

# REVENUE AND FINANCING POLICY

## Introduction

The following pages set out the Council's Revenue and Financing Policy, which has been developed pursuant to the requirements of the Local Government Act 2002 (LGA). The Policy was scheduled to be reviewed prior to the Long-Term Plan, but due to the impacts of the COVID-19 lockdowns and recovery period through much of 2020, the review has not been able to be completed. A full policy review and consultation process is planned for the second half of 2021.

The basis of the current policy has evolved over 23 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 is part of the supporting information to the Long-Term Plan and was subject to public consultation as part of the Long-Term Plan.

There have been minor changes made to two cost allocation bases where costs are split between urban and rural wards – the population percentage split has moved slightly and the subsidised roading cost allocation percentage has also changed to remain in line with the policy of allocating the value of subsidised roading work planned on the ratio of the programme spend. The impact of these changes are noted below.

## Purpose

The Council provides a range of services to the people who reside in the Masterton district. The Council budgets for the cost of providing those services and this Policy sets out where the revenue will come from to pay for those services.

Revenue comes from a number of external sources, including Waka Kotahi roading subsidies and user charges for some services. Many of the Council services have a public good component where no equitable charge can be made based on usage. The Council has the ability within the Local Government (Rating) Act 2002 to charge property rates to recover the cost of those services. This policy sets out the basis on which those property rates are set.

## 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 2021	
Rural	3,872	Rural	3,884
Urban	8,831	Urban	9,701
	12,703		13,585 (4.9% growth over 3 years)

#### Rating Valuation Totals (effective Sept 2020)

			Change (over 3 years) as a result of growth and the 2020 revaluation
Land value	Rural	\$2,625 million	+45.2%
	Urban	\$2,050 million	+66.7%
	Total	\$4,675 million	+53.9%
Capital value	Rural	\$3,967 million	+40.9%
	Urban	\$4,696 million	+55.7%
	Total	\$8,663 million	+48.6%

## Policy Review

### Section 101 of the Local Government Act (3)

As part of the development of the 2018/28 Long-Term Plan, the Council considered the funding of each of 40 sub-activities in the context of the requirements of sections 101(3) of the LGA 2020. Consideration has been given to the community outcomes to which the activity relates, whether any user pays principles should be applied, whether intergenerational equity is a factor in funding, if an exacerbator pays principle applies and the costs and benefits of funding the activity distinctly.

A second step was then applied – the consideration of the effects of applying the theoretical funding policies of step one, with the ability to modify for reasons of fairness, legality and practicality. The process has sought to apply economic principles of matching the costs of a service with the beneficiaries of a service, then modifying the allocation where appropriate, and choosing the funding mechanism that best suits the Council's analysis. Where services can be identified as having a direct private benefit and a recovery means is economic, user charges have been set to recover the value of that benefit. A summary of this analysis is available as a separate document

– [Funding Policy Sec 101\(3\) Consideration](#).

The Rating Review scheduled for the second half of 2021 will incorporate the Council looking again at the funding of it's activities using the section 101(3) analysis.

### External Revenue

Where it can, the Council will look to recover costs from users of a service via user charges. The Council will look to maximise its external revenue including from central government funding such as Waka Kotahi subsidies, local petrol tax and the waste levy. After external revenue, borrowing to fund specific capital projects and use of Council reserves/depreciation funding, the balance of

the funding comes from the ability of Council to charge property rates to fund its services. It is the allocation of these rates across properties in the district which forms the basis of a large part of the Revenue and Financing Policy.

In the Activity Statements section of the Long-Term Plan, there are tables which shows clearly the costs and sources of funding for each activity. User fees & charges have been reviewed in all areas of Council activities and a number of changes are proposed in order to maintain relativity between user charge funding and rates in an inflationary environment where Council's costs are increasing. Those changes to the fees & charges were subject to consultation as part of the Long-Term Plan.

Some specific examples of changes to external revenue include:

- Modest rent increases that are proposed each year on rental accommodation.
- User charge fees in the regulatory area will increase to maintain alignment with the policy split between rates funding and user charges.
- Refuse bag prices will increase to move closer to full cost recovery for the service, while recognising the highly competitive market for waste collection.
- Waste charges at the transfer station will increase with inflation and any increases in waste levies, with the expectation that user charges will recover at least 100% of the costs of the transfer station operation and disposal to landfill of the waste material.
- Animal Services will be funded 85% by fees and charges and 15% from rates.
- Senior Housing – the Council held rents in 2020, it has increased maintenance expenditure on these properties and is investing in additional housing units. These changes have combined to see 13% of the funding required needing to come from rates in year 1. This will be up for review as part of the policy review work in 2021.

