	Loan funds	(7,122,785)	(5,568,919)
(1,613,887)	Rates	(1,678,159)	(1,785,920)
0	Other (External funding)	(204,000)	(24,576)
(13,542,650)		(17,764,106)	(14,258,322)

BENCHMARKS – AS PER LOCAL GOVERNMENT (FINANCIAL REPORTING AND PRUDENCE) REGULATIONS 2014

Financial Reporting & Prudence Disclosures

The Local Government Act 2002 sets out a number of disclosure requirements for Councils over and above the generally accepted accounting practice (GAAP) information. Local Government (Financial Reporting and Prudence) Regulations 2014 sets out specific requirements in terms of the information to be reported and the format in which it is to be reported.

Benchmarks - per LG (Financial Reporting and Prudence) Regulations 2014

Annual Plan Disclosure Statement for the year ending 30 June 2017

Benchmark	Planned	Met
Rates affordability benchmarks:		
- quantified limit on rates income (per LTP)	\$ 27.516m	Yes (\$ 27.377m)
- quantified limit on rates income (per revised LGCI)*	\$ 27.401m	Yes (\$ 27.377m)
- quantified limit on rates increase (per LTP)	3.24%	Yes (2.6%)
- quantified limit on rates increase (per revised LGCI)*	2.90%	Yes (2.6%)
Debt affordability benchmark		
- quantified limit on borrowing (net debt/revenue)	< 150%	Yes (106.4%)
Balanced budget benchmark >100%	100.3%	No (99.7%)**
Essential services benchmark >100%	114.2%	Yes (129%)
Debt servicing benchmark <10% (borrowing costs/revenue)	8.5%	Yes (7.5%)

* The LG Cost Index for 2016/17 (as forecast by BERL) in the LTP was 2.24% and has been revised to 1.9%

** Some operating expenditure will be funded from anticipated surplus rates funding carried forward.



FUNDING IMPACT STATEMENT	2015/16	2016/17	2016/17
	Year 1 LTP	Year 2 LTP	Annual Plan
Reconciliation	(\$000)	(\$000)	(\$000)
- between FIS & Financial Statements			
Operating Funding (revenue) - per FIS	36,275	37,107	36,795
Capital Funding (revenue)- per FIS	2,812	2,894	2,489
	39,087	40,001	39,284
Operating Revenue - per Stmt of Comp. Revenue & Expense	39,109	40,042	39,521
Less Other Gains/(losses)- Profit on Sale of Assets	21	40	32
	39,088	40,001	39,488
Operating Expenditure - per FIS	27,968	28,239	28,688
Add depreciation	10,834	10,903	10,936
	38,802	39,142	39,625
Operating Expenditure - per Stmt of Comp. Revenue & Expense	38,802	39,142	41,034
Capital Expenditure - per FIS	13,543	14,258	17,764
Capital Expenditure - per Cost of Service Statements	13,543	14,258	17,764
Transfer to/(from) Reserves - per COSS	(5,635)	(4,034)	(7,113)
Depreciation transferred to reserves - per COSS	4,595	4,730	4,927
Proceeds from sale of assets - Tsf to reserves	-	-	-
	(1,041)	697	(2,186)
Increase/(Decrease) in Reserves - per FIS	(1,041)	697	(2,186)



FUNDING IMPACT STATEMENTS – AS PER LOCAL GOVERNMENT (FINANCIAL REPORTING) REGULATIONS 2014

FUNDING IMPACT STATEMENT

As required by the Local Government (Financial Reporting) Regulations 2014

COUNCIL	2015/16 Year 1 LTP (\$000)	2016/17 Year 2 LTP (\$000)	2016/17 Annual Plan (\$000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties	190	194	180
Targeted rates	25,962	26,894	26,785
Subsidies and grants (for operating)	2,358	2,313	2,299
Fees & charges	6,723	6,630	6,729
Interest & dividends	778	806	736
Other receipts (incl petrol tax & fines)	265	269	66
Total operating funding (A)	36,275	37,107	36,795
Applications of Operating Funding			
Payments to staff and suppliers	24,785	24,898	25,837
Finance costs	3,182	3,340	2,852
Other operating funding applications	-	-	-
Total applications of operating funding (B)	27,967	28,239	28,688
Surplus/(Deficit) of operating funding (A-B)	8,308	8,869	8,106
Sources of Capital Funding			
Subsidies & grants for capital expenditure	2,434	2,233	2,126
Development & financial contributions	378	661	364
Increase /(decrease) in debt	1,660	3,410	5,152
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	204
Total sources of capital funding (C)	4,472	6,304	7,845
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	606	
- to improve level of service	2,608	2,828	4,269
- to replace existing assets	10,935	10,824	13,495
Increase/(decrease) in reserves	(1,041)	697	(2,186)
Increase/(decrease) in investments	278	217	373
Total application of capital funding (D)	12,780	15,172	15,951
Surplus / (deficit) of capital funding (C-D)	(8,308)	(8,868)	(8,106)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

As required by the Local Government (Financial Reporting) Regulations 2014

	2015/16	2016/17	2016/17
	Year 1 LTP	Year 2 LTP	Annual Plan
	(\$000)	(\$000)	(\$000)
ROADING			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	5,426	5,705	5,588
Subsidies and grants (for operating)	2,163	2,132	2,149
Fees & charges	190	91	90
Internal charges & overheads recovered	-	-	-
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	170	172	175
Total operating funding (A)	7,949	8,100	8,003
Applications of Operating Funding			
Payments to staff and suppliers	4,609	4,565	4,496
Finance costs	13	31	27
Internal charges and overheads applied	941	963	954
Other operating funding applications	-	-	-
Total applications of operating funding (B)	5,563	5,559	5,477
Surplus/(Deficit) of operating funding (A-B)	2,386	2,541	2,526
Sources of Capital Funding			
Subsidies & grants for capital expenditure	2,434	2,233	2,126
Development & financial contributions	99	76	45
Increase /(decrease) in debt	267	154	390
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	2,800	2,463	2,560
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	606	-
- to improve level of service	1,276	1,046	1,325
- to replace existing assets	4,180	3,459	3,524
Increase/(decrease) in reserves	(269)	(107)	237
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	5,186	5,004	5,086
Surplus / (deficit) of capital funding (C-D)	(2,386)	(2,541)	(2,526)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

As required by the Local Government (Financial Reporting) Regulations 2014

	2015/16	2016/17	2016/17
	Year 1 LTP	Year 2 LTP	Annual Plan
	(\$000)	(\$000)	(\$000)
WATER SERVICES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	3,055	3,234	3,043
Subsidies and grants (for operating)	-	-	-
Fees & charges	307	313	328
Internal charges & overheads recovered	79	81	82
Interest & dividends	10	11	9
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	3,452	3,638	3,462
Applications of Operating Funding			
Payments to staff and suppliers	1,428	1,488	1,401
Finance costs	156	252	141
Internal charges and overheads applied	534	549	546
Other operating funding applications	-	-	-
Total applications of operating funding (B)	2,117	2,289	2,088
Surplus/(Deficit) of operating funding (A-B)	1,334	1,349	1,374
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	4	4	7
Increase /(decrease) in debt	1,603	1,770	2,031
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	1,607	1,774	2,038
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	-	-	10
- to replace existing assets	2,604	2,927	3,285
Increase/(decrease) in reserves	338	196	117
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	2,942	3,124	3,412
Surplus / (deficit) of capital funding (C-D)	(1,334)	(1,349)	(1,374)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

As required by the Local Government (Financial Reporting) Regulations 2014

	2015/16	2016/17	2016/17
	Year 1 LTP	Year 2 LTP	Annual Plan
	(\$000)	(\$000)	(\$000)
SEWERAGE SERVICES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	6,774	6,894	6,483
Subsidies and grants (for operating)	-	-	-
Fees & charges	478	499	436
Internal charges & overheads recovered	5	5	5
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	7,257	7,398	6,924
Applications of Operating Funding			
Payments to staff and suppliers	1,231	1,334	1,259
Finance costs	2,732	2,751	2,443
Internal charges and overheads applied	1,046	1,060	974
Other operating funding applications	-	-	-
Total applications of operating funding (B)	5,009	5,145	4,676
Surplus/(Deficit) of operating funding (A-B)	2,249	2,253	2,249
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	112	117	97
Increase /(decrease) in debt	(677)	337	311
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(565)	454	408
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	150	-	75
- to replace existing assets	1,470	2,805	2,752
Increase/(decrease) in reserves	63	(98)	(171)
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	1,683	2,707	2,656
Surplus / (deficit) of capital funding (C-D)	(2,249)	(2,253)	(2,249)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

As required by the Local Government (Financial Reporting) Regulations 2014

	2015/16	2016/17	2016/17
	Year 1 LTP	Year 2 LTP	Annual Plan
	(\$000)	(\$000)	(\$000)
STORMWATER SERVICES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	475	548	518
Subsidies and grants (for operating)	-	-	-
Fees & charges	-	-	-
Internal charges & overheads recovered	-	-	-
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	475	548	518
Applications of Operating Funding			
Payments to staff and suppliers	116	190	180
Finance costs	56	49	43
Internal charges and overheads applied	165	170	156
Other operating funding applications	-	-	-
Total applications of operating funding (B)	337	409	379
Surplus/(Deficit) of operating funding (A-B)	139	139	138
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase/(decrease) in debt	(132)	(141)	(141)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(132)	(141)	(141)
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	-	-	-
- to replace existing assets	150	156	150
Increase/(decrease) in reserves	(144)	(158)	(153)
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	6	(2)	(3)
Surplus / (deficit) of capital funding (C-D)	(139)	(139)	(138)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

