

MASTERTON DISTRICT COUNCIL ANNUAL PLAN 2022/23



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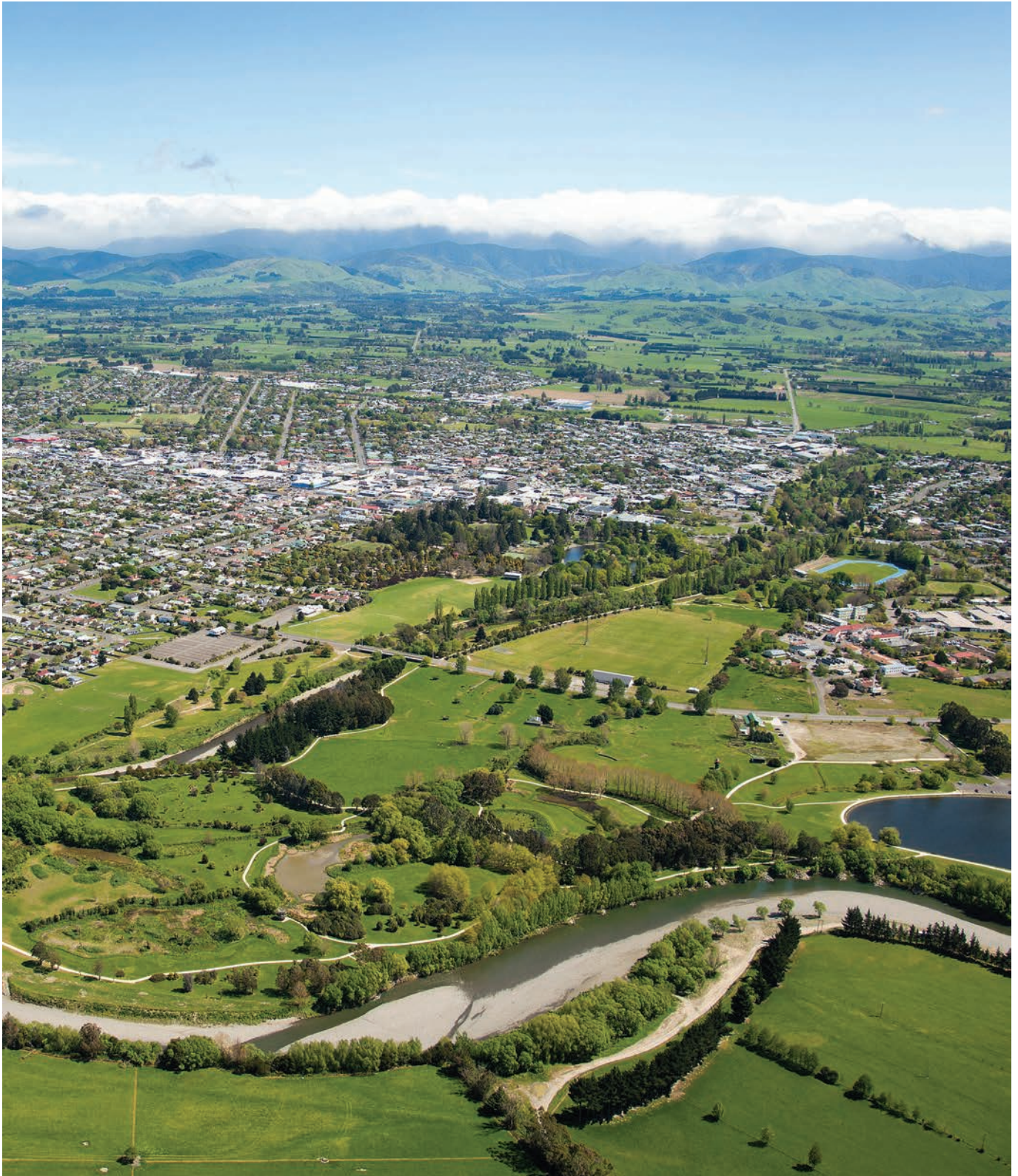
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OVERVIEW - HE TIROHANGA WHĀNUI



MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE - TE KARERE NĀ TE KOROMATUA ME TE TUMUAKI

E ngā iwi, e ngā mātāwaka o Whakaoriori, tēnā koutou katoa.

We would like to introduce Masterton District Council's Annual Plan that outlines our key projects and activities for the 2022/23 financial year and associated budget.

The 2022/23 Annual Plan has been developed during a period of ongoing global and national challenges related to the COVID-19 pandemic including economic conditions, inflation, labour market and housing challenges.

We know these global and national challenges are impacting locally. We are very aware of the increasing cost of living for our community and have worked hard to minimise cost increases.

We are proud to be on track with our plans for 2022/23 and to continue to deliver the services and assets that we committed to in our 2021-31 Long-Term Plan - despite the challenging circumstances.

Over the next 12 months you will see progress with a range of projects including the renewal of the southbound lane of the Colombo Road bridge over the Waipoua River, delivery of our new animal shelter, tendering of work at Hood Aerodrome, and the identification of options for Civic Facility consultation. We will also continue programmed maintenance and renewals work to look after our existing assets.

We will also be considering the way we move forward as an organisation through reforms such as the Three Waters and the review of the Future for Local Government, and the impact of those reforms on some of our key projects.

There will be many opportunities for conversations with our community over the year, and we strongly encourage you to get involved and have your say. One of the most important opportunities, of course, will be the local government elections on 8 October 2022.

The Chief Executive's Pre-election Report is available on our website. This will be a conversation starter for our community when considering the key issues that our Council and community are facing. We encourage to make sure you are enrolled to vote and take the opportunity to have your say on who represents you at the council table.

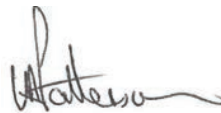
While the year ahead may remain uncertain with changes coming that will continue to shape our operating environment, we are as prepared as we can be and we will continue to adapt as we need to.

One thing that won't change is our commitment to delivering great service and assets for the Masterton community.

Ngā mihi,



David Hopman,
Chief Executive



Lyn Patterson,
Mayor



PURPOSE OF THE ANNUAL PLAN - TE HOAKETANGA O TE MAHERE Ā TAU

Every three years we develop a Long-Term Plan (LTP) in consultation with our community. This sets our vision, direction, budgets and work programme for a ten-year period. In June 2021, Masterton District Council adopted its 2021-31 LTP.

While the LTP provides a blueprint, things can change. For the two years between each LTP, Council therefore develops an annual plan, which outlines how we will progress our LTP in the coming year. The annual plan process provides an opportunity to review our work programme and enables flexibility to respond if changes are needed.

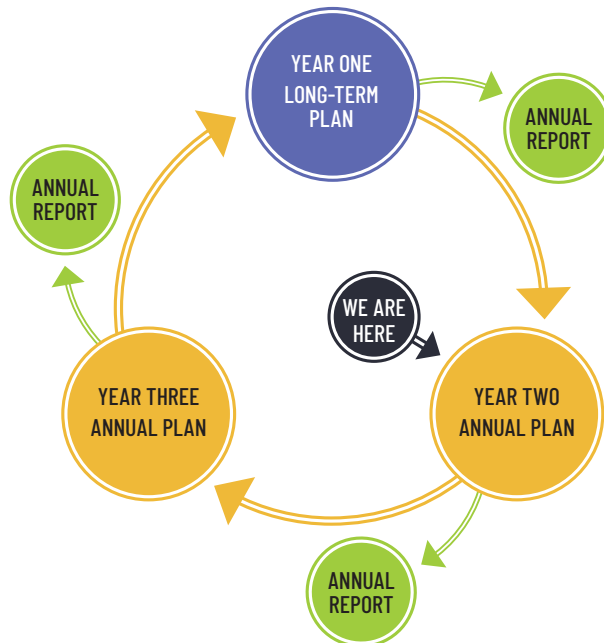
The 2022/23 annual plan is year two of the LTP.

The purpose of the annual plan is to:

- describe Council’s activities for 2022/23 and the associated costs and funding
- demonstrate links between activities planned and 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.

Each year we also produce an annual report which is our key accountability document. The annual report lets you know how well we performed against what was set in the long-term and annual plan. It outlines key decisions that were made, how we performed financially and against the performance measures that we set in the Long-Term Plan.

Copies of the 2021-31 LTP and past annual reports are available on our website www.mstn.govt.nz.



OUR PLAN IN BRIEF - TE WHAKARĀPOPOTONGA O TŌ TĀTOU MAHERE

We are getting on with delivering the plan that we consulted on last year through the 2021-31 LTP process. There are a few variations to what we planned, and these are outlined below.

The average rates increase is 6.8 per cent. This is 1.2 per cent more than we projected for Year 2 of the LTP, but less than the 7.3 per cent limit that we set in our Financial Strategy. The key drivers for this increase are:

- the forecast lift in roading and urban water expenditure
- increasing costs to deliver services (inflation)
- changing demand for some services.

The 2022/23 annual plan outlines the Council's intentions for the coming year but does not bind the Council to act. We will continue to monitor and respond to the external environment.

Inflation

Inflation is a hot topic for New Zealand at the moment, impacting households and councils across the country. Inflation is higher than we forecast for Year 2 of the LTP. In the LTP we forecast 1.5 per cent (which is based on BERL's mid-scenario for the Local Government Cost Index - LGCI). In March 2022, the Consumers Price Index (CPI) was 6.9% compared to 1.4% in December 2020 when we were preparing our LTP. The LGCI was forecast to be 2.8 per cent in 2021/22, but that was estimated in September 2021, so has proven to be well short. Nationally, wage inflation was 2.6 per cent in December 2021 (Stats NZ). We have adjusted our budgets to reflect the increased costs we will be paying.

Capital Costs

Supply issues linked to the COVID-19 pandemic are impacting some of our capital projects: it can be harder to get some of the materials we need (e.g. water pipes), and because of this the cost of these materials is increasing. We haven't materially changed our capital programme but these supply issues and increasing costs may mean we deliver less with that budget (e.g. fewer kilometres of pipe or road renewals) and/or some projects may not be delivered on schedule.

Operational Costs

The higher inflation rate is driving up the cost of delivering services for our community. For example, higher fuel costs are increasing some contract costs such as waste collection and disposal, and maintaining our parks and green spaces.

Changing demand is also impacting in some areas:

- Increased building and development in Masterton has increased demand for building and planning services. Consent numbers have been increasing and we have additional responsibilities under new legislation, like earthquake-prone buildings. We have had to invest to keep up with demand and maintain the service.
- Growing demand for more digital and online services has been accelerated by COVID-19 lockdowns and restrictions. In response, we are increasing our communications capacity, developing more digital services

in the library, continuing to digitise council records, automating more processes, and improving digital security.

- With population growth and behaviour change we are receiving more recycling. This means it will cost us more for processing those recycling volumes.

Key 2022/23 Annual Plan Projects

Key 2022/23 Annual Plan projects include:

- identifying options for consultation to decide the future of the Civic Facility project
- submitting our application to the High Court to sell (preferred option) or lease (if selling is not approved) vacant land at Panama Village for the development of public housing
- delivering our new animal shelter
- progressing the review of the Wairarapa Combined District Plan, with community engagement scheduled for November 2022
- promoting and supporting the 2022 local body elections to be held on 8 October.

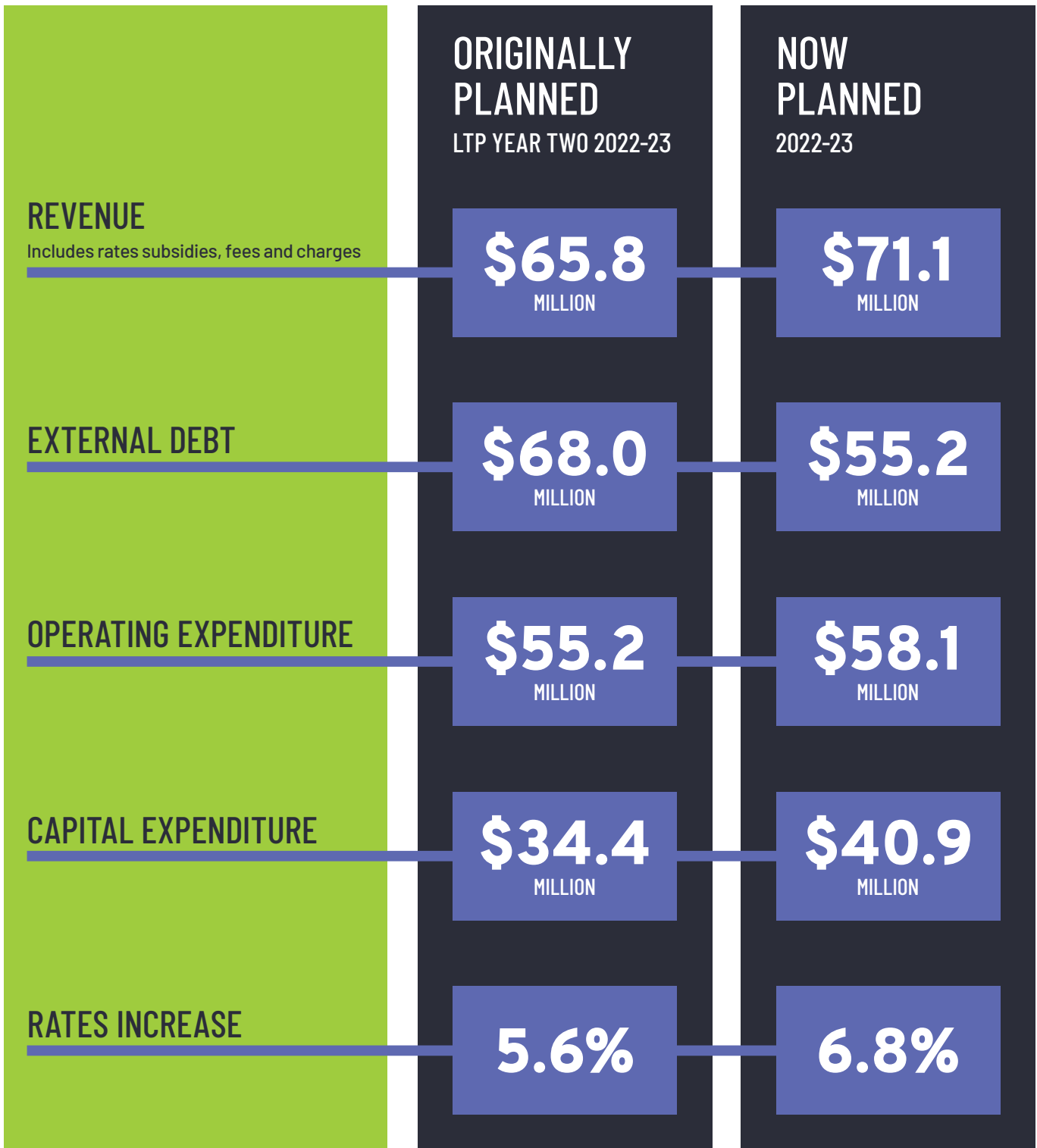
More information about these projects is included in the *What's happening this year* and the *Council activities* sections of the Annual Plan.

Rates Increase

The LTP projected we would need to increase rates revenue by 5.6 per cent for the 2022/23 financial year. After incorporating budget changes, we have achieved a final average rates increase of 6.8 per cent after allowing for growth in the rating base of 1.8 per cent.

The rates impact will vary across the different property types, with variations between urban and rural properties (an average increase of 6.8 per cent for urban and 6.6 per cent for rural).

The Council's operating expenditure budget for 2022/23 is \$58.1 million (LTP yr2 = \$55.2 million) and its capital expenditure budget is \$40.9 million (LTP yr2 \$34.4 million).



