

A photograph of a rushing river flowing through a narrow, rocky canyon. The water is white with foam as it flows over large, dark grey rocks. The canyon walls are steep and covered in lush green vegetation, including ferns and trees. Sunlight filters through the trees in the distance, creating a bright spot at the end of the river.

**Manawatu District Council**

# **Annual Plan**

## **2017/18**

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## Purpose of Local Government

To enable democratic local decision-making and action by, and on behalf of, communities and to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

# Introduction

## Message from the Mayor Helen Worboys

On behalf of the new Council, we are pleased to present this Annual Plan. This plan outlines the changes from the 2015-25 Long Term Plan that your Council has agreed.

The Long Term Plan will be entering its 3rd year and it was prudent that we review projects and make changes where necessary. In some cases, we have added or deferred projects or will reconsider them as part of the 2018-28 Long Term Plan.

As a new Council, we were very conscious of the need to keep rate rises affordable and competitive with our neighbouring local authorities. Ongoing work will hopefully see further reductions in the level of rates increases over the next few years.

This Annual Plan has reduced the overall rates increase to 3.9%, which is down from the 4.5%, predicted in the Long Term Plan. This is a district wide average and some ratepayers will be paying more and some paying less than that average. The level of change in your new property Rating Values has also had an effect on the amount of your rates.

Council has commenced work on the next Long Term Plan, which is a major review of all Council activities, becoming effective from 1 July 2018. We will soon be consulting with you on the Long Term Plan and would like you to begin considering what services and activities you want your Council to provide and to what level.

We want our decisions to represent the majority view in our community, so we will need to know if you consider there should be additional projects, less projects, deferred projects or maybe changes to how often we do things.

Rates pay for the services that we all receive, and good quality services cost money. Any changes will have an effect on your rates. Decreasing services will save money, conversely increased services will cost money. The challenge is to balance the expectations of a creating a connected, vibrant, thriving community with how much it will cost.

We look forward to receiving your opinion, and please feel free to ask questions.

Mayor Helen

A handwritten signature in black ink, appearing to read 'H. Worboys', with a large, stylized loop at the end of the signature.

# Variations to the plan

Our Long Term Plan sets out the plans and work priorities for the next ten years, but sometimes our plans need to change. Here are the more significant variations we proposed and have now been agreed to following submissions.

## Roading budget

There have been a number of changes to the roading programme. Funding for the maintenance of the District's roads comes from a combination of rates and a subsidy from the New Zealand Transport Authority (NZTA).

Last year NZTA made changes to the subsidy and funding levels available to Council. As a result of these changes some types of maintenance are no longer eligible to receive a subsidy e.g. Feilding Central Business District footpath cleaning, festive decorations and Christmas lighting. Council has agreed to fund these items itself. Council has re-aligned the remaining planned roading work programme for 2017/18 with the new NZTA subsidy levels.

Council has also reviewed how work items are classified and funded. For example, work which has been previously considered 'renewal' and funded through depreciation is now classed as 'maintenance and operation' work and has to be funded through rates. While the total cost of the roading programme is largely the same, the overall net effect of the funding calculation is a \$648,000 increase in the rate funded proportion for 2017/18.

## District Plan Review

Council is required by law to review the District Plan every 10 years. Reviewing the plan is a significant and complex project requiring input from a wide range of technical experts and industry professionals, and requires extensive community consultation. Recently completed project planning and detailed project costings have indicated that additional funding is required. Council has agreed to increase the 2017/18 budget by \$500,000 to enable the review to continue over the next year and Council to meet its legal obligations under the Resource Management Act. This increase will be funded by rates but will be spread over 10 years to reduce the impact on rates. The net increase on rates for the 2017/18 year is \$50,000 and each subsequent year for the next 10 years.

A further \$1.2m is required to complete the review. Council intends to consider this request in the development of the 2018-28 Long Term Plan.

## Council Place Carpark

The Makino Aquatic Centre is a very popular pool and recreation facility. Because of its popularity, the parking space in and around the Centre is not adequate to cater for all visitors. Car parking in Council Place had been identified as part of the overall development of the site. Council has confirmed this parking will now be constructed in 2017/18. The cost to complete this project is \$64,000 which is less than the estimated \$80,000 included in the draft Annual Plan. The cost will be funded through loans. The interest component of the loan will be funded by rates adding \$3,840 to the rates in 2017/18.

