Mahere ā-tau 2026/27

Masterton District Council Annual Plan 2026/27

MASTERTON WHAKAORIORI DISTRICT COUNCIL

Ihirangi

Contents

He Mihi Nā Te Koromatua

Message from the Mayor

Kia ora koutou katoa,

This year's Annual Plan comes at a demanding time for our community and for local government. Families and businesses are facing ongoing cost pressures from national and global factors. Council is feeling those pressures as well.

Our costs are rising, particularly in delivering and maintaining infrastructure. At the same time, expectations of local government are increasing, alongside a wide programme of national reform that will change how councils operate over the next few years.

In this environment, we have focused on clear priorities, careful choices, and strong value for money. That discipline is reflected in this plan.

I am pleased that we have reduced the planned rates increase for 2026/27 from 6.5 percent in our Long-Term Plan to an average of 4.2 percent. This is lower than the 5.2 percent proposed in consultation. It reflects tight cost control while maintaining the services and infrastructure our community relies on.

We consulted on targeted changes to fees and charges, including a new lease charging framework for community facilities. These changes aim to strike a fair balance between users and ratepayers, with a more consistent and transparent approach.

Affordability remains front of mind. Community feedback reinforced the need to keep increases as manageable as possible, while maintaining reliable services. That balance has guided our decisions.

We continue to invest in Masterton-Whakaoriori's future. Current work includes the CBD infrastructure upgrade, redevelopment of the district library, renewal of Kids Own Playground, and planning for the town hall site. We are progressing Our Future, Our Story – Masterton's Vision Towards 2050 to guide long-term direction.

Alongside this work, the wider operating environment is shifting quickly. The Head Start amalgamation pathway signals significant change in how services are delivered and how local government is structured. We are preparing for the transition of water services to Waitī Waters from July 2027 and beginning work on the 2027–37 Long-Term Plan.

Our focus is clear. We are delivering for our community now, while preparing for what comes next. We will continue to look for efficiencies and make disciplined choices.

Thank you to everyone who took the time to provide feedback during consultation. Your views play an important part in our decisions and help keep us grounded in what matters to our community.

Masterton is a place people are proud to call home. This plan supports that by managing costs with care, investing where it counts, and preparing for the future together.

Bex Johnson
Mayor

Te āhua o tā tātou mahi

How we work

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 2024, Masterton District Council adopted its 2024-34 LTP.

The LTP provides a long-term view, however things can change. For the two years between each LTP, Council develops an annual plan. The annual plan process provides an opportunity to review our work programme and enables flexibility to respond if changes are needed. This annual plan document outlines how we will progress the 2024-34 LTP in the coming year.

The purpose of the annual plan is to:

- describe Council's activities for the next 12 months and the associated costs and funding
- demonstrate links between activities planned and the community outcomes of the Masterton district
- provide integrated decision-making and co-ordination of Council's resources
- provide a basis for accountability of the Council to the community.

This document, the 2026/27 Annual Plan, is year three of the 2024-34 LTP.

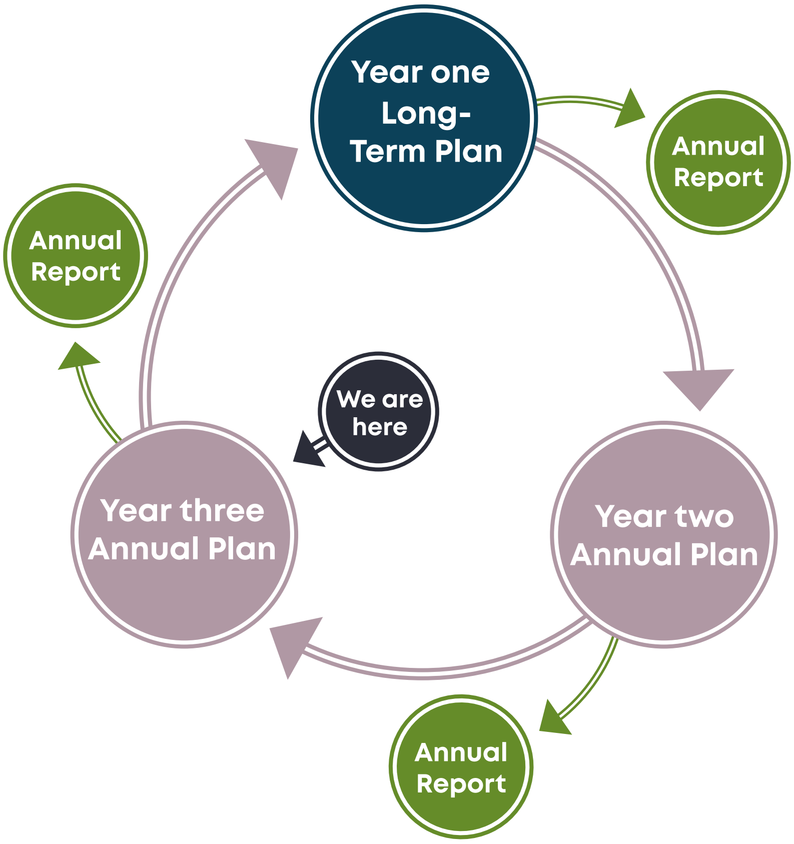
Each year we also produce an annual report, which is our key accountability document. The annual report lets you know how well we performed against what was set in the long-term and annual plans. It outlines key decisions that were made, how we performed financially and against the performance measures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

Copies of the 2024-34 LTP and past annual reports are available on our website: mstn.govt.nz.

Working with our mana whenua partners

We are dedicated to nurturing and strengthening enduring relationships with mana whenua and tāngata whenua within the Masterton district and to working collaboratively as we deliver the range of projects included in our Plan. At the 2025 local government elections, Masterton voted to retain its Māori Ward.

We are committed to meaningful engagement and shared decision making on matters of significance to Māori, including water and the environment. We continue to invest in building our capability and capacity to work effectively with Māori ensuring engagement is genuine and supports participation in decision-making processes.



Mana whenua are involved across a wide range of Council-led and supported initiatives, including: the library refurbishment and town hall rebuild, Masterton's application to extend the Wairarapa Dark Sky Reserve, assessment of the Town Centre Improvement Fund applications and wider work on Town Centre improvements, and the Marae Development Fund. Council also proudly supports iwi-led and community events on Waitangi Day and Matariki.

Our partnership with mana whenua is delivering tangible outcomes. This includes nearing completion of the Mana Whenua Climate Change project and progressing the Eco-Corridors project, which focuses on biodiversity planting and fish passage improvements along the Mākoura Stream. Both projects are funded through central government's Better Off funding and are due to be finished by end of June 2027.

Representatives from Ngāti Kahungunu ki Wairarapa and Rangitāne o Wairarapa iwi continue to be members of the Council's committees with full speaking and voting rights and participation in direction-setting for Council's work.

Strategic snapshot

Our vision

Working Together
Our people – Our place – Our future

Our community outcomes

- An engaged and empowered community
- Pride in our identity and heritage
- A sustainable and healthy environment
- A thriving and resilient economy
- Efficient, safe and effective infrastructure

The Council has identified strategic and operational priorities for the 2024-34 Long-Term Plan that will help us work toward achieving our vision and community outcomes

Our People – living their best lives	**Our Place** – getting the basics right	**Our Future** – achieving our potential
• Partnering with mana whenua	• Delivering efficient and effective services	• Realising our strengths and opportunities
• Community led, council supported	• Improving our infrastructure	• Enabling positive growth and development
• Embracing social and cultural inclusivity	• Valuing our community and open spaces	• Responding to climate change and building resilience

Underpinned by six key values that build trust

- Equity
- Affordability
- Integrity
- Transparency
- Accountability
- Respect

We have identified five aspirational outcomes above that will help us achieve our vision for Masterton and enhance wellbeing for our community. You will see these symbols used throughout this plan to identify which community outcomes each activity area contributes to.

Community outcomes this activity contributes to

Te taenga atu ki nāianei

Where we are now

We are now heading into Year 3 of the 2024-34 LTP. Leading up to this, Council took the opportunity to review our planned work programme and budget for 2026/27 in the context of our current operating environment. We have outlined some of the key challenges and opportunities below.

Challenges and opportunities

The economy

We are starting to see some positive economic signs, with strong prices for dairy, sheep, and beef helping to support the local economy. Masterton's economic performance for 2025 was similar to the overall New Zealand economy, with some industries showing signs of growth, but an overall fall in GDP for the year. This reflects the wider environment that we are operating in.

Cost of living is still a big focus for both households and the Council, especially with global uncertainty keeping fuel prices high and pushing costs up for households and for delivering Council activities.

That has influenced our approach to this Annual Plan, with Council placing strong emphasis on finding efficiencies, making savings where we can, and making practical, well-informed decisions. This focus on affordability and identifying opportunities for efficiency will continue as we look ahead to the 2027-37 LTP.

Growth

Masterton's population continued to grow in 2025, although at a slower pace of 0.7 per cent for the year compared to 1.4 per cent in 2024, and 1.5 percent growth that was assumed in the 2024-34 LTP. Encouragingly, growth in Masterton is in line with the national picture and remains ahead of the Wellington Region, which saw no growth over the same period.

While growth requires investment, it also helps spread costs, with more ratepayers sharing the financial burden. Growth also has environmental and socio-cultural implications that need to be considered. We are considering how we are growing and changing as a community through the Development Plan that is scheduled for completion in the 2026/27 year.

Climate change/the environment

Care for the environment remains a priority for mana whenua, our communities, and the Council. Improving our environment was a strong theme in early feedback received via the Our Future, Our Story – Masterton's Vision to 2050 engagement that will shape our Development Plan.

As climate patterns continue to shift, Council is focused on how we plan for, manage, and adapt to environmental change in a way that supports long-term community wellbeing.

The impacts of climate change are being experienced more frequently across the district, placing pressure on infrastructure, water resources, transport connections, community facilities and natural environments. In response, Council is considering resilience – both in the way we manage public assets and in how we work alongside communities to prepare for future challenges. This includes progressing place-based responses where climate impacts are ongoing, such as developing a long-term coastal adaptation plan for Mataikona in partnership with mana whenua and the local community.

Responding to climate change is complex and will continue to evolve over time. Councils are required to navigate uncertainty while adapting services and infrastructure to meet changing conditions. Anticipated challenges include water scarcity, more frequent severe weather, stress on ecosystems, changes to land use and food production, and increased risks to infrastructure.

Council is engaging in regional collaboration and advancing local initiatives to improve understanding, build resilience, and to ensure Masterton is better positioned to respond to what lies ahead.

Socio-cultural trends

Masterton's community has changed a lot over the past 25 years. Our population has grown by 24 percent from 23,200 in the year 2000 to 28,900. Our population is also older and more culturally diverse, with strong growth in Māori, Pasifika, and Asian communities. Today, around a quarter (23 percent) of our residents are aged 65 and over with a similar proportion (25 percent) aged under 25.

These shifts shape the types of services, facilities, and public places that people need, and bring issues like affordability, accessibility, health, and inclusion into sharper focus. At the same time, growing diversity adds strength to our community and creates opportunities to build spaces, places and services that better reflect the people who call Masterton home.

Political and legislative changes

This Annual Plan comes at a time of significant change for local government, with councils working through cost pressures, community expectations, and ongoing reform.

The Government's "Head Start" approach will significantly alter local government landscape, including structural change through council amalgamation. At the same time, Councils are responding to a range of other changes, including the transition of water services, updates through the Local Government (System Improvements) Amendment Bill, potential rates capping and wider Resource Management reforms.

Together, these changes will require both councils and communities to carefully consider what services councils deliver, the level of service provided, and how those services are funded. Through the 2026/27 Annual Plan, Council has focused on managing costs, improving efficiency, and keeping rates increases as low as practicable, while continuing to deliver essential services. This approach will carry through into the development of the 2027-37 LTP.

This Annual Plan is an important stepping stone, helping set the scene for the upcoming LTP conversations about priorities, service levels, and affordability.

What you told us about this year's Plan

Annual Plan consultation took place from 27 March to 28 April. There were two topics that Council wanted feedback on before finalising our budget for 2026/27.

They were:

- Proposed changes to fees and charges for 2026/27: Council reviews fees each year to balance affordability for users with fair cost recovery. For 2026/27, proposals included:
  - Applying a 2.6 percent inflation adjustment to most fees and charges, in line with BERL local government cost index forecasts.
  - Targeted increases where current fees do not fully cover the cost of providing services, including:
    - RMA consent and compliance fees (sections 127 and 139)
    - Infrastructure contributions
    - Rural Rapid Numbering
    - Transfer Station gate charges
  - Retaining existing fees where they are set externally (for example, parking infringements) or already considered appropriate (for example, library fines).
- Proposed lease charging framework: Introducing a consistent and transparent approach to setting charges for community facility leases.

Our consultation document "Preparing for our future / Kia takatū te ara ki tō tātou āpōpō" included a proposed average rates increase of 5.2 percent, lower than what was projected when we adopted the 2024-34 LTP. Following this Council looked to find further savings and are now presenting an average rates increase of 4.2 percent. This was a result of prudent financial management and consideration of how the Council operationally delivers its services.

The opportunity to have a say was widely promoted through social media, Antenno, and local radio. We also undertook targeted engagement by emailing community groups that lease Council facilities, as well as regular users of services where fee increases were proposed, including building and environmental health customers.

The Consultation Document and Proposed Schedule of Fees and Charges were available on the Council website throughout the consultation period. Hard copies were available from Waiata House and the Library, along with paper submission forms for those who preferred to provide feedback offline.

The consultation page had 738 visitors during the consultation period, showing good levels of interest and awareness of the proposed changes. We received 24 submissions (online and written) and heard directly from four submitters at the hearings held on 13 May. While the number of submissions was lower than previous years, those who contributed provided thoughtful and constructive feedback to support Council's decision-making.

All submissions, comments and feedback, as well as staff advice and new information, such as the Government's "Head start" approach, were taken into consideration when Council made their decisions, which are included in this document.

Kei te aha i te tau nei?

What's happening this year

2026/27 work programme highlights

Establishment of a new Wairarapa-Tararua water services entity (Waitī Waters Limited)

The establishment of Waitī Waters Limited, the new council-controlled organisation to deliver water services across the Wairarapa and Tararua, remains a key priority in 2026/27. We progressed through several key milestones in 2025/26:

- 20 August 2025 – Masterton District Council formally resolved to join the Wairarapa–Tararua Council-Controlled Organisation (CCO) for water services.
- 4 November 2025 – The Department of Internal Affairs approved the Water Service Delivery Plan for the Wairarapa–Tararua CCO.
- Waitī Waters was named following consultation with Rangitāne and Ngāti Kahungunu. Waitī, the Matariki star associated with freshwater and the wellbeing it sustains, reflects both the significance of wai in our region and the partnership between councils and iwi.
- 17 April 2026 – The new Board of Directors for Waitī Waters was welcomed at the official launch event.
- 30 April 2026 – Masterton Deputy Mayor Craig Bowyer and Chief Executive Kym Fell signed the Waitī Waters Shareholders' Agreement.
- 1 May 2026 – Waitī Waters Limited was officially incorporated with the New Zealand Companies Office.

Following the achievement of these milestones, the focus now shifts to preparing the entity to become fully operational on 1 July 2027.

This includes Masterton District Council working closely with South Wairarapa, Carterton, and Tararua District Councils, along with the Waitī Waters programme team, to finalise governance expectations through a Statement of Expectations, establish new digital systems, align and consolidate asset management planning, and complete the transfer of all water-related assets and debt to the new entity.

MDC's workstream leads will continue to collaborate with the Waitī Waters programme team to prepare for the entity's "go-live" on 1 July 2027.

Town Hall project

Following the completion of the Town Hall demolition, work to prepare the site for temporary community use is underway. In 2026/27 the focus will shift to planning for a new events space on the site, including undertaking feasibility work to confirm design options, build requirements, and ongoing operational costs. This work will inform the next stages of development and support future decision-making on delivering a fit-for-purpose community facility.

Breathing new life into our whare pukapuka

The Masterton District Library upgrade - "Breathing new life into our whare pukapuka" - is underway. The project is being developed in partnership with iwi, whose input is shaping key design elements to ensure the upgraded library reflects the identity, heritage, and aspirations of the community it serves.