Key Changes

Listed below are some of the key changes from Year 2 of the LTP that are included in the 2022/23 Annual Plan:

- Operational budgets across the range of Council activities have been increased, reflecting inflationary effects.
- Projected revenue has been increased in alignment with fee increases. Most fees are increasing by no more than inflation. In some areas where we have not increased fees for some time and/or we are not recovering the cost of delivering services, fees have increased by more. This includes corridor management fees in our roading activity and some regulatory service fees such as fees for food premise verification, licences to operate some businesses, Building Warrant of Fitness fees (for commercial building owners), and some building and resource consent fees. Solid waste fee increases reflect the increase in the Government's waste levy as well as the inflationary impacts on our operational costs. The alternative to increasing fees is to increase the rates subsidy for these services, which the Council has chosen not to do.
- We have identified potentially unspent rates funding from the 2020/21 year and have built that into the 2022/23 budget. We have continued with the LTP financial strategy of smoothing the rates increases across the ten years. In year 2 we have utilised some \$1.85 million of funding internally borrowed from our reserve funds and will repay these funds in the last five years of the LTP.
- We anticipate interest expense on term debt to be less than expected as external debt at 30 June 2022 is less than the allowed for in the LTP. Also, Council has fixed a large proportion of the interest rates on loans which mitigates the impact of market interest rate changes in 2022/23.
- The capital programme for Community Facilities includes a number of projects that were scheduled for 2020/21 but will carry over to 2022/23. Some stormwater, wastewater and drinking water pipe renewals that were scheduled for 2020/21 have also been carried forward to 2022/23, along with roading renewal budgets. A lack of contractor availability to complete the work has contributed to these carry forwards.
- We have also made adjustments to capital budgets for the timing of some projects including the following (further detail on key projects is included under What's Happening This Year):

What's Changed:	LTP Budget for Year 2:	2022/23 Annual Plan Budget:	What this means for Masterton:
Given revised estimates for the Civic Facility are higher than we originally consulted on, we will be identifying options for consultation to decide the future of the Civic Facility project.	Provision of \$10,160,000 was included for the Civic Facility. This assumed external funding of \$4 million, with the balance to be loan funded. The Council will not be loan funding this amount in 2022/23.	\$300,000 to progress work to inform the new Council and develop options and for consultation.	This work will provide the new Council (post-October 2022) with information to identify options for consultation and to enable a decision on the future of the Civic Facility project in the new term.
The requirement to undertake an LTP Amendment to inform the High Court application to sell (the preferred option) or lease (if sale is not approved) the vacant land at Panama Village for the	Provision of \$3,352,800 capital expenditure was allowed to support new housing development on the vacant land at Panama Village, externally funded.	The 2022 LTP amendment revised the capital provision to \$1.082 million to support infrastructure that will be needed to enable housing development should the High Court allow the Council	Selling the vacant land at Panama Village (if approved by the High Court) on the condition it is used for public housing will mean more affordable housing options for our community.

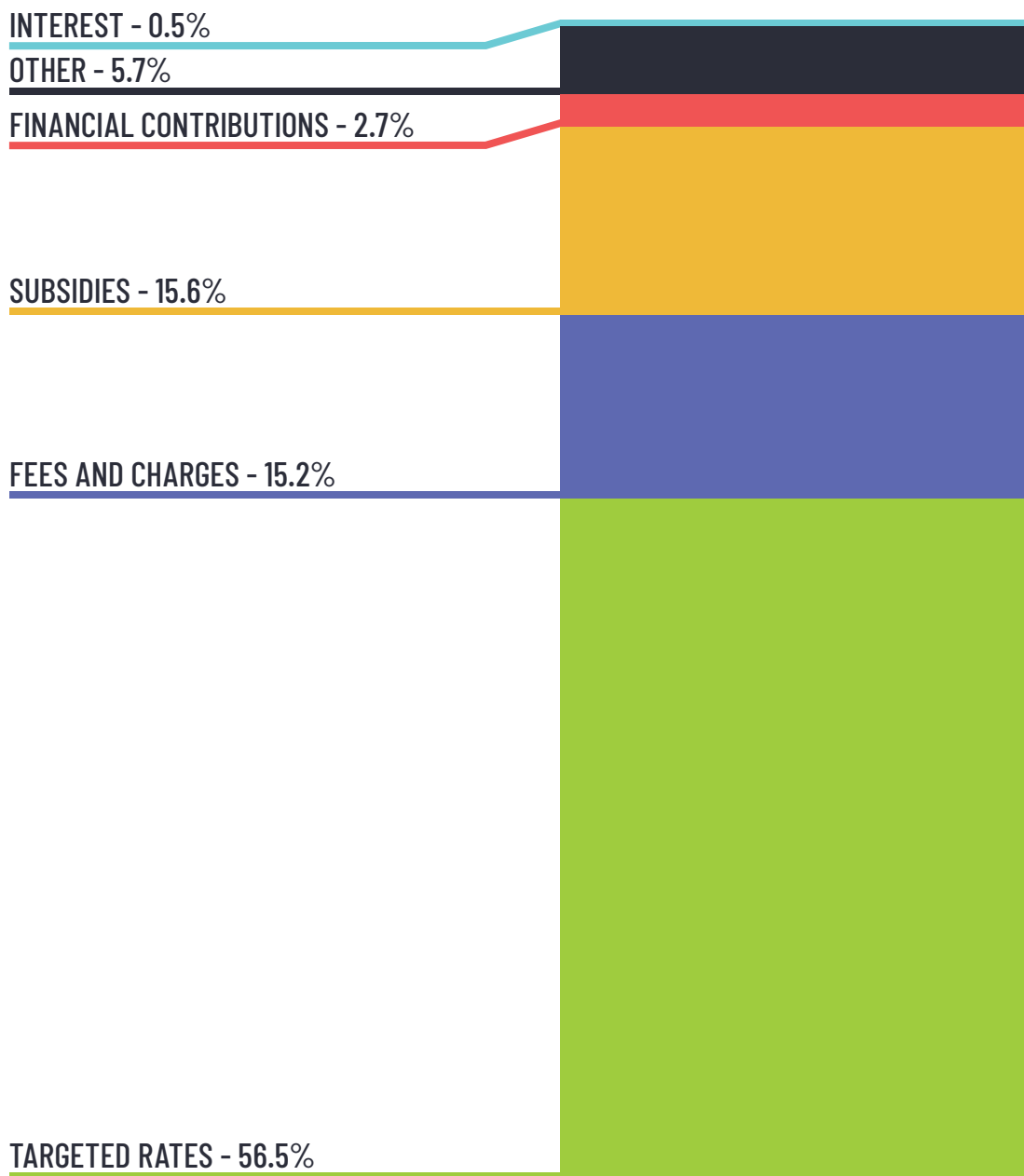
development of public housing has resulted in changes to the timing and budget for this project.		to sell the vacant land. The land sale has been allowed for in the 2022/23 year.	
The animal shelter will now be completed in 2022/23 (carried forward from 2021/22) and will meet all critical Ministry of Primary Industries (MPI) animal welfare standards.	There was no provision for the animal shelter in 2022/23 as this was scheduled for completion in 2021/22. \$1.3 million was included in the 2021/22 budget.	\$1.4 million (loan funded) in 2022/23 to complete the animal shelter.	We will have a new animal shelter that meets essential MPI standards and offers a better level of service for our community.
Some construction at Hood Aerodrome as part of the aerodrome development will now occur in 2022/23 (carried forward from 2021/22). A runway extension that was scheduled to commence in 2021/22 is dependent on the purchase of land. That is now more likely to commence during 2023/24.	\$1,015,385 for runway widening and development. \$585,759 for runway construction and road realignment.	\$3.2 million for airport runway and precinct upgrades. \$2.5 million for runway widening and development. \$1.01 million (loan funded) for hangar area expansion.	We will have an improved aerodrome, supporting resilient air transport infrastructure for the Wairarapa. This could attract a passenger service in the future and will ensure we meet the long-term air transport needs of our community.
Parking meters were scheduled for replacement in 2022/23, however this has been rescheduled to better align with the town centre redevelopment which is to commence in 2024/25 (Year 4 of the LTP).	Provision of \$406,400 to replace parking meters.	\$20,000 provision for parking meter replacement. This will provide for replacement parts if needed for existing meters and investigating options for the future regulation of parking in Masterton.	This will mean no change in the short term. Options for replacing parking meters will be explored and if replacement meters are identified as the preferred solution, implementation will be programmed to align with the town centre redevelopment.

WHAT YOU GET FOR YOUR RATES DOLLAR - KO TE HUA KA PUTA NĀ O REITI

This is what your 2022/23 monthly rates pay for based on an average-value Masterton property (including GST):

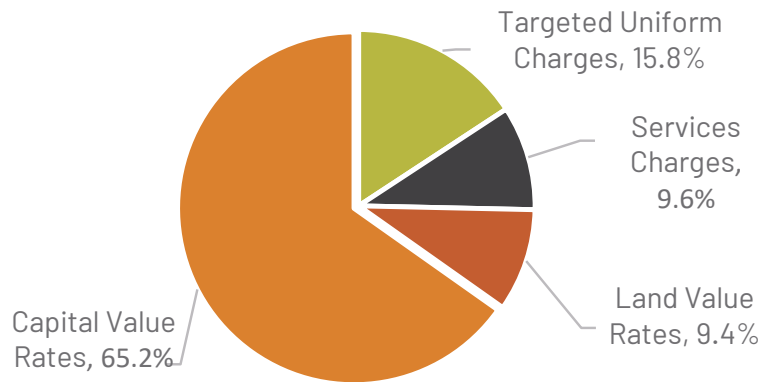


WHERE THE MONEY COMES FROM - TE WHAKAWEHEWEHENGA O TE PŪTEA

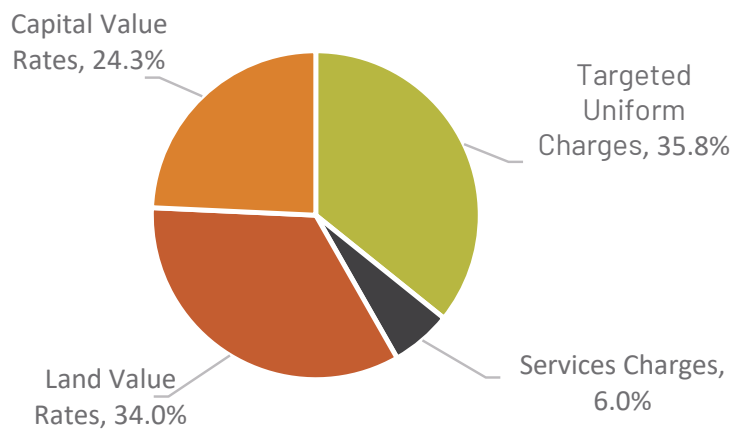


Breakdown of Targeted Rates

URBAN RATES \$33.5m (incl GST)



RURAL RATES \$10.6m (incl GST)



Urban Rates \$ 33.5 million (incl GST)

- Targeted uniform charges, 15.8 %
- Services charges, 9.6 %
- Land value rates, 9.4%
- Capital value rates, 65.2 %

Rural Rates \$10.6 million (incl GST)

- Capital value rates, 24.3 %
- Targeted uniform charges, 34.0%
- Land value rates, 34.3%
- Services charges, 6.0 %

WHAT'S HAPPENING THIS YEAR - HE AHA NGĀ MAHI O TE TAU NEI

The following is a summary of what we will be prioritising in 2022/23:

CIVIC FACILITY

As part of the development of the 2021-31 LTP we consulted on funding for the new Civic Facility. At that time the estimated cost of the facility was \$30.8 million. The latest information we have from the quantity surveyor now estimates the cost at \$57.14 million, with a recommended construction contingency of \$14.2 million, which would lift the cost to \$71.3 million. Given the latest cost estimates, the Council has agreed to undertake work to progress the project, including preparing a cultural narrative and funding strategy. A review of decisions since 2016 will also be undertaken. This work will provide the new Council (post-October 2022) with information to identify options for consultation and to enable a decision on the future of the Civic Facility project in the new term. The 2022/23 Annual Plan includes provision of \$300,000 to enable the new Council to have the ability to consider options and consult further on those.

HIGH COURT APPLICATION TO DEVELOP PUBLIC HOUSING

As part of the development of the 2021-31 LTP we agreed to make vacant land at Panama Village available for public housing. In 2021/22 we undertook an LTP amendment to enable that. We consulted with our community on either selling or leasing the vacant land for public housing. The purpose of the LTP amendment consultation process was to inform our High Court application, which is required because the conditions of the original bequest do not allow the land to be sold. The outcome of that process is that in 2022/23 we will be seeking High Court approval to sell the vacant land (the preferred option) or lease the vacant land (if sale is not approved) on the condition it is used to develop more public housing for our community. If the High Court approves our application, we will proceed with selling the vacant land for public housing. If the High Court does not approve our application, we will undertake further consultation with our community regarding the lease option.

LOOKING AFTER OUR ANIMALS

In 2022/23 we will start building the new animal shelter (deferred from 2021/22). The new facility will meet all essential Ministry for Primary Industries (MPI) Animal Welfare standards. The cost of building the facility to meet every MPI Animal Welfare standard, and building material costs, has increased. We are fortunate in that we are building on land already owned by the Council so all costs are solely related to the new build. We have revised the scope and prioritised all critical elements to reduce the cost impact of this project while still delivering a safer and more user-friendly facility for both animals and our staff. We will consider work to progress non-essential elements as funding allows. The new facility will enable a better level of service for dog owners and enhance community safety and wellbeing.

DEVELOPING HOOD AERODROME

Work will continue at Hood Aerodrome over the coming year with some construction work carried forward from 2020/21. We were successful in securing Provincial Growth Funding (PGF) to progress development that could attract a passenger air service in future. This development will ensure we meet the long term air transport needs for our community, including medical transport, resilience and tourism.

URBANISATION AND DEVELOPMENT

Work will continue to urbanise areas of Masterton where there has been growth and development, all funded by subdivision contributions. In 2022/23 there is provision of \$1,430,800 for water and wastewater in Millard Avenue; provision to start the roading upgrade in Millard Avenue (\$3.75 million in 2022/23), and to form a new road between Kitchener and Gordon Streets (\$1.29 million). Financial contributions from the developments that will benefit from the upgrades are also allowed for in revenue projections.

RENEWING OUR EXISTING ASSETS

A programme of renewals is planned in this financial year for our key infrastructure assets. Renewals for roads have an allocation of \$5.064 million. There is an ongoing programme of footpath upgrades that will be progressed, with a budget of \$0.581 million, and \$4.384 million allocated towards bridge renewals (including \$3.750 million for the Waipoua Bridge renewal) and minor improvement projects. In terms of the three waters, the Council has an ongoing programme of water main renewals with a budget allocation of \$1.8 million, a \$1.524 million allocation for sewer reticulation renewals; and \$0.475 million provision for stormwater renewals and upgrades.

RESPONDING TO THREE WATERS AND OTHER REFORMS

The Three Waters Reform, the Future of Local Government Reform, and a range of environmental reforms are being progressed through central government. We are committed to sharing information about these reforms and assessing what they might mean for Masterton. We will also be seeking community feedback on critical decisions that need to be made along the way, starting in July 2022 when we will be asking for feedback on whether we should apply for the Three Waters Better Off funding, and if so, what projects we should include in our proposal. There is \$3.88 million available in Tranche 1 for projects that support the wellbeing of our community. If we want to apply, our proposal must be submitted before the end of September 2022.

LOCAL ELECTIONS

The next local body election is on Saturday 8 October 2022. This election is for the Mayor and councillors as well as the regional council and local community trusts, and for the first time, the Masterton District Council election will include a representative from a Māori Ward. We are responsible for promoting the election to make sure our community know how to enrol and vote for who represents them at the council table. We are also responsible for supporting the procedural aspects of the election process, from taking candidate nominations to inducting the new Council after election day. Our Chief Executive's Pre-Election Report is intended to prompt discussion of the issues facing our Council and our community. This is available on our website.

PARTNERSHIPS WITH MANA WHENUA

The Council is committed to strengthening and maintaining opportunities for greater decision-making between the Council and mana whenua that go beyond minimum legislative requirements. In June 2022, the Council appointed a Principal Iwi/Māori Manager to the Strategic Leadership Team who will support us to realise that commitment. In 2022/23 we will be continuing our work with iwi entities to progress the development and implementation of an Iwi/Hapū/Marae/Hapori Māori engagement framework. We will also be reviewing Memorandums of Partnership (MOPs) with Rangitāne o Wairarapa and Kahungunu ki Wairarapa; and developing MOPs with Rangitāne Tū Mai Rā Trust and Kahungunu ki Wairarapa Tāmaki Nui ā Rua Settlement Trust (the two Post Settlement Governance Entities).

WAIRARAPA DISTRICT PLAN REVIEW

We are currently working with Carterton and South Wairarapa District Councils to review the Wairarapa Combined District Plan which contains rules to manage development in the region. The operative District Plan was written a decade ago and must be reviewed every 10 years. The review is looking at whether the District Plan is still applicable, reflects the values of our communities today and aligns with legislative changes over the last ten years, particularly around climate change and the Resource Management Act reforms. There will be opportunities for our community to have a say when the draft district plan is released for public consultation and engagement, planned for November 2022.

CLIMATE CHANGE ACTION

In 2022/23 we will be implementing Council's Corporate Carbon Emission Reduction Plan and the District Climate Action Plan. These Plans include actions from across the organisation and in the wider community to mitigate and/or adapt to climate change.

POLICY AND STRATEGY REVIEWS / DEVELOPMENT

A range of policy reviews are scheduled for 2022/23 that will require community input including the review of the Wairarapa Local Alcohol Policy, the Wairarapa Gambling and TAB Venues Policy, and our Masterton District Council Smokefree Policy and Easter Sunday Trading Policy (dependent on central government decisions). We are also developing a Public Art Policy, completing a refresh on our Rangatahi Strategy and will be preparing for a rating review.

