

2021-31 Long Term Plan

Supporting Information

Our Costs in Detail

Cautionary Note

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

Prospective Financial Statements

MASTERTON DISTRICT COUNCIL		LONG TERM PLAN 2021-31										
PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE												
OPERATING REVENUE		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
NZ \$	Notes	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Rates revenue		32,306,638	34,715,261	37,132,950	39,728,339	42,464,786	45,382,553	48,183,907	51,164,838	53,891,737	57,001,387	60,218,520
Rural sewerage schemes capital contrib.		60,307	53,304	47,588	44,730	44,730	40,013	40,013	40,013	40,013	-	-
Financial and development contributions		1,258,000	1,481,000	1,493,498	1,505,997	1,528,496	1,541,195	1,553,793	1,576,592	1,589,291	1,602,089	1,615,888
NZTA roading subsidies		7,165,235	8,493,456	8,967,541	7,232,371	10,945,623	12,030,993	8,134,960	9,714,738	8,749,698	8,889,400	9,090,020
Fees and charges		7,362,419	7,715,441	8,044,691	8,756,544	8,987,543	9,258,870	9,531,616	9,803,935	10,064,759	10,341,671	10,637,287
Interest and dividends		577,838	431,000	361,060	383,759	406,395	429,042	451,709	474,367	497,067	519,794	542,527
Other revenue		2,098,194	8,745,118	5,644,230	2,331,932	3,236,397	2,164,515	699,683	718,332	738,035	758,794	771,631
Total Operating Revenue	2	50,828,630	61,634,580	61,691,558	59,983,672	67,613,969	70,847,181	68,595,681	73,492,815	75,570,600	79,113,135	82,875,872
OPERATING EXPENDITURE												
Personnel costs		10,972,239	12,280,318	11,996,115	12,217,067	12,394,813	12,608,108	12,856,953	13,141,346	13,449,439	13,769,382	14,124,873
Finance costs		2,148,779	1,852,735	1,889,514	2,118,025	2,812,762	3,187,033	3,391,160	3,372,780	3,281,210	3,391,848	3,269,173
Depreciation & amortisation		12,901,945	14,903,339	16,680,809	17,715,548	18,518,748	20,659,215	21,386,133	21,752,008	23,452,257	23,515,408	24,081,448
Other Operating costs		23,989,164	24,358,468	23,589,373	24,257,895	24,531,884	24,840,047	25,531,295	26,254,621	27,136,094	27,922,747	28,746,526
Total Operating Expenditure		50,012,127	53,394,860	54,155,811	56,308,536	58,258,208	61,294,404	63,165,541	64,520,755	67,319,000	68,599,385	70,222,021
Net Surplus / (Deficit)*		\$ 816,503	\$ 8,239,720	\$ 7,535,747	\$ 3,675,137	\$ 9,355,761	\$ 9,552,777	\$ 5,430,141	\$ 8,972,059	\$ 8,251,601	\$ 10,513,750	\$ 12,653,851
Revaluations		6,982,246		50,650,639	7,717,581	-	64,640,476	10,077,502	-	62,388,830	10,460,192	-
Total Comprehensive Revenue & Expenses		\$ 7,798,749	\$ 8,239,720	\$ 58,186,386	\$ 11,392,718	\$ 9,355,761	\$ 74,193,253	\$ 15,507,643	\$ 8,972,059	\$ 70,640,431	\$ 20,973,943	\$ 12,653,851
*Note: Income Tax is nil												
Note: rates on Council Properties assumed		670,900	656,100	682,344	709,638	738,023	767,544	798,246	830,176	863,383	897,918	933,835

MASTERTON DISTRICT COUNCIL		LONG TERM PLAN 2021-31										
PROSPECTIVE STATEMENT OF FINANCIAL POSITION												
NZ \$	Notes	Forecast to 30 June 2021	2021/22 Year 1	2022/23 Year 2	2023/24 Year 3	2024/25 Year 4	2025/26 Year 5	2026/27 Year 6	2027/28 Year 7	2028/29 Year 8	2029/30 Year 9	2030/31 Year 10
CURRENT ASSETS												
Cash & Bank Accounts		10,693,005	5,212,706	3,818,906	2,558,355	2,892,400	4,944,838	5,043,734	5,144,609	5,247,501	5,352,451	5,934,066
Financial Assets - Current		6,499,400	6,824,370	6,477,102	6,965,843	7,174,818	7,390,063	7,611,765	8,346,669	8,572,305	8,829,474	9,094,358
Inventories		248,064	250,564	253,064	255,564	258,064	260,564	263,064	265,564	268,064	270,564	273,064
Debtors & Other Receivables		3,272,425	4,272,875	4,315,603	4,358,759	4,402,347	4,446,371	4,490,834	4,535,743	4,581,100	4,626,911	4,673,180
Total Current Assets		20,712,894	16,560,515	14,864,675	14,138,521	14,727,629	17,041,835	17,409,397	18,292,584	18,668,970	19,079,400	19,974,669
NON-CURRENT ASSETS												
Property, Plant & Equipment		126,232,172	138,901,262	156,016,439	171,166,845	176,980,006	175,700,942	182,733,301	179,716,952	176,176,171	185,857,362	182,250,855
Infrastructural Assets		744,146,624	755,816,448	815,000,783	832,667,229	849,539,486	927,195,504	928,935,548	932,149,074	999,379,696	997,038,377	993,377,056
Intangible Assets		3,519,233	3,346,714	3,433,333	3,062,195	2,854,162	2,784,776	2,398,451	1,967,707	1,809,010	1,287,699	778,998
Forestry assets		505,246	530,408	357,142	374,899	393,544	341,264	358,227	376,038	394,740	414,377	255,035
Investment Property Assets		276,200	278,962	281,752	284,569	287,415	290,289	293,192	296,124	299,085	302,076	305,097
Derivative financial instruments		-	-	-	-	-	-	-	-	-	-	-
Investments in CCO's & other similar entities		220,868	240,559	238,383	238,093	237,478	236,680	229,300	230,291	230,217	228,815	224,680
Other Non-current financial assets		10,872,712	10,500,000	10,000,000	10,550,534	11,121,051	15,258,760	21,520,475	27,258,671	38,054,157	47,516,133	62,265,870
Total Non-Current Assets		885,773,055	909,614,353	985,327,832	1,018,344,364	1,041,413,142	1,121,808,216	1,136,468,494	1,141,994,855	1,216,343,077	1,232,644,839	1,239,457,591
TOTAL ASSETS		906,485,949	926,174,869	1,000,192,507	1,032,482,885	1,056,140,771	1,138,850,051	1,153,877,892	1,160,287,440	1,235,012,047	1,251,724,239	1,259,432,259
CURRENT LIABILITIES												
Creditors & Other Payables		9,566,209	8,068,974	8,566,214	7,000,693	7,733,697	8,754,551	8,766,434	8,778,437	8,790,559	8,802,802	8,815,168
Employee Benefits - Current Portion		959,336	1,004,336	1,059,336	1,109,336	1,159,336	1,209,336	1,259,336	1,309,336	1,359,336	1,409,336	1,459,336
Provisions - Current Portion		30,000	20,000	20,000	10,000	-	-	-	-	-	-	-
Financial liabilities - current portion	3	8,000,000	8,000,000	5,100,000	11,200,000	7,800,000	6,140,175	6,477,449	6,854,349	7,228,325	7,546,192	7,698,682
Total Current Liabilities		18,555,545	17,093,310	14,745,550	19,320,029	16,693,033	16,104,062	16,503,219	16,942,122	17,378,220	17,758,330	17,973,186
NON-CURRENT LIABILITIES												
Financial liabilities	3	41,939,200	54,860,635	73,079,674	89,402,854	106,331,975	115,436,973	114,558,013	111,556,600	115,204,678	110,562,817	105,402,130
Derivative financial instruments		7,002,121	7,002,121	7,002,121	7,002,121	7,002,121	7,002,121	7,002,121	7,002,121	7,002,121	7,002,121	7,002,121
Employee benefits		9,377	9,378	-	-	-	-	-	-	-	-	-
Provisions & other liabilities		40,649	30,649	-	-	-	-	-	-	-	-	-
Total Non-Current Liabilities		48,991,347	61,902,783	80,081,795	96,404,975	113,334,096	122,439,094	121,560,134	118,558,721	122,206,799	117,564,938	112,404,251
NET ASSETS		\$ 838,939,057	\$ 847,178,777	\$ 905,365,163	\$ 916,757,881	\$ 926,113,642	\$ 1,000,306,895	\$ 1,015,814,538	\$ 1,024,786,597	\$ 1,095,427,028	\$ 1,116,400,971	\$ 1,129,054,822
EQUITY												
Ratepayers' Equity		436,963,812	448,888,806	459,768,961	462,757,132	472,325,965	477,054,008	476,407,166	479,255,628	476,810,618	477,947,769	475,474,793
Asset Revaluation Reserves		371,760,246	371,760,246	422,410,885	430,128,466	430,128,466	494,768,942	504,846,444	504,846,444	567,235,274	577,695,467	577,695,467
Special funds & restricted reserves	4	30,214,999	26,529,725	23,185,317	23,872,283	23,659,211	28,483,945	34,560,928	40,684,525	51,381,136	60,757,735	75,884,562
TOTAL EQUITY		\$ 838,939,057	\$ 847,178,777	\$ 905,365,163	\$ 916,757,881	\$ 926,113,642	\$ 1,000,306,895	\$ 1,015,814,538	\$ 1,024,786,597	\$ 1,095,427,028	\$ 1,116,400,971	\$ 1,129,054,822

MASTERTON DISTRICT COUNCIL		LONG TERM PLAN 2021-31										
PROSPECTIVE STATEMENT OF CHANGES IN EQUITY												
NZ \$	Notes	2020/21 Forecast	2021/22 Year 1	2022/23 Year 2	2023/24 Year 3	2024/25 Year 4	2025/26 Year 5	2026/27 Year 6	2027/28 Year 7	2028/29 Year 8	2029/30 Year 9	2030/31 Year 10
Ratepayer's Equity		436,438,680	436,963,812	448,888,806	459,768,961	462,757,132	472,325,965	477,054,008	476,407,166	479,255,628	476,810,618	477,947,769
Special Funds & Reserves		28,620,419	30,214,999	26,529,725	23,185,317	23,872,283	23,659,211	28,483,945	34,560,928	40,684,525	51,381,136	60,757,735
Revaluation Reserves		350,499,700	371,760,246	371,760,246	422,410,885	430,128,466	430,128,466	494,768,942	504,846,444	504,846,444	567,235,274	577,695,467
EQUITY AT START OF YEAR		815,558,798	838,939,057	847,178,777	905,365,163	916,757,881	926,113,642	1,000,306,895	1,015,814,538	1,024,786,597	1,095,427,028	1,116,400,971
Comprehensive Revenue & Expenses for the year		23,380,259	8,239,720	58,186,386	11,392,718	9,355,761	74,193,253	15,507,643	8,972,059	70,640,431	20,973,943	12,653,851
Total recognised revenues & expenses for the period		\$ 23,380,259	\$ 8,239,720	\$ 58,186,386	\$ 11,392,718	\$ 9,355,761	\$ 74,193,253	\$ 15,507,643	\$ 8,972,059	\$ 70,640,431	\$ 20,973,943	\$ 12,653,851
Ratepayer's Equity		436,963,812	448,888,806	459,768,961	462,757,132	472,325,965	477,054,008	476,407,166	479,255,628	476,810,618	477,947,769	475,474,793
Special Funds & Reserves		30,214,999	26,529,725	23,185,317	23,872,283	23,659,211	28,483,945	34,560,928	40,684,525	51,381,136	60,757,735	75,884,562
Revaluation Reserves		371,760,246	371,760,246	422,410,885	430,128,466	430,128,466	494,768,942	504,846,444	504,846,444	567,235,274	577,695,467	577,695,467
EQUITY AT END OF YEAR		838,939,057	847,178,777	905,365,163	916,757,881	926,113,642	1,000,306,895	1,015,814,538	1,024,786,597	1,095,427,028	1,116,400,971	1,129,054,822

TREASURY POLICY CHECK												
Net External Debt		21,653,215	40,082,999	57,645,282	80,290,029	92,706,229	93,746,808	86,630,188	77,430,709	70,328,822	56,182,136	35,581,837
Operating Revenue		50,828,630	61,634,580	61,691,558	59,983,672	67,613,969	70,847,181	68,595,681	73,492,815	75,570,600	79,113,135	82,875,872
Rates Revenue		32,306,638	34,715,261	37,132,950	39,728,339	42,464,786	45,382,553	48,183,907	51,164,838	53,891,737	57,001,387	60,218,520
Net Interest on Net Debt		1,570,941	1,421,735	1,528,454	1,734,266	2,406,367	2,757,991	2,939,451	2,898,413	2,784,143	2,872,054	2,726,646
Net Debt as a % of Operating Revenue (limit = 150%)		42.6%	65.0%	93.4%	133.9%	137.1%	132.3%	126.3%	105.4%	93.1%	71.0%	42.9%
Net Interest expense as a % of Operating Revenue (limit = 10%)		3.1%	2.3%	2.5%	2.9%	3.6%	3.9%	4.3%	3.9%	3.7%	3.6%	3.3%
Net Interest expense as a % of Rates Revenue (limit = 15%)		4.9%	4.1%	4.1%	4.4%	5.7%	6.1%	6.1%	5.7%	5.2%	5.0%	4.5%
Number of rateable properties (estimated)		12,650	12,703	12,767	12,830	12,894	12,959	13,024	13,089	13,154	13,220	13,286
Average rates per property (excl GST)		\$ 2,607	\$ 2,784	\$ 2,962	\$ 3,152	\$ 3,293	\$ 3,502	\$ 3,700	\$ 3,909	\$ 4,097	\$ 4,312	\$ 4,532

Operating Revenue = revenue/earnings from rates, government grants and subsidies, user charges, interest, recoveries, financial contributions and all other revenue.

Net External Debt = Gross External debt (aggregate borrowings of the Council, including any capitalised finance leases) less any financial assets including cash and both current and term treasury investments held.

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

MASTERTON DISTRICT COUNCIL		LONG TERM PLAN 2021-31										
PROSPECTIVE STATEMENT OF CASHFLOWS												
NZ \$	Notes	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
		Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
CASH FLOWS FROM OPERATING ACTIVITIES												
Cash was received from:												
Rates		32,366,945	34,699,314	37,111,030	39,698,456	42,430,841	45,338,681	48,143,382	51,119,148	53,853,351	56,911,986	60,126,029
Grants, subsidies & donations		8,945,765	16,894,652	14,273,395	9,215,769	13,823,304	13,830,056	8,458,967	10,046,817	9,090,425	9,239,351	9,449,483
Petrol tax		180,000	190,000	193,990	200,070	206,150	212,040	218,120	224,390	230,850	237,500	244,340
Other revenue		8,806,467	8,378,239	9,466,479	10,399,393	10,659,699	10,883,375	11,236,674	11,539,941	11,809,386	12,113,566	12,258,264
Interest on investments		577,838	431,000	361,060	383,759	406,395	429,042	451,709	474,367	497,067	519,794	542,527
		50,877,016	60,593,205	61,405,954	59,897,446	67,526,389	70,693,193	68,508,853	73,404,662	75,481,079	79,022,197	82,620,643
Cash was applied to:												
Payments to suppliers and employees		34,184,602	38,111,020	34,883,098	38,000,483	36,153,694	36,308,867	38,326,365	39,333,965	40,523,411	41,629,885	42,637,643
Interest paid		2,148,779	1,852,735	1,889,514	2,118,025	2,812,762	3,187,033	3,391,160	3,372,780	3,281,210	3,391,848	3,269,173
		36,333,381	39,963,755	36,772,612	40,118,508	38,966,456	39,495,900	41,717,525	42,706,745	43,804,621	45,021,733	45,906,816
Net cash flow from operating activities		14,543,635	20,629,450	24,633,342	19,778,938	28,559,933	31,197,294	26,791,328	30,697,917	31,676,459	34,000,463	36,713,828
CASH FLOWS FROM INVESTING ACTIVITIES												
Cash was received from:												
Sale of fixed assets		20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Term investments, shares & advances		1,837,809	372,712	502,178	290	616	798	7,380	-	73	1,401	4,134
Forestry/investment property proceeds		2,165,805	-	190,177	-	-	68,435	-	-	-	-	171,391
		4,023,614	392,712	712,355	20,290	20,616	89,233	27,380	20,000	20,073	21,401	195,525
Cash was applied to:												
Purchase of fixed assets		24,416,524	39,059,235	42,405,803	42,443,682	40,996,134	32,326,308	19,694,708	21,518,439	24,594,572	19,873,776	16,304,918
Term investments, shares & advances		20,000	39,691	550,534	570,517	4,137,709	6,261,715	5,739,187	10,795,486	9,461,974	14,749,737	14,749,737
		24,436,524	39,098,926	42,405,803	42,994,216	41,566,651	36,464,017	25,956,423	27,257,626	35,390,058	29,335,750	31,054,655
Net cash flow from investing activities		(20,412,910)	(38,706,214)	(41,693,448)	(42,973,926)	(41,546,035)	(36,374,784)	(25,929,043)	(27,237,626)	(35,369,985)	(29,314,350)	(30,859,130)
CASH FLOWS FROM FINANCING ACTIVITIES												
Cash was received from:												
Drawdown of public debt		5,824,200	15,587,489	18,772,744	26,577,490	18,372,443	12,952,881	5,598,489	3,852,936	10,876,403	2,904,331	2,537,994
		5,824,200	15,587,489	18,772,744	26,577,490	18,372,443	12,952,881	5,598,489	3,852,936	10,876,403	2,904,331	2,537,994
Cash was applied to:												
Repayment of public debt (incl Finance Leases)		2,590,412	2,666,054	3,453,705	4,154,310	4,843,321	5,507,708	6,140,175	6,477,449	6,854,349	7,228,325	7,546,192
		2,590,412	2,666,054	3,453,705	4,154,310	4,843,321	5,507,708	6,140,175	6,477,449	6,854,349	7,228,325	7,546,192
Net cash flow from financing activities		3,233,788	12,921,435	15,319,039	22,423,180	13,529,122	7,445,173	(541,686)	(2,624,513)	4,022,054	(4,323,994)	(5,008,198)
NET INCREASE/(DECREASE) IN CASH HELD												
		(2,635,487)	(5,155,329)	(1,741,068)	(771,810)	543,020	2,267,683	320,599	835,778	328,528	362,119	846,500
Add cash at start of year (1 July)		8,890,265	17,192,405	12,037,076	10,296,008	9,524,198	10,067,218	12,334,901	12,655,500	13,491,278	13,819,806	14,181,925
BALANCE AT END OF YEAR (30 JUNE)		6,254,778	12,037,076	10,296,008	9,524,198	10,067,218	12,334,901	12,655,500	13,491,278	13,819,806	14,181,925	15,028,425
REPRESENTED BY:												
Cash & bank		3,033,130	5,212,706	3,818,906	2,558,355	2,892,400	4,944,838	5,043,734	5,144,609	5,247,501	5,352,451	5,934,066
Short term deposits		3,221,648	6,824,370	6,477,102	6,965,843	7,174,818	7,390,063	7,611,765	8,346,669	8,572,305	8,829,474	9,094,358
BALANCE AT END OF YEAR (30 JUNE)		6,254,778	12,037,076	10,296,008	9,524,198	10,067,218	12,334,901	12,655,500	13,491,278	13,819,806	14,181,925	15,028,425
The closing balance of 2020/21 is the Plan position. An updated forecast position has been used as the opening balance for 2021/22												