In 2026/27, construction will continue alongside this ongoing partnership approach. The project has also expanded to include the revitalisation of Russian Jack Park, following a successful grant application. This work is being shaped alongside the wider library development to enhance the surrounding area and create a more connected, welcoming community space. The project is on track for completion in late spring 2027.

CBD upgrade

The CBD upgrade is a multi-stage programme to revitalise Queen Street improving infrastructure, safety, and the overall look and feel of Masterton's town centre. Stage one of the Queen Street upgrade (Lincoln Road to Perry Street) has been completed.

As part of the upgrade, 15 Japanese Elm trees have been selected and will be installed along Queen Street. These trees were chosen for their suitability to the local environment and their seasonal character, including autumn colour. They have been planted in specially designed tree pits, which protect underground infrastructure, support healthier root growth, and improve long-term resilience.

Work is now underway on stage two of the project (Jackson Street to Perry Street). This stage includes upgrading the aging water main, as well as improvements to road surfaces, footpaths, and street furniture. Stage two of the project is expected to be completed by late September 2026.

Our Future, Our Story

Our Future, Our Story – Masterton's Vision Towards 2050 is the Development Plan for our district. It will shape where and how Masterton grows, and what is prioritised so that Masterton remains a thriving, liveable, and sustainable place for current and future generations. Stage one – the visioning – was developed with input from the community, iwi and key stakeholders to ensure that the Plan reflects the values, identity, and aspirations of the people who live here. In 2026/27 the focus shifts to technical aspects of the planning process, before going back out to the community to consult on the draft Plan in late 2026. The Plan will be implemented through the 2027-37 LTP.

Customer Service Centre improvements

Initially signalled as an upgrade to Waiata House, the project evolved into a broader redevelopment of Council's customer service centre. Council purchased the Queen Street office building, that was previously leased in August 2025. It is currently being refurbished to become a refreshed Customer Service Centre and Council Chamber. The upgraded facility will also serve as the Emergency Operations Centre during civil emergencies, strengthening Council's resilience and ability to respond to community needs. The Queen Street office is scheduled to reopen to the public in October 2026.

Hood Aerodrome, Tūnga Rererangi

The Hood Aerodrome upgrade programme is now complete, with the aerodrome achieving Civil Aviation Authority certification. This is a significant milestone that expands the scope of how the facility can be used, including enabling commercial passenger services (subject to aircraft and operational criteria).

The new infrastructure and airfield development has created a range of fresh new Hanger lease site options, supporting increased activity at the aerodrome and helping to reduce the financial burden on ratepayers. In 2026/27 the focus will shift to supporting the continued development and use of the aerodrome, including progressing remaining hangar site leases and enabling new opportunities for aviation activity and investment.

Parking meter replacement

A procurement process for the replacement parking infrastructure is largely complete, with a preferred supplier selected. Parking meters are expected to be installed from August 2026.

Key changes to the Year 3 work programme.

Listed below are some of the key changes from Year 3 of the LTP that are included in this year's Annual Plan:

- **Roading:** Capital expenditure is budgeted to be $5.2m lower than the LTP proposed due to changes in timing and scope of work in relation to significant upgrade work that had been proposed. The mix between subsidised and unsubsidised work has changed reflecting NZTA funding arrangements.
- **Urban water reticulation** with an additional capital expenditure of $1.8m primarily associated with increasing treated water storage
- **Community facilities** with an additional $1.5m for upgrade of Kidz Own Playground
- **Works no longer required**: Both the Waiata House extension ($2.35m) and transfer station renewals ($546k) are no longer required. This represents a significant reduction in capital costs.

How these changes impact rates

The budgets have been reviewed as part of the 2026/27 Annual Plan development process by the Council. The Council is cognisant of the impact rates increases have on ratepayers and has worked hard to control costs and find efficiencies to minimise the impact on our community. This has resulted in a proposed budget resulting in an overall average increase in rates revenue of 4.2 percent (after growth). The LTP for Year 3 projected 6.5 percent.

The impact of the additional rates revenue that will be required in 2026/27 will vary at the individual property level.

Rates increase

The 2024-34 LTP had a predicted average rates increase of 6.5 percent. Following a review of budgets, with a focus on controlling costs and identifying efficiencies, and incorporating the changes that the Council is proposing this has reduced to 4.2 percent. This is lower than the average rates increase that was included in the Consultation Document of 5.2 percent.

The rates impact will vary across the different property types, with variations between urban and rural properties (an average increase of 4.5 percent for urban and 3.3 percent for rural). Within the rural area there are variations between beach properties, lifestyle properties, farming and forestry properties. Further detail is shown in the table after the Rates Funding Impact Statement.

The key impacts on rates for the coming year include:

- Cost pressures arising from global economic factors such as the Middle East conflict and its impact of fuel costs and any work requiring petroleum-based material on roading spend
- Continued pressure of insurance costs
- Higher asset valuations increasing depreciation
- Preparation for Local Waters Done Well transition, and other legislative changes
- Lower interest rates and lower levels of debt reducing debt costs for 2026/27.

Inflation

Inflation and the cost of living has continued to be a hot topic for New Zealand over the past year, impacting councils and households across the country. The 2026/27 budget has been based on the LGCI estimate of 2.6 percent. Inflation is higher than we forecast for Year 3 of the LTP. In the LTP we forecast 2.5 percent based on BERL's Local Government Cost Index - LGCI. In March 2026, the Consumers Price Index (CPI) was 3.1 percent with the expectation that it will be higher by the end of 2026. We have adjusted our budgets to reflect the increased costs we will be paying to deliver services, but the Council has also looked to hold expenditure budgets wherever possible.

Capital costs

The Middle East crisis and associated cost escalation will impact the capital programme. We haven't materially changed our capital programme for the 2026/27 year from the LTP year 3 numbers with the difference between LTP and Annual Plan relating to timing of the capital programme. Provisions for renewals work have been maintained, and where capital project work will not be fully spent in the year to 30 June 2026, with funding provisions have been carried forward. Inflation and contractor cost escalation can mean we can do 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

Global factors, such as the Middle East conflict, continue to place pressure on 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.

In particular:

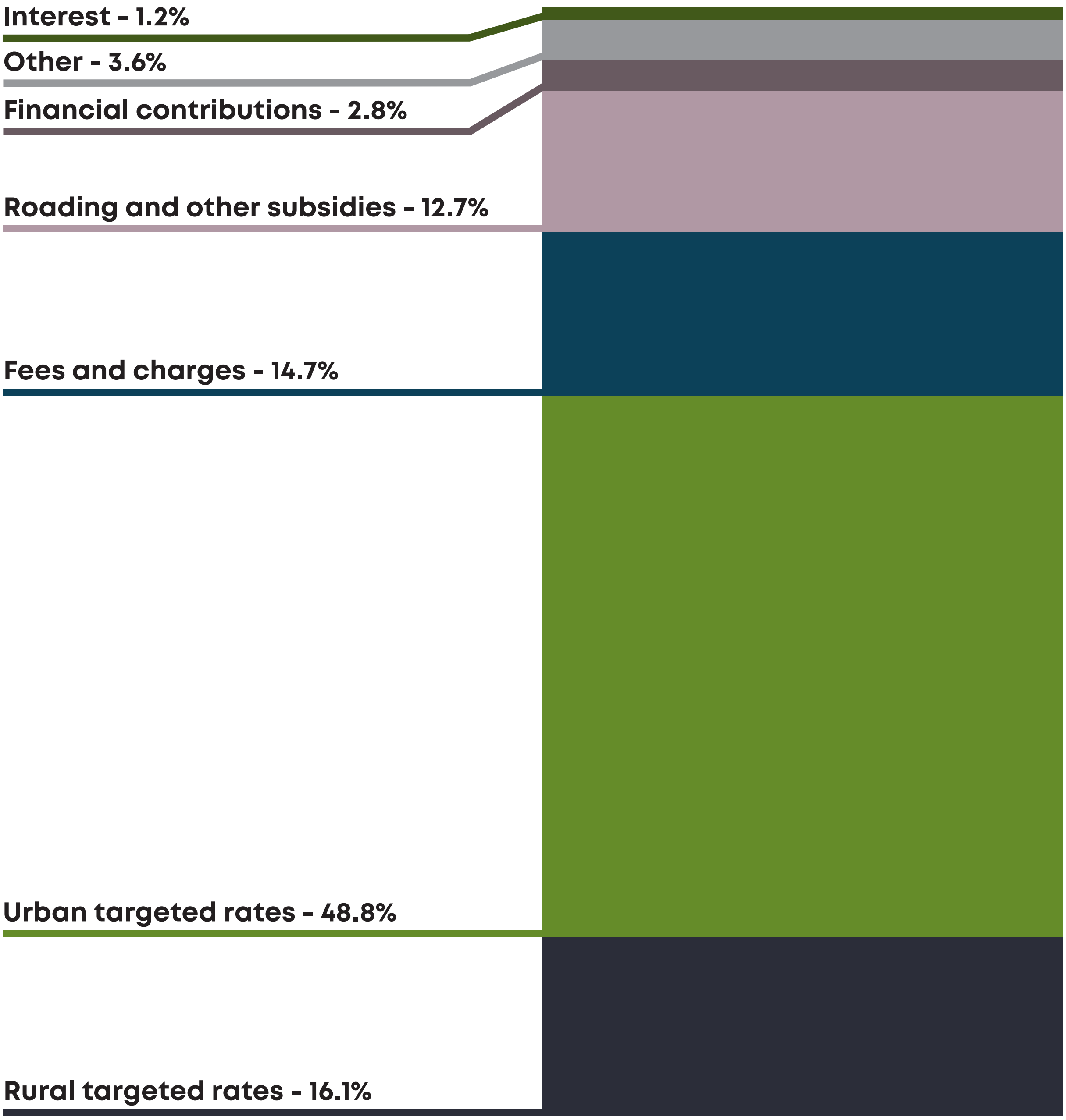
- Insurance costs forecast to increase by 5 percent after the reduction in premiums in the 2025/26 year.
- Interest costs based on current actual and expected debt levels which are lower than LTP 2024-34 estimated. Interest rates are forecast to average 4.5 percent
- Many of the Council's services are contracted out and those contracts are subject to cost escalations based on movements in cost indexes. The Council's only option to not pass on those cost increases is to reduce what we ask the contractors to do, which will result in lower levels of service to Masterton residents. The time to debate and discuss what those levels of service should be is during the Long-Term Plan consultation (scheduled for April 2027).

What you get for your rates dollar

This is what your 2026/27 monthly rates pay for based on an average-value Masterton property (including GST):

- **$65** Urban sewerage
- **$45** Water supply
- **$10** Waste services
- **$10** Stormwater
- **$46** Roads and footpaths
- **$28** Council and community
- **$29** Regulatory services (such as building consents)
- **$21** Library and archive
- **$29** Parks and sportsfields
- **$14** Recreation centre
- **$12** Other facilities (such as public toilets)

Where the money comes from (operating revenue = $80.4m)



Tā mātou mahi: Ngā mahi Kaunihera

Our work: Council activities

Ngā huarahi waka, ara-hikoi, me ngā tūranga waka

Roads, streets, footpaths and parking areas

Community outcomes this activity contributes to

What we do

We provide and maintain the local transport network across the Masterton district to ensure safe and efficient movement of people, goods, and services. This includes the construction, management, and upkeep of roads, streets, footpaths, bridges, shared paths and cycling lanes. We also manage essential infrastructure like street lighting, traffic facilities such as signs and street furniture, public parking facilities, and road stormwater drainage to support safe and effective transport. Our work extends to promoting sustainable transportation options, ensuring our network evolves with changing community needs and technological advancements.

Our priorities for 2026/27

- Completing Masterton's CBD renewal works on Queen St between Jackson and Perry Streets, and on Lincoln Road and Park Street. This work includes full renewal of footpaths, road surfaces, kerb and channel, street furniture, landscaping, trees and supporting infrastructure.
- Renewing approximately 5–6 percent of the sealed road network through resurfacing and 0.8–1 percent through full road reconstruction where pavement renewal is required.
- Continuing targeted unsealed road aggregate renewals, along with drainage kerb and channel, traffic services, and bridge component renewals.
- Completing two bridge replacements: Grahams Road and Upper Waingawa Road.
- Completing key maintenance upgrades for the pedestrian swing bridge in Queen Elizabeth Park spanning the Waipoua River.
- Continuing the stormwater resilience programme, including new culverts and drainage upgrades at high-risk locations.
- Renewing approximately 3 percent of the footpath network as part of the annual footpath renewal programme.
- Deliver further Mataikona resilience improvements using local and Crown funding. This will include coastal protection works and river improvements to reduce the risk of erosion and flood damage to the road, as well as any recovery works from the April 2026 weather event.
- Finalise the update of the Land Transport Network Activity Management Plan to submit to the 2027/30 National Land Transport Programme.

How we will measure success

Measures of success in this area include:

- reducing the number of serious crashes
- quality of ride on sealed local road network
- road resurfacing
- condition of footpaths
- customer service requests responded to within specified timeframes.

Further detail of our how we will know we are successful are available in the 2024-34 LTP. We will report our progress against these measures in the 2026/27 Annual Report.

	ROADING		
Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
8,079,161	Road maintenance - subsidised	8,484,006	8,572,937
2,291,970	Road maintenance - non-subsidised	2,859,116	1,908,258
10,113,022	Depreciation	11,904,538	11,671,475
20,484,153		**23,247,660**	**22,152,670**
	Operating Income		
3,908,628	Waka Kotahi subsidy (on maint)*	4,009,803	4,169,498
206,200	Local authority petrol tax	120,000	210,400
2,478,793	Other recoveries - incl financial contributions	750,992	1,700,992
6,593,621		**4,880,795**	**6,080,890**
	Appropriations		
(340,000)	Transfers from reserves	(240,000)	(290,000)
2,900,000	Transfers to reserves	1,150,000	2,100,000
178,400	Provision for loan repayments	213,721	226,417
(9,300,000)	Reverse depreciation**	(10,587,993)	(10,400,000)
$7,328,932	**Rates Requirement**	**$8,902,593**	**$7,708,197**

* Further subsidy income is shown in the Capital Expenditure Summary

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

ROADING				
Annual Plan 2025/26	Capital Expenditure Summary	Source of Funds	Annual Plan 2026/27	LTP Year 3 2026/27
	Subsidised Roading			
7,264,934	Roading renewals - rural	Rates & Subsidy	6,634,017	6,313,711
1,174,949	Roading renewals - urban	Rates & Subsidy	1,328,291	1,679,315
399,134	Footpath upgrading [incl reseals]	Rates & Subsidy	247,952	718,137
1,200,000	Rural/Urban - Improvement projects	Rates & Subsidy	600,000	1,738,450
-	Mataikona Road upgrade	Loan & Subsidy	-	4,550,000
1,000,000	Cyclone Damage Reinstatement	Loan & Subsidy	-	-
11,039,017	**Total Subsidised Roading**		**8,810,260**	**14,999,612**
	Non-subsidised Roading			
116,000	Carpark reseals	Depn Reserve	157,712	67,712
2,138,000	Urbanisation of Millard Ave - Roading	Dev Contributions	-	3,270,000
-	Judds Road Level Crossing	Loan	-	763,000
213,800	Masterton CBD Revamp	Depn Reserve	870,000	-
-	CBD Upgrade - Roading Renewal	Reserves / Depn Reserve	520,000	-
-	CBD Upgrade - Street Trees	Roading Fin Contributions	641,000	-
100,758	Rural unsealed pavement strengthening (non subs)	Rates	-	-
364,758	Mtce chip seal (non subs)	Rates	382,459	-
270,000	Rural Bridge Renewals (non subs)	Depn Reserve	-	-
2,000,000	Mataikona Non Subsidised	Loan/External	1,650,000	-
300,000	Footpath renewals CBD (non sub)	Loan/Depn Reserve	591,000	-
-	Footpath renewals top up (Local portion of Local Improvements)	Rates	315,980	-
5,503,316	**Total Non-subsidised Roading**		**5,128,151**	**4,100,712**
16,542,333	**Total**		**13,938,411**	**19,100,324**
	Capital Funding			
(6,181,850)	Waka Kotahi subsidy (roading)		(4,933,746)	(8,399,783)
(2,737,800)	Transfers from reserves		(2,610,302)	(3,337,712)
(1,560,000)	External funds		(1,287,000)	-
(1,180,000)	Loan funds		(664,410)	(2,765,000)
(11,659,650)	**Total other funding**		**(9,495,458)**	**(14,502,495)**
$4,882,684	**Rates Requirement (Capital)**		**$4,442,953**	**$4,597,829**

ROADING			
Annual Plan 2025/26	Rates Requirement Summary	Annual Plan 2026/27	LTP Year 3 2026/27
$		$	$
8,930,125	Subsidised roading	9,095,160	9,766,648
1,528,621	Non-subsidised roading (urban)	2,337,381	1,565,306
1,252,871	Non-subsidised roading (rural)	1,413,006	474,072
500,000	Storm Damage Provision	500,000	500,000
$12,211,617	Rates Requirement	$13,345,546	$12,306,026

Hopua wai (tāone me te taiwhenua)

Water supplies (urban and rural)

Community outcomes this activity contributes to

What we do

We provide treated water that is safe to drink through the Masterton urban reticulation system, Tinui and the Waingawa industrial area. In rural areas, we provide non-drinking water to rural schemes and water race supplies.