LONG-TERM PLANNING FOR OUR FUTURE

After the new councillors are inducted, we will start working with them to develop the 2024-34 LTP. This will set our vision, direction, work programme and budget for a ten-year period from 2024. The LTP provides an opportunity to take a longer term view of Council activities and services, the level of service we will provide, how we will fund that (general rates, targeted rates, fees and charges) and how we will measure our performance in delivering these services. There will be opportunities for community input into the LTP process as we progress that.

ENGAGEMENT AND CONSULTATION WITH OUR COMMUNITY

As we have noted under previous headings, there are a range of projects, policies, plans and decisions to be made that we will be talking to our community about over the next twelve months. All opportunities to have a say and information about the various topics for discussion will be listed on our website.

INFRASTRUCTURE & FINANCIAL STRATEGY SUMMARIES

Council's Financial and Infrastructure Strategies were adopted alongside the 2021-31 LTP. The aim of the Financial Strategy is to maintain service delivery while ensuring financial stability. The Infrastructure Strategy sets out how assets are managed in order to ensure services are efficiently delivered to the district. More information on the Financial and Infrastructure Strategies is available in the 2021-31 Long-Term Plan.

COUNCIL ACTIVITIES - NGĀ MAHI O TE KAUNIHERA



ROADS, STREETS, FOOTPATHS AND PARKING AREAS - NGĀ HUARAHI WAKA, ARA-HIKOI, ME NGĀ TŪRANGA WAKA

We provide a safe and efficient local transport network throughout the Masterton district. This involves the construction, management and maintenance of road, street and footpath networks including pavements, bridges, traffic services, on and off street parking and streetlights.

Our Roads, Streets, Footpaths and Parking priorities for 2022/23 are:

- Renewing the Colombo Road Bridge over the Waipoua River. We have allowed \$3.75 million for that work, with the majority of the spend in 2022/23. There is also provision of \$0.534 million for other bridge renewals in the district.
- Forming the 'paper road' between Kitchener Street and Gordon Street to connect these streets. \$1.29 million has been allowed in the budget for this work.
- Starting work on the urbanisation of Millard Avenue. This work will take place over two years. \$3.7 million has been allowed in the 2022/23 budget.
- Upgrading the Northern and Southern entrances to our town as part of the broader programme of work to implement our Town Centre Strategy. Provision of \$0.565 million has been allowed for this work.
- Progressing our road renewal programme to improve the condition and safety. \$5,064 million has been allowed for roading renewals.
- Continuing work to improve our footpath network to meet community expectations. \$0.581 million has been allowed for footpath renewals in 2022/23.

The Roads, Streets, Footpaths and Parking non-financial performance measures are available in the 2021-31 Long-Term Plan.

ROADING			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$		\$	\$
	Operating Costs		
5,874,177	Road maintenance - subsidised	6,263,191	5,991,872
1,268,664	Road maintenance - non-subsidised	1,336,373	1,323,421
6,470,022	Depreciation	7,285,737	6,866,544
13,612,863		15,145,302	14,181,837
	Operating Income		
2,885,024	NZ Transport Agency subsidy (on maint)*	3,215,131	2,920,749
190,000	Local authority petrol tax	200,000	193,990
448,147	Other recoveries	2,396,000	452,683
3,523,171		5,811,131	3,567,422
	Appropriations		
(469,000)	Transfers from reserves	(461,800)	(400,000)
375,000	Tsfs to reserves - roading contributions	2,300,000	378,000
56,883	Provision for loan repayments	68,107	103,633
(5,708,600)	Reverse depreciation**	(6,678,600)	(6,228,700)
\$ 4,343,975	Rates Requirement	\$ 4,561,877	\$ 4,467,347

* 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.

*** Note the 2020/21 plan has now been restated so the Flood damage provision is now included in Road maintenance - subsidised

ROADING				
Annual Plan 2021/22	Capital Expenditure Summary	Source of Funds	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Capital Projects		\$	\$
	Subsidised Roding			
2,129,940	Roding Renewals - rural	Rates & Subsidy Depn Reserve,	3,404,687	2,204,687
1,278,900	Roding renewals - urban	Rates & Subsidy	1,659,844	1,459,844
1,400,000	Roding Renewals - rural (loan funded)	Rates & Loan	-	1,225,200
200,000	Roding renewals - urban (loan funded)	Rates & Loan	-	204,200
-	Bridge renewals	Rates & Subsidy Rates, Depn & Subsidy	204,200	204,200
549,000	Footpath upgrading [incl reseals]	Depn Reserve & Subsidy	581,583	548,583
285,000	Bridge - Waipoua River	Subsidy Depn Reserve & Subsidy	3,750,000	3,165,100
-	Bridge - Te Mara replacement	Depn Reserve, Rates & Subsidy	430,000	-
1,293,500	Rural/Urban Minor Improvement projects	Loan & Subsidy Depn Reserve & Subsidy	1,559,373	1,559,373
200,000	Mataikona front hill upgrade	Rates & Subsidy	-	-
-	Retaining wall - Kerosene Ridge	Subsidy	935,000	-
70,000	Cycleways	Rates & Subsidy	141,470	71,470
7,406,340	Total Subsidised Roding		12,666,157	10,642,657
	Non-subsidised Roding			
85,000	Carpark reseal	Depn Reserve	102,100	102,100
70,000	Under veranda lighting	Depn Reserve	-	-
500,000	Gordon Street upgrade	Subdiv Contrib	-	-
15,000	Urbanisation of Millard Ave - Roding	Subdiv Contrib	3,700,000	-
10,000	CBD Recycling Bins	Depn Reserve Loan/Development	10,000	-
100,000	Masterton Revamp	Contributions	102,100	102,100
17,792	Carpark Lighting - safety initiative	Subdiv Contrib	17,792	-
231,000	What's Our Welcome- North Entrance	Loan	185,000	-
121,000	What's Our Welcome- South Entrance	Loan	380,000	255,250
325,000	Chamberlain Rd upgrade	Subdiv Contrib	-	663,650
-	Kitchener to Gordon - link road	Subdiv Contrib	1,290,000	612,600
1,474,792	Total Non-subsidised Roding		5,786,992	1,735,700
8,881,132	Total		18,453,149	12,378,357
	Capital Funding			
(2,933,257)	NZ Transport Agency subsidy (roading)		(7,219,710)	(4,938,864)
(1,576,912)	Transfers from reserves		(7,319,342)	(3,052,035)
(1,380,000)	Loan funds		(667,100)	(1,172,108)
(5,890,169)	Total other funding		(15,206,152)	(9,163,008)
\$2,990,963	Rates Requirement (Capital)		\$3,246,998	\$3,215,350

ROADING			
Annual Plan 2021/22	Rates Requirement Summary	Annual Plan 2022/23	LTP Year 2 2022/23
\$			
5,985,730	Subsidised roading	6,410,574	6,302,595
1,134,210	Non-subsidised roading (urban)	1,165,307	1,083,906
214,998	Non-subsidised roading (rural)	232,994	296,196
\$7,334,938	Rates Requirement	\$7,808,875	\$7,682,697

WATER SUPPLIES (URBAN AND RURAL) - HOPUA WAI (TĀONE ME TE TAIWHENUA)

Water is provided to the urban reticulation system and the Waingawa industrial area. In rural areas, we support the provision of non-drinking and water race supplies as well as a small number of communally-owned water schemes.

We own and maintain a network of water mains, trunk mains, tanks, reservoirs and water treatment facilities at Kaituna and Tinui.

Our Water Supply priorities for 2022/23 are:

- Continuing to supply safe drinking water to the community.
- Extending the Millard Avenue water supply. Provision of \$180,000 has been allowed in 2022/23 for this work.
- Developing an equitable charging regime for the recently installed water meters.
- Progressing the ongoing programme of water main renewals with a budget allocation of \$1.8 million.
- Ongoing support for rural water supplies.

The Water Supplies non-financial performance measures are available in the 2021-31 Long-Term Plan.

URBAN WATER SUPPLY			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
1,555,855	Water treatment costs	1,542,397	1,530,956
1,211,166	Water reticulation costs	1,203,974	1,163,123
1,560,351	Depreciation	1,782,074	1,873,921
4,327,372		4,528,445	4,568,000
	Operating Income		
462,600	User charges	313,478	325,503
102,600	Internal Recoveries	111,200	104,139
565,200		424,678	429,642
	Appropriations		
(100,000)	Transfer from reserves	-	-
194,321	Provision for loan repayments	327,403	312,865
(264,300)	Reverse depreciation	(221,860)	(222,500)
\$ 3,592,193	Rates Requirement	\$ 4,209,309	\$ 4,228,723

RURAL WATER SUPPLIES			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
587,149	Rural water supplies & races	271,182	289,886
125,164	Depreciation	154,855	162,376
712,312		426,036	452,262
	Operating Income		
514,318	Rural water scheme charges	226,000	226,337
	Appropriations		
6,539	Provision for loan repayment	6,944	6,849
(80,500)	Reverse depreciation	(69,650)	(93,900)
\$ 124,033	Rates Requirement	\$ 137,330	\$ 138,874

WATER SUPPLIES				
Annual Plan 2021/22	Capital Expenditure Summary	Source of Funds	Annual Plan 2022/23	LTP Amended Year 2 2022/23
			\$	\$
	Capital Projects			
	Urban water treatment			
\$				
50,000	WTP Consent Renewal - take	Depn Reserve	50,000	102,200
800,000	WTP sludge handling upgrade	Loan	-	-
150,000	WTP - plant & equipment renewals	Depn Reserve	98,000	97,090
120,000	WTP - plant & equipment upgrades	Depn Reserve	82,000	81,760
20,000	WTP - building renewals	Depn Reserve	20,000	20,440
796,500	Nikau Heights reservoir - stimulus project	External Funds	-	-
60,000	SCADA and electrical upgrades - stimulus	External Funds	-	-
70,000	Fish Inlet screen - stimulus project	External Funds	-	-
45,000	Generator load bank - stimulus project	External Funds	-	-
82,000	bulk tanker terminal - stimulus project	External Funds	-	-
2,193,500	Total Urban water treatment		250,000	301,490
	Urban water reticulation			
1,700,000	Water mains renewals (reticulation)	Loan/Depn Reserve	1,800,000	1,533,000
200,000	Water connections replacements	Depn Reserve	50,000	102,200
1,350,000	Water meters project completion	Loan	600,000	-
-	Urbanisation of Millard Ave	Subdiv contrib	180,000	613,200
600,000	Water main renewal - stimulus package	External Funds	-	-
3,850,000	Total Urban water reticulation		2,630,000	2,248,400
	Rural water supply			
30,000	Wainuioru water supply renewals	Depn Reserve	25,000	30,660
680,000	Rural water supplies - stimulus projects	External Funds	-	-
5,000	Tinui water supply upgrades	Depn Reserve	-	-
30,000	Opaki water race consent renewal	Loan	-	-
745,000	Total Rural water supply		25,000	30,660
6,788,500	Total		2,905,000	2,580,550
	Capital Funding			
(1,795,000)	Transfers from reserves		(1,765,000)	(2,120,650)
(2,333,500)	External funds		-	-
(2,660,000)	Loan funds		(1,140,000)	(459,900)
(6,788,500)	Total capital funding		(\$2,905,000)	(\$2,580,550)
\$0	Rates requirement		\$0	\$0

WATER SERVICES			
Annual Plan 2021/22	Rates Requirement Summary	Annual Plan 2022/23	LTP Year 2 2022/23
3,592,193	Masterton urban water supply	4,209,309	4,228,723
42,565	Tinui water supply	52,463	44,520
61,763	Opaki water race	62,059	65,587
19,705	Miscellaneous rural water costs	22,809	28,767
\$3,716,226	Rates Requirement	\$4,346,640	\$4,367,596

WASTEWATER SERVICES - RATONGA WAI PARU

Wastewater Services are provided to residential, commercial and industrial properties in the urban area, Waingawa industrial area, Riversdale, Castlepoint and Tinui. There are 9,531 wastewater connections.

This includes maintaining our network of pipes, pump stations, treatment plants, wetland cells and a waste stabilisation pond.

Our Wastewater Services priorities for 2022/23 are:

- Continuing renewal work on wastewater infrastructure. An allocation of \$1.524 million has been allowed for work in the urban area, and \$0.355 million for upgrades and renewals at Castlepoint and Riversdale.
- Improving wastewater services in the Millard Avenue area to urban standards. \$1.3 million has been allowed for this work.

The Wastewater Services non-financial performance measures are available in the 2021-31 Long-Term Plan.

WASTEWATER SERVICES - URBAN			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
1,736,920	Sewerage reticulation	1,283,238	1,191,267
2,402,054	Wastewater treatment	2,312,722	2,142,253
2,530,705	Depreciation	2,728,541	2,782,979
6,669,679		6,324,501	6,116,498
	Operating Income		
1,009,440	User Charges & lease income	499,993	579,208
	Appropriations		
(70,000)	Transfers from reserves	-	(50,000)
2,151,877	Provision for loan repayments	2,589,729	2,503,927
(1,200,000)	Reverse depreciation	(1,504,000)	(1,187,000)
6,542,116	Rates Requirement	6,910,237	6,804,218

WASTEWATER SERVICES - RURAL			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$		\$	\$
	Operating Costs		
106,087	Castlepoint sewerage scheme	123,233	108,786
183,656	Riversdale Beach sewerage scheme	173,039	170,788
17,765	Tinui sewerage scheme	14,384	17,770
385,639	Depreciation	425,589	420,107
693,147		736,245	717,452
	Operating Income		
30,154	User charges & other income	30,155	25,530
123,000	Riversdale Beach capital contributions	123,000	123,000
153,154		153,155	148,530
	Appropriations		
(55,000)	Transfer from reserves	(50,000)	(50,000)
153,908	Provision for loan repayments	162,751	162,609
(277,000)	Reverse depreciation	(297,100)	(257,000)
361,901	Rates Requirement*	398,741	424,531

* Note includes Riversdale Beach Sewerage Scheme capital contributions that are being paid off over 20 years via rates. Currently 32 properties.

WASTEWATER SERVICES				
Annual Plan 2021/22	Capital Expenditure Summary	Source of Funds	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Capital Projects		\$	\$
	Urban Sewerage system			
1,100,000	Sewer reticulation renewals	Depn Reserves/Loan	1,524,200	1,124,200
-	Millard Ave & Andrew St sewer extension	Subdiv contrib	1,300,000	817,600
152,000	Homebush plant & equipment renewals	Depn Reserve	55,000	51,100
450,000	Homebush aerators - stimulus project	External Funds	-	-
300,000	Homebush irrigation extension	Loan	300,000	-
2,002,000	Total Urban Sewerage system		3,179,200	1,992,900
	Rural Sewerage schemes			
-	Castlepoint wastewater upgrade	Reserves	200,000	204,400
-	Castlepoint wastewater consent upgrade	Reserves	100,000	102,200
10,000	Castlepoint sewerage plant renewals	Reserves	15,000	10,220
30,000	Riversdale Beach scheme renewals	Depn Reserve	40,000	30,660
40,000	Total Rural Sewerage system		355,000	347,480
2,042,000	Total		3,534,200	2,340,380
	Capital Funding			
(300,000)	Loan funds		(300,000)	-
(450,000)	External funds		-	-
(1,292,000)	Transfer from reserves		(3,234,200)	(2,340,380)
(\$2,042,000)	Total capital funding		(\$3,534,200)	(\$2,340,380)
\$0	Rates Requirement (Capital)		\$0	\$0

WASTEWATER SERVICES			
Annual Plan 2021/22	Rates Requirement Summary	Annual Plan 2022/23	LTP Year 2 2022/23
\$			
6,542,116	Masterton urban wastewater system	6,910,237	6,804,218
87,024	Castlepoint sewerage scheme	113,111	120,387
207,095	Riversdale Beach sewerage scheme	220,319	238,546
44,300	Riversdale Beach capital contributions	45,729	41,442
23,482	Tinui sewerage scheme	19,582	24,155
\$6,904,017	Rates Requirement	\$7,308,978	\$7,228,748

Note: Includes Riversdale Capital Rates

STORMWATER - WAIMARANGAI

We own and maintain a network of pipes, manholes and river stopbanks along the Waipoua and Ruamāhanga Rivers. We also contribute to designated stopbank protection works on the Waipoua, Waingawa and Ruamāhanga Rivers.

Our Stormwater priorities for 2022/23 are:

- Renewing and upgrading stormwater systems, with a \$475,000 provision this year; and

The Stormwater non-financial performance measures are available in the 2021-31 Long-Term Plan.