### Rating Policy

As noted in the Introduction, there has been no comprehensive review of the rating system done for the Long Term Plan or the 2018/28 Long-Term Plan. In 2018, the prospect of amalgamating the three Wairarapa councils was a potential outcome of a process being run by the Local Government Commission. Any rating changes then would have changed again, on amalgamation, when viewed in the wider Wairarapa context. The public poll in late 2018 delivered 'no change' with respect to amalgamation. There was an intention to do a full policy review in 2020, but this work will now take place in late 2021.

The Rating Policy is based on the following principles:

- The rates required for each service are first allocated between urban and rural wards using a range of allocation bases.
- Targeted rates are set in those wards.
- No 'General Rate' is applied across all properties in the district.
- For those costs that are applied across the district, an effective differential is achieved using the urban/rural allocations.
- Allocation bases (between the wards) include the current population split, the ward or targeted area in which the service is available and (for subsidised roading) the locality of programmed expenditure.

A rating revaluation was completed in 2020 and will be applied in the 2021/22 year. No policy changes have been made in response to the impacts of the revaluation. The increases in values have varied widely and will result in large variability of rates payable. There will be properties who

receive a smaller share of the overall rates required (i.e., their rates decrease) because their value increased less than the average value change. Conversely, many properties will have rates increases above the average as their value change has been above the average increase. See further discussion in the Rating Valuations section below.

### Rating Policy Changes Discussion

There have been no changes to the Rating Policy, however new data for allocation bases has resulted in two changes to the allocations as per below.

1. Urban/Rural population – the 2018 Census data for population by mesh block shows a split of the population between urban 77.5% and rural 22.5% (previously 78% urban, 22% rural). This population allocation is applied to approximately 44% of the rates required. The change will result is approximately \$90,000 more rates allocated to the rural ward.
2. Subsidised Roding – a change will be applied in the allocation of costs between urban and rural wards, to be consistent with the policy of using locality of expenditure. Over the first three years of the Long-Term Plan an average of 31% of the subsidised roading programme will be spent in the urban ward (excluding the Masterton Revamp work). Conversely 69% will be spent in the rural ward of the district. The previous split was 26%/74%. The new split of 31%/69% urban/rural is proposed to apply from 2021/22. The new allocation sees approximately \$333,000 moved from the rural ward rating to urban ward rating. The resulting overall increase is 1.1% more rates in the urban ward than if the revised allocation percentages were not applied.

### Rating Valuations

The current Rating Policy includes some 72% of the rates required being allocated based on property values (land value and capital value). The values are assessed by Quotable Value NZ Ltd and the three yearly revaluation process is subject to audit by the Office of the Valuer General. The balance of the rates are allocated via targeted charges.

The 2020 revaluation has resulted in significant value increases for urban residential properties, with higher percentage changes on lower to average value properties. Capital value increases for urban residential properties have averaged 47% since the last revaluation, but many low value properties have seen increases of between 50% and 80%. Higher value residential properties have had lower percentage increases while commercial properties have also had increases below the urban average. In the rural ward, lifestyle and beach properties have lifted in value by more than farm and forestry use properties.

Applying the new values will result in a greater share of rates being paid by those properties that have had valuation changes above the average change. So, as a generalisation, low and average value residential properties will pay more, and higher value residential and commercial use properties will pay less. However, there is a large amount of variability in the valuations and it is difficult to generalise the outcome.

The last page in the Rating Policy includes a list of sample properties that show the revaluation impacts on those properties. The small sample size does not fully cover the wide range of property types and valuation changes and consequent rating changes. An on-line rates calculator has been available to assist ratepayers to assess how much they will pay in the Council rates in 2021/22 as a result of the new budgets and new valuations.



## 2021/22 Impacts

The Council's 2021/22 rates required is 7% more than the prior year (before growth). Growth in property numbers and rateable values since June 2020 is projected to reduce the average increase to 5.5%. That increase will vary between the urban and rural wards as the rates required for the subsidised roading programme make up 3.3% of the increase and the rural share of that activity is higher.