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

Our priorities for 2026/27

- Replacing the water main in Queen St as part of the CBD upgrade that is currently underway ($1.2 million).
- Water resilience remains a priority. We will commence work to provide for more water storage by increasing the raw water storage capacity at the Kaituna water treatment plant ($2.8 million) and at a reservoir in Upper Plains ($3.9 million).
- Transitioning to the new water entity - Waitī Waters Limited (refer to “What’s happening this year” on pg 12 for more information).
- Maintaining a safe water supply by meeting all legal requirements and working alongside private/rural water suppliers to ensure long-term water quality.
- Improving the asset management system and processes to enable sound decision making to occur on asset investments.

How we will measure success

Measures of success in this area include:

- reducing the number of complaints about clarity, taste, pressure etc
- improving our response time for urgent and non-urgent callouts
- reducing the percentage of water lost from the Council's reticulation system
- compliance with drinking water standards.

Further detail of our how we will know we are successful are available in the 2024-34 LTP. We will report our progress against these measures in the 2026/27 Annual Report.

URBAN WATER SUPPLY

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
1,988,503	Water treatment costs	1,965,562	2,029,063
2,119,354	Water reticulation costs	2,125,764	2,059,605
2,578,048	Depreciation	3,072,600	2,920,950
6,685,905		**7,163,926**	**7,009,618**
	Operating Income		
390,559	User charges	423,559	237,095
89,000	Internal Recoveries	130,000	92,664
479,559		553,559	329,759
	Appropriations		
406,070	Provision for loan repayments	472,397	573,817
(791,000)	Reverse depreciation	(1,187,500)	(995,000)
$5,821,416	**Rates Requirement**	**$5,895,264**	**$ 6,258,676**

RURAL WATER SUPPLIES

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
387,117	Rural water supplies & races	337,757	312,119
175,360	Depreciation	202,498	182,011
562,477		**540,255**	**494,130**
	Operating Income		
258,462	Rural water scheme charges	**288,388**	**265,185**
	Appropriations		
(50,000)	Transfers from reserves	(25,000)	-
7,191	Provision for loan repayment	7,727	7,392
(58,000)	Reverse depreciation	(69,290)	(50,415)
$203,206	**Rates Requirement**	**$165,304**	**$ 185,922**

WATER SUPPLIES

Annual Plan 2025/26	Capital Expenditure Summary	Source of Funds	Annual Plan 2026/27	LTP Year 3 2026/27
$	Capital Projects		$	
	Urban water treatment			
-	WTP Consent Renewal - take	Depn Reserve	54,600	54,600
106,900	WTP - plant & equipment renewals	Depn Reserve	309,200	109,200
85,520	WTP - plant & equipment upgrades	Depn Reserve	87,360	87,360
21,760	WTP - building renewals	Depn Reserve	22,300	22,300
250,000	Raw water storage dams	Loan	2,787,500	2,787,500
464,180	**Total Urban water treatment**		**3,260,960**	**3,060,960**
	Urban water reticulation			
1,816,960	Water mains renewals (reticulation)	Loan/Depn Reserve	1,862,050	1,862,050
217,600	Water connections replacements	Depn Reserve	200,000	55,750
250,000	Water meters project completion	Loan	-	-
350,000	Distributed Metered Areas	Depn Reserve	250,000	-
650,000	Treated Water Storage - Nikau Heights	Dev Contrib/Loan	1,450,000	-
863,002	Urbanisation of Millard Ave	Dev Contributions	-	-
500,000	Reservoir upgrades	Loan	3,902,500	3,902,500
2,300,000	Water main - CBD	Loan/Depn Reserve	1,215,000	1,238,765
6,947,562	**Total Urban water reticulation**		**8,879,550**	**7,059,065**
	Rural water supply			
32,640	Wainuioru water supply renewals	Depn Reserve	33,450	33,450
5,000	Tinui water supply upgrades	Depn Reserve	10,000	-
80,000	Tinui retaining wall	Depn Reserve	-	-
117,640	**Total Rural water supply**		**43,450**	**33,450**
7,529,382	**Total**		**12,183,960**	**10,153,475**
	Capital Funding			
(4,201,882)	Transfers from reserves		(3,071,960)	(3,463,475)
(3,327,500)	Loan funds		(9,112,000)	(6,690,000)
($7,529,382)	**Total capital funding**		**($12,183,960)**	**($10,153,475)**
$0	**Rates requirement**		**$0**	**$0**

WATER SERVICES

Annual Plan 2025/26	Rates Requirement Summary	Annual Plan 2026/27	LTP Year 3 2026/27
$		$	$
5,821,416	Masterton urban water supply	5,895,264	6,258,676
65,413	Tinui water supply	77,308	68,179
82,318	Opaki water race	54,223	84,184
55,475	Miscellaneous rural water costs	33,773	33,559
$6,024,622	Rates Requirement	$6,060,568	$6,444,598

Ratonga wai paru

Wastewater services

Community outcomes this activity contributes to

What we do

Wastewater services are provided to approximately 9,600 separate connected residential, commercial and industrial properties in the urban area, Waingawa industrial area, Riversdale, Castlepoint and Tinui. The services include maintaining our network of pipes, pump stations, treatment plants, wetland cells and a waste stabilisation pond. The system provides for efficient and safe collection, treatment and disposal of wastewater, which drains from things like our toilets, showers, baths, sinks, washing machines and dishwashers.

Our priorities for 2026/27

- Ongoing renewal work on wastewater infrastructure in the urban area and at Castlepoint and Riversdale. $2 million has been budgeted in 2026/27 for renewals.
- Transitioning to the new water entity - Waitī Waters Limited (refer to “What’s happening this year” on pg 12 for more information).

How we will measure success

Measures of success in this area include:

- reducing the total number of complaints related to odour, system faults, blockages, etc
- reducing the time taken to resolve complaints
- reducing number of dry-weather overflows
- compliance with resource consents
- alternative system provided where loss of service exceeds 24 hours.

Further detail of our how we will know we are successful are available in the 2024-34 LTP. We will report our progress against these measures in the 2026/27 Annual Report.

WASTEWATER SERVICES - URBAN

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
1,948,572	Sewerage reticulation	1,940,479	1,911,775
2,429,817	Wastewater treatment	2,327,100	2,547,879
3,241,388	Depreciation	3,632,885	3,681,759
7,619,777		**7,900,464**	**8,141,413**
	Operating Income		
584,190	User Charges & lease income	**592,190**	**598,355**
	Appropriations		
2,727,717	Provision for loan repayments	2,832,781	2,801,239
(1,484,000)	Reverse depreciation	(1,664,000)	(1,450,000)
$8,279,304	**Rates Requirement**	**$8,477,055**	**8,894,297**

WASTEWATER SERVICES - RURAL

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
153,545	Castlepoint sewerage scheme	127,679	156,611
207,087	Riversdale Beach sewerage scheme	182,608	200,075
20,671	Tinui sewerage scheme	27,339	25,417
469,158	Depreciation	507,715	524,023
850,461		**845,341**	**906,126**
	Operating Income		
41,361	User charges & other income	20,161	42,285
170,000	Riversdale Beach capital contributions	170,000	170,000
211,361		**190,161**	**212,285**
	Appropriations		
132,940	Provision for loan repayments	138,314	138,305
(276,150)	Reverse depreciation	(273,150)	(334,327)
$495,890	**Rates Requirement***	**$520,344**	**497,819**

* Note includes Riversdale Beach Sewerage Scheme capital contributions that are being paid off over 20 years via rates. Currently 31 properties.

WASTEWATER SERVICES				
Annual Plan 2025/26	**Capital Expenditure Summary**	Source of Funds	Annual Plan 2026/27	LTP Year 3 2026/27
$	Capital Projects		$	
	Urban Sewerage system			
1,740,800	Sewer reticulation renewals	Depn Reserves	2,007,000	2,007,000
1,414,400	Millard Ave sewer extension	Dev Contributions	-	-
106,900	Homebush plant & equipment renewals	Depn Reserve	126,440	109,200
3,262,100	Total Urban Sewerage system		**2,133,440**	**2,116,200**
	Rural Sewerage schemes			
10,880	Castlepoint sewerage scheme renewals	Reserves	11,150	11,150
32,640	Riversdale Beach scheme renewals	Depn Reserve	33,450	33,450
43,520	Total Rural Sewerage system		**44,600**	**44,600**
3,305,620	Total		**2,178,040**	**2,160,800**
	Capital Funding			
(3,305,620)	Transfer from reserves		(2,178,040)	(2,160,800)
($3,305,620)	Total capital funding		**($2,178,040)**	**($2,160,800)**
$0	Rates Requirement (Capital)		**$0**	**$0**

WASTEWATER SERVICES			
Annual Plan 2025/26	Rates Requirement Summary	Annual Plan 2026/27	LTP Year 3 2026/27
$		$	$
8,279,304	Masterton urban wastewater system	8,477,055	8,894,297
129,238	Castlepoint sewerage scheme	137,618	143,379
293,677	Riversdale Beach sewerage scheme	306,576	275,847
44,300	Riversdale Beach capital contributions	41,442	45,586
28,675	Tinui sewerage scheme	34,708	33,007
$8,775,194	Rates Requirement	$8,997,399	$9,392,116

Note:Includes Riversdale Capital Rates

Waimarangai

Stormwater

Community outcomes this activity contributes to

What we do

We provide stormwater systems, including the use of natural channels and streams, to collect and dispose of surface water run-off from residential, commercial and industrial properties in the urban area. The stormwater system in rural areas is primarily open drains.

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 priorities for 2026/27

- Ongoing renewals and upgrades to maintain our stormwater infrastructure. $0.3 million has been budgeted for renewals in 2026/27.
- Transitioning to the new water entity - Waitī Waters Limited (refer to “What’s happening this year” on pg 12 for more information).

How we will measure success

Measures of success in this area include:

- reducing the number of complaints received about performance of the stormwater system
- reducing the number of flooding incidents and impact on buildings
- improving our response time in attending a flooding event.

Further detail of our how we will know we are successful are available in the 2024-34 LTP. We will report our progress against these measures in the 2026/27 Annual Report.

	STORMWATER		
Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
760,984	Stormwater	884,402	762,461
639,165	Depreciation	698,189	722,598
1,400,149		**1,582,591**	**1,485,059**
	Operating Income		
-	User charges & other income	-	-
	Appropriations		
46,186	Provision for loan repayments	49,003	75,154
(225,000)	Reverse depreciation	(245,113)	(200,000)
$1,221,335	**Rates Requirement**	**$1,386,481**	**1,360,213**

STORMWATER				
Annual Plan 2025/26	**Capital Expenditure Summary**	Source of Funds	**Annual Plan 2026/27**	**LTP Year 3 2026/27**
$	Capital Projects		$	
	Stormwater			
652,800	Stormwater renewal & upgrades	Depn Reserve	300,000	669,000
1,088,000	Stopbank - associated pipe work upgrade	Loan	-	1,115,000
435,200	Urbanisation of Millard Ave	Contributions/Loan	-	-
-	Improve flood protection	Depn Reserve	-	418,125
2,176,000	Total Stormwater		**300,000**	**2,202,125**
	Capital Funding			
(1,262,080)	Loan funds		-	(1,115,000)
(913,920)	Transfer from reserves		(300,000)	(1,087,125)
($2,176,000)	Total capital funding		**($300,000)**	**($2,202,125)**
$0	Rates Requirement (Capital)		**$0**	**$0**

Tari whakarite parapara

Solid waste management

Community outcomes this activity contributes to

What we do

We provide a reliable, environmentally safe and cost-effective rubbish collection and disposal service. We also work to promote the adoption of sustainable waste minimisation practices.

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 a main transfer and recycling station at Nursery Road, Masterton and two rural transfer stations (Castlepoint and Riversdale), including associated buildings and the weighbridge at the urban landfill.

Our priorities for 2026/27

- Completing a procurement process for the provision of solid waste services and finalising details for a new contract to commence 1 July 2027.
- Implementing the Waste Minimisation and Management Plan 2023-29, now in its fourth year. Priority work includes exploring long-term waste disposal options, improving emergency waste management preparedness, developing a regional waste data framework to strengthen reporting, and implementing construction and demolition waste bylaws to reduce landfill disposal.

How we will measure success

Measures of success in this area include:

- reducing waste to landfill
- reducing number of call backs due to non-collection of official rubbish bags
- operating within our resource consents.

Further detail of our how we will know we are successful are available in the 2024-34 LTP. We will report our progress against these measures in the 2026/27 Annual Report.

SOLID WASTE MANAGEMENT

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
410,816	Urban refuse collection costs	373,941	406,391
4,082,720	Transfer station operation & refuse disposal	4,048,384	4,379,128
2,119,721	Waste minimisation (incl recyc & composting)	2,129,809	2,133,453
409,974	Rural waste operations	415,967	402,238
7,023,231		**6,968,101**	**7,321,210**
	Operating Income		
4,585,575	User charges - external	4,559,850	4,828,058
172,890	User charges - internal	173,190	176,114
671,560	Recoveries - waste levy	600,000	684,450
281,820	Recoveries from bag sales	266,320	282,625
5,711,845		**5,599,360**	**5,971,247**
	Appropriations		
233,630	Provision for loan repayments	232,569	232,396
(129,000)	Reverse depreciation	(130,000)	(100,000)
$1,416,016	**Rates Requirement**	**$1,471,310**	**$ 1,482,359**

SOLID WASTE SERVICES				
Annual Plan 2025/26	**Capital Expenditure Summary**	Source of Funds	**Annual Plan 2026/27**	**LTP Year 3 2026/27**
$	Capital Projects		**$**	
	Solid Waste Management			
70,000	Nursery Road transfer station renewals	Depn Reserve/Loan	-	546,000
-				
70,000	Total Solid Waste Management		**-**	**546,000**
	Capital Funding			
-	Loan funds		-	(546,000)
(70,000)	Transfer from reserves		-	-
($70,000)	Total capital funding		**$0**	**($546,000)**
$0	Rates Requirement (Capital)		**$0**	**$0**

SOLID WASTE SERVICES			
Annual Plan 2025/26	Rates Requirement Summary	Annual Plan 2026/27	LTP Year 3 2026/27
$		$	$
886,349	Recycling collection	903,935	933,552
47,638	Refuse transfer station & landfill	58,707	85,529
106,055	Waste minimisation	131,701	96,842
375,974	Rural refuse services	376,967	366,436
$1,416,016	Rates Requirement	$1,471,310	$1,482,359

Ngā whare o te hapori me ngā pāka

Community facilities and parks

Community outcomes this activity contributes to

What we do

We provide and support a wide range of parks and facilities throughout the district for use by the community, including:

- the Library and Archive,
- property (78 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 sports fields,
- the Recreation Centre (including a stadium and a range of indoor and outdoor pools),
- four cemeteries, and
- Hood Aerodrome.

Our priorities for 2026/27

- Town Hall: Progressing plans to build a new events space on the site of the Town Hall. In 2026/27, this will include completing feasibility work to confirm the build and associated operational costs once established. $8.8 million has been allocated in 2026/27 for this work.
- Library: Continuing work to upgrade the library. This will include the revitalisation of Russian Jack Park following a successful grant application. $8.7 million has been budgeted in 2026/27.
- Working with the community to upgrade the Kids Own Playground to create a fun and inclusive space for future generations. The existing equipment has reached the end of its life and could pose a health and safety risk if left as is. $1.6 million has been budgeted for this project. Council is collaborating with Masterton South Rotary on this project, who have committed to carrying out complementary fund-raising initiatives to grow the project fund.