STORMWATER			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
528,997	Stormwater	457,734	520,098
374,149	Depreciation	422,424	420,409
903,145		880,158	940,507
	Operating Income		
200,000	User charges & other income	-	-
	Appropriations		
(25,000)	Transfer from reserves	-	(100,000)
100,000	Transfer to reserves	-	-
36,122	Provision for loan repayments	41,883	41,078
(150,000)	Reverse depreciation	(80,000)	(90,000)
664,267	Rates Requirement	842,041	791,585

STORMWATER					
Annual Plan 2021/22	Capital Expenditure Summary		Source of Funds	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Capital Projects			\$	\$
	Stormwater				
380,000	Stormwater renewal & upgrades	Depn Reserve	320,000	306,600	
-	Projects to Increase LOS	Loan	155,000	153,300	
100,000	Stormwater consent	Depn Reserve	-	-	
180,000	Improve flood protection	Depn Reserve	-	-	
660,000	Total Stormwater		475,000	459,900	
	Capital Funding				
-	Loan funds		(155,000)	(153,300)	
(660,000)	Transfer from reserves		(320,000)	(306,600)	
(\$660,000)	Total capital funding		(\$475,000)	(\$459,900)	
\$0	Rates Requirement (Capital)		\$0	\$0	

SOLID WASTE MANAGEMENT - TARI WHAKARITE PARAPARA

The current refuse collection and transfer station operations, gate fee collection, composting, and recycling services at Nursery Road, and in rural areas, are carried out under performance-based contracts let by competitive tender to the private sector.

We own, maintain and manage six closed landfill sites (Nursery Road, Riversdale, Castlepoint, Mauriceville, Hastwell and Tinui) and three transfer stations (Nursery Road, Castlepoint and Riversdale), including associated buildings and the weighbridge at the urban landfill.

Our Solid Waste Management priorities for 2022/23 are:

- Progressing a programme of renewals work at the Nursery Road Transfer Station. \$150,000 has been allowed in 2022/23 for this work.
- Undertaking landfill capping as part of a longer term programme of work with provision of \$20,000 in 2022/23.
- Implementing the Solid Waste Bylaw that has been developed with councils across the Wellington region as part of the joint Waste Management and Minimisation Plan.

The Solid Waste Management non-financial performance measures are available in the 2021-31 Long-Term Plan.

SOLID WASTE MANAGEMENT				
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23	
\$	Operating Costs	\$	\$	
286,824	Urban refuse collection costs	331,955	289,482	
2,452,617	Transfer station operation & refuse disposal	3,268,573	2,696,965	
1,470,369	Waste minimisation (incl recyc & composting)	1,708,401	1,471,958	
276,848	Rural waste operations	321,499	279,481	
4,486,658		5,630,427	4,737,886	
	Operating Income			
2,927,220	User charges - external	3,812,400	3,115,543	
73,290	User charges - internal	159,000	76,419	
180,000	Recoveries - waste levy	260,000	263,900	
223,250	Recoveries from bag sales	220,000	243,600	
3,403,760		4,451,400	3,699,462	
	Appropriations			
(93,600)	Transfers from reserves	(30,000)	(43,600)	
182,170	Provision for loan repayments	204,707	201,819	
(150,000)	Reverse depreciation	(69,000)	(92,000)	
\$ 1,021,468	Rates Requirement	\$ 1,284,734	\$ 1,104,643	

SOLID WASTE SERVICES				
Annual Plan 2021/22	Capital Expenditure Summary	Source of Funds	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Capital Projects		\$	\$
	Solid Waste Management			
60,420	Nursery Road landfill capping	Depn Reserve	20,320	20,320
200,000	Nursery Road transfer station renewals	Depn Reserve	150,000	-
260,420	Total Solid Waste Management		170,320	20,320
	Capital Funding			
-	Loan funds		-	-
(260,420)	Transfer from reserves		(170,320)	(20,320)
(\$260,420)	Total capital funding		(\$170,320)	(\$20,320)
\$0	Rates Requirement (Capital)		\$0	\$0

SOLID WASTE SERVICES			
Annual Plan 2021/22	Rates Requirement Summary	Annual Plan 2022/23	LTP Year 2 2022/23
625,539	Recycling collection	752,451	704,411
(157,652)	Refuse transfer station & landfill	(195,815)	(120,446)
299,233	Waste minimisation	432,599	264,035
254,348	Rural refuse services	295,499	256,643
\$1,021,468	Rates Requirement	\$1,284,734	\$1,104,643

COMMUNITY FACILITIES AND PARKS - NGĀ WHARE O TE HAPORI ME NGĀ PAKA

We provide and support a wide range of facilities and parks throughout the district for use by the community. The facilities we provide include:

- The library and archive;
- Property (74 senior housing units, 13 public toilets, seven rural halls, rural holding paddocks, small roadside forestry blocks, Mawley Park camping ground and other rental properties);
- 215 hectares of urban and rural parks, reserves and sportsfields;
- The Trust House Recreation Centre (including a stadium and a range of indoor and outdoor pools);
- Four cemeteries; and
- The Masterton Airport (Hood Aerodrome).

We also own the municipal building and town hall, although these are currently closed due to risks associated with the buildings' low earthquake rating.

Our Community Facilities and Parks priorities for 2022/23 are:

- Undertaking work on the Civic Facility project, including preparing a cultural narrative and funding strategy, and a review of decisions made since 2016. This work will provide the new Council (post October 2022) with information to identify options for consultation and to enable a decision on the future of the Civic Facility project in the new term. The 2022/23 Annual Plan includes provision of \$300,000 to enable the new Council to have the ability to consider options and consult further on those.
- Making vacant land at Panama Village available for the development of public housing. In 2022/23 we will seek High Court approval to sell (preferred) or lease (if sale is not approved) the land for public housing. We have allowed \$1.082 million in 2022/23 for infrastructure to support the housing development. We have also allowed \$500,000 to renew our existing housing stock.
- Progressing work at Hood Aerodrome to support resilient air transport infrastructure for the Wairarapa. Central government funding was secured in 2020 to support this five year programme of work. In 2022/23 we have allowed \$6.7 million of capital expenditure for redevelopment including widening of the runway, safety improvements and services to allow hangar developments.
- Continuing to improve our sports facilities. In 2022/23 we are upgrading the Pioneer and Douglas Villa Clubrooms; and progressing renewals work on the all-weather track at Colin Pugh Sportsbowl as part of a five year renewal programme.
- Continuing work on a Management Plan for Riversdale Beach. Work on the plan commenced in 2021/22.
- Developing a Reserve Management Plan for Queen Elizabeth Park. This work has been carried forward from 2021/22. The Plan will assist us with planning and prioritising work in the Park.
- Implementing our Parks and Open Spaces Strategy including progressing a partnership approach with mana whenua to MDC's parks and open spaces, working with Nuku Ora on the regional sports field strategy, beginning development of reserve management plans, researching and mapping the natural heritage features of the district parks and open spaces and use this understanding to guide future development and management.
- Expanding our recreation trails (\$114,000 has been allowed in 2022/23).
- Establishing a Youth Hub at the Skatepark.

- Streamlining our events booking process and requiring waste minimisation approaches at events.
- Relocating our archive, and investing in more shelving, with funding of \$630,000 carried forward from 2021/22.

The Community Facilities and Parks non-financial performance measures are available in the 2021-31 Long-Term Plan.

COMMUNITY FACILITIES & ACTIVITIES			
Annual Plan 2021/22	Rates Requirement Summary	Annual Plan 2022/23	LTP Year 2 2022/23
3,325,011	Parks, reserves & sportsfields	3,525,831	3,359,691
1,444,592	Trust House Recreation Centre	1,432,480	1,465,426
156,901	Cemeteries	195,827	179,644
539,813	District building	544,872	693,796
144,226	Housing for the elderly	169,556	150,994
331,196	Other rental properties	317,394	413,389
477,790	Public conveniences	493,173	468,960
149,645	Rural halls	144,446	141,065
31,002	Forestry	36,081	31,438
167,512	Mawley Park	163,894	169,091
314,244	Masterton Airport	327,891	499,329
1,911,475	Library	2,105,726	2,000,258
464,049	Archives	525,155	555,132
\$9,457,455	Rates Requirement	\$9,982,325	\$10,128,213

LIBRARY & ARCHIVE			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
1,797,569	Operating costs - Library	1,853,973	1,669,882
469,027	Operating costs - Archive	523,555	503,703
180,000	Depreciation - books	180,000	226,000
178,111	Depreciation - bldg, furniture & equip	149,193	205,359
2,624,707		2,706,721	2,604,943
	Operating Income		
170,505	Grants & donations	23,109	30,963
43,182	User charges & other recoveries	21,823	43,830
213,687		44,932	74,793
	Appropriations		
14,504	Provision for loan repayments	19,092	50,240
(50,000)	Reverse depreciation	(50,000)	(25,000)
\$2,375,524	Rates Requirement	\$2,630,882	\$2,555,391

Analysis of Rates Requirement			
1,911,475	Library	2,105,726	2,000,258
464,049	Archive	525,155	555,132
\$2,375,524		\$2,630,882	\$2,555,391

PROPERTY			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
833,268	District Building	873,902	971,637
548,578	Housing for the Elderly	610,645	525,332
504,687	Mawley Holiday Park	516,632	505,513
1,009,826	Other Property	1,058,612	967,161
867,639	Depreciation	805,717	1,051,486
3,763,997		3,865,509	4,021,129
	Operating Income		
764	Rental income - Halls & Dist. Bldg	775	775
434,200	Rental income - Housing for Elderly	440,713	475,377
262,398	Rental income - Other Property	266,334	266,334
475,000	Mawley Holiday Park	487,200	487,200
0	Forestry harvest proceeds	-	-
30,000	Internal recoveries - forestry	37,500	30,450
626,793	Internal recoveries - offices rental	687,972	636,195
1,829,155		1,920,494	1,896,332
	Appropriations		
(60,000)	Transfers from reserves	(125,000)	(45,000)
303,342	Provision for loan repayments	349,400	356,737
(337,000)	Reverse depreciation	(300,000)	(367,802)
\$1,841,184	Rates Requirement	\$1,869,415	\$2,068,733

PARKS, RESERVES & SPORTSFIELDS			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
2,290,895	Parks & reserves maintenance	2,438,083	2,287,685
561,123	Sportsfields maintenance	606,837	570,405
957,166	Depreciation	784,226	1,070,265
3,809,184		3,829,146	3,928,355
	Operating Income		
31,202	Miscellaneous parks income	31,670	31,670
31,148	Sportsground rentals	31,615	31,615
62,350		63,285	63,285
	Appropriations		
(160,000)	Transfers from reserves	(135,000)	(175,000)
-	Transfers to reserves	-	-
107,577	Provision for loan repayments	131,969	129,021
(369,400)	Reverse depreciation	(237,000)	(459,400)
\$3,325,011	Rates Requirement	\$3,525,831	\$3,359,691

TRUST HOUSE RECREATION CENTRE			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
1,077,066	Recreation centre operating costs**	1,136,449	1,108,771
694,816	Depreciation	542,684	703,305
1,771,882		1,679,133	1,812,076
	Operating Income		
35,420	Grants & recoveries	31,000	35,951
	Appropriations		
28,130	Provision for loan repayments	29,347	29,301
(320,000)	Reverse depreciation	(245,000)	(340,000)
\$1,444,592	Rates Requirement	\$1,432,480	\$1,465,426

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

CEMETERIES			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
271,679	Cemeteries operating and maintenance	295,781	260,618
	Operating Income		
79,778	Burial fees and sale of plots	69,954	80,974
	Appropriations		
(35,000)	Transfer from reserves	(30,000)	-
\$156,901	Rates Requirement	195,827	179,644

MASTERTON AIRPORT (HOOD AERODROME)			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
444,251	Airport operation & maintenance	508,435	554,165
119,940	Depreciation	136,040	182,913
564,191		644,474	737,078
	Operating Income		
272,321	Leases and other income	301,619	286,563
	Appropriations		
(20,000)	Transfers from reserves	(20,000)	(20,000)
87,374	Provision for loan repayments	60,036	159,615
(45,000)	Reverse depreciation	(55,000)	(90,800)
\$ 314,244	Rates Requirement	327,891	499,329

COMMUNITY FACILITIES / ACTIVITIES continued				
Annual Plan 2021/22	Capital Expenditure Summary	Source of Funds	Annual Plan 2022/23	LTP Amended Year 2 2022/23
			\$	\$
	Housing for the Elderly			
341,000	Pensioner housing upgrades & renewals	Depn Reserve	500,000	251,968
-	Panama land - stormwater & other	Sale proceeds/ Reserves	1,082,000	1,082,000
341,000	Total Pensioner Housing		1,582,000	1,333,968
	Other Property			
19,000	Public conveniences	Depn Reserve	12,500	12,192
-	Castlepoint Toilets upgrade	Depn Reserve	10,500	10,160
85,000	Rural halls upgrades	Depn Reserve	-	-
-	Riversdale Beach toilets upgrade	Reserves Depn Reserve	10,000	10,160
762,000	Rental Property upgrades	/Loan	52,000	47,752
-	Mawley Park - Playground	Depn Reserve	5,000	5,080
74,000	Mawley Park facility upgrades	Depn Reserve	124,000	68,072
940,000			214,000	153,416
	Airport			
10,000	Runway reseal & remarking	Depn Reserve	-	-
260,000	Hanger area expansion	Loan/External Funds	1,010,000	-
3,348,750	Airport runway and precinct upgrades - taxiway and apron - stage 1	Loan/External Funds	3,200,000	-
5,000	Equipment upgrades	Depn Reserve Loan/External Funds	8,000	-
2,962,623	Runway widening & development	Funds	2,500,000	1,015,385
287,180	Runway construction & road realignment- stage 2	Loan/External Funds	-	585,759
6,873,553	Total Airport		6,718,000	1,601,143
	Library & Archive			
180,000	Book stock renewals	Depn Reserve	182,880	182,880
45,750	Computer & equipment replacements	Depn Reserve	25,400	25,400
11,000	Renew furniture/fittings	Depn Reserve	11,500	11,176
1,130,000	Archive shelving	Reserves/Loan	630,000	-
1,366,750	Total Library & Archive		849,780	219,456
17,740,253	Total		13,148,780	15,907,694
	Funding			
(2,973,500)	Transfers from reserves		(4,806,780)	(3,423,362)
(10,282,190)	Loan funds		(4,832,000)	(7,471,066)
(4,484,563)	External funding		(3,510,000)	(5,013,267)
(\$17,740,253)	Total capital funding		(\$13,148,780)	(\$15,907,694)
\$0	Rates requirement		\$0	\$0

REGULATORY SERVICES - MANA WHAKARITERITE

Regulatory Services involves delivering on our responsibilities under legislation, including:

- Resource management and planning;
- Building control;
- Environmental health and alcohol licencing;
- Bylaws;
- Parking control;
- Animal control; and
- Financial contributions and staffing support for civil defence and emergency management provided by the Wellington Region Emergency Management Office (WREMO).

Our Regulatory Services priorities for 2022/23 are:

- Completing the new animal shelter, deferred from 2021/22. Funding of \$1.4 million (loan funded) has been allowed in the current year to complete the build.
- Progressing the review of the Wairarapa Combined District Plan with community engagement scheduled for November 2022.
- Maintaining our Building Consent Authority Accreditation so we can continue to grant building consents and certify building work in our district. The next IANZ assessment is schedule for November 2022.
- Maintaining the Quality Management System that supports the provision of a good quality food verification service.
- Completing the identification of all remaining potentially earthquake prone buildings in our district and issuing Earthquake Prone notices on buildings that are confirmed as earthquake prone.
- Progressing swimming pool inspections in the urban and rural areas.
- Introducing and maintaining Territorial Authority Compliance Schedule and Building Warrant of Fitness (BWOF) auditing.

The Regulatory Services non-financial performance measures are available in the 2021-31 Long-Term Plan.