**NOTE 1
RATES REQUIREMENT STATEMENT**

Prior Year Plan 2020/21		LTP Year 1 2021/22	LTP Year 2 2022/23	LTP Year 3 2023/24	LTP Year 4 2024/25	LTP Year 5 2025/26	LTP Year 6 2026/27	LTP Year 7 2027/28	LTP Year 8 2028/29	LTP Year 9 2029/30	LTP Year 10 2030/31
\$	Roading	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
4,875,610	Subsidised Rooding	5,793,048	6,561,670	7,208,604	7,456,725	7,877,941	8,233,015	8,961,365	9,732,887	11,038,201	12,744,460
1,607,642	Non-subsidised Rooding	1,676,175	1,479,175	1,815,455	2,157,245	2,466,825	2,933,513	3,342,842	3,626,271	4,045,854	4,425,935
	Water Services										
3,387,678	Urban Water supply	3,561,962	4,015,799	4,110,341	4,893,617	5,232,769	5,685,833	5,930,574	6,224,979	6,424,919	6,611,501
103,545	Rural Water supplies & races	123,565	135,318	138,000	137,103	146,244	110,541	112,831	118,295	120,384	122,859
	Wastewater Services										
6,533,166	Urban Sewerage system	6,512,495	6,671,285	6,824,156	6,866,961	7,468,135	7,698,132	7,959,632	8,556,428	9,418,476	9,682,946
335,295	Rural Sewerage systems	367,397	429,998	456,261	470,040	498,864	508,469	515,721	553,532	579,524	588,273
	Stormwater Services										
561,016	Urban Stormwater System	668,807	799,445	858,645	906,760	955,342	989,829	1,080,225	1,197,953	1,261,284	1,318,860
	Solid Waste Services										
926,555	Solid Waste Management	892,963	1,019,467	1,063,048	1,132,706	1,089,557	1,139,615	1,192,417	1,207,296	1,213,515	1,157,497
245,422	Waste Minimisation Services	372,383	412,606	422,594	428,492	435,832	460,036	482,148	489,706	503,468	510,743
	Community Facilities/Activities										
3,075,430	Parks, Reserves & Sportsfields	3,272,210	3,387,823	3,740,344	4,001,853	4,355,642	4,609,902	4,757,235	4,752,171	4,549,718	4,769,150
1,168,128	Trust House Recreation Centre	1,436,863	1,502,317	1,669,646	1,706,083	1,808,569	1,893,108	1,999,951	2,114,211	2,158,483	2,173,700
138,961	Cemeteries	152,867	175,123	211,517	221,642	231,452	245,735	261,384	272,979	285,826	297,067
2,251,287	Library & Archive	2,406,949	2,391,044	2,454,107	2,382,512	2,467,588	2,581,846	2,734,021	2,798,143	2,891,520	2,949,587
1,462,692	Property	1,615,122	1,908,894	2,249,455	2,729,840	3,038,393	3,136,905	3,408,626	3,569,705	3,679,475	3,781,782
326,409	Airport	314,834	515,111	573,735	753,022	968,460	1,095,172	1,086,250	1,099,885	1,082,463	1,105,665
167,710	Mawley Park	168,994	170,158	188,867	189,098	192,808	199,736	211,015	211,013	213,192	217,046
	Regulatory Services										
885,274	Resource Management & Planning	975,371	1,033,362	1,032,892	1,049,219	1,064,801	1,127,629	1,224,317	1,248,653	1,286,450	1,309,797
516,493	Environmental Services	570,695	547,993	564,828	581,843	590,037	645,084	730,207	745,799	777,374	785,380
641,044	Building Development	635,732	672,531	626,082	677,760	614,011	751,712	780,107	868,255	820,270	912,927
5,771	Parking Control	(24,337)	(34,036)	(39,457)	(46,602)	(48,534)	(42,272)	(33,949)	(36,759)	(37,588)	(40,798)
86,864	Animal Services	90,296	98,132	103,373	106,405	108,398	115,240	125,124	127,396	132,193	139,386
246,931	Emergency Management	253,277	253,224	261,759	265,494	272,155	287,171	304,928	312,317	322,213	329,215
	Leadership, Strategy & Corporate Services										
793,599	Representation	727,267	734,314	739,752	754,714	791,480	827,487	877,394	915,127	921,433	943,723
0	Internal Functions (net)	(0)	0	0	0	(0)	(0)	(0)	(0)	0	(0)
907,723	Community Development	1,121,476	1,193,179	1,309,798	1,430,151	1,514,243	1,641,941	1,730,889	1,771,064	1,823,037	1,864,182
523,398	Arts and Culture	583,181	596,521	615,414	629,378	645,632	674,852	706,028	723,896	746,331	764,211
1,016,481	Economic Development	857,791	902,284	984,433	1,059,689	1,089,761	1,143,916	1,209,458	1,240,762	1,277,146	1,314,467
247,723	Environmental Initiatives	297,285	290,145	299,059	305,789	313,705	328,020	344,286	353,170	364,143	372,793
\$ 33,037,845	Total Rates Requirement	\$ 35,424,665	\$ 37,862,882	\$ 40,482,707	\$ 43,247,539	\$ 46,190,111	\$ 49,022,166	\$ 52,035,027	\$ 54,795,134	\$ 57,899,305	\$ 61,152,355
33,072,845	MDC Rates Revenue*	35,384,665	37,831,363	40,450,400	43,214,425	46,156,168	48,987,375	51,999,366	54,758,581	57,861,839	61,113,952
(60,307)	less rural sewerage capital contributions	(53,304)	(50,446)	(47,588)	(44,730)	(44,730)	(40,013)	(40,013)	(40,013)	(40,013)	-
33,012,538		35,331,361	37,780,917	40,402,811	43,169,694	46,111,438	48,947,362	51,959,353	54,718,568	57,821,826	61,113,952
3.5%	% Change (pre growth) from prior year	7.0%	6.9%	6.9%	6.8%	6.8%	6.2%	6.2%	5.3%	5.7%	5.7%
2.0%	% Change (after growth) from prior year**	5.0%	5.7%	5.9%	5.8%	5.8%	5.2%	5.2%	4.3%	4.7%	4.7%
145,000	Penalty Revenue	210,000	210,125	215,378	220,763	226,282	231,939	237,737	243,681	249,773	256,017
(180,000)	Rates Remissions	(170,000)	(178,606)	(183,071)	(187,648)	(192,339)	(197,148)	(202,076)	(207,128)	(212,306)	(217,614)
\$ 32,977,538	Net Rates Revenue	\$ 35,371,361	\$ 37,812,436	\$ 40,435,118	\$ 43,202,809	\$ 46,145,381	\$ 48,982,153	\$ 51,995,013	\$ 54,755,120	\$ 57,859,292	\$ 61,152,355

* 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	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Annual Plan	Year 1 LTP	Year 2 LTP	Year 3 LTP	Year 4 LTP	Year 5 LTP	Year 6 LTP	Year 7 LTP	Year 8 LTP	Year 9 LTP	Year 10 LTP
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's
REVENUE FROM NON-EXCHANGE TRANSACTIONS											
Targeted Rates (including penalties)	32,307	34,715	37,133	39,728	42,465	45,383	48,184	51,165	53,892	57,001	60,219
Rural sewerage schemes capital contrib.	60	53	48	45	45	40	40	40	40	-	-
Financial Contributions	1,258	1,481	1,493	1,506	1,528	1,541	1,554	1,577	1,589	1,602	1,616
NZTA Subsidy	7,165	8,493	8,968	7,232	10,946	12,031	8,135	9,715	8,750	8,889	9,090
Other Government Grants	938	8,243	1,081	1,818	1,637	1,625	146	149	153	158	162
Other Grants	842	159	4,225	165	1,240	174	178	183	187	192	198
Other Non Exchange Revenue	649	692	763	798	823	843	865	887	912	941	970
Revaluation Gains	30	38	30	21	21	19	20	21	22	23	15
REVENUE FROM EXCHANGE TRANSACTIONS											
Interest	572	421	351	374	396	419	442	464	487	510	533
Dividends	6	10	10	10	10	10	10	10	10	10	10
Fees & User charges	7,001	7,329	7,590	8,286	8,502	8,762	9,022	9,283	9,528	9,787	10,065
TOTAL OPERATING REVENUE	50,829	61,635	61,692	59,984	67,614	70,847	68,596	73,493	75,571	79,113	82,876
RATES REMISSIONS											
Rates revenue is shown net of rates remissions.											
Rates remissions estimated per year:	(180)	(170)	(179)	(183)	(188)	(192)	(197)	(202)	(207)	(212)	(218)

**NOTE 3
PROSPECTIVE STATEMENT OF PUBLIC DEBT (EXTERNAL)**

	Forecast as at 30-Jun-21 (\$ 000)	LTP Year 1 2021/22 (\$ 000)	Year 2 2022/23 (\$ 000)	Year 3 2023/24 (\$ 000)	Year 4 2024/25 (\$ 000)	Year 5 2025/26 (\$ 000)	Year 6 2026/27 (\$ 000)	Year 7 2027/28 (\$ 000)	Year 8 2028/29 (\$ 000)	Year 9 2029/30 (\$ 000)	Year 10 2030/31 (\$ 000)
Opening Balance	51,100	49,939	62,861	78,180	100,603	114,132	121,577	121,035	118,411	122,433	118,109
Loans raised during the year	1,439	15,587	18,773	26,577	18,372	12,953	5,598	3,853	10,876	2,904	2,538
Less repayments during the year	(2,600)	(2,666)	(3,454)	(4,154)	(4,843)	(5,508)	(6,140)	(6,477)	(6,854)	(7,228)	(7,546)
Balance as at 30 June	49,939	62,861	78,180	100,603	114,132	121,577	121,035	118,411	122,433	118,109	113,101
Less current borrowings repayable in 12 months	(2,666)	(3,454)	(4,154)	(4,843)	(5,508)	(6,140)	(6,477)	(6,854)	(7,228)	(7,546)	(7,699)
Closing balance for non-current borrowings	\$ 47,273	\$ 59,407	74,025	95,760	108,624	115,437	114,558	111,557	115,205	110,563	105,402

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

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

Roading	737	3,349	6,307	11,392	15,165	20,898	24,393	25,710	26,884	26,124	25,337
Water Services	4,388	5,387	5,601	15,112	16,959	18,624	18,135	17,653	17,999	16,990	15,937
Sewerage Services	37,317	35,316	32,969	30,955	31,400	30,827	27,771	24,957	27,994	25,870	24,300
Stormwater Services	480	507	617	868	875	1,092	1,486	1,956	2,345	2,731	2,565
Solid Waste Services	1,673	1,535	1,380	1,213	1,041	862	676	483	781	580	458
Leadership & Strategy	0	419	406	391	376	361	345	328	310	291	272
Community Facilities/ Activities	5,167	14,651	29,255	39,087	46,791	47,453	46,834	45,999	44,869	44,345	43,134
Regulatory Services	177	1,697	1,645	1,585	1,524	1,461	1,394	1,325	1,253	1,177	1,098
	\$ 49,939	\$ 62,861	\$ 78,180	\$ 100,603	\$ 114,132	\$ 121,577	\$ 121,035	\$ 118,411	\$ 122,433	\$ 118,109	\$ 113,101

PUBLIC DEBT (INTERNAL)

	Forecast as at 30-Jun-21 (\$ 000)	LTP Year 1 2021/22 (\$ 000)	Year 2 2022/23 (\$ 000)	Year 3 2023/24 (\$ 000's)	Year 4 2024/25 (\$ 000's)	Year 5 2025/26 (\$ 000's)	Year 6 2026/27 (\$ 000's)	Year 7 2027/28 (\$ 000's)	Year 8 2028/29 (\$ 000's)	Year 9 2029/30 (\$ 000's)	Year 10 2030/31 (\$ 000's)
Opening Balance	9,639	8,964	8,292	7,638	6,956	6,336	5,761	5,258	4,801	4,368	3,916
Loans raised during the year	-	-	-	-	-	-	-	-	-	-	-
Less repayments during the year	(675)	(672)	(654)	(683)	(619)	(576)	(503)	(457)	(433)	(452)	(472)
Closing Balance as at 30 June	\$ 8,964	\$ 8,292	7,638	6,956	6,336	5,761	5,258	4,801	4,368	3,916	3,444

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

Roading	524	486	445	403	370	344	318	291	262	232	201
Water Services	410	392	373	353	331	309	286	262	237	211	183
Sewerage Services	2,931	2,620	2,304	1,975	1,698	1,454	1,284	1,143	1,026	904	777
Solid Waste Services	336	291	245	197	146	94	52	39	35	31	26
Leadership & Strategy	9	7	6	4	2	0	0	0	0	0	0
Community Facilities/ Activities	4,755	4,496	4,266	4,025	3,789	3,559	3,318	3,065	2,807	2,538	2,257
	\$ 8,964	\$ 8,292	\$ 7,638	\$ 6,956	\$ 6,336	\$ 5,761	\$ 5,258	\$ 4,801	\$ 4,368	\$ 3,916	\$ 3,444

**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 for the purposes of this Annual Plan.

Council Created Reserves	Projected Opening Balance 2021	Transfers In 2021/31	Transfers Out 2021/31	Projected Closing Balance 2031
Purpose and application	\$ 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.	5,132	430	33	5,529
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.	383	2,720	3,400	297
Reserves & Development Funds These funds represent reserves and development contributions that are generated from the District Plan provisions for financial contributions on development and subdivision. The funds can only be applied to the purpose for which they were taken i.e. development of assets on reserves and general district development.	2,164	4,737	924	5,977
Plant & Equipment Depreciation Funds These funds are built up from depreciation on plant and equipment and are used to fund replacements	1,515	5,769	6,545	740
Buildings Depreciation Funds The Council has a series of specific depreciation reserve accounts for assets such as senior housing, Trust House Recreation Centre, Waita House, the Library and parks & reserves buildings. Depreciation funds on these assets are accumulated in these funds and used for renewal expenditure as required.	5,400	31,569	16,505	20,464

PROSPECTIVE STATEMENT OF SPECIAL FUNDS & RESERVES (CONTINUED)

	Forecast Opening Balance 2021 \$ 000's	Transfers In 2021/31 \$ 000's	Transfers Out 2021/31 \$ 000's	Forecast Closing Balance 2031 \$ 000's
Council Created Reserves				
Purpose and application				
Roading, Bridges & Flood Damage Funds				
Most roading renewal expenditure is funded from rates and NZTA subsidies, but some funding for Council's share of bridge renewals and street furniture is being built up in this fund. Roothing contributions taken as per the District Plan financial contributions are accumulated in this fund and a separate fund for responding to road flood damage is also part of this group. Use of these funds can be for roading and bridge renewals, upgrades and flood damage repairs.	6,473	21,421	7,581	20,313
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.	7,008	47,329	35,712	18,625
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.	2,026	13,018	10,625	4,419
Crematorium Fund - ex Mrs Smart bequest				
To manage a bequest made to establish a crematorium.	115	-	-	115
	\$ 30,215	\$ 126,994	\$ 81,325	\$ 75,885

NOTE 5											
PROSPECTIVE SUMMARY OF REVALUATION RESERVE MOVEMENTS											
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Forecast Annual Plan	Year 1 LTP	Year 2 LTP	Year 3 LTP	Year 4 LTP	Year 5 LTP	Year 6 LTP	Year 7 LTP	Year 8 LTP	Year 9 LTP	Year 10 LTP
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's
Revaluation Reserve											
Opening balance	350,500	371,760	371,760	422,411	430,128	430,128	494,769	504,846	504,846	567,235	577,695
Revalue Movements	21,261	-	50,651	7,718	-	64,640	10,078	-	62,389	10,460	-
Closing Balance	371,760	371,760	422,411	430,128	430,128	494,769	504,846	504,846	567,235	577,695	577,695
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Forecast Annual Plan	Year 1 LTP	Year 2 LTP	Year 3 LTP	Year 4 LTP	Year 5 LTP	Year 6 LTP	Year 7 LTP	Year 8 LTP	Year 9 LTP	Year 10 LTP
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's	\$ 000's
Revaluation Movements by groups											
Infrastructure											
Roading	-	-	35,416	-	-	44,276	-	-	42,800	-	-
Water Services	-	-	3,969	-	-	5,287	-	-	5,085	-	-
Sewerage Services	-	-	8,710	-	-	11,673	-	-	11,229	-	-
Stormwater Services	-	-	78	-	-	103	-	-	99	-	-
Solid Waste Services	-	-	2,154	-	-	2,870	-	-	2,760	-	-
	0	-	50,327	-	-	64,209	-	-	61,974	-	-
Other Asset Revaluation Reserve Movements											
Building	9,609	-	-	3,488	-	-	4,555	-	-	4,728	-
Land	11,651	-	-	4,229	-	-	5,523	-	-	5,732	-
Other	-	-	324	-	-	431	-	-	415	-	-
	21,261	-	324	7,718	-	431	10,078	-	415	10,460	-
Total revaluation movements	21,261	-	50,651	7,718	-	64,640	10,078	-	62,389	10,460	-

Capital Projects

PROSPECTIVE CAPITAL SUMMARY STATEMENT

Prior Year Plan 2020/21		LTP Year 1 2021/22	LTP Year 2 2022/23	LTP Year 3 2023/24	LTP Year 4 2024/25	LTP Year 5 2025/26	LTP Year 6 2026/27	LTP Year 7 2027/28	LTP Year 8 2028/29	LTP Year 9 2029/30	LTP Year 10 2030/31
\$	Roading	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6,732,989	Subsidised Roading	9,418,340	10,550,902	7,449,864	13,922,936	15,708,214	8,576,932	11,209,833	9,313,728	9,381,118	9,556,220
2,627,206	Non-subsidised Roading	2,776,695	3,313,519	6,071,503	3,474,999	3,143,965	4,467,526	3,151,187	2,301,003	491,031	531,434
	Water Services										
3,950,480	Urban Water supply	4,415,000	2,549,890	11,336,925	4,053,525	4,179,951	2,245,575	2,306,760	2,794,235	2,240,790	1,639,540
200,000	Rural Water supplies & races	715,000	30,660	37,275	33,090	40,005	35,550	42,945	38,190	46,270	41,160
	Sewerage Services										
1,980,000	Urban Sewerage system	1,702,000	1,992,900	1,863,750	4,809,080	3,749,040	1,362,750	2,147,250	7,587,080	3,305,000	3,430,000
75,000	Rural Sewerage systems	40,000	347,480	42,600	44,120	45,720	47,400	49,080	50,920	132,200	54,880
	Stormwater Services										
402,000	Urban Stormwater System	643,000	459,900	1,207,092	576,869	627,827	1,273,875	966,876	891,100	925,400	411,600
	Solid Waste Services										
90,420	Solid Waste	220,000	20,320	41,840	21,460	44,040	22,620	46,400	560,240	49,000	25,220
	Community Facilities/Activities										
964,704	Parks & Reserves	933,150	1,354,074	448,996	1,230,426	705,466	260,865	257,961	185,952	1,298,500	-
2,210,000	Sportsfields	2,542,500	582,859	596,220	2,008,120	238,367	123,279	178,292	72,712	1,106,788	-
280,000	Trust House Recreation Centre	255,000	605,394	457,102	905,644	456,365	415,043	246,848	-	-	-
268,900	Cemeteries	94,000	387,909	52,650	21,460	-	-	23,200	-	-	-
566,250	Library & Archive	361,750	219,456	231,166	231,768	243,321	244,296	256,360	263,432	270,725	278,681
1,413,050	Property	6,880,300	17,694,859	9,814,827	5,702,780	1,365,460	269,970	354,032	211,818	322,420	36,569
1,810,000	Airport	5,658,930	1,601,143	2,484,766	3,704,913	1,482,839	-	-	21,870	-	-
	Regulatory Services										
8,000	Environmental Services	8,000	8,128	8,368	8,584	8,808	31,668	9,280	9,536	9,800	10,088
14,000	Building Development	4,000	24,384	14,644	4,292	4,404	4,524	4,640	4,768	4,900	5,044
-	Parking Control	-	406,400	-	-	-	-	-	-	-	-
430,000	Animal Services	1,548,000	1,626	1,674	6,009	1,762	1,810	6,496	1,907	1,960	7,062
58,000	Emergency Management	-	-	-	-	-	-	-	-	-	-
	Leadership, Strategy & Corporate Services										
215,525	Corporate Services	280,000	233,680	235,350	214,600	253,230	265,785	232,000	262,240	232,750	252,200
120,000	Development	563,570	20,320	47,070	21,460	27,525	45,240	29,000	23,840	55,125	25,220
\$ 24,416,524	Total Capital expenditure	\$ 39,059,235	\$ 42,405,803	\$ 42,443,682	\$ 40,996,134	\$ 32,326,308	\$ 19,694,708	\$ 21,518,439	\$ 24,594,572	\$ 19,873,776	\$ 16,304,918
	Funded by										
(3,837,804)	NZ Transport Agency subsidy (roading)	(5,462,637)	(6,014,014)	(4,171,924)	(7,796,844)	(8,796,600)	(4,803,082)	(6,277,506)	(5,215,687)	(5,253,426)	(5,351,483)
(11,992,275)	Transfers from reserves	(8,272,213)	(9,199,392)	(6,733,877)	(8,763,421)	(5,374,134)	(5,519,287)	(7,501,706)	(4,404,441)	(7,588,328)	(4,210,704)
(5,824,200)	Loan funds	(15,587,489)	(18,772,744)	(26,577,490)	(18,372,443)	(12,952,881)	(5,598,489)	(3,852,936)	(10,876,403)	(2,904,331)	(2,537,994)
(2,017,246)	Rates	(2,906,963)	(3,406,386)	(3,277,940)	(3,494,185)	(3,719,854)	(3,773,850)	(3,886,291)	(4,098,040)	(4,127,692)	(4,204,737)
(745,000)	Other (External funding)	(6,829,933)	(5,013,267)	(1,682,451)	(2,569,240)	(1,482,839)	-	-	-	-	-
\$ (24,416,524)		\$ (39,059,235)	\$ (42,405,803)	\$ (42,443,682)	\$ (40,996,134)	\$ (32,326,308)	\$ (19,694,708)	\$ (21,518,439)	\$ (24,594,572)	\$ (19,873,776)	\$ (16,304,918)