- Developing an over-arching Reserves Management Plan (RMP) that will guide how parks and reserves are managed and maintained across the Masterton District. The RMP will set clear expectations for levels of service, ensuring a consistent approach, while including tailored requirements for significant reserves like Henley Lake and Queen Elizabeth Park as appendices. This approach improves compliance and efficiency and is consistent with the approach being taken by other Councils across New Zealand. Alongside this work we will also update the RMPs for Henley Lake and Queen Elizabeth Park. This will include exploring alternative water sources for Henley Lake as part of the lake's resource consent renewal with Greater Wellington Regional Council.
- Developing a Riverside Cemetery Master Plan to guide the future use and development of cemetery land, ensuring capacity meets community needs while responding to changing burial preferences and cultural practices. The Master Plan will be informed by a recently completed needs and feasibility assessment of the Council's cemetery portfolio that was informed by those who work in the funeral business, and included our Parks Sexton, the RSA and Iwi.
- Doing ground preparation work to develop a recreational space at Castlepoint for the community to enjoy. $0.35 million has been budgeted for this project.
- Continuing to progress Urban Reserves upgrades. This work includes repairs to reserve car parks ($0.16 million) and at Te Korou Reserve ($0.18 million). Carpark resurfacing is being prioritised based on the current condition and assessments – Memorial Park and the Marist Driveway are the next priorities.
- Upgrading the War Memorial Stadium. Work in 2026/27 includes re-roofing the pool and installing solar panels to help offset power costs. $0.4 million has been allocated for this work.

How we will measure success

Measures of success in this area include:

- number of people using our Library and Archive.
- percentage of Council parks and open spaces urgent customer service requests resolved within 4 work hours
- number of people using the Trust House Recreation Centre.

Further detail of our how we will know we are successful are available in the 2024-34 LTP. We will report our progress against these measures in the 2026/27 Annual Report.

Annual Plan 2025/26	COMMUNITY FACILITIES & ACTIVITIES Rates Requirement Summary	Annual Plan 2026/27	LTP Year 3 2026/27
$		$	$
3,703,435	Parks, reserves & sportsfields	3,879,233	4,147,484
1,808,779	Trust House Recreation Centre	1,983,936	1,852,365
262,627	Cemeteries	272,564	266,801
406,310	District building	413,564	935,299
89,683	Housing for the elderly	168,103	135,951
449,965	Other rental properties	466,974	439,908
604,443	Public conveniences	608,322	609,084
220,941	Rural halls	220,649	238,612
79,251	Forestry	80,708	44,386
289,891	Mawley Park	371,363	248,542
919,768	Masterton Airport	984,117	1,003,829
2,351,734	Library	2,208,293	2,760,560
677,833	Archives	728,033	732,984
$11,864,660	**Rates Requirement**	**$12,385,859**	**$13,415,805**

LIBRARY & ARCHIVE

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	**Operating Costs**	$	$
2,205,965	Operating costs - Library	2,057,003	2,516,902
624,129	Operating costs - Archive	664,431	632,284
143,500	Depreciation - books	107,625	168,559
144,593	Depreciation - bldg, furniture & equip	138,713	187,191
3,118,187		**2,967,772**	**3,504,936**
	Operating Income		
25,206	Grants & donations	25,200	26,536
30,667	User charges & other recoveries	15,740	29,502
55,873		**40,940**	**56,038**
	Appropriations		
(40,000)	Transfers from reserves	(20,000)	-
49,573	Provision for loan repayments	74,314	187,246
(42,320)	Reverse depreciation	(44,820)	(142,600)
$3,029,567	**Rates Requirement**	**$2,936,326**	**$3,493,544**

	Analysis of Rates Requirement		
2,351,734	Library	2,208,293	2,760,560
677,833	Archive	728,033	732,984
$3,029,567		**$2,936,326**	**$3,493,544**

PROPERTY

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
1,102,652	District Building	1,115,997	1,603,576
707,074	Housing for the Elderly	748,369	662,647
647,641	Mawley Holiday Park	635,686	589,046
1,423,119	Other Property	1,441,288	1,338,366
1,015,357	Depreciation	996,742	967,326
4,895,843		**4,938,082**	**5,160,961**
	Operating Income		
2,240	Rental income - Halls & Dist. Bldg	71,817	816
667,749	Rental income - Housing for Elderly	657,322	682,660
298,102	Rental income - Other Property	316,433	288,943
494,400	Mawley Holiday Park	400,000	505,440
0	Forestry harvest proceeds	-	-
45,000	Internal recoveries - forestry	45,000	47,385
736,870	Internal recoveries - offices rental	742,103	821,647
2,244,361		**2,232,675**	**2,346,891**
	Appropriations		
(320,000)	Transfers from reserves	(300,000)	(300,000)
434,002	Provision for loan repayments	535,276	651,712
(625,000)	Reverse depreciation	(611,000)	(514,000)
$2,140,484	Rates Requirement	$2,329,683	$2,651,782

PARKS, RESERVES & SPORTSFIELDS

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
2,467,288	Parks & reserves maintenance	2,450,577	2,595,910
543,186	Sportsfields maintenance	516,833	577,255
1,132,658	Depreciation	1,250,283	1,029,197
4,143,132		**4,217,693**	**4,202,362**
	Operating Income		
53,238	Miscellaneous parks income	47,069	33,349
37,472	Sportsground rentals	78,097	33,290
90,710		**125,166**	**66,639**
	Appropriations		
(75,000)	Transfers from reserves	(25,000)	(20,000)
146,013	Provision for loan repayments	154,906	154,927
(420,000)	Reverse depreciation	(343,200)	(123,166)
$3,703,435	Rates Requirement	$3,879,233	$4,147,484

TRUST HOUSE RECREATION CENTRE

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
1,491,870	Recreation centre operating costs**	1,534,267	1,355,854
964,909	Depreciation	981,363	669,915
2,456,779		**2,515,630**	**2,025,769**
	Operating Income		
27,000	Grants & recoveries	**30,694**	**35,802**
	Appropriations		
-	Provision for loan repayments	-	22,398
(621,000)	Reverse depreciation	(501,000)	(160,000)
$1,808,779	**Rates Requirement**	**$1,983,936**	**$1,852,365**

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

CEMETERIES

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
357,885	Cemeteries operating and maintenance	**327,132**	**385,911**
	Operating Income		
103,100	Burial fees and sale of plots	**113,100**	**126,186**
	Appropriations		
-	Transfer to reserves	50,000	-
7,842	Provision for loan repayments	8,532	7,076
$262,627	**Rates Requirement**	**$272,564**	**266,801**

MASTERTON AIRPORT (HOOD AERODROME)

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
950,583	Airport operation & maintenance	1,079,867	1,007,466
401,456	Depreciation	619,383	373,094
1,352,039		**1,699,250**	**1,380,560**
	Operating Income		
323,260	Leases and other income	**431,709**	**362,438**
	Appropriations		
(50,000)	Transfers from reserves	(50,000)	(40,000)
143,989	Provision for loan repayments	217,576	205,707
(203,000)	Reverse depreciation	(451,000)	(180,000)
$919,768	**Rates Requirement**	**$984,117**	**1,003,829**

COMMUNITY FACILITIES / ACTIVITIES

Annual Plan 2025/26	Capital Expenditure Summary	Source of Funds	Annual Plan 2026/27	LTP Year 3 2026/27
$	Parks & Reserves		$	
152,000	Queen Elizabeth Park Upgrades	Dev Contributions	15,000	-
100,000	Upgrade Kidz Own Playground	Loan / Depn Reserves	1,565,200	-
320,700	Urban Playgrounds	Depn Reserve /Dev contributions	-	-
-	Recreation trails network (urban & rural)	Dev Contrib / Loan	-	152,880
17,906	Street trees renewals & new	Reserves	91,000	18,258
10,690	Castlepoint furniture renewals	Depn Reserve	35,000	-
80,175	Parks & Open Spaces - Signage	Depn Reserve	30,000	16,380
-	Henley Lake - lake level management	Loan	655,200	655,200
275,000	QE Park Swingbridge Upgrade	Depn Reserve	370,000	299,750
-	Henley - landscape development	Reserves	20,000	21,840
26,725	Henley Lake buildings upgrades	Depn Reserve	10,000	5,460
183,800	Carpark Reseals Urban Reserves	Depn Reserve	163,500	163,500
90,865	Henley Lake overflow car-park	Reserves	20,000	-
100,000	Opaki Memorial Grounds - tennis surface	Depn Reserve	-	-
206,900	Urban reserves upgrades (Te Korou Reserve)	Dev Contributions	181,000	109,200
1,564,761	**Total Parks, Reserves & Sportsfields**		**3,155,900**	**1,442,468**

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COMMUNITY FACILITIES / ACTIVITIES continued

Annual Plan 2025/26	Capital Expenditure Summary	Source of Funds	Annual Plan 2026/27	LTP Year 3 2026/27
$	Sportsfields		$	$
915,452	Sportsfield buildings & facilities renewals	Depn Reserve	70,748	37,128
16,035	Netball facility renewals	Depn Reserve	30,000	27,300
50,000	Colin Pugh Sports Bowl - track renewal	Depn Reserve	10,000	655,200
94,072	Skatepark upgrade	Depn Reserve	15,000	16,380
5,345	Cricket grandstand upgrade	Depn Reserve	10,000	10,920
1,080,904	**Total Sportsfields**		**135,748**	**746,928**
	Trust House Recreation Centre			
400,341	Building & Services renewals	Depn Reserve	408,731	400,731
242,760	Other Plant & Equip	Depn Reserve	-	-
643,101	**Total Trust House Recreation Centre**		**408,731**	**400,731**
	Cemeteries			
-	Cemetery renovations & extensions	Reserves	**30,000**	-
	District Buildings			
280,000	Building upgrades	Depn Reserve	18,000	109,200
-	Queen Street bldg improvements.	Depn Reserve	500,000	-
3,419,000	Town Hall	Loan	8,800,000	10,374,000
5,545,000	Waiata House Extension	Loan	-	2,347,800
9,244,000	**Total District Buildings**		**9,318,000**	**12,831,000**
	Housing for the Elderly			
257,553	Pensioner housing upgrades & renewals	Depn Reserve	320,000	161,616
1,069,000	Panama land - stormwater & other	Sale proceeds/ Reserves	-	-
1,326,553	**Total Pensioner Housing**		**320,000**	**161,616**

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COMMUNITY FACILITIES / ACTIVITIES continued				
Annual Plan 2025/26	**Capital Expenditure Summary**	Source of Funds	Annual Plan 2026/27	LTP Year 3 2026/27
$	Other Property		$	$
65,500	Public conveniences	Depn Reserve	50,000	-
-	Castlepoint Toilets upgrade	Depn Reserve	15,000	16,380
-	Rural halls upgrades	Depn Reserve	10,000	8,190
138,970	Riversdale Beach toilets upgrade	Reserves	15,000	-
53,450	Rental Property upgrades	Depn Reserve	113,000	54,600
53,000	Mawley Park facility upgrades	Depn Reserve	10,920	10,920
310,920			**213,920**	**90,090**
	Airport			
3,207,000	Precinct infrastructure & services upgrades	Loan/External Funds	-	-
13,000	Airport equipment upgrades	Depn Reserve	35,000	-
3,220,000	Total Airport		**35,000**	**-**
	Library & Archive			
85,000	Book stock renewals	Depn Reserve	120,000	147,420
10,000	Computer & equipment replacements	Depn Reserve	64,370	27,300
5,000	Renew furniture/fittings	Depn Reserve	24,771	12,012
6,414,000	Library Extension	Depn Reserves/Loan/External Funds	8,675,600	3,276,000
6,514,000	Total Library & Archive		**8,884,741**	**3,462,732**
23,904,239	Capital - Community Facilities		**22,502,040**	**19,135,565**
	Capital Funding			
(5,639,939)	Transfers from reserves		(4,001,490)	(2,537,165)
(16,179,750)	Loan funds		(18,081,950)	(16,598,400)
(2,084,550)	External funding		(418,600)	-
($23,904,239)	Total capital funding		**($22,502,040)**	**($19,135,565)**
$0	Rates requirement		**$0**	**$0**

Mana whakariterite

Regulatory services

Community outcomes this activity contributes to

What we do

We plan for Masterton's future by ensuring development is sustainable, our natural and physical heritage is protected, and public health and safety is preserved and promoted. This activity involves delivering on our responsibilities under legislation, including:

- resource management and planning,
- building control,
- environmental health, alcohol licensing and 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).

The Wairarapa Recovery Office (WRO) originally established to coordinate recovery efforts across the district following the North Island Weather Events was closed in June 2025. Emergency Management Wairarapa (shared between Masterton, Carterton and South Wairarapa) was formed from 1 July 2025. The team has been responding to further extreme weather events across the Wairarapa.

Our priorities for 2026/27

- Upgrading parking infrastructure, including the replacement of all parking meters to create a fairer user pays system. $0.38 million has been budgeted in 2026/27.
- Adopting the proposed Wairarapa Combined District Plan and putting it into effect.
- Continuing to respond to Resource Management Act reforms and evolving Government direction, including regional spatial planning mandates, to ensure Council's planning framework remains compliant, integrated, and aligned with future system changes.
- 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 scheduled for November 2027.
- Continuing to respond to Building Act Reforms including changes to earthquake-prone building rules, so our approach stays up to date and practical.
- Maintaining the Quality Management System that supports the provision of a good quality food verification service.
- Maintaining Territorial Authority Compliance Schedule and Building Warrant of Fitness (BWOF) auditing.

How we will measure success

Measures of success in this area include:

- response time to attend Priority 1 urgent callouts (e.g., dog attacks) response time to attend noise control callouts
- number of animal control community education and engagement activities
- percentage of building consents processed within regulatory timeframes
- percentage of code compliance certificates processed within regulatory timeframes
- percentage of resource consents processed within regulatory timeframes
- percentage of commercial Building Warrant of Fitness' (BWOFs) that have been reviewed within 20 working days of their due date.
- proportion of known swimming pools that have been inspected.

Further detail of our how we will know we are successful is available in the 2024-34 LTP. We will report our progress against these measures in the 2026/27 Annual Report.