Overall, the 2021/22 budget changes result in an average 4.8% increase (after growth) for the urban ward and an average of 7.7% increase (after growth) for the rural ward. Some 3.7% of the rural increase is due to the increased spending on subsidised roading.

After combining the effects of the small allocation changes (noted above), the rating revaluations and the 2021/22 proposed rates required (average 5.5% after growth in the rating base):

- Urban residential properties will pay (on average) increased rates of 4.9% due to the Council's rates requirement increasing, before the effects of revaluations.
- Large variations will result where valuation changes vary away from the average changes.
- Rural farm properties can expect increases averaging 8.1%, plus or minus the effects of the revaluation.
- Rural lifestyle properties can expect to pay 8.0% more and have had valuation increases above the rural average, so can expect additional increases of up to 10% more
- Beach properties can expect increases of between 7.0% and 9.2%, but large variations as a result of valuation increases will see larger increases for many.

While considering its Revenue and Funding Policy, the Council has been aware of some of the effects of valuation changes, particularly as they affect low value residential properties, but has decided not to implement any policy changes as a response to the valuation changes. The full review of the policy in 2021 is seen as a better long term option to address the equity of the rating system.

## Policy Changes Summary

There are no policy changes to note, other than the two allocation changes described above.

## User Pays

The Revenue & Financing Policy review identified a level of user charges generally consistent with the previous policy. Each Activity Statement in the Long-Term Plan contains a statement of how the activity will be funded. Where the Council's analysis of the degree of private good can be applied (i.e. requiring those individuals who receive a service, pay directly for all or some portion of the service), then user-pays is the initial funding source.

The following areas are the key sources of user charges and external revenue needed to meet the policy targets:

- Resource consent fees
- Building consent fees (including plumbing & drainage fees)
- Sports field charges and rents
- Property rents
- Library charges & recoveries
- Mawley Holiday Park revenue
- Airport landing fees and leases

- Parking meter fees and fines
- Dog registration fees (80% from dog owners)
- Refuse transfer station & composting user charges
- Waste levy
- Refuse collection recoveries (via bag sales)
- Hall hireage income
- Water & sewer connection recoveries
- Water meter charges (outside urban boundary)
- Trade waste charges
- Roothing subsidies from Waka Kotahi
- Local petrol tax
- Cost recovery charges (eg GWRC rates collection, Carterton & South Wairarapa District Councils shared services)

### Overall Mix of Rates Types

The prior year (2020/21) Rating Policy mix can be summarised in the table below:

Rates Type	Urban	Rural
Targeted Uniform Charges*	14.8%	35.4%
Services Charges	10.0%	6.1%
Land Value Rates	9.0%	34.3%
Capital Value Rates	66.2%	24.2%

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

\*Overall % of targeted uniform charges to total rates 19.7%

After incorporating the changes noted in the commentary above, and incorporating the proposed rates required for Year 1 (2021/22) 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%
Services Charges	9.5%	6.0%
Land Value Rates	9.8%	34.1%
Capital Value Rates	64.9%	24.1%

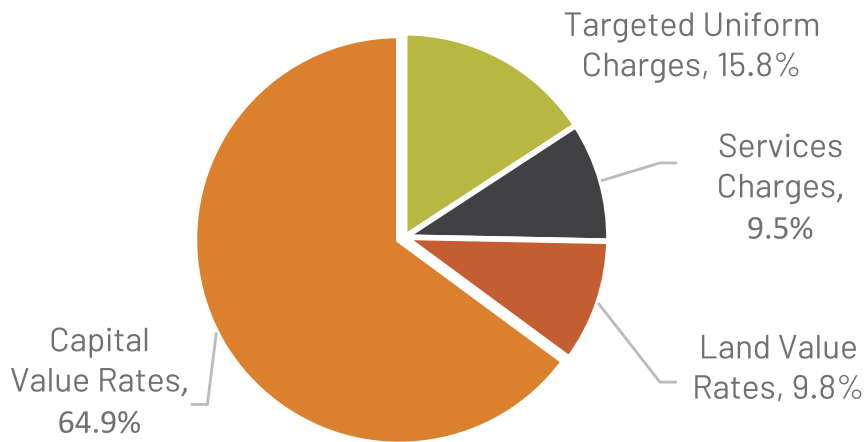
The differential on value-based rates on urban non-residential properties = 2 times