REGULATORY SERVICES			
Annual Plan 2021/22	Rates Requirement Summary	Annual Plan 2022/23	LTP Year 2 2022/23
991,705	Resource Management and Planning	1,170,205	1,018,161
657,845	Building Development	768,052	700,951
590,273	Environmental Services	648,301	573,950
255,502	Emergency Management	272,944	255,684
117,795	Animal Services	134,926	144,469
(24,509)	Parking Control	3,321	(34,936)
\$2,588,609	Rates Requirement	\$2,997,748	\$2,658,279

REGULATORY SERVICES				
Annual Plan 2021/22	Capital Expenditure Summary	Source of Funds	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Capital Projects		\$	\$
	Regulatory Services			
8,000	Environmental Health testing equip.	Depn Reserve	6,000	8,128
24,000	Animal Services - equipment	Depn Reserve	2,400	1,626
1,300,000	Animal Services - new animal shelter	Loan	1,400,000	-
4,000	Building Development - equipment	Depn Reserve	20,000	24,384
-	Replace parking meters	Depn Reserve	20,000	406,400
1,336,000	Total Regulatory		1,448,400	440,538
	Capital Funding			
(36,000)	Transfers from reserves		(48,400)	(440,538)
(1,300,000)	Loan Funds		(1,400,000)	-
(\$1,336,000)	Total capital funding		(\$1,448,400)	(\$440,538)
\$0	Rates Requirement		\$0	\$0

RESOURCE MANAGEMENT & PLANNING			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
1,110,324	Resource management & planning Wairarapa Combined District Plan development (MDC share)	1,587,441	971,797
505,000	River scheme contributions	501,015	610,015
159,085		161,471	161,471
1,774,409		2,249,927	1,743,283
	Operating Income		
161,204	User charges - incl consent fees	418,222	163,622
983,000	Reserves & Infrastructure Contributions	1,408,500	992,500
1,144,204		1,826,722	1,156,122
	Appropriations		
(751,500)	Transfer from reserves	(801,500)	(701,500)
1,113,000	Transfer to reserves - incl Contributions	1,548,500	1,132,500
\$991,705	Rates Requirement	\$1,170,205	\$1,018,161

BUILDING DEVELOPMENT			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
1,989,408	Building development operating costs	2,402,688	2,057,562
-	Earthquake building assessments	-	-
1,989,408		2,402,688	2,057,562
	Operating Income		
1,331,563	Consent fees & charges	1,634,636	1,356,611
1,331,563		1,634,636	1,356,611
	Appropriations		
-	Tsf from reserves	-	-
\$657,845	Rates Requirement	\$768,052	\$700,951

ENVIRONMENTAL SERVICES & LICENSING			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
812,468	Environmental Health other operating costs	890,647	805,938
210,093	Alcohol Act enforcement activities	223,042	206,634
1,022,561		1,113,689	1,012,572
	Operating Income		
39,597	License fees & charges	66,369	40,191
88,500	Alcohol licensing fees & charges	89,827	89,828
294,191	Internal recoveries	294,191	298,604
422,288		450,388	428,622
	Appropriations		
(10,000)	Tsf from reserves	(15,000)	(10,000)
\$590,273	Rates Requirement	\$648,301	\$573,950

EMERGENCY MANAGEMENT			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
166,096	CD/EM - Wairarapa Costs	161,942	144,683
132,000	WREMO CD/Emergency Mgmt (MDC share)	133,980	133,980
298,096		295,922	278,663
	Operating Income		
25,595	Misc recoveries - CD/EM Wairarapa	25,978	25,978
	Appropriations		
(20,000)	Tsf from reserves - project funding	-	-
3,000	Tsf to reserves - self insurance	3,000	3,000
\$255,502	Rates Requirement	\$272,944	\$255,684

ANIMAL SERVICES			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
593,145	Animal services & pound costs	669,315	659,688
	Operating Income		
465,082	Dog registration fees & fines	523,550	521,793
	Appropriations		
-	Tsf to reserves - project funding	-	-
4,732	Provision for loan repayments	12,761	44,574
(3,000)	Reverse depreciation	(8,600)	(38,000)
\$117,795	Rates Requirement	\$134,926	\$144,469

PARKING CONTROL			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
191,257	Parking control costs	202,737	189,408
17,745	Depreciation - meters	18,084	17,745
209,002		220,821	207,153
	Operating Income		
233,511	Parking meters and fines	217,500	242,089
	Appropriations		
-	Transfers from reserves	-	-
(24,509)	Rates Requirement	3,321	(34,936)

LEADERSHIP, STRATEGY AND CORPORATE SERVICES - MANA WHAKAHAERE ME NGĀ RATONGA ŌKAWA

Leadership, Strategy and Corporate Services provides strategic direction and leadership to the Council and our community; enables democratic decision-making that is open, transparent and accountable, and supports the effective and efficient operation of all Council activities. This includes working with mana whenua, consulting with our community on key decisions, running the local body election every three years and pursuing strategic objectives for our community.

The corporate activity supports the organisation through various professional services including human resources, communications, finance, IT, policy and strategic planning, corporate planning and reporting, project management, elected member support, general administration and senior leadership.

Our Leadership, Strategy and Corporate Services priorities for 2022/23 are:

- Supporting the 2022 local elections, which will include a Māori ward for the first time. Election day is Saturday 8 October 2022.
- Inducting the new Council after election day and reviewing all the associated governance documents.
- Implementing Council's Corporate Carbon Emission Reduction Plan and the District Climate Change Action Plan.
- Working with Iwi entities to progress the development and implementation of an Iwi/Hapū/Marae/Hapori Māori engagement framework, and implementing our Te Reo and Tikanga policy.
- Reviewing Memorandum's of Partnership (MOPs) with Rangitāne o Wairarapa and Kahungunu ki Wairarapa, and developing MOPs with Rangitāne Tū Mai Rā Trust and Kahungunu ki Wairarapa Tāmaki Nui ā Rua Settlement Trust (the two Post Settlement Governance Entities).
- Progressing our *He Hiringa Tangata, He Hiringa Whenua* Wellbeing Strategy Implementation Plan. In 2022/23, we will complete the youth hub at the Skatepark.
- Providing ongoing funding and supporting to deliver a refreshed Wairarapa Economic Development Strategy.
- Continuing to participate in processes and discussions relating to Government reforms such as the Three Waters Reform and the Future for Local Government.
- Starting preliminary work on the development of the 2024-34 Long-Term Plan.
- Reviewing and developing policies and strategies including: the refresh of the Wairarapa Rangatahi Strategy, developing a Public Art Policy, reviewing the Local Alcohol Policy, Smokefree Policy, Easter Sunday Trading Policy (dependent on central government decisions) and the Wairarapa Class 4 Gambling and TAB Venues Policy.
- Continuing our focus on business improvement to enhance systems and processes across the organisation. This will include preparing for a review of the Revenue and Financing Policy.

LEADERSHIP, STRATEGY & CORPORATE SERVICES			
Annual Plan 2021/22	Rates Requirement Summary	Annual Plan 2022/23	LTP Year 2 2022/23
\$725,607	Representation	\$819,961	\$740,960
\$0	Roading Advisory Services	\$0	\$0
\$0	Asset & Project Management	(0)	0
\$0	Corporate Services	(0)	(0)
1,137,126	Community Development	1,101,370	1,159,601
582,283	Arts and Culture	564,992	596,244
945,297	Economic Development and Promotion	1,015,400	995,640
320,095	Environmental Initiatives	368,158	330,901
\$3,710,408	Rates Requirement	\$3,869,880	\$3,823,347

Note: after internal costs allocated to operating activity areas.

REPRESENTATION			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
526,751	Mayor & councillors remuneration	593,550	530,506
7,500	Reporting & consultation	31,612	28,928
40,000	Election costs	131,000	39,890
665,094	Operating expenses	753,939	635,611
1,239,345		1,510,101	1,234,934
	Operating Income		
483,738	Internal allocation of governance	546,640	493,974
0	Misc Income (election recoveries) (per Funding Policy 40% internal)	63,500	-
483,738		610,140	493,974
	Appropriations		
(30,000)	Transfer (from) reserves	(80,000)	-
\$725,607	Rates Requirement	\$819,961	\$740,960

ROADING ADVISORY SERVICES			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
1,061,902	Professional staff & operating costs	1,127,116	1,063,884
13,440	Depreciation	13,028	12,512
1,075,342		1,140,144	1,076,396
	Operating Income		
1,065,132	Prof. services - Roading	1,129,720	1,065,971
10,210	External income	10,424	10,424
1,075,342		1,140,144	1,076,396
	Appropriations		
\$0	Rates Requirement	\$0	\$0

ASSET & PROJECT MANAGEMENT			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
1,922,407	Professional staff & operating costs	1,980,402	1,922,202
	Operating Income		
1,901,927	Internal charges	1,959,738	1,901,538
20,480	External recoveries	20,664	20,664
1,922,407		1,980,402	1,922,202
	Appropriations		
-	Transfer to reserves	-	-
\$0	Rates Requirement	(\$0)	\$0

DEVELOPMENT (Social, Cultural, Economic & Environmental)			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$		\$	\$
	Operating Costs		
1,709,906	Community development	1,459,432	1,574,677
629,636	Arts & culture	641,762	622,055
1,066,761	Economic development	1,143,324	1,072,514
365,095	Environmental initiatives	428,158	351,201
38,978	Depreciation	47,034	60,525
3,810,376		3,719,709	3,680,971
	Operating Income		
2,400	Government grants	2,436	2,436
30,500	Creative NZ grants	30,957	30,958
212,580	Events grants & other recoveries	60,657	169,079
55,757	Internal Recoveries	58,100	56,593
301,237		152,151	259,066
	Appropriations		
(526,000)	Transfers from reserves	(525,000)	(354,000)
1,662	Provision for loan repayments	7,361	14,481
-	Reverse depreciation	-	-
\$2,984,801	Rates Requirement	3,049,919	3,082,387

CORPORATE SERVICES			
Annual Plan 2021/22	Cost of Service Statement	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Operating Costs	\$	\$
1,849,412	Management & administration	2,217,838	1,607,763
1,667,115	Financial management	1,807,297	1,675,694
1,340,577	Strategic planning	1,393,654	1,284,772
916,734	Information systems	1,122,355	959,068
782,865	Communications & engagement	926,397	735,039
704,951	Human Resources	690,588	742,213
155,576	Council vehicle fleet costs	129,616	171,120
7,417,232		8,287,745	7,175,668
	Operating Income		
508,861	Miscellaneous income & recoveries	653,718	475,893
425,000	Interest income (external)	348,500	355,000
293,584	Interest income (on internal loans)	250,423	272,349
5,184,211	Support services allocated internally	5,785,740	4,841,306
155,576	Council Vehicle Fleet Recovery	129,616	171,120
6,567,232		7,167,997	6,115,669
	Appropriations		
(1,160,000)	Transfer (from) reserves	(1,414,748)	(1,355,000)
25,000	Transfers to reserves	60,000	60,000
285,000	Transfer to reserves - interest	235,000	235,000
\$0	Rates Requirement	(\$0)	(\$0)

LEADERSHIP, STRATEGY & CORPORATE SERVICES				
Annual Plan 2021/22	Capital Expenditure Summary	Source of Funds	Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Capital Projects		\$	\$
	Corporate Services			
50,000	Document mgmt. system	Depn Reserve	20,000	10,160
120,000	IT equipment replacement	Depn Reserve	130,000	121,920
-	IT Council Meetings Info systems	Depn Reserve	50,000	-
-	Website Upgrade	Reserves	30,000	-
10,000	Asset Management System	Depn Reserve	-	-
100,000	Pool Vehicle replacement	Depn Reserve	115,000	101,600
-	Audio Visual Equipment	Depn Reserve	10,000	-
-	IT systems projects	Depn Reserve	80,000	-
280,000	Total Corporate Services		435,000	233,680
	Development			
20,000	CBD Security Cameras	Depn Reserve	24,000	20,320
538,570	Youth hub building at Skatepark	Reserves	300,000	-
5,000	Decorative lighting (upgrade LED)	Reserves	12,000	-
563,570	Total Development		336,000	20,320
843,570	Total		771,000	254,000
	Capital Funding			
(305,000)	Transfers from reserves		(771,000)	(254,000)
(418,577)	Loan funds		-	-
(119,993)	External funding		-	-
(843,570)	Total capital funding		(\$771,000)	(\$254,000)
-	Rates Requirement		-	-

FINANCIAL INFORMATION - NGĀ PĀRONGO PŪTEA



FORECAST FINANCIAL STATEMENTS - TE TIROHANGA WHĀNUI MŌ TE PUTEA

MASTERTON DISTRICT COUNCIL		ANNUAL PLAN 2022/23		
PROSPECTIVE STATEMENT OF FINANCIAL POSITION				
NZ \$	Notes	Forecast to 30 June 2022	2022/23 Annual Plan	2022/23 Year 2 LTP*
CURRENT ASSETS				
Cash & Bank Accounts		4,925,324	4,345,327	4,443,636
Financial Assets - Current		8,433,448	8,102,117	6,124,533
Inventories		243,458	245,958	253,064
Debtors & Other Receivables		5,000,114	4,305,117	4,315,603
Total Current Assets		18,602,344	16,998,520	15,136,836
NON-CURRENT ASSETS				
Property, Plant & Equipment		139,165,925	148,689,776	150,158,356
Infrastructural Assets		813,387,986	829,031,419	811,408,740
Intangible Assets		3,987,563	3,769,793	3,460,333
Forestry assets		513,544	538,706	357,142
Investment Property Assets		-	-	-
Derivative financial instruments		-	-	-
Investments in CCO's & other similar entities		222,141	227,644	232,190
Other Non-current financial assets		10,880,156	9,799,603	11,333,558
Total Non-Current Assets		968,157,315	992,056,941	976,950,319
TOTAL ASSETS		986,759,659	1,009,055,461	992,087,155
CURRENT LIABILITIES				
Creditors & Other Payables		8,531,783	12,444,783	8,566,214
Employee Benefits - Current Portion		1,109,309	1,309,309	1,059,336
Provisions - Current Portion		20,000	20,000	20,000
Financial liabilities - current portion	3	8,000,000	5,100,000	5,100,000
Total Current Liabilities		17,661,092	18,874,092	14,745,550
NON-CURRENT LIABILITIES				
Financial liabilities	3	42,000,000	50,093,652	62,933,807
Derivative financial instruments		3,010,000	3,010,000	7,002,121
Employee benefits		11,060	11,060	-
Provisions & other liabilities		68,000	72,351	-
Total Non-Current Liabilities		45,089,060	53,187,063	69,935,928
NET ASSETS		\$ 924,009,507	\$ 936,994,305	\$ 907,405,677
EQUITY				
Ratepayers' Equity		457,736,547	477,196,913	461,396,532
Asset Revaluation Reserves		436,968,671	436,968,671	421,952,876
Special funds & restricted reserves	4	29,304,289	22,828,722	24,056,268
TOTAL EQUITY		\$ 924,009,507	\$ 936,994,305	\$ 907,405,677

MASTERTON DISTRICT COUNCIL		ANNUAL PLAN 2022/23			
PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE					
OPERATING REVENUE			2021/22	2022/23	2022/23
NZ \$	Notes	Annual Plan	Annual Plan	Year 2 LTP*	
Rates revenue		34,692,272	37,679,274	37,063,366	
Rural sewerage schemes capital contrib.		49,017	50,446	43,301	
Financial contributions		1,481,000	3,831,498	1,493,498	
Roading subsidies - Waka Kotahi		5,818,281	10,434,841	7,859,613	
Fees and charges		8,347,711	10,114,704	8,774,562	
Interest and dividends		431,000	357,250	403,071	
Other revenue		9,523,479	4,279,376	5,864,740	
Gain on sale of assets		-	4,333,300	4,333,300	
Total Operating Revenue	2	60,342,760	71,080,690	65,835,451	
OPERATING EXPENDITURE					
Personnel costs		13,078,498	14,126,104	12,916,903	
Finance costs		1,799,808	1,708,613	1,870,170	
Depreciation & amortisation		14,938,115	15,966,833	16,632,853	
Other Operating costs		24,500,162	26,294,340	23,758,289	
Total Operating Expenditure		54,316,583	58,095,891	55,178,214	
Net Surplus / (Deficit)**		\$ 6,026,177	\$ 12,984,800	\$ 10,657,236	
Revaluations			-	50,667,480	
Total Comprehensive Revenue & Expenses		\$ 6,026,177	\$ 12,984,800	\$ 61,324,716	
*LTP Amended 15/06/22	**Note: Income Tax is nil				
Note: value of rates on Council Properties assumed		656,100	711,500	678,442	

MASTERTON DISTRICT COUNCIL		ANNUAL PLAN 2022/23		
PROSPECTIVE STATEMENT OF CASHFLOWS				
NZ \$	Notes	2021/22	2022/23	2022/23
		Annual Plan	Annual Plan	Year 2 LTP*
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was received from:				
				*LTP Amended 15/06/22
Rates		34,672,702	37,643,845	37,038,498
Grants, subsidies & donations		15,000,600	14,351,028	13,388,767
Petrol tax		190,000	200,000	193,990
Other revenue		9,009,848	14,852,105	10,215,010
Interest on investments		431,000	357,250	403,071
		59,304,150	67,404,227	61,239,336
Cash was applied to:				
Payments to suppliers and employees		39,050,895	36,303,093	35,992,802
Interest paid		1,799,808	1,708,613	1,870,170
		40,850,703	38,011,706	37,862,972
Net cash flow from operating activities		18,453,447	29,392,521	23,376,364
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was received from:				
Sale of fixed assets		20,000	5,365,000	5,365,000
Term investments, shares & advances		-	1,080,553	8,772
Forestry/investment property proceeds		-	-	190,177
		20,000	6,445,553	5,563,949
Cash was applied to:				
Purchase of fixed assets		38,551,875	41,937,549	34,381,739
Term investments, shares & advances		667,382	5,503	651,810
		39,219,257	41,943,053	35,033,549
Net cash flow from investing activities		(39,199,257)	(35,497,500)	(29,469,600)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash was received from:				
Drawdown of public debt		16,340,767	8,494,100	9,256,374
		16,340,767	8,494,100	9,256,374
Cash was applied to:				
Repayment of public debt (incl Finance Leases)		2,629,788	3,300,449	3,433,545
		2,629,788	3,300,449	3,433,545
Net cash flow from financing activities		13,710,979	5,193,651	5,822,829
NET INCREASE/(DECREASE) IN CASH HELD		(7,034,831)	(911,328)	(270,408)
Add cash at start of year (1 July)		17,873,408	13,358,772	10,838,577
BALANCE AT END OF YEAR (30 JUNE)		10,838,577	12,447,444	10,568,169
REPRESENTED BY:				
Cash & bank		4,356,507	4,345,327	4,443,636
Short term deposits		6,482,070	8,102,117	6,124,533
BALANCE AT END OF YEAR (30 JUNE)		10,838,577	12,447,444	10,568,169
The closing balance of 2021/22 is the Plan position. An updated forecast position has been used as the opening balance for 2022/23				

