

WAIHANGATIA NGĀ
RANGI MEAKE NEI
**SHAPING OUR
FUTURE**



**“AHUTAHI KI MUA -
MOVING FORWARD TOGETHER!”**



ANNUAL PLAN 2017-18

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Message from the Mayor and Chief Executive

Our vision is for Masterton to be a great place to live, visit and do business, providing the best of rural provincial living.

The Annual Plan 2017-18 outlines our key activities for the year ahead. We are not proposing any substantial changes to what was planned for Year 3 of the Long-Term Plan (LTP).

The LTP set 3.3% as the target rates increase for 2017-18 and we are now proposing an increase of 2.3%. The Annual Plan 2017-18 achieves a balanced budget where operating revenue matches operating expenditure.

Our parks and reserves are the jewel in the crown for our district and we are now in phase five of the rejuvenation of Queen Elizabeth Park. This project includes improved overall accessibility around the lake, separation between pedestrian and vehicle activity, softening the lake edge and better connections with the park and surrounding areas.

In the 2016-17 Annual Plan we proposed investing an additional \$400,000 over three years into our community and our people. We have been fortunate to recruit some key staff across the Wellbeing areas. Work is underway in developing an overarching People Development Strategy. Now that we have employed a staff member in the Education space, an Education Strategy will be one of our priorities in this area.

Masterton District Council is working to facilitate an environment where people and businesses thrive. An Economic Development Programme is being developed to further enable industry led activity focused on strengthening Masterton's economy. This includes working with the community to plan for the redevelopment of Masterton CBD.

Over the last three years we have seen over 600 new jobs created, with a net increase of 333 new jobs since 2014. Business unit growth in 2016 was 3.1%, the highest of any regional economy. This was higher than the NZ average of 1.6% and the Wellington Regional average of 0.6%. Looking ahead, there are significant decisions to be made at a district and regional level in 2017.

We will need to make some decisions regarding the Town Hall and Municipal Building, and we will be asking our community for their input on this when we have more detail regarding potential options and costs. We also need to think about the broader context with regards to our wider central business district (CBD) revitalisation project and Library and Archive upgrade.

In March 2017, the Local Government Commission (LGC) released a draft proposal for a combined Wairarapa District Council. Submissions closed on 3rd May 2017.

While the LGC works through this process, it remains business as usual for us here at MDC. We will continue to work towards our vision of Masterton being a great place to live, visit and do business, providing the best of rural provincial living. We will also continue to strive to build and maintain a reputation for providing superb service and excellent community support for our district.

Ahutahi ki mua – moving forward together



Lyn Patterson
MAYOR



Pim Borren
CHIEF EXECUTIVE

Introduction to the Annual Plan

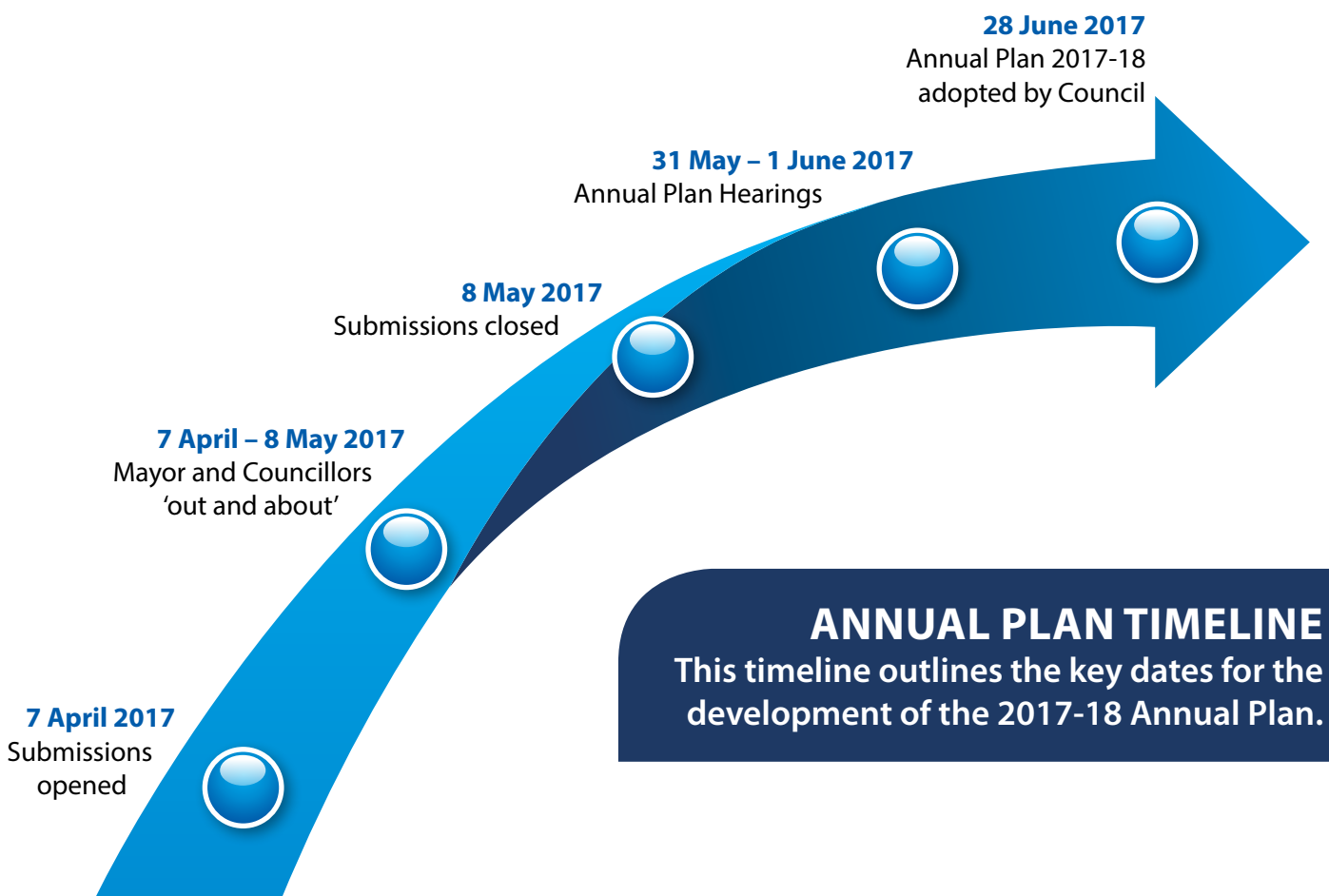
In 2015, Masterton District Council adopted a Long-Term Plan that outlines Council's 10-year work programme from 2015 to 2025.

The 2017-18 Annual Plan covers year three of the LTP. The Annual Plan's purpose is to:

- describe Council's activities for 2017-18 and the associated costs and funding;
- link activities with the community outcomes of the Masterton district;
- provide integrated decision-making and coordination of Council's resources;
- provide a basis for accountability of the Council to the community; and
- provide an opportunity for participation by the public in decision-making processes on activities to be undertaken by the Council.

The Annual Plan includes some budget changes from what was proposed in the LTP for the upcoming financial year. These changes are outlined in the *Key Changes* section of this document.

Copies of the LTP are available on the Masterton District Council website www.mstn.govt.nz



OUR COMMUNITY OUTCOMES



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 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



Mayor



Lyn Patterson

Rural Ward



Graham McClymont
(Deputy Mayor)

At Large



Deborah Davidson



John Dalziell



Jonathan Hooker



Frazer Mailman



Chris Peterson

Urban Ward



Gary Caffell



Brent Goodwin



Bex Johnson



Simon O'Donoghue

Iwi Representatives

Mhirangi Hollings
(Rangitāne o Wairarapa)



Ra Smith
(Kahungunu ki Wairarapa)



Council Committee Structure

The diagram below reflects Masterton District Council's current Council Committee structure:



Key Changes from the Long-Term Plan

MDC continues to work hard to hold the rates increase below what was projected.

The proposed net rates change for the 2017-18 year is a 2.3% increase. This is less than the 3.3% that was proposed for Year 3 of the LTP, but the impact will vary across different property types.

The Council is budgeting an operating expenditure budget of \$41.5 million (LTP = \$41.0m) and \$20.8 million of capital expenditure (LTP = \$15.1m). Listed below are some of the changes from the LTP that are included in the 2017-18 Annual Plan:

- **Well-beings Focus** – In 2016 a provision of \$400,000 was approved from surplus funding, as a result of efficiencies, to focus on investment in well-being areas for an initial period of three years. Examples of this investment include staff focused on community development; environmental initiatives (including progressing action to support the Mayoral Declaration for Climate Change); economic development and an education strategy. The \$500,000 allocated in the 2017-18 budget to continue these initiatives will again be funded from a projected surplus in the current financial year.
- **Rural Fire** – From 1 July 2017, Council will no longer be responsible for funding rural fire services. This central government initiated change has resulted in savings of \$268,000 for the 2017-18 financial year. The impact of the reduction translates into reduced rural rates.
- **Recreation Centre** – The Recreation Centre contract review resulted in savings that have enabled a lower level of rates subsidy, an increased provision for asset maintenance and renewal needs, and the ability to explore opportunities for more community programmes using the facility.
- **Property Purchases** – In 2016 the Council made three strategic property purchases to maintain our options with respect to airport development and future wastewater disposal. These land assets have been funded by loans and the additional interest costs have been built into the 2017-18 Plan.
- **Building and Planning** – We have invested in the Building Control area to strengthen the capacity of this service. Additional provision has been allowed for the Planning activity to prepare for the review of the Wairarapa Combined District Plan and for input on the Natural Resources Plan.
- **Revenue Reviews** – The Plan includes increases in some fees, charges and rents, in order to ensure Council's cost increases are passed on to both ratepayers and users. For example a 2% increase in the cost of Council refuse bags.
- **Solid Waste Contract** – We are in the process of retendering this contract. Current costs and service levels have been assumed, but there is potential for a new contract to result in variations. Variations will be considered by the Council prior to the adoption of the Annual Plan and will be consulted on once these are known.
- **Staffing** – The 2017-18 budget reflects our investment in more internal staffing resources as it reduces reliance on external contractors and consultants. This has allowed new investment in areas such as economic development without a significant impact on rate revenues.
- **Council Office Relocation** – The Council has had to build in additional costs of operation to rent temporary premises while the Municipal Building's use is restricted due to its earthquake rating.
- **Town Hall and Municipal Building** – The Council will be considering the future redevelopment of these buildings. An increased capital provision of \$4.5m has been allowed in 2017-18 to begin the consultation and concept design stages.
- **Wairarapa Council Amalgamation** – the Local Government Commission has launched consultation on a proposal to amalgamate the three Wairarapa Councils. Our Annual Plan does not include any additional costs associated with the consultation or transition processes.

Capital Expenditure – changes from LTP Year 3

A number of changes have been made to capital budgets from those allowed for in the LTP Year 3. Some relate to carrying forward provisions that were not spent in 2016-17, while others relate to changes in timing or new items.

- The Queen Elizabeth Park rejuvenation project was allowed for in the LTP in a number of stages over four years to 2018-19. The total cost allowed was \$624,000. The Council decided in 2016 to progress the next stage of work as one contract to be completed in 2017-18. The provision included in this Plan is now \$619,050.
- Recreation Trails project funding from 2016-17 was not spent and has been added to the 2017-18 provision.
- The Henley Lake intake project was progressed during 2016-17, but is awaiting consent. The provision to complete the physical works for the project has been allowed for in 2017-18.
- A significant contribution was allowed in 2016-17 for a Netball Facility Upgrade. The project is being led by the Bring It To Colombo Trust and they are well advanced with a building plan ready to go. The fundraising programme has been successful to date, but they await a decision by the Lotteries Commission. The Council has included an increased sum in the 2017-18 year to ensure the project can go ahead if the Lotteries grant is successful.
- The upgrade of the QE Park cricket grandstand has been delayed as the Council waits for confirmation that all the funding is approved. This project has been rolled into 2017-18.
- Since the LTP was adopted, the need to upgrade toilets at Henley Lake and Castlepoint has been identified. Provision of \$120,000 for each have been included in the 2017-18 Plan.
- The LTP allowed for a total of \$2.5 million to undertake work for earthquake strengthening in years 2 and 3. Since the LTP was prepared, new information regarding the cost of strengthening work required for the Town Hall and Municipal Building indicates that sum will fall well short. It has not been possible to incorporate a project for strengthening and/or redevelopment in this Annual Plan due to the range of technical issues that need greater specification. The Council will undertake wider consultation when further information on options and costs is available. As a provision to allow work to be progressed on developing options, the capital project provision has been increased to \$4.5 million.
- New provisions have been added to allow for additional Christmas decorations (\$40,000) and street signage and information boards (\$32,000).
- The library extension project was allowed for in year 3 of the LTP, but has been put on hold while the Town Hall and Municipal Building's future is considered. In the meantime, a modest expansion of the library's learning centre is proposed, utilising the land next to the library that the Council purchased in 2016. The capital budget for this project is proposed at \$180,000 with further detail to be developed.
- The Council's emergency management responsibilities extend to providing welfare support during an emergency. We have allowed \$35,000 to upgrade facilities at two sites that would be used to house people during and after an event.
- The investment of \$1.45m at the Homebush sewerage treatment plant, to further treat effluent, was signalled in the LTP for year 2. The Council has decided not to invest in that upgrade at this stage. The 2017-18 capital budget allows for an additional \$250,000 to extend irrigation areas onto land owned by the Council, adjacent to the existing irrigated areas.



Financial Strategy

The aim of the current financial strategy is to maintain service delivery while ensuring financial stability.

The current Financial Strategy was adopted alongside the 2015-25 LTP. This will be reviewed later in 2017 as we develop the 2018-28 LTP. This Annual Plan includes a summary (below) of the Financial Strategy and includes updated graphs where relevant.

Council's financial performance and position over the past 10 years has been dominated by infrastructure expenditure. Loan funding, largely for infrastructure projects, means Council's external debt is currently \$54 million. Water and sewer reticulation renewal programmes have been in catch up mode over the past five years, funded by a combination of depreciation funding and loans.

The financial strategy has been focused on delivering the infrastructure upgrades and renewals at an affordable cost to ratepayers. This means 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.

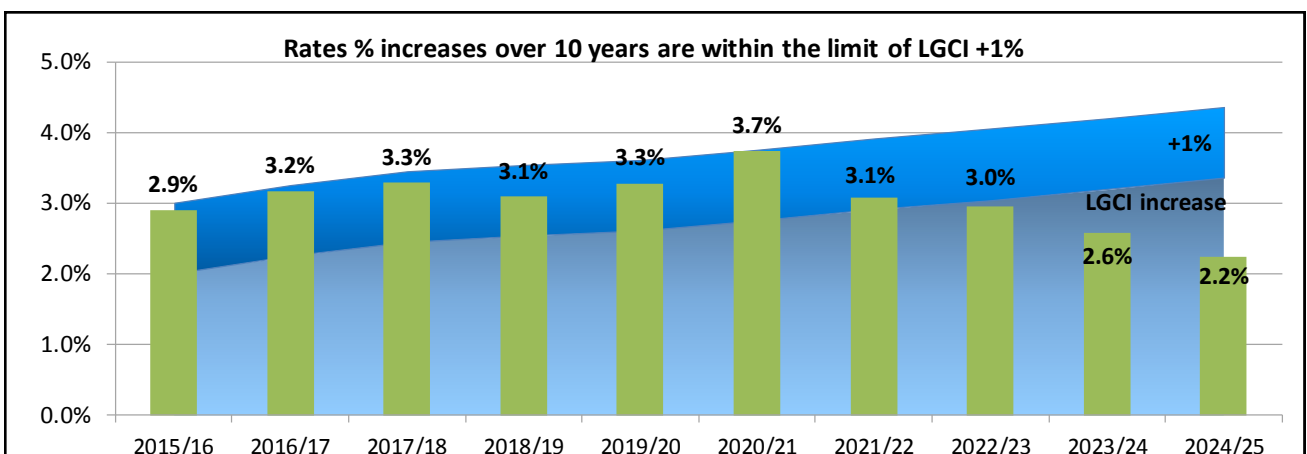
The end-point focus of the Financial Strategy is to **'maintain service delivery while ensuring financial sustainability'**. Asset management plans are a key tool in this strategy and form the basis for the renewals expenditure which is detailed in the LTP. The Infrastructure Strategy is a culmination of the asset management plans and the forecast future expenditure levels are depicted in graphical form.

Rates Increases

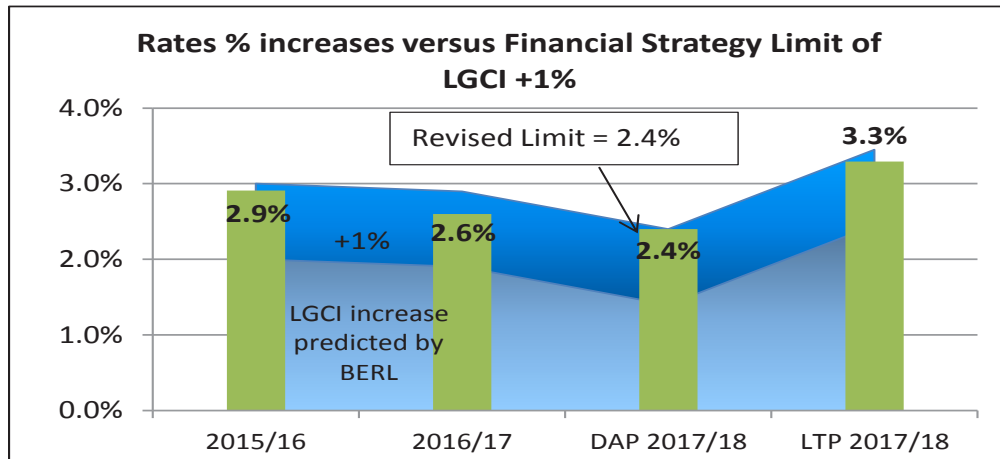
Rates make up approximately 68% of Council's operating income. Rates are paid by the property owners of the district and affordable changes in the level of those rates are a key aspect of Council's decision-making.

Council's limit on how much its rates income can increase is the Local Government Cost Index (LGCI) movement plus 1%. For the 2017-18 year, the LGCI is forecast to increase by 1.4%. In setting the budgets for 2017-18, the Council has been able to stay within the limit - the overall rates increase will be 2.4% (after allowing for growth in the rating base).