ROADING												
Annual Plan 2020/21	Capital Expenditure Summary	Source of Funds	LTP Year 1 2021/22	LTP Year 2 2022/23	LTP Year 3 2023/24	LTP Year 4 2024/25	LTP Year 5 2025/26	LTP Year 6 2026/27	LTP Year 7 2027/28	LTP Year 8 2028/29	LTP Year 9 2029/30	LTP Year 10 2030/31
\$	Capital Projects		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Subsidised Roading											
2,579,160	Roading Renewals - rural	Rates & Subsidy Depn Reserve,	3,529,940	3,874,157	3,660,835	3,791,826	3,965,196	4,177,317	4,280,412	4,475,090	4,640,595	4,904,221
1,747,429	Roading renewals - urban	Rates & Subsidy	1,478,900	1,664,044	2,098,332	1,941,421	1,994,647	2,063,321	2,148,615	2,208,041	2,284,148	2,362,791
115,000	Bridge renewals	Rates & Subsidy Depn Reserve &	-	204,200	-	-	223,200	-	-	243,000	-	-
672,000	Footpath upgrading [incl reseals]	Subsidy Depn Reserve &	549,000	548,583	565,777	582,971	599,627	616,820	634,551	652,820	671,625	690,968
285,000	Bridge - Waipoua River	Subsidy	285,000	2,629,075	-	-	-	-	-	-	-	-
1,264,400	Rural/Urban Minor Improvement projects	Rates & Subsidy	1,293,500	1,559,373	1,051,210	1,549,163	1,593,425	1,639,114	1,686,232	1,734,777	1,784,750	1,598,241
-	Mataikona front hill upgrade	Loan & Subsidy Subsidy & Depn	200,000	-	-	3,797,500	7,254,000	-	-	-	-	-
-	Masterton Revamp - subsidised portion	Reserve	2,012,000	-	-	2,184,105	-	-	2,377,353	-	-	-
70,000	Cycleways	Rates & Subsidy	70,000	71,470	73,710	75,950	78,120	80,360	82,670	-	-	-
6,732,989	Total Subsidised Roading		9,418,340	10,550,902	7,449,864	13,922,936	15,708,214	8,576,932	11,209,833	9,313,728	9,381,118	9,556,220
	Non-subsidised Roading											
407,206	Carpark reseal	Depn Reserve	85,000	102,100	42,120	43,400	44,640	45,920	47,240	48,600	50,000	51,440
180,000	Under veranda lighting	Depn Reserve	-	-	-	-	-	-	-	-	-	-
400,000	Gordon Street upgrade	Subdiv Contrib	140,000	142,940	-	-	-	137,760	-	-	-	-
50,000	Urbanisation of Millard Ave - Roading	Subdiv Contrib	-	-	1,196,524	783,045	-	-	-	-	-	-
10,000	CBD Recycling Bins	Depn Reserve	-	-	-	-	-	-	-	-	-	-
1,400,000	Masterton Revamp	Loan	1,309,664	2,601,882	3,737,739	2,192,854	3,099,325	4,082,946	2,277,247	1,211,068	-	-
120,000	Neighbourhood Planning - provision	Rates /Reserves	-	-	-	-	-	-	-	-	-	-
60,000	Carpark Lighting - safety initiative	Subdiv Contrib	-	-	-	-	-	-	-	-	-	-
-	What's Our Welcome- North Entrance	Loan	1,150,000	-	-	-	-	-	-	-	-	-
-	What's Our Welcome- South Entrance	Loan	92,031	466,597	1,095,120	-	-	-	-	-	-	-
-	What's Our Welcome- Western Railway		-	-	-	-	-	-	-	-	-	-
-	Connection Entrance	Loan	-	-	-	-	-	143,500	-	900,644	-	479,994
-	What's Our Welcome- Eastern Coastal		-	-	-	-	-	-	-	-	-	-
-	Connection - trees	Loan	-	-	-	-	-	57,400	-	140,691	441,031	-
-	Chamberlain Rd upgrade	Subdiv Contrib	-	-	-	325,500	-	-	354,300	-	-	-
-	Kitchener to Gordon - link road	Subdiv Contrib	-	-	-	130,200	-	-	472,400	-	-	-
2,627,206	Total Non-subsidised Roading		2,776,695	3,313,519	6,071,503	3,474,999	3,143,965	4,467,526	3,151,187	2,301,003	491,031	531,434
9,360,195	Total Capital Funding		12,195,035	13,864,421	13,521,367	17,397,935	18,852,179	13,044,458	14,361,020	11,614,731	9,872,149	10,087,655
(3,837,804)	NZ Transport Agency subsidy (roading)		(5,462,637)	(6,014,014)	(4,171,924)	(7,796,844)	(8,796,600)	(4,803,082)	(6,277,506)	(5,215,687)	(5,253,426)	(5,351,483)
(2,045,146)	Transfers from reserves		(1,189,740)	(1,375,542)	(760,034)	(1,929,933)	(44,640)	(183,680)	(1,919,975)	(48,600)	(50,000)	(51,440)
(1,460,000)	Loan funds		(2,635,695)	(3,068,479)	(5,311,469)	(4,176,972)	(6,291,085)	(4,283,846)	(2,277,247)	(2,252,403)	(441,031)	(479,994)
(7,342,949)	Total other funding		(9,288,072)	(10,458,035)	(10,243,427)	(13,903,749)	(15,132,325)	(9,270,608)	(10,474,729)	(7,516,691)	(5,744,457)	(5,882,918)
\$2,017,246	Rates Requirement (Capital)		\$2,906,963	\$3,406,386	\$3,277,940	\$3,494,185	\$3,719,854	\$3,773,850	\$3,886,291	\$4,098,040	\$4,127,692	\$4,204,737

WATER SUPPLIES

Annual Plan 2020/21	Capital Expenditure Summary	Source of Funds	LTP Year 1 2021/22	LTP Year 2 2022/23	LTP Year 3 2023/24	LTP Year 4 2024/25	LTP Year 5 2025/26	LTP Year 6 2026/27	LTP Year 7 2027/28	LTP Year 8 2028/29	LTP Year 9 2029/30	LTP Year 10 2030/31
	Capital Projects		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
\$	Urban water treatment											
-	WTP Consent Renewal - take	Loan	50,000	102,200	-	-	-	59,250	-	-	-	-
200,000	WTP sludge handling upgrade	Loan	800,000	-	-	-	-	-	-	-	-	-
40,000	WTP - plant & equipment renewals	Depn Reserve	150,000	97,090	165,075	104,785	108,585	112,575	116,565	120,935	125,590	130,340
	WTP - plant & equipment upgrades	Depn Reserve	120,000	81,760	74,550	88,240	105,156	94,800	98,160	101,840	105,760	109,760
20,000	WTP - building renewals	Depn Reserve	20,000	20,440	21,300	55,150	22,860	23,700	24,540	25,460	26,440	27,440
-	Raw water storage dams	Loan	-	-	7,455,000	-	-	-	-	-	-	-
-	Filter Refurbishment	Depn Reserve	-	-	-	-	-	-	-	-	661,000	-
-	Reseal Access Road WTP	Depn Reserve	-	-	-	-	-	-	18,405	-	-	-
-	Treated water storage - Nikau Heights Lansc	External Funds	800,000	-	-	-	-	-	-	-	-	-
-	WTP SCADA and electrical upgrades - stimu	External Funds	120,000	-	-	-	-	-	-	-	-	-
-	Fish Inlet - Stimulus project	External Funds	70,000	-	-	-	-	-	-	-	-	-
-	bulk tanker water supply terminal constructi	External Funds	85,000	-	-	-	-	-	-	-	-	-
260,000	Total Urban water treatment		2,215,000	301,490	7,715,925	248,175	236,601	290,325	257,670	248,235	918,790	267,540
	Urban water reticulation											
1,800,000	Water mains renewals (reticulation)	Loan/Depn Reserve	1,230,090	1,533,000	3,333,546	3,562,789	3,691,993	1,694,657	1,963,200	2,482,350	1,255,900	1,303,400
50,000	Water connections replacements	Depn Reserve	200,000	102,200	106,500	55,150	57,150	59,250	61,350	63,650	66,100	68,600
1,800,000	Water meters project completion	Loan	-	-	-	-	-	-	-	-	-	-
20,000	Urbanisation of Millard Ave	Subdiv contrib	-	613,200	-	-	-	-	-	-	-	-
	Reservoir upgrades	Depn Reserve	-	-	-	-	-	-	24,540	-	-	-
	Water main renewal - stimulus package	External Funds	600,000	-	-	-	-	-	-	-	-	-
20,480	Water main - CBD	Depn Reserve	169,910	-	180,954	187,411	194,207	201,343	-	-	-	-
3,690,480	Total Urban water reticulation		2,200,000	2,248,400	3,621,000	3,805,350	3,943,350	1,955,250	2,049,090	2,546,000	1,322,000	1,372,000
	Rural water supply											
50,000	Wainuioru water supply renewals	Depn Reserve	30,000	30,660	31,950	33,090	34,290	35,550	36,810	38,190	39,660	41,160
	Wainuioru Water supply - UV system and filt	External Funds	680,000	-	-	-	-	-	-	-	-	-
100,000	Water - emergency package plant	Loan	-	-	-	-	-	-	-	-	-	-
-	Tinui water supply upgrades	Depn Reserve	5,000	-	5,325	-	5,715	-	6,135	-	6,610	-
50,000	Opaki water race consent renewal	Loan	-	-	-	-	-	-	-	-	-	-
200,000	Total Rural water supply		715,000	30,660	37,275	33,090	40,005	35,550	42,945	38,190	46,270	41,160
4,150,480	Total		5,130,000	2,580,550	11,374,200	4,086,615	4,219,956	2,281,125	2,349,705	2,832,425	2,287,060	1,680,700
	Capital Funding											
(2,000,480)	Transfers from reserves		(1,605,973)	(2,120,650)	(1,577,236)	(1,627,998)	(1,835,637)	(1,942,194)	(1,957,065)	(1,559,425)	(2,287,060)	(1,680,700)
-	External funds		(2,355,000)	-	-	-	-	-	-	-	-	-
(2,150,000)	Loan funds		(1,169,027)	(459,900)	(9,796,964)	(2,458,617)	(2,384,319)	(338,931)	(392,640)	(1,273,000)	-	-
(4,150,480)	Total capital funding		(\$5,130,000)	(\$2,580,550)	(\$11,374,200)	(\$4,086,615)	(\$4,219,956)	(\$2,281,125)	(\$2,349,705)	(\$2,832,425)	(\$2,287,060)	(\$1,680,700)
\$0	Rates requirement		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

WASTEWATER SERVICES

Annual Plan 2020/21	Capital Expenditure Summary	Source of Funds	LTP Year 1 2021/22	LTP Year 2 2022/23	LTP Year 3 2023/24	LTP Year 4 2024/25	LTP Year 5 2025/26	LTP Year 6 2026/27	LTP Year 7 2027/28	LTP Year 8 2028/29	LTP Year 9 2029/30	LTP Year 10 2030/31
\$	Capital Projects		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Urban Sewerage system											
50,000	Network investigations	Depn Reserves	-	-	106,500	110,300	-	-	-	-	-	-
1,300,000	Sewer reticulation renewals	Depn Reserves	1,002,940	1,124,200	1,068,131	1,768,043	1,146,360	1,188,484	2,085,900	1,145,700	2,511,800	1,234,800
20,000	Urbanisation of Millard Ave	Subdiv contrib	-	817,600	-	-	-	-	-	-	-	-
310,000	Homebush plant & equipment renewals	Depn Reserve	152,000	51,100	53,250	66,180	205,740	59,250	61,350	76,380	132,200	137,200
	Homebush aerators - stimulus project	External Funds	450,000	-	-	-	-	-	-	-	-	-
	Wastewater renewals - CBD project	Depn Reserve	97,060	-	103,369	107,057	110,940	115,016	-	-	-	-
	Homebush consent renewal & plant upgrade	Loan	-	-	-	-	-	-	-	-	661,000	2,058,000
300,000	Homebush irrigation extension	Loan	-	-	532,500	2,757,500	2,286,000	-	-	6,365,000	-	-
1,980,000	Total Urban Sewerage system		1,702,000	1,992,900	1,863,750	4,809,080	3,749,040	1,362,750	2,147,250	7,587,080	3,305,000	3,430,000
	Rural Sewerage schemes											
-	Castlepoint wastewater upgrade	Reserves	-	204,400	-	-	-	-	-	-	-	-
-	Castlepoint wastewater plant consent upgra	Reserves	-	102,200	-	-	-	-	-	-	-	-
5,000	Castlepoint sewerage plant renewals	Reserves	10,000	10,220	10,650	11,030	11,430	11,850	12,270	12,730	92,540	13,720
70,000	Riversdale Beach scheme renewals	Depn Reserve	30,000	30,660	31,950	33,090	34,290	35,550	36,810	38,190	39,660	41,160
75,000	Total Rural Sewerage system		40,000	347,480	42,600	44,120	45,720	47,400	49,080	50,920	132,200	54,880
2,055,000	Total		1,742,000	2,340,380	1,906,350	4,853,200	3,794,760	1,410,150	2,196,330	7,638,000	3,437,200	3,484,880
	Capital Funding											
(300,000)	Loan funds		-	-	(532,500)	(3,088,400)	(2,286,000)	-	(368,100)	(6,365,000)	(1,322,000)	(2,058,000)
	External funds		(450,000)	-	-	-	-	-	-	-	-	-
(1,755,000)	Transfer from reserves		(1,292,000)	(2,340,380)	(1,373,850)	(1,764,800)	(1,508,760)	(1,410,150)	(1,828,230)	(1,273,000)	(2,115,200)	(1,426,880)
(\$2,055,000)	Total capital funding		(\$1,742,000)	(\$2,340,380)	(\$1,906,350)	(\$4,853,200)	(\$3,794,760)	(\$1,410,150)	(\$2,196,330)	(\$7,638,000)	(\$3,437,200)	(\$3,484,880)
\$0	Rates Requirement (Capital)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STORMWATER												
Annual Plan 2020/21	Capital Expenditure Summary	Source of Funds	LTP Year 1 2021/22	LTP Year 2 2022/23	LTP Year 3 2023/24	LTP Year 4 2024/25	LTP Year 5 2025/26	LTP Year 6 2026/27	LTP Year 7 2027/28	LTP Year 8 2028/29	LTP Year 9 2029/30	LTP Year 10 2030/31
\$	Capital Projects		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Stormwater											
330,000	Stormwater renewal & upgrades	Depn Reserve	300,000	306,600	319,500	330,900	342,900	355,500	368,100	381,900	396,600	411,600
-	Stopbank - associated pipe work upgrade	Loan	-	-	213,000	-	-	-	-	-	-	-
-	Projects to Increase LOS	Loan	-	153,300	-	-	-	-	-	-	-	-
20,000	Urbanisation of Millard Ave	Reserves	-	-	426,000	-	-	-	-	-	-	-
52,000	Stormwater consent	Depn Reserve	100,000	-	-	165,450	-	-	-	-	-	-
-	Improve flood protection	Depn Reserve	180,000	-	159,750	11,030	-	444,375	30,675	-	-	-
-	Stormwater treatment	Loan	-	-	-	-	-	474,000	490,800	509,200	528,800	-
-	CBD project	Loan	63,000	-	88,842	69,489	284,927	-	77,301	-	-	-
402,000	Total Stormwater		643,000	459,900	1,207,092	576,869	627,827	1,273,875	966,876	891,100	925,400	411,600
	Capital Funding											
-	Loan funds		(63,000)	(153,300)	(301,842)	(69,489)	(284,927)	(474,000)	(568,101)	(509,200)	(528,800)	-
(402,000)	Transfer from reserves		(580,000)	(306,600)	(905,250)	(507,380)	(342,900)	(799,875)	(398,775)	(381,900)	(396,600)	(411,600)
(\$402,000)	Total capital funding		(\$643,000)	(\$459,900)	(\$1,207,092)	(\$576,869)	(\$627,827)	(\$1,273,875)	(\$966,876)	(\$891,100)	(\$925,400)	(\$411,600)
\$0	Rates Requirement (Capital)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

SOLID WASTE SERVICES												
Annual Plan 2020/21	Capital Expenditure Summary	Source of Funds	LTP Year 1 2021/22	LTP Year 2 2022/23	LTP Year 3 2023/24	LTP Year 4 2024/25	LTP Year 5 2025/26	LTP Year 6 2026/27	LTP Year 7 2027/28	LTP Year 8 2028/29	LTP Year 9 2029/30	LTP Year 10 2030/31
\$	Capital Projects		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Solid Waste Management											
40,420	Nursery Road landfill capping	Depn Reserve	20,000	20,320	20,920	21,460	22,020	22,620	23,200	23,840	24,500	25,220
50,000	Nursery Road transfer station renewals	Depn Reserve	200,000	-	20,920	-	22,020	-	23,200	-	24,500	-
-	Cleanfill/hardfill site	Loan	-	-	-	-	-	-	-	476,800	-	-
-	Recycling Wheely Bins	Depn Reserve	-	-	-	-	-	-	-	59,600	-	-
90,420	Total Solid Waste Management		220,000	20,320	41,840	21,460	44,040	22,620	46,400	560,240	49,000	25,220
	Capital Funding											
-	Loan funds		-	-	-	-	-	-	-	(476,800)	-	-
(90,420)	Transfer from reserves		(220,000)	(20,320)	(41,840)	(21,460)	(44,040)	(22,620)	(46,400)	(83,440)	(49,000)	(25,220)
(\$90,420)	Total capital funding		(\$220,000)	(\$20,320)	(\$41,840)	(\$21,460)	(\$44,040)	(\$22,620)	(\$46,400)	(\$560,240)	(\$49,000)	(\$25,220)
\$0	Rates Requirement (Capital)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

COMMUNITY FACILITIES / ACTIVITIES

Annual Plan 2020/21	Capital Expenditure Summary	Source of Funds	LTP Year 1 2021/22	LTP Year 2 2022/23	LTP Year 3 2023/24	LTP Year 4 2024/25	LTP Year 5 2025/26	LTP Year 6 2026/27	LTP Year 7 2027/28	LTP Year 8 2028/29	LTP Year 9 2029/30	LTP Year 10 2030/31
\$			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Parks & Reserves												
90,250	Queen Elizabeth Park Upgrades	Reserve Contrib.	50,000	50,800	12,029	160,950	-	-	-	-	-	-
-	Upgrade Kidz Own Playground	Depn Reserve	-	-	-	159,480	-	-	172,411	-	-	-
275,000	QE Park structures/facilities renewals	Depn Reserve	20,400	62,992	66,944	65,453	38,535	42,413	32,480	185,952	73,500	-
248,662	Recreation trails network (urban & rural)	Contributions/										
16,750	Loans	Loans	140,000	111,760	23,012	109,446	24,222	115,362	25,520	-	-	-
-	Street trees renewals & new	Reserves	16,750	17,018	17,521	17,973	18,442	18,944	19,430	-	-	-
-	Castlepoint furniture renewals	Depn Reserve	-	10,160	-	-	11,010	-	-	-	-	-
30,000	Castlepoint Seawall Handrails	Depn Reserve	30,000	-	-	-	-	-	-	-	-	-
4,042	Parks & Open Spaces - Signage	Depn Reserve	20,000	20,320	20,920	2,146	2,202	2,262	2,320	-	-	-
-	Henley lake Dump station	Reserves	30,000	-	-	-	-	-	-	-	-	-
80,000	Henley Lake - lake level management	Loan	-	203,200	209,200	214,600	220,200	56,550	-	-	-	-
-	Waipoua Cycle/Pedestrian Bridge	Depn Reserve/ Loan	312,000	-	-	-	-	-	-	-	-	-
-	Henley - landscape development	Reserves	20,000	20,320	20,920	11,803	-	19,679	-	-	-	-
140,000	Henley Lake buildings upgrades	Depn Reserve	55,000	5,080	5,230	26,825	5,505	5,655	5,800	-	-	-
-	QE Park lake alt water source	Loan	50,000	101,600	-	-	-	-	-	-	-	-
-	Carpark Reseals Urban Reserves	Depn Reserve	24,000	80,264	-	32,550	-	-	-	-	-	-
50,000	Percy's Reserve up-grade	Reserves	-	-	-	-	-	-	-	-	-	-
30,000	Grassing Henley Lake overflow car-park	Reserves	50,000	-	-	-	-	-	-	-	-	-
-	Waipoua Precinct	Loan	-	508,000	-	375,550	385,350	-	-	-	-	-
-	Water Use project - recreation facilities	Loan	-	-	-	-	-	-	-	-	1,225,000	-
-	Urban reserves upgrades	Depn Reserve/										
-	Contributions	Contributions	115,000	162,560	73,220	53,650	-	-	-	-	-	-
964,704	Total Parks, Reserves & Sportsfields		933,150	1,354,074	448,996	1,230,426	705,466	260,865	257,961	185,952	1,298,500	-
Sportsfields												
750,000	Sportsfield buildings renewals	Depn Reserve/External	933,500	554,736	130,750	1,764,549	113,403	38,454	14,732	71,520	248,063	-
-	Netball facility upgrade	Depn Reserve	1,000	8,819	1,046	76,183	1,101	80,301	47,560	1,192	858,725	-
110,000	Colin Pugh Sports Bowl - track renewal	Depn Reserve	8,000	10,160	418,400	139,490	110,100	-	-	-	-	-
-	South Park Sports Facilities Provision	Depn Reserve	-	6,096	25,104	-	-	-	-	-	-	-
1,350,000	Skatepark upgrade	External Funds/										
-	Reserves	Reserves	1,600,000	-	-	-	-	-	-	-	-	-
-	Cricket grandstand upgrade	Depn Reserve	-	3,048	20,920	27,898	13,763	4,524	116,000	-	-	-
2,210,000	Total Sportsfields		2,542,500	582,859	596,220	2,008,120	238,367	123,279	178,292	72,712	1,106,788	-
Trust House Recreation Centre												
110,000	Building & Services renewals	Depn Reserve /Loan	195,000	605,394	457,102	262,724	412,325	415,043	246,848	-	-	-
90,000	Other Plant & Equip	Depn Reserve /Loan	60,000	-	-	642,920	44,040	-	-	-	-	-
280,000	Total Recreation Centre		255,000	605,394	457,102	905,644	456,365	415,043	246,848	-	-	-
Cemeteries												
268,900	Cemetery renovations & extensions	Reserves/Loan	94,000	387,909	52,650	21,460	-	-	23,200	-	-	-
District Buildings												
20,000	Facilities & equipment renewals	Depn Reserve	-	-	-	-	-	-	-	-	-	-
55,000	Building upgrades	Depn Reserve	154,300	17,475	11,715	12,018	12,331	14,929	128,992	23,482	32,095	-
22,000	Queen Street bldg leasehold improv.	Depn Reserve	-	-	-	-	-	-	-	-	-	-
250,000	Civic facility - including land purchase	Loan/External										
-	Funds	Funds	4,945,000	10,160,000	9,518,600	5,116,064	1,101,000	-	-	-	-	-
347,000	Total District Buildings		5,099,300	10,177,475	9,530,315	5,128,082	1,113,331	14,929	128,992	23,482	32,095	-