MASTERTON DISTRICT COUNCIL		ANNUAL PLAN 2022/23		
PROSPECTIVE STATEMENT OF CHANGES IN EQUITY				
NZ \$	Notes	2021/22 Forecast	2022/23 Annual Plan	2022/23 Year 2 LTP*
Ratepayer's Equity		444,904,979	457,736,547	449,168,939
Special Funds & Reserves		29,183,947	29,304,289	25,626,626
Revaluation Reserves		371,918,371	436,968,671	371,285,396
EQUITY AT START OF YEAR		846,007,297	924,009,507	846,080,960
Comprehensive Revenue & Expenses for the year		78,002,209	12,984,800	61,324,716
Total recognised revenues & expenses for the period		\$ 78,002,209	\$ 12,984,800	\$ 61,324,716
Ratepayer's Equity		457,736,547	477,196,913	461,396,532
Special Funds & Reserves		29,304,289	22,828,722	24,056,268
Revaluation Reserves		436,968,671	436,968,671	421,952,876
EQUITY AT END OF YEAR		924,009,507	936,994,305	907,405,677

*LTP Amended 15/06/22

TREASURY POLICY CHECK				
Net External Debt		25,538,931	32,718,960	45,899,890
Operating Revenue		60,342,760	71,080,690	65,835,451
Rates Revenue		34,692,272	37,679,274	37,063,366
Net Interest on Net Debt		1,368,808	1,351,363	1,467,099
Net Debt as a % of Operating Revenue (limit = 150%)		42.3%	46.0%	69.7%
Net Interest expense as a % of Operating Revenue (limit = 10%)		2.3%	1.9%	2.2%
Net Interest expense as a % of Rates Revenue (limit = 15%)		3.9%	3.6%	4.0%
Number of rateable properties (estimated)		12,650	13,183	12,794
Average rates per property (excl GST)		\$ 2,794	\$ 2,912	\$ 2,950
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			
Prior Year Plan 2021/22		Annual Plan 2022/23	LTP Year 2 2022/23
		\$	\$
5,985,730	Roading		
	Subsidised Roothing	6,410,574	6,302,595
1,349,208	Non-subsidised Roothing	1,398,301	1,380,102
	Water Services		
3,592,193	Urban Water supply	4,209,309	4,228,723
124,033	Rural Water supplies & races	137,330	138,874
	Wastewater Services		
6,542,116	Urban Sewerage system	6,910,237	6,804,218
361,901	Rural Sewerage systems	398,741	424,531
	Stormwater Services		
664,267	Urban Stormwater System	842,041	791,585
	Solid Waste Services		
96,696	Solid Waste Management ***	99,684	136,197
924,773	Waste Minimisation Services***	1,185,050	968,446
	Community Facilities/Activities		
3,325,011	Parks, Reserves & Sportsfields	3,525,831	3,359,691
1,444,592	Trust House Recreation Centre	1,432,480	1,465,426
156,901	Cemeteries	195,827	179,644
2,375,524	Library & Archive	2,630,882	2,555,391
1,673,672	Property	1,705,521	1,899,642
314,244	Airport	327,891	499,329
167,512	Mawley Park	163,894	169,091
	Regulatory Services		
991,705	Resource Management & Planning	1,170,205	1,018,161
590,273	Environmental Services	648,301	573,950
657,845	Building Development	768,052	700,951
(24,509)	Parking Control	3,321	(34,936)
117,795	Animal Services	134,926	144,469
255,502	Emergency Management	272,944	255,684
	Leadership, Strategy & Corporate Services		
725,607	Representation	819,961	740,960
0	Internal Functions (net)	(0)	(0)
1,137,126	Community Development	1,101,370	1,159,601
582,283	Arts and Culture	564,992	596,244
945,297	Economic Development	1,015,400	995,640
320,095	Environmental Initiatives	368,158	330,901
\$ 35,397,389	Total Rates Requirement	\$ 38,441,221	\$ 37,785,109
35,357,389	MDC Rates Revenue*	38,381,221	37,753,590
(49,017)	less rural sewerage capital contributions	(50,446)	(46,159)
35,308,372		38,330,774	37,707,431
7.0%	% Change (pre growth) from prior year	8.6%	6.8%
5.5%	% Change (after growth) from prior year**	6.8%	5.6%
210,000	Penalty Revenue	225,000	210,125
(170,000)	Rates Remissions	(165,000)	(178,606)
\$ 35,348,372	Net Rates Revenue	\$ 38,390,774	\$ 37,738,950

* 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.

***The split in the LTP numbers for solid waste and waste minimisation has been restated.

NOTE 2**PROSPECTIVE SUMMARY OF REVENUE**

OPERATING INCOME	2021/22 Annual Plan \$ 000's	2022/23 Annual Plan \$ 000's	2022/23 Year 2 LTP \$ 000's
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
Targeted Rates (including penalties)	34,692	37,679	37,063
Rural sewerage schemes capital contrib.	49	50	43
Financial Contributions	1,481	3,831	1,493
Waka Kotahi Subsidy	5,818	10,435	7,860
Other Government Grants	8,978	3,871	1,304
Other Grants	205	45	4,225
Other Non Exchange Revenue	722	709	794
Revaluation Gains	36	36	27
REVENUE FROM EXCHANGE TRANSACTIONS			
Interest	421	354	393
Dividends	10	4	10
Fees & User charges	7,932	9,733	8,289
Other Gains/(losses)- Profit on Sale of Assets		4,333	4,333
TOTAL OPERATING REVENUE	60,343	71,081	65,835
RATES REMISSIONS			
Rates revenue is shown net of rates remissions.			
Rates remissions estimated per year:	(170)	(165)	(179)

NOTE 3
PROSPECTIVE STATEMENT OF PUBLIC DEBT (EXTERNAL)

	Forecast as at 30-Jun-22 (\$ 000)	Annual Plan 2022/23 (\$ 000)	LTP Year 2 2022/23 (\$ 000)
Opening Balance	48,500	50,000	62,211
Loans raised during the year	4,200	8,494	9,256
Less repayments during the year	(2,700)	(3,300)	(3,434)
Balance as at 30 June	50,000	55,194	68,034
Less current borrowings repayable in 12 months	(3,300)	(3,521)	(3,886)
Closing balance for non-current borrowings	\$ 46,700	51,673	64,147

Note: loan repayments shown here differ from the financial stmt which recognises actual loan maturities which are expected to be partially refinanced.

SCHEDULE OF EXTERNAL LOAN END OF YEAR BALANCES BY GROUPS OF ACTIVITIES

Roading	403	1,051	2,779
Water Services	6,689	7,529	6,669
Sewerage Services	35,246	33,133	33,260
Stormwater Services	444	557	556
Solid Waste Services	1,535	1,377	1,380
Leadership & Strategy	0	165	406
Community Facilities/ Activities	5,456	9,763	21,723
Regulatory Services	226	1,619	1,260
	\$ 50,000	\$ 55,194	\$ 68,034

PUBLIC DEBT (INTERNAL)			
	Forecast as at 30-Jun-22 (\$ 000)	Annual Plan 2022/23 (\$ 000)	LTP Year 2 2022/23 (\$ 000)
Opening Balance	9,767	9,144	9,272
Loans raised during the year	-	-	-
Less repayments during the year	(623)	(711)	(683)
Closing Balance as at 30 June	\$ 9,144	8,433	8,589
SCHEDULE OF INTERNAL LOAN END OF YEAR BALANCES BY GROUPS OF ACTIVITIES			
Roading	737	687	651
Water Services	809	775	1,009
Sewerage Services	2,653	2,313	2,272
Solid Waste Services	292	245	246
Leadership & Strategy	7	6	6
Community Facilities/ Activities	4,496	4,262	4,266
Regulatory Services	151	145	140
	\$ 9,144	\$ 8,433	\$ 8,589

**NOTE 4
PROSPECTIVE STATEMENT OF SPECIAL FUNDS & RESERVES**

The Council maintains special funds and reserves as a sub-part of its equity. Schedule 10, Part 2 (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 2022/23 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 here.

Council Created Reserves Purpose and application	Projected Opening Balance 2022 \$ 000's	Transfers In 2022/23 \$ 000's	Transfers Out 2022/23 \$ 000's	Projected Closing Balance 2023 \$ 000's
General Capital Reserves These funds have been set aside from the sale of assets. They can be utilised for new asset purchases and to fund one-off Council projects and grants.	5,179	-	326	4,853
Investment Interest Fund These funds are generated by receiving the proceeds of interest earnings on investments. The LTP financial model allocates to this fund, all interest income from operating activities. The funds have been applied to offset debt servicing costs on specific projects including the CBD upgrading, Chapel St stormwater line, Castlepoint seawall and rural transfer stations.	496	231	120	607
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 i.e. development of assets on reserves and general district development.	2,640	653	1,079	2,214
Plant & Equipment Depreciation Funds These funds are built up from depreciation on plant and equipment and are used to fund replacements	1,383	587	712	1,258
Buildings Depreciation Funds The Council has a series of specific depreciation reserve accounts for assets such as senior housing, Trust House Recreation Centre, Waita House, the Library and parks & reserves buildings. Depreciation funds on these assets are accumulated in these funds and used for renewal expenditure as required.	5,480	7,091	4,049	8,522

PROSPECTIVE STATEMENT OF SPECIAL FUNDS & RESERVES (CONTINUED)

Council Created Reserves Purpose and application	Forecast Opening Balance 2022 \$ 000's	Transfers In 2022/23 \$ 000's	Transfers Out 2022/23 \$ 000's	Forecast Closing Balance 2023 \$ 000's
Roading, Bridges & Flood Damage Funds Most roading renewal expenditure is funded from rates and NZTA subsidies, but some funding for Council's share of bridge renewals and street furniture is being built up in this fund. Roading contributions taken as per the District Plan financial contributions are accumulated in this fund and a separate fund for responding to road flood damage is also part of this group. Use of these funds can be for roading and bridge renewals, upgrades and flood damage repairs.	6,136	2,898	7,425	1,608
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.	6,673	3,768	5,025	5,416
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 Animal Services 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, e.g. Wairarapa Combined District Plan project.	1,202	435	3,401	(1,764)
Crematorium Fund - ex Mrs Smart bequest To manage a bequest made to establish a crematorium.	115	-	-	115
	\$ 29,304	\$ 15,663	\$ 22,138	\$ 22,829

NOTE 5**PROSPECTIVE SUMMARY OF REVALUATION RESERVE MOVEMENTS**

	2021/22 Forecast Annual Plan \$ 000's	2022/23 Year 1 LTP \$ 000's	2022/23 Year 2 LTP \$ 000's
Revaluation Reserve			
Opening balance	371,918	436,969	371,285
Revalue Movements	65,050	-	50,667
Closing Balance	436,969	436,969	421,952
	2021/22 Forecast Annual Plan \$ 000's	2022/23 Year 1 LTP \$ 000's	2022/23 Year 2 LTP \$ 000's
Revaluation Movements by groups			
Infrastructure			
Roading	45,634	-	35,430
Water Services	5,059	-	3,884
Sewerage Services	11,053	-	8,768
Stormwater Services	96	-	78
Solid Waste Services	2,801	-	2,166
	64,643	-	50,326
Other Asset Revaluation Reserve Movements			
Building	-	-	-
Land	-	-	-
Other	408	-	341
	408	-	341
Total revaluation movements	65,050	-	50,667

Note the LTP had the revaluation expected in Year 2 but escalating costs means it will be done this year.

PROSPECTIVE CAPITAL SUMMARY STATEMENT			
Prior Year Plan 2021/22		Annual Plan 2022/23	LTP Amended Year 2 2022/23
\$	Roading	\$	\$
7,406,340	Subsidised Roding	12,666,157	10,642,657
1,474,792	Non-subsidised Roding	5,786,992	1,735,700
	Water Services		
6,043,500	Urban Water supply	2,880,000	2,549,890
745,000	Rural Water supplies & races	25,000	30,660
	Sewerage Services		
2,002,000	Urban Sewerage system	3,179,200	1,992,900
40,000	Rural Sewerage systems	355,000	347,480
	Stormwater Services		
660,000	Urban Stormwater System	475,000	459,900
	Solid Waste Services		
260,420	Solid Waste	170,320	20,320
	Community Facilities/Activities		
933,150	Parks & Reserves	837,000	846,074
1,837,500	Sportsfields	1,453,000	582,859
255,000	Trust House Recreation Centre	625,000	605,394
94,000	Cemeteries	400,000	387,909
1,366,750	Library & Archive	849,780	219,456
6,380,300	Property	2,266,000	11,664,859
6,873,553	Airport	6,718,000	1,601,143
	Regulatory Services		
8,000	Environmental Services	6,000	8,128
4,000	Building Development	20,000	24,384
-	Parking Control	20,000	406,400
1,324,000	Animal Services	1,402,400	1,626
-	Emergency Management	-	-
	Leadership, Strategy & Corporate Services		
280,000	Corporate Services	435,000	233,680
563,570	Development	336,000	20,320
\$ 38,551,875	Total Capital expenditure	\$ 40,905,849	\$ 34,381,739
	Funded by		
(2,933,257)	NZ Transport Agency subsidy (roading)	(7,219,710)	(4,938,864)
(8,898,832)	Transfers from reserves	(18,435,042)	(11,957,885)
(16,340,767)	Loan funds	(8,494,100)	(9,256,374)
(2,990,963)	Rates	(3,246,998)	(3,215,350)
(7,388,056)	Other (External funding)	(3,510,000)	(5,013,267)
\$ (38,551,875)		\$ (40,905,849)	\$ (34,381,739)

BENCHMARKS - NGĀ TAUMATA

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

The Local Government Act 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 THE YEAR ENDING 30 JUNE 2023

Benchmark Planned: 2022/23 Annual Plan (in brackets)

Rates Affordability Benchmarks	LTP Yr2	Met
<ul style="list-style-type: none"> Quantified limit on rates income (using revised LGCI)* 	\$38.49m	Yes (\$38.32m)
<ul style="list-style-type: none"> Quantified limit on rates increase (per LTP) 	5.6%	No (6.8%)
<ul style="list-style-type: none"> Quantified limit on rates increase (using revised LGCI)* 	7.3%	Yes (6.8%)
Debt Affordability Benchmarks		
<ul style="list-style-type: none"> Quantified limit on borrowing (net debt/revenue) 	<150%	Yes (46.0%)
<ul style="list-style-type: none"> Debt servicing benchmark < 10% (net borrowing costs/revenue) 	2.2%	Yes (1.9%)
Other Benchmarks		
<ul style="list-style-type: none"> Balanced budget benchmark > 100% 	116.3%	Yes (108.2%)
<ul style="list-style-type: none"> Balanced budget benchmark > 100% (excl one-off capital revenue)) 	102.8%	No (98.5%)
<ul style="list-style-type: none"> Essential Services benchmark > 100% 	139%	Yes (136%)

*The LG Cost Index for 2021/22 (as forecast by BERL) in the LTP and applied to costs for 2022/23 was 1.5%. It was revised to 2.8% in September 2021.

**Planned rates increase figures are after allowing for growth in the rating base of 1.25%. Actual growth in 2021/22 is now expected to be 1.8%.