## **Community Planning**

The Community Planning Programme has been a very successful district initiative. The development of a Community Plan involves communities coming together to create a shared vision and set of actions for their village. The plans provide a mechanism for collaboration between communities, council and other agencies to implement actions and improvements. Apiti, Kimbolton, Rongotea, Pohangina, Rangiwahia, Himatangi Beach, Halcombe and Sanson villages all have Community Plans in place. The Hiwinui Community Plan is currently being developed.

The recently formed Feilding Community Committee requested funding to develop a Community Plan for Feilding. Council has agreed to this request and has included a maximum of up to \$30,000 in the 2017/18 budget. Quotes will be obtained to ensure a competitive price. The project will be funded by rates.

## **Kowhai Park Bird Aviaries**

In 1964 the Feilding Jaycees donated the native and exotic bird aviaries at Kowhai Park. The native bird aviaries and native birds were originally part of the Department of Conservation's Captive Native Bird Programme. Both bird aviaries require significant upgrade. The upgrade has been estimated to cost in excess of \$570,000. Due to the cost Council proposed to close the native and exotic aviaries.

Council received over 60 submissions about this proposal. While some submitters were concerned for the welfare of the birds and preferred the aviaries to be closed and birds transferred, the majority of submitters wanted the bird aviaries to be retained and improved. Some submitters made generous offers of support, donations and pledges to assist with aviary upgrades and caring for the birds.

### **Native Bird Aviaries**

After much consideration Council has decided to go ahead and close the native bird aviaries and rehome the native birds. The immediate welfare of the native birds is very important to Council and there is concern the current housing is placing the birds under unnecessary stress. The layout and design of the native bird aviaries does not meet the minimum Department of Conservation Standards for holding native birds in captivity. The birds will be rehomed to sites throughout the lower North Island to approved aviaries. Although the existing native bird aviaries will be closed, Council will continue conversations with the community about the possibility of building new native bird aviaries that do meet appropriate standards.

In the meantime native bird life will continue to be encouraged in the park through the use of native bird feeders and further native plantings.

### **Exotic Bird Aviaries**

Council has decided to retain the exotic birds and exotic bird aviaries. While the exotic bird aviaries also require upgrade and renewal, they are not required to meet any minimum Department of Conservation Standards. Council had already included \$220,000 in 2017/18 for the relocation and construction of new exotic bird aviaries at Kowhai Park. This funding has been retained and carried forward to the 2018-28 Long Term Plan.

### **Establishing a Community Focus Group**

A community focus group will be established to provide input into the design of the new exotic bird aviaries, confirm the various types of support pledged through submissions and discuss the possibility of building a new native bird aviary. Council has added \$18,000 to the 2017/18 budget for new design plans.

# Changes made as a result of submissions

Consultation on the 2017/18 Annual Plan occurred between 27 March and 28 April. During this time Annual Plan information was shared at meetings throughout the community, distributed to households and made available on Council's website and social media. Council received 151 submissions, of which 48 submitters chose to come and speak to Council about their submissions. After considering all submissions Council has made the following changes to the 2017/18 Annual Plan.

## Roading

A section of Pohangina Road is under threat from erosion. To protect the road and ensure access to the Pohangina Valley, Council will undertake a Pohangina Resilience Programme in partnership with NZTA. The costs of the programme will be \$671,000 and Council will fund its share of \$315,000.

Council is embarking on a more economic form of street lighting. The LED Streetlight Project has been added to the 2017/18 budget at a cost of \$432,000. This cost is offset by a subsidy from NZTA with the balance funded from depreciation reserves.

## Public Conveniences

The public toilets on Duke Street will be made more available to the public and open seven days per week. To accommodate additional daily cleaning costs Council has increased the operating budget by \$5,952 per annum.

The demand for public toilets at Awahuri Forest / Kitchener Park is increasing. Council had planned to build toilets in 2018/19 but in light of demand has agreed to bring funding of \$111,000 forward to the 2017/18 year.

## Parks and Sports Grounds

A number of changes have been approved for parks and sports grounds including:

- Design for exotic bird aviaries at Kowhai Park and establishing a Kowhai Park Bird Aviary Focus Group \$18,000
- Pohangina Recreational Reserve Landscape and Recreation Plan \$5,000
- Sanson School playground safety maintenance \$4,000
- Recreation needs assessment \$20,000
- Feasibility report for City to Sea Rail Trail \$6,000
- Timona Park bike track upgrade \$7,500.