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

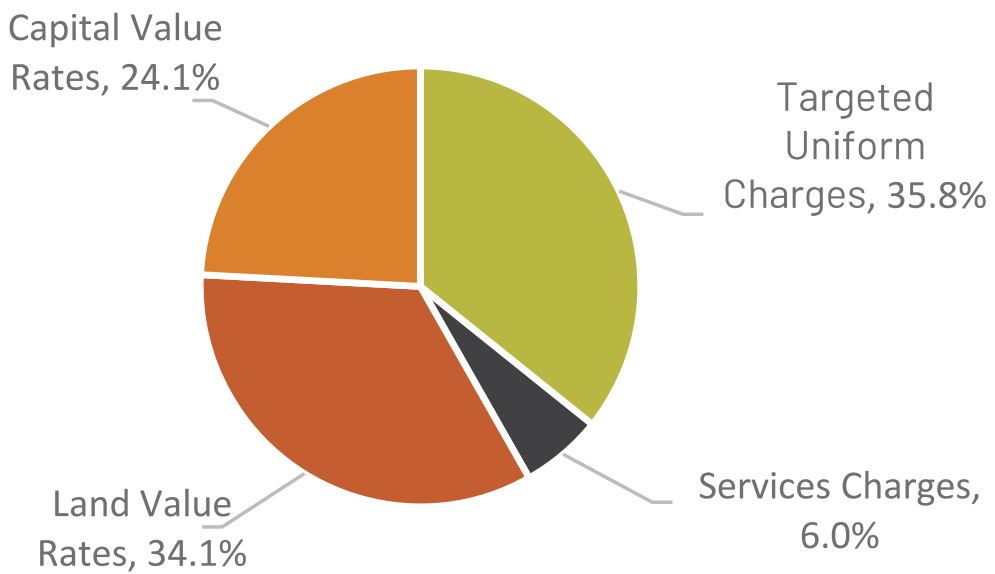
The following two pie charts show the previous table in a more visual form.



## URBAN RATES \$30.8m (incl GST)



## RURAL RATES \$9.8m (incl GST)



## Targeted Rates, Uniform & Services Charges

The Council will continue having no 'General Rate', instead using targeted rates and targeted uniform charges for each of the urban and rural rating wards to fund the costs of services allocated to those wards. In addition, targeted services charges will be used to charge properties connected or able to receive a specific service.

	Urban	Rural
Targeted Rates (differentiated between urban/rural wards based on cost allocations)		
• Targeted Land Value (roading) rate	*	*
• Targeted LV water races rates		*
• Targeted Capital Value rates	*	*
Targeted Uniform Charges (differentiated between urban/rural wards based on cost allocations)		
• Targeted Uniform Charge	*	*
• Targeted Roading Charge	*	*
Other Targeted Services Charges		
• Urban Water Supply Charge	*	
• Urban Wastewater System Charge	*	
• Recycling Collection Charge	*	**
• Wastewater Treatment Charge**		*
• Castlepoint Sewerage Charge		*
• Riversdale Beach Sewerage Charge (connected)		*
• Riversdale Beach Sewerage Charge (serviceable)		*
• Beach (Refuse & Recycling) Collections Charge		*
• Tinui Water Supply Charge		*
• Tinui Sewerage Charge		*

\*\* Charged in the rural periphery where the Council is prepared to offer the collection service.

\*\*\* A sewerage charge will apply to those properties, particularly on the urban periphery, where septic tank overflow is piped into the urban sewer network. It is applied on a 'residential equivalents (RE)' basis where one RE equals 600 cubic metres of liquid effluent per day.

The general effect of the targeted charges is to reduce the component of either land or capital value rates on the higher value properties and raise the minimum level of rates for lower value properties. The Local Government (Rating) Act 2002 places a restriction of 30% maximum of Uniform General Charges to total rates income. Although there are no Uniform Annual General Charges in Masterton's rating policy, the targeted uniform, recycling and roading charges can be considered equivalent. These amount to 20.6% of overall rates.



## Urban Differential – Non-Residential

The Council has determined that, in general, public services provide more benefits to the urban non-residential sector (i.e. commercial) than to residential. The effect of the high percentage of uniform and services charges is recognised as regressive – it reduces the impact on higher valued properties. A multiplier of 2.0 will be applied on each of the separate and targeted rates assessed on land and capital values. The effect will be to increase the percentage of rates paid by urban non-residential properties from 8.8% to 14.9% of total rates and 11.6% to 19.0% of urban rates. Urban non-residential properties make up 12.6% of the capital value of the urban ward. Combined with targeted charges, the effective differential is 1.5 times the capital value of non-residential properties.