The graph below illustrates Council's rates increase forecasting over a 10-year period in the 2015-25 LTP:

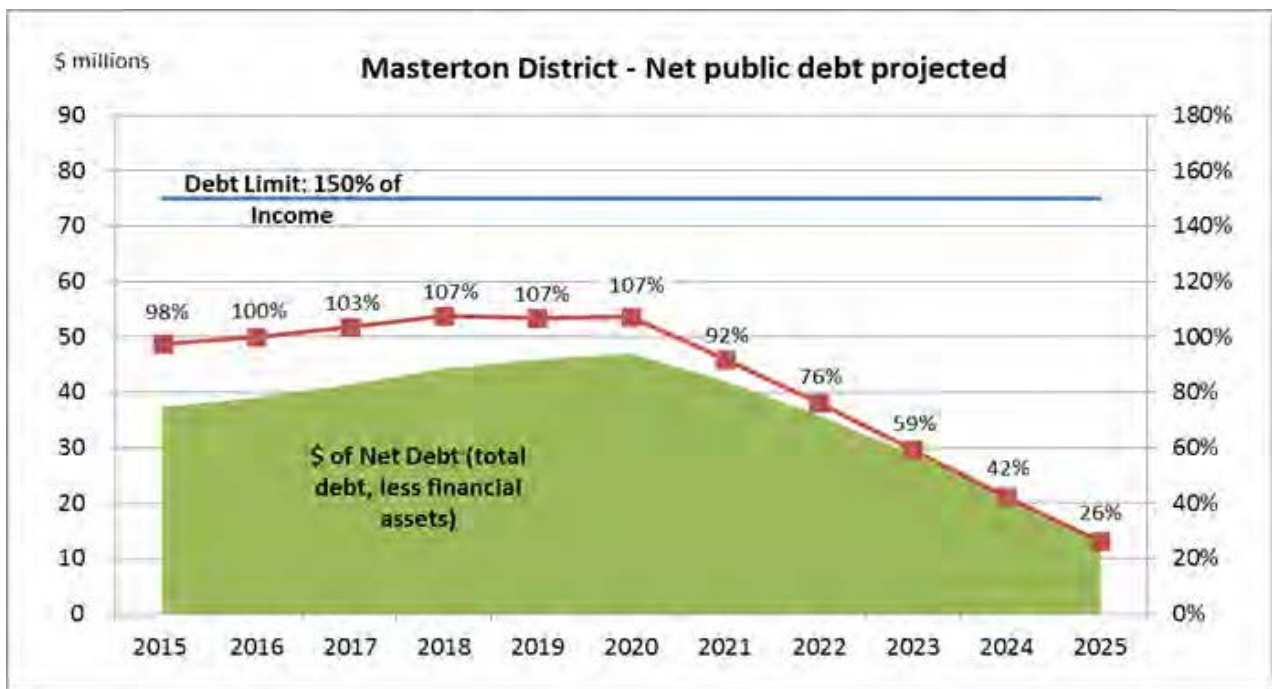


As updated with 2016-17 Annual Plan and 2017-18 Annual Plan:

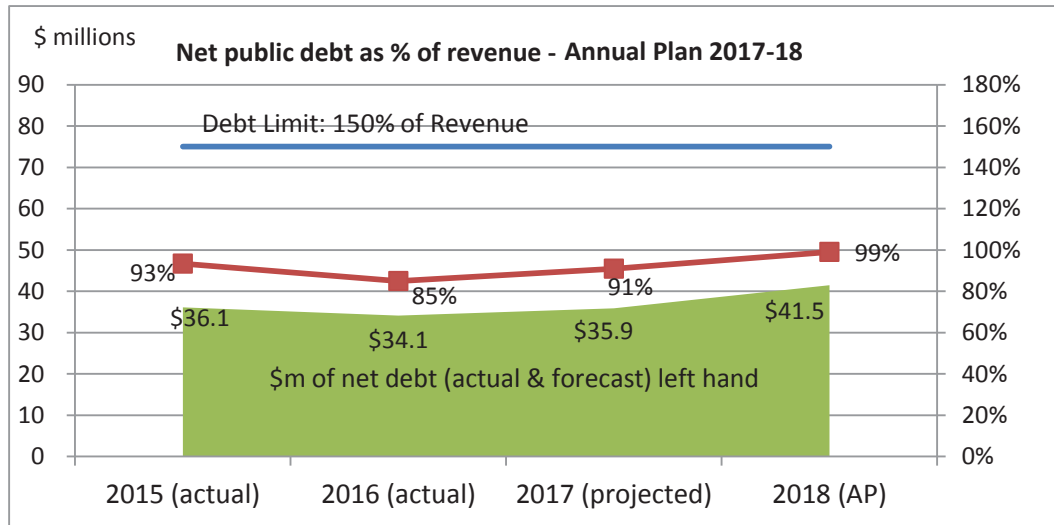


Debt Limits

The level of debt forecast over the ten years of the 2015-25 LTP timeframe 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 Revenue).



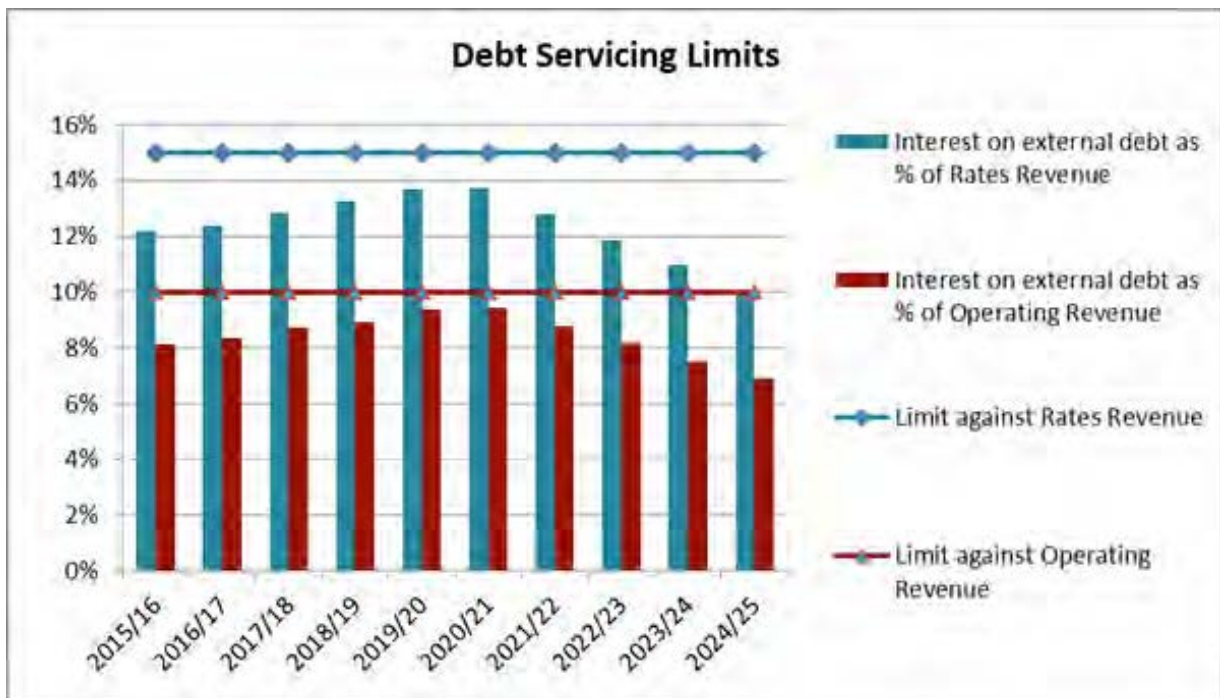
The graph below reflects the level of net public debt as a percentage of revenue. The net debt as a percentage of revenue will be 98% by 30 June 2018, which is less than the 107% forecast in the 2015-25 LTP.



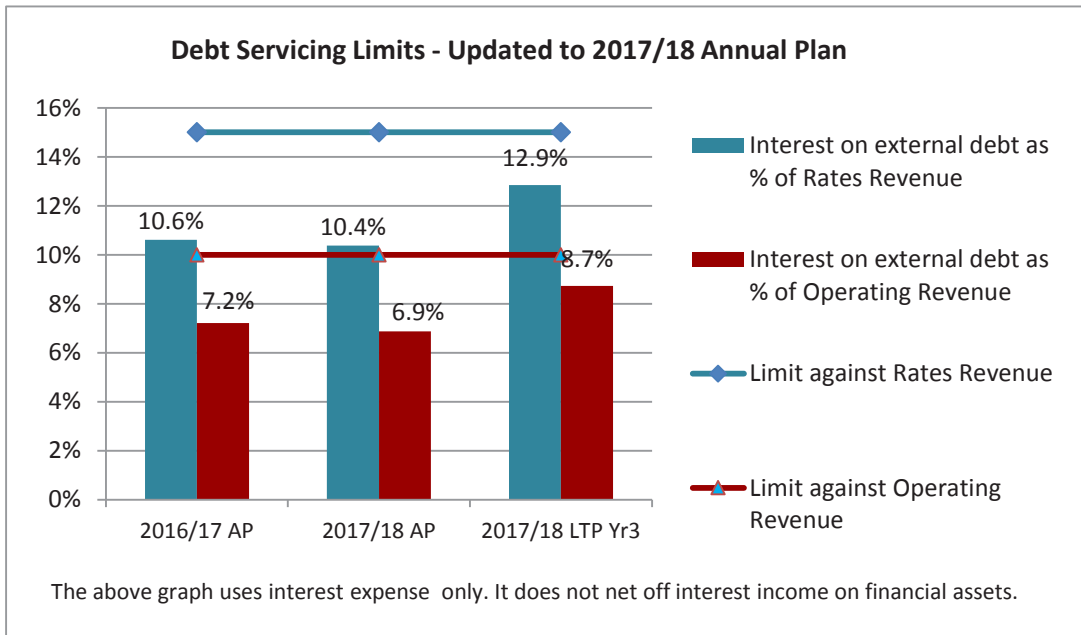
Council has also set a limit on how much debt servicing costs will be as a percentage of rates income and operating income. Those limits are:

- 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 reflects Council’s debt servicing limits. The percentages are less than expected in the 2015-25 LTP reflecting both lower net debt and lower interest rates than allowed for within this Plan.



Balancing the Books

The Local Government Act 2002 requires Councils to run a balanced budget, meaning a budget where operating revenue is greater than operating expenditure. The LTP predicted this would be achieved in the 2017-18 financial year.

The 2017-18 Annual Plan has a balanced budget. An accounting surplus of \$347,201 (or 0.82% of Operating Revenue) is predicted for 2017-18. The surplus varies from the LTP year 3 forecast due to the use of predicted surplus funding (from efficiencies) being carried forward to fund operating costs in 2017-18, and the addition of NZTA funding for the LED street light upgrade.

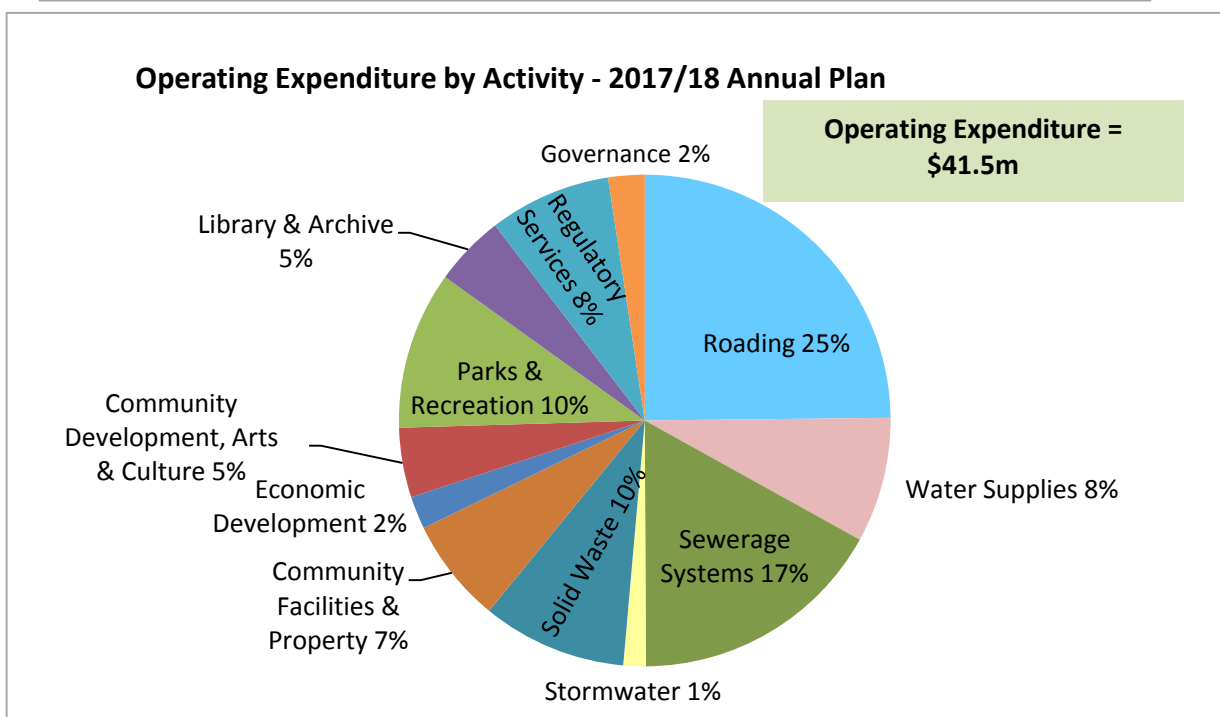
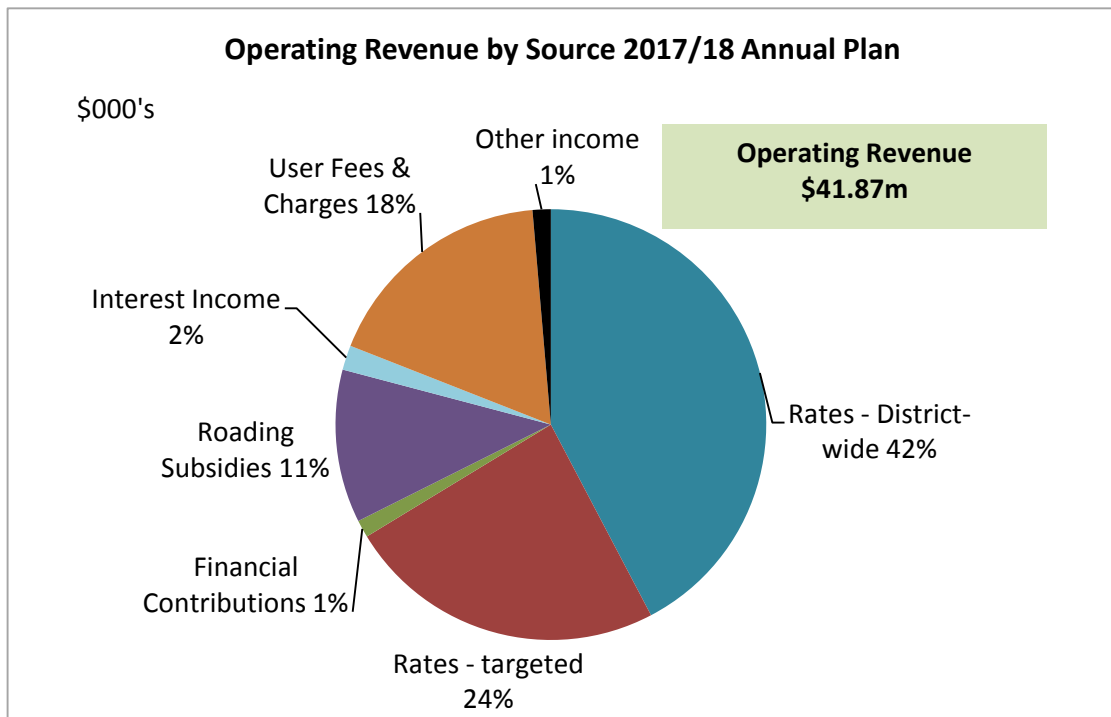


Rating Policy

Council recognises that most of the rates charged are a property tax, as they are payable whether or not you use or benefit from the service. The 2017-18 Annual Plan does not change the Revenue and 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 dollar of land value and rates per dollar of capital value. The full policy allocations are detailed in the Revenue and Financing Policy in the 2015-2025 LTP.

The graphs below provide a breakdown of the Operating Revenue and Operating Expenditure by Activity as per the changes in the 2017-18 Annual Plan.



Infrastructure Strategy

Council's infrastructure strategy sets out how assets are managed in order to ensure services are efficiently delivered to the district. The current strategy was adopted alongside the 2015-25 Long Term Plan (LTP), and will be reviewed later in 2017 as we develop the 2018-28 LTP.

Homebush Wastewater Treatment Plant Upgrade / Consent Review

The Greater Wellington Regional Council's (GWRC) 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 that were identified in the 2015 strategy for increasing treatment capacity to further reduce the need to discharge the treated effluent into the river included:

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.

Council has since considered all of these options and is focusing on options 3 and 4 at this time. A budget provision of \$1.5 million was allowed for in Year 1 and 2 of the 2015-25 LTP work programme for implementation of the selected option. Land adjacent to the Homebush Wastewater Treatment Plant became available in 2016 and Council made the decision to purchase this land instead, which could enable further irrigation areas if option 3 proved feasible.

A further \$37 million provision is 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

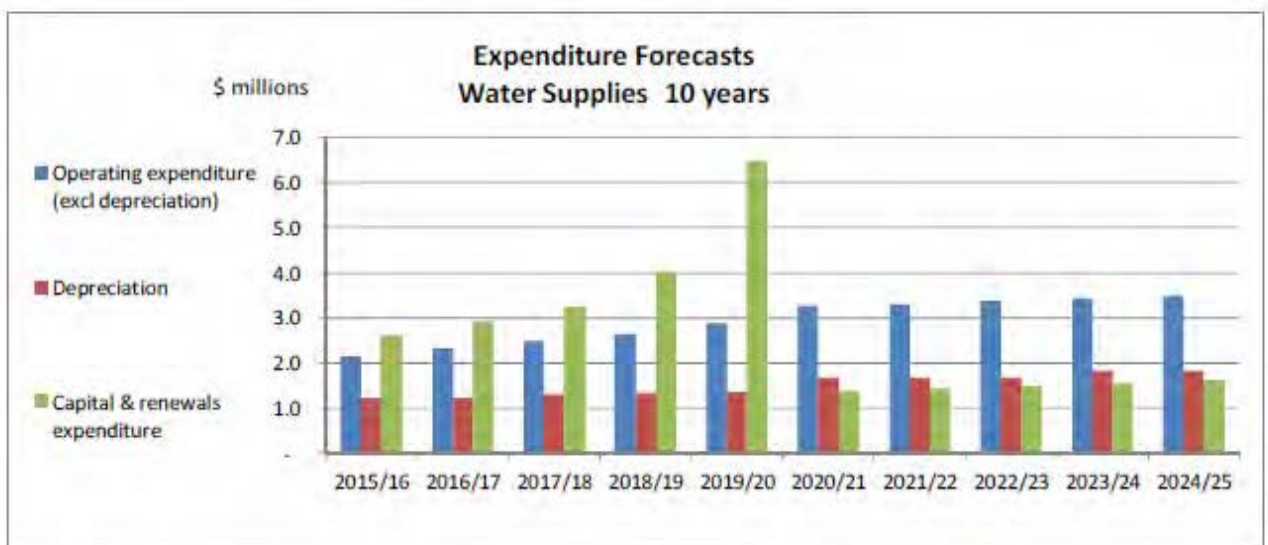
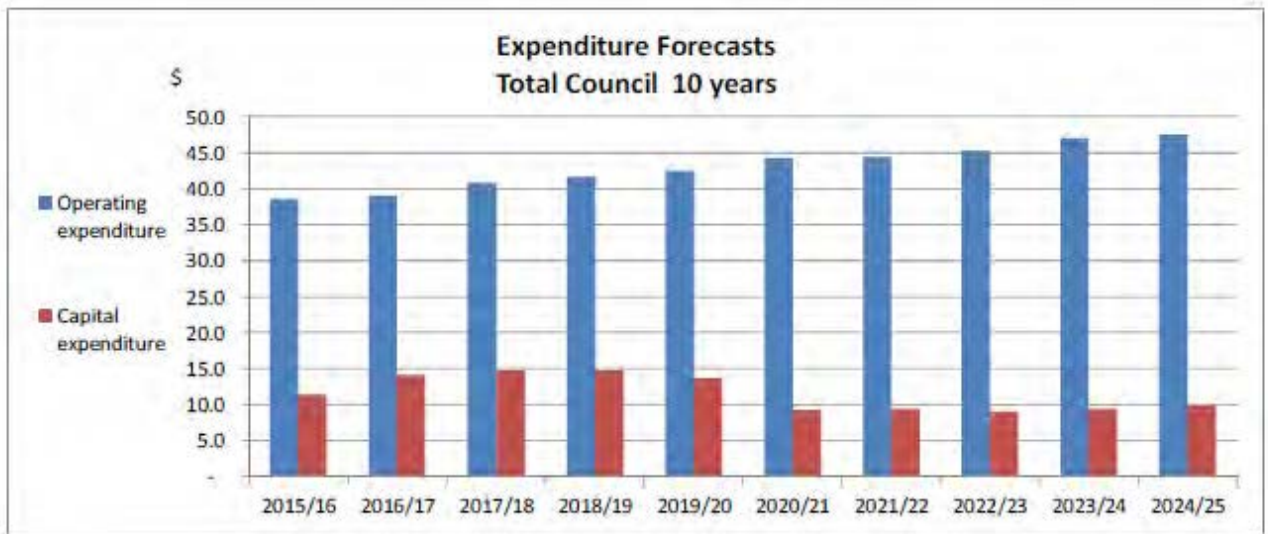
A consent renewal to take up to 40,000m³ of water/day (463 l/s) from the Waingawa River for public water supply is due in 2017.