REGULATORY SERVICES

Annual Plan 2025/26	Rates Requirement Summary	Annual Plan 2026/27	LTP Year 3 2026/27
$		$	$
1,385,898	Resource Management and Planning	1,588,455	1,564,478
1,429,240	Building Development	1,362,374	1,445,452
1,060,214	Environmental Services	1,100,433	1,028,876
451,108	Emergency Management	505,533	365,029
299,228	Animal Services	355,444	407,463
(24,051)	Parking Control	(112,414)	9,898
$4,601,637	Rates Requirement	$4,799,825	$4,821,196

REGULATORY SERVICES

Annual Plan 2025/26	Capital Expenditure Summary	Source of Funds	Annual Plan 2026/27	LTP Year 3 2026/27
$	Capital Projects		$	
	Regulatory Services			
8,552	Environmental Health testing equip.	Depn Reserve	8,736	8,736
1,710	Animal Services - equipment	Depn Reserve	5,000	1,747
534,500	Animal Services - new animal shelter	Loan/Reserves	25,000	-
350,000	Replace parking meters	Depn Reserve	380,000	-
894,762	Total Regulatory		**418,736**	**10,483**
	Capital Funding			
(360,262)	Transfers from reserves		(401,986)	(10,483)
(534,500)	Loan Funds		(16,750)	-
($894,762)	Total capital funding		**($418,736)**	**($10,483)**
$0	Rates Requirement		**$0**	**$0**

RESOURCE MANAGEMENT & PLANNING

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
1,537,411	Resource management & planning	1,624,232	1,545,055
151,500	Wairarapa Combined District Plan development (MDC share)	376,500	52,650
173,730	River scheme contributions	328,223	177,610
1,862,641		**2,328,955**	**1,775,315**
	Operating Income		
366,243	User charges - incl consent fees	465,000	340,337
1,033,000	Reserves & Infrastructure Contributions	1,418,000	1,173,000
1,399,243		**1,883,000**	**1,513,337**
	Appropriations		
(200,500)	Transfers from reserves	(425,500)	(500)
1,123,000	Transfers to reserves - incl Contributions	1,568,000	1,303,000
$1,385,898	**Rates Requirement**	**$1,588,455**	**$1,564,478**

BUILDING DEVELOPMENT

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
2,785,389	Building development operating costs	2,918,523	2,524,084
10,300	Earthquake building assessments	10,300	10,530
2,795,689		**2,928,823**	**2,534,614**
	Operating Income		
1,366,449	Consent fees & charges	1,566,449	1,089,162
1,366,449		**1,566,449**	**1,089,162**
	Appropriations		
$1,429,240	**Rates Requirement**	**$1,362,374**	**$1,445,452**

Annual Plan 2025/26	ENVIRONMENTAL SERVICES & LICENSING Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
1,300,425	Environmental Health	1,337,027	1,261,157
313,016	Alcohol Act enforcement activities	318,712	307,843
1,613,441		**1,655,739**	**1,569,000**
	Operating Income		
74,476	License fees & charges	71,476	76,139
80,155	Alcohol licensing fees & charges	80,155	81,944
383,596	Internal recoveries - water sampling etc	388,675	367,041
538,227		**540,306**	**525,124**
	Appropriations		
(15,000)	Tsf from reserves	(15,000)	(15,000)
$1,060,214	**Rates Requirement**	**$1,100,433**	**$1,028,876**

Annual Plan 2025/26	EMERGENCY MANAGEMENT Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
401,048	CD/EM - Wairarapa Costs	455,473	201,973
208,060	WREMO CD/Emergency Mgmt (MDC share)	208,060	212,706
609,108		**663,533**	**414,679**
	Operating Income		
161,000	Misc recoveries - CD/EM Wairarapa	**161,000**	**52,650**
	Appropriations		
3,000	Tsf to reserves - self insurance	3,000	3,000
$451,108	**Rates Requirement**	**$505,533**	**$365,029**

Annual Plan 2025/26	ANIMAL SERVICES Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
985,349	Animal services & pound costs	1,089,957	1,089,776
	Operating Income		
673,426	Dog registration fees & fines	725,173	713,774
	Appropriations		
44,805	Provision for loan repayments	60,660	63,461
(57,500)	Reverse depreciation	(70,000)	(32,000)
$299,228	Rates Requirement	$355,444	$407,463

Annual Plan 2025/26	PARKING CONTROL Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
240,000	Parking control costs	289,258	242,825
18,304	Depreciation - meters	18,428	18,213
258,304		307,686	261,038
	Operating Income		
282,355	Parking meters and fines	420,100	251,140
	Appropriations		
($24,051)	Rates Requirement	($112,414)	$9,898

Mana whakahaere me ngā ratonga ōkawa

Leadership, strategy and corporate services

Community outcomes this activity contributes to

What we do

Our Leadership, Strategy and Corporate Services activity provides strategic direction and leadership to the Council and our community. It 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 iwi, consulting with the community on key decisions, running the local body election process 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 management.

Our priorities for 2026/27

- Progressing the Development Plan, the district's blueprint for where and how we develop in our district.
- Leading the development of MDC's 2027-37 LTP. This includes completing a scan of our operating environment, reviewing growth assumptions, service levels and budgets, Asset Management Plans, our Financial and Infrastructure Strategies and a range of policies.
- Continuing to respond to Local Government reforms and progressing work associated with amalgamation proposals.
- Ensuring our policies are relevant and current. Key policies that are scheduled for review this year include the suite of policies that are reviewed alongside the development of the LTP, including the Revenue and Financing Policy, Development Contributions Policy and the Significance and Engagement Policy.

- Reviewing the environment portfolio, including the Masterton District Council Climate Action Plan (adopted in 2022) and Council's Corporate Emissions Reduction Plan (adopted in 2021).
- Representing Masterton in Wellington Regional Leadership Committee (WRLC) projects including reviewing the Housing and Business Capacity Assessment (HBA), progressing a Regional Adaptation Framework and preparing for Regional Spatial Planning reform.
- Completing Masterton's application to join the Wairarapa Dark Skies reserve, which would see the Wairarapa reserve become the biggest in the Southern hemisphere. The application is on target to be submitted in July 2026, with a decision to be made by the International Dark Sky Association.
- Working with Nuku Ora, Carterton and South Wairarapa District Councils to develop a Wairarapa Subregional Sport and Recreation Facilities Assets Priorities Plan.
- Targeted engagement with the Mataikona community to develop a long-term coastal adaptation plan.

How we will measure success

Further detail of our how we will know we are successful is available in the 2024-34 LTP. We will report our progress against these measures in the 2026/27 Annual Report.

LEADERSHIP, STRATEGY & CORPORATE SERVICES

Annual Plan 2025/26	Rates Requirement Summary	Annual Plan 2026/27	LTP Year 3 2026/27
$		$	$
1,005,313	Representation	$1,190,033	$1,047,881
$0	Roading Advisory Services	-	-
$0	Asset & Project Management	-	-
$0	Corporate Services	-	-
1,360,763	Community Development	1,485,697	1,532,940
488,321	Arts and Culture	510,067	559,281
1,105,577	Economic Development and Promotion	963,530	1,016,493
523,635	Environmental Initiatives	493,303	625,409
$4,483,609	Rates Requirement	$4,642,630	$4,782,004

Note: after internal costs allocated to operating activity areas.

REPRESENTATION

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
735,703	Mayor & councillors remuneration	753,700	746,327
51,500	Reporting & consultation	37,000	15,795
177,000	Election costs	35,000	31,590
883,319	Operating expenses	1,197,689	952,757
1,847,522		2,023,389	1,746,469
	Operating Income		
670,209	Internal allocation of governance (per Funding Policy 40% internal)	793,356	698,588
82,000	Misc Income (election recoveries)	-	-
752,209		793,356	698,588
	Appropriations		
(90,000)	Transfers from reserves	(40,000)	-
$1,005,313	Rates Requirement	$1,190,033	$1,047,881

ROADING ADVISORY SERVICES

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
1,403,010	Professional staff & operating costs	1,541,725	1,383,561
25,111	Depreciation	19,924	14,102
1,428,121		**1,561,649**	**1,397,663**
	Operating Income		
1,417,374	Prof. services - Roading	1,550,902	1,386,697
10,747	External income	10,747	10,966
1,428,121		**1,561,649**	**1,397,663**
	Appropriations		
$0	Rates Requirement	$0	$0

ASSET & PROJECT MANAGEMENT

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
2,831,430	Professional staff & operating costs	**2,841,439**	**2,624,984**
	Operating Income		
2,809,981	Internal charges	2,819,990	2,602,977
21,449	External recoveries	21,449	22,007
2,831,430		**2,841,439**	**2,624,984**
	Appropriations		
$0	Rates Requirement	$0	$0

Annual Plan 2025/26	DEVELOPMENT (Social, Cultural, Economic & Environmental) Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	**Operating Costs**	$	$
1,658,271	Community development	1,481,495	1,843,026
574,267	Arts & culture	566,013	616,855
1,072,079	Economic development	946,726	967,734
1,076,043	Environmental initiatives	884,503	819,408
87,587	Depreciation	106,709	76,121
4,468,247		**3,985,446**	**4,323,144**
	Operating Income		
2,509	Government grants	2,509	2,565
31,886	Creative NZ grants	31,886	32,598
322,120	Events grants & other recoveries	229,010	197,964
396,994	Internal Recoveries	146,000	296,263
753,509		**409,405**	**529,390**
	Appropriations		
(212,500)	Transfers from reserves	(67,856)	(64,000)
6,058	Provision for loan repayments	4,412	4,369
(30,000)	Reverse depreciation	(60,000)	-
$3,478,296	**Rates Requirement**	**$3,452,597**	**$3,734,123**

CORPORATE SERVICES

Annual Plan 2025/26	Cost of Service Statement	Annual Plan 2026/27	LTP Year 3 2026/27
$	Operating Costs	$	$
2,007,023	Management & administration	1,856,728	1,732,075
2,492,592	Financial management	2,669,844	2,555,254
1,747,689	Strategic planning	2,404,660	1,858,337
1,692,236	Information systems	1,941,304	1,639,629
792,000	Communications & engagement	1,211,232	910,020
1,081,412	Human Resources	767,493	962,058
160,576	Council vehicle fleet costs	187,628	224,260
9,973,528		**11,038,889**	**9,881,633**
	Operating Income		
659,815	Miscellaneous income & recoveries	901,795	580,677
1,048,500	Interest income (external)	978,500	1,066,000
272,366	Interest income (on internal loans)	266,624	289,935
8,074,371	Support services allocated internally	9,339,342	8,275,761
160,576	Council Vehicle Fleet Recovery	187,628	224,260
10,215,628		**11,673,889**	**10,436,633**
	Appropriations		
(317,900)	Transfers from reserves	(55,000)	(70,000)
25,000	Transfers to reserves	175,000	25,000
650,000	Transfers to reserves - interest	550,000	600,000
(115,000)	Reverse depreciation	(35,000)	
$0	Rates Requirement	$0	$0

LEADERSHIP, STRATEGY & CORPORATE SERVICES

Annual Plan 2025/26	Capital Expenditure Summary	Source of Funds	Annual Plan 2026/27	LTP Year 3 2026/27
$	Capital Projects		$	
	Corporate Services			
150,000	IT equipment replacement	Depn Reserve	150,000	131,040
465,000	IT upgrades & Innovation Projects	Depn Reserve	430,000	43,680
149,660	Pool Vehicle replacement	Depn Reserve	200,000	196,560
10,000	Audio Visual Equipment	Depn Reserve	10,000	10,920
774,660	**Total Corporate Services**		**790,000**	**382,200**
	Development			
21,380	CBD Security Cameras	Depn Reserve	21,840	21,840
5,345	Decorative Lighting	Reserves	-	-
26,725	**Total Development**		**21,840**	**21,840**
	Roading Advisory Services			
-	Engineers Survey Equipment	Depn Reserve	-	-
801,385	Total		**811,840**	**404,040**
	Capital Funding			
(801,385)	Transfers from reserves		(811,840)	(404,040)
($801,385)	Total capital funding		**($811,840)**	**($404,040)**
-	Rates Requirement		-	-

Ā mātou ahumoni

Our financials

Forecast financial statements

MASTERTON DISTRICT COUNCIL PROSPECTIVE STATEMENT OF FINANCIAL POSITION				
NZ $	Notes	Forecast to 30 June 2026	30-Jun-27 Annual Plan	30-Jun-27 LTP Year 3
CURRENT ASSETS				
Cash & Bank Accounts		5,682,296	6,012,993	7,038,160
Financial Assets - Current		13,000,000	7,446,293	7,677,521
Inventories		649,790	652,290	681,622
Non-current assets held for sale		121,105	171,105	-
Debtors & Other Receivables		9,112,257	9,180,060	7,264,026
Total Current Assets		28,565,448	23,462,741	22,661,329
NON-CURRENT ASSETS				
Property, Plant & Equipment		164,630,576	192,475,985	224,143,827
Infrastructural Assets		1,072,363,416	1,081,290,892	1,111,389,828
Intangible Assets		2,685,336	1,999,402	1,716,548
Forestry assets		687,038	721,390	323,339
Derivative financial instruments		6,248	3,748	1,320,603
Investments in CCO's & other similar entities		220,576	240,433	231,951
Other Non-current financial assets		11,653,478	13,100,674	9,760,863
Total Non-Current Assets		1,252,246,669	1,289,832,524	1,348,886,959
TOTAL ASSETS		1,280,812,117	1,313,295,265	1,371,548,288
CURRENT LIABILITIES				
Creditors & Other Payables		13,352,210	13,403,583	13,011,285
Employee Benefits - Current Portion		1,089,437	1,165,756	1,372,515
Provisions - Current Portion		20,000	20,000	-
Financial liabilities - current portion	3	14,000,000	12,400,000	6,400,000
Total Current Liabilities		28,461,647	26,989,339	20,783,800
NON-CURRENT LIABILITIES				
Financial liabilities	3	58,599,999	79,613,486	101,151,826
Derivative financial instruments		791,728	909,228	-
Employee benefits		-	-	-
Provisions & other liabilities		131,580	105,931	102,643
Total Non-Current Liabilities		59,523,307	80,628,645	101,254,469
NET ASSETS		$ 1,192,827,163	$ 1,205,677,281	$ 1,249,510,019
EQUITY				-
Ratepayers' Equity		515,013,998	518,558,135	520,823,503
Asset Revaluation Reserves		658,488,910	668,191,712	704,924,068
Special funds & restricted reserves	4	19,324,254	18,927,435	23,762,448
TOTAL EQUITY		$ 1,192,827,162	$ 1,205,677,281	$ 1,249,510,019

MASTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

OPERATING REVENUE		2025/26	2026/27	2026/7
NZ $	Notes	Annual Plan	Annual Plan	LTP Year 3
Rates revenue		49,662,568	52,151,576	53,084,191
Rural sewerage schemes capital contribution		47,722	41,442	50,303
Financial contributions		3,603,000	2,238,000	2,943,000
Roading subsidies - Waka Kotahi		10,090,478	10,230,549	12,569,281
Fees and charges		11,405,069	11,803,005	11,069,012
Interest and dividends		1,060,128	996,938	1,077,906
Other revenue		5,166,264	1,868,438	1,377,117
Gain on sale of assets		1,861,000	1,061,000	20,000
Total Operating Revenue		82,896,229	80,390,948	82,190,810
OPERATING EXPENDITURE				
Personnel costs		15,795,440	16,173,904	15,768,904
Finance costs		2,767,773	2,989,576	4,170,912
Depreciation & amortisation		21,906,630	24,998,465	24,120,366
Other Operating costs		32,651,553	33,081,686	31,181,361
Total Operating Expenditure		73,121,396	77,243,631	75,241,543
Net Surplus / (Deficit)**		**$ 9,774,833**	**$ 3,147,317**	**$ 6,949,267**
Revaluations		84,555,551	9,702,801	14,994,140
Total Comprehensive Revenue & Expenses		**$ 94,330,384**	**$ 12,850,118**	**$ 21,943,407**
**Note: Income Tax is nil				
Note: value of rates on Council Properties assumed		888,400	896,600	869,823

MASTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF CASHFLOWS

NZ $	Notes	2025/26 Annual Plan	2026/27 Annual Plan	2026/7 LTP Year 3
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was received from:				
Rates		49,593,320	52,121,459	53,027,994
Grants, subsidies & donations		14,803,139	11,552,584	13,533,227
Petrol tax		206,200	120,000	210,400
Other revenue		18,075,762	14,426,412	14,146,305
Interest on investments		1,060,128	996,938	1,077,906
		83,738,549	79,217,393	81,995,832
Cash was applied to:				
Payments to suppliers and employees		48,088,690	49,084,234	46,648,852
Interest paid		2,767,773	2,989,576	4,170,912
		50,856,463	52,073,810	50,819,764
Net cash flow from operating activities		**32,882,086**	**27,143,583**	**31,176,068**
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was received from:				
Sale of fixed assets		2,820,000	2,020,000	20,000
Term investments, shares & advances		3,900,000	1,380,000	329,938
Forestry/investment property proceeds		156,422	-	-
		6,876,422	3,400,000	349,938
Cash was applied to:				
Purchase of fixed assets		55,223,721	52,333,027	53,713,581
Term investments, shares & advances		180,142	2,847,053	2,297
		55,403,863	55,180,080	53,715,878
Net cash flow from investing activities		**(48,527,441)**	**(51,780,080)**	**(53,365,939)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash was received from:				
Drawdown of public debt		22,483,830	27,875,110	27,714,400
		22,483,830	27,875,110	27,714,400
Cash was applied to:				
Repayment of public debt (incld Finance Leases)		8,987,217	8,461,623	4,858,232
		8,987,217	8,461,623	4,858,232
Net cash flow from financing activities		**13,496,613**	**19,413,487**	**22,856,168**
NET INCREASE/(DECREASE) IN CASH HELD		**(2,148,742)**	**(5,223,010)**	**666,297**
Add cash at start of year (1 July)		17,880,581	18,682,296	14,049,384
BALANCE AT END OF YEAR (30 JUNE)		15,731,839	13,459,286	14,715,681
REPRESENTED BY:				
Cash & bank		7,505,359	6,012,993	7,038,160
Short term deposits		8,226,479	7,446,293	7,677,521
BALANCE AT END OF YEAR (30 JUNE)		15,731,839	13,459,286	14,715,681

The closing balance of 2025/26 is the Plan position. An updated forecast position has been used as the opening balance for 2026/27

MASTERTON DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

NZ $	Notes	2025/26 Forecast	2026/27 Annual Plan	2026/7 LTP Year 3
Ratepayer's Equity		495,187,874	515,013,998	513,563,798
Special Funds & Reserves		23,565,596	19,324,254	24,072,886
Revaluation Reserves		583,077,324	658,488,910	689,929,928
EQUITY AT START OF YEAR		1,101,830,794	1,192,827,162	1,227,566,612
Comprehensive Revenue & Expenses for the year		90,996,369	12,850,118	21,943,407
Total recognised revenue & expenses for the period		**$ 90,996,369**	**$ 12,850,118**	**$ 21,943,407**
Ratepayer's Equity		515,013,998	518,558,135	520,823,503
Special Funds & Reserves		19,324,254	18,927,435	23,762,448
Revaluation Reserves		658,488,910	668,191,712	704,924,068
EQUITY AT END OF YEAR		1,192,827,162	1,205,677,281	1,249,510,019

TREASURY POLICY CHECK

	2025/26 Forecast	2026/27 Annual Plan	2026/7 LTP Year 3
Net External Debt	42,043,649	65,213,093	90,113,442
Operating Revenue (excl Gain on Sale)	81,035,229	79,329,948	82,170,810
Rates Revenue	49,662,568	52,151,576	53,084,191
Net Interest on Net Debt	1,707,645	1,992,638	3,093,006
Net Debt as a % of Operating Revenue (limit = 150%)	51.9%	82.2%	109.7%
Interest expense as a % of Operating Revenue (limit = 10%)	2.1%	3.8%	5.1%
Interest expense as a % of Rates Revenue (limit = 15%)	3.4%	5.7%	7.9%
Number of rateable properties (estimated)	13,628	14,494	13,833
Average rates per property (excl GST)	$ 3,709	$ 3,660	$ 3,900

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.