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COMMUNITY FACILITIES / ACTIVITIES continued												
Annual Plan 2020/21	Capital Expenditure Summary	Source of Funds	LTP Year 1 2021/22	LTP Year 2 2022/23	LTP Year 3 2023/24	LTP Year 4 2024/25	LTP Year 5 2025/26	LTP Year 6 2026/27	LTP Year 7 2027/28	LTP Year 8 2028/29	LTP Year 9 2029/30	LTP Year 10 2030/31
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing for the Elderly												
266,050	Pensioner housing upgrades & renewals	Depn Reserve	341,000	251,968	97,278	223,828	124,413	167,388	143,840	158,536	116,375	-
-	New Build Panama	Loan	500,000	7,112,000	-	-	-	-	-	-	-	-
266,050	Total Pensioner Housing		841,000	7,363,968	97,278	223,828	124,413	167,388	143,840	158,536	116,375	-
Other Property												
20,000	Public conveniences	Depn Reserve	19,000	12,192	13,598	273,615	-	-	-	-	-	-
250,000	Castlepoint Toilets upgrade	Depn Reserve /External funds	-	10,160	-	-	11,010	-	-	-	-	-
60,000	Rural halls & Fire Station upgrades	Depn Reserve	85,000	-	15,690	-	-	8,483	-	-	9,188	-
-	Riversdale Beach toilets upgrade	Reserves	-	10,160	11,506	21,460	5,505	-	5,800	-	-	-
355,000	Rental Property upgrades	Depn Reserve /Loan	762,000	47,752	120,290	28,971	56,151	67,860	58,000	29,800	66,150	23,959
50,000	Upgrade other Council buildings	Depn Reserve	-	-	-	-	-	-	-	-	-	-
-	Mawley Park - Playground	Depn Reserve	-	5,080	-	-	-	-	5,800	-	-	-
65,000	Mawley Park facility upgrades	Depn Reserve	74,000	68,072	26,150	26,825	55,050	11,310	11,600	-	98,613	12,610
800,000	Total Other Property		940,000	153,416	187,234	350,871	127,716	87,653	81,200	29,800	173,950	36,569
Airport												
160,000	Runway reseal & remarking	Depn Reserve	10,000	-	-	-	-	-	-	-	-	-
80,000	Airport fencing & roading upgrades	Depn Reserve	-	-	-	-	-	-	-	-	-	-
420,000	Hanger area expansion	Loan	260,000	-	-	-	-	-	-	-	-	-
	Airport runway and precinct upgrades - taxiway and apron - stage 1	Loan/External Funds/Depn Reserve	3,348,750	-	-	298,510	807,326	-	-	21,870	-	-
	Equipment Upgrades	Depn Reserve	5,000	-	-	-	-	-	-	-	-	-
1,000,000	Runway widening & development	Loan	1,748,000	1,015,385	-	-	-	-	-	-	-	-
	Runway construction & road realignment-stage 2	Loan/External Funds	287,180	585,759	2,484,766	3,406,403	-	-	-	-	-	-
	Certification & safety management system	External Funds	-	-	-	-	675,513	-	-	-	-	-
150,000	Runway lights replacement	Depn Reserve	-	-	-	-	-	-	-	-	-	-
1,810,000	Total Airport		5,658,930	1,601,143	2,484,766	3,704,913	1,482,839	-	-	21,870	-	-
Library & Archive												
180,000	Book stock renewals	Depn Reserve	180,000	182,880	188,280	193,140	198,180	203,580	208,800	214,560	220,500	226,980
45,750	Computer & equipment replacements	Depn Reserve	45,750	25,400	31,380	26,825	33,030	28,275	34,800	35,760	36,750	37,830
15,500	Renew furniture/fittings	Depn Reserve	11,000	11,176	11,506	11,803	12,111	12,441	12,760	13,112	13,475	13,871
125,000	Archive extension (incl. shelving)	Reserves/Loan	125,000	-	-	-	-	-	-	-	-	-
566,250	Total Library & Archive		361,750	219,456	231,166	231,768	243,321	244,296	256,360	263,432	270,725	278,681
7,512,904	Total		16,725,630	22,445,694	14,085,727	13,805,110	4,491,817	1,313,453	1,316,693	755,784	2,998,433	315,250
Funding												
(5,253,704)	Transfers from reserves		(3,043,500)	(2,341,362)	(1,768,561)	(2,656,906)	(1,302,428)	(811,741)	(1,069,845)	(755,784)	(2,385,933)	(315,250)
(1,514,200)	Loan funds		(9,777,190)	(15,091,066)	(10,634,715)	(8,578,965)	(1,706,550)	(501,712)	(246,848)	-	(612,500)	-
(745,000)	External funding		(3,904,940)	(5,013,267)	(1,682,451)	(2,569,240)	(1,482,839)	-	-	-	-	-
(\$7,512,904)	Total capital funding		(\$16,725,630)	(\$22,445,694)	(\$14,085,727)	(\$13,805,110)	(\$4,491,817)	(\$1,313,453)	(\$1,316,693)	(\$755,784)	(\$2,998,433)	(\$315,250)
\$0	Rates requirement		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

REGULATORY SERVICES												
Annual Plan 2020/21	Capital Expenditure Summary	Source of Funds	LTP Year 1 2021/22	LTP Year 2 2022/23	LTP Year 3 2023/24	LTP Year 4 2024/25	LTP Year 5 2025/26	LTP Year 6 2026/27	LTP Year 7 2027/28	LTP Year 8 2028/29	LTP Year 9 2029/30	LTP Year 10 2030/31
\$	Capital Projects		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Regulatory Services											
8,000	Environmental Health testing equip.	Depn Reserve	8,000	8,128	8,368	8,584	8,808	31,668	9,280	9,536	9,800	10,088
20,000	Animal Services - equipment	Depn Reserve	24,000	1,626	1,674	6,009	1,762	1,810	6,496	1,907	1,960	7,062
400,000	Animal Services - new animal shelter	Loan	1,524,000	-	-	-	-	-	-	-	-	-
10,000	Animal & Bylaws signage	Depn Reserve	-	-	-	-	-	-	-	-	-	-
14,000	Building Development - equipment	Depn Reserve	4,000	24,384	14,644	4,292	4,404	4,524	4,640	4,768	4,900	5,044
58,000	Emergency Mgmt. - comms & welfare centres	Depn Reserve	-	-	-	-	-	-	-	-	-	-
-	Replace parking meters	Depn Reserve	-	406,400	-	-	-	-	-	-	-	-
510,000	Total Regulatory		1,560,000	440,538	24,686	18,885	14,974	38,002	20,416	16,211	16,660	22,194
	Capital Funding											
(110,000)	Transfers from reserves		(36,000)	(440,538)	(24,686)	(18,885)	(14,974)	(38,002)	(20,416)	(16,211)	(16,660)	(22,194)
(400,000)	Loan Funds		(1,524,000)	-	-	-	-	-	-	-	-	-
(\$510,000)	Total capital funding		(\$1,560,000)	(\$440,538)	(\$24,686)	(\$18,885)	(\$14,974)	(\$38,002)	(\$20,416)	(\$16,211)	(\$16,660)	(\$22,194)
\$0	Rates Requirement		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

LEADERSHIP, STRATEGY & CORPORATE SERVICES												
Annual Plan 2020/21	Capital Expenditure Summary	Source of Funds	LTP Year 1 2021/22	LTP Year 2 2022/23	LTP Year 3 2023/24	LTP Year 4 2024/25	LTP Year 5 2025/26	LTP Year 6 2026/27	LTP Year 7 2027/28	LTP Year 8 2028/29	LTP Year 9 2029/30	LTP Year 10 2030/31
\$	Capital Projects		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Corporate Services											
-	Document mgmt. system	Depn Reserve	50,000	10,160	-	-	11,010	-	-	-	-	-
90,000	IT equipment replacement	Depn Reserve	120,000	121,920	94,140	96,570	132,120	101,790	104,400	143,040	110,250	113,490
25,525	GIS aerial photos & data capture	Depn Reserve	-	-	36,610	-	-	50,895	-	-	-	-
-	Asset Management System	Depn Reserve	10,000	-	-	10,730	-	-	11,600	-	-	12,610
100,000	Pool Vehicle replacement	Depn Reserve	100,000	101,600	104,600	107,300	110,100	113,100	116,000	119,200	122,500	126,100
215,525	Total Corporate Services		280,000	233,680	235,350	214,600	253,230	265,785	232,000	262,240	232,750	252,200
	Development											
50,000	CBD Security Cameras	Depn Reserve	20,000	20,320	20,920	21,460	22,020	22,620	23,200	23,840	24,500	25,220
20,000	Christmas Decorations	Depn Reserve	-	-	20,920	-	-	22,620	-	-	24,500	-
40,000	Flag Trax	Depn Reserve	-	-	-	-	-	-	-	-	-	-
10,000	Street History Signage	Reserves	-	-	-	-	-	-	-	-	-	-
-	Youth hub/cafe in conjunction with Skatepark	Loan/External Funds	538,570	-	-	-	-	-	-	-	-	-
-	Decorative Lighting (upgrade LED)	Reserves	5,000	-	5,230	-	5,505	-	5,800	-	6,125	-
120,000	Total Development		563,570	20,320	47,070	21,460	27,525	45,240	29,000	23,840	55,125	25,220
335,525	Total		843,570	254,000	282,420	236,060	280,755	311,025	261,000	286,080	287,875	277,420
	Capital Funding											
(335,525)	Transfers from reserves		(305,000)	(254,000)	(282,420)	(236,060)	(280,755)	(311,025)	(261,000)	(286,080)	(287,875)	(277,420)
-	Loan funds		(418,577)	-	-	-	-	-	-	-	-	-
-	External funding		(119,993)	-	-	-	-	-	-	-	-	-
(335,525)	Total capital funding		(\$843,570)	(\$254,000)	(\$282,420)	(\$236,060)	(\$280,755)	(\$311,025)	(\$261,000)	(\$286,080)	(\$287,875)	(\$277,420)
-	Rates Requirement		-	-	-	-	-	-	-	-	-	-

Revenue and Financing Policy

INTRODUCTION

Set out on the following pages is the Council's Revenue & Financing Policy, which has been developed pursuant to the requirements of the Local Government Act 2002. The Policy was scheduled to be reviewed prior to the 2021-31 Long Term Plan (LTP), but due to the impacts of the COVID-19 lockdowns and recovery period through much of 2020, the review has not been able to be completed. A full policy review and consultation process is planned for the second half of 2021.

The basis of the current policy has evolved over 23 years and was first adopted (as the Funding Policy) following public consultation in 1997. It has been reviewed, refined and revised by the Council every three years since then, including using the principles outlined in the Local Government Act (sec 101(3) and 103). Any changes have been implemented following the consultation processes of the long term plans and annual plans when the changes were made. The current policy as set out here is part of the supporting information to the 2021-31 Long Term Plan and is subject to public consultation as part of that Plan.

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

PURPOSE

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

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

RATING BASE

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

Population (usually resident – Statistics NZ census data 2018)

Masterton Rural	5,743	22.5%
Urban	19,814	77.5%
	25,557	(9.4% increase over 5 years since the 2013 census)

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

Rateable Properties		Separately Rateable Units 2021	
Rural	3,872	Rural	3,884
Urban	8,831	Urban	9,701
<hr/>		<hr/>	
	12,703		13,585 (4.9% growth over 3 years)

Rating Valuation Totals (effective Sept 2020)

			Change (over 3 years) as a result of growth and the 2020 revaluation
Land value	Rural	\$2,617 million	+45.2%
	Urban	\$2,040 million	+66.7%
	Total	<hr/> \$4,657 million	+53.9%
Capital value	Rural	\$3,944 million	+40.9%
	Urban	\$4,686 million	+55.7%
	Total	<hr/> \$8,630 million	+48.6%

POLICY REVIEW

Section 101(3)

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

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

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

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

External Revenue

Where it can, the Council will look to recover costs from users of a service via user charges. The Council will look to maximise its external revenue including from central Government funding such as NZTA subsidies, local petrol tax and the waste levy. After external revenue, borrowing to fund specific capital projects and use of Council reserves/depreciation funding, the balance of the funding comes from the ability of Council to charge property rates to fund its services. It is the allocation of these rates across properties in the District which forms the basis of a large part of the Revenue and Financing Policy.

In the Activity Statements section of the LTP, there are tables which shows clearly the costs and sources of funding for each activity. User fees & charges have been reviewed in all areas of Council activities and a number of changes are proposed in order to maintain relativity between user charge funding and rates in an inflationary environment where Council's costs are increasing. Those changes to the fees & charges are subject to consultation as part of the 2021/31 LTP.

Some specific examples of changes to external revenue include:

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

Rating Policy

As noted in the Introduction, there has been no comprehensive review of the rating system done for the 2021-31 Long Term Plan (LTP) or the previous LTP. In 2018, the prospect of amalgamating the three Wairarapa councils was a potential outcome of a process being run by the Local Government Commission. Any rating changes then would have changed again, on amalgamation, when viewed in the wider Wairarapa context. The public poll in late 2018 delivered 'no change' with respect to amalgamation. There was an intention to do a full policy review in 2020, but this work will now take place in late 2021.

The rating policy is based on the following principles:

- The rates required for each service are first allocated between urban and rural wards using a range of allocation bases
- Targeted rates are set in those wards
- No 'General Rate' is applied across all properties in the District
- For those costs that are applied across the district, an effective differential is achieved using the urban/rural allocations

- Allocation bases (between the wards) include the current population split, the ward or targeted area in which the service is available and (for subsidised roading) the locality of programmed expenditure.

A rating revaluation has been completed in 2020 and will be applied in the 2021/22 year. No policy changes have been made in response to the impacts of the revaluation. The increases in values have varied widely and will result in large variability of rates payable. There will be properties who receive a smaller share of the overall rates required (ie their rates decrease) because their value increased less than the average value change. Conversely, many properties will have rates increases above the average as their value change has been above the average increase. See further discussion in the Rating Valuation section.

Rating Policy Changes Discussion

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

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

Rating Valuations

Current rating policy includes some 72% of the rates required being allocated based on property values (land value and capital value). The values are assessed by Quotable Value NZ Ltd and the 3-yearly revaluation process is subject to audit by the Office of the Valuer General. The balance of the rates are allocated via targeted charges.

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

Applying the new values will result in a greater share of rates being paid by those properties that have had valuation changes above the average change. So, as a generalisation, low and average value residential properties will pay more and higher value residential and commercial use properties will

pay less. However, there is a large amount of variability in the valuations and it is difficult to generalise the outcome.

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

2021/22 Impacts

The Council's 2021/22 rates required is 7% more than the prior year (before growth). Growth in property numbers and rateable values since June 2020 is projected to reduce the average increase to 5.5%. That increase will vary between the urban and rural wards as the rates required for the subsidised roading programme make up 2.7% of the increase and the rural share of that activity is higher.

Overall, the 2021/22 budget changes result in an average 4.7% increase (after growth) for the urban ward and an average of 8.1% increase (after growth) for the rural ward. Some 4.8% of the rural increase is due to the increased spending on subsidised roading.

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

- Urban residential properties will pay (on average) increased rates of 4.9% due to the Council's rates requirement increasing, before the effects of revaluations.
- Large variations will result where valuation changes vary away from the average changes.
- Rural farm properties can expect increases averaging 8.7%, plus or minus the effects of the revaluation.
- Rural lifestyle properties can expect to pay 8.9% more and have had valuation increases above the rural average, so can expect additional increases of up to 10% more
- Beach properties can expect increases of between 8% and 9%, but large variations as a result of valuation increases will see larger increases for many.

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

POLICY CHANGES SUMMARY

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

USER PAYS

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

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

- Resource consent fees
- Building consent fees (incl plumbing & drainage fees)
- Sports field charges and rents
- Property rents
- Library charges & recoveries
- Mawley Holiday Park revenue
- Airport landing fees and leases
- Parking meter fees and fines
- Dog registration fees (85% from dog owners)
- Refuse transfer station & composting user charges
- Waste levy
- Refuse collection recoveries (via bag sales)
- Hall hireage income
- Water & sewer connection recoveries
- Water meter charges (outside urban boundary)
- Trade waste charges
- Rooding subsidies from (NZ Transport Authority)
- Local petrol tax
- Cost recovery charges (eg GWRC rates collection, CDC & SWDC shared services)

OVERALL MIX OF RATES TYPES

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

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

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

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

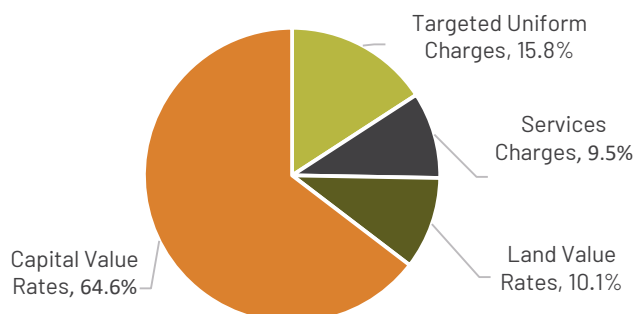
After incorporating the changes noted in the commentary above, and incorporating the proposed rates required for year one (2021/22) of the LTP the rating mix is summarised as follows (subject to roundings):

Rates Type	Urban	Rural
Targeted Uniform Charges*	15.8%	35.7%
Services Charges	9.5%	6.0%
Land Value Rates	10.1%	34.3%
Capital Value Rates	64.6%	24.0%

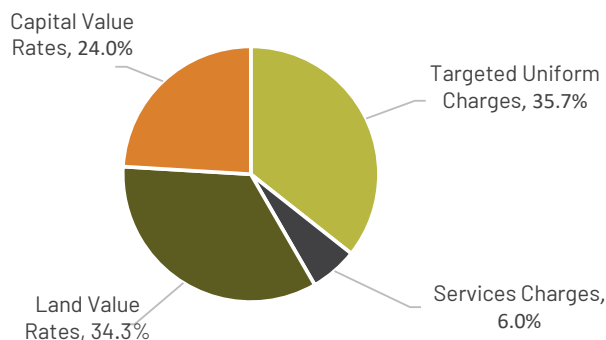
The differential on value-based rates on urban non-residential properties = 2 times

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

URBAN RATES (2021/22 \$30.8m)



RURAL RATES (2021/22 \$9.9m)



TARGETED RATES, UNIFORM & SERVICES CHARGES

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

	Urban	Rural
Targeted Rates (differentiated between urban/rural wards based on cost allocations)		
- Targeted Land Value (roading) rate	✓	✓
- Targeted LV water races rates		✓
- Targeted Capital Value rates	✓	✓
Targeted Uniform Charges (differentiated between urban/rural wards based on cost allocations)		
- Targeted Uniform Charge	✓	✓
- Targeted Roading Charge	✓	✓
Other Targeted Services Charges		
- Urban Water Supply Charge	✓	
- Urban Wastewater System Charge	✓	

- Recycling Collection Charge	✓	✓*
- Wastewater Treatment Charge**		✓
- Castlepoint Sewerage Charge		✓
- Riversdale Beach Sewerage Charge (connected)		✓
- Riversdale Beach Sewerage Charge (serviceable)		✓
- Beach (Refuse & Recycling) Collections Charge		✓
- Tinui Water Supply Charge		✓
- Tinui Sewerage Charge		✓

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

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

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

URBAN DIFFERENTIAL – NON-RESIDENTIAL

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

URBAN/RURAL ALLOCATION BASIS

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

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

The Council has taken into account the following ratios:

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

The allocation ratios have been applied as follows:

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

Services allocated via population include:

- Regulatory services
- Emergency management/civil defence
- Archive, airport, forestry
- Waste minimisation
- Community development
- Economic development
- District building & other property
- Representation
- Cemeteries
- Public conveniences
- Refuse transfer station & recycling
- Parks & recreation
- Library
- Sportsfields
- Arts & culture