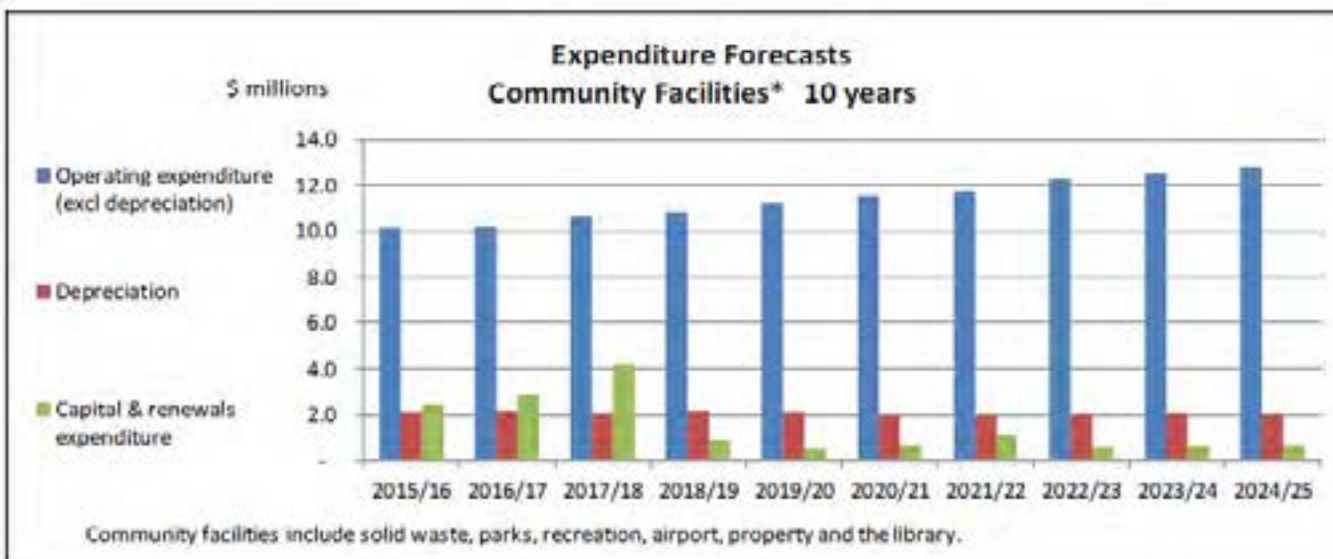
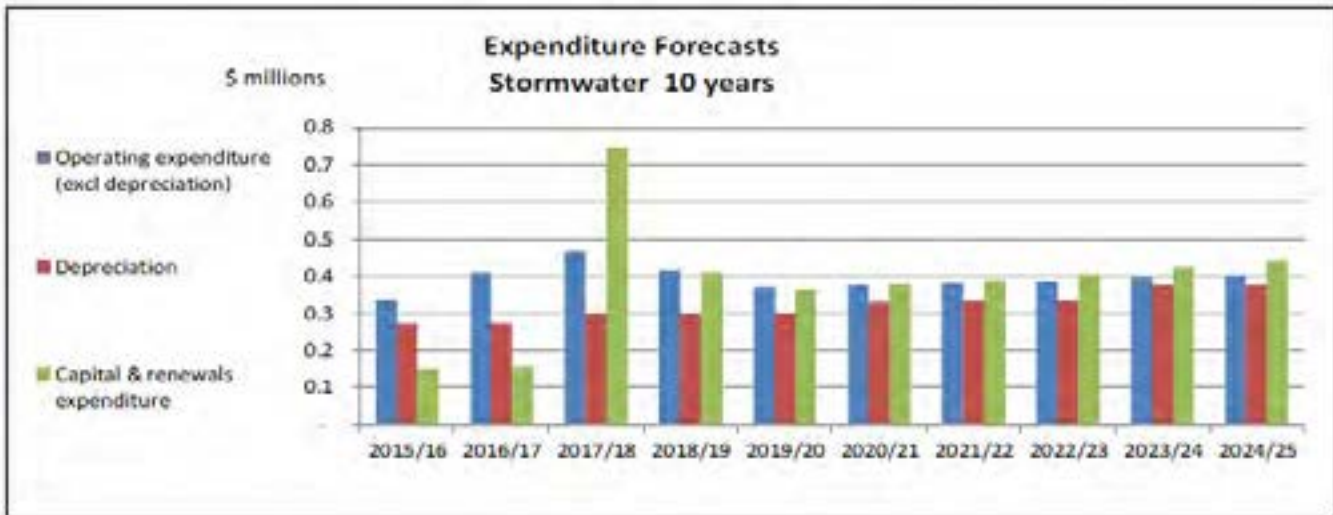
The most likely scenario is that the Natural Resources Plan will require that the maximum water take to be reduced to meet the health needs of the community only during periods of low flow in the Waingawa River. Untreated water storage dams (\$5 million) would be needed to ensure the expected water demand is met.

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.

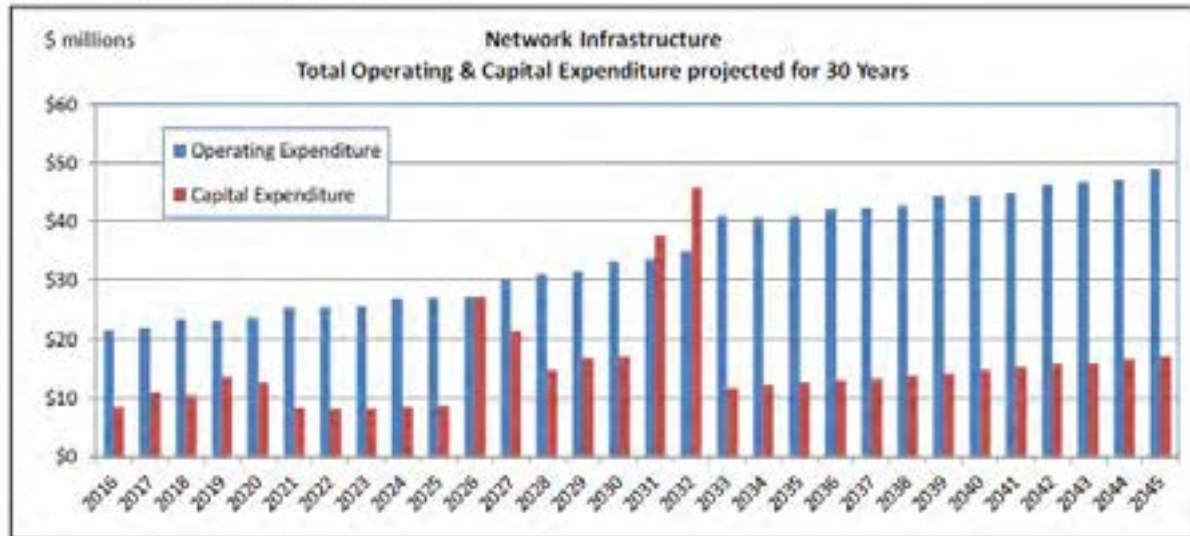
The graphs below have been extracted from the 2015 Infrastructure Strategy and reflect Council expenditure forecasts for the ten years as at that time.

These forecasts will be updated when the Infrastructure Strategy is revised later in 2017.





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

Council constructs, manages and maintains the road, street and footpath networks including pavements, bridges, traffic services and streetlights throughout the Masterton district. Council also owns and maintain off-street car park spaces and on-street metered time-limit spaces.

Priorities for 2017-18

Priorities for roading in 2017-18 include:

- roading renewals;
- an upgrade to street lighting;
- provision for cycling projects;
- neighbourhood improvements; and
- CBD redevelopment.

In terms of roading renewals, rural roads have been allocated \$2.4 million while urban road renewals have been allocated \$0.76 million.

Street lighting in the Masterton urban area will be upgraded with LED technology, at a cost of \$733,000 over the two years to 30 June 2018.

A provision of \$125,000 has been allowed in the roading programme for cycling projects in 2017-18, and \$100,000 per annum has been allowed for an ongoing programme of neighbourhood improvements.

The CBD redevelopment project commenced in the 2016-17 financial year with initial ideas, concept designs and consultation undertaken. A budget of \$593,000 is being provided for this project in 2017-18.

Performance Measures

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



ROADING

Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
3,783,519	Road maintenance - subsidised	4,106,435	3,888,242
1,193,542	Road maintenance - non-subsidised	1,205,506	1,268,618
500,000	Flood damage provision	527,000	526,543
4,624,341	Depreciation	4,874,465	5,356,567
10,101,402		10,713,407	11,039,970
	Operating Income		
2,149,392	NZ Transport Agency subsidy (on maintenance)*	2,267,671	2,163,187
175,000	Local authority petrol tax	185,000	174,420
135,020	Other recoveries	165,247	169,311
2,459,412		2,617,918	2,506,918
	Appropriations		
(125,000)	Transfers from reserves	(85,000)	(125,000)
45,000	Tsfs to reserves - roading contributions	80,000	76,950
25,156	Provision for loan repayments	35,327	30,320
(3,676,993)	Reverse depreciation**	(3,935,360)	(4,368,535)
\$ 3,910,153	Rates Requirement	\$ 4,190,456	\$ 4,146,787

* Further subsidy income is shown in the Capital Expenditure Summary

** Most depreciation is reversed to arrive at the rates requirement. Renewals expenditure (shown in the Capital Expenditure Statement) is funded from current revenue.



ROADING

Annual Plan 2016/17		Capital Expenditure Summary		Renewal/LO S/ Growth	Source of Funds	Annual Plan 2017/18	LTP Year 3 2017/18
\$		Capital Projects				\$	\$
		Subsidised Roothing					
2,329,868		Roothing Renewals - rural	Renewal	Rates & Subsidy	2,472,000	2,395,232	
746,710		Roothing renewals - urban	Renewal	Rates & Subsidy	755,000	762,910	
72,907		Bridge renewals	Renewal	Rates & Subsidy	-	-	
509,092		Rural/Urban Minor Improvement projects	LOS	Rates & Subsidy	390,000	473,452	
70,980		Cycleways	LOS	Rates & Subsidy	125,000	72,520	
3,909,556		Total Subsidised Roothing			3,742,000	3,704,114	
		Non-subsidised Roothing					
5,000		Carpark reseal	Renewal	Depn Reserve	80,000	5,180	
370,000		Footpath upgrading [incl reseals]	Renewal	Depn Reserve	309,000	310,800	
108,700		CBD upgrade	LOS	Devel Contrib & loan	593,000	614,348	
350,000		Upgrade to LED streetlighting	LOS	Reserves & Subsidy	724,000	367,500	
105,800		Streetscape & neighbourhood design (provision)	LOS	Rates	172,100	103,600	
939,500		Total Non-subsidised Roothing			1,878,100	1,401,428	
4,849,056		Total			5,620,100	5,105,542	
		Capital Funding					
(2,125,847)		NZ Transport Agency subsidy (roading)			(2,545,620)	(2,111,345)	
(630,265)		Transfers from reserves			(1,408,420)	(1,114,078)	
(414,785)		Loan funds			-	(183,750)	
(\$3,170,897)		Total other funding			(3,954,040)	(3,409,173)	
\$1,678,159		Rates Requirement (Capital)			\$1,666,060	\$1,696,369	

ROADING
Rates Requirement Summary

Annual Plan 2016/17		Annual Plan 2017/18	LTP Year 3 2017/18
\$			
3,990,406	Subsidised roading	4,251,177	4,145,333
1,166,212	Non-subsidised roading (urban)	1,173,273	1,236,944
216,696	Non-subsidised roading (rural)	205,456	234,467
215,000	Flood damage provision	226,610	226,414
\$5,588,313	Rates Requirement	\$5,856,516	\$5,843,157

Water Supplies (Urban and 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 2017-18

Stage Two renewal of one of the trunk mains into the urban area was proposed for 2016-17 and will be carried forward into the 2017-18 financial year. Water reticulation renewals will also continue with carried forward funding. New spending from reserves is also planned for building renewals at the Water Treatment Plant.

For Rural water supplies, priority is being given in the 2017-18 financial year to Opaki water consents and Castlepoint and Tinui water supply upgrades.

Performance Measures

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





Urban Water Supply

Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
1,117,520	Water treatment costs	1,201,883	1,206,746
761,428	Water reticulation costs	799,637	1,029,708
1,187,694	Depreciation	1,273,717	1,241,873
3,066,643		3,275,237	3,478,328
	Operating Income		
242,400	User charges & recoveries	325,600	243,496
	Appropriations		
283,172	Provision for loan repayments	80,184	151,080
(147,961)	Reverse depreciation	(33,745)	(111,539)
\$ 2,959,454	Rates Requirement	\$ 2,996,076	\$ 3,274,373

Rural Water Supplies

Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	2017/18
\$	Operating Costs	\$	\$
208,878	Rural water supplies & rates	215,685	233,016
54,867	Depreciation	60,623	59,950
263,746		276,308	292,965
	Operating Income		
183,200	Rural water scheme charges	196,400	179,634
	Appropriations		
-	Transfer to reserves	8,629	-
3,438	Provision for loan repayment	4,578	3,047
-	Reverse depreciation	-	(14,111)
\$ 83,984	Rates Requirement	\$ 93,115	\$ 102,267

WATER SUPPLIES

Annual Plan 2016/17	Capital Expenditure Summary	Renewal/LO S/ Growth	Source of Funds	Annual Plan 2017/18	LTP Year 3 2017/18
\$				\$	\$
	Urban water treatment				
175,000	WTP Consent Renewal - take	Renewal	Reserves	-	-
95,000	WTP - plant, equipment & infrastructure renewals	Renewal /LOS	Depn Reserve	173,000	107,969
-	WTP - building renewals	Renewal	Depn Reserve	30,000	-
30,000	Reseal Access Road WTP	Renewal	Depn Reserve	-	-
\$310,000	Total Urban water treatment			203,000	107,969
	Urban water reticulation				
2,750,000	Water mains renewals (reticulation)	Renewal	Loan/Depn Reserve	2,300,000	2,458,700
200,000	Water connections replacements	Renewal	Depn Reserve	200,000	213,800
2,950,000	Total Urban water reticulation			2,500,000	2,672,500
	Rural water supply				
30,000	Wainuioru water supply renewals	Renewal	Depn Reserve	20,000	21,380
-	Rural drinking water standards - compliance	Renewal	Loan	-	374,150
5,000	Tinui water supply upgrades	Renewal	Loan/Depn Reserve	19,000	5,345
-	Opaki water race consent renewal	Renewal	Loan	60,000	63,000
-	Opaki water supply upgrades	LOS	Loan	3,500	-
-	Castlepoint water supply upgrades	Renewal	Depn Reserve	33,500	-
35,000	Total Rural water supply			136,000	463,875
3,295,000	Total			2,839,000	3,244,344
	Capital Funding				
(977,500)	Transfers from reserves			(1,022,500)	(933,772)
(2,317,500)	Loan funds			(1,816,500)	(2,310,573)
(\$3,295,000)	Total capital funding			(\$2,839,000)	(\$3,244,344)
\$0	Rates requirement			\$0	\$0

WATER SERVICES

Annual Plan 2016/17	Rates Requirement Summary	Annual Plan 2017/18	LTP Year 3 2017/18
2,959,454	Masterton urban water supply	2,996,076	3,274,373
32,564	Tinui water supply	34,018	31,015
38,295	Opaki water race	45,742	42,940
13,124	Miscellaneous rural water costs	\$13,355	\$28,313
\$3,043,437	Rates Requirement	\$3,089,192	\$3,376,640

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 2017-18

Wastewater priorities for 2017-18 include \$1.1 million of sewer reticulation renewals. Provision has also been made for expanding the irrigated area at the Homebush treatment plant.

Performance Measures

For the full list of the non-financial performance measures for wastewater services, refer to the 2015-2025 LTP.



Sewerage Services - urban

Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
1,208,257	Sewerage reticulation	1,214,799	1,296,099
3,206,440	Wastewater treatment	3,281,285	3,689,608
2,099,318	Depreciation	2,226,480	2,290,681
6,514,014		6,722,565	7,276,388
	Operating Income		
435,750	User charges & lease income	398,000	521,886
	Appropriations		
(170,000)	Transfers from reserves	(130,000)	(170,000)
-	Transfer to reserves	-	-
1,411,408	Provision for loan repayments	1,426,139	1,430,308
(1,139,030)	Reverse depreciation	(1,186,220)	(1,178,616)
6,180,642	Rates Requirement	6,434,484	6,836,194

Sewerage Services - rural

Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	2017/18
\$	Operating Costs	\$	\$
49,567	Castlepoint sewerage scheme	61,625	46,549
195,402	Riversdale Beach sewerage scheme	214,540	218,130
16,028	Tinui sewerage scheme	12,985	17,097
252,311	Depreciation	271,504	280,937
513,309		560,654	562,713
	Operating Income		
5,150	User charges & other income	8,150	5,409
96,600	Riversdale Beach capital contributions	100,000	121,758
101,750		108,150	127,167
	Appropriations		
(30,000)	Transfer from reserves - Riversdale	(45,000)	(30,000)
152,650	Provision for loan repayments	162,014	159,079
(231,387)	Reverse depreciation	(263,534)	(243,859)
302,822	Rates Requirement*	305,984	320,766

* Note includes Riversdale Beach Sewerage Scheme capital contributions that are being paid off over 20 years via rates.

SEWERAGE SERVICES

Annual Plan 2016/17	Capital Expenditure Summary	Renewal/LO S/ Growth	Source of Funds	Annual Plan 2017/18	LTP Year 3 2017/18
\$				\$	\$
	Urban Sewerage system				
75,000	Hydraulic/groundwater modeling	LOS	Depn Reserve	-	-
1,100,000	Sewer reticulation renewals	Renewal	Loan/Depn Reserve	1,100,000	1,175,900
40,000	Homebush treatment plant renewals	Renewal	Depn Reserve	40,000	42,760
150,000	Homebush contract completion	Renewal	Depn Reserve	200,000	213,800
1,450,000	Homebush treatment plant upgrade	LOS	Loan/Depn Reserve	250,000	-
\$2,815,000	Total Urban Sewerage system			1,590,000	1,432,460
	Rural Sewerage schemes				
12,000	Riversdale sewerage scheme	Renewal	Loan/Depn Reserve	8,800	-
\$12,000	Total Rural Sewerage system			8,800	-
2,827,000	Total			1,598,800	1,432,460
	Capital Funding				
(1,875,000)	Loan funds			(623,800)	(390,185)
(952,000)	Transfer from reserves			(975,000)	(1,042,275)
(\$2,827,000)	Total capital funding			(\$1,598,800)	(\$1,432,460)
\$0	Rates Requirement (Capital)			\$0	\$0

SEWERAGE SERVICES

Annual Plan 2016/17	Rates Requirement Summary	Annual Plan 2017/18	LTP Year 3 2017/18
\$			
6,180,642	Urban sewerage system	6,434,484	6,836,194
54,417	Castlepoint sewerage scheme	60,993	63,624
153,335	Riversdale Beach sewerage scheme	161,125	151,790
77,168	Riversdale Beach capital contributions	68,594	85,743
17,901	Tinui sewerage scheme	15,273	19,609
\$6,483,463	Rates Requirement	\$6,740,468	\$7,156,960



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 systems in the rural area are largely open drains.

Priorities for 2017-18

The development of management plans for our stormwater catchments, and maintenance and stream bed cleaning with an increased focus on upgrades and renewals, are priorities for 2017-18. An allocation of \$200,000 is provided as per Year 3 of the LTP.