RATES REQUIREMENT STATEMENT

Annual Plan 2025/26	Group of Activities	Annual Plan 2026/27	LTP Year 3 2026/27
$	**Roading**	$	$
9,430,125	Subsidised Roading	9,595,160	10,266,648
2,781,492	Non-subsidised Roading	3,750,387	2,039,378
	Water Services		
5,821,416	Urban Water supply	5,895,264	6,258,676
203,206	Rural Water supplies & races	165,304	185,922
	Wastewater Services		
8,279,304	Urban Sewerage system	8,477,055	8,894,297
495,890	Rural Sewerage systems	520,344	497,819
	Stormwater Services		
1,221,335	Urban Stormwater System	1,386,481	1,360,213
	Solid Waste Services		
423,612	Solid Waste Management	435,674	451,965
992,404	Waste Minimisation Services	1,035,636	1,030,394
	Community Facilities/Activities		
3,703,435	Parks, Reserves & Sportsfields	3,879,233	4,147,484
1,808,779	Trust House Recreation Centre	1,983,936	1,852,365
262,627	Cemeteries	272,564	266,801
3,029,567	Library & Archive	2,936,326	3,493,544
1,850,593	Property	1,958,320	2,403,240
919,768	Airport	984,117	1,003,829
289,891	Mawley Park	371,363	248,542
	Regulatory Services		
1,385,898	Resource Management & Planning	1,588,455	1,564,478
1,060,214	Environmental Services	1,100,433	1,028,876
1,429,240	Building Development	1,362,374	1,445,452
(24,051)	Parking Control	(112,414)	9,898
299,228	Animal Services	355,444	407,463
451,108	Emergency Management	505,533	365,029
	Leadership, Strategy & Corporate Services		
1,005,313	Representation	1,190,033	1,047,881
-	Internal Functions (net)	-	-
1,360,763	Community Development	1,485,697	1,532,940
488,321	Arts and Culture	510,067	559,281
1,105,577	Economic Development	963,530	1,016,493
523,635	Environmental Initiatives	493,303	625,409
$ 50,598,690	Total Rates Requirement	$ 53,089,618	$ 54,004,317
50,393,690	MDC Rates Revenue*	52,924,618	53,830,964
(47,722)	less rural sewerage capital contributions	(41,442)	(50,303)
50,345,968		52,883,176	53,780,661
8.9%	% Change (pre growth) from prior year	*5.0%*	*7.5%*
7.5%	*% Change (after growth) from prior year***	***4.2%***	***6.5%***
435,000	Penalty Revenue	425,000	367,719
(230,000)	Rates Remissions	(260,000)	(194,366)
$ 50,550,968	**Net Rates Revenue**	$ 53,048,176	$ 53,954,014

* Rates Revenue includes the rates charged on Council properties.

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

NOTE 2
PROSPECTIVE SUMMARY OF REVENUE

OPERATING INCOME	2025/26 Annual Plan $ 000's	2026/27 Annual Plan $ 000's	2026/7 LTP Year 3 $ 000's
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
Targeted Rates (including penalties)	49,663	52,152	53,084
Rural sewerage schemes capital contrib.	48	41	50
Financial Contributions	3,603	2,238	2,943
Waka Kotahi Subsidy	10,090	10,231	12,569
Other Government Grants	4,672	863	922
Other Grants	40	459	42
Other Non Exchange Revenue	877	988	723
Revaluation Gains	27	42	30
REVENUE FROM EXCHANGE TRANSACTIONS			
Interest	1,057	993	1,074
Dividends	4	4	4
Fees & User charges	10,954	11,319	10,729
Other Income	-	-	-
Other Gains/(losses)- Profit on Sale of Assets	1,861	1,061	20
TOTAL OPERATING REVENUE	**82,896**	**80,391**	**82,191**
RATES REMISSIONS			
Rates revenue is shown net of rates remissions.			
Rates remissions estimated per year:	(230)	(260)	(194)

NOTE 3
PROSPECTIVE STATEMENT OF PUBLIC DEBT (EXTERNAL)

	Forecast as at 30-Jun-26 ($ 000)	Annual Plan 2026/27 ($ 000)	LTP Year 3 2026/7 ($ 000)
Opening Balance	66,400	72,600	84,696
Loans raised during the year	15,200	27,875	27,714
Less repayments during the year	(9,000)	(8,462)	(4,858)
Balance as at 30 June	72,600	92,013	107,552
Less current borrowings repayable in 12 months	(8,462)	(5,256)	(5,617)
Closing balance for non-current borrowings	**$ 64,138**	86,758	101,935

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

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

	Forecast as at 30-Jun-26 ($ 000)	Annual Plan 2026/27 ($ 000)	LTP Year 3 2026/7 ($ 000)
Roading	6,323	6,810	9,238
Water Services	10,034	18,710	20,587
Sewerage Services	28,526	25,708	25,705
Stormwater Services	273	224	2,575
Solid Waste Services	1,133	942	1,486
Leadership & Strategy	4,113	108	108
Community Facilities/ Activities	19,563	36,914	45,537
Regulatory Services	2,635	2,597	2,316
	$ 72,600	**$ 92,013**	**$ 107,552**

PUBLIC DEBT (INTERNAL)

	Forecast as at 30-Jun-26 ($ 000)	Annual Plan 2026/27 ($ 000)	LTP Year 3 2026/7 ($ 000)
Opening Balance	8,305	7,707	6,583
Loans raised during the year	-	-	-
Less repayments during the year	(598)	(541)	(493)
Closing Balance as at 30 June	**$ 7,707**	**7,166**	**6,089**

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

	Forecast as at 30-Jun-26 ($ 000)	Annual Plan 2026/27 ($ 000)	LTP Year 3 2026/7 ($ 000)
Roading	569	533	536
Water Services	781	737	742
Sewerage Services	1,363	1,210	1,218
Solid Waste Services	97	56	56
Leadership & Strategy	0	-	-
Community Facilities/ Activities	4,766	4,507	3,411
Regulatory Services	131	125	125
	$ 7,707	**$ 7,166**	**$ 6,089**

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 the term of the LTP.
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	Forecast Opening Balance 2026	Transfers In 2026/27	Transfers Out 2026/27	Forecast Closing Balance 2027
	$ 000"s	$ 000"s	$ 000"s	$ 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.	3,491	-	17	3,474
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.	1,040	546	936	650
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.	3,418	518	757	3,179
Plant & Equipment Depreciation Funds These funds are built up from depreciation on plant and equipment and are used to fund replacements.	- 290	736	1,729	(1,282)
Buildings Depreciation Funds The Council has a series of specific depreciation reserve accounts for assets such as senior housing, Trust House Recreation Centre, Waiata House, the Library and parks & reserves buildings. Depreciation funds on these assets are accumulated in these funds and used for renewal expenditure as required.	4,396	4,164	2,846	5,714

PROSPECTIVE STATEMENT OF SPECIAL FUNDS & RESERVES (CONTINUED)

Council Created Reserves Purpose and application	Forecast Opening Balance 2026	Transfers In 2026/27	Transfers Out 2026/27	Forecast Closing Balance 2027
	$ 000"s	$ 000"s	$ 000"s	$ 000"s
Roading, Bridges & Flood Damage Funds Most roading renewal expenditure is funded from rates and NZTA subsidies, but some funding for Council's share of bridge renewals and street furniture is being built up in this fund. Roading contributions taken as per the District Plan financial contributions are accumulated in this fund and a separate fund for responding to road flood damage is also part of this group. Use of these funds can be for roading and bridge renewals, upgrades and flood damage repairs.	5,486	2,453	2,086	5,853
Urban Infrastructure Depreciation Funds Depreciation on urban infrastructural assets is accumulated in this fund and applied to renewal of those assets. Infrastructure contributions taken as per the District Plan financial contributions are accumulated in this fund and utilised on renewing and upgrading the network assets.	3,463	5,095	4,939	3,620
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.	(1,795)	730	1,330	(2,395)
Crematorium Fund - ex Mrs Smart bequest To manage a bequest made to establish a crematorium.	115	-	-	115
	$ 19,324	$ 14,242	$ 14,639	$ 18,927

NOTE 5
PROSPECTIVE SUMMARY OF REVALUATION RESERVE MOVEMENTS

	2025/26 Forecast Annual Plan $ 000's	2026/27 Annual Plan $ 000's	2026/7 Year 3 LTP $ 000's
Revaluation Reserve			
Opening balance	583,077	658,489	689,660
Revalue Movements	75,412	9,703	14,994
Closing Balance	658,489	668,192	704,654

	2025/26 Forecast Annual Plan $ 000's	2026/27 Annual Plan $ 000's	2026/27 Year 3 LTP $ 000's
Revaluation Movements by groups			
Infrastructure			
Roading	53,880	(0)	-
Water Services	6,020	0	-
Sewerage Services	10,929	(0)	-
Stormwater Services	2,823	(0)	-
Solid Waste Services	165	(0)	-
	73,817	(0)	-
Other Asset Revaluation Reserve Movements			
Building	-	4,780	6,277
Land	-	4,922	8,717
Other	1,594	(0)	-
Financial Assets	-	-	-
	1,594	9,703	14,994
Total revaluation movements	**75,412**	**9,703**	**14,994**

PROSPECTIVE CAPITAL SUMMARY STATEMENT

Prior Year Plan 2025/26		Annual Plan 2026/27	LTP Year 3 2026/27
$	**Roading**	$	$
11,039,017	Subsidised Roading	8,810,260	14,999,612
5,503,316	Non-subsidised Roading	5,128,151	4,100,712
	Water Services		
7,411,742	Urban Water supply	12,140,510	10,120,025
117,640	Rural Water supplies & races	43,450	33,450
	Sewerage Services		
3,262,100	Urban Sewerage system	2,133,440	2,116,200
43,520	Rural Sewerage systems	44,600	44,600
	Stormwater Services		
2,176,000	Urban Stormwater System	300,000	2,202,125
	Solid Waste Services		
70,000	Solid Waste	-	546,000
	Community Facilities/Activities		
1,564,761	Parks & Reserves	3,155,900	1,442,468
1,080,904	Sportsfields	135,748	746,928
643,101	Trust House Recreation Centre	408,731	400,731
-	Cemeteries	30,000	-
6,514,000	Library & Archive	8,884,741	3,462,732
10,881,473	Property	9,851,920	13,082,706
3,220,000	Airport	35,000	-
	Regulatory Services		
8,552	Environmental Services	8,736	8,736
-	Building Development	-	-
350,000	Parking Control	380,000	-
536,210	Animal Services	30,000	1,747
-	Emergency Management	-	-
	Leadership, Strategy & Corporate Services		
774,660	Corporate Services	790,000	382,200
26,725	Development	21,840	21,840
-	Roading Advisory Services	-	-
$ 55,223,721	**Total Capital expenditure**	**$ 52,333,027**	**$ 53,712,812**
	Funded by		
(6,181,850)	Waka Kotahi subsidy (roading)	(4,933,746)	(8,399,783)
(18,030,808)	Transfers from reserves	(13,375,618)	(13,000,800)
(22,483,830)	Loan funds	(27,875,110)	(27,714,400)
(4,882,684)	Rates	(4,442,953)	(4,597,829)
(3,644,550)	Other (External funding)	(1,705,600)	-
$ (55,223,721)		**$ (52,333,027)**	**$ (53,712,812)**

Benchmarks

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 2027

Benchmark Planned: 2026/27 Annual Plan (in brackets)

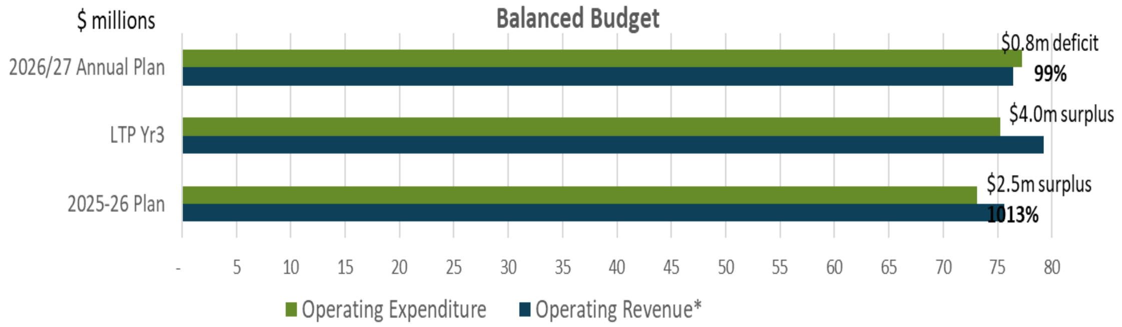
Rates Affordability Benchmarks	LTP Yr3	Met
Quantified limit on rates income (using revised LGCI and growth)*	$53.954m	Yes ($53.048m)
Quantified limit on rates increase (per LTP after growth)**	6.7%	Yes (4.2%)
Quantified limit on rates increase (using revised LGCI)*	7.1%	Yes (4.2%)

Debt Affordability Benchmarks	LTP Yr3	Met
Quantified limit on borrowing (net debt/revenue)	<150%	Yes (82%)
Debt servicing benchmark > 10% (net borrowing costs/revenue)	5.1%	Yes (3.8%)

Other Benchmarks	LTP Yr3	Met
Balanced budget benchmark > 100%	105%	No (98.9%)
Balanced budget benchmark > 100% (excl. forecast gain on sale of assets)	105%	No (97.5%)
Essential Services benchmark > 100%	171%	Yes (146%)

*The LG Cost Index for 2026/27 (as forecast by BERL in 2023) in the LTP was 2.2 percent and has been revised to 2.6 percent (forecast in October 2025)

Average rates increase is after allowing for growth in the rating base of 0.85 percent



*Operating Revenue excludes development contributions and external revenue funding non-roading capital expenditure.