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

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

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

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

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

FUNDING OF CAPITAL EXPENDITURE

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

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

REVIEW OF POLICY

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

DRAFT

REVENUE & FINANCING POLICY - SUB-ACTIVITY FUNDING ANALYSIS SUMMARY

Activity	Theoretical Funding Analysis		Operational Funding Analysis		Comment	2021/22	Ward Allocation				Basis of urban/rural
	Public	Private	Public	Private		RATES REQ.	Urban %	Rate Type	Rural %	Rate Type	
Representation	100%	0%	60%/40%	0%	40% internally allocated as overheads	835,412	77.5%	CV	22.5%	CV	Population
Community Development	80%	20%	100%	0%		1,629,733	77.5%	CV	22.5%	CV	Population
Arts & Culture	50%	50%	100%	0%		669,900	77.5%	CV	22.5%	CV	Population
Economic Development	50%	50%	100%	0%		985,346	77.5%	CV	22.5%	CV	Population
Parks, Reserves & Sportsfields	80%	20%	95%	5%	Low level of user charges	3,758,793	77.5%	CV	22.5%	TU Chrg	Population
Recreation Centre	50%	50%	70%	30%	External revenue to facility manager	1,650,527	77.5%	TU Chrg	22.5%	TU Chrg	Population
Cemetries	20%	80%	40%	60%	Burial fees & sale of plots	175,598	77.5%	CV	22.5%	TU Chrg	Population
District Building	40%	60%	60%	40%	Hall hire & internal rents	613,412	77.5%	CV	22.5%	CV	Population
Housing for the Elderly	0%	100%	5%	95%	Rentals set below market	115,908	77.5%	CV	22.5%	CV	Population
Other Property	0%	100%	20%	80%	Rentals	374,113	77.5%	CV	22.5%	CV	Population
Public Conveniences	80%	20%	100%	0%		543,698	77.5%	CV	22.5%	CV	Population
Rural Halls	80%	20%	95%	5%	Hall hire & internal rents	172,514	5%	CV	95%	CV	Location of service
Mawley Park	10%	90%	25%	75%		194,123	77.5%	CV	22.5%	CV	Population
Library	70%	30%	92%	8%	Recoveries	2,154,590	77.5%	TU Chrg	22.5%	TU Chrg	Population
Archives	90%	10%	95%	5%	Recoveries	610,277	77.5%	TU Chrg	22.5%	TU Chrg	Population
Forestry	40%	60%	40%	60%	Internal charge to roading	35,648	77.5%	TU Chrg	22.5%	TU Chrg	Population
Airport	20%	80%	35%	65%		361,650	77.5%	CV	22.5%	CV	Population
Resource Mgmt & Planning	80%	20%	85%	15%	Consent fees income	1,120,411	77.5%	CV	22.5%	CV	Population
Environmental Health	30%	70%	35%	65%	Largely internal recoveries	1,005,016	77.5%	CV	22.5%	CV	Population
Building Inspection	10%	90%	15%	85%	Consent fees income	380,809	77.5%	CV	22.5%	CV	Population
Dog Control	40%	60%	15%	85%	Dog fees	103,723	77.5%	TU Chrg	22.5%	TU Chrg	Population
Parking Control	0%	100%	0%	100%	Meters & fines, offsets Econ Dev	(27,956)					
Emergency Mgmt/CD	100%	0%	100%	0%		290,939	77.5%	CV	22.5%	CV	Population
Urban Water supply	40%	60%	25%	75%	Targeted charge & CV rate	4,091,631	100%	25% TUChrg/75% CV	0%		Location of service
Rural Water supplies	0%	100%	0%	100%	Targeted rates	84,459			100%	Targeted rates & chrgs	Location of service
Other rural water services	100%	0%	100%	0%		69,843			100%	CV	Location of service
Urban Wastewater system	40%	60%	25%	75%	& CV rate	7,480,912	100%	25% TUChrg/75% CV	0%		Location of service
Stormwater	100%	0%	100%	0%	Urban area only	768,260	100%	CV	0%		Location of service
Castlepoint sewerage	0%	100%	0%	100%	Targeted charge	98,097	0%		100%	Targeted chrg	Location of service
Riversdale Beach sewerage	20%	80%	0%	100%	Targeted charge	297,012	0%		100%	Targeted chrg	Location of service
Tinui sewerage (operating)	0%	100%	0%	100%	Targeted charge	14,559	0%		100%	Targeted chrg	Location of service
Refuse collection	0%	100%	0%	100%	Via refuse bag sales	-	100%	CV	0%	CV	Location of service
Refuse disposal	10%	90%	10%	90%	User charges (gate fees)	9,058	77.5%	CV	22.5%	CV	Population
Recycling kerbside collection	0%	100%	0%	100%	units)	723,267	100%	TUChrg	0%		Location of service
Recycling & composting	30%	70%	70%	30%	Composting gate charges	427,756	77.5%	CV	22.5%	CV	Population
Rural refuse	0%	100%	90%	10%	Rural Tsf Stn gate fees	293,423	10%	CV	90%	TUChrg/Targeted beach Chrg	Location of service
Subsidised Roothing	30%	70%	30%	70%	LV rate	6,654,482	31%	30% TU Chrg/70% LV	69%	30% TU Chrg/70% LV	Location of service
Non-subsidised roading urban	20%	80%	20%	80%	Roothing LV rate	1,675,231	100%	LV	0%		Location of service
Non-subsidised roading rural	30%	70%	30%	70%	Roothing TU chrg & LV rate	250,194	0%		100%	30% TU Chrg/70% LV	Location of service
Total						\$ 40,692,365					

= changed allocation from previous policy

*TU Chrg = Targeted Uniform Charge

REVENUE & FINANCING POLICY - Allocation Table

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

Allocations				Notes	Index	C CV	Targeted uniform charge (TUC)		TOTAL		
Urban	Rural	Urban	Rural				Capital value rate	LV		Land value rate	
				URBAN RATES							
				RURAL RATES							
77.5%	22.5%	\$ 647,444	\$ 187,968		Type	Rate Name	Amount	Type	Rate Name	Amount	
77.5%	22.5%	\$ 1,263,043	\$ 366,690	4	CV	Representation & Development	\$ 647,444	CV	Representation & Development	\$ 187,968	\$ 835,412
77.5%	22.5%	\$ 519,173	\$ 150,728		CV	Representation & Development	\$ 1,263,043	CV	Representation & Development	\$ 366,690	\$ 1,629,733
77.5%	22.5%	\$ 741,977	\$ 215,413		CV	Representation & Development	\$ 519,173	CV	Representation & Development	\$ 150,728	\$ 669,900
77.5%	22.5%	\$ 2,913,064	\$ 845,728		CV	Representation & Development	\$ 741,977	CV	Representation & Development	\$ 215,413	\$ 967,390
77.5%	22.5%	\$ 1,279,158	\$ 371,369		CV	Civic Amenities rate	\$ 2,913,064	C	TUC	\$ 845,728	\$ 3,758,793
77.5%	22.5%	\$ 136,089	\$ 39,510		C	TUC	\$ 1,279,158	C	TUC	\$ 371,369	\$ 1,650,527
77.5%	22.5%	\$ 475,394	\$ 138,018		C	Civic Amenities rate	\$ 136,089	C	TUC	\$ 39,510	\$ 175,598
77.5%	22.5%	\$ 289,937	\$ 84,175		CV	Sundry facilities rate	\$ 475,394	CV	Sundry facilities rate	\$ 138,018	\$ 613,412
77.5%	22.5%	\$ 421,366	\$ 122,332		CV	Sundry facilities rate	\$ 289,937	CV	Sundry facilities rate	\$ 84,175	\$ 374,113
5.0%	95.0%	\$ 8,626	\$ 163,888	5	CV	Sundry facilities rate	\$ 421,366	CV	Sundry facilities rate	\$ 122,332	\$ 543,698
77.5%	22.5%	\$ 89,828	\$ 26,079		CV	Sundry facilities rate	\$ 8,626	CV	Sundry facilities rate	\$ 163,888	\$ 172,514
77.5%	22.5%	\$ 150,446	\$ 43,678		CV	Sundry facilities rate	\$ 89,828	CV	Sundry facilities rate	\$ 26,079	\$ 115,908
77.5%	22.5%	\$ 1,669,807	\$ 484,783		CV	Sundry facilities rate	\$ 150,446	CV	Sundry facilities rate	\$ 43,678	\$ 194,123
77.5%	22.5%	\$ 472,965	\$ 137,312		C	TUC	\$ 1,669,807	C	TUC	\$ 484,783	\$ 2,154,590
77.5%	22.5%	\$ 280,279	\$ 81,371		C	TUC	\$ 472,965	C	TUC	\$ 137,312	\$ 610,277
77.5%	22.5%	\$ 868,318	\$ 252,092		CV	Civic Amenities rate	\$ 280,279	CV	Sundry facilities rate	\$ 81,371	\$ 361,650
77.5%	22.5%	\$ 1,074,014	\$ 311,811		CV	Regulatory services rate	\$ 868,318	CV	Regulatory services rate	\$ 252,092	\$ 1,120,411
77.5%	22.5%	\$ 80,385	\$ 23,338		CV	Regulatory services rate	\$ 1,074,014	CV	Regulatory services rate	\$ 311,811	\$ 1,385,825
77.5%	22.5%	\$ 225,478	\$ 65,461		C	TUC	\$ 80,385	C	TUC	\$ 23,338	\$ 103,723
100.0%	0.0%	\$ 4,091,631	\$ -		CV	Regulatory services rate	\$ 225,478	CV	Regulatory services rate	\$ 65,461	\$ 290,939
0.0%	100.0%	\$ -	\$ 70,339		C/CV	Water supply rate and Charge	\$ 4,091,631	C/CV	Water supply rate and Charge	\$ -	\$ 4,091,631
0.0%	100.0%	\$ -	\$ 14,120		LV	Opaki water race	\$ 70,339	LV	Opaki water race	\$ 70,339	\$ 70,339
0.0%	100.0%	\$ -	\$ 69,843		C	Tinui water supply	\$ 14,120	C	Tinui water supply charge	\$ 14,120	\$ 14,120
100.0%	0.0%	\$ 7,480,912	\$ -		CV	Other rural services	\$ 69,843	CV	Sundry facilities rate	\$ 69,843	\$ 69,843
100.0%	0.0%	\$ 768,260	\$ -		C/CV	Sewerage system - urban	\$ 7,480,912	C/CV	Sewerage rate & Charge	\$ 7,480,912	\$ 7,480,912
0.0%	100.0%	\$ -	\$ 98,097		CV	Stormwater - urban	\$ 768,260	CV	Sundry facilities rate	\$ 768,260	\$ 768,260
0.0%	100.0%	\$ -	\$ 297,012		C	Rural Sewerage - Castlepoint	\$ 98,097	C	Castlepoint sewerage charge	\$ 98,097	\$ 98,097
0.0%	100.0%	\$ -	\$ 14,559		C	Rural Sewerage - Riversdale	\$ 297,012	C	Riversdale sewerage charges	\$ 297,012	\$ 297,012
100.0%	0.0%	\$ 723,267	\$ -		C	Tinui sewerage - operating	\$ 14,559	C	Tinui sewerage charges	\$ 14,559	\$ 14,559
77.5%	22.5%	\$ 338,531	\$ 98,283		C	Kerbside recycling collection	\$ 723,267	C	Kerbside recycling charge	\$ -	\$ 723,267
10.0%	90.0%	\$ 29,342	\$ 264,080	7	CV	Solid waste (incl recycling)	\$ 338,531	CV	Sundry facilities rate	\$ 98,283	\$ 436,814
31.0%	69.0%	\$ 2,062,889	\$ 4,591,592	6	CV	Rural Solid Waste	\$ 29,342	C	TUC	\$ 264,080	\$ 293,423
100.0%	0.0%	\$ 1,675,231	\$ -		LV/C	Roading - Subsidised programme	\$ 2,062,889	LV/C	Roading rate and Charge	\$ 4,591,592	\$ 6,654,482
0.0%	100.0%	\$ -	\$ 250,194		LV	Roading - Non Subsidised urban	\$ 1,675,231	LV	Roading rate	\$ -	\$ 1,675,231
					LV/C	Roading - Non Subsidised rural	\$ 250,194	LV/C	Roading rate and Charge	\$ 250,194	\$ 250,194
					2021/22 Total		\$ 30,804,482	2021/22 Total		\$ 9,887,883	\$ 40,692,365
					Actual - 2020/21 Annual Plan		\$ 28,993,017	Actual - 2020/21 Annual Plan		\$ 9,040,755	\$ 38,033,772
					Other increases		\$ 1,811,465	Rural sewerage & water race charges		\$ -	\$ -
					Net Increase (before growth)		\$ 1,811,465	Other increases		\$ 847,128	\$ 2,658,593
					Estimated effect of growth in rating base		\$ 444,405	Net Increase (before growth)		\$ 847,128	\$ 2,658,593
					% Change (after growth)		4.7%	Estimated effect of growth in rating base		\$ 111,443	\$ 555,849
					% Change (after growth)		4.7%	% Change (after growth)		8.1%	5.5%

Notes

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

Financial Prudence Benchmarks

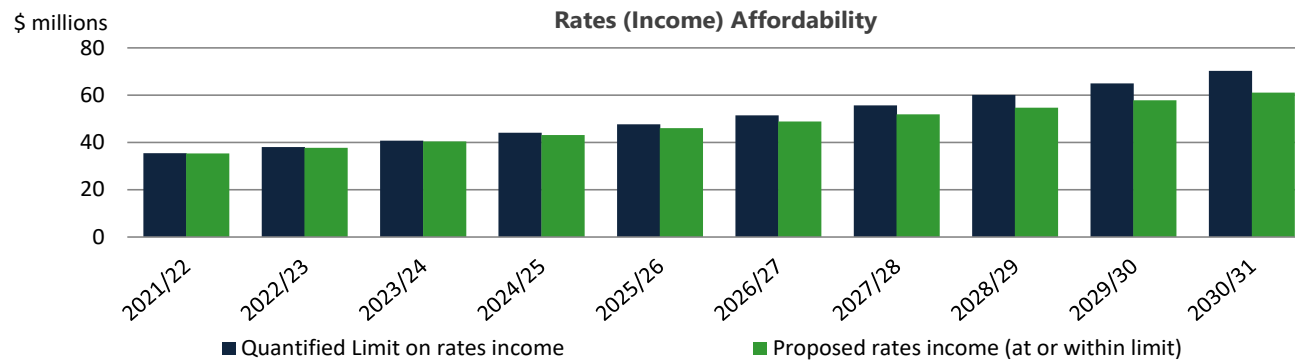
LOCAL GOVERNMENT ACT 2002 - Financial Disclosures

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

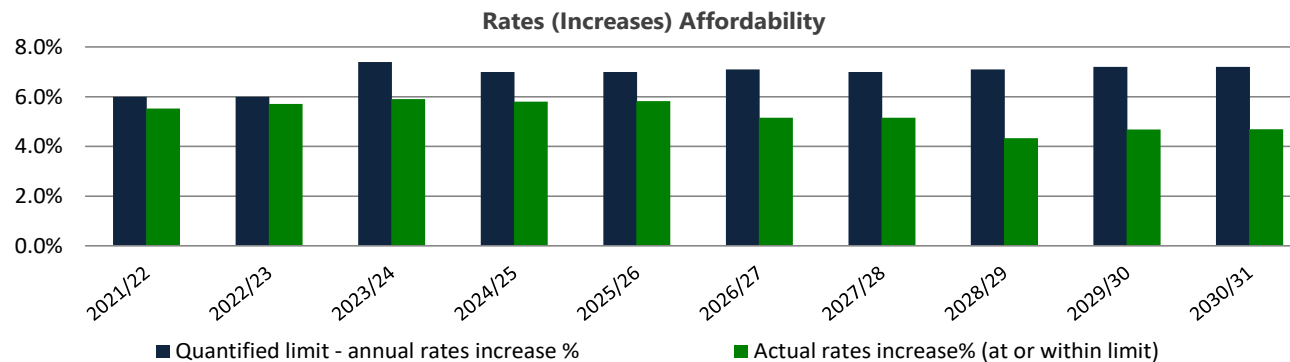
Benchmarks - per LG (Financial Reporting and Prudence) Regulations 2014

Rates affordability benchmarks

The Council has quantified its rates income increase limits as 2020/21 rates plus increases based on LGCI plus 4.5% plus growth. The graph below compares the value of rates income projected to the value derived from the quantified limit. Growth in the rating base is forecast at 1.5% in year one, 1.25% in year two and then 1% per annum.



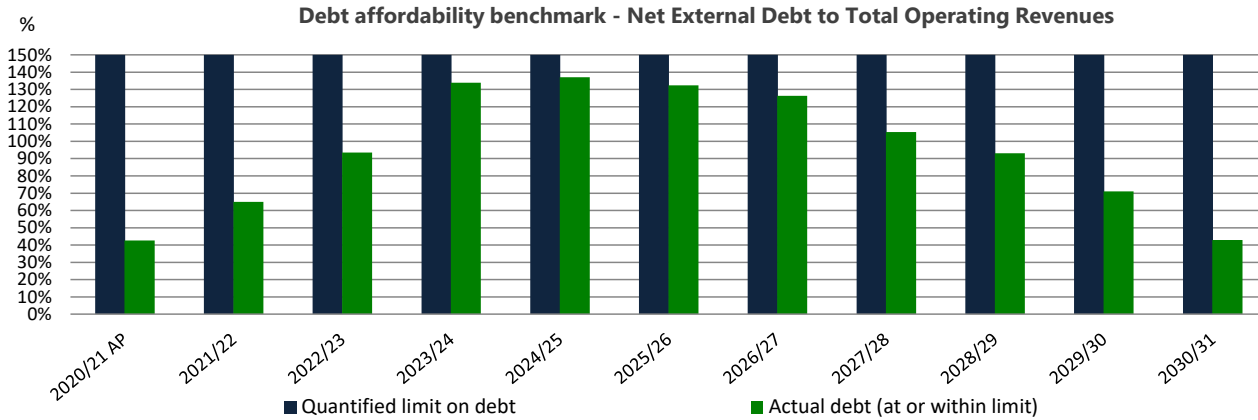
As per above, the Council's quantified rates income increase limits as a percentage each year is based on LGCI plus 4.5%. The planned percentage rates increases (after growth) are compared to the limit in the graph below.



Debt affordability benchmark

The Council meets the debt affordability benchmark if its planned borrowing is within the Council's quantified limits for borrowing, as set in the LTP.

The quantified limit is: Net External Debt (1) not to exceed 150% of Total Operating Revenue (2).



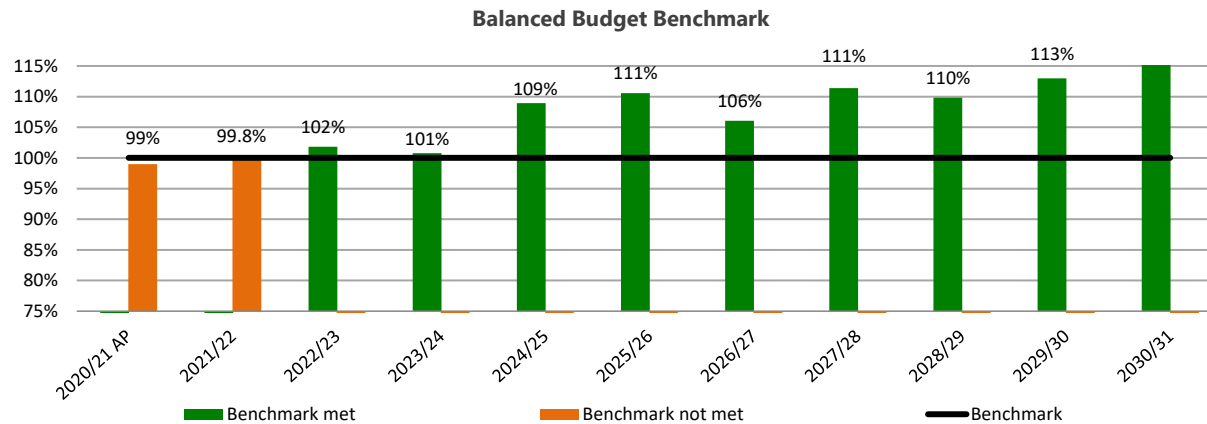
(1) Net External Debt is defined as gross external debt less all financial assets, including cash in bank.

(2) Operating Revenue is defined as all operating revenue as reported in the Prospective Statement of Comprehensive Income.

Balanced budget benchmark

The graph below shows the Council's forecast operating revenue as a proportion of operating expenses. The Council meets this benchmark if its operating revenue equals or is greater than its operating expenses.

As per the regulations, Operating Revenue definition excludes financial contributions and revaluations of assets.

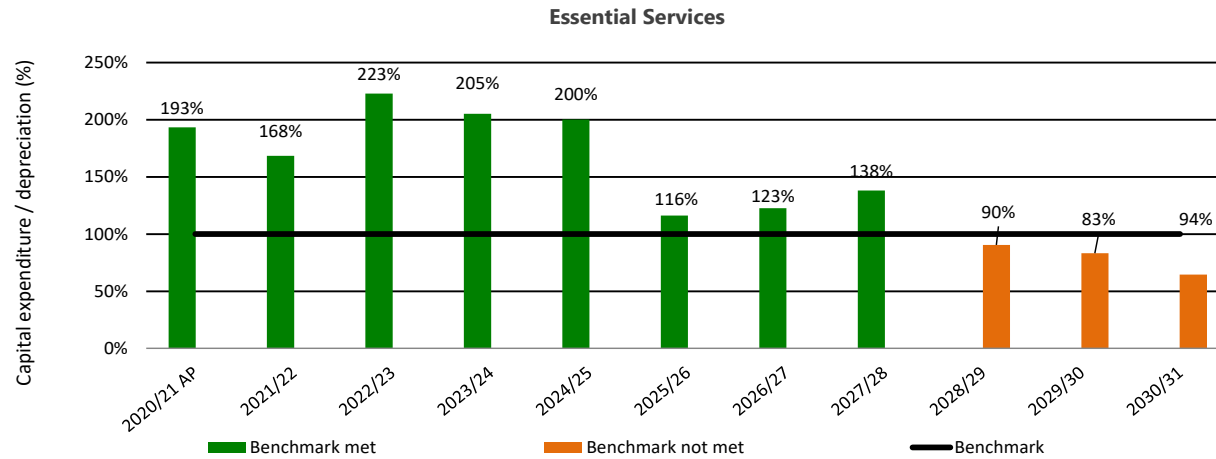


Note: the Council has achieved a balanced budget as per the accounting definition, but by excluding the financial contributions income and one-off capital funding, the operating revenue falls just under operating expenditure in year one of the LTP.