Performance Measures

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

Financials

Stormwater			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
379,452	Stormwater	343,418	468,350
273,250	Depreciation	291,861	293,127
652,702		635,279	761,477
	Operating Income		
-	User charges & other income	-	-
	Appropriations		
(135,000)	Transfer from reserves	(135,000)	(135,000)
-	Transfer to reserves	-	-
141,302	Provision for loan repayments	150,977	150,977
(141,302)	Reverse depreciation	(150,977)	(150,977)
517,702	Rates Requirement	500,279	626,477

STORMWATER

Annual Plan 2016/17	Capital Expenditure Summary	Renewal/LO S/ Growth	Source of Funds	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Stormwater			\$	\$
150,000	Stormwater renewal & upgrades	Renewal	Depn Reserve	200,000	213,800
-	Waipoua Stopbank upgrade	Renewal	Loan	-	534,500
\$150,000	Total Stormwater			200,000	748,300
	Capital Funding				
-	Loan funds			-	(534,500)
(150,000)	Transfer from reserves			(200,000)	(213,800)
(\$150,000)	Total capital funding			(\$200,000)	(\$748,300)
\$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 2017-18

The building of a cover over the Nursery Road Transfer Station has been carried forward from 2016-17 into 2017-18. We continue to hold provision of \$250,000 in 2017-18 for establishing a resource recovery centre. A new provision for renewals work on the facilities of \$200,000 is included in the 2017-18 planned expenditure.

Performance Measures

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

Financials

Solid Waste Management			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
401,345	Urban refuse collection costs	423,955	438,698
2,141,656	Transfer station operation & refuse disposal	2,334,214	2,147,361
1,034,832	Waste minimisation (incl recyc & composting)	1,109,802	1,126,262
217,096	Rural waste operations	237,661	223,052
3,794,929		4,105,632	3,935,372
	Operating Income		
2,187,195	User charges - external	2,423,600	2,167,811
184,938	User charges - internal	198,680	212,703
85,000	Recoveries - waste levy	95,000	78,675
365,200	Recoveries from bag sales	380,800	409,635
2,822,333		3,098,080	2,868,823
	Appropriations		
(65,000)	Transfers from reserves	(20,000)	(30,000)
91,079	Provision for loan repayments	96,858	101,489
(68,122)	Reverse depreciation	(78,914)	(78,914)
\$ 930,553	Rates Requirement	\$ 1,005,496	\$ 1,059,124

SOLID WASTE SERVICES

Annual Plan 2016/17	Capital Expenditure Summary	Renewal/LO S/ Growth	Source of Funds	Annual Plan 2017/18	LTP Year 3 2017/18
\$				\$	\$
	Solid Waste Management				
335,000	Nursery Road landfill capping	Renewal	Depn Reserve	-	-
50,000	Reuse Recovery Store	LOS	Depn Reserve	240,000	252,480
200,000	Roof over Transfer Station Pad	LOS	Loan	200,000	-
\$585,000	Total Solid Waste Management			640,000	462,880
	Capital Funding				
(200,000)	Loan funds			(200,000)	-
(385,000)	Transfer from reserves			(440,000)	(462,880)
(\$585,000)	Total capital funding			(\$640,000)	(\$462,880)
\$0	Rates Requirement (Capital)			\$0	\$0

SOLID WASTE SERVICES

Annual Plan 2016/17	Rates Requirement Summary	Annual Plan 2017/18	LTP Year 3 2017/18
404,768	Recycling collection	414,259	441,600
42,389	Refuse transfer station & landfill	54,370	77,464
290,065	Waste minimisation	314,543	338,177
193,331	Rural refuse services	222,324	201,882
\$930,554	Rates Requirement	\$1,005,496	\$1,059,124



Community Facilities and Activities

Council provides and supports community services and facilities to contribute to the social, economic, environmental and cultural strength of the Masterton District.

Seven services sit under Community Facilities and Activities:

- Community Services (including Community Development, Arts & Culture and Economic Development);
- Library and Archive;
- Property (including Mawley Park);
- Parks, Reserves and Sportsfields;
- Recreation Centre;
- Cemeteries, and
- Masterton Airport (Hood Aerodrome).

Summary Financials

COMMUNITY FACILITIES & ACTIVITIES

Annual Plan 2016/17	Rates Requirement Summary	Annual Plan 2017/18	LTP Year 3 2017/18
2,174,902	Parks, reserves & sportsfields	2,338,436	2,280,743
1,239,719	Recreation Centre	931,778	1,295,275
76,556	Cemeteries	72,492	81,427
353,574	District building	456,861	357,322
29,504	Housing for the elderly	28,809	28,286
81,291	Other rental properties	291,523	137,050
302,449	Public conveniences	300,199	301,406
107,072	Rural halls	108,344	96,093
13,707	Forestry	22,599	3,754
93,461	Mawley Park	124,548	39,746
150,820	Masterton Airport	169,956	110,882
1,424,265	Library	1,544,082	1,348,914
314,802	Archives	334,333	298,879
987,576	Community Development	927,539	680,158
394,634	Arts and Culture	432,901	372,169
828,969	Economic Development and Promotion	862,434	794,234
\$8,573,301	Rates Requirement	\$8,946,836	\$8,226,340



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 2017-18

Priorities for 2017-18 include funding toward additional resources for 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 LTP.

Financials

COMMUNITY FACILITIES / ACTIVITIES

Community Services			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$		\$	\$
	Operating Costs		
1,488,976	Community development	1,521,939	684,577
431,634	Arts & culture	454,901	395,247
770,524	Economic development & promotion	835,276	689,112
0	Regional amenities contribution	-	41,960
79,691	CBD Amenities	91,029	73,807
2,770,825		2,903,145	1,884,704
	Operating Income		
400	Government grants	400	420
22,000	Creative NZ grants	22,000	23,078
4,500	Events grants & other recoveries	27,000	15,211
26,900		49,400	38,708
	Appropriations		
(536,000)	Transfers from reserves	(634,000)	(4,000)
15,541	Provision for loan repayments	16,509	17,946
(12,287)	Reverse depreciation	(13,380)	(13,380)
\$2,211,179	Rates Requirement	\$2,222,874	\$1,846,562

Library and Archive

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

Priorities for 2017-18

Book purchases will continue at the same level as the 2016-17 financial year, being an annual cost of \$190,000. This ensures adequate provision for higher processing costs. Additional provision has been made pending a decision on a proposed learning centre extension at the Library.

Performance Measures

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

Financials

Library & Archive			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
1,282,665	Operating costs - Library	1,361,196	1,226,880
317,185	Operating costs - Archive	340,870	304,872
150,280	Depreciation - books	194,653	204,811
129,187	Depreciation - bldg, furniture & equipment	115,696	101,177
1,879,317		2,012,415	1,837,740
	Operating Income		
27,650	Grants & donations	27,900	25,858
87,600	User charges & other recoveries	78,100	96,088
115,250		106,000	121,946
	Appropriations		
-	Transfer from reserves	-	-
(25,000)	Reverse depreciation	(28,000)	(68,000)
\$1,739,067	Rates Requirement	\$1,878,415	\$1,647,793
	Analysis of Rates Requirement		
1,424,265	Library	1,544,082	1,348,914
314,802	Archive	334,333	298,879
\$1,739,067		\$1,878,415	\$1,647,793

Property

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

Priorities for 2017-18

Priorities for Property in 2017-18 include fire system upgrades and earthquake strengthening, including a provision of \$4.5 million to investigate options and commence initial works for the Town Hall and Municipal Building. An additional allocation has also been provided for Mawley Park upgrades in order to refresh facilities and improve security.

Performance Measures

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

Financials

Property			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
390,097	District Building	628,536	402,685
319,456	Housing for the Elderly	353,928	312,151
406,826	Mawley Holiday Park	423,829	349,949
626,578	Other Property	855,301	745,633
795,095	Depreciation	712,806	638,627
2,538,051		2,974,400	2,449,046
	Operating Income		
41,350	Rental income - Halls & Dist. Bldg	6,400	49,575
398,200	Rental income - Housing for Elderly	406,200	420,056
179,300	Rental income - Other Property	251,808	187,727
368,500	Mawley Holiday Park	373,500	391,840
0	Forestry harvest proceeds	-	119,882
50,000	Internal recoveries - forestry	50,000	52,450
181,400	Internal recoveries - offices rental	359,700	188,505
1,218,750		1,447,608	1,410,036
	Appropriations		
(75,000)	Transfers from reserves	(35,000)	(10,000)
-	Transfers to reserves	-	-
51,012	Provision for loan repayments	116,552	85,107
(314,255)	Reverse depreciation	(275,460)	(150,460)
\$981,058	Rates Requirement	\$1,332,884	\$963,658

Parks, Reserves and Sportsfields

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

Priorities for 2017-18

Funding of \$480,000 has been carried forward from the 2016-17 Annual Plan 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 LTP provided for upgrades to cricket and netball buildings. Other Council-owned sports facilities will also be upgraded as part of the wider 2017-18 programme. A total \$1.346 million funded from depreciation reserves and general capital funds is planned to be spent on Council sports facilities and buildings in 2017-18.

The Council approved bringing forward funding of \$619,050 to support the next phase of the Queen Elizabeth Park rejuvenation project.

The plan to extend our off-road recreation trails network continues, with a total provision of \$265,000 in 2017-18 which includes carried forward funds from 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 LTP.

Financials

Parks, Reserves & Sportsfields			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
1,547,562	Parks & reserves maintenance	1,609,839	1,513,312
421,886	Sportsfields maintenance	500,804	488,937
467,399	Depreciation	455,806	445,274
2,436,847		2,566,449	2,447,524
	Operating Income		
30,900	Miscellaneous parks income	42,900	32,352
27,840	Sportsground rentals	26,340	41,189
58,740		69,240	73,541
	Appropriations		
(231,000)	Transfers from reserves	(181,000)	(120,000)
-	Transfers to reserves	-	-
64,989	Provision for loan repayments	70,541	75,075
(37,194)	Reverse depreciation	(48,314)	(48,314)
\$2,174,902	Rates Requirement	\$2,338,436	\$2,280,743

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 2017-18

A new contractor is in place to manage the centre in 2017-18. Savings from that contract are built into the 2017-18 operating budget. Alongside this a change has been made to the way the centre’s maintenance regime will be managed. A higher capital expenditure provision than contained in the LTP Year 3 is being made for renewal of plant and equipment.

Performance Measures

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

Financials

Masterton Recreation Centre			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
967,014	Recreation centre operating costs**	920,499	1,066,284
491,305	Depreciation	476,280	444,876
1,458,319		1,396,779	1,511,159
	Operating Income		
48,600	Grants & recoveries	300,000	50,884
	Appropriations		
20,530	Provision for loan repayments	21,885	21,885
(190,530)	Reverse depreciation	(186,885)	(186,885)
\$1,239,719	Rates Requirement	\$931,778	\$1,295,275

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





Cemeteries

Council owns and maintains urban and rural cemeteries.

Priorities for 2017-18

The priority for cemeteries in 2017-18 is continued 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 LTP.

Financials

Cemeteries			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
162,256	Cemeteries operating and maintenance	163,542	165,920
	Operating Income		
78,700	Burial fees and sale of plots	84,050	84,493
	Appropriations		
(7,000)	Transfer from reserves	(7,000)	-
\$76,556	Rates Requirement	\$72,492	\$81,427

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 2017-18

The resealing of the runway has been carried forward from 2016-17 and is now scheduled for 2017-18. There will also be investment in additional fencing of areas of the airport and investment in the Airport Terminal building.

Performance Measures

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

Financials

Masterton Airport (Hood Aerodrome)			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
234,191	Airport operation & maintenance	275,903	242,360
78,218	Depreciation	81,297	94,229
312,410		357,200	336,588
	Operating Income		
211,500	Leases and other income	209,599	255,287
	Appropriations		
(10,000)	Transfers from reserves	(22,000)	(10,000)
-	Transfers to reserves	-	-
83,910	Provision for loan repayments	94,356	89,580
(24,000)	Reverse depreciation	(50,000)	(50,000)
\$ 150,820	Rates Requirement	169,956	110,882

COMMUNITY FACILITIES / ACTIVITIES

Annual Plan 2016/17	Capital Expenditure Summary	Renewal/LO S/ Growth	Source of Funds	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Parks & Reserves			\$	\$
195,000	Queen Elizabeth Park rejuvenation		Reserve Contributions /loans	619,050	262,500
50,000	Upgrade Kidz Own Playground	Renewal	Depn Reserve	-	-
28,000	Upgrade structures / facilities (incl playgrounds)	Renewal	Depn Reserve	28,000	29,400
194,500	Recreation trails network (urban & rural)	LOS	Reserve Contributions / Loan	317,000	154,350
12,000	Street trees renewals & new	LOS	Reserves	17,588	17,588
10,000	Castlepoint furniture renewals	Renewal	Depn Reserve	10,000	-
10,000	Parks & Open Spaces - Signage	Renewal	Depn Reserve	10,000	-
-	Henley Lake - flow & level control	Renewal	Reserves	-	25,200
500,000	Henley Lake - intake chanel realignment	LOS	Loan	480,000	-
30,000	Chinese Pagoda	LOS	General capital	30,000	-
5,000	Henley - landscape development	LOS	Reserves	5,000	-
-	Henley Lake Toilet Upgrade	Renewal	Depn Reserve	120,000	-
-	De-sludge QE park lake	Renewal	Depn Reserve	30,000	-
50,000	Flow meter telemetry (consent)	LOS	Depn Reserve	-	-
33,000	Rural reserves upgrades	Renewal/ LOS		-	-
1,117,500	Total Parks, Reserves & Sportsfields			1,666,638	489,038
	Sportsfields				
253,000	Sportsfield buildings renewals	Renewal	Depn Reserve	283,000	-
670,000	Netball facility upgrade	Renewal	Depn Reserve/ General capital	800,000	-
6,000	South Park Sports Facilities Provision	Renewal	General Bldg Reserve	6,000	-
55,000	Sport Facilities Provisions	LOS	Parks & Reserves Depn Fund	155,000	105,000
385,000	Cricket facility upgrade	Renewal	Reserves	385,000	-
1,369,000	Total Sportsfields			1,629,000	105,000
	Recreation Centre				
45,000	Outdoor Pools upgrades	Renewal	Depn Reserve	12,600	12,600
85,000	Other Plant & Equip	Renewal	Depn Reserve	100,000	52,500
130,000	Total Recreation Centre			112,600	65,100
	Cemeteries				
33,000	Cemetery renovations & extensions	Renewal/LOS	Reserves/General Capital	23,000	-
	District Building				
70,900	Facilities & equipment renewals	Renewal	Depn Reserve	20,000	93,450
90,000	Building upgrades	Renewal	Depn Reserve	-	-
314,500	District Building - renovations office areas	Renewal	Loan	-	-
35,000	Town hall renewals (incl generator)	Renewal	Depn Reserve	-	-
510,400	Total District Building			20,000	93,450
	Housing for the Elderly				
167,250	Pensioner housing upgrades and renewals	Renewal/LOS	Depn Reserve	150,000	103,425

COMMUNITY FACILITIES / ACTIVITIES continued

Annual Plan 2016/17	Capital Expenditure Summary	Renewal/LO S/ Growth	Source of Funds	Annual Plan 2017/18	LTP Year 3 2017/18
	Other Property				
3,000	Public conveniences	Renewal/ LOS	Depn Reserve	3,000	3,150
	Castlepoint Toilet Upgrade	Renewal	Depn Reserve	120,000	-
60,000	Rural halls	Renewal/ LOS	Loan/Depn Reserve /External	45,750	15,750
20,000	Riversdale Beach toilets upgrade	-	Reserve	-	-
70,000	Kaituna land replanting	Renewal	General capital	-	-
55,500	Rental Property upgrades	Renewal	Depn Reserve/ General capital	114,000	35,175
1,225,000	Earthquake strengthen Council buildings (to comply with code)	LOS	Loan/Depn Reserve	4,500,000	1,260,000
35,000	Mawley Park - Playground	Renewal	Depn Reserve	-	-
-	Mawley Park - Barrier Arms & Security Fenci	LOS	Loan	80,000	-
30,000	Mawley Park facility upgrades	Renewal	Depn Reserve	20,000	15,750
1,498,500				4,882,750	1,329,825
	Airport				
160,000	Runway reseal & remarking	Renewal	Depn Reserve	160,000	-
45,000	Other airport development & upgrades	Growth/Ren	Depn Reserve/ Loan	30,000	-
150,000	Runway lights replacement	Renewal	Depn Reserve	150,000	-
355,000	Total Airport			340,000	-
\$ 5,180,650	Total			\$ 8,823,988	\$ 2,185,838
	Funding				
(2,756,150)	Transfers from reserves			(3,555,225)	(618,713)
(2,220,500)	Loan funds			(5,064,764)	(1,567,125)
(204,000)	External funding			(204,000)	-
(\$5,180,650)	Total capital funding			(\$8,823,988)	(\$2,185,838)
\$0	Rates requirement			\$0	\$0





COMMUNITY FACILITIES / ACTIVITIES (part)

Annual Plan 2016/17	Capital Expenditure Summary	Renewal/LO S/ Growth	Source of Funds	Annual Plan 2017/18	LTP Year 3 2017/18
\$				\$	\$
	Library & Archive				
190,000	Book stock renewals	Renewal	Depn Reserve	190,000	183,750
25,000	Computer & Equipment replacements	Renewal	Depn Reserve	35,000	26,250
36,000	Replace furniture / fittings and Building renewals	Renewal	Depn Reserve	11,000	11,550
-	Roof Replacement	Renewal	Depn Reserve	100,000	76,650
75,000	Library extension (inlc. Design)	LOS	Loan	-	1,260,000
-	Library Learning Centre	Growth	Loan	180,000	-
-	Archive renewals (inlc. IT)	LOS	Loan/Reserves	125,000	99,750
326,000	Total Library & Archive			641,000	1,657,950
	Economic Development & Promotion				
20,000	CBD Security Camera	LOS/ Renewal	Loan/Reserves	20,000	21,000
	Christmas Decorations	LOS	Reserves	40,000	-
	Street History Signage	LOS	Reserves	32,000	-
25,000	Town Square - irrigation & trees	LOS	Depn Reserve	25,000	-
19,000	CBD - Public Wi-Fi infrastructure	LOS	Reserves	-	-
64,000	Total Economic Development & Promotion			117,000	21,000
390,000	Total			758,000	1,678,950
	Capital Funding				
(295,000)	Transfers from reserves			(463,000)	(298,200)
(95,000)	Loan funds			(295,000)	(1,380,750)
(\$390,000)	Total capital funding			(\$758,000)	(\$1,678,950)
\$0	Rates requirement			\$0	\$0

Regulatory Services

Council provides regulatory services in order to sustainably manage the development and protection of natural and physical resources and to protect the safety and wellbeing of the community.

Seven functions sit under Regulatory Services:

- Resource Management and Planning;
- Building Development;
- Environmental Services and Alcohol Licencing;
- Parking Control and General Inspection Services;
- Animal Services;
- Rural Fire Control (no longer a Council responsibility from 1 July 2017); and
- Civil Defence and Emergency Management.

REGULATORY SERVICES

Annual Plan 2016/17	Rates Requirement Summary	Annual Plan 2017/18	LTP Year 3 2017/18
660,903	Resource Management and Planning	750,469	694,250
233,475	Building Development	327,397	184,081
385,049	Environmental Services	373,146	416,251
73,510	General Inspection	19,638	100,045
453,379	Rural Fire Control & Emergency Management	184,569	470,568
36,324	Animal Services	37,385	37,134
(69,190)	Parking Control	(74,231)	(80,304)
\$1,773,449	Rates Requirement	\$1,618,374	\$1,822,025

REGULATORY SERVICES

Annual Plan 2016/17	Capital Expenditure Summary	Renewal/LO S/ Growth	Source of Funds	Annual Plan 2017/18	LTP Year 3 2017/18
\$				\$	\$
	Capital Projects				
80,000	Vehicle replacements	Renewal	Depn Reserve	80,000	84,160
24,000	Environmental Health testing equipment	Renewal	Depn Reserve	10,200	8,416
4,500	Animal Services - equipment & fencing	Renewal	Depn Reserve	21,500	5,786
50,000	Animal Services - pound renewal	Renewal	Reserves Opex/Loan	35,000	-
6,000	Building Development - equipment	LOS	Depn Reserve	-	-
-	Emergency welfare centres	/Renewal	Depn Reserve	-	-
-	Water/Sewerage Facilities	LOS	Depn Reserve	35,000	-
47,000	Rural fire stations	Renewal	Depn Reserve	-	-
\$ 211,500				181,700	98,362
	Capital Funding				
(211,500)	Transfers from reserves			(181,700)	(98,362)
(\$211,500)	Total capital funding			(\$181,700)	(\$98,362)
\$0	Rates Requirement			\$0	\$0

Resource Management and Planning

Council undertakes resource management and planning functions, including administering the resource consent process, maintaining and developing the District Plan, and providing advice on specific planning issues as required.