As required by the Local Government (Financial Reporting) Regulations 2014

	2015/16	2016/17	2016/17
	Year 1 LTP	Year 2 LTP	Annual Plan
	(\$000)	(\$000)	(\$000)
SOLID WASTE SERVICES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	984	1,032	931
Subsidies and grants (for operating)	115	77	85
Fees & charges	2,457	2,514	2,552
Internal charges & overheads recovered	203	207	185
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	3,759	3,829	3,753
Applications of Operating Funding			
Payments to staff and suppliers	3,051	3,126	3,137
Finance costs	84	97	75
Internal charges and overheads applied	524	534	487
Other operating funding applications	-	-	-
Total applications of operating funding (B)	3,660	3,758	3,699
Surplus/(Deficit) of operating funding (A-B)	99	72	54
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase /(decrease) in debt	176	(95)	109
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	176	(95)	109
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	300	51	250
- to replace existing assets	335	-	335
Increase/(decrease) in reserves	(360)	(75)	(422)
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	275	(24)	163
Surplus / (deficit) of capital funding (C-D)	(99)	(72)	(54)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

As required by the Local Government (Financial Reporting) Regulations 2014

	2015/16	2016/17	2016/17
COMMUNITY FACILITIES / ACTIVITIES	Year 1 LTP (\$000)	Year 2 LTP (\$000)	Annual Plan (\$000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties*	-	-	-
Targeted rates*	7,766	7,987	8,573
Subsidies and grants (for operating)	73	96	57
Fees & charges	1,565	1,456	1,412
Internal charges & overheads recovered	294	300	289
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	9,697	9,839	10,332
Applications of Operating Funding			
Payments to staff and suppliers	7,041	6,756	7,696
Finance costs	142	160	122
Internal charges and overheads applied	1,335	1,365	1,584
Other operating funding applications	-	-	-
Total applications of operating funding (B)	8,517	8,281	9,402
Surplus/(Deficit) of operating funding (A-B)	1,180	1,558	930
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase /(decrease) in debt	153	1,168	2,080
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	204
Total sources of capital funding (C)	153	1,168	2,284
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	842	1,731	2,541
- to replace existing assets	1,882	1,214	3,029
Increase/(decrease) in reserves	(1,391)	(219)	(2,358)
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	1,333	2,725	3,213
Surplus / (deficit) of capital funding (C-D)	(1,180)	(1,558)	(930)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

As required by the Local Government (Financial Reporting) Regulations 2014

	2015/16	2016/17	2016/17
	Year 1 LTP	Year 2 LTP	Annual Plan
	(\$000)	(\$000)	(\$000)
REGULATORY SERVICES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	1,673	1,708	1,773
Subsidies and grants (for operating)	-	-	-
Fees & charges	1,419	1,445	1,400
Internal charges & overheads recovered	448	448	442
Interest & dividends	2	2	2
Other receipts (incl petrol tax & fines)	95	97	95
Total operating funding (A)	3,636	3,700	3,712
Applications of Operating Funding			
Payments to staff and suppliers	2,484	2,505	2,468
Finance costs	-	-	-
Internal charges and overheads applied	956	993	1,076
Other operating funding applications	-	-	-
Total applications of operating funding (B)	3,440	3,498	3,544
Surplus/(Deficit) of operating funding (A-B)	196	201	167
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	163	464	215
Increase/(decrease) in debt	(7)	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	156	464	215
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	-	-	3
- to replace existing assets	156	114	209
Increase/(decrease) in reserves	196	551	171
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	352	665	382
Surplus / (deficit) of capital funding (C-D)	(196)	(201)	(167)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

As required by the Local Government (Financial Reporting) Regulations 2014

	2015/16	2016/17	2016/17
GOVERNANCE	Year 1 LTP	Year 2 LTP	Annual Plan
	(\$000)	(\$000)	(\$000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties			
Targeted rates	556	554	613
Subsidies and grants (for operating)	-	-	-
Fees & charges	-	-	-
Internal charges & overheads recovered	371	370	409
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	927	924	1,022
Applications of Operating Funding			
Payments to staff and suppliers	636	680	653
Finance costs	-	-	-
Internal charges and overheads applied	272	280	389
Other operating funding applications	-	-	-
Other dedicated capital funding	-	-	-
Total applications of operating funding (B)	908	960	1,041
Surplus/(Deficit) of operating funding (A-B)	19	(37)	(18)
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase /(decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	-	-	-
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	-	-	-
- to replace existing assets	-	-	-
Increase/(decrease) in reserves	19	(37)	(18)
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	19	(37)	(18)
Surplus / (deficit) of capital funding (C-D)	(19)	37	18
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

As required by the Local Government (Financial Reporting) Regulations 2014

	2015/16	2016/17	2016/17
INTERNAL FUNCTIONS	Year 1 LTP	Year 2 LTP	Annual Plan
	(\$000)	(\$000)	(\$000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	-	-	-
Subsidies and grants (for operating)	8	8	8
Fees & charges	247	252	267
Internal charges & overheads recovered	4,535	4,675	5,104
Interest & dividends	766	794	725
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	5,556	5,729	6,103
Applications of Operating Funding			
Payments to staff and suppliers	4,470	4,571	4,931
Finance costs	-	-	-
Internal charges and overheads applied	380	393	485
Other operating funding applications	-	-	-
Total applications of operating funding (B)	4,850	4,964	5,416
Surplus/(Deficit) of operating funding (A-B)	706	765	687
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase/(decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	-	-	-
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	40	-	65
- to replace existing assets	159	150	211
Increase/(decrease) in reserves	507	615	411
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	706	765	687
Surplus / (deficit) of capital funding (C-D)	(706)	(765)	(687)
Funding balance (A-B)+(C-D)	0	0	0

REVENUE & FINANCING POLICY – SUMMARY STATEMENT

The Revenue & Financing Policy is included in full in volume 2 of the 2015-25 Long-Term Plan. The policy, as applied to the 2016-17 Annual Plan is shown in the following statements and tables.

Council’s Revenue & Financing Policy, was revised pursuant to section 101(3) and section 103 of the Local Government Act 2002 as part of the 2015-25 Long-Term Plan. The basis of the policy is some 18 years old and was first adopted (as the Funding Policy) following public consultation in 1997. It has been reviewed and revised by Council in 2000, 2003, 2006, 2009 and 2012 under both the old and the new Local Government Acts and the Local Government (Rating) Act. The Policy was subject to public consultation as part of the 2015-2025 Long-Term Plan (LTP).

Listed below are the population, property and valuation figures forecast to 30 June 2016:

Population (usually resident – Statistics NZ estimate 2014)

Masterton	-	rural	5,350	22.2%
	-	urban	<u>18,800</u>	77.8%
			24,150	

Area = 229,500 ha

(urban area = 1,796 ha)

Rateable Properties		Separately Rateable Units	
Rural	3,870	Rural	3,705
Urban	8,353	Urban	8,970
	-----		-----
	12,223		12,675

Rateable Valuations (effective Sept 2014)

Land value – Rural \$ 1,523 million Urban \$ 948 million Total \$ 2,471 million

Capital value – Rural \$ 2,372 million Urban \$ 2,302 million Total \$ 4,674 million

REVENUE & FINANCING POLICY - Allocation Table

The table below is a summary of how the 2016/17 Rates Requirement is allocated based on the Revenue & Financing Policy.