## Urban/Rural Allocation Basis

The tables on the two pages which follow summarise both the urban/rural split of the rating incidence and the proposed rate types to fund the activities. The allocation between urban and rural rating areas is clear where the area of benefit for a service can be confined to one rating area (e.g. water supplies, wastewater systems). Other services that benefit the whole district have been split between wards by a population-based criterion, a valuation-based criterion or an estimate of where the benefit falls.

The allocation of rates between the two rating areas has been modified by the Council from that of a pure number of properties approach or a pure valuation-based approach. The relationships between the urban and rural areas are relevant where there is an overlap in the areas of benefit, or where the use of the service cannot be limited to specific areas. The Council's intention is to allocate costs based on reflecting usage of, or access to, Council services.

The Council has taken into account the following ratios:

Population	Urban	Rural
Percentage	77.5%	22.5%
Number	(19,814)	(5,743)

The allocation ratios have been applied as follows:

Population – 77.5:22.5 (urban:rural) For services where the funding policy suggests the areas of benefit relate to significant levels of private benefit, but are not met by user charges or are services with the demands being relevant to people-based services, rather than property-based services, the population ratio has been selected as the most appropriate method of allocation between wards.

Services allocated via population include:

- Regulatory services
- Emergency management/civil defence
- Archive, airport, forestry
- Waste minimisation
- Community development
- Economic development
- District building & other property
- Representation

- Cemeteries
- Public conveniences
- Refuse transfer station & recycling
- Parks & recreation
- Library
- Sports fields
- Arts & culture

Land Value – 44:56(urban:rural)& Capital Value – 54:46(urban:rural) While no district-wide services are allocated between the urban and rural rating areas on the basis of district wide land or capital value, the ratios are shown for comparison purposes.

Subsidised Roothing – 31:69 (urban:rural) This reflects where the subsidised roading programme expenditure is expected to be spent in the coming three years, split between wards. This ratio may be subject to change outside of the Long-Term Plan years, if roading expenditure varies from the Long-Term Plan in any subsequent Annual Plan.

Solid Waste – 77.5:22.5 (urban:rural) Used for the allocation of the residual cost of solid waste management (after user pays income) – Nursery Road transfer station, recycling and composting. This allocation recognises that all residents have equal access to the solid waste services that are being funded by way of general rates, and that rural people will use and therefore benefit from the services at Nursery Road.

Solid Waste (rural) – 10:90 (urban:rural) For the allocation of rural waste management costs (rural transfer stations) recognising that rural ratepayers will be paying a share of Nursery Road operating costs, so urban carries a share of rural costs. A targeted rate on beach properties recovering a proportion of waste collection costs reduces the share carried by all other rural properties.

Rural Halls – 5:95 (urban:rural) For the allocation of the costs of rural halls and holding paddocks, recognising some 'district benefit' in the Council supplying these facilities.

### Funding of Capital Expenditure

The Council's policy with regard to the funding of capital expenditure is to:

- Fund roading renewal expenditure from Waka Kotahi subsidies and annual rates.
- Fund other replacement assets from depreciation reserve funds to the extent that those funds are available. Where depreciation reserves are insufficient, loan funding may be used.
- Fund assets which increase levels of service by borrowing/loans.
- Fund assets needed because of growth, from developers, either by the developer providing the infrastructure or by them making financial contributions at the outset of the development.

### Review of Policy

This policy will be reviewed every three years as part of the Long-Term Plan process.