Priorities for 2017-18

Priorities for 2017-18 include additional provision to prepare for the review of the Wairarapa Combined District Plan and for input on the Natural Resources Plan process.

Performance Measures

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

Financials

REGULATORY SERVICES

Resource Management & Planning

Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
527,552	Resource management & planning	573,979	532,261
22,000	Wairarapa Combined District Plan development (MDC share)	35,000	33,568
139,551	River scheme contributions	145,690	142,192
689,103		754,669	708,021
	Operating Income		
82,700	User charges - incl consent fees	82,700	76,262
215,000	Reserves & Infrastructure contributions	362,000	321,500
41,000	Internal recoveries	-	43,009
338,700		444,700	440,771
	Appropriations		
(11,500)	Transfer from reserves	(21,500)	(1,500)
322,000	Transfer to reserves - various contributions	462,000	428,500
\$660,903	Rates Requirement	\$750,469	\$694,250

Building Control

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

Priorities for 2017-18

Priorities for 2017-18 include inspections of pools in accordance with the Building (Pools) Amendment Act 2016 that came into force on 1 January 2017. The Building (Earthquake-prone Buildings) Amendment Act 2016 is expected to take effect from 1 July 2017 and Council will be responsible for administering the Act's requirements within the Masterton district. In addition to this, the continued provision of good quality customer service, while ensuring the Building Act and other regulations are adhered to, are also priorities for this financial year.

Performance Measures

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

Financials

Building Development			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
901,801	Building development operating costs	1,097,723	908,757
-	Earthquake building assessments	20,000	-
901,801		1,117,723	908,757
	Operating Income		
668,326	Consent fees & charges	790,326	724,676
668,326		790,326	724,676
	Appropriations		
-	Tsf from reserves	-	-
\$233,475	Rates Requirement	\$327,397	\$184,081





Environmental Services, Alcohol Licensing and Parking Control

Council undertakes environmental health, alcohol licensing and general inspection functions, including:

- monitoring and inspecting food premises;
- monitoring water quality;
- dealing with noise control complaints;
- receiving and processing alcohol licences and trade waste licences;
- enforcing bylaws and regulatory requirements; and
- patrolling and enforcing parking restrictions.

Priorities for 2017-18

Priorities for 2017-18 will include the continued implementation of the Food Act 2014 that came into effect on 1 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.

MDC have consolidated bylaws with South Wairarapa District Council. These bylaws were adopted in 2013. Under the Local Government Act 2002 the bylaws need to be reviewed no later than five years after they were adopted, and then 10 years after that. The next review is due in 2018, with work commencing in the 2017-18 financial year.

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 LTP.

Financials

Environmental Services & Licensing			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
585,936	Environmental Health other operating costs	616,847	614,714
141,543	Alcohol Act enforcement activities	160,432	157,578
727,479		777,279	772,291
	Operating Income		
49,955	License fees & charges	65,955	52,403
89,390	Alcohol licensing fees & charges	89,390	91,357
195,085	Internal recoveries	248,788	212,280
334,430		404,133	356,040
	Appropriations		
(8,000)	Tsf from reserves	-	-
\$385,049	Rates Requirement	\$373,146	\$416,251

Parking Control			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
161,884	Parking control costs	156,843	163,128
14,426	Depreciation - meters	14,426	14,097
176,310		171,269	177,225
	Operating Income		
245,500	Parking meters and fines	245,500	257,530
	Appropriations		
-	Provision for loan repayments	-	-
(69,190)	Rates Requirement	(74,231)	(80,304)





Animal Services

Council undertakes animal services functions, including:

- responding to complaints about animals;
- impounding and releasing animals;
- finding homes for unclaimed animals;
- managing dog registrations; and
- educating dog owners and the general public about dog and animal control.

Priorities for 2017-18

This year we plan to upgrade the fencing at the pound facility for better security and to improve welfare for animals. We will also review our dog registration policies and fee structure during 2017-18.

Performance Measures

For a full breakdown of the non-financial performance measures for animal services, refer to the 2015-2025 LTP.

Financials

Animal Services			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
403,712	Animal services & pound costs	418,165	437,280
	Operating Income		
366,219	Dog registration fees & fines	379,548	398,914
	Appropriations		
(1,169)	Reverse depreciation	(1,232)	(1,232)
\$36,324	Rates Requirement	\$37,385	\$37,134

Rural Fire Control

Rural fire control has been managed externally by the Wairarapa Rural Fire Authority with most funding provided by the three Councils. From 1 July 2017 we have assumed that Fire and Emergency NZ (FENZ) will have been established and all responsibilities for rural fire will have been removed from the Council.

Council will then no longer pay a share of the operational costs, and other costs such as depreciation on the fire station buildings. These have been incorporated into the Property activity. The resulting reduction in rates requirement flows through to the Rating Funding Impact Statement.

Civil Defence and Emergency Management

Civil defence and emergency management is managed externally by Wellington Regional Emergency Management Office (WREMO). A local emergency operations centre is funded by the three Wairarapa Councils.

Council pays a share of the WREMO and local operational costs. For further information on civil defence and emergency management, refer to the Greater Wellington Regional Council's LTP.

Financials

Rural Fire & Emergency Management			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
46,040	Rural fire costs - MDC	-	51,149
233,346	Wairarapa Rural Fire Authority (MDC share)	-	239,277
87,635	CD/EM - Wairarapa Costs	120,668	58,500
125,456	WREMO CD/Emergency Mgmt (MDC share)	104,000	131,432
492,478		224,668	480,358
	Operating Income		
14,099	Misc recoveries - CD/EM Wairarapa	15,099	14,790
	Appropriations		
(30,000)	Tsf from reserves - project funding	(30,000)	-
5,000	Tsf to reserves - self insurance	5,000	5,000
\$453,379	Rates Requirement	\$184,569	\$470,568



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 2017-18

No provision has been made for the costs of a poll on the Local Government Commission's proposal to amalgamate the three Wairarapa Councils. There is no certainty that a poll will be triggered, so rating for an uncertain cost has not been included in this Plan.

The reallocation of corporate costs into functional management areas has been undertaken for the 2017-18 year. Given this, comparisons with the prior year, and LTP year 3, are no longer directly applicable by line item.

Performance Measures

For a full breakdown of the non-financial performance measures for Governance & Corporate Services, refer to the 2015-2025 LTP.

Financials

Governance			
Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
391,092	Mayor & councillors remuneration	402,340	388,460
47,000	Reporting & consultation	45,000	106,998
78,000	Election costs	-	-
534,392	Operating expenses	584,697	436,716
1,050,484		1,032,037	932,174
	Operating Income		
408,994	Internal allocation of governance (per Funding Policy 40% internal)	422,815	380,070
408,994		422,815	380,070
	Appropriations		
(28,000)	Transfer (from) reserves	-	-
0	Transfers to reserves (election costs)	25,000	18,000
\$613,490	Rates Requirement	\$634,222	\$570,104

Roading Advisory Services

Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
552,034	Professional staff & operating costs	593,003	528,884
2,528	Depreciation	1,487	379
554,562		594,490	529,263
	Operating Income		
494,562	Prof. services - Roading	545,490	467,573
65,000	External income	54,000	66,690
559,562		599,490	534,263
	Appropriations		
5,000	Transfer to reserves	5,000	5,000
\$0	Rates Requirement	\$0	\$0

Asset & Project Management

Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
798,189	Professional staff & operating costs	1,370,125	750,045
	Operating Income		
783,189	Internal charges	1,348,525	750,045
15,000	External recoveries	21,600	-
	Appropriations		
-	Transfer to reserves	-	-
\$0	Rates Requirement	\$0	\$0

Corporate Services

Annual Plan 2016/17	Cost of Service Statement	Annual Plan 2017/18	LTP Year 3 2017/18
\$	Operating Costs	\$	\$
1,670,164	Management & administration	1,334,481	2,089,935
1,242,821	Financial management	1,374,417	1,359,238
	Strategic Planning	452,856	
550,084	Information systems	596,764	527,288
361,617	Communications & Promotions	399,192	
315,832	Human Resource	367,775	
4,140,518		4,525,486	3,976,461
	Operating Income		
884,786	Miscellaneous income & recoveries	1,428,661	234,141
725,000	Interest income (external)	762,000	843,000
262,000	Interest income (on internal loans)	290,000	178,915
2,873,732	Support services allocated internally	2,674,825	3,480,405
4,745,518		5,155,486	4,736,461
	Appropriations		
(100,000)	Transfer (from) reserves	(50,000)	-
-	Transfers to reserves	-	-
705,000	Transfer to reserves - interest	680,000	760,000
\$0	Rates Requirement	\$0	\$0

INTERNAL FUNCTIONS

Annual Plan 2016/17	Capital Expenditure Summary	Renewal/LO S/ Growth	Source of Funds	Annual Plan 2017/18	LTP Year 3 2017/18
\$				\$	\$
	Corporate Services				
62,900	Document mgmt system	Renewal	Equipment Fund	-	-
90,000	IT equipment replacement	Renewal	Equipment Fund	89,000	93,628
25,000	IT Council Meetings Info systems	LOS	Depn Reserve	35,000	-
40,000	Website Upgrade	LOS	Special funds	-	-
58,000	GIS aerial photos & data capture	Renewal	Depn Reserve	-	-
\$ 275,900				124,000	93,628
	Capital Funding				
(\$275,900)	Transfers from reserves			(124,000)	(93,628)
\$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 LTP.

MASTERTON DISTRICT COUNCIL		Annual Plan 2017/18			
PROSPECTIVE STATEMENT OF FINANCIAL POSITION					
NZ \$	Notes	Forecast to 30 June 2017	Annual Plan 2017/18	2017/18 Year 3	LTP
Current Assets					
Cash & Bank Accounts		5,546,508	4,034,493	3,731,899	
Financial Assets - Current		5,015,120	4,402,221	3,597,254	
Inventories		200,421	216,421	239,600	
Debtors & Other Receivables		2,784,758	2,971,301	3,819,208	
Total Current Assets		13,546,807	11,624,436	11,387,961	
Non-Current Assets					
Property, Plant & Equipment		89,375,191	98,688,726	90,318,897	
Infrastructural Assets		630,994,150	658,698,640	665,025,290	
Intangible Assets		3,797,975	3,573,993	3,641,992	
Forestry assets		531,120	555,869	311,773	
Investment Property Assets		2,087,000	2,087,000	2,053,000	
Derivative financial instruments		-	-	224,185	
Investments in CCO's & other similar entities		1,232,817	1,242,817	1,287,216	
Other Non-current financial assets		9,449,406	9,625,407	12,141,179	
Total Non-Current Assets		737,467,659	774,472,451	775,003,531	
Total Assets		751,014,466	786,096,887	786,391,492	
Current Liabilities					
Creditors & Other Payables		4,780,588	6,023,211	7,278,668	
Employee Benefits - Current Portion		1,035,805	1,039,805	850,442	
Provisions - Current Portion		70,000	72,000	68,387	
Financial liabilities - current portion	3	1,887,997	2,094,069	2,149,352	
Total Current Liabilities		7,774,390	9,229,085	10,346,849	
Non-Current Liabilities					
Financial liabilities	3	52,792,638	58,698,632	61,596,971	
Derivative financial instruments		5,257,181	5,257,181	786,616	
Employee benefits		69,812	71,812	17,980	
Provisions & other liabilities		238,163	208,163	105,688	
Total Non-Current Liabilities		58,357,794	64,235,788	62,507,255	
Net Assets		\$ 684,882,282	\$ 712,632,014	\$ 713,537,388	
Equity					
Ratepayers' Equity		423,219,256	426,911,372	431,163,070	
Asset Revaluation Reserves		237,618,590	265,021,121	262,384,319	
Special funds & restricted reserves	4	24,044,436	20,699,521	19,989,999	
Total Equity		\$ 684,882,282	\$ 712,632,014	\$ 713,537,388	

PROSPECTIVE STATEMENT of COMPREHENSIVE REVENUE AND EXPENSE

Operating Revenue			2016/17	2017/18	2017/18
NZ \$	Notes		Annual Plan	Annual Plan	Year 3 LTP
Rates revenue			26,882,178	27,758,425	28,002,148
Rural sewerage schemes capital contrib.			82,532	73,958	89,678
Financial contributions			363,600	549,000	524,576
NZTA roading subsidy			4,275,237	4,813,291	4,274,533
Fees and charges			6,728,977	7,190,558	6,970,266
Interest and dividends			735,800	773,800	855,808
Other revenue			452,242	707,994	479,642
Total Operating Revenue	2		39,520,566	41,867,026	41,196,652
Operating Expenditure					
Personnel costs			7,090,802	7,991,303	6,874,367
Finance costs			2,851,844	2,878,945	3,598,494
Depreciation & amortisation			10,936,143	11,406,816	11,799,984
Other Operating costs			18,745,823	19,242,760	18,761,202
Total Operating Expenditure			39,624,611	41,519,825	41,034,047
Net Surplus / (Deficit)*			\$ (104,045)	\$ 347,201	\$ 162,606
Revaluations			\$ -	27,402,531	27,716,182
Total Comprehensive Revenue & Expenses			\$ (104,045)	\$ 27,749,732	\$ 27,878,788
*Note: Income Tax is nil					
Note: rates on Council Properties assumed			559,000	559,000	589,000



PROSPECTIVE STATEMENT OF CASHFLOWS

NZ \$	Notes	2016/17 Annual Plan	2017/18 Annual Plan	2017/18 LTP Year 3
Cash flows from Operating Activities				
Cash was received from:				
Rates		26,964,710	27,807,191	28,062,984
Grants, subsidies & donations		4,424,987	5,193,791	4,434,231
Petrol tax		175,000	185,000	174,420
Other revenue		7,103,090	7,650,207	7,402,219
Interest on investments		725,800	766,800	845,808
		39,393,587	41,602,990	40,919,662
Cash was applied to:				
Payments to suppliers and employees		25,241,077	26,013,437	25,077,319
Interest paid		2,851,844	2,878,945	3,598,494
		28,092,921	28,892,382	28,675,812
Net cash flow from operating activities		11,300,666	12,710,607	12,243,849
Cash flows from Investing Activities				
Cash was received from:				
Sale of fixed assets		23,999	24,000	
Term investments, shares & advances		-	-	-
Forestry investment		-	-	119,882
		23,999	24,000	119,882
Cash was applied to:				
Purchase of fixed assets		17,764,106	20,785,588	15,050,304
Term investments, shares & advances		410,000	186,001	1,168,414
Purchase of intangible assets		-	-	-
		18,174,106	20,971,589	16,218,718
Net cash flow from investing activities		(18,150,107)	(20,947,589)	(16,098,836)
Cash flows from Financing Activities				
Cash was received from:				
Drawdown of public debt		7,122,785	8,000,064	6,366,883
		7,122,785	8,000,064	6,366,883
Cash was applied to:				
Repayment of public debt (incl Finance Leases)		1,971,283	1,887,997	1,963,987
		1,971,283	1,887,997	1,963,987
Net cash flow from financing activities		5,151,502	6,112,067	4,402,896
Net Increase/(Decrease) in Cash Held		(1,697,939)	(2,124,915)	547,909
Add cash at start of year (1 July)		7,970,342	10,561,628	6,781,244
Balance at end of year (30 June)		6,272,403	8,436,714	7,329,153
Represented By:				
Cash & bank		3,669,566	4,034,493	3,731,899
Short term deposits		2,602,837	4,402,221	3,597,254
Balance at end of year (30 June)		6,272,403	8,436,714	7,329,153

The closing balance of 2016/17 is the Plan position. An updated forecast position has been used as the opening balance for 2017/18

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

NZ \$	Notes	2016/17 Forecast	2017/18 Annual Plan	2017/18 Year 3 LTP
Ratepayer's Equity		424,668,575	423,219,256	431,917,870
Special Funds & Reserves		21,882,281	24,044,436	19,072,593
Revaluation Reserves		237,618,599	237,618,590	234,668,137
Equity at start of year		684,169,455	684,882,282	685,658,600
Comprehensive Revenue & Expenses for the year*		712,827	27,749,732	27,878,788
Total recognised revenues & expenses for the period		\$ 712,827	\$ 27,749,732	\$ 27,878,788
Ratepayer's Equity		423,219,256	426,911,372	431,163,070
Special Funds & Reserves		24,044,436	20,699,521	19,989,999
Revaluation Reserves		237,618,590	265,021,121	262,384,319
Equity at end of year		684,882,282	712,632,014	713,537,388

TREASURY POLICY CHECK

Net External Debt		33,436,784	41,487,763	44,275,992
Operating Revenue		39,520,566	41,867,026	41,196,652
Rates Revenue		26,882,178	27,758,425	28,002,148
Net Interest on External Debt		2,116,044	2,105,145	2,742,685
Net External Debt as a % of Operating Revenue (limit = 150%)		84.6%	99.1%	107.5%
Net Interest expense on external debt as a % of Operating Revenue (limit = 10%)		5.4%	5.0%	6.7%
Net Interest expense on external debt as a % of Rates Revenue (limit = 15%)		7.9%	7.6%	9.8%
Number of rateable properties (estimated)		12,225	12,309	12,312
Average rates per property (excl GST)	\$	2,245	\$ 2,301	\$ 2,322

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.

Net Interest Expense = interest paid on any type of debt, including margins, line fees and interest on finance leases less interest earned on financial assets.