				Index	C	Targeted uniform charge (TUC)						
					CV	Capital value rate	LV	Land value rate				
Allocations		2016/17 Allocation		Notes	URBAN RATES			RURAL RATES		TOTAL		
Urban	Rural	Urban	Rural		Type	Rate Name	Amount	Type	Rate Name	Amount		
80.0%	20.0%	\$ 563,488	\$ 140,872		CV	Representation & Development	\$ 563,488	CV	Representation & Development	\$ 140,872	\$ 704,360	
77.8%	22.2%	\$ 882,140	\$ 251,716	4	CV	Representation & Development	\$ 882,140	CV	Representation & Development	\$ 251,716	\$ 1,133,856	
77.8%	22.2%	\$ 352,502	\$ 100,585		CV	Representation & Development	\$ 352,502	CV	Representation & Development	\$ 100,585	\$ 453,087	
77.8%	22.2%	\$ 678,663	\$ 193,654		CV	Representation & Development	\$ 678,663	CV	Representation & Development	\$ 193,654	\$ 872,317	
77.8%	22.2%	\$ 1,942,703	\$ 554,345		CV	Civic Amenities rate	\$ 1,942,703	C	TUC	\$ 554,345	\$ 2,497,048	
77.8%	22.2%	\$ 1,107,363	\$ 315,983		C	TUC	\$ 1,107,363	C	TUC	\$ 315,983	\$ 1,423,346	
77.8%	22.2%	\$ 68,383	\$ 19,513		C	TUC	\$ 68,383	C	TUC	\$ 19,513	\$ 87,896	
77.8%	22.2%	\$ 315,825	\$ 90,120		CV	Sundry facilities rate	\$ 315,825	CV	Sundry facilities rate	\$ 90,120	\$ 405,945	
77.8%	22.2%	\$ 72,612	\$ 20,720		CV	Sundry facilities rate	\$ 72,612	CV	Sundry facilities rate	\$ 20,720	\$ 93,332	
77.8%	22.2%	\$ 270,159	\$ 77,089		CV	Sundry facilities rate	\$ 270,159	CV	Sundry facilities rate	\$ 77,089	\$ 347,248	
5.0%	95.0%	\$ 6,147	\$ 116,785	5	CV	Sundry facilities rate	\$ 6,147	CV	Sundry facilities rate	\$ 116,785	\$ 122,932	
77.8%	22.2%	\$ 26,354	\$ 7,520		CV	Sundry facilities rate	\$ 26,354	CV	Sundry facilities rate	\$ 7,520	\$ 33,874	
77.8%	22.2%	\$ 1,272,207	\$ 363,020		C	TUC	\$ 1,272,207	C	TUC	\$ 363,020	\$ 1,635,227	
77.8%	22.2%	\$ 281,193	\$ 80,237		C	TUC	\$ 281,193	C	TUC	\$ 80,237	\$ 361,430	
77.8%	22.2%	\$ 134,718	\$ 38,441		CV	Civic Amenities rate	\$ 134,718	CV	Sundry facilities rate	\$ 38,441	\$ 173,159	
77.8%	22.2%	\$ 590,343	\$ 168,453		CV	Regulatory services rate	\$ 590,343	CV	Regulatory services rate	\$ 168,453	\$ 758,795	
77.8%	22.2%	\$ 618,151	\$ 176,387		CV	Regulatory services rate	\$ 618,151	CV	Regulatory services rate	\$ 176,387	\$ 794,538	
0.0%	100.0%	\$ -	\$ 319,621			Rural Fire		CV	Rural fire rate	\$ 319,621	\$ 319,621	
77.8%	22.2%	\$ 32,446	\$ 9,258		C	TUC	\$ 32,446	C	TUC	\$ 9,258	\$ 41,704	
77.8%	22.2%	\$ 156,310	\$ 44,603		CV	Regulatory services rate	\$ 156,310	CV	Regulatory services rate	\$ 44,603	\$ 200,912	
100.0%	0.0%	\$ 3,397,807	\$ -		C/CV	Water supply rate and Charge	\$ 3,397,807				\$ 3,397,807	
0.0%	100.0%	\$ -	\$ 43,968			Opaki water race		LV	Opaki water race	\$ 43,968	\$ 43,968	
0.0%	100.0%	\$ -	\$ 12,030			Tinui water supply		C	Tinui water supply charge	\$ 12,030	\$ 12,030	
0.0%	100.0%	\$ -	\$ 50,430			Other rural services		CV	Sundry facilities rate	\$ 50,430	\$ 50,430	
100.0%	0.0%	\$ 7,096,118	\$ -		C/CV	Sewerage rate & Charge	\$ 7,096,118				\$ 7,096,118	
100.0%	0.0%	\$ 594,384	\$ -		CV	Sundry facilities rate	\$ 594,384				\$ 594,384	
0.0%	100.0%	\$ -	\$ 62,477			Rural Sewerage - Castlepoint		C	Castlepoint sewerage charge	\$ 62,477	\$ 62,477	
0.0%	100.0%	\$ -	\$ 261,196			Rural Sewerage - Riversdale		C	Riversdale sewerage charges	\$ 261,196	\$ 261,196	
0.0%	100.0%	\$ -	\$ 13,998			Tinui sewerage - operating		C	Tinui sewerage charges	\$ 13,998	\$ 13,998	
100.0%	0.0%	\$ 464,722	\$ -		C	Kerbside recycling collection	\$ 464,722				\$ 464,722	
77.8%	22.2%	\$ 296,960	\$ 84,737		CV	Sundry facilities rate	\$ 296,960	CV	Sundry facilities rate	\$ 84,737	\$ 381,697	
10.0%	90.0%	\$ 22,197	\$ 199,770	7	CV	Sundry facilities rate	\$ 22,197	C	TUC	\$ 199,770	\$ 221,967	
29.0%	71.0%	\$ 1,400,210	\$ 3,428,100	6	LVC	Roading rate and Charge	\$ 1,400,210	LVC	Roading rate and Charge	\$ 3,428,100	\$ 4,828,310	
100.0%	0.0%	\$ 1,338,951	\$ -		LV	Roading rate	\$ 1,338,951				\$ 1,338,951	
0.0%	100.0%	\$ -	\$ 248,792			Roading - Non Subsidised rural		LVC	Roading rate and Charge	\$ 248,792	\$ 248,792	
		\$ 24,078,780	\$ 7,521,736		2016/17 Total			\$ 24,078,780	2016/17 Total		\$ 7,521,736	\$ 31,600,516
Notes					Prior Year - 2015/16 Annual Plan			\$ 23,343,145	Prior Year - 2015/16 Annual Plan		\$ 7,264,680	\$ 30,607,825
1. The above rates include GST at 15% and allowance for rates penalty income and rates remissions.					Other increases			\$ 735,635	Rural sewerage & water race changes		\$ (9,860)	\$ (9,860)
2. Specific rural water & sewer schemes rates are applied only to those properties serviced by the schemes.					Net Increase (before growth)			\$ 735,635	Other increases		\$ 266,917	\$ 1,002,552
3. Land and capital value rates in the Urban Rating Area are subject to the differential described in the funding p					Estimated effect of growth in rating base			\$ 151,730	Net Increase (before growth)		\$ 257,056	\$ 992,691
4. Urban/Rural population split is 77.8/22.2 (as per StatsNZ census 2013).					% Change (after growth)			2.5%	Estimated effect of growth in rating base		\$ 40,523	\$ 192,253
5. Rural halls charge of 95% to rural area, to charge ward where largest portion of benefit arises.					% Change (after growth)			3.1%	% Change (after growth)		2.6%	
6. Subsidised roading urban/rural split is based on expected spend in each ward.												
7. Rural solid waste costs charged largely in the ward they are incurred.												

RATING FUNDING IMPACT STATEMENT

- 1.1 A Funding Impact Statement must be prepared pursuant to Schedule 10 of the Local Government Act 2002. It must be included as part of the Long-Term Plan and Annual Plan and be adopted in accordance with the Special Consultative Procedures.
- 1.2 Various sections of the Local Government (Rating) Act 2002 refer to the Funding Impact Statement (called the Rating Funding Impact Statement here to avoid confusion). Those sections require:
- *The basis of setting the general rate, i.e. land or capital value (Section 13).*
 - *Any category or categories that will be used for differentiating the general rate (Section 14).*
 - *The function or functions for which a targeted rate will be set (Section 16).*
 - *Any category or categories of land that will be used to set a targeted rate on a differential basis or determine whether a property will be liable for a targeted rate (Section 17).*
 - *Any factor that will be used to calculate liability for a targeted rate (Section 18).*
 - *An indication that Council wishes to set a charge for water supply by volume of water consumed if Council is intending to do so (Section 19).*
- 1.3 **Important:** At various parts in this statement a level of rate or charge is specified. These are indicative figures included to give ratepayers an estimate of what their level of rates is likely to be and are based on the rating requirements of the Long-Term Plan (LTP)/Annual Plan. These figures are not the actual rates that will be assessed in the coming year. The actual figures will be determined on adoption of the Long-Term Plan prior to 30 June 2015.
- 1.4 All figures for Rates and Charges as shown are inclusive of GST (unless stated). The revenue raised in each instance is the total revenue required by Council before accounting for GST to central government.
- 1.5 The net operating expenses (net of user charges, subsidies & other external revenue) of the Council for 2016-17 total \$31.6 million (incl GST) and will be provided by the various rating mechanisms outlined within the Revenue & Financing Policy and Rating Funding Impact Statement.
- 1.6 The policy, adopted in June 2015, has been assumed to apply for the ten years of the LTP. The table on the following page illustrates the application of the policy to the funding requirements in year 2 of Plan. In addition to operating expenditure, Council has a capital works programme of \$17.76 million (excluding GST) scheduled for 2016-17.
- 1.7 **Separately Used or Inhabited Part of a Rating Unit**
The following definition applies to targeted rates levied by the Masterton District Council where Council has determined that the rate shall apply to each separately used or inhabited part of a rating unit:
- A separately used or inhabited part of a rating unit includes any portion inhabited or used by the owner, or a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, or other agreement.
 - This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long-term basis by someone other than the owner.