**REVENUE & FINANCING POLICY - SUB-ACTIVITY FUNDING ANALYSIS SUMMARY**

						2021/22	Ward Allocation				Basis of urban/rural
Theoretical Funding Analysis		Operational Funding Analysis		Comment		RATES REQ. GST Incl.	Urban %	Rate Type	Rural %	Rate Type	
Activity	Public	Private	Public	Private							
Representation	100%	0%	60%/40%	0%	40% internally allocated as overheads	833,505	77.5%	CV	22.5%	CV	Population
Community Development	80%	20%	100%	0%		1,673,911	77.5%	CV	22.5%	CV	Population
Arts & Culture	50%	50%	100%	0%		668,868	77.5%	CV	22.5%	CV	Population
Economic Development	50%	50%	100%	0%		1,085,863	77.5%	CV	22.5%	CV	Population
Parks, Reserves & Sportsfields	80%	20%	95%	5%	Low level of user charges	3,819,441	77.5%	CV	22.5%	TU Chrg	Population
Recreation Centre	50%	50%	70%	30%	External revenue to facility manager	1,659,403	77.5%	TU Chrg	22.5%	TU Chrg	Population
Cemeteries	20%	80%	40%	60%	Burial fees & sale of plots	180,232	77.5%	CV	22.5%	TU Chrg	Population
District Building	40%	60%	60%	40%	Hall hire & internal rents	620,084	77.5%	CV	22.5%	CV	Population
Housing for the Elderly	0%	100%	5%	95%	Rentals set below market	165,673	77.5%	CV	22.5%	CV	Population
Other Property	0%	100%	20%	80%	Rentals	380,445	77.5%	CV	22.5%	CV	Population
Public Conveniences	80%	20%	100%	0%		548,837	77.5%	CV	22.5%	CV	Population
Rural Halls	80%	20%	95%	5%	Hall hire & internal rents	171,897	5%	CV	95%	CV	Location of service
Mawley Park	10%	90%	25%	75%		192,421	77.5%	CV	22.5%	CV	Population
Library	70%	30%	92%	8%	Recoveries	2,195,713	77.5%	TU Chrg	22.5%	TU Chrg	Population
Archives	90%	10%	95%	5%	Recoveries	533,053	77.5%	TU Chrg	22.5%	TU Chrg	Population
Forestry	40%	60%	40%	60%	Internal charge to roading	35,612	77.5%	TU Chrg	22.5%	TU Chrg	Population
Airport	20%	80%	35%	65%		360,972	77.5%	CV	22.5%	CV	Population
Resource Mgmt & Planning	80%	20%	85%	15%	Consent fees income	1,139,171	77.5%	CV	22.5%	CV	Population
Environmental Health	30%	70%	35%	65%	Largely internal recoveries	1,052,905	77.5%	CV	22.5%	CV	Population
Building Inspection	10%	90%	15%	85%	Consent fees income	380,809	77.5%	CV	22.5%	CV	Population
Dog Control	40%	60%	15%	85%	Dog fees	135,311	77.5%	TU Chrg	22.5%	TU Chrg	Population
Parking Control	0%	100%	0%	100%	Meters & fines, offsets Econ Dev	(28,154)					
Emergency Mgmt/CD	100%	0%	100%	0%		293,495	77.5%	CV	22.5%	CV	Population
Urban Water supply	40%	60%	25%	75%	Targeted charge & CV rate	4,126,354	100%	25% TUChrg/75% CV	0%		Location of service
Rural Water supplies	0%	100%	0%	100%	Targeted rates	84,997			100%	Targeted rates & chrgrs	Location of service
Other rural water services	100%	0%	100%	0%		69,843			100%	CV	Location of service
Urban Wastewater system	40%	60%	25%	75%	& CV rate	7,514,932	100%	25% TUChrg/75% CV	0%		Location of service
Stormwater	100%	0%	100%	0%	Urban area only	763,044	100%	CV	0%		Location of service
Castlepoint sewerage	0%	100%	0%	100%	Targeted charge	99,964	0%		100%	Targeted chrg	Location of service
Riversdale Beach sewerage	20%	80%	0%	100%	Targeted charge	288,778	0%		100%	Targeted chrg	Location of service
Tinui sewerage (operating)	0%	100%	0%	100%	Targeted charge	14,611	0%		100%	Targeted chrg	Location of service
Refuse collection	0%	100%	0%	100%	Via refuse bag sales	-	100%	CV	0%	CV	Location of service
Refuse disposal	10%	90%	10%	90%	User charges (gate fees)	(181,095)	77.5%	CV	22.5%	CV	Population
Recycling kerbside collection	0%	100%	0%	100%	units)	718,558	100%	TUChrg	0%		Location of service
Recycling & composting	30%	70%	70%	30%	Composting gate charges	343,729	77.5%	CV	22.5%	CV	Population
Rural refuse	0%	100%	90%	10%	Rural Tsf Stn gate fees	292,170	10%	CV	90%	TUChrg/Targeted beach Chrg	Location of service
Subsidised Roothing	30%	70%	30%	70%	LV rate	6,588,636	31%	30% TU Chrg/70% LV	69%	30% TU Chrg/70% LV	Location of service
Non-subsidised roading urban	20%	80%	20%	80%	Roothing LV rate	1,590,042	100%	LV	0%		Location of service
Non-subsidised roading rural	30%	70%	30%	70%	Roothing TU chrg & LV rate	246,968	0%		100%	30% TU Chrg/70% LV	Location of service
Total						\$ 40,660,997					