Funding impact statements

FUNDING IMPACT STATEMENT			
As required by the Local Government (Financial Reporting) Regulations 2014			
COUNCIL	Annual Plan 2025/26 ($000)	LTP Year 3 2026/27 ($000)	Annual Plan 2026/27 ($000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties	435	368	425
Targeted rates	49,275	52,767	51,768
Subsidies and grants (for operating)	4,977	5,133	4,913
Fees & charges	11,405	11,069	11,803
Interest & dividends	1,060	1,078	997
Other receipts (incl petrol tax & fines)	426	383	504
Total operating funding (A)	67,579	70,798	70,410
Applications of Operating Funding			
Payments to staff and suppliers	48,447	46,950	49,256
Finance costs	2,768	4,171	2,990
Other operating funding applications	-	-	-
Total applications of operating funding (B)	51,215	51,121	52,246
Surplus/(Deficit) of operating funding (A-B)	**16,364**	**19,677**	**18,164**
Sources of Capital Funding			
Subsidies & grants for capital expenditure	9,826	8,400	6,639
Development & financial contributions	3,603	2,943	2,238
Increase /(decrease) in debt	13,497	22,856	19,413
Gross proceeds from sale of assets	2,976	20	2,020
Lump sum contributions	-		-
Other dedicated capital funding	-		
Total sources of capital funding (C)	29,902	34,219	30,310
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	6,570	3,270	1,485
- to improve level of service	26,068	33,056	28,465
- to replace existing assets	22,586	17,387	22,383
Increase/(decrease) in reserves	(4,535)	(310)	(398)
Increase/(decrease) in investments	(4,423)	493	(3,461)
Total application of capital funding (D)	46,266	53,896	48,474
Surplus / (deficit) of capital funding (C-D)	**(16,364)**	**(19,677)**	**(18,164)**
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT	Annual Plan 2025/26	LTP Year 3 2026/27	Annual Plan 2026/27
Reconciliation **- between FIS & Financial Statements**	($000)	($000)	($000)
Operating Funding (revenue) - per FIS	67,579	70,798	70,410
Capital Funding (revenue)- per FIS	13,429	11,343	8,877
	81,008	82,141	79,288
Operating Revenue - per Stmt of Comp. Revenue & Expense	82,896	82,191	80,391
Less Other Gains/(losses)- on revaluation & disposal	1,888	50	1,103
	81,008	82,141	79,288
Operating Expenditure - per FIS	51,215	51,121	52,246
Add depreciation	21,907	24,120	24,998
	73,121	75,242	77,244
Operating Expenditure - per Stmt of Comp. Revenue & Expense	73,121	75,242	77,244
Capital Expenditure - per FIS	55,224	53,713	52,333
Capital Expenditure - per Cost of Service Statements	55,224	53,713	52,333
Transfer to/(from) Reserves - per COSS	(15,041)	(9,769)	(11,143)
Depreciation transferred to reserves - per COSS	7,530	9,439	8,725
Proceeds from sale of assets - Tsf to reserves	2,976	20	2,020
	(4,535)	(310)	(398)
Increase/(Decrease) in Reserves - per FIS	(4,535)	(310)	(398)

FUNDING IMPACT STATEMENT

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

ROADING	Annual Plan 2025/26 ($000)	LTP Year 3 2026/27 ($000)	Annual Plan 2026/27 ($000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	12,212	12,306	13,346
Subsidies and grants (for operating)	3,909	4,169	4,010
Fees & charges	79	101	101
Internal charges & overheads recovered	-	-	-
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	206	210	120
Total operating funding (A)	16,405	16,787	17,576
Applications of Operating Funding			
Payments to staff and suppliers	8,160	8,355	8,747
Finance costs	233	321	267
Internal charges and overheads applied	1,978	1,805	2,329
Other operating funding applications			
Total applications of operating funding (B)	10,371	10,481	11,343
Surplus/(Deficit) of operating funding (A-B)	**6,034**	**6,306**	**6,233**
Sources of Capital Funding			
Subsidies & grants for capital expenditure	7,742	8,400	6,221
Development & financial contributions	2,400	1,600	650
Increase /(decrease) in debt	1,002	2,539	451
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	11,143	12,538	7,321
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	2,138	3,270	-
- to improve level of service	1,414	7,051	1,470
- to replace existing assets	12,991	8,779	12,468
Increase/(decrease) in reserves	635	(256)	(384)
Increase/(decrease) in investments			
Total application of capital funding (D)	17,178	18,844	13,555
Surplus / (deficit) of capital funding (C-D)	**(6,034)**	**(6,306)**	**(6,233)**
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

WATER SERVICES	Annual Plan 2025/26 ($000)	LTP Year 3 2026/27 ($000)	Annual Plan 2026/27 ($000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	6,025	6,445	6,061
Subsidies and grants (for operating)	-	-	-
Fees & charges	644	497	700
Internal charges & overheads recovered	89	93	130
Interest & dividends	5	5	12
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	6,763	7,040	6,903
Applications of Operating Funding			
Payments to staff and suppliers	2,794	2,424	2,552
Finance costs	354	694	418
Internal charges and overheads applied	1,347	1,282	1,459
Other operating funding applications			
Total applications of operating funding (B)	4,495	4,401	4,429
Surplus/(Deficit) of operating funding (A-B)	**2,268**	**2,639**	**2,473**
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase /(decrease) in debt	2,914	6,109	8,632
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	2,914	6,109	8,632
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	1,513	-	1,450
- to improve level of service	3,650	7,929	8,155
- to replace existing assets	2,366	2,225	2,579
Increase/(decrease) in reserves	(2,347)	(1,406)	(1,079)
Increase/(decrease) in investments			
Total application of capital funding (D)	5,182	8,748	11,105
Surplus / (deficit) of capital funding (C-D)	**(2,268)**	**(2,639)**	**(2,473)**
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

WASTEWATER SERVICES	Annual Plan 2025/26 ($000)	LTP Year 3 2026/27 ($000)	Annual Plan 2026/27 ($000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	8,775	9,392	8,997
Subsidies and grants (for operating)	-	-	-
Fees & charges	574	588	574
Internal charges & overheads recovered	51	53	38
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	9,401	10,033	9,610
Applications of Operating Funding			
Payments to staff and suppliers	1,855	1,947	1,808
Finance costs	1,339	1,307	1,219
Internal charges and overheads applied	1,565	1,587	1,578
Other operating funding applications	-	-	-
Total applications of operating funding (B)	4,760	4,842	4,605
Surplus/(Deficit) of operating funding (A-B)	**4,641**	**5,191**	**5,005**
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	170	170	170
Increase /(decrease) in debt	(2,861)	(2,940)	(2,971)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(2,691)	(2,770)	(2,801)
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	1,414	-	-
- to improve level of service	-	-	-
- to replace existing assets	1,891	2,161	2,178
Increase/(decrease) in reserves	(1,355)	261	25
Increase/(decrease) in investments	-	-	-
Total application of capital funding (D)	**1,950**	**2,421**	**2,203**
Surplus / (deficit) of capital funding (C-D)	(4,641)	(5,191)	(5,005)
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

STORMWATER SERVICES	Annual Plan 2025/26 ($000)	LTP Year 3 2026/27 ($000)	Annual Plan 2026/27 ($000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	1,221	1,360	1,386
Subsidies and grants (for operating)	-	-	-
Fees & charges	-	-	-
Internal charges & overheads recovered	-	-	-
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	1,221	1,360	1,386
Applications of Operating Funding			
Payments to staff and suppliers	360	290	453
Finance costs	14	75	11
Internal charges and overheads applied	387	397	420
Other operating funding applications	-	-	-
Total applications of operating funding (B)	761	762	884
Surplus/(Deficit) of operating funding (A-B)	**460**	**598**	**502**
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase /(decrease) in debt	1,216	1,040	(49)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	1,216	1,040	(49)
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	435	-	-
- to improve level of service	1,088	1,115	-
- to replace existing assets	653	1,087	300
Increase/(decrease) in reserves	(500)	(565)	153
Increase/(decrease) in investments			
Total application of capital funding (D)	1,676	1,638	453
Surplus / (deficit) of capital funding (C-D)	**(460)**	**(598)**	**(502)**
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

SOLID WASTE SERVICES	Annual Plan 2025/26 ($000)	LTP Year 3 2026/27 ($000)	Annual Plan 2026/27 ($000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	1,416	1,482	1,471
Subsidies and grants (for operating)	672	684	600
Fees & charges	4,867	5,111	4,826
Internal charges & overheads recovered	173	176	173
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	7,128	7,454	7,071
Applications of Operating Funding			
Payments to staff and suppliers	5,647	5,906	5,670
Finance costs	60	52	46
Internal charges and overheads applied	1,030	1,030	958
Other operating funding applications	-	-	-
Total applications of operating funding (B)	6,737	6,988	6,674
Surplus/(Deficit) of operating funding (A-B)	**391**	**466**	**397**
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase /(decrease) in debt	(234)	314	(233)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(234)	314	(233)
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	-	-	-
- to replace existing assets	70	546	-
Increase/(decrease) in reserves	88	233	164
Increase/(decrease) in investments			
Total application of capital funding (D)	158	779	164
Surplus / (deficit) of capital funding (C-D)	**(391)**	**(466)**	**(397)**
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

COMMUNITY FACILITIES / ACTIVITIES	Annual Plan 2025/26 ($000)	LTP Year 3 2026/27 ($000)	Annual Plan 2026/27 ($000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	11,865	13,416	12,386
Subsidies and grants (for operating)	44	46	44
Fees & charges	2,015	2,058	2,143
Internal charges & overheads recovered	786	889	787
Interest & dividends	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	14,709	16,410	15,360
Applications of Operating Funding			
Payments to staff and suppliers	8,528	8,274	7,924
Finance costs	553	1,473	787
Internal charges and overheads applied	3,424	3,486	3,843
Other operating funding applications	-	-	-
Total applications of operating funding (B)	12,505	13,234	12,555
Surplus/(Deficit) of operating funding (A-B)	**2,204**	**3,176**	**2,805**
Sources of Capital Funding			
Subsidies & grants for capital expenditure	2,085	-	419
Development & financial contributions	-	-	-
Increase /(decrease) in debt	15,398	15,369	17,091
Gross proceeds from sale of assets	2,956	-	2,000
Lump sum contributions			
Other dedicated capital funding	-		
Total sources of capital funding (C)	20,439	15,369	19,510
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	1,069	-	35
- to improve level of service	19,372	16,950	18,805
- to replace existing assets	3,463	2,186	3,662
Increase/(decrease) in reserves	(1,261)	(590)	(187)
Increase/(decrease) in investments		-	-
Total application of capital funding (D)	22,643	18,545	22,315
Surplus / (deficit) of capital funding (C-D)	**(2,204)**	**(3,176)**	**(2,805)**
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

REGULATORY SERVICES	Annual Plan 2025/26 ($000)	LTP Year 3 2026/27 ($000)	Annual Plan 2026/27 ($000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties	-	-	-
Targeted rates	4,602	4,821	4,800
Subsidies and grants (for operating)	-	-	-
Fees & charges	2,777	2,426	3,087
Internal charges & overheads recovered	384	367	400
Interest & dividends	6	7	6
Other receipts (incl petrol tax & fines)	220	173	384
Total operating funding (A)	7,989	7,793	8,678
Applications of Operating Funding			
Payments to staff and suppliers	5,401	4,791	5,841
Finance costs	86	117	111
Internal charges and overheads applied	2,530	2,611	2,902
Other operating funding applications	-	-	-
Total applications of operating funding (B)	8,017	7,519	8,855
Surplus/(Deficit) of operating funding (A-B)	**(28)**	**275**	**(177)**
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	1,033	1,173	1,418
Increase /(decrease) in debt	490	(63)	(44)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	1,523	1,110	1,374
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	535	-	25
- to replace existing assets	360	10	394
Increase/(decrease) in reserves	600	1,374	778
Increase/(decrease) in investments			
Total application of capital funding (D)	1,495	1,384	1,197
Surplus / (deficit) of capital funding (C-D)	**28**	**(275)**	**177**
Funding balance (A-B)+(C-D)	0	0	0

FUNDING IMPACT STATEMENT

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

LEADERSHIP, STRATEGY & CORPORATE SERVICES	Annual Plan 2025/26 ($000)	LTP Year 3 2026/27 ($000)	Annual Plan 2026/27 ($000)
Sources of Operating Funding			
General rates, uniform charges, rates penalties			
Targeted rates	4,484	4,782	4,643
Subsidies and grants (for operating)	352	233	259
Fees & charges	449	288	372
Internal charges & overheads recovered	14,131	14,100	15,670
Interest & dividends	1,049	1,066	979
Other receipts (incl petrol tax & fines)	-	-	-
Total operating funding (A)	20,465	20,469	21,922
Applications of Operating Funding			
Payments to staff and suppliers	16,008	15,327	16,541
Finance costs	130	130	130
Internal charges and overheads applied	3,932	3,984	4,324
Other operating funding applications	-	-	-
Total applications of operating funding (B)	20,071	19,442	20,996
Surplus/(Deficit) of operating funding (A-B)	**394**	**1,027**	**927**
Sources of Capital Funding			
Subsidies & grants for capital expenditure	-	-	-
Development & financial contributions	-	-	-
Increase /(decrease) in debt	(5,006)	(4)	(4,004)
Gross proceeds from sale of assets	20	20	20
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(4,986)	16	(3,984)
Application of Capital Funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve level of service	10	11	10
- to replace existing assets	791	393	802
Increase/(decrease) in reserves	(394)	639	131
Increase/(decrease) in investments	(5,000)		(4,000)
Total application of capital funding (D)	(4,592)	1,043	(3,058)
Surplus / (deficit) of capital funding (C-D)	**(394)**	**(1,027)**	**(927)**
Funding balance (A-B)+(C-D)	0	0	0

Kaupapahere ā-pūtea

Revenue and financing policy - summary statement

Introduction

The full Revenue and Financing Policy is included in the 2024-34 Long-Term Plan. The Policy, as applied to the 2026/27 Annual Plan is shown in the following Rating Funding Impact Statement. The Policy was reviewed 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 2024-34 Long-Term Plan and was subject to public consultation as part of the 2024-34 Long-Term Plan process.

Rating Base

Listed below are the population, property and valuation figures of the district as at 30 June 2026. These are key to the way the rates required are divided up amongst properties.

Population (usually resident) source Infometrics, based on StatsNZ Census data

District	Area	Population	% total population
Masterton	Rural	6,280	21.7%
	Urban	22,630	78.3%
	Total	28,910	

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

Rateable properties		Separately rateable units 2026	
Rural	4,209	Rural	4,105
Urban	9,603	Urban	10,494
Total	13,812	Total	14,599

Rating valuation totals (effective valuation date Sep 2023)

			Change as a result of growth, since June 2025
Land value	Rural	$3,262 million	0.2%
	Urban	$2,552 million	0.6%
	Total	$5,814 million	0.4%
Capital value	Rural	$5,035 million	0.9%
	Urban	$5,801 million	1.4%
	Total	$10,836 million	1.0%

2026/27 Rates Increase Impacts

The Council's 2026/27 rates required is 5.0 percent more than the prior year (before growth). Growth in property numbers and rateable values since June 2025 reduces that by 0.85 per cent, bringing the average increase to 4.2 percent. That increase will have variations between properties depending on location and values.

Overall, the 2026/27 budget changes result in an average 4.5 percent increase (after growth) for the Urban ward and an average of 3.3 percent increase (after growth) for the Rural ward.

- Urban residential properties will pay (on average) increased rates of 4.4 percent
- Urban commercial properties will pay (on average) increased rates of 5.4 percent.
- Rural farm property increases average 4.0 percent.
- Rural lifestyle properties will pay on average 3.9 percent more.
- Beach properties will increase on average between 4.1 percent (Riversdale Beach) and 4.4 percent (Castlepoint Beach).

Policy Changes Summary

There are no policy changes to note.

Overall Mix of Rates Types

The 2024-34 LTP Rating Policy mix can be summarised in the table below:

Rates type	Urban	Rural
Targeted uniform charges	18.9%	36.9%
Targeted Service charges	11.5%	5.6%
Land value rates	9.1%	38.2%
Capital value rates	60.5%	19.3%

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

*Overall percentage of targeted uniform charges to total rates 23.4 percent

After incorporating the proposed rates required for Year 3 (2026/27) of the Long-Term Plan the rating mix is summarised as follows (subject to roundings):

Rates type	Urban	Rural
Targeted uniform charges	18.4%	35.6%
Service charges	11.0%	4.8%
Land value rates	11.5%	40.3%
Capital value rates	59.1%	19.3%

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

*Overall percentage of targeted uniform charges to total rates 22.8 percent

After applying the rates set out in the Rating Funding Impact Statement Summary (that follows), the sample properties below show the impact of the changes from the prior year.