Rating Funding Impact Statement - Rates Revenue by Rate Type

(All figures exclude GST)
(NZ\$ 000's)

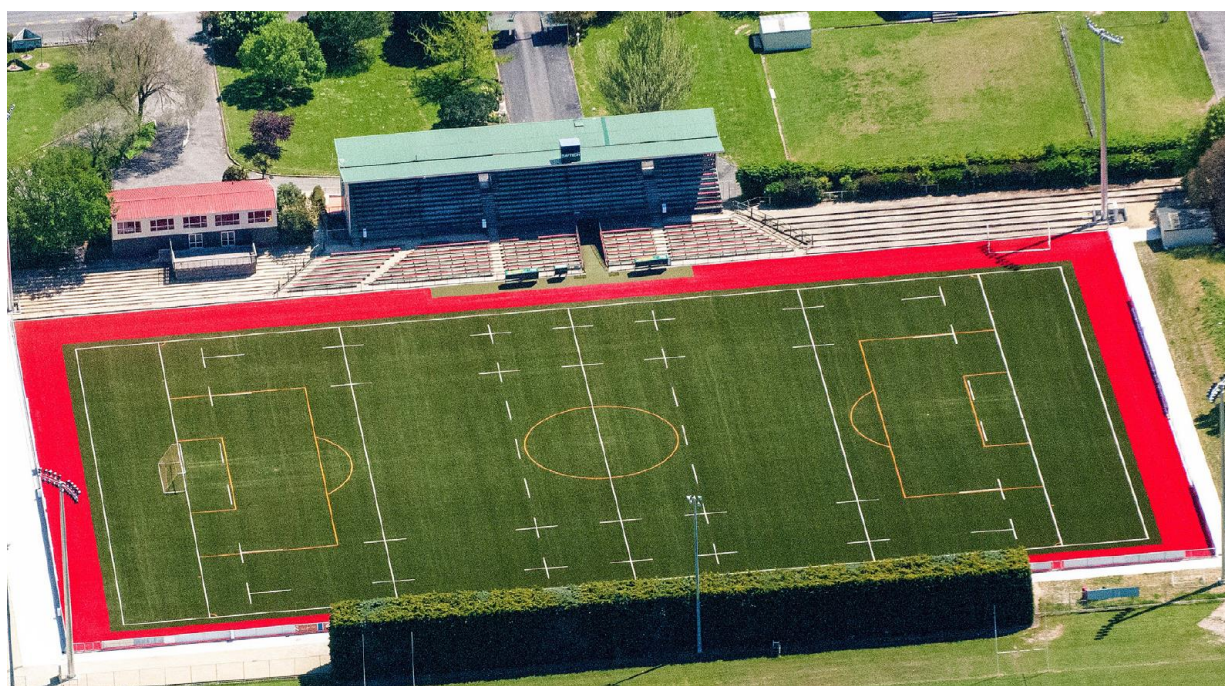
		2016/17 Annual Plan			2016/17 LTP Year 2		
		Amount to be Collected by Ward			Amount to be Collected by Ward		
		Urban	Rural	Total	Urban	Rural	Total
Targeted Differential Rates across the District							
Roading Rate	LV rate	2,015	2,238	4,253	2,159	2,292	4,451
Representation & Development Rate	CV rate	2,154	597	2,751	1,745	482	2,227
Regulatory Services Rate	CV rate	1,187	339	1,525	1,146	327	1,473
Sundry Facilities & Services Rate	CV rate	1,465	450	1,915	1,518	440	1,959
Targeted Uniform Charge	Chrg	2,355	1,278	3,633 *	2,274	1,268	3,542 *
Targeted Roading Charge	Chrg	366	960	1,326 *	249	985	1,234 *
		9,542	5,861	15,403	9,092	5,794	14,886
Targeted Rates							
Recycling Collection Charge	Chrg	408	-	408 *	422	-	422 *
Civic Amenities Rate	CV rate	1,866	-	1,866	1,878	-	1,878
Rural Fire Rate	CV rate	-	278	278	-	281	281
Urban Water Supply Rate	CV rate	1,770	-	1,770	1,873	-	1,873
Urban Water Supply Charge	Chrg	1,184	-	1,184	1,251	-	1,251
Urban Sewerage Rate	CV rate	3,682	-	3,682	3,909	-	3,909
Urban Sewerage Charge	Chrg	2,465	-	2,465	2,623	-	2,623
Beach Collections Charge	Chrg	-	66	66	-	65	65
Rural water & sewerage scheme rates**	Chrg	21	261	283	30	264	294
		11,396	605	12,000	11,986	610	12,595
Total Rates**		20,938	6,466	27,404	21,077	6,404	27,481
Percentage Change (after growth)		2.5%	3.0%	2.6%	3.4%	2.4%	3.2%

* Charges (per sec 21(2)(b)) as % of Total Rates not to exceed 30% 19.6%

18.9%

** Note: figures above exclude Riversdale & Tinui capital contributions

Riversdale Beach sewerage capital contributions	76	76	86	86
Tinui sewerage capital contributions	5	5	5	5



RATING FUNDING IMPACT STATEMENT SUMMARY - ANNUAL PLAN 2016/17

Estimated District Values	U1	U2	Total Urban	Total Rural	Total District
Differential	1	2.0		-	
District Land Value	789,965,000	157,250,000	947,215,000	1,524,850,000	2,472,065,000
District Capital Value	1,921,365,000	385,507,000	2,306,872,000	2,378,471,000	4,685,343,000
Targeted Uniform Charges (no.)	8,267	700	8,967	3,703	12,670
Water Charges (no.)	8,364	656	9,020	-	9,020
Sewerage Charges (no.)	8,188	670	8,858	-	8,858
Recycling Charges (no.)	8,200	642	8,842	-	8,842

Note: the valuation figures and numbers of charges listed above are an estimate of the values and numbers as at 30 June 2016.

	Rating Requirement			All Rates INCLUDING GST at 15%		
	Urban	Rural	Total	Uniform Charges and Rates in \$		
	U1	U2		U1	U2	Rural
Targeted Charges	\$ 24,078,780	\$ 7,521,736	\$ 31,600,516			
Uniform Charge	2,705,452	1,470,273	4,175,724	302.00	302.00	397.00
Roading Charge	421,449	1,103,494	1,524,943	47.00	47.00	298.00
Recycling Collection Charge	468,626	-	468,626	53.00	53.00	-
sub total	3,595,527	2,573,767	6,169,293			
	14.9%	34.2%	19.5%			
Water Charge	1,362,020	-	1,362,020	151.00	151.00	-
Sewerage Charge	2,834,560	-	2,834,560	320.00	320.00	-
sub total	4,196,580	-	4,196,580	873.00	873.00	695.00
	17.4%		33.3%			
Land Value Rates						
Roading Rate	2,317,712	2,573,398	4,891,110	0.002098	0.004196	0.001688
	2,317,712	2,573,398	4,891,110	0.002098	0.004196	0.001688
	9.6%	34.2%	15.7%			
Capital Value Rates						
Representation & Development Rate	2,476,793	686,828	3,163,621	0.000920	0.001840	0.000289
Regulatory Services Rate	1,364,803	389,443	1,754,246	0.000507	0.001014	0.000164
Sundry Facilities Rate	1,684,217	517,184	2,201,401	0.000626	0.001252	0.000217
Civic Amenities Rate	2,145,804	-	2,145,804	0.000797	0.001594	-
Rural Fire Rate		319,621	319,621	-	-	0.000134
Water Rate	2,035,787	-	2,035,787	0.000721	0.001442	-
Sewerage Rate	4,233,418	-	4,233,418	0.001499	0.002998	-
sub total	13,940,822	1,913,075	15,853,897	0.005069	0.010141	0.000804
	57.9%	25.4%	51.0%			
Other Targeted Rates	24,050,640	7,060,240	31,110,880			
Beach refuse & recycling collections	Targeted Chrg	75,348		\$ 156.00	Beach collections	
Opaki water race	Targeted LV rate	43,968			per \$LV of serviced properties	
Tinui water supply	Targeted Chrg	12,030		401.00	per connection	
Castlepoint sewerage	Targeted Chrg	62,477		317.00	per connection	
*RBCSS - connected charge	Targeted Chrg	165,373		461.00	per property using the system	
RBCSS - service available	Targeted Chrg	8,722		98.00	per servicable, but not connected property	
RBCSS - Capital TP Yr 7 of 20	Targeted Chrg	87,100	time payments	1,643.40	53 paying off capital	
Tinui sewerage - TP stage I	Targeted Chrg	213	time payments	212.50	1 paying off stage I	
Tinui sewerage - TP stage I & II	Targeted Chrg	5,956	time payments	744.50	8 paying off stage I & II	
Tinui sewerage - operating	Targeted Chrg	7,829	operating	391.00	per connection	
Sewerage tmt charge (liquid only)	28,140			420.00	per equivalent connection	
Total Rates	\$ 24,078,780	\$ 7,529,256	\$ 31,608,036	All rates incl GST at 15%		

TP = time payment,

*RBCSS = Riversdale Beach Community Sewerage Scheme

RATING FUNDING IMPACT STATEMENT – SETTING THE RATES

Differential Rates across the District

Council proposes to continue its practice of not having one ‘General Rate’ but instead having a number of targeted rates charged across the district, set on a differential basis (see urban/rural cost allocations by service) and levied on either land value or capital value or by targeted uniform charge, as described in the Revenue & Financing Policy.

The separate targeted rates will be set on a differential basis using rating areas (urban and rural) and land use to determine the categories.