Essential services benchmark

The graph below shows the Council's capital expenditure on network services as a proportion of depreciation on network services. The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on those network services.

Essential services are: roading, water supplies, sewerage systems and stormwater systems.

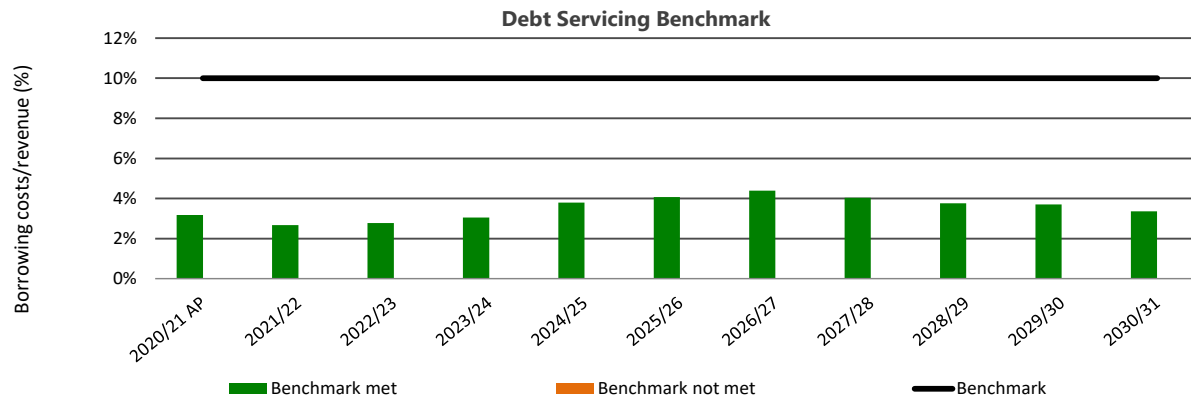


Note: many essential services assets have long lives and are at various stages through those lives. The Council's replacement and renewal expenditure does not automatically follow the accounting measure of decline in service (depreciation). The Council's asset management plans for each service outline the renewal and replacement programmes for each component of the assets employed to deliver the services.

Debt servicing benchmark

The graph below shows the Council's borrowing costs as a proportion of operating revenue, as required by the regulations. To meet the benchmark the Council must stay within 10%.

This measure uses Operating Revenue definition which excludes financial contributions, vested assets, one-off grants for Capital Expenditure, gains on derivative financial instruments and revaluations of property, plant, or equipment.



Funding Impact Statements

FUNDING IMPACT STATEMENT											
As required by the Local Government (Financial Reporting) Regulations 2014											
COUNCIL	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of Operating Funding											
General rates, uniform charges, rates penalties	145	210	210	215	221	226	232	238	244	250	256
Targeted rates	32,222	34,559	36,970	39,558	42,289	45,196	47,992	50,967	53,688	56,752	59,963
Subsidies and grants (for operating)	4,363	4,602	3,246	3,361	3,457	3,551	3,656	3,769	3,875	3,986	4,098
Fees & charges	7,362	7,715	8,045	8,757	8,988	9,259	9,532	9,804	10,065	10,342	10,637
Interest & dividends	578	431	361	384	406	429	452	474	497	520	543
Other receipts (incl petrol tax & fines)	288	306	308	328	337	346	356	366	376	386	397
Total operating funding (A)	44,958	47,823	49,141	52,603	55,698	59,008	62,219	65,618	68,744	72,235	75,893
Applications of Operating Funding											
Payments to staff and suppliers	34,961	36,639	35,585	36,475	36,927	37,448	38,388	39,396	40,586	41,692	42,871
Finance costs	2,149	1,853	1,890	2,118	2,813	3,187	3,391	3,373	3,281	3,392	3,269
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	37,110	38,492	37,475	38,593	39,739	40,635	41,779	42,769	43,867	45,084	46,141
Surplus/(Deficit) of operating funding (A-B)	7,847	9,331	11,666	14,010	15,958	18,372	20,440	22,849	24,877	27,151	29,753
Sources of Capital Funding											
Subsidies & grants for capital expenditure	3,838	12,293	11,027	5,854	10,366	10,279	4,803	6,278	5,216	5,253	5,351
Development & financial contributions	1,258	1,481	1,493	1,506	1,528	1,541	1,554	1,577	1,589	1,602	1,616
Increase/(decrease) in debt	3,234	12,921	15,319	22,423	13,529	7,445	(542)	(2,625)	4,022	(4,324)	(5,008)
Gross proceeds from sale of assets	2,420	20	210	20	20	88	20	20	20	20	191
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	745	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	11,495	26,715	28,050	29,804	25,444	19,354	5,835	5,250	10,847	2,552	2,151
Application of Capital Funding											
Capital expenditure:											
- to meet additional demand	470	640	8,686	1,623	1,239	-	138	851	-	-	-
- to improve level of service	10,605	23,202	18,216	27,130	20,797	18,167	7,002	4,932	11,487	4,803	4,289
- to replace existing assets	13,341	15,218	15,504	13,691	18,960	14,159	12,555	15,736	13,107	15,071	12,016
Increase/(decrease) in reserves	(5,769)	(3,685)	(3,344)	687	(213)	4,825	6,077	6,124	10,697	9,377	15,127
Increase/(decrease) in investments	694	672	654	683	619	576	503	457	433	452	472
Total application of capital funding (D)	19,342	36,046	39,716	43,813	41,402	37,727	26,275	28,099	35,724	29,703	31,903
Surplus / (deficit) of capital funding (C-D)	(7,847)	(9,331)	(11,666)	(14,010)	(15,958)	(18,372)	(20,440)	(22,849)	(24,877)	(27,151)	(29,753)
Funding balance (A-B)-(C-D)	0	0	0	0	0	0	0	0	0	0	0

FUNDING IMPACT STATEMENT	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
Reconciliation - between FIS & Financial Statements	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Operating Funding (revenue) - per FIS	44,958	47,823	49,141	52,603	55,698	59,008	62,219	65,618	68,744	72,235	75,893
Capital Funding (revenue)- per FIS	5,841	13,774	12,521	7,360	11,895	11,821	6,357	7,854	6,805	6,856	6,967
	50,798	61,596	61,661	59,963	67,592	70,828	68,576	73,472	75,549	79,091	82,861
Operating Revenue - per Stmt of Comp. Revenue & Expense	50,829	61,635	61,692	59,984	67,614	70,847	68,596	73,493	75,571	79,113	82,876
Less Other Gains/(losses)- on revaluation	30	38	30	21	21	19	20	21	22	23	15
	50,798	61,596	61,661	59,963	67,592	70,828	68,576	73,472	75,549	79,091	82,861
Operating Expenditure - per FIS	37,110	38,492	37,475	38,593	39,739	40,635	41,779	42,769	43,867	45,084	46,141
Add depreciation	12,902	14,903	16,681	17,716	18,519	20,659	21,386	21,752	23,452	23,515	24,081
	50,012	53,395	54,156	56,309	58,258	61,294	63,166	64,521	67,319	68,599	70,222
Operating Expenditure - per Stmt of Comp. Revenue & Expense	50,012	53,395	54,156	56,309	58,258	61,294	63,166	64,521	67,319	68,599	70,222
Capital Expenditure - per FIS	24,417	39,059	42,406	42,444	40,996	32,326	19,695	21,518	24,595	19,874	16,305
Capital Expenditure - per Cost of Service Statements	24,417	39,059	42,406	42,444	40,996	32,326	19,695	21,518	24,595	19,874	16,305
Transfer to/(from) Reserves - per COSS	(13,408)	(9,651)	(10,690)	(7,111)	(8,554)	(4,734)	(3,810)	(4,228)	(1,099)	(4,060)	(659)
Depreciation transferred to reserves - per COSS	5,219	5,946	7,135	7,778	8,321	9,470	9,867	10,332	11,776	13,417	15,594
Proceeds from sale of assets - Tsf to reserves	2,420	20	210	20	20	88	20	20	20	20	191
	(5,769)	(3,685)	(3,344)	687	(213)	4,825	6,077	6,124	10,697	9,377	15,127
Increase/(Decrease) in Reserves - per FIS	(5,769)	(3,685)	(3,344)	687	(213)	4,825	6,077	6,124	10,697	9,377	15,127

FUNDING IMPACT STATEMENT

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

	Annual Plan 2020/21 (\$000)	Year 1 2021/22 (\$000)	Year 2 2022/23 (\$000)	Year 3 2023/24 (\$000)	Year 4 2024/25 (\$000)	Year 5 2025/26 (\$000)	Year 6 2026/27 (\$000)	Year 7 2027/28 (\$000)	Year 8 2028/29 (\$000)	Year 9 2029/30 (\$000)	Year 10 2030/31 (\$000)
ROADING											
Sources of Operating Funding											
General rates, uniform charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	6,483	7,469	8,041	9,024	9,614	10,345	11,167	12,304	13,359	15,084	17,170
Subsidies and grants (for operating)	4,127	3,031	2,954	3,060	3,149	3,234	3,332	3,437	3,534	3,636	3,739
Fees & charges	69	73	75	77	79	82	84	86	89	91	94
Internal charges & overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Interest & dividends	-	-	-	-	-	-	-	-	-	-	-
Other receipts (incl petrol tax & fines)	180	190	194	200	206	212	218	224	231	238	244
Total operating funding (A)	10,860	10,763	11,263	12,362	13,048	13,873	14,800	16,052	17,213	19,049	21,247
Applications of Operating Funding											
Payments to staff and suppliers	7,323	5,965	5,950	6,261	6,452	6,638	6,830	7,028	7,233	7,443	7,660
Finance costs	17	27	100	169	316	421	580	678	713	745	723
Internal charges and overheads applied	1,282	1,479	1,437	1,497	1,517	1,551	1,757	2,031	2,077	2,170	2,196
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	8,622	7,471	7,486	7,927	8,285	8,610	9,166	9,737	10,022	10,358	10,579
Surplus/(Deficit) of operating funding (A-B)	2,238	3,292	3,777	4,434	4,763	5,263	5,634	6,315	7,191	8,691	10,668
Sources of Capital Funding											
Subsidies & grants for capital expenditure	3,838	5,463	6,014	4,172	7,797	8,797	4,803	6,278	5,216	5,253	5,351
Development & financial contributions	250	375	378	381	389	392	395	403	406	409	413
Increase /(decrease) in debt	1,409	2,573	2,918	5,042	3,740	5,707	3,470	1,289	1,145	(789)	(819)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	5,497	8,411	9,310	9,595	11,926	14,896	8,668	7,970	6,766	4,873	4,946
Application of Capital Funding											
Capital expenditure:											
- to meet additional demand	450	140	143	1,197	1,239	-	138	827	-	-	-
- to improve level of service	3,389	4,115	4,699	5,958	7,615	12,025	6,003	4,046	3,987	2,226	2,078
- to replace existing assets	5,521	7,940	9,022	6,367	8,544	6,827	6,903	9,488	7,628	7,646	8,009
Increase/(decrease) in reserves	(1,626)	(492)	(778)	508	(709)	1,307	1,257	(76)	2,342	3,692	5,527
Increase/(decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding (D)	7,735	11,703	13,087	14,030	16,689	20,159	14,302	14,285	13,957	13,564	15,614
Surplus / (deficit) of capital funding (C-D)	(2,238)	(3,292)	(3,777)	(4,434)	(4,763)	(5,263)	(5,634)	(6,315)	(7,191)	(8,691)	(10,668)
Funding balance (A-B)-(C-D)	0	0	0	0	0	0	0	0	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
WATER SERVICES											
Sources of Operating Funding											
General rates, uniform charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	3,491	3,686	4,151	4,248	5,031	5,379	5,796	6,043	6,343	6,545	6,734
Subsidies and grants (for operating)	-	440	-	-	-	-	-	-	-	-	-
Fees & charges	512	517	532	560	572	585	594	608	626	647	668
Internal charges & overheads recovered	101	103	105	108	110	113	116	119	122	125	128
Interest & dividends	10	5	5	5	5	5	6	6	6	6	6
Other receipts (incl petrol tax & fines)	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	4,113	4,750	4,792	4,921	5,718	6,082	6,512	6,776	7,097	7,323	7,537
Applications of Operating Funding											
Payments to staff and suppliers	1,581	2,237	1,844	1,898	1,932	1,976	1,977	2,021	2,075	2,136	2,199
Finance costs	168	161	160	150	419	470	516	503	488	497	469
Internal charges and overheads applied	882	911	881	924	941	966	1,095	1,261	1,289	1,347	1,365
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	2,631	3,309	2,884	2,972	3,291	3,412	3,588	3,785	3,852	3,980	4,032
Surplus/(Deficit) of operating funding (A-B)	1,482	1,442	1,908	1,949	2,427	2,670	2,924	2,991	3,244	3,343	3,505
Sources of Capital Funding											
Subsidies & grants for capital expenditure	-	2,355	-	-	-	-	-	-	-	-	-
Development & financial contributions	10	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	1,974	980	195	9,490	1,826	1,644	(512)	(506)	320	(1,035)	(1,080)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	1,984	3,335	195	9,490	1,826	1,644	(512)	(506)	320	(1,035)	(1,080)
Application of Capital Funding											
Capital expenditure:											
- to meet additional demand	20	-	613	-	-	-	-	25	-	-	-
- to improve level of service	2,120	3,445	82	7,774	276	299	296	98	102	106	110
- to replace existing assets	2,010	1,685	1,886	3,600	3,811	3,921	1,985	2,227	2,731	2,181	1,571
Increase/(decrease) in reserves	(684)	(353)	(477)	65	166	94	130	135	732	20	745
Increase/(decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding (D)	3,467	4,777	2,104	11,439	4,253	4,314	2,412	2,484	3,565	2,308	2,425
Surplus / (deficit) of capital funding (C-D)	(1,482)	(1,442)	(1,908)	(1,949)	(2,427)	(2,670)	(2,924)	(2,991)	(3,244)	(3,343)	(3,505)
Funding balance (A-B)-(C-D)	0	0	0	0	0	0	0	0	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan 2020/21 (\$000)	Year 1 2021/22 (\$000)	Year 2 2022/23 (\$000)	Year 3 2023/24 (\$000)	Year 4 2024/25 (\$000)	Year 5 2025/26 (\$000)	Year 6 2026/27 (\$000)	Year 7 2027/28 (\$000)	Year 8 2028/29 (\$000)	Year 9 2029/30 (\$000)	Year 10 2030/31 (\$000)
WASTEWATER SERVICES											
Sources of Operating Funding											
General rates, uniform charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	6,868	6,880	7,101	7,280	7,337	7,967	8,207	8,475	9,110	9,998	10,271
Subsidies and grants (for operating)	-	500	-	-	-	-	-	-	-	-	-
Fees & charges	475	486	556	573	589	602	616	629	646	666	686
Internal charges & overheads recovered	16	38	34	29	30	31	32	32	33	34	35
Interest & dividends	-	-	-	-	-	-	-	-	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	7,360	7,904	7,691	7,883	7,956	8,599	8,854	9,137	9,789	10,698	10,992
Applications of Operating Funding											
Payments to staff and suppliers	1,315	1,877	1,401	1,432	1,460	1,502	1,526	1,559	1,612	1,647	1,694
Finance costs	1,659	1,392	1,071	905	878	889	871	787	705	789	728
Internal charges and overheads applied	1,327	1,211	1,182	1,225	1,238	1,264	1,399	1,580	1,616	1,684	1,706
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	1
Total applications of operating funding (B)	4,301	4,480	3,654	3,562	3,576	3,654	3,796	3,926	3,933	4,120	4,129
Surplus/(Deficit) of operating funding (A-B)	3,059	3,425	4,037	4,321	4,381	4,945	5,058	5,211	5,856	6,578	6,863
Sources of Capital Funding											
Subsidies & grants for capital expenditure	-	450	-	-	-	-	-	-	-	-	-
Development & financial contributions	123	123	123	123	123	123	123	123	123	123	123
Increase/(decrease) in debt	(1,987)	(2,311)	(2,663)	(2,343)	168	(818)	(3,226)	(2,955)	2,920	(2,246)	(1,698)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(1,864)	(1,738)	(2,540)	(2,220)	291	(695)	(3,103)	(2,832)	3,043	(2,123)	(1,575)
Application of Capital Funding											
Capital expenditure:											
- to meet additional demand	-	-	818	-	-	-	-	-	-	-	-
- to improve level of service	370	-	-	639	2,868	2,286	-	-	6,365	661	2,058
- to replace existing assets	1,685	1,742	1,523	1,267	1,985	1,509	1,410	2,196	1,273	2,776	1,427
Increase/(decrease) in reserves	(860)	(55)	(844)	195	(181)	456	545	183	1,261	1,018	1,804
Increase/(decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding (D)	1,195	1,687	1,497	2,101	4,672	4,250	1,955	2,379	8,899	4,456	5,289
Surplus / (deficit) of capital funding (C-D)	(3,059)	(3,425)	(4,037)	(4,321)	(4,381)	(4,945)	(5,058)	(5,211)	(5,856)	(6,578)	(6,863)
Funding balance (A-B)-(C-D)	0	0	0	0	0	0	0	0	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan 2020/21 (\$000)	Year 1 2021/22 (\$000)	Year 2 2022/23 (\$000)	Year 3 2023/24 (\$000)	Year 4 2024/25 (\$000)	Year 5 2025/26 (\$000)	Year 6 2026/27 (\$000)	Year 7 2027/28 (\$000)	Year 8 2028/29 (\$000)	Year 9 2029/30 (\$000)	Year 10 2030/31 (\$000)
STORMWATER SERVICES											
Sources of Operating Funding											
General rates, uniform charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	561	669	799	859	907	955	990	1,080	1,198	1,261	1,319
Subsidies and grants (for operating)	-	200	-	-	-	-	-	-	-	-	-
Fees & charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges & overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Interest & dividends	-	-	-	-	-	-	-	-	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	561	869	799	859	907	955	990	1,080	1,198	1,261	1,319
Applications of Operating Funding											
Payments to staff and suppliers	172	298	296	202	206	211	171	175	181	186	192
Finance costs	21	17	15	16	24	24	30	41	54	65	75
Internal charges and overheads applied	211	219	217	225	230	235	255	285	291	303	308
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	405	535	528	443	460	470	456	501	526	554	576
Surplus/(Deficit) of operating funding (A-B)	156	334	271	415	447	486	534	579	672	708	743
Sources of Capital Funding											
Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	(35)	27	110	251	7	217	394	470	388	386	(166)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(35)	27	110	251	7	217	394	470	388	386	(166)
Application of Capital Funding											
Capital expenditure:											
- to meet additional demand	-	-	-	426	-	-	-	-	-	-	-
- to improve level of service	72	163	153	302	235	285	474	568	509	529	-
- to replace existing assets	330	480	307	479	342	343	800	399	382	397	412
Increase/(decrease) in reserves	(281)	(283)	(78)	(541)	(123)	75	(346)	82	169	168	166
Increase/(decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding (D)	121	360	382	666	454	703	928	1,049	1,060	1,094	577
Surplus / (deficit) of capital funding (C-D)	(156)	(334)	(271)	(415)	(447)	(486)	(534)	(579)	(672)	(708)	(743)
Funding balance (A-B)-(C-D)	0	0	0	0	0	0	0	0	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
SOLID WASTE SERVICES	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of Operating Funding											
General rates, uniform charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	1,172	1,265	1,432	1,486	1,561	1,525	1,600	1,675	1,697	1,717	1,668
Subsidies and grants (for operating)	100	90	91	94	96	99	101	104	106	109	112
Fees & charges	2,680	2,613	2,716	2,860	2,931	3,005	3,079	3,156	3,238	3,326	3,416
Internal charges & overheads recovered	83	71	74	81	83	85	87	89	91	94	96
Interest & dividends	-	-	-	-	-	-	-	-	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	4,035	4,040	4,314	4,520	4,672	4,714	4,867	5,023	5,133	5,246	5,293
Applications of Operating Funding											
Payments to staff and suppliers	3,387	3,352	3,461	3,684	3,776	3,871	3,967	4,065	4,171	4,284	4,401
Finance costs	76	61	45	36	33	28	23	18	12	20	15
Internal charges and overheads applied	533	473	455	483	487	501	577	664	680	713	720
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	3,996	3,886	3,961	4,203	4,296	4,400	4,566	4,747	4,863	5,017	5,136
Surplus/(Deficit) of operating funding (A-B)	39	154	352	317	376	315	301	276	270	229	158
Sources of Capital Funding											
Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	(187)	(182)	(202)	(215)	(222)	(231)	(228)	(206)	294	(205)	(127)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(187)	(182)	(202)	(215)	(222)	(231)	(228)	(206)	294	(205)	(127)
Application of Capital Funding											
Capital expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve level of service	40	20	20	21	21	22	23	23	501	25	25
- to replace existing assets	50	200	-	21	-	22	-	23	60	25	-
Increase/(decrease) in reserves	(238)	(248)	130	61	132	39	50	24	4	(26)	6
Increase/(decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding (D)	(148)	(28)	150	102	154	83	73	71	564	23	31
Surplus / (deficit) of capital funding (C-D)	(39)	(154)	(352)	(317)	(376)	(315)	(301)	(276)	(270)	(229)	(158)
Funding balance (A-B)-(C-D)	0	0	0	0	0	0	0	0	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
COMMUNITY FACILITIES / ACTIVITIES	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of Operating Funding											
General rates, uniform charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	8,591	9,368	10,050	11,088	11,984	13,063	13,762	14,458	14,818	14,861	15,294
Subsidies and grants (for operating)	51	189	50	51	53	54	55	57	58	60	61
Fees & charges	1,565	1,628	1,668	2,086	2,140	2,242	2,328	2,385	2,451	2,510	2,595
Internal charges & overheads recovered	593	675	685	705	723	741	759	778	798	820	842
Interest & dividends	-	-	-	-	-	-	-	-	-	-	-
Other receipts (incl petrol tax & fines)	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	10,799	11,861	12,454	13,930	14,899	16,099	16,905	17,678	18,126	18,250	18,792
Applications of Operating Funding											
Payments to staff and suppliers	6,512	7,087	6,944	7,179	7,389	7,605	7,806	8,227	8,488	8,769	9,098
Finance costs	207	189	436	787	1,089	1,303	1,321	1,298	1,264	1,233	1,218
Internal charges and overheads applied	2,609	2,540	2,441	2,546	2,577	2,642	2,989	3,410	3,481	3,629	3,662
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	9,328	9,816	9,821	10,512	11,055	11,550	12,115	12,935	13,233	13,630	13,978
Surplus/(Deficit) of operating funding (A-B)	1,471	2,044	2,633	3,418	3,844	4,550	4,790	4,744	4,893	4,620	4,814
Sources of Capital Funding											
Subsidies & grants for capital expenditure	-	3,905	5,013	1,682	2,569	1,483	-	-	-	-	-
Development & financial contributions	-	-	0	0	0	0	0	0	0	0	0
Increase/(decrease) in debt	967	9,226	14,373	9,591	7,468	431	(860)	(1,088)	(1,388)	(793)	(1,493)
Gross proceeds from sale of assets	2,420	-	190	-	-	68	-	-	-	-	171
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	745	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	4,132	13,131	19,577	11,274	10,038	1,983	(860)	(1,088)	(1,388)	(793)	(1,321)
Application of Capital Funding											
Capital expenditure:											
- to meet additional demand	-	500	7,112	-	-	-	-	-	-	-	-
- to improve level of service	4,126	13,382	13,262	12,436	9,767	3,250	206	180	23	1,257	-
- to replace existing assets	3,387	2,844	2,072	1,649	4,038	1,242	1,108	1,137	732	1,741	315
Increase/(decrease) in reserves	(1,910)	(1,550)	(236)	606	77	2,040	2,617	2,339	2,749	829	3,178
Increase/(decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding (D)	5,603	15,175	22,209	14,691	13,882	6,532	3,930	3,656	3,505	3,828	3,493
Surplus / (deficit) of capital funding (C-D)	(1,471)	(2,044)	(2,633)	(3,418)	(3,844)	(4,550)	(4,790)	(4,744)	(4,893)	(4,620)	(4,814)
Funding balance (A-B)-(C-D)	0	0	0	0	0	0	0	0	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan 2020/21 (\$000)	Year 1 2021/22 (\$000)	Year 2 2022/23 (\$000)	Year 3 2023/24 (\$000)	Year 4 2024/25 (\$000)	Year 5 2025/26 (\$000)	Year 6 2026/27 (\$000)	Year 7 2027/28 (\$000)	Year 8 2028/29 (\$000)	Year 9 2029/30 (\$000)	Year 10 2030/31 (\$000)
REGULATORY SERVICES											
Sources of Operating Funding											
General rates, uniform charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	2,382	2,501	2,571	2,549	2,634	2,601	2,885	3,131	3,266	3,301	3,436
Subsidies and grants (for operating)	-	-	-	-	-	-	-	-	-	-	-
Fees & charges	1,818	2,166	2,263	2,358	2,428	2,489	2,570	2,672	2,740	2,819	2,888
Internal charges & overheads recovered	261	294	299	307	315	323	331	339	348	357	367
Interest & dividends	2	1	1	1	1	1	1	1	1	1	1
Other receipts (incl petrol tax & fines)	108	116	114	128	131	134	138	141	145	149	153
Total operating funding (A)	4,570	5,077	5,248	5,344	5,509	5,548	5,924	6,284	6,499	6,627	6,845
Applications of Operating Funding											
Payments to staff and suppliers	3,587	4,037	4,117	3,997	3,856	3,498	3,649	3,656	3,822	3,843	4,019
Finance costs	-	7	51	44	44	42	40	39	37	35	32
Internal charges and overheads applied	1,393	1,620	1,558	1,626	1,667	1,709	1,935	2,282	2,329	2,430	2,467
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	4,980	5,663	5,726	5,667	5,568	5,249	5,625	5,977	6,188	6,307	6,519
Surplus/(Deficit) of operating funding (A-B)	(410)	(586)	(478)	(323)	(59)	299	299	307	311	320	326
Sources of Capital Funding											
Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development & financial contributions	875	983	993	1,002	1,017	1,026	1,036	1,051	1,060	1,070	1,080
Increase/(decrease) in debt	400	1,520	(52)	(60)	(61)	(64)	(66)	(69)	(72)	(76)	(79)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	1,275	2,503	940	942	956	963	969	981	988	995	1,001
Application of Capital Funding											
Capital expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve level of service	458	1,528	-	-	4	-	-	5	-	-	5
- to replace existing assets	52	32	441	25	15	15	38	16	16	17	17
Increase/(decrease) in reserves	355	357	22	595	878	1,247	1,230	1,268	1,283	1,298	1,305
Increase/(decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding (D)	865	1,917	462	620	897	1,262	1,268	1,289	1,299	1,315	1,327
Surplus / (deficit) of capital funding (C-D)	410	586	478	323	59	(299)	(299)	(307)	(311)	(320)	(326)
Funding balance (A-B)-(C-D)	0	0	0	0	0	0	0	0	0	0	0