RATES EXAMPLES INCLUDING GST	CAPITAL VALUE (AT SEP 2023)	2025/26 MDC Rates Only	2026/27 MDC Rates per Annual Plan	% Change	$ Change pa
Masterton - residential example 1	$ 380,000	$ 2,992	**$ 3,115**	4.1%	$ 124
Masterton - residential example 2	$ 500,000	$ 3,629	**$ 3,802**	4.8%	$ 173
Masterton - residential example 3	$ 660,000	$ 4,189	**$ 4,365**	4.2%	$ 176
Masterton - residential example 4	$ 760,000	$ 4,551	**$ 4,732**	4.0%	$ 181
Masterton - residential example 5	$ 1,090,000	$ 6,009	**$ 6,263**	4.2%	$ 253
Masterton - central, small area	$ 540,000	$ 3,742	**$ 3,910**	4.5%	$ 168
Riversdale Beach	$ 880,000	$ 3,783	**$ 3,940**	4.1%	$ 157
Castlepoint	$ 850,000	$ 3,564	**$ 3,736**	4.8%	$ 172
Rural - lifestyle	$ 1,180,000	$ 3,022	**$ 3,139**	3.9%	$ 117
Rural - forestry	$ 2,340,000	$ 6,806	**$ 7,078**	4.0%	$ 272
Rural - hill country farm	$ 6,840,000	$ 17,447	**$ 18,154**	4.1%	$ 707
Rural - dairy farm	$ 3,880,000	$ 10,334	**$ 10,745**	4.0%	$ 411
Commercial - industrial	$ 1,000,000	$ 10,495	**$ 11,049**	5.3%	$ 554
Commercial - motel	$ 1,200,000	$ 12,556	**$ 13,261**	5.6%	$ 172
Commercial - large retail	$ 7,680,000	$ 68,405	**$ 71,641**	4.7%	$ 3,236
Commercial - Queen St shop	$ 475,000	$ 5,805	**$ 6,117**	5.4%	$ 313

Note: All rates exclude GWRC rates. Percentage changes are subject to roundings.

Tauāki ā-pūtea o ngā reiti

Rating and funding impact statements

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 the Council wishes to set a charge for water supply by volume of water consumed if the 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 2026.

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 2026/27 totals $52.9 million (excl GST) and will be provided by the various rating mechanisms outlined within the Revenue and Financing Policy (adopted as part of the 2024-34 Long-Term Plan).

1.6 The Policy, adopted in June 2018, and reconfirmed in June 2024, was reviewed in 2023, prior to the adoption of the 2024-34 Long Term Plan. The tables on the following pages illustrates the application of the policy to the funding requirements of the 2026/27 Annual Plan.

1.7 In addition to operating expenditure, the Council has a capital works programme of $52.3 million (excluding GST) scheduled for 2026/27.

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											$000's
(All figures exclude GST)		2026/27 Annual Plan			2025/26 Annual Plan			2026/27 LTP Year 3			
(NZ$ 000's)		Amount to be Collected by Ward			Amount to be Collected by Ward			Amount to be Collected by Ward			
		Urban	Rural	Total	Urban	Rural	Total	Urban	Rural	Total	
Targeted Differential Rates across the District											
Roading Rate	LV rate	4,509	5,502	10,011	3,685	5,284	8,969	3,708	5,345	9,053	
Representation & Development Rate	CV rate	2,397	637	3,034	2,439	648	3,087	2,567	682	3,250	
Regulatory Services Rate	CV rate	3,588	954	4,542	3,404	905	4,309	3,475	922	4,397	
Sundry Facilities & Services Rate	CV rate	3,180	1,051	4,231	2,834	942	3,776	3,413	1,082	4,495	
Targeted Uniform Charge	Chrg	5,388	2,499	7,887 *	5,175	2,422	7,597 *	5,772	2,677	8,449 *	
Targeted Roading Charge	Chrg	934	2,359	3,293 *	927	2,266	3,193 *	923	2,293	3,216 *	
		19,995	13,003	32,998	18,465	12,468	30,931	19,859	13,003	32,860	
Targeted Rates											
Recycling Collection Charge	Chrg	900	-	900 *	882	-	882 *	932	-	932 *	
Civic Amenities Rate	CV rate	4,044	-	4,044	3,844	-	3,844	4,268	-	4,268	
Urban Water Supply Rate	CV rate	4,113	-	4,113	4,058	-	4,058	4,366	-	4,366	
Urban Water Supply Charge	Chrg	1,763	-	1,763	1,740	-	1,740	1,874	-	1,874	
Urban Wastewater Rate	CV rate	5,890	-	5,890	5,748	-	5,748	6,185	-	6,185	
Urban Wastewater Charge	Chrg	2,524	-	2,524	2,464	-	2,464	2,650	-	2,650	
Beach Collections Charge	Chrg	-	139	139	-	121	121	-	118	118	
Rural water & sewerage rates**	Chrg	35	471	506	29	525	554	31	519	551	
		19,270	610	19,880	18,765	646	19,411	20,306	638	20,944	
Total Rates**		**39,266**	**13,613**	**52,879**	**37,230**	**13,115**	**50,342**	**40,164**	**13,641**	**53,803**	
Percentage Change (after growth)		*4.5%*	*3.3%*	*4.2%*	*5.5%*	*13.5%*	*7.5%*	*7.3%*	*4.3%*	*6.5%*	
* Charges (per sec 21(2)(b)) as % of Total Rates not to exceed 30%				22.8%			23.2%			23.4%	
** Note: figures above exclude Riversdale Beach & Tinui capital contributions											
Riversdale Beach sewerage capital contributions			41	41		46	46		46	46	
Tinui sewerage capital contributions			-	-		5	5		5	5	

RATING FUNDING IMPACT STATEMENT SUMMARY - 2026-27 Annual Plan as at 23 June 2026

DISTRICT VALUES (ESTIMATED for 30-6-26)	U1	U2	Total Urban	Total Rural	Total District
Differential (on urban value-based rates)	1.0	2.0			
District Land Value	2,188,261,014	362,231,500	2,550,492,514	3,262,394,700	5,812,887,214
District Capital Value	5,050,053,500	753,776,000	5,803,829,500	5,039,282,300	10,843,111,800
Targeted Uniform Charges (no.)	9,750	744	10,494	4,105	14,599
Water Charges (no.)	9,815	674	10,489	-	10,489
Sewerage Charges (no.)	9,624	689	10,313		10,313
Recycling Charges (no.)	9,659	692	10,351		10,351

Note: the valuation figures and numbers of charges listed above are an estimate of the values and numbers as at 30 June 2026

All Rates INCLUDING GST at 15%

	Rating Requirement			UNIFORM CHARGES AND RATES IN $		
	Urban	Rural	Total	Residential U1	Non-residential U2	Rural R1
TARGETED CHARGES	$ 45,158,891	$ 15,704,420	$ 60,863,311			
Uniform Charge	6,196,739	2,875,509	9,072,247	**$ 590.50**	**$ 590.50**	**$ 700.00**
Roading Charge	1,073,536	2,713,405	3,786,941	**$ 102.30**	**$ 102.30**	**$ 661.00**
Recycling Collection Charge	1,035,100	-	1,035,100	**$ 100.00**	**$ 100.00**	
sub total	8,305,375	5,588,914	13,894,288			
	18.4%	*35.6%*	***22.8%***			
Urban Water Supply Charge	2,027,524	-	2,027,524	**$ 193.30**	**$ 193.30**	
Urban Wastewater Charge	2,903,110	-	2,903,110	**$ 281.50**	**$ 281.50**	
sub total	4,930,633	-	4,930,633	**$ 1,267.60**	**$ 1,267.60**	**$ 1,361.00**
	11.0%		8.1%			
TARGETED LAND VALUE RATES						
Roading Rate*	5,184,899	6,327,839	11,512,738	**0.001780**	**0.003560**	**0.001940**
	5,184,899	6,327,839	11,512,738	**0.001780**	**0.003560**	**0.001940**
	11.48%	*40.3%*	19.2%			
TARGETED CAPITAL VALUE RATES						
Representation & Devlpmt Rate**	2,757,349	732,966	3,490,315	**0.000420**	**0.000840**	**0.000145**
Regulatory Services Rate**	4,126,982	1,097,046	5,224,028	**0.000629**	**0.001258**	**0.000218**
Sundry Facilities Rate**	3,656,011	1,208,645	4,864,656	**0.000558**	**0.001116**	**0.000240**
Civic Amenities Rate	4,651,476	-	4,651,476	**0.000709**	**0.001418**	**-**
Urban Water Rate	4,730,959	-	4,730,959	**0.000702**	**0.001404**	**-**
Urban Wastewater Rate	6,774,841	-	6,774,841	**0.001001**	**0.002002**	**-**
sub total	26,697,618	3,038,657	29,736,275	**0.004019**	**0.008038**	**0.000603**
	59.1%	*19.3%*	48.9%			
	45,118,526	14,955,410	60,073,935			**-**
OTHER TARGETED RATES (rural)						
Beach refuse & recycling collection	Targeted Chrg	160,217		**$ 289.20**	per property (Castlepoint & Riversdale Beach)	
Opaki water race	Targeted LV rate	-	not charged 26/27	**-**	per $LV of serviced properties	
Tinui water supply	Targeted Chrg	19,283		**$ 665.00**	per RE connection	
Castlepoint sewerage	Targeted Chrg	157,769		**$ 759.00**	per RE connection	
*RBCSS - connected charge	Targeted Chrg	339,978		**$ 789.00**	per RE connection	
RBCSS - service available	Targeted Chrg	11,340		**$ 180.00**	per servicable, but not connected property	
RBCSS - Capital TP Yr 17 of 20	Targeted Chrg	47,659	time payments	**$ 1,643.40**	29 properties paying off capital	
Tinui Wastewater	Targeted Chrg	12,765	operating	**$ 672.00**	per RE connection	
Sewerage tmt charge (liquid only)	40,365			**$ 585.00**	per rural RE connections (Milford Downs & Rathkeale)	
Total Rates	$ 45,158,891	$ 15,704,420	$ 60,863,311			

TP = time payment *RBCSS = Riversdale Beach Community Sewerage Scheme RE = Residential Equivalent

* Effective differential on LV Roading Rate **1 : 2 : 1.277**

** Effective differential on three CV District-wide Rat**es 1 : 2 : 0.373**

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 and 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 2026/27 will be:

U1	0.001780 per dollar of land value raising	$3,895,000
U2	0.003560 per dollar of land value raising	$1,290,000
R1	0.001940 per dollar of land value raising	$6,328,000
	Total	$11,513,000

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

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

Representation and development rate – estimated per dollar of Capital Value for 2026/27 will be:

U1	0.000420 per dollar of capital value raising	$2,124,000
U2	0.000840 per dollar of capital value raising	$633,000
R1	0.000148 per dollar of capital value raising	$733,000
	Total	$3,490,000

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 2026/27 will be:

U1	0.000629 per dollar of capital value raising	$3,179,000
U2	0.001258 per dollar of capital value raising	$948,000
R1	0.000218 per dollar of capital value raising	$1,097,000
	Total	$5,224,000

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

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

Sundry facilities and services rate – estimated per dollar of capital value for 2026/27 will be:

U1	0.000558 per dollar of capital value raising	$2,815,000
U2	0.001116 per dollar of capital value raising	$841,000
R1	0.000240 per dollar of capital value raising	$1,209,000
	Total	$4,865,000

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 water services (eg rural water supply testing, Opaki Water Race and a portion of Tinui water and wastewater costs).

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 2026/27 will be:

U1 and U2	$590.50 per part of rating unit raising	$6,197,000
R1	$700.00 per part of rating unit raising	$2,875,000
	Total	$9,072,000

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)
- Animal Control (rated proportion)
- 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 2026/27 will be:

U1 and U2	$102.30 per part of rating unit raising	$1,074,000
R1	$661.00 per part of rating unit raising	$2,713,000
	Total	$3,787,000

4.3 The roading charge will be used to fund a portion of the roading costs allocated to each ward – 30 percent, 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 2026/27 will be:

U1	(0.000709 per dollar of capital value) raising	$3,582,000
U2	(0.001418 per dollar of capital value) raising	$1,069,000
	Total	$4,651,000

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 2026/27 are:

Urban water supply charge

Connected $193.30 raising $2,028,000

Urban water supply rate charged on connected and serviceable - estimated per dollar of capital value for 2025/26 will be:

U1+R1	(0.000702 per dollar of capital value) raising	$3,581,000
U2	(0.001404 per dollar of capital value) raising	$1,149,000
	Total	$4,730,000

Raising a total of $6,759,000

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 2026/27 are as follows:

Price per cubic metre for between 50 and 100m^3 per quarter	$2.22 incl GST
Price per cubic metre for consumption over 100m^3 per quarter	$2.88. incl GST

Minimum charge per quarter of $92 incl GST for 50m^3 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 2026/27 are:

Urban sewerage charge

Connected $281.50 raising $2,903,000

Urban sewerage rate charged on connected and serviceable rating units - estimated per dollar of capital value for 2026/27 will be:

U1 + R1	(0.001001 per dollar of capital value) raising	$5,136,000
U2	(0.002002 per dollar of capital value) raising	$1,639,000
	Total	$6,775,000

Raising a total of $9,678,000

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 2026/27 is proposed as: serviced property $100.00 raising $1,035,000.

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 2026/27 is: $289.20

Raising a total of $160,000

11.2 The Council will not be setting set targeted rates for the **Opaki Water Race.**

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

The uniform charge per property for 2026/27 is: $665.00

Raising a total of $19,300

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 2026/27 is: $759.00

Raising a total of $158,000

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 2026/27 will be: $789.00

Raising a total of approximately $339,000

Serviceable - a uniform charge per serviceable rating unit for 2026/27 will be: $180.00

Raising a total of approximately $11,300

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 17 of 20 - the contribution levied as a targeted rate spread over 20 years, with interest applied at 7.5 percent (equates to $1,643.40 pa including GST).

11.6 The Council had previously set three targeted rates for the **Tinui Sewerage Scheme,** on the basis of connected properties and their elected capital contributions for stages I and II of the scheme's upgrade. 2025/26 was the final year of the capital contributions.

For the 2026/27 year the operating costs rate per connection (including Tinui School as 5 connections) is: $672.00 Raising a total of approximately $12,800

11.7 A targetted rate known as the **Sewage Treatment Charge** on each connected rating unit in the rural area that is allowed to discharge effluent from sepctic system outflows to the urban rural sewage system, and including Rathkeale College, assessed per residential equivalent (assumed to be 600 litres per day) based on estimated flow volumes.

The targetted uniform charge is $585.00 per resindental equivalent.

Raising a total of $40,400.00

12. Future targeted rates – flagged for information

12.1 Private costs recovered

The Council may set a targeted rate in 2027/28 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 and 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 – $0.001404 per dollar of capital value on serviceable properties, plus a $193.30 fixed charge per separately identifiable connection. Note: metered connections will be required to pay the water meter charges noted above.

Sewerage – $0.002002 per dollar of capital value on serviceable properties, plus $281.50 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 20 August 2026
- 2nd instalment 20 November 2026
- 3rd instalment 22 February 2027
- 4th instalment 20 May 2027.

15. Penalty charges

Penalties will be applied as follows:

- 10 percent charged on the balance of the first instalment of rates remaining unpaid after 21 August 2026.
- 10 percent charged on the balance of the second instalment of rates remaining unpaid after 23 November 2026.
- 10 percent charged on the balance of the third instalment of rates remaining unpaid after ununpaid after 23 February 2027.
- 10 percent charged on the balance of the fourth instalment of rates remaining unpaid after 21 May 2027.

Arrears penalty charges

Pursuant to section 58(1)(b) an additional penalty of 10% will be added to all rates outstanding from the previous financial years and remaining unpaid as at 7th July 2026. The penalty will be applied on 8th July 2026.

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.

Ngā rārangi utu me ngā utu whakahaere

Schedule of fees and charges

Fees and charges are reviewed annually as part of the Annual or Long-Term Plan process. The Fees and Charges Schedule for 2026/27 is available on our website mstn.govt.nz under Fees and Charges

Phone

06 370 6300

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Call into

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MASTERTON WHAKAORIORI DISTRICT COUNCIL