Rating areas are defined as:

- **Urban rating area** – all rating units within the urban area of Masterton as defined by the District Plan.
- **Rural rating area** – all rating units in the rural area of Masterton District, including beach settlements.

The differential categories are explained as follows:

Category 1 U1 (Differential 1.0 applied to urban value-based rates)	Urban Residential – all rating units in the urban rating area used primarily for residential purposes, or for public halls, for sporting purposes or are vacant land.
Category 2 U2 (Differential 2.0 applied to urban value-based rates)	Non-residential urban – all rating units in the urban rating area used for purposes other than residential use (as defined in (i) above).
Category 3 R1 (Differential 1.0 applied to rural value-based rates)	Rural – all rating units in the rural rating area.

Properties which have more than one use (or where there is doubt on the relevant primary use) will be split with a rating unit division so that each division allows the rates to be levied according to the relevant use of the property. Note that subject to the rights of objection to the rating information database set out in Section 28 of the Local Government (Rating) Act 2002, Council is the sole determiner of the categories.

The four targeted rates charged on all rateable properties, with costs allocated between urban and rural wards as per the Revenue & Financing Policy allocation table and charged on a differential basis will be as follows:

Roading Rate – estimated per dollar of **Land Value** for 2016-17 will be:

U1 (0.002098 per dollar of land value) raising	\$1,658,000
U2 (0.004196 per dollar of land value) raising	\$ 660,000
R1 (0.001688 per dollar of land value) raising	<u>\$2,573,000</u>
Total	\$4,891,000

The Rooding rate will be used to provide the following services:

- Subsidised road maintenance and renewals programme on the District rooding network.
- Non-subsidised rooding maintenance in the urban area.
- Non-subsidised rooding maintenance in the rural area.

Representation & Development Rate – estimated per dollar of **Capital Value** for 2016-17 will be:

U1 (0.000920 per dollar of capital value) raising	\$1,768,000
U2 (0.001840 per dollar of capital value) raising	\$ 709,000
R1 (0.000289 per dollar of capital value) raising	<u>\$ 687,000</u>
Total	\$3,164,000

The Representation & Development Rate will be used to provide the following services:

- Governance and Representation
- Community Development
- Arts and Culture
- Economic Development and Promotion
- District Amenities (security cameras, under-verandah lighting)

Regulatory Services Rate – estimated per dollar of **Capital Value** for 2016-17 will be:

U1 (0.000507 per dollar of capital value) raising	\$ 974,000
U2 (0.001014 per dollar of capital value) raising	\$ 391,000
R1 (0.000164 per dollar of capital value) raising	<u>\$ 389,000</u>
Total	\$1,754,000

The Regulatory Services rate will be used to provide the following services:

- Resource Management and District Planning
- Environmental Health, Building and General Inspection Services
- Civil Defence & Emergency Management

Sundry Facilities & Services Rate – estimated per dollar of **Capital Value** for 2016-17 will be:

U1 (0.000626 per dollar of capital value) raising	\$1,202,000
U2 (0.001252 per dollar of capital value) raising	\$ 483,000
R1 (0.000217 per dollar of capital value) raising	<u>\$ 516,000</u>
Total	\$2,201,000

The Sundry Facilities & Services rate will be used to provide the following services (see Allocation Table for urban/rural share of each service cost):

- Waste, Recycling and Composting (excluding specific rural waste services)
- Urban Stormwater (urban ward only)
- Public Conveniences
- District Building (including the Town Hall)
- Mawley Park
- Airport
- Rural halls

- Other property costs & other rural services (e.g. water supply testing)

Differential Targeted Charge - Targeted Uniform Charge

In addition to the district-wide rates collected on a differential basis, Council proposes to set a targeted uniform charge, differentiated between urban and rural wards, and levied on each separately used or inhabited part of a rating unit. The urban/rural differential is based on costs of services allocated per the Revenue & Financing Policy.

The estimated Targeted Annual Charges for 2016-17 will be:

U1 & U2	\$302.00 per part of rating unit raising	\$2,705,000
R1	\$397.00 per part of rating unit raising	<u>\$1,470,000</u>
	Total	\$4,175,000

The Targeted Annual Charge will be used to provide the following services:

- Library and Archive
- Recreation Centre
- Sports Fields (rural ward only)
- Parks and Reserves (rural ward only)
- Forestry
- Cemeteries (rural ward only)
- Dog Control
- Rural Refuse and Transfer Stations (excluding beach collections rate)
- Regional Amenities Fund Contribution

Differential Targeted Charge

Uniform Rooding Charge

In addition to the roading rate collected on a differential basis, Council proposes to set a differential targeted roading charge on each separately used or inhabited part of a rating unit.

The estimated **Rooding** charge for 2016-17 will be:

U1 & U2	\$ 47.00 per part of rating unit raising	\$ 422,000
R1	\$298.00 per part of rating unit raising	<u>\$1,104,000</u>
	Total	\$1,526,000

The Rooding charge will be used to fund a portion of the roading costs allocated to each ward – as per the Revenue & Financing Policy.

Differential Targeted Rates

Civic Amenities, Rural Fire, Water, Sewerage, Recycling collection and Beach collections.
Differential based on costs allocated to wards and location of service.

Civic Amenities Rate – estimated per dollar of **Capital Value** for 2016-17 will be:

U1 (0.000797 per dollar of capital value) raising	\$1,531,000
U2 (0.001594 per dollar of capital value) raising	<u>\$ 614,000</u>
Total	\$ 2,145,000

The Civic Amenities rate will be used to fund the urban share of the following services:

- Parks and Reserves
- Sports Fields
- Cemeteries
- Airport

Rural Fire Rate – estimated per dollar of Capital Value for 2016-17 will be:

R1 (0.000134 per dollar of capital value) raising	\$320,000
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The Rural Fire rate will be charged in the rural area only and be used to fund Council's share of the cost of operating the rural fire service.

Services Differentials

Council proposes to use the following differential categories to assess rates on rating units for water supply, sewerage and the recycling collection rates.

Availability of Service for:

Urban Water Supply Rate

The differential categories for the proposed uniform water supply rates are:

- **Connected** – any separately used or inhabited part of a rating unit that is connected to the Masterton urban water supply.
- **Serviceable** – any separately used or inhabited rating unit that is not connected to the Masterton urban water supply but is within 100 metres of such water supply and within the urban rating area and not charged by metered usage:

Urban Sewerage Rate

The differential categories for the proposed sewage disposal rate are:

- **Connected** – any separately used or inhabited part of a rating unit that is connected to the Masterton public sewerage system.
- **Serviceable** – any separately used or inhabited part of a rating unit that is not connected to the Masterton public sewerage system but is within 30 metres of such a service and within the urban rating area.

Recycling Collection Rate

- **Urban** – on every separately used or inhabited part of a rating unit situated within the urban area of Masterton to which Council is prepared to provide the service.
- **Rural** – on every separately used or inhabited part of a rating unit situated in the rural periphery of Masterton urban area, to which Council is prepared to provide a service.

Beach Refuse and Recycling Collection Charge

Riversdale Beach and Castlepoint – on every separately used or inhabited part of a rating unit situated within the two beach settlements to which Council is prepared to provide the service.

Riversdale Beach Sewerage Rate

Residential Equivalents (REs) were established during the development of the Riversdale Beach Sewerage Scheme in order to allocate the shares of capital contribution. These RE units (plus subsequent additions) will be the basis of charging annual operating rates as per the Local Government (Rating) Act 2002, schedule 3, clause 8.

Water Supply Rates and Charge

Targeted using a Uniform Basis and a Capital Value Rate, differentiated as per the clause above.

Council proposes to set a targeted capital value rate on a differential basis, plus a uniform charge for water supply. The uniform charge will be assessed on each separately used or inhabited part of a rating unit throughout the serviced area where rating units are connected to urban water supply scheme. The capital value rate will be levied on properties where a service connection is available (i.e. they are 'serviceable' per definition above).

The charge will be set on a differential basis based on the availability of service (the categories being 'connected' and 'serviceable'). Rating units that are not connected will not be liable for the water supply charge.

The estimated rates for 2016-17 are:

Water Supply Charge

Connected	\$151.00	raising \$1,362,000
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Water Supply Rate charged on connected and serviceable - estimated per dollar of capital value for 2016-17 will be:

U1+R1	(0.000721 per dollar of capital value) raising	\$1,413,000
U2	(0.001442 per dollar of capital value) raising	<u>\$ 623,000</u>
Total		\$2,036,000

Raising a total of \$3,398,000

Metered Water Supply on Metered Properties

Council proposes to set a targeted rate for water supplied to metered rural and out-of-district properties, from the urban water supply, based on volumes of water supplied through water meters. These charges also apply to serviced properties in the Waingawa area of Carterton District.

The Water Supply Charge will also apply to those properties charged by metered usage and restrictor valve.

The proposed metered water rates for 2016-17 are as follows:

- Minimum charge per quarter of \$41.00 for 50 cu mtrs per quarter or below
- Price per cubic metre for between 50 and 100 cu mtrs per quarter \$1.02
- Price per cubic metre for consumption over 100 cu mtrs per quarter \$1.28

Sewerage Rates and Charge

Targeted using a Uniform Basis and a Capital Value Rate differentiated as per the clause above.