## Property

A number of changes have been approved for property including:

- Himatangi Beach Hall urinals \$2,800
- Te Kawau Recreation Centre operational fire costs \$5,000
- Himatangi Beach carpark maintenance \$34,000
- Himatangi Beach mini putt course removal and reinstatement of turf \$6,400
- Asbestos Management Plan - Council is required under the Health and Safety at Work Act 2015 to have an asbestos management plan in place by 1 April 2018, to manage the risk of asbestos at all of its properties \$71,000.

## **Community Development**

- Carry forward all unspent Community Committee funding \$58,000
- Himatangi Beach Community Patrol - contribution towards building a garage to house and protect the Community Patrol vehicle \$4,000.

## **Infrastructure Services**

Various factors can affect the execution of Council's planned capital work programme including unsuitable weather, availability of contractors and supply of materials. To enable the planned work to continue in the new financial year, Council has agreed to carry forward unspent capital expenditure and associated funding of \$11m.

As a result of feedback from the Waste Minimisation Plan additional mobile recycling centres will be located throughout the district at a cost of \$78,000.

Other new infrastructure projects include:

- Para Kore Waste Minimisation Education Programme \$2,200 per annum
- Stormwater analysis required for the management of stormwater in rural villages \$20,000.

## **General**

Council has agreed to carry forward projects and unspent operational expenditure of \$524,000 in Council's Infrastructure, Community and Strategy, Economic Development and Corporate and Regulatory activities.

Council currently seeks cultural advice from a range of different sources on an advisory and contractual basis. Specific funding for the provision of cultural advice had already been included in 2017/18 budget, however a recent review has shown this budget needed to be increased. Council has agreed to increase this budget by \$36,000.

To meet demand for building services an additional Building Control Officer is required at Manawatu District Council. The cost of the new officer will be funded from additional expenditure \$80,000.

# Updates for other projects

The 2015-25 Long Term Plan identifies a large number of projects over the ten-year period. These projects ensure that the District continues to work well and our community can enjoy the place in which they live. Council is committed to these projects, the following updates are provided for information.

## Roading

### Feilding to Palmerston North Cycleway

The Manawatu District Council section of the Feilding to Palmerston North Cycleway is likely to follow Campbell Road to Nannestads Line. The initial estimate for this section is \$1.15m. Council was hopeful that the project would attract a 53% subsidy from New Zealand Transport Authority (NZTA) leaving Council to borrow the remaining share of \$540,500. Unfortunately NZTA have advised that cycleway funding is currently oversubscribed and unless additional funding becomes available they will be unable to fund this project.

Despite the current unavailability of funding, Council remains committed to this key project. Council will continue to work with NZTA and prepare a Business Case outlining justification for investment. If funding does become available Council will have completed the necessary background planning and be eligible to apply for funding.

For these reasons the project will remain on the project schedule and will be carried forward to the 2018-28 Long Term Plan.

### Bowen Street Upgrade

The Bowen Street upgrade valued at \$149,000 was scheduled to occur in 2017/18. This upgrade is part of the wider Makino Precinct Development Project programmed for the 2019/20. Council has agreed to align the two projects and carry forward the funding for Bowen Street to 2019/20.

## Wastewater

### Feilding Wastewater Treatment Plant

The digester that assists with the break-down of solids at the Feilding Wastewater Treatment Plant is in need of replacement. A digester must be operational at all times to ensure processing at the plant continues without interruption. Council has confirmed \$900,000 for the new digester to be included in the 2017/18 budget. The cost will be funded from loans.

Process improvements at the Feilding Wastewater Treatment Plant continue to improve the quality of treated effluent. In the 2017/18 Council had planned to replace some equipment at the Plant, however installing these new processes has meant that some equipment identified for replacement is no longer required. Council will reduce funding for the Feilding Wastewater Treatment Plant renewal of equipment by \$1.2m and reallocate \$500,000 to the renewal of existing wastewater reticulation infrastructure throughout Feilding. The balance of the funds will be returned to the depreciation account and there will be no impact on rates.



## **Feilding – Churcher Street and Port Street (Growth Precinct 4)**

The Feilding township is growing and new services are required. In 2017/18 Council will increase the existing budget for new wastewater services. Council already had \$112,000 in budget for this project. However, an additional \$240,000 is required to extend the proposed works and cater for difficult installation due to ground conditions in the area. Extending wastewater services will meet growth demand and enable development in this area to continue. The total cost of this project will now be \$352,000 and will be funded from development contributions.