Note 1

RATES REQUIREMENT STATEMENT

Annual Plan 2016/17		Annual Plan 2017/18	LTP Year 3 2017/18
\$	Roading	\$	\$
4,205,406	Subsidised Rooding	4,477,787	4,371,746
1,382,907	Non-subsidised Rooding	1,378,729	1,471,411
	Water Services		
2,959,454	Urban Water supply	2,996,076	3,274,373
83,984	Rural Water supplies & races	93,115	102,267
	Sewerage Services		
6,180,642	Urban Sewerage system	6,434,484	6,836,194
302,822	Rural Sewerage systems	305,984	320,766
	Stormwater Services		
517,702	Urban Stormwater System	500,279	626,477
	Solid Waste Services		
640,488	Solid Waste Management	690,953	720,946
290,065	Waste Minimisation Services	314,543	338,177
	Community Facilities/Activities		
2,174,902	Parks, Reserves & Sportsfields	2,338,436	2,280,743
1,239,719	Recreation Centre	931,778	1,295,275
76,556	Cemeteries	72,492	81,427
1,739,067	Library & Archive	1,878,415	1,647,793
887,597	Property	1,208,336	923,911
2,211,179	Community Services	2,222,874	1,846,562
150,820	Airport	169,956	110,882
93,461	Mawley Park	124,548	39,746
	Regulatory Services		
660,903	Resource Management & Planning	750,469	694,250
385,049	Environmental Services	373,146	416,251
233,475	Building Development	327,397	184,081
73,510	General Inspection	19,638	100,045
(69,190)	Parking Control	(74,231)	(80,304)
36,324	Animal Services	37,385	37,134
453,379	Rural Fire/Emergency Mgmt	184,569	470,568
	Governance		
613,490	Representation	634,222	570,104
-	Internal Functions (net)	-	-
\$ 27,523,710	Total Rates Requirement	\$ 28,391,383	\$ 28,680,826
27,478,710	MDC Rates Revenue*	28,311,383	28,579,636
(82,532)	less rural sewerage capital contributions	(73,958)	(89,678)
27,396,178		28,237,425	28,489,958
	% Change (pre growth) from prior year	3.1%	3.7%
	% Change (after growth) from prior year**	2.3%	3.3%
180,000	Penalty Revenue	200,000	201,000
-135,000	Rates Remissions	(120,000)	(99,809)
0	Discounts Given	-	-
\$ 27,441,178	Net Rates Revenue	\$ 28,317,425	\$ 28,591,148

* 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 Revenue

	2016/17 Annual Plan \$ 000's	2017/18 Annual Plan \$ 000's	2017/18 LTP Yr 3 \$ 000's
Revenue from Non-Exchange Transactions			
Targeted Rates (including penalties)	26,882	27,758	28,002
Rural sewerage schemes capital contrib.	83	74	90
Financial Contributions	364	549	525
NZTA Subsidy	4,275	4,813	4,275
Other Government Grants	122	136	115
Other Grants	28	244	44
Other Non Exchange Revenue	471	499	478
Revenue from Exchange Transactions			
Interest	726	767	846
Dividends	10	7	10
Fees & User charges	6,528	6,981	6,766
Other Gains/(losses)- Profit on Sale of Assets	32	37	46
Total Operating Revenue	39,521	41,867	41,197
Rates Remissions			
Rates revenue is shown net of rates remissions.			
Rates remissions estimated per year:	(135)	(120)	(100)



Note 3

Prospective Statement of Public Debt (External)

	Forecast as at 30-Jun-17 (\$ 000)	Annual Plan as at 30-Jun-18 (\$ 000)	LTP Year 3 30-Jun-18 (\$ 000)
Opening Balance	52,315	54,681	59,296
Loans raised during the year	4,355	8,000	6,367
Less repayments during the year	(1,989)	(1,888)	(1,964)
Balance as at 30 June	54,681	60,793	63,699
Less current borrowings repayable in 12 months	(1,888)	(2,094)	(2,149)
Closing balance for non-current borrowings	\$ 52,793	\$ 58,699	\$ 61,550

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

Roading	500	487	856
Water Services	2,664	4,401	8,348
Sewerage Services	43,783	43,045	45,608
Stormwater Services	727	576	576
Solid Waste Services	1,339	1,475	1,529
Community Facilities/ Activities	5,668	10,808	6,829
Regulatory Services	0	-	0
	\$ 54,681	\$ 60,793	\$ 63,746

Public Debt (Internal)

	Forecast Year 2 2016-17 (\$ 000)	Forecast Annual Plan 2017/18 (\$ 000's)	Forecast LTP Year 3 2017-18 (\$ 000's)
Opening Balance	6,168	5,807	3,618
Loans raised during the year	-	-	-
Less repayments during the year	(361)	(388)	(352)
Closing Balance as at 30 June	\$ 5,807	\$ 5,420	\$ 3,266

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

	Forecast Year 2 2016-17 (\$ 000)	Annual Plan 2017/18 (\$ 000)	LTP Year 3 2017-18 (\$ 000)
Roading	311	288	113
Water Services	182	177	18
Sewerage Services	3,646	3,446	1,760
Solid Waste Services	492	459	385
Community Facilities/ Activities	1,176	1,049	1,036
	\$ 5,807	\$ 5,420	\$ 3,312

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 2017/18 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.

	Forecast Opening Balance 2017	Transfers In 2017/18	Transfers Out 2017/18	Forecast Closing Balance 2018
	\$ 000's	\$ 000's	\$ 000's	\$ 000's
Council Created Reserves				
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.	3,226	22	770	2,478
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.	203	676	535	344
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.	921	205	847	279
Plant & Equipment Depreciation Funds				
These funds are built up from depreciation on plant and equipment and are used to fund replacements	1,565	394	464	1,495
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.	7,166	1,426	3,326	5,265

Prospective Statement of Special Funds & Reserves (continued)

Council Created Reserves Purpose and application	Forecast	Transfers In	Transfers Out	Forecast
	Opening Balance 2017	2017/18	2017/18	Closing Balance 2018
	\$ 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. Roothing 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.	5,605	1,013	743	5,874
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.	3,241	2,428	2,215	3,454
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.	2,004	257	866	1,396
Crematorium Fund - ex Mrs Smart bequest				
To manage a bequest made to establish a crematorium.	115	-	-	115
	\$ 24,044	\$ 6,420	\$ 9,765	\$ 20,700

NOTE 5

PROSPECTIVE CAPITAL SUMMARY STATEMENT

Prior Year Plan 2016/17		Annual Plan 2017/18	LTP Year 3 2017/18
\$	Roading	\$	\$
3,909,556	Subsidised Roothing	3,742,000	3,704,114
939,500	Non-subsidised Roothing	1,878,100	1,401,428
	Water Services		
3,260,000	Urban Water supply	2,703,000	2,780,469
35,000	Rural Water supplies & races	136,000	463,875
	Sewerage Services		
2,815,000	Urban Sewerage system	1,590,000	1,432,460
12,000	Rural Sewerage systems	8,800	-
	Stormwater Services		
150,000	Urban Stormwater System	200,000	748,300
	Solid Waste Services		
585,000	Solid Waste	640,000	462,880
	Community Facilities/Activities		
1,117,500	Parks & Reserves	1,666,638	489,038
1,369,000	Sportsfields	1,629,000	105,000
130,000	Recreation Centre	112,600	65,100
33,000	Cemeteries	23,000	-
326,000	Library & Archive	641,000	1,657,950
2,176,150	Property	5,052,750	1,526,700
64,000	Community Services	117,000	21,000
355,000	Airport	340,000	-
	Regulatory Services		
24,000	Environmental Health	10,200	8,416
6,000	Building Control	-	-
80,000	Bylaw Control/General Inspection	80,000	84,160
54,500	Animal Control	56,500	5,786
47,000	Rural Fire/Emergency Mgmt	35,000	-
	Internal Functions		
275,900	Corporate Services	124,000	93,628
\$ 17,764,106	Total Capital expenditure	\$ 20,785,588	\$ 15,050,304
	Funded by		
(2,125,847)	NZ Transport Agency subsidy (roading)	(2,545,620)	(2,111,345)
(6,633,315)	Transfers from reserves	(8,369,844)	(4,875,707)
(7,122,785)	Loan funds	(8,000,064)	(6,366,883)
(1,678,159)	Rates	(1,666,060)	(1,696,369)
(204,000)	Other (External funding)	(204,000)	-
\$ (17,764,106)		\$ (20,785,588)	\$ (15,050,304)

NOTE 6

Prospective Summary of Revaluation Reserve Movements

	2016/17 Annual Plan \$ 000's	2017/18 Annual Plan \$ 000's	2017/18 LTP Year 3 \$ 000's
Revaluation Reserve			
Opening balance	237,619	237,619	234,668
Revalue Movements		27,403	27,716
Closing Balance	237,619	265,021	262,384
	2016/17 Annual Plan \$ 000's	2017/18 Annual Plan \$ 000's	2017/18 Year 3 \$ 000's
Revaluation Movements by groups			
Infrastructure			
Roading		16,795	17,041
Water Supplies		2,621	2,713
Waste Water		4,751	4,729
Stormwater		1,274	1,267
	0	25,441	25,750
Other Asset Revaluation Reserve Movements			
Building	0	725	721
Land		947	955
Other		289	289
	0	1,962	1,966
Total revaluation movements	-	27,403	27,716

Benchmarks

As per Local Government (Financial Reporting and Prudence) Regulations 2014

Financial Reporting and 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.

Annual Plan Disclosure Statement for Year Ending 30 June 2018

Benchmark Planned		Met	
Rates affordability benchmarks:			
- quantified limit on rates income (per LTP)	\$ 28.591m	Yes	(\$ 28.317m)
- quantified limit on rates income (per revised LGCI)*	\$28.284m	Yes	(\$ 28.237m)
- quantified limit on rates increase (per LTP)	3.45%	Yes	(2.3%)
- quantified limit on rates increase (per revised LGCI)*	2.40%	Yes	(2.3%)
Debt affordability benchmark:			
- quantified limit on borrowing (net debt/revenue)	< 150%	Yes	(99.1%)
Balanced budget benchmark >100%	100.4%	Yes	(100.9%)
Balanced budget benchmark >100% (excluding financial contributions)	98.9%	No	(99.4%)
Essential services benchmark >100%	110.6%	Yes	(108.3%)
Debt servicing benchmark <10% (net borrowing costs/revenue)	6.7%	Yes	(5.0%)

*The LG Cost Index for 2017/18 (as forecast by BERL) in the LTP was 2.45% and has been revised to 1.4%. Planned rates income figures are after allowing for revised growth in the rating base of 0.8%.

Funding Impact Statement

As per Local Government (Financial Reporting and Prudence) Regulations 2014

FUNDING IMPACT STATEMENT

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

COUNCIL	2016/17	2017/18	2017/18
	Annual Plan (\$000)	Year 3 LTP (\$000)	Annual Plan (\$000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties	180	201	200
Targeted rates	26,785	27,891	27,632
Subsidies and grants (for operating)	2,299	2,323	2,444
Fees & charges	6,729	6,970	7,191
Interest & dividends	736	856	774
Other receipts (incl petrol tax & fines)	66	274	290
Total operating funding (A)	36,795	38,515	38,531
Applications of Operating Funding			
Payments to staff and suppliers	25,837	25,636	27,234
Finance costs	2,852	3,598	2,879
Other operating funding applications	-	-	-
Total applications of operating funding (B)	28,688	29,234	30,113
Surplus/(Deficit) of operating funding (A-B)	8,106	9,281	8,418
Sources of Capital Funding			
Subsidies & grants for capital expenditure	2,126	2,111	2,546
Development & financial contributions	364	525	549
Increase/(decrease) in debt	5,152	4,329	6,112
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	204	-	204
Total sources of capital funding (C)	7,846	6,965	9,411
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	180
- to improve level of service	4,269	5,071	9,106
- to replace existing assets	13,495	9,980	11,499
Increase/(decrease) in reserves	(2,186)	917	(3,345)
Increase/(decrease) in investments	373	278	388
Total application of capital funding (D)	15,951	16,245	17,829
Surplus / (deficit) of capital funding (C-D)	(8,106)	(9,281)	(8,418)
Funding balance (A-B)+(C-D)	0	0	0

	2016/17	2017/18	2017/18
FUNDING IMPACT STATEMENT	Annual Plan	Year 3 LTP	Annual Plan
Reconciliation	(\$000)	(\$000)	(\$000)
- between FIS & Financial Statements			
Operating Funding (revenue) - per FIS	36,795	38,515	38,531
Capital Funding (revenue)- per FIS	2,694	2,636	3,299
	<u>39,488</u>	<u>41,151</u>	<u>41,830</u>
Expense	39,521	41,197	41,867
Less Other Gains/(losses)- Profit on Sale of Assets	32	46	37
	<u>39,488</u>	<u>41,151</u>	<u>41,830</u>
Operating Expenditure - per FIS	28,688	29,234	30,113
Add depreciation	10,936	11,800	11,407
	<u>39,625</u>	<u>41,034</u>	<u>41,520</u>
& Expense	<u>39,625</u>	<u>41,034</u>	<u>41,520</u>
Capital Expenditure - per FIS	17,764	15,050	20,786
Capital Expenditure - per Cost of Service Statements	<u>17,764</u>	<u>15,050</u>	<u>20,786</u>
Transfer to/(from) Reserves - per COSS	(7,113)	(4,218)	(8,500)
Depreciation transferred to reserves - per COSS	4,927	5,135	5,155
Proceeds from sale of assets - Tsf to reserves	-	-	-
	<u>(2,186)</u>	<u>917</u>	<u>(3,345)</u>
Increase/(Decrease) in Reserves - per FIS	<u>(2,186)</u>	<u>917</u>	<u>(3,345)</u>

FUNDING IMPACT STATEMENT

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

ROADING

Sources of Operating Funding

	2016/17 Annual Plan (\$000)	2017/18 Year 3 LTP (\$000)	2017/18 Annual Plan (\$000)
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	5,588	5,843	5,857
Subsidies and grants (for operating)	2,149	2,163	2,268
Fees & charges	90	92	85
Internal charges & overheads recovered	-	-	-
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	175	174	185
Total operating funding (A)	8,003	8,273	8,394

Applications of Operating Funding

Payments to staff and suppliers	4,495.58	4,630.89	4,772
Finance costs	27	41	27
Internal charges and overheads applied	954	1,011	1,039
Other operating funding applications	-	-	-
Total applications of operating funding (B)	5,477	5,683	5,839

Surplus/(Deficit) of operating funding (A-B)

2,526 **2,590** **2,555**

Sources of Capital Funding

Subsidies & grants for capital expenditure	2,126	2,111	2,546
Development & financial contributions	45	77	80
Increase /(decrease) in debt	390	153	(35)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	2,560	2,341	2,590

Application of Capital Funding

Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	1,325	1,631	2,004
- to replace existing assets	3,524	3,474	3,616
Increase/(decrease) in reserves	237	(174)	(474)
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	5,086	4,931	5,146
Surplus / (deficit) of capital funding (C-D)	(2,526)	(2,590)	(2,555)

Funding balance (A-B)+(C-D)

0 0 0

FUNDING IMPACT STATEMENT

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

WATER SERVICES

Sources of Operating Funding

	2016/17 Annual Plan (\$000)	2017/18 Year 3 LTP (\$000)	2017/18 Annual Plan (\$000)
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	3,043	3,377	3,089
Subsidies and grants (for operating)	-	-	-
Fees & charges	328	325	371
Internal charges & overheads recovered	82	83	134
Interest & dividends	9	11	10
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	3,462	3,795	3,604

Applications of Operating Funding

Payments to staff and suppliers	1,401	1,521.98	1,418
Finance costs	141	365	138
Internal charges and overheads applied	546	582	661
Other operating funding applications	-	-	-
Total applications of operating funding (B)	2,088	2,469	2,217

Surplus/(Deficit) of operating funding (A-B)

1,374 **1,326** **1,387**

Sources of Capital Funding

Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	7	4	7
Increase/(decrease) in debt	2,031	2,156	1,732
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	2,038	2,161	1,739

Application of Capital Funding

Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	10	6	79
- to replace existing assets	3,285	3,238	2,761
Increase/(decrease) in reserves	117	242	287
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	3,412	3,487	3,126
Surplus / (deficit) of capital funding (C-D)	(1,374)	(1,326)	(1,387)

Funding balance (A-B)+(C-D) 0 0 0

FUNDING IMPACT STATEMENT

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

SEWERAGE SERVICES

Sources of Operating Funding

	2016/17 Annual Plan (\$000)	2017/18 Year 3 LTP (\$000)	2017/18 Annual Plan (\$000)
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	6,483	7,157	6,740
Subsidies and grants (for operating)	-	-	-
Fees & charges	436	522	398
Internal charges & overheads recovered	5	5	8
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	6,924	7,684	7,147

Applications of Operating Funding

Payments to staff and suppliers	1,259	1,339.11	1,222
Finance costs	2,443	2,817	2,295
Internal charges and overheads applied	974	1,111	1,269
Other operating funding applications	-	-	-
Total applications of operating funding (B)	4,676	5,267	4,785

Surplus/(Deficit) of operating funding (A-B)

2,249 **2,417** **2,361**

Sources of Capital Funding

Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	97	122	100
Increase /(decrease) in debt	311	(1,199)	(964)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	408	(1,077)	(864)

Application of Capital Funding

Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	75	-	-
- to replace existing assets	2,752	1,432	1,599
Increase/(decrease) in reserves	(171)	(93)	(102)
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	2,656	1,339	1,497

Surplus / (deficit) of capital funding (C-D)

(2,249) (2,417) (2,361)

Funding balance (A-B)+(C-D)

0 0 0

FUNDING IMPACT STATEMENT

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

STORMWATER SERVICES

Sources of Operating Funding

	2016/17 Annual Plan (\$000)	2017/18 Year 3 LTP (\$000)	2017/18 Annual Plan (\$000)
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	518	626	500
Subsidies and grants (for operating)	-	-	-
Fees & charges	-	-	-
Internal charges & overheads recovered	-	-	-
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	518	626	500

Applications of Operating Funding

Payments to staff and suppliers	180	251	138
Finance costs	43	41	36
Internal charges and overheads applied	156	176	169
Other operating funding applications	-	-	-
Total applications of operating funding (B)	379	468	343

Surplus/(Deficit) of operating funding (A-B)

138	158	157
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Sources of Capital Funding

Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase/(decrease) in debt	(141)	384	(151)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(141)	384	(151)

Application of Capital Funding

Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	-	-	-
- to replace existing assets	150	748	200
Increase/(decrease) in reserves	(153)	(207)	(194)
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	(3)	542	6

Surplus / (deficit) of capital funding (C-D)

(138)	(158)	(157)
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Funding balance (A-B)+(C-D)	0	0	0
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FUNDING IMPACT STATEMENT

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

SOLID WASTE SERVICES

Sources of Operating Funding

	2016/17 Annual Plan (\$000)	2017/18 Year 3 LTP (\$000)	2017/18 Annual Plan (\$000)
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	931	1,059	1,005
Subsidies and grants (for operating)	85	79	95
Fees & charges	2,552	2,577	2,804
Internal charges & overheads recovered	185	213	199
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	3,753	3,928	4,104

* Disclosure of the General and Targeted Rates from the 2014/15 Annual Plan is restated to align with definitions with
check - 0.45 0.00

Applications of Operating Funding

Payments to staff and suppliers	3,137	3,190	3,331
Finance costs	75	95	69
Internal charges and overheads applied	487	555	607
Other operating funding applications	-	-	-
Total applications of operating funding (B)	3,699	3,840	4,006

Surplus/(Deficit) of operating funding (A-B)

54 87 97

Sources of Capital Funding

Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase/(decrease) in debt	109	(101)	103
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	109	(101)	103

Application of Capital Funding

Capital expenditure:

- to meet additional demand	-	-	-
- to improve level of service	250	252	440
- to replace existing assets	335	210	200
Increase/(decrease) in reserves	(422)	(477)	(439)
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	163	(14)	201

Surplus / (deficit) of capital funding (C-D)

(54) (87) (97)

Funding balance (A-B)+(C-D) 0 0 0

FUNDING IMPACT STATEMENT

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

	2016/17	2017/18	2017/18
	Annual Plan (\$000)	Year 3 LTP (\$000)	Annual Plan (\$000)
COMMUNITY FACILITIES / ACTIVITIES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	8,573	8,226	8,947
Subsidies and grants (for operating)	57	73	82
Fees & charges	1,412	1,654	1,732
Internal charges & overheads recovered	289	308	452
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	10,332	10,261	11,213
Applications of Operating Funding			
Payments to staff and suppliers	7,696	6,980	7,496
Finance costs	122	239	314
Internal charges and overheads applied	1,584	1,435	2,477
Other operating funding applications	-	-	-
Total applications of operating funding (B)	9,402	8,654	10,287
Surplus/(Deficit) of operating funding (A-B)	930	1,607	926
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase /(decrease) in debt	2,080	2,658	5,040
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	204	-	204
Total sources of capital funding (C)	2,284	2,658	5,244
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	180
- to improve level of service	2,541	3,180	6,496
- to replace existing assets	3,029	685	2,906
Increase/(decrease) in reserves	(2,358)	400	(3,413)
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	3,213	4,265	6,169
Surplus / (deficit) of capital funding (C-D)	(930)	(1,607)	(926)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

	2016/17	2017/18	2017/18
	Annual Plan	Year 3 LTP	Annual Plan
	(\$000)	(\$000)	(\$000)
REGULATORY SERVICES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	1,773	1,822	1,618
Subsidies and grants (for operating)	-	-	-
Fees & charges	1,400	1,479	1,529
Internal charges & overheads recovered	442	486	422
Interest & dividends	2	2	2
Other receipts (incl petrol tax & fines)	95	100	105
Total operating funding (A)	3,712	3,888	3,676
Applications of Operating Funding			
Payments to staff and suppliers	2,468	2,620	2,504
Finance costs	-	-	-
Internal charges and overheads applied	1,076	1,054	1,013
Other operating funding applications	-	-	-
Total applications of operating funding (B)	3,544	3,674	3,518
		check	-
Surplus/(Deficit) of operating funding (A-B)	167	214	158
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	215	322	362
Increase/(decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	215	322	362
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	3	-	53
- to replace existing assets	209	98	129
Increase/(decrease) in reserves	171	437	338
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	382	536	520
Surplus / (deficit) of capital funding (C-D)	(167)	(214)	(158)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

GOVERNANCE

Sources of Operating Funding

General rates, uniform charges, rates penalties

Targeted rates

Subsidies and grants (for operating)

Fees & charges

Internal charges & overheads recovered

Interest & dividends

Other receipts (incl petrol tax & fines)

Total operating funding (A)

Applications of Operating Funding

Payments to staff and suppliers

Finance costs

Internal charges and overheads applied

Other operating funding applications

Other dedicated capital funding

Total applications of operating funding (B)

Surplus/(Deficit) of operating funding (A-B)

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

Increase/(decrease) in investments

Total application of capital funding (D)

Surplus / (deficit) of capital funding (C-D)

Funding balance (A-B)+(C-D)

	2016/17 Annual Plan (\$000)	2017/18 Year 3 LTP (\$000)	2017/18 Annual Plan (\$000)
Total operating funding (A)	1,022	950	1,057
Total applications of operating funding (B)	1,041	931	1,031
Surplus/(Deficit) of operating funding (A-B)	(18)	19	26
Total sources of capital funding (C)	-	-	-
Total application of capital funding (D)	(18)	19	26
Surplus / (deficit) of capital funding (C-D)	18	(19)	(26)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

INTERNAL FUNCTIONS

Sources of Operating Funding

	2016/17 Annual Plan (\$000)	2017/18 Year 3 LTP (\$000)	2017/18 Annual Plan (\$000)
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	-	-	-
Subsidies and grants (for operating)	8	8	-
Fees & charges	267	258	271
Internal charges & overheads recovered	5,104	4,912	6,092
Interest & dividends	725	843	762
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	6,103	6,021	7,125

check

Applications of Operating Funding

Payments to staff and suppliers	4,931	4,751.04	5,528
Finance costs	-	-	-
Internal charges and overheads applied	485	407	846
Other operating funding applications	-	-	-
Total applications of operating funding (B)	5,416	5,158	6,375

check

Surplus/(Deficit) of operating funding (A-B)

687 **863** **751**

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	65	-	35
- to replace existing assets	211	94	89
Increase/(decrease) in reserves	411	769	627
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	687	863	751

Surplus / (deficit) of capital funding (C-D)

(687) **(863)** **(751)**

Funding balance (A-B)+(C-D)

0 **0** **0**

Revenue and Financing Policy

Summary Statement

The Revenue and Financing Policy is included in the 2015-25 Long-Term Plan (Volume 2). The policy, as applied to the 2017-18 Annual Plan, is shown in the following statements and tables.