Council proposes to set a targeted capital value rate and a uniform charge for urban sewerage. The uniform charge will be levied on each separately used or inhabited part of a rating unit throughout the district where properties are connected to the Masterton urban sewerage scheme. The capital value rate will be levied on properties where connection is available (i.e. they are 'serviceable' as per the definition above).

The charge will be set on a differential basis based on the availability of service (the categories are 'connected' and 'serviceable'). Rating units not connected to the scheme will not be liable for the urban sewerage charge.

The estimated rates for 2016-17 are:

Sewerage Charge

Connected **\$320.00** raising \$2,829,000

Sewerage Rate charged on connected and serviceable rating units - estimated per dollar of capital value for 2016-17 will be:

U1 & R1	(0.001499 per dollar of capital value) raising	\$2,945,000
U2	(0.002998 per dollar of capital value) raising	<u>\$1,289,000</u>
Total		\$4,234,000

Raising a total of \$7,063,000

Recycling Collection Charge

Council proposes to set a targeted uniform charge for the urban recycling collection costs on the basis described in clause 7 above:

The rate for 2016-17 is proposed as:

Uniform Charge **\$53.00**
Raising \$469,000

Rural Targeted Services Rates and Charges

Rates Areas	Charge	Raising
Council proposes to set a targeted rate for Beach Refuse & Recycling Collection services on the basis of a fixed charge per rating unit at Castlepoint & Riversdale Beach to which the services are available.	The uniform charge per property for 2016-17 is: \$156.00	Raising a total of \$75,000
Council proposes to set targeted rates for the Opaki Water Race on the basis of land value of the rating units serviced.	The land value rate for 2016-17 is \$0.001602	Raising a total of \$44,000
Council will not set targeted rates for the Te Ore Ore Water Race in 2016-17 as the water race has been shut down. A drainage rate may be levied in future years.	-	-
Council proposes to set targeted rates for the Tinui Water Supply on the basis of connected rating units.	The uniform charge per rating unit serviced for 2016-17 is: \$401.00	Raising a total of \$12,000
Council proposes to set targeted rates for the Castlepoint Sewerage Scheme on the basis of connected rating units.	The uniform charge per rating unit for 2016-17 is: \$317.00	Raising a total of \$62,000

Council proposes to set two targeted rates for the operation of the **Riversdale Beach Community Sewerage Scheme**. These are:

- A Connected rate based on a rating unit's residential equivalent connections to the scheme (as was assessed through the scheme development phase).
- A Serviceable rate (i.e. empty sections yet to have a dwelling built) will be charged on each rating unit which is within 30 metres of the service.

Connected - a uniform charge per residential equivalent connection for 2016-17 will be: **\$461.00** raising a total of approximately \$165,000

Serviceable - a uniform charge per serviceable rating unit for 2016-17 will be: **\$98.00** raising a total of approximately \$9,000

Capital Contributions - as per the Amendment to the LTCCP for 2009-19 and the Capital Project Funding Plan for the Riversdale Beach Community Sewerage Scheme (RBCSS), the capital costs of the scheme will be charged per residential equivalent (RE). The following payment options remain relevant for Riversdale Beach property owners paying off their capital contributions over time:

RBCSS Time Payment Year 7 of 20 - the RE levied as a targeted rate spread over 20 years, with interest applied at 7.5% (equates to **\$1,643.40** pa including GST)
(estimated to be charged on 53 REs, raising a total of \$87,000)

Council proposes to set three targeted rates for the **Tinui Sewerage Scheme** for the 2016-17 year, on the basis of connected rating units and their elected capital contributions for stages I and II of the scheme's upgrade. One rate will cover the annual operating costs of the scheme. The other rates will be levied on the connected properties as per their elected capital contribution payment options.

The Operating Costs rate per connected rating unit (including Tinui School as 5 connections) for 2016-17 is: **\$391.00** raising a total of approximately \$7,800

The Part Capital Contribution Stage I (1 property) for 2016-17 is: **\$212.50**
(raising \$212.50)

The Part Capital Contribution Stage I & II (8 properties) for 2016-17 is: **\$744.50**
(raising \$6,000)

Council proposes to set a targeted rate called the **Sewage Treatment Charge** on the basis of connected rating units in the rural area discharging septic tank outflows (liquid effluent) to the urban sewerage system. One charge per residential equivalent (RE is defined as 600 ltrs/day). Properties assessed as having multiple residential equivalents will be charged multiple charges based on assessed volume of discharge (including Rathkeale College).

The uniform charge per RE for 2016-17 is: **\$420.00** raising a total of \$25,000.

Out-of-District Water and Sewerage Charges

Council proposes to charge for non-metered water supply and sewerage services which are supplied to properties outside the Masterton District on the following basis:

- Water supply – estimated per dollar of Capital Value will be \$0.001495 plus \$154.00 fixed uniform charge on all connected rating units.
- Sewerage – estimated per dollar of Capital Value will be \$0.002990 plus \$318.00 uniform charge plus any charges under the Trade Waste bylaw regime as outlined in Appendix II.

Due Dates for Payment of Rates

All rates will be payable in four instalments due on:

1 st instalment	1 st August 2016
2 nd instalment	1 st November 2016
3 rd instalment	1 st February 2017
4 th instalment	1 st May 2017

Penalty Charges

Penalties will be charged as follows:

- 10% charged on the balance of arrears unpaid as at 1st July 2016

10% charged on the balance of the first instalment of rates remaining unpaid after:	22 nd August 2016, applied 23 rd August 2016.
10% charged on the balance of the second instalment of rates remaining unpaid after:	21 st November 2016, applied 22 nd November 2016.
10% charged on the balance of the third instalment of rates remaining unpaid after:	20 th February 2017, applied 21 st February 2017.
10% charged on the balance of the fourth instalment of rates remaining unpaid after:	22 nd May 2017 applied 23 rd May 2017.

Roundings

Rates statements may be subject to roundings. The rates due will be calculated to the nearest cent, but rounded to the nearest 10 cents.

CALCULATE YOUR 2016-17 RATES

The rates below are indicative only. Actual rates-in-the-dollar and charges will be set as part of the adoption of the Annual Plan at the end of June 2016. The result you calculate will not include the Greater Wellington Regional Council rates.

Further assistance in explaining the effects of the policy changes, 2014 revaluation and rates increase on your individual properties can be obtained from Council's Rates Department.

Rural Property

Write in your most recent Land Value(a)

Write in your most recent Capital Value(b)

Land Value (LV) Rates 0.001688 X (a) =

Capital Value (CV) Rates 0.000804 X (b) =

Targeted Annual Charge (where applicable)	397.00
Targeted Roding Charge (where applicable)	298.00
Beach collections (where application)	156.00
Castlepoint Sewerage (where applicable)	317.00
Riversdale Sewerage (where applicable)	461.00
Tinui Sewerage (where applicable)	391.00
Sewage Charge (liquid waste only)	<u>420.00</u>

(Note: result excludes Greater Wellington RC rates) \$ _____

Urban (residential)

Write in your most recent Land Value(a)

Write in your most recent Capital Value(b)

Land Value (LV) Rates 0.002098 X (a) =.....

Capital Value (CV) Rates 0.005070 X (b) =.....

Targeted Annual Charge	302.00
Targeted Roding Charge	47.00
Recycling Collection Charge	53.00
Water Supply Charge (where applicable)	151.00
Sewerage Charge (where applicable)	<u>320.00</u>

\$ _____

Urban (non-residential)

Use the Urban (residential) figures above, but double the LV & CV Rates (i.e. LV x 2 x (a) and CV x 2 x (b)). Then add the charges where applicable.

Overall 2.6% rates increase (after growth of 0.65%)

Rates Examples - MDC rates only	LV (at Sept 2014)	CV (at Sept 2014)	2015/16 MDC Rates	2016/17 Proposed Rates	Percentage Change	\$ Change
rates examples include GST						
Masterton - residential, low value	\$ 62,000	\$ 150,000	\$ 1,722	\$ 1,763	2.4%	\$ 42
Masterton - residential median value	\$ 105,000	\$ 225,000	\$ 2,179	\$ 2,234	2.5%	\$ 55
Masterton - residential high value	\$ 200,000	\$ 405,000	\$ 3,258	\$ 3,346	2.7%	\$ 87
Masterton - central, small area	\$ 131,000	\$ 325,000	\$ 2,722	\$ 2,795	2.7%	\$ 73
Riversdale	\$ 122,000	\$ 455,000	\$ 1,828	\$ 1,884	3.1%	\$ 56
Castlepoint	\$ 245,000	\$ 440,000	\$ 1,884	\$ 1,935	2.7%	\$ 52
Rural - lifestyle, 2 ha	\$ 150,000	\$ 465,000	\$ 1,278	\$ 1,322	3.5%	\$ 44
Rural - forestry	\$ 1,510,000	\$ 1,590,000	\$ 4,388	\$ 4,522	3.1%	\$ 134
Rural - hill country farm	\$ 3,100,000	\$ 3,550,000	\$ 8,495	\$ 8,782	3.4%	\$ 287
Rural - dairy farm	\$ 6,000,000	\$ 7,400,000	\$ 16,873	\$ 17,469	3.5%	\$ 596
Commercial - industrial	\$ 150,000	\$ 770,000	\$ 9,023	\$ 9,311	3.2%	\$ 288
Commercial - Queen St shop	\$ 140,000	\$ 405,000	\$ 5,408	\$ 5,567	3.0%	\$ 160

Note: All rates exclude Wellington Regional Council rates.