## **Water**

### **Main Trunk Line and Almadale Water Treatment Plant**

Feilding's reservoir at Almadale and the trunk water main into town have performed well since their construction in the 1960s, however they are nearing the end of their useful lives and are in need of replacement. Council had committed \$900,000 to either renew or replace these strategic assets. To assist with decision making, Council is completing a Strategic Water Assessment for the Feilding water supply. The assessment takes into consideration the future capacity and storage requirements to determine the most cost effective investment. The aim is to ensure network resilience and continuity of the water supply. While the Council is assessing these options Council will defer expenditure to 2018/19. Once the replacement decisions are made work will continue.

### **Halcombe Water Treatment Plant**

Council had planned to install a water reservoir at Halcombe in 2017/18 at a cost of \$225,000. However, initial investigations have shown that a better quality water supply can be provided through installing a water treatment plant. A treatment plant is one option that will enable Council to supply water that meets the National Drinking Water Standards. Other options will be considered and discussed with the community before a final decision is made and included in the 2018-28 Long Term Plan. The \$225,000 loan funding is no longer required in 2017/18.

### **Halcombe Water Reticulation**

Council has agreed to increase the amount of funding currently in budget for the renewal of existing water supply infrastructure in Halcombe. Council has already committed \$90,000 towards this project. An additional \$150,000 spent in this area will improve the water supply service throughout the village. The total cost of this project is now \$240,000 and will be funded by depreciation.

### **Sanson Water Treatment Plant**

The Council has been successful in obtaining a Ministry of Health subsidy to develop a new water supply in Sanson. Council had \$112,000 in the 2017/18 budget for the renewal of a water consent. Now that a new water supply system is being developed the consent funding is no longer required and has been returned to depreciation reserves.

## **Solid Waste**

### **Resource Recovery Centre**

In 2016/17 Council had proposed to construct a new purpose built Resource Recovery Centre (Transfer Station). The Centre would receive the District's solid waste, green waste and recyclables for consolidation and processing. However delays in the resource consent process has meant this project has been deferred. The \$750,000 Council had allocated for this project has been carried forward to the 2018/19 year and will be considered as part of the Long Term Plan.

## **Emergency Management**

The Government has made changes to the way that Emergency Management Services will be delivered throughout New Zealand. From July 1 a new Government agency called Fire and Emergency New Zealand (FENZ) will be responsible for providing the rural fire activity that Council currently provides. Council will no longer collect rates from the community to fund this activity which will save \$231,000 per annum. However, this saving is offset by combined increase in insurance levies and civil defence budget of \$120,000. The net saving is \$111,000 and has resulted in a reduction in rates.

## **Community Facilities**

### **Feilding Public Library**

Plans are being developed to modernise and carry out seismic strengthening to the Feilding Public Library Building. It is important that the building meets the needs of the community now and in the future. More time is required for project development and detailed project costings. Council has carried forward existing funds of \$486,000 to the 2018/19 year.

### **Sanson Playground**

In 2016/17 Council planned to build a new playground at the former Sanson Hotel site in conjunction with a development on the site. Progress is being made however more time is required to confirm site development plans. Council has delayed the construction of the playground to later in 2017/18. The delay will save \$28,000 on the budgeted maintenance and operating costs.

### **Timona Park Public Toilets**

New public toilets are required at Timona Park. Council had budgeted \$14,000 for maintenance and operating costs for the new toilets in 2017/18. Council has delayed the construction of the Timona Park toilets in order to scope and investigate options for their location and construction. This creates a saving this year of \$14,000.

## **Community Development**

### **Grant to Feilding and Districts Promotion Inc**

Council has a two-year Partnership Agreement with Feilding and Districts Promotion Inc to provide a range of community development services. Council has agreed to increase the 2017/18 budget by \$165,000 to enable payment of the grant for the second year. The grant is funded from rates.

# What's coming up?

Council took the opportunity to discuss a number of future projects and issues during the Annual Plan consultation period including:

## **Turners Road Extension**

Economic growth is one of the Council's key priority areas, and providing good quality industrial land is one of the components of successful economic growth. Through the District Plan the Council has designated land to enable a road to be constructed from Turners Road to Kawakawa Road. The new road will provide access to vacant industrial land and enable development to occur. There is still much to consider before Council can make a final decision to go ahead with this project.