FUNDING IMPACT STATEMENT

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

	Annual Plan 2020/21 (\$000)	Year 1 2021/22 (\$000)	Year 2 2022/23 (\$000)	Year 3 2023/24 (\$000)	Year 4 2024/25 (\$000)	Year 5 2025/26 (\$000)	Year 6 2026/27 (\$000)	Year 7 2027/28 (\$000)	Year 8 2028/29 (\$000)	Year 9 2029/30 (\$000)	Year 10 2030/31 (\$000)
LEADERSHIP, STRATEGY & CORPORATE SERVICES											
Sources of Operating Funding											
General rates, uniform charges, rates penalties											
Targeted rates	3,489	3,587	3,716	3,948	4,180	4,355	4,616	4,868	5,004	5,132	5,259
Subsidies and grants (for operating)	84	152	151	156	159	163	167	172	176	181	186
Fees & charges	244	232	235	242	248	255	261	267	275	282	290
Internal charges & overheads recovered	9,326	9,454	9,039	9,474	9,620	9,861	11,290	13,200	13,470	14,066	14,224
Interest & dividends	566	425	355	378	400	423	445	468	490	513	535
Other receipts (incl petrol tax & fines)	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	13,709	13,850	13,497	14,198	14,607	15,057	16,780	18,974	19,415	20,174	20,495
Applications of Operating Funding											
Payments to staff and suppliers	11,042	11,986	11,798	12,062	12,103	12,416	12,737	12,938	13,291	13,682	13,926
Finance costs	-	-	12	11	11	10	10	10	9	9	8
Internal charges and overheads applied	2,856	2,639	2,521	2,647	2,713	2,785	3,132	3,600	3,674	3,821	3,886
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	13,897	14,624	14,332	14,720	14,827	15,212	15,879	16,548	16,975	17,512	17,820
Surplus/(Deficit) of operating funding (A-B)	(188)	(774)	(835)	(522)	(220)	(155)	901	2,427	2,440	2,662	2,675
Sources of Capital Funding											
Subsidies & grants for capital expenditure	-	120	-	-	-	-	-	-	-	-	-
Development & financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	(2)	417	(14)	(16)	(17)	(18)	(16)	(17)	(18)	(18)	(19)
Gross proceeds from sale of assets	-	20	20	20	20	20	20	20	20	20	20
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(2)	557	6	4	3	2	4	3	2	2	1
Application of Capital Funding											
Capital expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve level of service	30	549	-	-	11	-	-	12	-	-	13
- to replace existing assets	306	295	254	282	225	281	311	249	286	288	265
Increase/(decrease) in reserves	(525)	(1,061)	(1,083)	(800)	(453)	(433)	593	2,169	2,156	2,375	2,398
Increase/(decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding (D)	(190)	(217)	(829)	(518)	(217)	(152)	904	2,430	2,442	2,663	2,675
Surplus / (deficit) of capital funding (C-D)	188	774	835	522	220	155	(901)	(2,427)	(2,440)	(2,662)	(2,675)
Funding balance (A-B)-(C-D)	0	0	0	0	0	0	0	0	0	0	0

Setting the Rates

Rating Funding Impact Statement

1 Introduction

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

1.2 Various sections of the Local Government (Rating) Act 2002 refer to the Funding Impact Statement. Those sections require:

- The basis of setting the general rate, i.e. land or capital value (Section 13).
- Any category or categories that will be used for differentiating the general rate (Section 14).
- The function or functions for which a targeted rate will be set (Section 16).
- Any category or categories of land that will be used to set a targeted rate on a differential basis or determine whether a property will be liable for a targeted rate (Section 17).
- Any factor that will be used to calculate liability for a targeted rate (Section 18).
- An indication that Council wishes to set a charge for water supply by volume of water consumed if Council is intending to do so (Section 19).

1.3 Important

Throughout this statement a level of rate or charge is specified. These are indicative figures included to give ratepayers an estimate of what their level of rates is likely to be and are based on the rating requirements of the Annual Plan. These figures are as close an estimate as possible to the actual rates that will be assessed in the coming year. The actual figures will be determined on adoption of the Long-term Plan and Rates Resolution prior to 30 June 2021.

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 2020/21 totals \$40.7 million (incl GST) and will be provided by the various rating mechanisms outlined within the Revenue & Financing Policy (to be adopted as part of the 2021-31 Long-Term Plan).

- 1.6 The Policy, last adopted in June 2018, has been assumed to apply for the first year of the LTP, with a review of the policy scheduled in the second half of 2021. The table on the following page illustrates the application of the policy to the funding requirements in year 1 of the Draft Long-Term Plan.
- 1.7 In addition to operating expenditure, the Council has a capital works programme of \$39.1 million (excluding GST) scheduled for 2021/22.
- 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)		2021-22 LTP Year 1			Prior Year 2020-21 Annual Plan		
(NZ\$ 000's)		Amount to be Collected by Ward			Amount to be Collected by Ward		
		Urban	Rural	Total	Urban	Rural	Total
Targeted Differential Rates across the District							
Roading Rate	LV rate	2,711	2,947	5,658	2,257	2,694	4,950
Representation & Development Rate	CV rate	2,758	801	3,559	2,728	770	3,498
Regulatory Services Rate	CV rate	1,885	547	2,432	1,788	504	2,292
Sundry Facilities & Services Rate	CV rate	2,239	720	2,959	1,998	627	2,625
Targeted Uniform Charge	Chrg	3,071	1,804	4,874 *	2,757	1,628	4,385 *
Targeted Rooding Charge	Chrg	540	1,263	1,803 *	384	1,156	1,540 *
		13,203	8,081	21,284	11,912	7,378	19,290
Targeted Rates							
Recycling Collection Charge	Chrg	626	-	626 *	605	-	605 *
Civic Amenities Rate	CV rate	2,895	-	2,895	2,765	-	2,765
Urban Water Supply Rate	CV rate	2,671	-	2,671	2,543	-	2,543
Urban Water Supply Charge	Chrg	887	-	887	847	-	847
Urban Sewerage Rate	CV rate	4,856	-	4,856	4,879	-	4,879
Urban Sewerage Charge	Chrg	1,621	-	1,621	1,634	-	1,634
Beach Collections Charge	Chrg	-	88	88	-	87	87
Rural water & sewerage rates**	Chrg	24	376	400	24	336	360
		13,581	464	14,045	13,297	423	13,720
Total Rates**		26,784	8,546	35,330	25,209	7,801	33,010
Percentage Change (after growth)		4.7%	8.1%	5.5%	1.7%	3.3%	2.0%
* Charges (per sec 21(2)(b)) as % of Total Rates not to exceed 30%				20.7%	19.8%		
** Note: figures above exclude Riversdale & Tinui capital contributions							
Riversdale Beach sewerage capital contributions			49	49	59	59	
Tinui sewerage capital contributions			5	5	5	5	

RATING FUNDING IMPACT STATEMENT SUMMARY - 2021-22

DISTRICT VALUES

(ESTIMATED for 30-6-21)	U1	U2	Total Urban	Total Rural	Total District
Differential	1	2.0		-	
District Land Value	1,766,323,400	273,500,000	2,039,823,400	2,617,000,000	4,656,823,400
District Capital Value	4,095,200,000	590,500,000	4,685,700,000	3,944,132,000	8,629,832,000
Targeted Uniform Charges (no.)	8,981	720	9,701	3,884	13,585
Water Charges (no.)	8,958	666	9,624	-	9,624
Sewerage Charges (no.)	8,794	670	9,464		9,464
Recycling Charges (no.)	8,812	666	9,478		9,478

Note: the valuation figures and numbers of charges listed above are an estimate of the values and numbers as at 30 June 2021.

All Rates INCLUDING GST at 15%

	Rating Requirement			UNIFORM CHARGES AND RATES IN \$		
	Urban	Rural	Total	Residential	Non-residential	Rural
TARGETED CHARGES	\$ 30,804,482	\$ 9,887,883	\$ 40,692,365			
Uniform Charge	3,529,942	2,072,994	5,602,936	\$ 364.00	\$ 364.00	\$ 534.00
Roading Charge	620,864	1,452,616	2,073,480	\$ 64.00	\$ 64.00	\$ 374.00
Recycling Collection Charge	720,328	-	720,328	\$ 76.00	\$ 76.00	\$ 0.00
sub total	4,871,134	3,525,610	8,396,744			
	15.81%	35.7%	20.6%			
Water Charge	1,020,144	-	1,020,144	\$ 106.00	\$ 106.00	\$ 0.00
Sewerage Charge	1,864,408	-	1,864,408	\$ 197.00	\$ 197.00	\$ 0.00
sub total	2,884,552	-	2,884,552	\$ 807.00	\$ 807.00	\$ 908.00
TARGETED LAND VALUE RATES	9.5%		28.2%			
Roading Rate	3,117,256	3,389,171	6,506,427	0.001348	0.002695	0.001295
	10.12%	34.3%	16.2%	0.001348	0.002695	0.001295
TARGETED CAPITAL VALUE RATES						
Representation & Devlpmt Rate	3,171,637	920,798	4,092,435	0.000801	0.001202	0.000233
Regulatory Services Rate	2,167,810	629,364	2,797,175	0.000411	0.000822	0.000160
Sundry Facilities Rate	2,574,670	827,668	3,402,338	0.000488	0.000976	0.000210
Civic Amenities Rate	3,329,432	-	3,329,432	0.000631	0.001262	-
Water Rate	3,071,487	-	3,071,487	0.000564	0.001128	-
Sewerage Rate	5,584,545	-	5,584,545	0.001021	0.002042	-
sub total	19,899,581	2,377,830	22,277,411	0.003716	0.007432	0.000603
	64.6%	24.0%	55.6%			
OTHER TARGETED RATES	30,772,523	9,292,611	40,065,134			
Beach refuse & recycling collection	Targeted Chrg	101,146		\$ 206.00		Beach collections
Opaki water race	Targeted LV rate	70,339		0.001536		per SLV of serviced properties
Tinui water supply	Targeted Chrg	14,120		\$ 455.00		per connection
Castlepoint sewerage	Targeted Chrg	98,097		\$ 490.00		per connection
*RBCSS - connected charge	Targeted Chrg	231,500		\$ 604.00		per property using the system
RBCSS - service available	Targeted Chrg	9,636		\$ 132.00		per servicable, but not connected property
RBCSS - Capital TP Yr 12 of 20	Targeted Chrg	55,876	time payments	\$ 1,643.40	34.0	paying off capital
Tinui sewerage - TP stage I	Targeted Chrg	213	time payments	\$ 212.50	1	paying off stage I
Tinui sewerage - TP stage I & II	Targeted Chrg	5,212	time payments	\$ 744.50	7	paying off stage I & II
Tinui sewerage - operating	Targeted Chrg	9,135	operating	\$ 457.00		per connection
Sewerage tmt charge (liquid only)	31,959			\$ 477.00		per equivalent connection
Total Rates	\$ 30,804,482	\$ 9,887,883	\$ 40,692,365			

TP = time payment

*RBCSS = Riversdale Beach Community Sewerage Scheme

Rating Funding Impact Statement – Setting the Rates

2. DIFFERENTIAL RATES ACROSS THE DISTRICT

- 2.1 The Council proposes to continue its practice of not having one 'General Rate' but instead having a number of targeted rates charged across the district, set on a differential basis (see urban/rural cost allocations by service) and levied on either land value or capital value, as described in the Revenue & Financing Policy.
- 2.2 The separate targeted rates will be set on a differential basis using rating areas (urban and rural) and land use to determine the categories.
- 2.3 Rating areas are defined as:
- Urban rating area** – all rating units within the urban area of Masterton as defined by the District Plan.
Rural rating area – all rating units in the rural area of Masterton District, including beach settlements.
- 2.4 The differential categories are explained as follows:
- Category 1 **U1** (Differential 1.0 applied to urban value-based rates)
Urban Residential – all rating units in the urban rating area used primarily for residential purposes, or for public halls, for sporting purposes or are vacant land
 - Category 2 **U2** (Differential 2.0 applied to urban value-based rates)
Non-residential urban – all rating units in the urban rating area used for purposes other than residential use (as defined in above)
 - Category 3 **R1** (Differential 1.0 applied to rural value-based rates)
Rural – all rating units in the rural rating area.
- 2.5 Properties which have more than one use (or where there is doubt on the relevant primary use) will be split with a rating unit division so that each division allows the rates to be levied according to the relevant use of the property. Note that subject to the rights of objection to the rating information database set out in Section 28 of the Local Government (Rating) Act 2002, the Council is the sole determiner of the categories.
- 2.6 The four targeted rates charged on all rateable properties, with costs allocated between urban and rural wards as per the Revenue & Financing Policy allocation table and charged on a differential basis will be as follows:
- Roading Rate** – estimated per dollar of Land Value for 2021/22 will be:

U1	0.001348 per dollar of land value raising	\$2,380,000
U2	0.002696 per dollar of land value raising	\$738,000
R1	0.001295 per dollar of land value raising	\$3,389,000
	Total	<u>\$6,507,000</u>

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

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

Representation & Development Rate – estimated per dollar of Capital Value for 2021/22 will be:

U1	0.000601 per dollar of capital value raising	\$2,461,000
U2	0.001202 per dollar of capital value raising	\$710,000
R1	0.000233 per dollar of capital value raising	\$921,000
	Total	<u>\$4,092,000</u>

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

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

Regulatory Services Rate – estimated per dollar of Capital Value for 2021/22 will be:

U1	0.000411 per dollar of capital value raising	\$1,683,000
U2	0.000822 per dollar of capital value raising	\$485,000
R1	0.000160 per dollar of capital value raising	\$629,000
	Total	<u>\$2,797,000</u>

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

- Resource Management and District Planning
- Environmental Health and Building Control Services
- Civil Defence and Emergency Management

Sundry Facilities & Services Rate – estimated per dollar of Capital Value for 2021/22 will be:

U1	0.000488 per dollar of capital value raising	\$1,998,000
U2	0.000976 per dollar of capital value raising	\$576,000
R1	0.000210 per dollar of capital value raising	\$828,000
	Total	<u>\$3,402,000</u>

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

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

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

3.1 In addition to the district-wide rates collected on a differential basis, the Council proposes to set 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 2021/22 will be:

U1 and U2	\$364.00 per part of rating unit raising	\$3,530,000
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R1	\$534.00 per part of rating unit raising	\$2,073,000
	Total	<u>\$5,603,000</u>

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

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

4. DIFFERENTIAL TARGETED CHARGE - ROADING CHARGE

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

4.2 The estimated roading charge for 2021/22 will be:

U1 and U2	\$64.00 per part of rating unit raising	\$621,000
R1	\$374.00 per part of rating unit raising	\$1,453,000
	Total	<u>\$2,074,000</u>

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

5. DIFFERENTIAL TARGETED RATES

5.1 Civic Amenities (urban only), Water, Sewerage, Urban Recycling collection and Beach collections.

Differential based on costs allocated to rating area and location of service.

6. CIVIC AMENITIES RATE

Civic Amenities Rate – estimated per dollar of Capital Value for 2021/22 will be:

U1	(0.000631 per dollar of capital value) raising	\$2,584,000
U2	(0.001262 per dollar of capital value) raising	\$745,000
	Total	<hr/> \$ 3,329,000

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

Availability of Service for:

Urban Water Supply Rate

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

Connected – any separately used or inhabited part of a rating unit that is connected to the Masterton urban water supply.