= changed allocation from previous policy

\*TU Chrg = Targeted Uniform Charge

# REVENUE & FINANCING POLICY - Allocation Table

The table below is a summary of how the 2021/22 Rates Requirement is allocated based on the 2021 Revenue & Financing Policy.

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C

Targeted uniform charge (TUC)

CV

Capital value rate LV Land value rate

Allocations 2021/22 Allocation				Notes	URBAN RATES			RURAL RATES			TOTAL
Urban	Rural	Urban	Rural		Type	Rate Name	Amount	Type	Rate Name	Amount	
77.5%	22.5%	\$ 645,967	\$ 187,539		CV	Representation & Development	\$ 645,967	CV	Representation & Development	\$ 187,539	\$ 833,505
77.5%	22.5%	\$ 1,297,281	\$ 376,630		CV	Representation & Development	\$ 1,297,281	CV	Representation & Development	\$ 376,630	\$ 1,673,911
77.5%	22.5%	\$ 518,373	\$ 150,495		CV	Representation & Development	\$ 518,373	CV	Representation & Development	\$ 150,495	\$ 668,868
77.5%	22.5%	\$ 819,724	\$ 237,984		CV	Representation & Development	\$ 819,724	CV	Representation & Development	\$ 237,984	\$ 1,057,709
77.5%	22.5%	\$ 2,960,067	\$ 859,374		CV	Civic Amenities rate	\$ 2,960,067	C	TUC	\$ 859,374	\$ 3,819,441
77.5%	22.5%	\$ 1,286,038	\$ 373,366		C	TUC	\$ 1,286,038	C	TUC	\$ 373,366	\$ 1,659,403
77.5%	22.5%	\$ 139,680	\$ 40,552		C	Civic Amenities rate	\$ 139,680	C	TUC	\$ 40,552	\$ 180,232
77.5%	22.5%	\$ 480,565	\$ 139,519		CV	Sundry facilities rate	\$ 480,565	CV	Sundry facilities rate	\$ 139,519	\$ 620,084
77.5%	22.5%	\$ 294,845	\$ 85,600		CV	Sundry facilities rate	\$ 294,845	CV	Sundry facilities rate	\$ 85,600	\$ 380,445
77.5%	22.5%	\$ 425,349	\$ 123,488		CV	Sundry facilities rate	\$ 425,349	CV	Sundry facilities rate	\$ 123,488	\$ 548,837
5.0%	95.0%	\$ 8,595	\$ 163,302		CV	Sundry facilities rate	\$ 8,595	CV	Sundry facilities rate	\$ 163,302	\$ 171,897
77.5%	22.5%	\$ 128,396	\$ 37,276		CV	Sundry facilities rate	\$ 128,396	CV	Sundry facilities rate	\$ 37,276	\$ 165,673
77.5%	22.5%	\$ 149,126	\$ 43,295		CV	Sundry facilities rate	\$ 149,126	CV	Sundry facilities rate	\$ 43,295	\$ 192,421
77.5%	22.5%	\$ 1,701,677	\$ 494,035		C	TUC	\$ 1,701,677	C	TUC	\$ 494,035	\$ 2,195,713
77.5%	22.5%	\$ 413,116	\$ 119,937		C	TUC	\$ 413,116	C	TUC	\$ 119,937	\$ 533,053
77.5%	22.5%	\$ 279,753	\$ 81,219		CV	Civic Amenities rate	\$ 279,753	CV	Sundry facilities rate	\$ 81,219	\$ 360,972
77.5%	22.5%	\$ 882,858	\$ 256,314		CV	Regulatory services rate	\$ 882,858	CV	Regulatory services rate	\$ 256,314	\$ 1,139,171
77.5%	22.5%	\$ 1,111,128	\$ 322,586		CV	Regulatory services rate	\$ 1,111,128	CV	Regulatory services rate	\$ 322,586	\$ 1,433,713
77.5%	22.5%	\$ 104,866	\$ 30,445		C	TUC	\$ 104,866	C	TUC	\$ 30,445	\$ 135,311
77.5%	22.5%	\$ 227,458	\$ 66,036		CV	Regulatory services rate	\$ 227,458	CV	Regulatory services rate	\$ 66,036	\$ 293,495
100.0%	0.0%	\$ 4,126,354	\$ -		C/CV	Water supply rate and Charge	\$ 4,126,354				\$ 4,126,354