CHANGES TO SCHEDULE OF FEES AND CHARGES

Fee changes have been prepared for the following activities. For more information on current fees for all activities please refer to Council's Schedule of Fees.

Infrastructure Contributions

The figures below are payable by property owners who are taking up new connections to the various sewerage and water supply services in the Masterton District. The contribution is the 'buy in' price for new joiners that connect to the services.

All contributions are payable prior to connection.

GST Exclusive

		Fee	
		2015-16	2016-17
New connection to Masterton urban services:		\$5,000 per residential equivalent connection	\$5,000 per residential equivalent connection
Nominal split between services:	Sewer	\$3,000	\$3,000
	Water	\$2,000	\$2,000
<p>This contribution is payable by subdividers/developers under the new Wairarapa Combined District Plan, as part of issuing resource consent for new lots. The charge is effectively a joining fee to join the existing network services. For all other new connections the contributions are payable by the owner prior to connection.</p> <p>Developers may be required to pay additional contributions depending on their development's assessed impact on the future network upgrade needs.</p>		<p>Lansdowne (water capacity) \$1,108.00 + GST per lot Water Cashmere specific \$1,215.00 + GST per lot Stormwater Cashmere \$220 + GST per lot Sewer Cashmere \$612 + GST per lot Solway Crescent \$591 + GST per lot</p>	
Upper Plain – water (trickle feed off urban supply)		\$3,058.00 plus connection costs (restriction valve, backflow valve etc)	\$3,058.00 plus connection costs (restriction valve, backflow valve etc.)
Other Rural – (metered) connection to Masterton urban water		\$2,185.00 plus connection costs (restriction valve, backflow valve etc.)	\$2,185.00 plus connection costs (restriction valve, backflow valve etc.)
Rural – connection to Masterton urban sewer		\$3,131.00	\$3,131.00
Airport – additional cost recovery for Hood Aerodrome water & sewer lines	Water – additional	\$3,366.00	\$3,366.00
	Sewer – additional	\$4,519.00	\$4,519.00
Tinui sewerage		\$9,037.00	\$9,037.00
Tinui water supply		\$3,243.00	\$3,243.00
Castlepoint sewerage		\$4,800.00	\$4,800.00
Taueru water supply		\$4,264.00	\$4,264.00
Riversdale Beach sewerage - original scheme area		\$22,300.00	\$23,415.00
Riversdale Beach sewerage - Riversdale Terraces		\$14,272.00	\$14,985.00

Plus Installation costs, Inspection and administration fee, Back flow valves, meters etc.

Building Consent and PIM Fees

Effective 1 July 2016 to the 30 June 2017. All fees are GST Inclusive. The total fee including PIM (if applicable) and levies are to be paid at lodgement time.		
Description	PIM fee (if applying prior or with building consent application) Additional to BC fee	Building consent (BC) only fee excluding PIM fee, BRANZ and DBH levy IANZ levy
Minor Work		
Solid fuel heater all up cost Free Standing x1 inspection - includes Licence and Scanning fee	\$45.00	\$350.00
Solid fuel heater all up cost Insert x 2 Inspections - includes Licence and Scanning fee	\$45.00	\$380.00
Minor plumbing work eg. fittings alteration, solar panel	\$45.00	\$368.00
Minor drainage work eg. drain alteration	\$45.00	\$368.00
Drainage work e.g. new minor subdivision services & common drains <i>(see commercial fees for</i>	\$45.00	\$942.00
Drainage work e.g. new effluent disposal system	\$45.00	\$942.00
Wet area shower (vinyl floor)	\$45.00	\$467.00
Wet area shower (tile floor)	\$45.00	\$700.00
Private marquee >100 sqm <i>professional assembly only</i> (no insp.)	\$45.00	\$135.00
Public marquee >100 sqm <50 people <i>professional assembly only</i> (no insp.)	\$45.00	\$135.00
Public marquee >100 sqm >50 people or Private marquee >100sqm (with insp.)	\$45.00	\$278.00
Sheds / Garages / Conservatories etc		
Swimming pools < 1200 mm above ground & Spa pools & Swimming Pool fences	N/A	\$85.00
In-ground swimming pools	\$45.00	\$336.00
Garden sheds/retaining walls/carports/decks/conservatories & other minor works	\$45.00	\$494.00
Minor farm buildings (hay sheds, covered yards, 1-6 bays etc)	\$90.00	\$646.00
Larger farm buildings (covered yards, wool sheds) no plumbing or drainage	\$90.00	\$1014.00
Larger farm buildings (covered yards, wool sheds) with plumbing or drainage	\$90.00	\$1,409.00
Proprietary garages standard	\$90.00	\$682.00
Proprietary garages with fire wall	\$90.00	\$790.00
Proprietary garages with plumbing and drainage	\$90.00	\$996.00
Proprietary garages including sleepout, no plumbing or drainage	\$90.00	\$790.00
Proprietary garages including sleepout, with plumbing and drainage	\$90.00	\$1,077.00
Garages, simple custom design, single level	\$90.00	\$853.00
Garages, simple custom design, single level with plumbing and drainage (if sleepout, use dwelling fee)	\$90.00	\$1,248.00
Residential re-pile	\$45.00	\$557.00
Residential demolition	\$45.00	\$233.00
Residential New Dwellings		
Single storey brick veneer - urban	\$359.00	\$3,124.00
Single storey brick veneer - rural	\$359.00	\$3,770.00
Single storey weatherboard – urban	\$359.00	\$3,267.00
Single storey weatherboard - rural	\$359.00	\$3,949.00
Single storey stucco/texture coating/ply/steel/block - urban	\$359.00	\$3,501.00
Single storey stucco/texture coating/ply/steel/block - rural	\$359.00	\$4,219.00
Multi storey brick veneer – urban	\$539.00	\$3,483.00
Multi storey brick veneer – rural	\$539.00	\$4,129.00
Multi storey weatherboard - urban	\$539.00	\$3,626.00
Multi storey weatherboard - rural	\$539.00	\$4,308.00
Multi storey stucco/texture coating/ply/steel/block - urban	\$539.00	\$3,860.00
Multi storey stucco/texture coating/ply/steel/block - rural	\$539.00	\$4,578.00
Transportable dwelling (yard built)	\$90.00	\$2,747.00
<i>Note: Double Units charged at single unit rate plus 50%.</i>		
<i>Dwellings with multiple cladding types are charged at Stucco/Texture coating/Ply/Steel/Block rate.</i>		
<i>Other charges may apply. Check with a Council officer.</i>		

Description	PIM fee (if Applying prior or with building consent application) Additional to BC fee	Building consent (BC) only fee excluding PIM fee, BRANZ and DBH levy IANZ levy
Residential Dwelling Additions & Alterations		
Internal alterations	\$44.88	\$573.00
Internal alterations with plumbing & drainage	\$44.88	\$716.00
Single storey brick veneer	\$90.00	\$1,634.00
Single storey brick veneer with plumbing & drainage	\$90.00	\$1,813.00
Single storey weatherboard	\$90.00	\$1,813.00
Single storey weatherboard with plumbing & drainage	\$90.00	\$2,100.00
Single storey stucco/texture coating/ply/steel/block	\$90.00	\$2,136.00
Single storey stucco/texture coating/ply/steel/block with plumbing and drainage	\$90.00	\$2,424.00
Multi storey brick veneer	\$180.00	\$1,921.00
Multi storey brick veneer with plumbing & drainage	\$180.00	\$2,208.00
Multi storey weatherboard	\$180.00	\$2,172.00
Multi storey weatherboard with plumbing & drainage	\$180.00	\$2,459.00
Multi storey stucco/texture coating/ply/steel/block	\$180.00	\$2,406.00
Multi storey stucco/texture coating/ply/steel/block with plumbing & drainage	\$180.00	\$2,693.00
<i>Note: All residential additions with multiple cladding types are charged at stucco/texture coating/ply/steel/block rate.</i>		
Relocated Residential Dwellings		
<i>Note: If relocation includes additions or alterations add additions & alterations rate as above.</i>		
Relocated residential dwelling - urban	\$539.00	\$1,616.00
Relocated residential dwelling - rural	\$539.00	\$1,903.00
Commercial / Industrial		
Commercial demolition	\$45.00	\$557.00
Single storey shop fit outs	\$90.00	\$1,158.00
Multi storey shop fit outs	\$90.00	\$1,445.00
Single storey multi-unit apartments/motels plus \$403.00 per unit	\$359.00	\$2,118.00 plus \$403.00
Multi storey multi-unit apartments/motels plus \$672.00 per unit	\$539.00	\$2,477.00 plus \$672.00
Minor commercial work e.g. signs/shop fronts/minor fit outs (no plumbing and drainage)	\$180.00	\$889.00
Use Commercial rate for large subdivision services installations		
Commercial/Industrial <\$50,000	\$289.00	\$2,190.00
Commercial/Industrial \$50,001 – \$100,000	\$431.00	\$3,052.00
Commercial/Industrial \$100,001 – \$150,000	\$575.00	\$3,914.00
Commercial/Industrial \$150,001 – \$250,000	\$718.00	\$4,775.00
Commercial/Industrial \$250,001 – \$350,000	\$862.00	\$5,637.00
Commercial/Industrial \$350,001 – \$500,000	\$1005.00	\$6,499.00
Commercial/Industrial \$500,001 – \$1,000,000	\$1005.00	\$7,073.00
Commercial/Industrial/Agricultural >\$1,000,000	\$1005.00	\$7,073.00 plus \$405.00 per \$100,000 value
<i>Note: Development levies may apply to commercial building consents. Check with Council.</i>		