A Project Business Case is being prepared and will include consideration of funding options. The cost of extending the road is estimated to be \$10-\$13 million. Council will ask the community for feedback on the outcomes of the Business Case including shared funding options in early 2018. Once Council has determined the viability of the project and considered community feedback it will decide on the most appropriate way forward.

## **Mangaweka Bridge**

Initial findings indicate that a full replacement of the bridge will be required which will cost approximately \$10 million. This funding of this project will be shared with Rangitikei District Council and New Zealand Transport Authority. Council will report back to the community on the findings of the investigation and the associated costs of the project. This project will then be considered as part of the Long Term Plan in 2018.

## **The Feilding Civic Centre**

The Feilding Civic Centre is in need of refurbishment to meet modern facility requirements. The Feilding Civic Centre Trust has investigated refurbishment plans and costs which are estimated to be \$750,000. As Council is the owner of the building, the Trust has asked if Council will make a contribution towards the refurbishment costs. Council supports the plans for refurbishment and is intending to include \$250,000 in the Long Term Plan in 2018.

## **Easter Trading Policy**

Until recently shop trading (with the exception of dairies, service stations, restaurants, cafes and duty free stores) has not been permitted on Good Friday, Easter Sunday or Christmas Day. However, Easter Trading laws have recently changed. Councils now have the authority to make decisions about whether or not to restrict trading on Easter Sunday. Later this year Council will prepare a draft policy and seek the community's feedback.

## **Levels of Service vs Levels of Rates**

Council provides a wide range of services to the community including animal control, providing safe drinking water, maintaining parks and reserves to name but a few. In 2018 the Council will review the services it provides with the potential to make some service level adjustments. A lower level of service can often result in lower cost, for example reducing the opening hours at the Library or the Makino Aquatic Centre, can reduce operating costs. Whereas a higher level of service, like constructing more footpaths or collecting rubbish or mowing more often, can often result in higher costs.

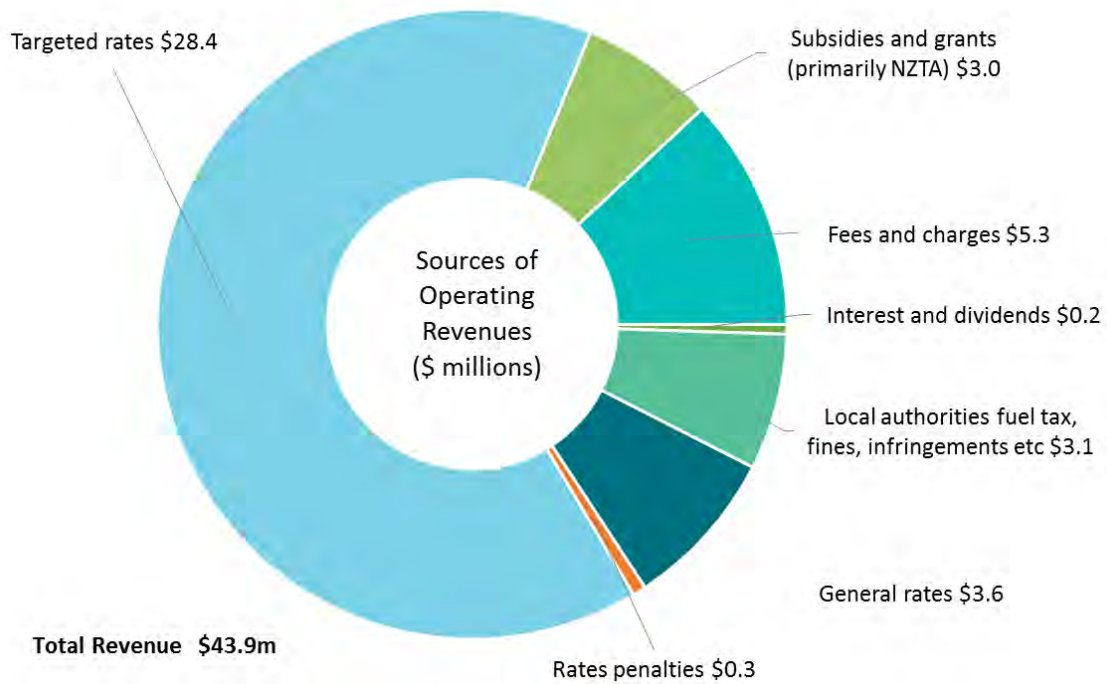
Council aims to provide the community with good quality services at an affordable price. Achieving the optimal balance between quality and affordability is important to the Council. Council will continue this conversation in the lead up to the 2018-28 Long Term Plan.