0.0%	100.0%	\$ -	\$ 70,947					LV	Opaki water race	\$ 70,947	\$ 70,947
0.0%	100.0%	\$ -	\$ 14,049					C	Tinui water supply charge	\$ 14,049	\$ 14,049
0.0%	100.0%	\$ -	\$ 69,843					CV	Sundry facilities rate	\$ 69,843	\$ 69,843
100.0%	0.0%	\$ 7,514,932	\$ -		C/CV	Sewerage rate & Charge	\$ 7,514,932				\$ 7,514,932
100.0%	0.0%	\$ 763,044	\$ -		CV	Sundry facilities rate	\$ 763,044				\$ 763,044
0.0%	100.0%	\$ -	\$ 99,964					C	Castlepoint sewerage charge	\$ 99,964	\$ 99,964
0.0%	100.0%	\$ -	\$ 288,778					C	Riversdale sewerage charges	\$ 288,778	\$ 288,778
0.0%	100.0%	\$ -	\$ 14,611					C	Tinui sewerage charges	\$ 14,611	\$ 14,611
100.0%	0.0%	\$ 718,558	\$ -		C	Kerbside recycling charge	\$ 718,558				\$ 718,558
77.5%	22.5%	\$ 126,041	\$ 36,593		CV	Sundry facilities rate	\$ 126,041	CV	Sundry facilities rate	\$ 36,593	\$ 162,634
10.0%	90.0%	\$ 29,217	\$ 262,953		CV	Sundry facilities rate	\$ 29,217	C	TUC	\$ 262,953	\$ 292,170
31.0%	69.0%	\$ 2,042,477	\$ 4,546,159		LV/C	Roading rate and Charge	\$ 2,042,477	LV/C	Roading rate and Charge	\$ 4,546,159	\$ 6,588,636
100.0%	0.0%	\$ 1,590,042	\$ -		LV	Roading rate	\$ 1,590,042			\$ -	\$ 1,590,042
0.0%	100.0%	\$ -	\$ 246,968					LV/C	Roading rate and Charge	\$ 246,968	\$ 246,968
\$ 30,813,127 \$ 9,847,870				Total	2021/22 Total		\$ 30,813,127	2021/22 Total		\$ 9,847,870	\$ 40,660,997
					Actual - 2020/21 Annual Plan		\$ 28,993,017	Actual - 2020/21 Annual Plan		\$ 9,040,755	\$ 38,033,772
								Rural sewerage & water race changes		\$ -	\$ -
								Other increases		\$ 807,115	\$ 2,627,225
					Net Increase (before growth)		\$ 1,820,110	Net Increase (before growth)		\$ 807,115	\$ 2,627,225
					Estimated effect of growth in rating base		\$ 437,045	Estimated effect of growth in rating base		\$ 113,787	\$ 550,832
					% Change (after growth)		4.8%	% Change (after growth)		7.7%	5.5%

## Notes

- The above rates include GST at 15% and allowance for rates penalty income and rates remissions.
- Specific rural water & sewer schemes rates are applied only to those properties serviced by the schemes.
- Land and capital value rates in the Urban Rating Area are subject to the differential described in the funding
- Urban/Rural population split is 77.5/22.5 (as per StatsNZ census 2018).
- Rural halls charge of 95% to rural area, to charge ward where largest portion of benefit arises.
- Subsidised roading urban/rural split is based on expected spend in each ward.
- Rural solid waste costs charged largely in the ward they are incurred.

Other increases	\$ 1,820,110
Net Increase (before growth)	\$ 1,820,110
Estimated effect of growth in rating base	\$ 437,045
% Change (after growth)	4.8%

Rural sewerage & water race changes	\$ -	\$ -
Other increases	\$ 807,115	\$ 2,627,225
Net Increase (before growth)	\$ 807,115	\$ 2,627,225
Estimated effect of growth in rating base	\$ 113,787	\$ 550,832
% Change (after growth)	7.7%	5.5%