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

Urban Sewerage Rate

The differential categories for the proposed sewage disposal rate are:

Connected – any separately used or inhabited part of a rating unit that is connected to the Masterton public sewerage system.

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

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 proposes to set a targeted capital value rate on a differential basis, plus a uniform charge for water supply. The uniform charge will be assessed on each separately used or inhabited part of a rating unit throughout the serviced area where rating units are connected to 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 2021/22 are:

Urban Water Supply Charge

Connected	\$106.00	raising	\$1,020,000
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Urban Water Supply Rate charged on connected and serviceable - estimated per dollar of capital value for 2020-21 will be:

U1+R1	(0.000564 per dollar of capital value) raising	\$ 2,340,000
U2	(0.001128 per dollar of capital value) raising	\$731,000
Total		<hr/> \$ 3,071,000

Raising a total of \$4,091,000

Urban (Metered) Water Supply on metered properties

8.4 The Council proposes to set 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 2021/22 are as follows:

Price per cubic metre for between 50 and 100m ³ per quarter	\$1.45
Price per cubic metre for consumption over 100m ³ per quarter	\$1.90

Minimum charge per quarter of \$60.00 for 50m³ per quarter or below

9. URBAN SEWERAGE RATES

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

- 9.1 The Council proposes to set a targeted capital value rate and a uniform charge for urban sewerage. The uniform charge will be levied on each separately used or inhabited part of a rating unit throughout the district where properties are connected to the Masterton urban sewerage scheme. The capital value rate will be levied on properties where connection is available (i.e. they are 'serviceable' as per the definition in clause 7).
- 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 2021/22 are:

Urban Sewerage Charge

Connected \$197.00 raising \$1,864,000

Urban Sewerage Rate charged on connected and serviceable rating units - estimated per dollar of capital value for 2021/22 will be:

U1 + R1	(0.001021 per dollar of capital value) raising	\$4,262,000
U2	(0.002042 per dollar of capital value) raising	\$1,321,000
Total		<u>\$5,583,000</u>

Raising a total of \$7,447,000

10. RECYCLING COLLECTION RATE

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

10.2 The rate for 2021/22 is proposed as: Serviced Property \$76.00 raising \$720,000.

11. RURAL TARGETED SERVICES RATES

11.1 The Council proposes to set 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 2021/22 is: \$206.00

Raising a total of \$101,100.

11.2 The Council proposes to set targeted rates for the **Opaki Water Race** on the basis of land value of the properties serviced. The land value rate for 2021/22 is \$0.001536

Raising a total of \$70,300.

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

The uniform charge per property for 2021/22 is: \$455.00

Raising a total of \$14,100.

11.4 The Council proposes to set targeted rates for the **Castlepoint Sewerage Scheme** on the basis of connected rating units. The uniform charge per connection for 2021/22 is: \$490.00

Raising a total of \$98,100.

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

- a Connected rate based on a rating unit's residential equivalent connections to the scheme (as was assessed through the scheme development phase).
- a Serviceable rate (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 2021/22 will be: \$604.00 raising a total of approximately \$231,500.

Serviceable - a uniform charge per serviceable rating unit for 2021/22 will be: \$132.00 raising a total of approximately \$9,600.

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

- 11.6 The Council proposes to set three targeted rates for the **Tinui Sewerage Scheme** for the 2021/22 year, on the basis of connected properties and their elected capital contributions for stages I and II of the scheme's upgrade. One rate will cover the annual operating costs of the scheme. The other rates will be levied on the connected properties as per their elected capital contribution payment options.

The Operating Costs rate per connection (including Tinui School as 5 connections) for 2021/22 is: \$457.00 raising a total of approximately \$9,100.

The Part Capital Contribution Stage I (1 property) for 2021/22 is: \$212.50

The Part Capital Contribution Stage I & II (7 properties) for 2021/22 is: \$744.50

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

The uniform charge per RE property for 2021/22 is: \$477.00 raising a total of \$32,000.

12. FUTURE TARGETED RATES - FLAGGED FOR INFORMATION

12.1 Private costs recovered

The Council may set a targeted rate in 2022/23 or future years in order to recover the costs of work the Council has had done relating to private property. This work may include undertaking earthquake assessments on commercial buildings or repairing faults in the sewer network on private property. The basis of the rates will be the recovery of costs incurred by the Council in order for an owner to comply with Council requirements e.g. supply of information under the Council's earthquake building assessment policies, stormwater maintenance or sewer repairs on private property to reduce inflow and infiltration in the sewer network.

13. OUT-OF-DISTRICT WATER & SEWERAGE CHARGES

- 13.1 The Council proposes to 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 - \$0.001128 per dollar of Capital Value on serviceable properties, plus a \$106.00 fixed charge per separately identifiable connection. Note: metered connections will be required to pay the water meter charges note above.

Sewerage – \$0.002042 per dollar of Capital Value on serviceable properties, plus \$197.00 charge per connected property, plus any charges under the Trade Waste bylaw regime.

14. DUE DATES FOR PAYMENT OF RATES

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

- 1st instalment 20 August 2021
- 2nd instalment 20 November 2021
- 3rd instalment 22 February 2022
- 4th instalment 20 May 2022

15. PENALTY CHARGES

Arrears Penalties will be charged as follows:

There will be a 10% penalty charged on any rate arrears as at 1 July 2021

Instalment Penalties will be applied as follows:

- 10% charged on the balance of the first instalment of rates remaining unpaid after 20 August 2021.
- 10% charged on the balance of the second instalment of rates remaining unpaid after 20 November 2021.
- 10% charged on the balance of the third instalment of rates remaining unpaid after 22 February 2022.
- 10% charged on the balance of the fourth instalment of rates remaining unpaid after 20 May 2022.

Roundings

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

Calculate Your 2021-22 Rates

The rates below are indicative only. Actual rates-in-the-dollar and charges will be set as part of the adoption of the Long Term Plan at the end of June 2021. The result you calculate will not include the Greater Wellington Regional Council rates. Further assistance in explaining the effects of the policy changes, 2020 revaluation and rates increases on your individual properties can be obtained from the Council's Rates Department.

Rural Property

Write in your most recent Land Value(a)

Write in your most recent Capital Value(b)

Land Value (LV) Rates $0.001295 \times (a) =$

Value (CV) Rates $0.000603 \times (b) =$

Targeted Annual Charge (where applicable)	534.00
Targeted Rooding Charge (where applicable)	374.00
Beach collections (where application)	206.00
Castlepoint Sewerage (where applicable)	490.00
Riversdale Sewerage (where applicable)	604.00
Tinui Sewerage (where applicable)	45700
Tinui Water Supply (where applicable)	455.00
Sewage treatment (liquid waste to urban sewer)	477.00

(Note: result excludes Greater Wellington RC rates)

\$ _____

Revenue & Financing Policy

RATES EXAMPLES - SAMPLE PROPERTIES, 2021/22 Budget

Sample Properties	Sep 2020 LV	Sep 2020 CV	% LV Change	% CV Change	20/21 Actual Rates	21/22 Budget (using Old Values)	% Change (budget)	\$ Change (budget)	21/22 Budget, New Values	% Change (value)	\$ Change (value)	Overall Change %	Overall Change \$
RURAL examples													
Example - typical lifestyle	395,000	835,000	46%	34%	1,768	1,925	8.9%	157	1,923	-0.1%	(2)	8.8%	155
Example - farm 1	4,700,000	5,320,000	55%	51%	8,696	9,461	8.8%	766	10,202	8.5%	740	17.3%	1,506
Example - farm 2 3 dwgs	7,600,000	8,760,000	13%	15%	19,727	21,468	8.8%	1,741	17,847	-18.4%	(3,621)	-9.5%	(1,880)
Example - farm 3 (hill) 2 dwgs	4,060,000	4,790,000	53%	48%	8,674	9,441	8.8%	767	9,961	6.0%	521	14.8%	1,288
Example - forestry block	1,990,000	2,080,000	20%	19%	5,000	5,443	8.9%	443	4,739	-14.1%	(704)	-5.2%	(261)
Example - Beach, Castlepoint	310,000	650,000	59%	34%	2,166	2,366	9.2%	200	2,397	1.4%	31	10.7%	231
Example - Beach , Riversdale	440,000	700,000	63%	43%	2,424	2,626	8.3%	202	2,712	3.5%	85	11.9%	287
URBAN RESIDENTIAL examples													
Example - median urban residential	215,000	470,000	48%	45%	2,684	2,817	5.0%	133	2,844	1.0%	27	6.0%	160
Example - low value urban residential	170,000	330,000	72%	57%	2,010	2,117	5.4%	108	2,263	7.2%	145	12.6%	253
Example - high value urban residential	390,000	830,000	50%	34%	4,408	4,606	4.5%	198	4,417	-4.3%	(188)	0.2%	10
Example - unit in Holdsworth Village	142,000	400,000	35%	51%	2,304	2,418	5.0%	114	2,485	2.9%	67	7.9%	181
Example - small, inner CBD	265,000	530,000	56%	43%	2,960	3,106	4.9%	146	3,134	1.0%	28	5.9%	174
URBAN COMMERCIAL examples													
Example - median commercial (shop)	370,000	455,000	35%	1%	6,365	6,687	5.1%	322	5,186	-23.6%	(1,501)	-18.5%	(1,179)
Example - Queen St building	1,050,000	1,360,000	35%	0%	19,791	20,782	5.0%	991	16,167	-23.3%	(4,615)	-18.3%	(3,624)
Example - industrial	390,000	2,200,000	34%	35%	18,575	19,107	2.9%	532	18,211	-4.8%	(896)	-2.0%	(364)
Example - CBD building	2,110,000	4,860,000	35%	23%	46,989	48,791	3.8%	1,802	42,619	-13.1%	(6,172)	-9.3%	(4,370)
Example - service station	1,090,000	1,600,000	35%	15%	17,951	18,801	4.7%	850	15,638	-17.6%	(3,163)	-12.9%	(2,313)
Example - supermarket	3,500,000	10,500,000	70%	65%	73,491	76,045	3.5%	2,554	88,288	16.7%	12,244	20.1%	14,797

Statement of Accounting Policies

Reporting Entity

Masterton District Council (MDC) is a Territorial Authority within the definition of the Local Government Act 2002 (LGA).

The measurement base adopted is that of historical cost, modified by the revaluation of certain assets.

Reliance is placed on the fact that MDC is a 'going concern' and that sufficient funds are available, or will be received, to allow MDC to operate at the levels of activity estimated.

The financial statements contained within this long term plan follow the appropriate legislative requirements of the LGA, and generally accepted accounting practices recognised as appropriate and relevant for the reporting of financial information in the public sector.

MDC is a Public Benefit Entity whose primary objective is to provide goods and services for community or social benefit and objective rather than for a financial return. All available reporting exemptions allowed under the framework for Public Benefit Entities have been adopted.

The financial statements are in full compliance with Financial Reporting Standard 42 (PBE FRS 42) 'Prospective Financial Statements'.

The Consultation Document and Supporting Information were authorised by the Council on 31 March 2021 and issued for consultation on 1st April 2021. The Supporting Information comprises an Infrastructure Strategy, a Financial Strategy, financial statements, activity statements and a range of policies that will form the basis of MDC's Long Term Plan for 2021-31. That plan is expected to be adopted before the end of June 2021.

Accounting Policies

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to MDC and the revenue can be measured. Revenue is recognised at fair value. The following specific criteria must also be met before revenue is recognised.

Subsidy revenue

Subsidy revenue is recognised in the period when expenditure to which the subsidy relates has been incurred.

Rates

Rates are recognised on the due date for each instalment.

Fees and charges

Fees and charges are recognised as revenue when the obligation to pay arises or, in the case of licence fees, upon renewal of the licence. Expenditure is recognised when the service has been provided or the goods received.

Other revenues

Other revenues are recognised when the service is provided. Other grants, bequests and assets vested in MDC are recognised as revenue when control over the asset is obtained.

Interest

Interest revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the life of the financial instrument) to the net carrying amount of the financial asset.

Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Financial contributions

Financial contributions are recognised when invoiced. Any difference in timing between receipt of the contribution and the completion of the assets they relate to is not considered material.

Expenditure

Expenditure is recognised when MDC is deemed to have been supplied with the service or has control of the goods supplied.

Borrowing costs

Borrowing costs are recognised as an expense when incurred.

Accounts Receivable

Accounts receivable are stated at expected realisable value after providing for doubtful debts and uncollectable debts. Rates and water rates are invoiced quarterly with payment due within 20 days. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Inventories

Inventories are valued at the lower of cost (determined on a weighted average basis) and fair value after making adequate provision for obsolescence.

Investments

Share investments are valued at market value at 30 June 2020 for the purposes of the Prospective Statement of Financial Position. Other investments are also stated at market value (as per PBE IPSAS). Some of the MDC's property assets are regarded as investment properties (under PBE IPSAS).

Properties held for sale

Properties held for sale are separately recognised as a current asset when the sale of a property is highly probable and management are committed to a plan to sell the asset, which is expected to occur within one year. Properties held for sale are valued at lower of the carrying value and the fair value less disposal costs.

Property Plant and Equipment

Operational Assets

Motor vehicles, plant, computer equipment and software, furniture and fittings are valued at cost less accumulated depreciation.

Land, buildings and improvements are based on the market valuation dated 30 June 2018, plus/minus additions, disposals & depreciation and an estimated revaluation on 30 June 2021. Fair value for buildings and improvements has been determined to be the depreciated replacement cost. MDC's policy is to revalue every three years. Additions to assets between valuations are recorded at cost.

The library collection is valued using the depreciated replacement method.

Forestry assets will be valued annually (as biological assets under NZ IFRS) using the discounted net present value method.

Infrastructural Assets

These are the utility systems that provide a continuing service to the community and are not generally regarded as tradeable. They include roads, bridges, water and wastewater services and stormwater systems. Each asset type includes all items that are required for the network to function. The infrastructural assets were revalued using the Depreciated Replacement Value method, as at 30 June 2020. An estimate of the value with 2020-21 additions has been included in the forecast position.

Renewals and extensions of service capacity between valuations are capitalised. For roading assets, this renewals expenditure includes the rehabilitation and resealing programme. Landfills do not have a specific asset value, other than within the land and buildings category, but a provision is recognised to reflect the future costs of closure and aftercare.

Land under the roading network was valued at 30 June 2000 and this valuation is considered deemed cost. The land under roads was valued by determining the average value of the land adjoining the roading network using a series of localities within the district.

Additions to assets between valuations are recorded at cost.

Impairment

For those network assets where there is no intention that there be an end to their useful life, the provision of depreciation on a straight line basis over the remaining life of the asset is regarded as appropriate. MDC's Asset Management Plans (AMP) contain detailed component listings to which National Asset Management Manual (NAMs) asset life and condition factors are applied and replacement years derived. The depreciation is derived from the depreciated replacement value spread over the remaining economic life of each component.

MDC's engineers design the roading programme of general maintenance, reseals and rehabilitation in order to maintain the roading network in a constant condition. The physical condition is regularly audited by the NZ Transport Agency (NZTA) and the roading AMP provides sufficient detailed information on the network to enable ongoing programme design. The decline in service potential of the roading network, although assumed to be rectified by the annual roading programme, has been calculated on a straight line depreciation basis on the estimated lives of the depreciable components of the network.

Revaluations

Following initial recognition at cost, operation land and buildings and infrastructural assets are carried at a revalued amount, which is the fair value at the date of the revaluation less any subsequent accumulated depreciation on buildings and infrastructural assets and accumulated impairment losses.

Fair value is determined by reference to market-based evidence, which is the amount which the assets could be exchanged between a willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Where no market exists for assets, for example for infrastructural assets, the fair value is the depreciated replacement costs.

Any revaluation surplus is credited to the appropriate asset revaluation reserve included in the equity section of the Statement of Financial Position unless it reverses a revaluation decrease of the same class of asset previously recognised in the Statement of Financial Performance. Revaluation changes are recorded on a class of assets basis.

Any revaluation deficit is recognised in the Statement of Financial Performance unless it directly offsets a previous surplus in the same asset class in the asset revaluation reserve. In addition, any accumulated depreciation as at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is re-stated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Independent valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance date. An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Depreciation and Decline in Service Potential

Depreciation is provided on all fixed assets other than land, road formation, stopbanks and items under construction, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their remaining useful lives. Straight line depreciation is calculated on the following assets:

Asset	Depreciation Rate	Useful Life
Fixed Assets		
Buildings	1.4% to 20%	5 to 70 years (depending on component life)
Vehicles and plant	10% or 15%	10 years plant, 6.67 years vehicles
Computer hardware and software	25%	4 years
Furniture, fittings and equipment	20%	5 years
Library books	14.3% or 33%	3 to 7 years (depending on type of collection)
Infrastructural Assets: Roading		
Pavement (15% sub-base, 50% basecourse)	2.5% or 1.25%	(40 years rural, 80 years urban)
Seal (2 nd coat and 1 st coat)	5.9% and 2.5%	(17 years and 40 years)
Kerb and channel	1%	(100 years)
Seal on carparks and footpaths (chip/AC/concrete)	6.67%	(6.67%, 5.55%, 2%)
Streetlighting (lamps, fittings, poles)	20%,6.67%, 2%	(5/15/50 years)

Asset	Depreciation Rate	Useful Life
Street furniture and pavers	3.33% and 2%	(30 years furniture, 50 years pavers)
Bridges	1.25% to 1%	(base life 80 to 100 years, modified by NAMs factors)
Infrastructural Assets: Water Supply		
Pipes	1.25% to 1.6%	60-80 years (base life 60 years, modified by NAMs factors)
Hydrants, valves, connections	2%	50 years
Treatment plant	1.25% to 10%	10-80 years (depending on components)
Infrastructural Assets: Sewerage		
Reticulation	1.25% to 1.67%	60 to 80 years (base life 60 years, modified by NAMs factors)
Treatment	10% to 80%	10 to 80 years (on plant and equipment and structures)
Infrastructural Assets: Stormwater		
Pipes and culverts	1%	100 years (base life 100 years, modified by NAMs factors)
Stopbanks	not depreciated	
Weirs	1%	100 years
Rural Water and Sewage systems	1% to 2%, 10%	50 to 100 years reticulation, 10 years plant

Goods and Services Tax (GST)

All amounts in the financial statements are stated exclusive of GST except receivables, contract retentions, and payables, which are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivable or payable in the Statement of Financial Position.

Landfill aftercare provision

MDA has a legal obligation under the resource consents to provide ongoing maintenance and monitoring services at its former landfill sites. A provision for post-closure costs has been recognised as a liability. The provision is based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure. The discount rate used is a rate that reflects current market assessments of the time value of money and the risks specific to MDC.

Financial Instruments

MDC is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, investments, debtors, creditors and loans. All financial instruments are recognised in the Statement of Financial Position and all revenues and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.

Employee Entitlements

Provision is made in respect of MDC's liability for annual leave and retirement gratuities. Annual leave has been calculated on an actual entitlement basis at current rates of pay while the other provisions have been calculated on an actuarial basis at current rates of pay. There is no long service leave. Accumulated sick leave carried forward, which is anticipated to be taken in future periods, is low in value and not considered to change significantly from the 2020 level. A review of accumulated sick leave and past take-up of prior period balances is completed annually so materiality can be considered.

Leases

MDC as a lessor - Leases where MDC effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Revenue under these leases is recognised as income in a straight-line basis over the term of the lease.

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified as finance leases. These are capitalised at the lower of the fair value of the asset or the present value of the minimum lease payments. The lease assets and corresponding lease liabilities are recognised in the Statement of Financial Position.

MDC as a lessee - Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are recognised as expenditure on a straight-line basis over the term of the lease. Leases which effectively transfer to MDC substantially all the risks and benefits incidental to ownership of the leased item are classified as finance leases. These are capitalised at the lower of the fair value of the asset or the present value of the minimum lease payments. The lease assets and corresponding lease liabilities are recognised in the Statement of Financial Position.

The leased assets are depreciated over the period MDC is expected to benefit from their use.

Equity

Equity is the community's interest in MDC as measured by total assets less total liabilities. Public equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that MDC makes of its accumulated surpluses.

The components of equity are:

- Ratepayers Equity;
- Restricted reserves (Special Funds);
- MDC-created reserves (Special Funds); and
- Asset revaluation reserves.

Special Funds

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Special Funds may be legally restricted or created by MDC. Restricted reserves are those reserves subject to specific conditions accepted as binding by MDC and which MDC may not revise without reference to the Courts or third parties. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

MDC-created reserves are reserves established by Council decision. MDC may alter them without reference to any third parties or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Asset revaluation reserves represent unrealised gains on assets owned by MDC.

The gains are held in the reserve until such time as the gain is realised and a transfer can be made to accumulated funds.

Cost of Service Statements

The Cost of Service Statements, as provided in the Activity Statements in the supporting information, show the cost of services for the activities and services of MDC, and any revenue earned or allocated to those activities.

Cost allocations

Where costs are identifiable, support departments charge out the cost of their services direct to activities using those services. The remaining costs of administrative and financial service type activities are allocated to operational activities. Operational activities are those which provide a service direct to the public. The basis of the corporate overhead allocation is "estimated use of service" which is reviewed each year, based on transaction samples and levels of expenditure and rates required.

Inflation

The projected net costs of service for the 10 years shown in the financial statements have been adjusted for inflation. The inflation rate assumptions are listed in the supporting documents.

Changes in Accounting Policies

There are no changes to accounting policies, which result in any significant items.

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