OTHER CHARGES		GST Inclusive	
Infrastructure Contributions may apply to connections or additional loads on council services. Check with Council Planning office.			
Connection fees may apply to new connections to Council services. Check with Council.			
BRANZ Levy – (\$1.00 per \$1,000 or part thereof) DBH Levy – (\$2.01 per \$1,000 or part thereof GST inclusive for work of \$20,000 or more) BCA Accreditation Fee – (\$0.50 per \$1,000 of project value)			
Go Get License fee per consent		\$25.00	
Administration Building Consent / Scanning / Printing / Archiving		\$25.00	
Unscheduled Building, Plumbing and Drainage Inspections		\$145.00	
Structural Engineering or Fire Engineering Assessment/Peer review – NZ Fire Service - Fire Engineering Unit Review Cost + 10%			
<i>The building consent fee <u>does not</u> include the cost of any structural or fire engineers assessment that may be required</i>			
Inspection / Re-inspection fee per inspection		\$145.00	
Certificate of Acceptance – Building consent fee for the applicable building payable with lodgement plus actual cost charges per hour payable on issue of certificate.		\$180.00	
Amendment to BC / Reassessment fee additional processing time (amended plans) Lodgement fee <i>(includes \$90.00 - 1/2 hour assessment)</i> Plus (\$180.00 per hour over and above first 1/2 hour)		\$270.00	
Compliance Schedule new / amended Fee		\$176.00	
BWOF Annual Fee		\$100.00	
BWOF Administration Fee \$ 180.00 per hour - Can be charged in increments of 15min = \$45.00		\$180.00	
BWOF Building Warrant of Fitness audit inspection fee / re-inspection - Can be charged in increments of 15min = \$44.88		\$180.00	
Application for Certificate of Public Use (CPU) <i>(includes \$90.00 - ½ hour assessment)</i> <u>plus</u> \$180.00 per hour over and above the first ½ hour plus additional inspections.		\$270.00	
Application for a modification or waiver to a building consent		\$85.00	
Building Consent exemption fee (Schedule 1 Exempt Building Work Assessment)		\$270.00	
Infrastructure Protection Deposits* (as below, or at Officer's discretion where there is risk to infrastructure) Assessed case by case as set by Road assets		<\$500.00	
All relocated dwellings (on to site or off site) or as set by Road assets - Vehicle Crossing Bond.		<\$500.00	
Building consent/permit details are <i>not</i> able to be removed from the Council offices.			
Photocopying			
Building consent/permit details are not able to be removed from the Council offices. The following fees apply to scanning historical documents: Scanned documents – Drop Box - emailed or copied to Flash Drive / Disc \$20:00	Black – up to A3	<i>each</i>	\$1.00
	Colour – up to A3	<i>each</i>	\$2.00
	Black – up to A0	<i>each</i>	\$5.00
New Building Consent Minor Works Printed – New - to recover printing cost		\$5.00	
New Building Consent Residential Consents Printed – New - to recover printing cost		\$15.00	
New Building Consent Commercial Consents Printed – New - to recover printing cost		\$25.00	
New Building Consent Scan document to flash drive/Disc – New- encourage paperless processing		\$10.00	
Swimming pool inspection Audit - waiver		\$150.00	
Swimming Pool Reinspection fee / Administration Fee – New to be charged can be charged in increments of 15min \$25.00		\$50.00	

Environmental Health and Licensing Fees

Activity	2015-16	2016-2017
Registration		
<ul style="list-style-type: none"> New Application for registration of food control plan based upon - a template issued by MPI; or a new business subject to a national programme 	N/A	\$120 fixed fee (includes up to 2 hour to process registration) \$60 per hour for every additional hour
<ul style="list-style-type: none"> Application for registration/renewal or amendment of food control plan based upon - a template issued by MPI; or renewal or amendment of business subject to a national programme 	N/A	\$60 fixed fee (includes up to 1 hour to process registration) \$60 per hour for every additional hour
Application for proposed new registered licensed premises (offensive trade, camping ground, funeral director, hairdresser and beauty therapists, tattooists, skin piercers)	\$126.00	\$78 fixed fee (includes up to 1 hour to process registration) \$78 per hour for every additional hour
Annual registration (Food Hygiene Regulations 1974, Licensing year 1 April - 31 March) – Class 1 food premises, equivalent to schedule 1 Food Act 2014	\$219.50	\$270 (includes: checking prior history, travel time, actual on-site time, completing reports and recording system entries)
Annual registration (Food Hygiene Regulations 1974, Licensing year 1 April - 31 March) – Class 2 food premises, equivalent to schedule 2 Food Act 2014	N/A	\$200 (includes: checking prior history, travel time, actual on-site time, completing reports and recording system entries)
Beauticians, Nail technicians, tattooists and skin piercers fees: <ul style="list-style-type: none"> Secondary business activity (chemists/beauty therapy services in conjunction with another activity) Sole business activity e.g. Beauty Therapy Clinics 	\$50.00 \$139.50	\$50.00 \$139.50
Annual registration - Camp ground	\$160.50	\$160.50
Annual registration - Hairdressers	\$139.50	\$139.50
Annual registration - Offensive trades	\$139.50	\$139.50
Annual registration - Funeral directors	\$107.00	\$107.00
Transfers (offensive trade, camping ground, funeral director, hairdresser and beauty therapists, tattooists, skin piercers)	\$133.00	\$133.00
Verification		
Verification food premises including booking of appointments, checking prior history, travel time, actual on-site time, completing reports and recording system entries. Also covers any follow up verification site visits to check remedial actions.	N/A	\$210 fixed fee (includes up to 3.5 hours of verification activity, additional verification activity will be dependent on scope of operations). \$60 for every additional hour of verification activity
Verification of VIP food Control Plans including booking of appointments, checking prior history, travel time, actual on-site time, completing reports and recording system entries. Also covers any follow up verification site visits to check remedial actions.	N/A	\$270 fixed fee (includes up to 3.5 hours of verification activity, additional verification activity will be dependent on scope of operations). \$60 for every additional hour of verification activity
COMPLIANCE AND MONITORING		
<ul style="list-style-type: none"> Complaint driven investigation resulting in issue of improvement notice by Environmental Health officer Application for review of issue of improvement notice Monitoring of food safety and suitability Failure to comply with corrective action request within agreed 	N/A	\$120 hourly rate for each Compliance and Monitoring activity (minimum of half hour charge)

timeframe		
Premises Transitioning To Food Act 2014	N/A	Food businesses transitioning from the Food Hygiene Regulations 1974 to the Food Act 2014 will be able to transfer fees on a pro rata basis to the Food Act registration
Inspection fee	\$123.00	\$123.00
Hourly rate above programmed work	\$68.50	\$78 an hour
<p>Further notes</p> <ul style="list-style-type: none"> • Application for refund of an Annual Registration fee: Must be in writing, 50% of total fee retained for administration/ inspection, 50% of total fee refunded on a monthly pro-rata basis. • The initial verification fixed fee is based on an initial estimate of time. The actual officer time will be subject to the size, complexity, level of compliance and the readiness of the business. • The registration frequency for National Programmes is every two years. • Food registration periods may be extended as per section 61(1) (b) and charge pro-rata for the extended portion. • The verification frequency for high performing operators on FCP may extend to every eighteen months, further reducing compliance costs for food operators. Verifications for businesses on National Programmes may also be extended to twenty four months. Businesses on National Programme one (businesses such as coffee carts) will only need to be verified once. • Any verification activities outside of the Masterton District will be charged at actual cost incurred i.e. no rates contribution. 		
Licences		
Application for Gambling Venue consent	\$273.00 plus charges	\$273.00 plus charges
Hawker's licence and mobile shops (including inspection fee) – per annum	\$96.50	\$96.50
Itinerant trader (including inspection fee) – per annum	\$252.00	\$252.00
Street stall – site licence	\$11.50 pw / 4m ²	\$11.50 pw / 4m ²
Street stall – licence – per week	\$21.00 pw	\$21.00 pw
Street stall urgency processing fee (< 3 working days)	\$21.00	\$21.00
Taxicab stand – per annum	\$104.00	\$104.00
Pie cart stand – site licence – per week	\$35.00	\$35.00
Boarding House – per annum	\$59.00	\$59.00
Event application processing fee – 5 stalls where food is for sale and the public are attending both on private and public land, excluding charity events	\$79.00	\$79.00