Council's Revenue and 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 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	3,890	Rural	3,730
Urban	8,410	Urban	9,036
	-----		-----
	12,300		12,766

Rateable Valuations (effective Sept 2014)

Land value –	Rural	\$ 1,524 million	Urban	\$ 948 million	Total	\$ 2,472 million
Capital value –	Rural	\$ 2,385 million	Urban	\$ 2,235 million	Total	\$ 4,710 million

REVENUE & FINANCING POLICY - Allocation Table

The table below is a summary of how the 2017/18 Rates Requirement is allocated based on the Revenue & Financing Policy.

Allocations		2017/18 Allocation		Index		Notes	
Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural
80.0%	20.0%	\$ 581,840	\$ 145,460	CV	Representation & Development	\$ 581,840	\$ 145,460
77.8%	22.2%	\$ 825,741	\$ 235,623	CV	Community Development	\$ 825,741	\$ 235,623
77.8%	22.2%	\$ 386,225	\$ 110,208	CV	Arts & Culture	\$ 386,225	\$ 110,208
77.8%	22.2%	\$ 703,218	\$ 200,661	CV	Economic Development & Promotion	\$ 703,218	\$ 200,661
77.8%	22.2%	\$ 2,086,304	\$ 595,321	CV	Park, Reserves & Sportsfields	\$ 2,086,304	\$ 595,321
77.8%	22.2%	\$ 831,313	\$ 237,213	C	Recreation Centre	\$ 831,313	\$ 237,213
77.8%	22.2%	\$ 64,676	\$ 18,455	C	Cemeteries	\$ 64,676	\$ 18,455
77.8%	22.2%	\$ 407,602	\$ 116,308	CV	District Buildings	\$ 407,602	\$ 116,308
77.8%	22.2%	\$ 250,697	\$ 71,536	CV	Other Property	\$ 250,697	\$ 71,536
77.8%	22.2%	\$ 267,832	\$ 76,425	CV	Public Conveniences	\$ 267,832	\$ 76,425
5.0%	95.0%	\$ 6,212	\$ 118,032	CV	Rural Halls	\$ 6,212	\$ 118,032
77.8%	22.2%	\$ 25,703	\$ 7,334	CV	Housing for elderly	\$ 25,703	\$ 7,334
77.8%	22.2%	\$ 1,377,598	\$ 393,093	C	Library	\$ 1,377,598	\$ 393,093
77.8%	22.2%	\$ 298,285	\$ 85,115	C	Archive	\$ 298,285	\$ 85,115
77.8%	22.2%	\$ 151,631	\$ 43,268	CV	Airport	\$ 151,631	\$ 43,268
77.8%	22.2%	\$ 669,552	\$ 191,055	CV	Resource Mgmt & Planning	\$ 669,552	\$ 191,055
77.8%	22.2%	\$ 642,531	\$ 183,344	CV	Regulatory Services	\$ 642,531	\$ 183,344
0.0%	100.0%	\$ -	\$ -	CV	Rural Fire	\$ -	\$ -
77.8%	22.2%	\$ 33,354	\$ 9,518	C	Dog Control	\$ 33,354	\$ 9,518
77.8%	22.2%	\$ 164,669	\$ 46,988	CV	Civil Defence	\$ 164,669	\$ 46,988
100.0%	0.0%	\$ 3,435,779	\$ -	C/CV	Water supply - urban	\$ 3,435,779	\$ -
0.0%	100.0%	\$ -	\$ 52,455	LV	Opaki water race	\$ -	\$ 52,455
0.0%	100.0%	\$ -	\$ 12,181	C	Tinui water supply	\$ -	\$ 12,181
0.0%	100.0%	\$ -	\$ 45,595	CV	Other rural services	\$ -	\$ 45,595
100.0%	0.0%	\$ 7,386,856	\$ -	C/CV	Sewerage system - urban	\$ 7,386,856	\$ -
100.0%	0.0%	\$ 573,700	\$ -	CV	Stormwater - urban	\$ 573,700	\$ -
0.0%	100.0%	\$ -	\$ 69,944	C	Rural Sewerage - Castlepoint	\$ -	\$ 69,944
0.0%	100.0%	\$ -	\$ 263,432	C	Rural Sewerage - Riversdale	\$ -	\$ 263,432
0.0%	100.0%	\$ -	\$ 14,064	C	Tinui sewerage - operating	\$ -	\$ 14,064
100.0%	0.0%	\$ 475,055	\$ -	C	Kerbside recycling collection	\$ 475,055	\$ -
77.8%	22.2%	\$ 329,137	\$ 93,918	CV	Solid waste (incl recycling)	\$ 329,137	\$ 93,918
10.0%	90.0%	\$ 25,495	\$ 229,457	CV	Rural Solid Waste	\$ 25,495	\$ 229,457
29.0%	71.0%	\$ 1,489,134	\$ 3,645,811	LV/C	Roading - Subsidised programme	\$ 1,489,134	\$ 3,645,811
100.0%	0.0%	\$ 1,345,462	\$ -	LV	Roading - Non Subsidised urban	\$ 1,345,462	\$ -
0.0%	100.0%	\$ -	\$ 241,933	LV/C	Roading - Non Subsidised rural	\$ -	\$ 241,933
Total		\$ 24,966,883	\$ 7,591,208	2017/18 Total		\$ 24,966,883	\$ 7,591,208
Notes		Prior Year - 2016/17 Annual Plan		2017/18 Total		2017/18 Total	
		\$ 24,078,780		\$ 7,521,736		\$ 31,600,516	
				Rural sewerage & water race charges		\$(9,861)	
				Other increases		\$ 79,332	
				Net Increase (before growth)		\$ 69,472	
		Estimated effect of growth in rating base		Estimated effect of growth in rating base		\$ 38,075	
		% Change (after growth)		% Change (after growth)		2.3%	

- The above rates include GST at 15% and allowance for rates penalty income and rates remissions.
- Specific rural water & sewer schemes rates are applied only to those properties serviced by the schemes.
- Land and capital value rates in the Urban Rating Area are subject to the differential described in the funding p
- Urban/Rural population split is 77.8/22.2 (as per StatsNZ census 2013).
- Rural halls charge of 95% to rural area, to charge ward where largest portion of benefit arises.
- Subsidised roading urban/rural split is based on expected spend in each ward.
- 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 have been determined on adoption of this Annual Plan.
- 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 the 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 2017/18 total \$32.65 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 3 of the Long Term Plan. In addition to operating expenditure, the Council has a capital works programme of \$20.8 million (excluding GST) scheduled for 2017/18.
- 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 the 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

Rating Funding Impact Statement - Rates Revenue by Rate Type

\$000's

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

		2017/18 Annual Plan			2017/18 LTP Year 3		
		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	2,078	2,366	4,444	2,239	2,329	4,568
Representation & Development Rate	CV rate	2,171	602	2,773	1,824	504	2,328
Regulatory Services Rate	CV rate	1,284	366	1,650	1,222	349	1,570
Sundry Facilities & Services Rate	CV rate	1,731	532	2,263	1,659	451	2,110
Targeted Uniform Charge	Chrg	2,227	1,307	3,534 *	2,313	1,300	3,613 *
Targeted Rooding Charge	Chrg	387	1,015	1,402 *	257	998	1,255 *
		9,878	6,188	16,065	9,513	5,931	15,444
Targeted Rates							
Recycling Collection Charge	Chrg	418	-	418 *	422	-	422 *
Civic Amenities Rate	CV rate	2,002	-	2,002	1,917	-	1,917
Rural Fire Rate	CV rate	-	-	-	-	288	288
Urban Water Supply Rate	CV rate	1,787	-	1,787	1,957	-	1,957
Urban Water Supply Charge	Chrg	1,201	-	1,201	1,306	-	1,306
Urban Sewerage Rate	CV rate	3,834	-	3,834	4,059	-	4,059
Urban Sewerage Charge	Chrg	2,564	-	2,564	2,723	-	2,723
Beach Collections Charge	Chrg	-	64	64	-	65	65
Rural water & sewerage scheme rates**	Chrg	23	286	308	30	283	313
		11,829	350	12,178	12,413	636	13,050
Total Rates**		21,706	6,538	28,244	21,927	6,567	28,494
Percentage Change (after growth)		2.8%	0.6%	2.3%	3.6%	2.1%	3.3%

* Charges (per sec 21(2)(b)) as % of Total Rates not to exceed 30% 19.0%

18.6%

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

Riversdale Beach sewerage capital contributions	67	67	86	86
Tinui sewerage capital contributions	5	5	5	5



RATING FUNDING IMPACT STATEMENT SUMMARY - ANNUAL PLAN 2017/18

Estimated District Values	U1	U2	Total Urban	Total Rural	Total District
Differential	1	2.0		-	
District Land Value	793,400,000	156,600,000	950,000,000	1,523,100,000	2,473,100,000
District Capital Value	1,944,500,000	389,000,000	2,333,500,000	2,396,300,000	4,729,800,000
Targeted Uniform Charges (no.)	8,370	710	9,080	3,740	12,820
Water Charges (no.)	8,420	665	9,085	-	9,085
Sewerage Charges (no.)	8,239	695	8,934		8,934
Recycling Charges (no.)	8,257	655	8,912		8,912

Note: the valuation figures and numbers of charges listed above are an estimate of the values and numbers as at 30 June 2017.

				All Rates INCLUDING GST at 15%		
	Rating Requirement			Uniform Charges and Rates in \$		
	Urban	Rural	Total	U1	U2	Rural
Targeted Charges	\$ 24,966,883	\$ 7,591,208	\$ 32,558,091			
Uniform Charge	2,560,712	1,500,485	4,061,197	282.00	282.00	402.00
Roading Charge	444,920	1,166,880	1,611,800	49.00	49.00	312.00
Recycling Collection Charge	481,248	-	481,248	54.00	54.00	-
sub total	3,486,880	2,667,365	6,154,245			
	<i>14.0%</i>	<i>35.1%</i>	<i>18.9%</i>			
Water Charge	1,380,920	-	1,380,920	152.00	152.00	-
Sewerage Charge	2,948,220	-	2,948,220	330.00	330.00	-
sub total	4,329,140	-	4,329,140	867.00	867.00	714.00
	<i>17.3%</i>		<i>32.7%</i>			
Land Value Rates						
Roading Rate	2,389,676	2,720,864	5,110,540	0.002159	0.004318	0.001786
	2,389,676	2,720,864	5,110,540	0.002159	0.004318	0.001786
	<i>9.6%</i>	<i>35.8%</i>	<i>15.9%</i>			
Capital Value Rates						
Representation & Development Rate	2,497,025	691,952	3,188,977	0.000917	0.001834	0.000289
Regulatory Services Rate	1,476,752	421,387	1,898,139	0.000542	0.001084	0.000176
Sundry Facilities Rate	1,991,303	611,457	2,602,761	0.000731	0.001462	0.000255
Civic Amenities Rate	2,302,611	-	2,302,611	0.000846	0.001692	-
Rural Fire Rate	-	-	-	-	-	-
Water Rate	2,054,859	-	2,054,859	0.000720	0.001440	-
Sewerage Rate	4,408,821	-	4,408,821	0.001539	0.003078	-
sub total	14,731,372	1,724,797	16,456,169	0.005296	0.010592	0.000720
	<i>59.0%</i>	<i>22.7%</i>	<i>51.3%</i>			
	24,937,068	7,113,025	32,050,094			
Other Targeted Rates						
Beach refuse & recycling collections	Targeted Chrg	73,440		\$ 160.00	Beach collections	
Opaki water race	Targeted LV rate	52,455			per \$LV of serviced properties	
					0.001913	
Tinui water supply	Targeted Chrg	12,181		406.00	per connection	
Castlepoint sewerage	Targeted Chrg	69,944		361.00	per connection	
*RBCSS - connected charge	Targeted Chrg	177,203		492.00	per property using the system	
RBCSS - service available	Targeted Chrg	8,989		101.00	per servicable, but not connected property	
RBCSS - Capital TP Yr 7 of 20	Targeted Chrg	77,240	time payments	1,643.40	47	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	7,896	operating	395.00	per connection	
Sewerage tmt charge (liquid only)		29,815		445.00	per equivalent connection	
Total Rates	\$ 24,966,883	\$ 7,598,542	\$ 32,565,425	All rates incl GST at 15%		

TP = time payment,

*RBCSS = Riversdale Beach Community Sewerage Scheme

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 and 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 and Financing Policy allocation table, and charged on a differential basis will be as follows:

Roading Rate

Roading Rate – estimated per dollar of Land Value for 2017/18 will be:

U1 (0.002159 per dollar of land value) raising	\$1,713,000
U2 (0.004318 per dollar of land value) raising	\$ 676,000
R1 (0.001786 per dollar of land value) raising	<u>\$2,721,000</u>
Total	\$5,110,000

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

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

Representation and Development Rate

Representation & Development Rate – estimated per dollar of Capital Value for 2017/18 will be:

U1	(0.000917 per dollar of capital value) raising	\$1,784,000
U2	(0.001834 per dollar of capital value) raising	\$ 713,000
R1	(0.000289 per dollar of capital value) raising	<u>\$ 692,000</u>
Total		\$3,189,000

The Representation and Development rate will be used to provide the following services:

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

Regulatory Services Rate

Regulatory Services Rate – estimated per dollar of Capital Value for 2017/18 will be:

U1	(0.000542 per dollar of capital value) raising	\$1,055,000
U2	(0.001084 per dollar of capital value) raising	\$ 422,000
R1	(0.000176 per dollar of capital value) raising	<u>\$ 421,000</u>
Total		\$1,898,000

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 and Emergency Management

Sundry Facilities and Services Rate

Sundry Facilities & Services Rate – estimated per dollar of Capital Value for 2017/18 will be:

U1	(0.000731 per dollar of capital value) raising	\$1,421,000
U2	(0.001462 per dollar of capital value) raising	\$ 569,000
R1	(0.000255 per dollar of capital value) raising	<u>\$ 611,000</u>
Total		\$2,601,000

The Sundry Facilities and 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)
- District Building (including the Town Hall)
- Airport
- Other property costs and other rural services (e.g. water supply testing)
- Public conveniences
- Mawley Park
- Rural Halls

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 and Financing Policy.

The estimated Targeted Annual Charges for 2017-18 will be:

U1 & U2	\$282.00 per part of the rating unit raising	\$2,560,000
R1	\$402.00 per part of the rating unit raising	<u>\$1,500,000</u>
	Total	\$4,060,000

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

- Library and Archive
- Sportsfields (rural ward only)
- Forestry
- Dog Control
- Rural refuse and Transfer Stations (excluding beach collections rate)
- Recreation Centre
- Parks and Reserves (rural ward only)
- Cemeteries (rural ward only)
- 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 roading charge for 2017/18 will be:

U1 & U2	\$ 49.00 per part of rating unit raising	\$ 445,000
R1	\$312.00 per part of rating unit raising	<u>\$1,167,000</u>
	Total	\$1,612,000

The Rooding charge will be used to fund a portion of the roading costs allocated to each wards as per the Revenue and 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

Civic Amenities Rate – estimated per dollar of Capital Value for 2017/18 will be:

U1 (0.000846 per dollar of capital value) raising	\$1,645,000
U2 (0.001692 per dollar of capital value) raising	<u>\$ 658,000</u>
Total	\$ 2,332,000

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

- Parks and Reserves
- Cemeteries
- Sports Fields
- Airport

Services Differentials

The 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 the 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 the 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 the 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. This RE unit 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

These are Targeted Rates using a Uniform Basis and a Capital Value Rate, differentiated as per the service differentials described on the previous page.

The 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 in clause 7).

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 2017/18 are:

Water Supply Charge

Connected \$152.00 raising \$1,381,000

Water Supply Rate charged on connected and serviceable - estimated per dollar of capital value for 2017/18 will be:

U1+R1 (0.000720 per dollar of capital value) raising	\$1,429,000
U2 (0.001440 per dollar of capital value) raising	<u>\$ 626,000</u>
Total	\$2,055,000

Raising a total of \$3,436,000

Metered Water Supply on metered properties

The 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 will also apply to serviced properties in the Waingawa area of the Carterton District.

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

The proposed metered water rates for 2017/18 are as follows:

Minimum charge per quarter of \$41.00 for 50 cu mtrs per qtr 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

These are Targeted Rates using a Uniform Basis and a Capital Value Rate, differentiated as per the service differentials described on the previous page.

The 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 in clause 7).

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 2017-18 are listed in the sections below.

Sewerage Charge

Connected \$330.00 raising \$2,948,000

Sewerage Rate charged on connected and serviceable rating units - estimated per dollar of capital value for 2017-18 will be:

U1 & R1	(0.001539 per dollar of capital value) raising	\$3,074,000
U2	(0.003078 per dollar of capital value) raising	<u>\$1,335,000</u>
	Total	\$4,409,000
		Raising a total of \$7,357,000

Recycling Collection Charge

The 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 2017-18 is proposed as:

Uniform Charge \$54.00

Raising \$481,000

Rural Targeted Services Rates and Charges

Castlepoint and Riversdale Beach Refuse and Recycling Collection - The Council proposes to set a targeted rate for Beach Refuse and Recycling Collection services on the basis of a fixed charge per rating unit at Castlepoint and Riversdale Beach to which the services are available. The uniform charge per property for 2017-18 is: \$160.00 raising a total of \$73,000.

Opaki Water Race - The 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 2017/18 is \$0.001913 raising a total of \$52,000.

Tinui Water Supply - 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 2017/18 is: \$406.00 raising a total of \$12,000.