FUNDING IMPACT STATEMENT - TAUĀKI Ā-PUTEA

FUNDING IMPACT STATEMENT			
As required by the Local Government (Financial Reporting) Regulations 2014			
	Annual Plan	LTP Amended Year 2	Annual Plan
COUNCIL	2021/22	2022/23	2022/23
	(\$000)	(\$000)	(\$000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties	210	210	225
Targeted rates	34,531	36,897	37,505
Subsidies and grants (for operating)	4,679	3,437	3,621
Fees & charges	8,348	8,775	10,115
Interest & dividends	431	403	357
Other receipts (incl petrol tax & fines)	306	308	328
Total operating funding (A)	48,505	50,029	52,151
Applications of Operating Funding			
Payments to staff and suppliers	37,579	36,675	40,420
Finance costs	1,800	1,870	1,709
Other operating funding applications	-	-	-
Total applications of operating funding (B)	39,378	38,545	42,129
Surplus/(Deficit) of operating funding (A-B)	9,126	11,484	10,021
Sources of Capital Funding			
Subsidies & grants for capital expenditure	10,321	9,952	10,730
Development & financial contributions	1,481	1,493	3,831
Increase /(decrease) in debt	13,711	5,823	5,194
Gross proceeds from sale of assets	20	5,555	5,365
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	25,533	22,824	25,120
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	840	3,789	7,552
- to improve level of service	23,996	14,997	15,091
- to replace existing assets	13,715	15,596	18,263
Increase/(decrease) in reserves	(4,592)	(558)	(6,476)
Increase/(decrease) in investments	699	484	711
Total application of capital funding (D)	34,660	34,308	35,141
Surplus / (deficit) of capital funding (C-D)	(9,126)	(11,484)	(10,021)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT	Annual Plan	LTP Amended Year 2	Annual Plan
	2021/22	2022/23	2022/23
Reconciliation - between FIS & Financial Statements	(\$000)	(\$000)	(\$000)
Operating Funding (revenue) - per FIS	48,505	50,029	52,151
Capital Funding (revenue)- per FIS	11,802	11,446	14,561
	60,307	61,475	66,712
Operating Revenue - per Stmt of Comp. Revenue & Expense	60,343	65,835	71,081
Less Other Gains/(losses)- on revaluation & disposal	36	4,361	4,369
	60,307	61,475	66,712
Operating Expenditure - per FIS	39,378	38,545	42,129
Add depreciation	14,938	16,633	15,967
	54,317	55,178	58,096
Operating Expenditure - per Stmt of Comp. Revenue & Expense	54,317	55,178	58,096
Capital Expenditure - per FIS	38,552	34,382	40,906
Capital Expenditure - per Cost of Service Statements	38,552	34,382	40,906
Transfer to/(from) Reserves - per COSS	(10,595)	(13,253)	(17,992)
Depreciation transferred to reserves - per COSS	5,983	7,141	6,151
Proceeds from sale of assets - Tsf to reserves	20	5,555	5,365
	(4,592)	(558)	(6,476)
Increase/(Decrease) in Reserves - per FIS	(4,592)	(558)	(6,476)

FUNDING IMPACT STATEMENT

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

	Annual Plan 2021/22 (\$000)	LTP Amended Year 2 2022/23 (\$000)	Annual Plan 2022/23 (\$000)
ROADING			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	7,335	7,683	7,809
Subsidies and grants (for operating)	2,885	2,921	3,215
Fees & charges	73	75	96
Internal charges & overheads recovered	-	-	-
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	190	194	200
Total operating funding (A)	10,483	10,872	11,320
Applications of Operating Funding			
Payments to staff and suppliers	5,673	5,848	6,370
Finance costs	11	49	14
Internal charges and overheads applied	1,459	1,418	1,476
Other operating funding applications			
Total applications of operating funding (B)	7,143	7,315	7,860
Surplus/(Deficit) of operating funding (A-B)	3,340	3,557	3,460
Sources of Capital Funding			
Subsidies & grants for capital expenditure	2,933	4,939	7,220
Development & financial contributions	375	378	2,300
Increase /(decrease) in debt	1,323	1,068	599
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	4,631	6,385	10,119
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	840	1,276	4,990
- to improve level of service	2,113	1,988	3,331
- to replace existing assets	5,928	9,114	10,132
Increase/(decrease) in reserves	(909)	(2,436)	(4,874)
Increase/(decrease) in investments			
Total application of capital funding (D)	7,972	9,942	13,579
Surplus / (deficit) of capital funding (C-D)	(3,340)	(3,557)	(3,460)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan 2021/22 (\$000)	LTP Amended Year 2 2022/23 (\$000)	Annual Plan 2022/23 (\$000)
WATER SERVICES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	3,716	4,368	4,347
Subsidies and grants (for operating)	440	-	-
Fees & charges	532	547	534
Internal charges & overheads recovered	103	104	111
Interest & dividends	5	5	5
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	4,796	5,024	4,997
Applications of Operating Funding			
Payments to staff and suppliers	2,327	1,934	1,866
Finance costs	146	193	225
Internal charges and overheads applied	881	858	927
Other operating funding applications	-	-	-
Total applications of operating funding (B)	3,354	2,984	3,018
Surplus/(Deficit) of operating funding (A-B)	1,442	2,040	1,980
Sources of Capital Funding			
Subsidies & grants for capital expenditure	2,334	-	-
Development & financial contributions	-	-	-
Increase /(decrease) in debt	2,459	140	806
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	4,793	140	806
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	613	180
- to improve level of service	4,604	82	682
- to replace existing assets	2,185	1,886	2,043
Increase/(decrease) in reserves	(554)	(401)	(120)
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	6,234	2,180	2,785
Surplus / (deficit) of capital funding (C-D)	(1,442)	(2,040)	(1,980)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan 2021/22 (\$000)	LTP Amended Year 2 2022/23 (\$000)	Annual Plan 2022/23 (\$000)
WASTEWATER SERVICES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	6,904	7,229	7,309
Subsidies and grants (for operating)	500	-	-
Fees & charges	501	571	492
Internal charges & overheads recovered	38	34	38
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	7,944	7,833	7,839
Applications of Operating Funding			
Payments to staff and suppliers	1,878	1,402	1,423
Finance costs	1,392	1,080	1,214
Internal charges and overheads applied	1,177	1,149	1,269
Other operating funding applications	-	-	-
Total applications of operating funding (B)	4,446	3,631	3,907
Surplus/(Deficit) of operating funding (A-B)	3,497	4,203	3,933
Sources of Capital Funding			
Subsidies & grants for capital expenditure	450	-	-
Development & financial contributions	123	123	123
Increase/(decrease) in debt	(2,006)	(2,667)	(2,452)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(1,433)	(2,544)	(2,329)
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	818	1,300
- to improve level of service	300	-	300
- to replace existing assets	1,742	1,523	1,934
Increase/(decrease) in reserves	22	(681)	(1,931)
Increase/(decrease) in investments			
Total application of capital funding (D)	2,064	1,659	1,603
Surplus / (deficit) of capital funding (C-D)	(3,497)	(4,203)	(3,933)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan 2021/22 (\$000)	LTP Amended Year 2 2022/23 (\$000)	Annual Plan 2022/23 (\$000)
STORMWATER SERVICES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	664	792	842
Subsidies and grants (for operating)	200	-	-
Fees & charges	-	-	-
Internal charges & overheads recovered	-	-	-
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	864	792	842
Applications of Operating Funding			
Payments to staff and suppliers	298	296	206
Finance costs	17	13	15
Internal charges and overheads applied	213	211	237
Other operating funding applications	-	-	-
Total applications of operating funding (B)	529	520	458
Surplus/(Deficit) of operating funding (A-B)	335	271	384
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase /(decrease) in debt	(36)	112	113
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(36)	112	113
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	100	153	155
- to replace existing assets	560	307	320
Increase/(decrease) in reserves	(361)	(76)	22
Increase/(decrease) in investments			
Total application of capital funding (D)	299	384	497
Surplus / (deficit) of capital funding (C-D)	(335)	(271)	(384)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan 2021/22 (\$000)	LTP Amended Year 2 2022/23 (\$000)	Annual Plan 2022/23 (\$000)
SOLID WASTE SERVICES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	1,021	1,105	1,285
Subsidies and grants (for operating)	180	264	260
Fees & charges	3,150	3,359	4,032
Internal charges & overheads recovered	73	76	159
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	4,425	4,804	5,736
Applications of Operating Funding			
Payments to staff and suppliers	3,769	3,979	4,887
Finance costs	61	45	51
Internal charges and overheads applied	442	428	489
Other operating funding applications	-	-	-
Total applications of operating funding (B)	4,271	4,452	5,427
Surplus/(Deficit) of operating funding (A-B)	154	352	309
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase /(decrease) in debt	(182)	(202)	(205)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(182)	(202)	(205)
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	60	20	20
- to replace existing assets	200	-	150
Increase/(decrease) in reserves	(289)	130	(66)
Increase/(decrease) in investments			
Total application of capital funding (D)	(28)	151	105
Surplus / (deficit) of capital funding (C-D)	(154)	(352)	(309)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan 2021/22 (\$000)	LTP Amended Year 2 2022/23 (\$000)	Annual Plan 2022/23 (\$000)
COMMUNITY FACILITIES / ACTIVITIES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	9,457	10,128	9,982
Subsidies and grants (for operating)	189	50	42
Fees & charges	1,628	1,660	1,645
Internal charges & overheads recovered	675	685	744
Interest & dividends	-	42	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	11,950	12,566	12,414
Applications of Operating Funding			
Payments to staff and suppliers	7,173	7,086	7,653
Finance costs	173	439	177
Internal charges and overheads applied	2,448	2,383	2,579
Other operating funding applications	-	-	-
Total applications of operating funding (B)	9,794	9,908	10,409
Surplus/(Deficit) of operating funding (A-B)	2,156	2,658	2,005
Sources of Capital Funding			
Subsidies & grants for capital expenditure	4,485	5,013	3,510
Development & financial contributions	-	0	0
Increase /(decrease) in debt	9,741	6,746	4,242
Gross proceeds from sale of assets	-	5,535	5,345
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	14,226	17,295	13,097
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	1,082	1,082
- to improve level of service	14,967	12,754	8,813
- to replace existing assets	2,774	2,072	3,254
Increase/(decrease) in reserves	(1,358)	4,045	1,953
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	16,382	19,953	15,102
Surplus / (deficit) of capital funding (C-D)	(2,156)	(2,658)	(2,005)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan 2021/22 (\$000)	LTP Amended Year 2 2022/23 (\$000)	Annual Plan 2022/23 (\$000)
REGULATORY SERVICES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	2,589	2,658	2,998
Subsidies and grants (for operating)	-	-	-
Fees & charges	2,229	2,325	2,845
Internal charges & overheads recovered	294	299	294
Interest & dividends	1	1	4
Other receipts (incl petrol tax & fines)	116	114	128
Total operating funding (A)	5,228	5,397	6,268
Applications of Operating Funding			
Payments to staff and suppliers	4,269	4,321	5,078
Finance costs	-	39	8
Internal charges and overheads applied	1,566	1,517	1,823
Other operating funding applications	-	-	-
Total applications of operating funding (B)	5,835	5,877	6,909
Surplus/(Deficit) of operating funding (A-B)	(607)	(480)	(641)
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	983	993	1,408
Increase/(decrease) in debt	1,295	(45)	1,387
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	2,278	948	2,796
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	1,304	-	1,400
- to replace existing assets	32	441	48
Increase/(decrease) in reserves	335	27	707
Increase/(decrease) in investments			
Total application of capital funding (D)	1,671	468	2,155
Surplus / (deficit) of capital funding (C-D)	607	480	641
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan 2021/22 (\$000)	LTP Amended Year 2 2022/23 (\$000)	Annual Plan 2022/23 (\$000)
LEADERSHIP, STRATEGY & CORPORATE SERVICES			
Sources of Operating Funding			
General rates, uniform charges, rates penalties			
Targeted rates	3,710	3,823	3,870
Subsidies and grants (for operating)	285	202	104
Fees & charges	234	237	470
Internal charges & overheads recovered	9,406	9,073	10,128
Interest & dividends	425	355	349
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	14,060	13,691	14,921
Applications of Operating Funding			
Payments to staff and suppliers	12,565	12,208	13,311
Finance costs	-	12	6
Internal charges and overheads applied	2,687	2,588	3,013
Other operating funding applications	-	-	-
Other dedicated capital funding	-	-	-
Total applications of operating funding (B)	15,252	14,808	16,330
Surplus/(Deficit) of operating funding (A-B)	(1,191)	(1,117)	(1,409)
Sources of Capital Funding			
Subsidies & grants for capital expenditure	120	-	-
Development & financial contributions	-	-	-
Increase/(decrease) in debt	417	(14)	(7)
Gross proceeds from sale of assets	20	20	20
Lump sum contributions	-	-	-
Total sources of capital funding (C)	557	6	13
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	549	-	390
- to replace existing assets	295	254	381
Increase/(decrease) in reserves	(1,478)	(1,366)	(2,167)
Increase/(decrease) in investments			
Total application of capital funding (D)	(634)	(1,112)	(1,396)
Surplus / (deficit) of capital funding (C-D)	1,191	1,117	1,409
Funding balance (A-B)+(C-D)	0	0	0

REVENUE AND FINANCING POLICY - SUMMARY STATEMENT - KAUPAPAHERE Ā-PŪTEA

Introduction

The full Revenue and Financing Policy is included in the 2021-31 Long-Term Plan. The Policy, as applied to the 2022/23 Annual Plan is shown in the following Rating Funding Impact Statement. The Policy was scheduled to be reviewed prior to the 2021-31 Long-Term Plan, but due to the impacts of the COVID-19 lockdowns and recovery period through much of 2020, the review was not able to be completed. With Council elections scheduled in October 2022, the review of the policy will now begin early in 2023 with a view to it being consulted on and implemented as part of the 2024-34 Long Term Plan.

The basis of the current policy has evolved over 25 years and was first adopted (as the Funding Policy) following public consultation in 1997. It has been reviewed, refined and revised by the Council every three years since then, including using the principles outlined in the LGA (sec 101(3) and 103). Any changes have been implemented following the consultation processes of the long term plans and annual plans when the changes were made. The current policy as set out here was part of the supporting information for the 2021-31 Long-Term Plan and was subject to public consultation as part of the 2021-31 Long-Term Plan process.

Rating Base

Listed below are the population, property and valuation figures of the district. These are key to the way the rates required are divided up amongst properties.

Population (usually resident - Statistics NZ Tatauranga Aotearoa Census data 2018)

District	Area	Population	% Total Population
Masterton	Rural	5,743	22.5%
	Urban	19,814	77.5%
	TOTAL:	25,557	(9.4% increase over 5 years since the 2013 census)

Area 229,500 ha (urban area = 1,796 ha)

Rateable Properties		Separately Rateable Units 2022	
Rural	4,030	Rural	3,984
Urban	9,153	Urban	9,889
	13,183		13,873

Rating Valuation Totals (effective Sept 2020)

			Change (over 1.8 years) as a result of growth, since the 2020 revaluation
Land value	Rural	\$2,637 million	+0.4%
	Urban	\$2,075 million	+1.4%
	Total	\$4,712 million	+0.8%

			Change (over 1.8 years) as a result of growth, since the 2020 revaluation
Capital value	Rural	\$4,009 million	+1.0%
	Urban	\$4,808 million	+2.3%
	Total	\$8,817 million	+1.7%

2022/23 Impacts

The Council's 2022/23 rates required is 8.6 per cent more than the prior year (before growth). Growth in property numbers and rateable values since June 2021 reduces that by 1.8 per cent, bring the average increase to 6.8 per cent. That increase will have some variations between properties depending of location and values, but with no general revaluation this year, the increases will be within a small range.

Overall, the 2022/23 budget changes result in an average 6.8 per cent increase (after growth) for the urban ward and an average of 6.6 per cent increase (after growth) for the rural ward.

- Urban residential properties will pay (on average) increased rates of 6.8 per cent due to the Council's rates requirement.
- Urban commercial properties will pay (on average) increased rates of 6.6 per cent.
- Rural farm property increases average 6.7 per cent.
- Rural lifestyle properties will pay 6.5 per cent more.
- Beach properties will increase between 6.3 per cent (Riversdale Beach) and 7.7 per cent (Castlepoint Beach).

Policy Changes Summary

There are no policy changes to note.

Overall Mix of Rates Types

The prior year (2021/22) Rating Policy mix can be summarised in the table below:

Rates Type	Urban	Rural
Targeted Uniform Charges*	15.8%	35.8%
Services Charges	9.5%	6.0%
Land Value Rates	9.8%	34.1%
Capital Value Rates	64.9%	24.1%

The differential on value-based rates on urban non-residential properties = 2 times.

*Overall % of targeted uniform charges to total rates 20.6%

After incorporating the proposed rates required for Year 2 (2022/23) of the Long-Term Plan the rating mix is summarised as follows (subject to roundings):

Rates Type	Urban	Rural
Targeted Uniform Charges*	15.8%	35.8%

Rates Type	Urban	Rural
Services Charges	9.6%	7.2%
Land Value Rates	9.4%	34.0%
Capital Value Rates	65.2%	24.3%

The differential on value-based rates on urban non-residential properties = 2 times

*Overall % of targeted uniform charges to total rates 20.6%

RATING FUNDING IMPACT STATEMENT - TAUĀKI Ā-PŪTEA O NGĀ REITI

1. INTRODUCTION

1.1 A Funding Impact Statement must be prepared pursuant to Schedule 10 of the Local Government Act 2002.

1.2 Various sections of the Local Government (Rating) Act 2002 refer to the Funding Impact Statement. 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: Throughout 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 Annual Plan. These figures are as close an estimate as possible to the actual rates that will be assessed in the coming year. The actual figures will be determined on adoption of the Annual Plan and Rates Resolution prior to 30 June 2022.

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 2022/23 totals \$38.4 million (excl GST) and will be provided by the various rating mechanisms outlined within the Revenue & Financing Policy (adopted as part of the 2021-31 Long-Term Plan).

1.6 The Policy, adopted in June 2018, and reconfirmed in June 2021, has been assumed to apply for the ten years of the 2021-31 LTP. The table on the following page illustrates the application of the policy to the funding requirements in year 2 of that Plan.

1.7 In addition to operating expenditure, the Council has a capital works programme of \$40.9 million (excluding GST) scheduled for 2022/23.

1.8 Separately Used or Inhabited Part of a Rating Unit. The following definition applies to the levying of all targeted rates 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 person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease or other agreement.
- This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner.

RATING FUNDING IMPACT STATEMENT - RATES REVENUE BY RATE TYPE							\$000's
(All figures exclude GST) (NZ\$ 000's)		2022/23 Annual Plan			Prior Year 2021/22		
		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	2,752	3,134	5,887	2,626	2,919	5,544
Representation & Development Rate	CV rate	2,997	870	3,867	2,853	828	3,682
Regulatory Services Rate	CV rate	2,213	642	2,855	1,931	561	2,492
Sundry Facilities & Services Rate	CV rate	2,368	725	3,093	2,094	678	2,772
Targeted Uniform Charge	Chrg	3,275	1,956	5,231	3,074	1,816	4,890
Targeted Rooding Charge	Chrg	567	1,342	1,910	533	1,249	1,782
		14,172	8,671	22,842	13,110	8,051	21,162
Targeted Rates							
Recycling Collection Charge	Chrg	751	-	751	623	-	623
Civic Amenities Rate	CV rate	3,133	-	3,133	2,939	-	2,939
Urban Water Supply Rate	CV rate	3,150	-	3,150	2,686	-	2,686
Urban Water Supply Charge	Chrg	1,053	-	1,053	902	-	902
Urban Sewerage Rate	CV rate	5,152	-	5,152	4,882	-	4,882
Urban Sewerage Charge	Chrg	1,718	-	1,718	1,625	-	1,625
Beach Collections Charge	Chrg	-	98	98	-	88	88
Rural water & sewerage rates**	Chrg	26	403	429	24	373	397
		14,982	501	15,484	13,682	461	14,142
Total Rates**		29,154	9,172	38,326	26,792	8,512	35,304
Percentage Change (after growth)		6.9%	6.4%	6.8%	4.8%	7.7%	5.4%
* Charges (per sec 21(2)(b)) as % of Total Rates not to exceed 30%				20.6%	19.8%		
** Note: figures above exclude Riversdale & Tinui capital contributions							
Riversdale Beach sewerage capital contributions			46	46		59	59
Tinui sewerage capital contributions			5	5		5	5

RATING FUNDING IMPACT STATEMENT SUMMARY - 2022-23
DISTRICT VALUES

(ESTIMATED for 30-6-22)	U1	U2	Total Urban	Total Rural	Total District
Differential	1	2.0		-	
District Land Value	1,799,710,000	275,300,000	2,075,010,000	2,636,600,000	4,711,610,000
District Capital Value	4,213,770,000	593,750,000	4,807,520,000	4,008,850,000	8,816,370,000
Targeted Uniform Charges (no.)	9,157	732	9,889	3,984	13,873
Water Charges (no.)	9,161	682	9,843	-	9,843
Sewerage Charges (no.)	8,980	698	9,678		9,678
Recycling Charges (no.)	9,010	689	9,699		9,699

Note: the valuation figures and numbers of charges listed above are an estimate of the values and numbers as at 30 June 2022

All Rates INCLUDING GST at 15%

	Rating Requirement			UNIFORM CHARGES AND RATES IN \$		
	Urban	Rural	Total	Residential	Non-residential	Rural
TARGETED CHARGES	\$ 33,534,675	\$ 10,603,730	\$ 44,138,404			
Uniform Charge	3,767,990	2,247,692	6,015,682	\$ 381.00	\$ 381.00	\$ 564.00
Roading Charge	652,674	1,545,792	2,198,466	\$ 66.00	\$ 66.00	\$ 388.00
Recycling Collection Charge	863,211	-	863,211	\$ 89.00	\$ 89.00	-
sub total	5,283,875	3,793,484	9,077,359			
	15.76%	35.8%	20.6%			
Water Charge	1,210,689	-	1,210,689	\$ 123.00	\$ 123.00	-
Sewerage Charge	1,974,312	-	1,974,312	\$ 204.00	\$ 204.00	-
sub total	3,185,001	-	3,185,001	\$ 863.00	\$ 863.00	\$ 952.00
	9.6%		7.2%			
TARGETED LAND VALUE RATES						
Roading Rate	3,165,206	3,602,518	6,767,724	0.001347	0.002694	0.001366
	3,165,206	3,602,518	6,767,724	0.001347	0.002694	0.001366
	9.44%	34.0%	15.6%			
TARGETED CAPITAL VALUE RATES						
Representation & Devlpmt Rate	3,446,602	1,000,626	4,447,229	0.000638	0.001276	0.000250
Regulatory Services Rate	2,544,553	738,741	3,283,294	0.000471	0.000942	0.000184
Sundry Facilities Rate	2,723,392	833,857	3,557,250	0.000504	0.001008	0.000208
Civic Amenities Rate	3,603,527	-	3,603,527	0.000667	0.001334	-
Water Rate	3,622,461	-	3,622,461	0.000650	0.001300	-
Sewerage Rate	5,926,057	-	5,926,057	0.001058	0.002116	-
sub total	21,866,593	2,573,225	24,439,818	0.003988	0.007976	0.000642
	65.2%	24.3%	56.2%			
	33,500,675	9,969,227	43,469,902			
OTHER TARGETED RATES						
Beach refuse & recycling collection	Targeted Chrg	113,080		\$ 220.00	Beach collections	
Opaki water race	Targeted LV rate	71,256		0.001593	per \$LV of serviced properties	
Tinui water supply	Targeted Chrg	15,043		\$ 485.00	per connection	
Castlepoint sewerage	Targeted Chrg	114,925		\$ 563.00	per connection	
*RBCSS - connected charge	Targeted Chrg	244,711		\$ 623.00	per property using the system	
RBCSS - service available	Targeted Chrg	8,178		\$ 141.00	per servicable, but not connected property	
RBCSS - Capital TP Yr 13 of 20	Targeted Chrg	52,589	time payments	\$ 1,643.40	32.0	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	5,212	time payments	\$ 744.50	7	paying off stage I & II
Tinui sewerage - operating	Targeted Chrg	9,298	operating	\$ 489.00	per connection	
Sewerage tmt charge (liquid only)	34,000			\$ 500.00	per equivalent connection	
Total Rates	\$ 33,534,675	\$ 10,603,730	\$ 44,138,404			

TP = time payment

*RBCSS = Riversdale Beach Community Sewerage Scheme

2. DIFFERENTIAL RATES ACROSS THE DISTRICT

2.1 The Council continues 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, as described in the Revenue & Financing Policy.

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

2.3 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.

2.4 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 above). Category 3 R1 (Differential 1.0 applied to rural value-based rates) Rural – all rating units in the rural rating area.

2.5 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, the Council is the sole determiner of the categories.

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

Roading Rate – estimated per dollar of Land Value for 2022/23 will be:

U1	0.001347 per dollar of land value raising	\$2,424,000
U2	0.002694 per dollar of land value raising	\$742,000
R1	0.001366 per dollar of land value raising	\$3,602,000
	Total	\$6,768,000

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 & Development Rate – estimated per dollar of Capital Value for 2022/23 will be:

U1	0.000638 per dollar of capital value raising	\$2,689,000
U2	0.001276 per dollar of capital value raising	\$758,000
R1	0.000250 per dollar of capital value raising	\$1,000,000
	Total	\$4,447,000

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

- Governance and Representation

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

Regulatory Services Rate – estimated per dollar of Capital Value for 2022/23 will be:

U1	0.000471 per dollar of capital value raising	\$1,985,000
U2	0.000942 per dollar of capital value raising	\$559,000
R1	0.000184 per dollar of capital value raising	\$739,000
	Total	<u>\$3,283,000</u>

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 & Services Rate – estimated per dollar of Capital Value for 2022/23 will be:

U1	0.000504 dollar of capital value raising	\$2,124,000
U2	0.001008 per dollar of capital value raising	\$599,000
R1	0.000208 per dollar of capital value raising	\$834,000
	Total	<u>\$3,557,000</u>

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

- Waste, Recycling and Composting (excluding specific rural waste services)
- Urban Stormwater (urban ward only)
- Public Conveniences
- District Buildings
- Mawley Park
- Airport
- Rural halls
- Other property costs and other rural services (eg water supply testing)

3. DIFFERENTIAL TARGETED CHARGE - TARGETED ANNUAL CHARGE (TAC)

3.1 In addition to the district-wide rates collected on a differential basis, the Council sets a targeted annual 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.

3.2 The estimated Targeted Annual Charges for 2022/23 will be:

U1 and U2	\$381.00 per part of rating unit raising	\$3,768,000
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R1	\$564.00 per part of rating unit raising	\$2,248,000
	Total	<u>\$6,016,000</u>

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

- Library and Archive
- Recreation Centre
- Sports Fields (rural rating area only)
- Parks and Reserves (rural rating area only)
- Forestry
- Cemeteries (rural rating area only)
- Dog Control
- Rural Refuse and Transfer Stations (excluding beach collections rate)

4. DIFFERENTIAL TARGETED CHARGE - ROADING CHARGE

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

4.2 The estimated roading charge for 2022/23 will be:

U1 and U2	\$66.00 per part of rating unit raising	\$652,000
R1	\$388.00 per part of rating unit raising	\$1,546,000
	Total	<u>\$2,198,000</u>

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

5. DIFFERENTIAL TARGETED RATES

5.1 Civic Amenities (urban only), Water, Sewerage, Urban Recycling collection and Beach collections.
Differential based on costs allocated to rating area and location of service.

6. CIVIC AMENITIES RATE

Civic Amenities Rate – estimated per dollar of Capital Value for 2022/23 will be:

U1	(0.000667 per dollar of capital value) raising	\$2,811,000
U2	(0.001334 per dollar of capital value) raising	\$792,000
	Total	<u>\$3,603,000</u>

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

- Parks and Reserves
- Sports Fields
- Cemeteries
- Airport

7. SERVICES DIFFERENTIALS

The Council uses 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.

Urban 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 area of Masterton, to which the Council is prepared to provide a service.

Beach Refuse and Recycling Collection Rate

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.

8. URBAN WATER SUPPLY RATES

Targeted using a Uniform Basis and a Capital Value Rate, differentiated as per clause 2.4.

8.1 The Council sets 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 the urban water supply scheme. The capital value rate will be levied on properties where a service connection is available (ie they are 'serviceable' per definition in clause 7).

8.2 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.

8.3 The estimated rates for 2022/23 are:

Urban Water Supply Charge

Connected \$123.00 raising \$1,211,000

Urban Water Supply Rate charged on connected and serviceable - estimated per dollar of capital value for 2022/23 will be:

U1+R1	(0.000650 per dollar of capital value) raising	\$ 2,775,000
U2	(0.001300 per dollar of capital value) raising	\$847,000
	Total	<u>\$ 3,622,000</u>

Raising a total of \$4,833,000

Urban (Metered) Water Supply on metered properties

8.4 The Council sets a targeted rate for water supplied to metered rural properties from the urban water supply, based on volumes of water supplied through water meters. The Water Supply Charge will also apply to these properties.

8.5 The estimated rates for 2022/23 are as follows:

Price per cubic metre for between 50 and 100m ³ per quarter	\$1.63
Price per cubic metre for consumption over 100m ³ per quarter	\$2.10

Minimum charge per quarter of \$67.00 for 50m³ per quarter or below

9. URBAN SEWERAGE RATES

Targeted using a Uniform Basis and a Capital Value Rate differentiated as per clause 2.4.

9.1 The Council sets 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).

9.2 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.

9.3 The estimated rates for 2022/23 are:

Urban Sewerage Charge

Connected \$204.00 raising \$1,974,000

Urban Sewerage Rate charged on connected and serviceable rating units - estimated per dollar of capital value for 2022/23 will be:

U1 + R1	(0.001058 per dollar of capital value) raising	\$4,548,000
U2	(0.002116 per dollar of capital value) raising	\$ 1,378,000
	Total	<u>\$ 5,926,000</u>

Raising a total of \$7,900,000

10. RECYCLING COLLECTION RATE

10.1 The Council sets a targeted rate for the urban recycling collection costs on the basis described in clause 7.

10.2 The rate for 2022/23 is proposed as: Serviced Property \$89.00 raising \$863,000.

11. RURAL TARGETED SERVICES RATES

11.1 The Council sets a targeted rate for **Beach Refuse and Recycling Collection** services on the basis of a fixed charge per property at Castlepoint and Riversdale Beach to which the services are available.

The uniform charge per property for 2022/23 is: \$220.00

Raising a total of \$113,000

11.2 The Council set targeted rates for the **Opaki Water Race** on the basis of land value of the properties serviced. The land value rate for 2022/23 is \$0.001593

Raising a total of \$71,300

11.3 Council set targeted rates for the **Tinui Water Supply** on the basis of connected rating units.

The uniform charge per property for 2022/23 is: \$485.00

Raising a total of \$15,000

11.4 The Council set targeted rates for the **Castlepoint Sewerage Scheme** on the basis of connected rating units. The uniform charge per connection for 2022/23 is: \$563.00

Raising a total of \$115,000

11.5 The Council 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 (i.e. empty sections yet to have a dwelling built) will be charged on each rating unit which is within 30 metres of the service.

Connected - a uniform charge per residential equivalent connection for 2022/23 will be: \$623.00 raising a total of approximately \$245,000

Serviceable - a uniform charge per serviceable rating unit for 2022/23 will be: \$141.00 raising a total of approximately \$8,200

Capital Contributions - as per the Amendment to the LTCCP 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 Yr 13 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).

11.6 The Council set three targeted rates for the **Tinui Sewerage Scheme** for the 2022/23 year, on the basis of connected properties 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 connection (including Tinui School as 5 connections) for 2022/23 is: \$489.00 raising a total of approximately \$9,300

The Part Capital Contribution Stage I (1 property) for 2022/23 is: \$212.50

The Part Capital Contribution Stage I & II (7 properties) for 2022/23 is: \$744.50

11.7 The Council set a targeted rate called the **Sewage Treatment Charge** on the basis of connected properties 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).

The uniform charge per RE property for 2022/23 is: \$500.00 raising a total of \$34,000.

12. FUTURE TARGETED RATES – FLAGGED FOR INFORMATION

12.1 Private costs recovered

The Council may set a targeted rate in 2023/24 or future years in order to recover the costs of work the Council has had done relating to private property. This work may include undertaking earthquake assessments on commercial buildings or repairing faults in the sewer network on private property. The basis of the rates will be the recovery of costs incurred by the Council in order for an owner to comply with Council requirements e.g. supply of information under the Council's earthquake building assessment policies, stormwater maintenance or sewer repairs on private property to reduce inflow and infiltration in the sewer network.

13. OUT-OF-DISTRICT WATER & SEWERAGE CHARGES

13.1 The Council charge for non-metered water supply and sewerage services which are supplied or the service is available to properties outside the Masterton District on the following basis:

Water supply – \$0.001300 per dollar of Capital Value on serviceable properties, plus a \$123.00 fixed charge per separately identifiable connection. Note: metered connections will be required to pay the water meter charges noted above.

Sewerage – \$0.002116 per dollar of Capital Value on serviceable properties, plus \$204.00 charge per connected property, plus any charges under the Trade Waste bylaw regime.

14. DUE DATES FOR PAYMENT OF RATES

All rates will be payable in four instalments with due dates as follows:

1st instalment 22 August 2022

2nd instalment 21 November 2022

3rd instalment 20 February 2023

4th instalment 22 May 2023

15. PENALTY CHARGES

Penalties will be applied as follows:

10% charged on the balance of the first instalment of rates remaining unpaid after 22 August 2022.

10% charged on the balance of the second instalment of rates remaining unpaid after 21 November 2022.

10% charged on the balance of the third instalment of rates remaining unpaid after 20 February 2023.

10% charged on the balance of the fourth instalment of rates remaining unpaid after 22 May 2023.

Arrears penalty charges

10% charged on the balance of arrears unpaid as at 30 June 2022. The penalty will be applied 8th July 2022.

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.

SCHEDULE OF FEES AND CHARGES - NGĀ RĀRANGI UTU ME NGĀ UTU WHAKAHAERE 2022/23

Fees and charges are reviewed annually as part of the Annual or Long-Term Plan process. The Fees and Charges Schedule for 2022/23 is available on our website www.mstn.govt.nz under Fees and Charges



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