Castlepoint Sewerage Scheme - The 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 2017/18 is: \$361.00

Raising a total of \$70,000

Riversdale Beach Sewerage Scheme - The Council proposes to set two targeted rates for the operation of the Riversdale Beach 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 (ie 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 2017-18 will be:

\$492.00 raising a total of approximately \$172,000

Serviceable - a uniform charge per serviceable rating unit for 2017-18 will be:

\$101.00 raising a total of approximately \$9,000

Capital Contributions - as per the Amendment to the LTP for 2009-19 and the Capital Project Funding Plan for the Riversdale Beach Sewerage Scheme, 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:

Time Payment Year 8 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 47 REs, raising a total of \$77,000)

Tinui Sewerage Scheme - The Council proposes to set three targeted rates for the Tinui Sewerage Scheme for the 2017-18 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 2017/18 is: \$395.00 raising a total of approximately \$7,900.

The Part Capital Contribution Stage I (1 property) for 2017/18 is: \$212.50

(raising \$212.50)

The Part Capital Contribution Stage I & II (8 properties) for 2017/18 is: \$744.50

(raising \$5,956.00)

The 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 - assumed to be 600 ltrs/day). Properties assessed as having multiple residential equivalents will be charged multiple charges based on assessed volume of discharge (including Rathkeale College, assessed at 50 REs).

The uniform charge per RE for 2017/18 is: \$445.00 raising a total of \$30,000.

Out-of-District Water and Sewerage Charges

The 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 \$0.001440 plus \$152.00 fixed uniform charge on all connected rating units.

Sewerage – estimated per dollar of Capital Value will be \$0.003078 plus \$330.00 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 2017
2 nd instalment	1 st November 2017
3 rd instalment	1 st February 2018
4 th instalment	1 st May 2018

Penalty Charges

Penalties will be charged as follows:

10% charged on the balance of arrears unpaid as at 1 st July 2017	
10% charged on the balance of the first instalment of rates remaining unpaid after:	21 st August 2017, applied 22 nd August 2017
10% charged on the balance of the second instalment of rates remaining unpaid after:	20 th November 2017, applied 21 st November 2017
10% charged on the balance of the third instalment of rates remaining unpaid after:	20 th February 2018, applied 21 st February 2018
10% charged on the balance of the fourth instalment of rates remaining unpaid after:	21 st May 2018, applied 22 nd May 2018.

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 2017-18 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 2017. The figure you calculate below will not include the Greater Wellington Regional Council (GWRC) rates.

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

Rural Property

Write your most recent Land Value: \$ _____ (a)

Write in your most recent Capital Value \$ _____ (b)

Charge	Rate	Applicable Charges
Land Value (LV) Rates	0.001786 x (a)	\$
Capital Value (CV) Rates	0.000720 x (b)	\$
Targeted Annual Charge (where applicable)	\$402.00	\$
Targeted Rooding Charge (where applicable)	\$312.00	\$
Beach Collections Charge (where applicable)	\$160.00	\$
Castlepoint Sewerage Charge (where applicable)	\$361.00	\$
Riversdale Sewerage Charge (where applicable)	\$492.00	\$
Tinui Sewerage Charge (where applicable)	\$395.00	\$
Sewerage Charge (Liquid Waste Only)	\$445.00	\$
TOTAL 2017/18 RATES (excluding GWRC rates)		\$

Urban (Residential) Property

Write your most recent Land Value: \$ _____ (a)

Write in your most recent Capital Value \$ _____ (b)

Charge	Rate	Applicable Charges
Land Value (LV) Rates	0.002159 x (a)	\$
Capital Value (CV) Rates	0.005295 x (b)	\$
Targeted Annual Charge	\$282.00	\$
Targeted Rooding Charge	\$49.00	\$
Recycling Collection Charge	\$54.00	\$
Water Supply Charge (where applicable)	\$152.00	\$
Sewerage Charge (where applicable)	\$330.00	\$
TOTAL 2017/18 RATES (excluding GWRC rates)		\$

Urban (Non-Residential) Property

Use the Urban (Residential) figures above, but double the LV and CV rates (i.e. LV x 2 x (a) and CV x 2 x (b)) and then add the charges where applicable.

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.

Resource Consent Fees – GST Inclusive (unless stated)

LAND USE OR SUBDIVISION CONSENTS		
Activity	Fee	
	2016/17	2017/18
Controlled	\$408.00	\$408.00
Restricted Discretionary – Non Notified	\$408.00	\$408.00
Restricted Discretionary – Limited Notified	\$714.00	\$714.00
Discretionary	\$714.00	\$714.00
Non Complying	\$1,530.00	\$1,530.00
Heritage Items*	Free*	Free*
*Fees will be waived for additions and alterations to buildings listed at Appendix 1.7 (Heritage items) of the Wairarapa Combined District Plan, or located within a Historic Heritage Precinct (Appendix 1.8) of the District Plan. This waiving only applies where no other aspect of the proposal requires resource consent; e.g. a yard.		
RESOURCE MANAGEMENT		
All fees are a deposit only. Staff time will be charged at \$90.00 per hour.	Where the costs for processing an application exceed the fee deposit, the additional cost will be payable.	
Plan Change	\$5,100.00	\$5,100.00
Additional Charges	Fee	
Public Notification	\$714.00	\$714.00
Limited Notification	\$357.00	\$357.00
Pre Hearing	\$510.00	\$510.00
Hearing	\$1,020.00	\$1,020.00
Hourly Rate above Deposit	\$86.70	\$90.00
External Consultancy	Actual cost	Actual cost
Officer Consultation		\$90.00
Post Decision – Requested changes	\$346.80	\$346.80
Post Decision – Minor changes	\$150.00	\$150.00
CERTIFICATION		
	Fee	
S223 Certificate	\$255.00	\$255.00
S224 Certificate		\$255.00
S226 Certificate – Existing Use Rights	\$306.00	\$306.00
Certificate of Compliance <small>(Permitted activity pursuant to Resource Legislation Amendment Act 2017)</small>	\$306.00	\$306.00
Certification of Title searches	\$20.00	\$20.00
LAND INFORMATION MEMORANDUM		
	Fee	
LIM – Standard (10 days)	\$192.00	\$192.00
LIM – Urgent (5 days)	\$280.00	\$280.00

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	
		2016/17	2017/18
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, as detailed below:</p> <p>The process for remission or waiver of these charges is detailed in Section 23 of the Combined District Plan in accordance with the RMA.</p>			
Lansdowne (water capacity)		\$1,108.00 + GST per lot	\$1,108.00 + GST per lot
Water Cashmere specific		\$1,215.00 + GST per lot	\$1,215.00 + GST per lot
Stormwater Cashmere		\$220 + GST per lot	\$220 + GST per lot
Sewer Cashmere		\$612 + GST per lot	\$612 + GST per lot
Solway Crescent		\$591 + GST per lot	\$591 + GST per lot
Taranaki Street			\$252 + GST per lot
Upper Plain – water (trickle feed off urban supply)		\$3,058.00 plus connection costs (restriction	\$3,150.00 plus connection costs (restriction valve, backflow valve etc.)

		valve, backflow valve etc.)	
Other Rural – (metered) connection to Masterton urban water		\$2,185.00 plus connection costs (restriction valve, backflow valve etc.)	\$2,250.00 plus connection costs (restriction valve, backflow valve etc.)
Rural – connection to Masterton urban sewer		\$3,131.00	\$3,225.00
Airport – additional cost recovery for Hood Aerodrome water & sewer lines	Water – additional	\$3,366.00	\$3,467.00
	Sewer – additional	\$4,519.00	\$4,655.00
Tinui sewerage		\$9,037.00	\$9,308.00
Tinui water supply		\$3,243.00	\$3,340.00
Castlepoint sewerage		\$4,800.00	\$4,800.00
Taueru water supply		\$4,264.00	\$4,264.00
Riversdale Beach sewerage - original scheme area		\$23,415.00	\$24,585.00
Riversdale Beach sewerage - Riversdale Terraces		\$14,985.00	\$15,735.00

All of the above charges do not allow for: Installation costs, Inspection and administration fee, Back flow valves, meters etc.



Building Consent and PIM fees

Effective 1 July 2017 to the 30 June 2018. 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)	Building consent (BC) only fee excl PIM fee, BRANZ and DBH levy
Minor Work		
Solid fuel heater with insert	\$45.00	\$380.00
Solid fuel heater	\$45.00	\$350.00
Minor plumbing work e.g. fittings alteration, solar panel	\$45.00	\$380.00
Minor drainage work e.g. drain alteration	\$45.00	\$368.00
Drainage work	\$45.00	\$942.00
Wet area shower	\$45.00	\$467.00
Marquee >100 sqm >50 people (with inspection).	\$45.00	\$278.00
Sheds / Garages / Conservatories etc		
Swimming pools 1200 mm above ground & Spa pools	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	\$1,014.00
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 excl PIM fee, BRANZ and DBH 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
<i>(See Other Charges for bonds)</i>		
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	\$359.00	\$2,118.00 plus \$403.00/unit
Multi storey multi-unit apartments/motels	\$539.00	\$2,477.00 plus \$672.00/unit
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	\$431.40	\$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 \$1,000,000 value
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Note: Development levies may apply to commercial building consents. Check with Council.

Other Charges

GST Inclusive

Infrastructure Contributions may apply to connections or additional loads on council services. Check with Council's Planning office.

Connection fees may apply to new connections to Council services. Check with Council.

BRANZ Levy – \$1.00 per \$1,000 and DBH Levy – \$2.01 per \$1,000 of GST inclusive for work of \$20,000 or more

Administration per Building consent		\$25.00
Administration scanning of hard copy documentation for electronic processing of building consent no charge if provided electronically in council's required format		\$25.00
BCA Accreditation Fee (\$0.50 per \$1,000 of project value)		
Go Get Licence fee per consent		\$25.00
Structural Engineering or Fire Engineering Assessment/Peer review – Cost + 10%		
NZ Fire Service - Design Review Unit – Cost + 10%		
<i>The building consent fee does not include the cost of any structural or fire engineers assessment that may be required</i>		
Inspection/Re-inspection fee/Unscheduled inspection	<i>per inspection</i>	\$145.00
Certificate of Acceptance – Building consent fee for the applicable <i>per hour</i> building work payable with lodgement plus actual cost charges per hour (\$180.00) payable on issue of certificate.		Applicable building fee + \$180.00
Amendment to Building consent / Reassessment fee for additional processing time (amended plans) and fee for any extra inspections that may be required		Lodgement fee \$270.00 + \$180 per hour over and above first ½ hour
Compliance Schedule New and Amended fee		\$176.00
Annual BWOFF fee up to 2 systems (exclude passive systems)		\$75.00
Annual BWOFF fee 3 plus systems (exclude passive systems)		\$100.00
BWOFF Administration fee – can be charged in increments of 15min = \$45.00		\$180.00 per hour
Building Warrant of Fitness audit inspection fee / re-inspection – can be charged increments of 15min = \$45.00		\$180.00 per hour
Application for Certificate of Public Use (CPU) (<i>includes \$90.00 - ½ hour assessment</i>) <i>plus \$180.00 per hour over and above the first ½ hour plus additional inspections.</i>		\$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
Notice to Fix – Where no Building Consent has been issued		\$500.00
Notice to fix – If associated with a Building Consent		\$200.00
Infrastructure Protection Deposits (Vehicle Crossing Bonds) as below, or at Officer's discretion where there is risk to infrastructure. Assessed by Road assets		
All relocated dwellings (on to site or off site) or as set by Road assets – Vehicle Crossing Bond		<\$500.00 minimum
Photocopying	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
Scanned documents and emailed, or written to disc <i>per property</i>		\$20.00
Swimming Pool initial inspection		\$35.00
Swimming Pool Re inspection fee		\$145.00



Trade Waste Charges

These charges are split into three types: an application fee, an annual consent fee and fee based on flow and strength if discharges reach the trigger point as defined in Schedule 1 of the Council's Trade Waste Bylaw. All Trade Waste charges are additional to the sewerage rates paid.

GST Exclusive

Application Fees	2016/17	2017/18
Small discharges	\$180.00	\$180.00
Medium discharges	\$340.00	\$340.00
Large discharges	\$660.00	\$660.00
Trade Waste Consent Fees		
Small (controlled)	\$225.00	\$225.00
Small (conditional)	\$460.00	\$460.00
Medium (controlled)	\$768.00	\$768.00
Medium (conditional)	\$1,240.00	\$1,240.00
Large (controlled)	\$1,654.00	\$1,654.00
Large (conditional)	\$2,340.00	\$2,340.00
Large (users over Schedule 1 triggers) charged per flow strength and solids as follows:		
• Flow (per cubic m)	\$0.71	\$0.71
• Biological Oxygen Demand (BOD) (kg)	\$2.10	\$2.10
• Suspended Solids (SS) (kg)	\$2.16	\$2.16
Additional Inspections	\$100.00	\$100.00
Septage waste (to sewer) per tonne*	\$62.00	\$65.00

Transfer Station Charges – Nursery Road and Rural Sites (Riversdale and Castlepoint)

The following prices are proposed to apply from 1st July 2017.

NOTE: All refuse charges include the Waste Minimisation Levy of \$10/tonne (plus GST).

Domestic Prices

(including GST unless otherwise stated)

	2016/17	2016/17	2017/18	2017/18
	Green Waste to Composting	Refuse to Transfer Station	Green Waste to Composting	Refuse to Transfer Station
Official MDC Council Bags		Prepaid		Prepaid
Bags – any other bag (up to 30kg)	N/A	\$6.00	N/A	\$6.00
Car or station wagon (up to 100kg)	\$5.00	\$20.00	\$5.00	\$20.00
Van, utility, small trailer (up to 250kg)	\$11.00	\$48.00	\$11.00	\$49.00
Trailer (up to 500kg)	\$16.00	\$60.00	\$16.00	\$62.00
Truck or large trailer	\$55.00/tonne + GST	\$170.00/tonne + GST	\$55.00/tonne + GST	\$175.00/tonne + GST
Council bags – recommended retail price per bag		\$3.30		\$3.20

Commercial Prices

(excluding GST unless stated)

		2016/17	2017/18
General refuse	Per tonne	\$170.00	\$175.00
Construction/demolition refuse	Per tonne	\$170.00	\$175.00
Discount rate for bulk refuse – subject to special criteria	Per tonne	\$144.50	\$150.00
Compost – truck load	Per tonne	\$55.00	\$55.00
Tyres (more than 4)	Per tonne	\$500.00	\$510.00
Tyres – Car & 4WD only (incl GST)	Each	\$2.80	\$3.00
Tyres – Car & 4WD on rims (incl GST)	Each	\$3.80	\$4.00
Tyres – Truck (incl GST)	Each	\$6.00	\$6.20
Grease Trap & Special Waste (for burial)*	Per tonne	\$170.00	\$175.00
Sump Waste	Per tonne	\$47.50	\$48.50
Sawdust	Per tonne	\$170.00	\$175.00
Septic tank waste (to sewer) liquid	Per tonne	\$62.00	\$65.00
Cleanfill (weighed)	Per tonne	\$6.00	\$6.00
Recycling	Per tonne	No Charge	No Charge

*Subject to prior disposal arrangements with the Council

Rural Recycling and Transfer Station Facilities

(including GST unless otherwise stated)

	2016/17	2016/17	2017/18	2017/18
	Green Waste	Refuse	Green Waste	Refuse
Official MDC Council Bags	N/A	Prepaid	N/A	Prepaid
Bags – any other bag (up to 30kg)	N/A	\$6.00 per bag	N/A	\$6.00 per bag
Car or station wagon (up to 100kg)	\$5.00	\$20.00	\$5.00	\$20.00
Van, utility, small trailer (up to 250 kg)	\$12.00	\$48.00	\$12.00	\$48.00
Large Trailer or Small Truck (less than 3 tonne)	\$60.00	\$80.00	\$65.00	\$85.00

Large Truck (more than 3 tonne)	\$50.00/m ³	\$63.00/m ³	\$55.00/m ³	\$65.00/m ³
Coastal refuse & recycling collections – charge per serviced residential equivalent unit (via rates)		\$155.00		\$160.00

Housing for the Elderly

No GST

Weekly Rentals	Number and Style of Units	2016/17	2017/18
Panama Complex	25 Bedsitters	\$92.00	\$94.00
	15 One Bedrooms	\$98.00	\$100.00
	4 One Bedrooms - Double	\$104.00	\$106.00
Laurent Place	8 Bedsitters	\$88.00	\$90.00
	4 One Bedrooms	\$95.00	\$97.00
	6 One Bedrooms - Double	\$105.00	\$107.00
Bodmin Flats	8 Bedsitters	\$88.00	\$90.00
Truro Flats	4 One Bedrooms	\$95.00	\$97.00
	4 Garages	\$8.00	\$8.00

Public Housing

No GST

Weekly Rentals	Number and Style of Units	2016/17	2017/18
Truro Flats	4 One Bedrooms	\$132.00	\$134.00



Library Charges

GST Inclusive

Service	Rental Charge	Late Return
Hot Picks	\$2.00 – 3 week loan	\$1.00 per day
All other books	No charge for 3 week loan Two 3 week renewals available	\$0.20 per day
Premium magazines	\$1.50 – 1 week loan	\$0.40 per day
DVD's	\$3.00 – 1 week-issue collection \$5.00 – 2 week-issue collection	\$1.00 per day
DVD's (Junior and Young Adults)	\$2.00 – 1 week loan	\$0.40 per day
Replacement Card	\$3.00	
Inter loans	\$10.00 – per item	
Computer / Internet Access	<u>Free Use – 6 PC's</u> Access 30 minutes per day <u>Charged – 4 PC's</u> \$1.00 – 30 minutes \$2.00 – 1 hour	
Power Charge Laptops	Free use for 30 mins, then \$1.00 – per hour	
Photocopying and Printing	\$0.10 – A4 black \$1.00 – A4 colour \$0.20 – A3 black \$2.00 – A3 colour	
Fax – New Zealand	\$2.00 – first page \$1.00 – each additional page	
Fax – International	\$3.00 – first page \$1.00 – each additional page	
Scan and email	\$1.00 – first page \$0.50 – each additional page	
Laminating	\$1.50 – A4 \$3.00 – A3	



Environmental Health and Licensing

Activity	2016/17	2017/2018
Registration		
New Application for registration of food control plan based upon: <ul style="list-style-type: none"> a template issued by MPI or a new business subject to a national programme 	\$120	\$120.00 fixed fee includes up to 2 hr to process registration \$60.00 per hour for every additional hr
Application for registration/renewal or amendment of food control plan based upon: <ul style="list-style-type: none"> a template issued by MPI or a renewal or amendment of business subject to a national programme 	\$60	\$60.00 fixed fee includes up to 1 hr to process registration \$60.00 per hour for every additional hr
Application for proposed new registered licensed premises (offensive trade, camping ground, funeral director, hairdresser and beauty therapists, tattooists, skin piercers)	\$126.00	\$126.00
Annual registration Class 1 food premises, equivalent to schedule 1 Food Act 2014 (Food Hygiene Regulations 1974, Licensing year 1 April – 31 March)	\$270.00	\$270.00 Includes: checking prior history, travel time, actual on-site time, completing reports and recording system entries)
Annual registration Class 2 food premises, equivalent to schedule 2 Food Act 2014 (Food Hygiene Regulations 1974, Licensing year 1 April – 31 March)	\$200.00	\$200.00 Includes: checking prior history, travel time, actual on-site time, completing reports and recording system entries)
Annual registration 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/change of operator (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.	\$210	\$210.00 fixed fee (up to 3.5 hrs) \$60.00 For every additional hour
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.	\$270	\$270.00 fixed fee (up to 3.5 hrs) \$60.00 For every additional hour
<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 timeframe 	\$120	\$120.00 hourly rate for each compliance and monitoring activity (minimum ½ hour charge)
Premises Transitioning to Food Act 2014 Food businesses transitioning from the Food Hygiene Regulations 1974 to the Food Act 2014	N/A	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. Renewal of registration will be based on the annual anniversary date of registration under the Food Act 2014. Food businesses transitioning from the Food Hygiene Regulations 1974 to the Food Act 2014 will be able to transfer fees on an annual pro-rata basis to the Food Act registration. 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 – licence – per week	\$21.00 pw	\$21.00 pw
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
Resources		
Food Act 2014 Resources		Actual cost plus 10%





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