Have we got the balance right? What changes would you like to see? Are there particular services you would like the Council to review? We welcome feedback about the services we provide.

## **Earthquake Prone Building Working Party**

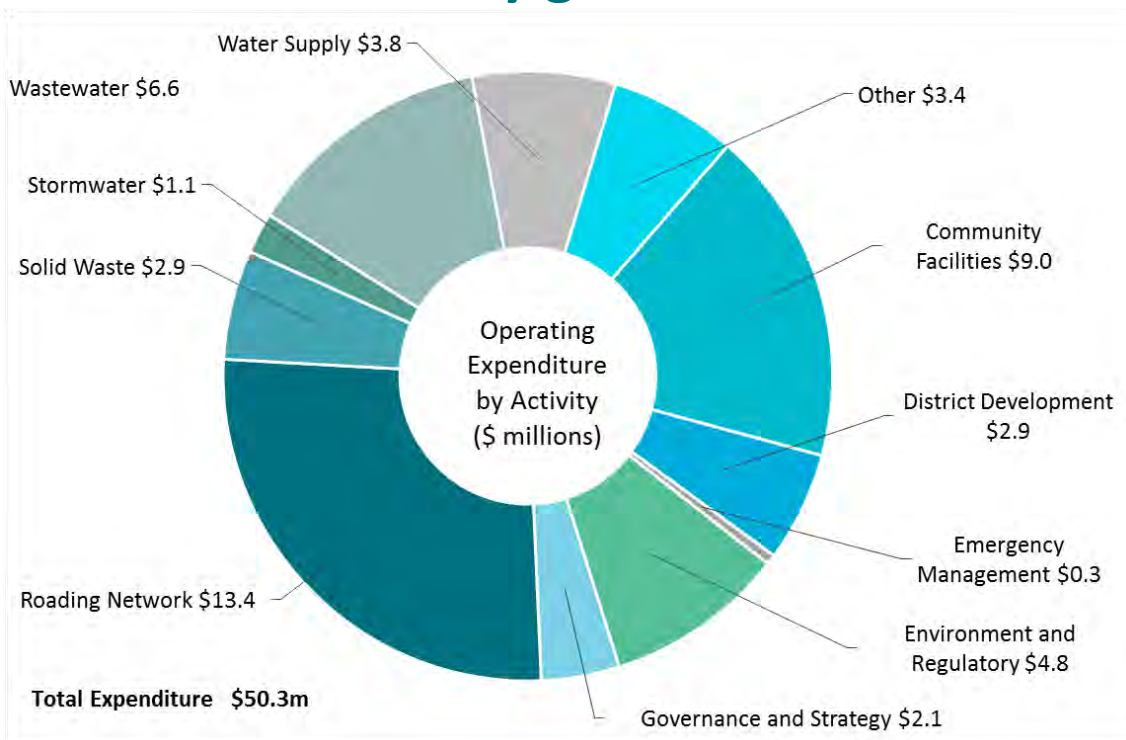
The District has a number of Earthquake Prone buildings that could pose a risk to public safety in the event of an earthquake. Strengthening buildings to suitable standards of safety comes at considerable cost and some buildings may no longer be viable. Council is mindful of the heritage value of these buildings as well as the financial impact and concern that earthquake prone building owners face. There are also new government regulations that building owners must comply with. With this in mind Council has established an Earthquake Prone Building Working Party and discussions are underway.

# Where does the money come from?



The information in this graph is from the Whole of Council Funding Impact Statement and excludes capital revenues

# How does the money get used?



The information in this graph is from the Statement of Comprehensive Revenue and Expenditure.

Please note "Other" expenditure relates to shared service and support service activities that are funded by external revenue sources. For example, a significant portion relates to the infrastructure shared service where revenue is received from Rangitikei District Council. The treasury function also attracts revenue from external sources (rates penalties, interest and dividends).

# How will my rates be used?

	<b>Feilding Resident</b> Based on a property with a Capital Value of \$330,000	<b>Rural Resident</b> Based on a property with a Capital Value of \$769,000 without services
Rates (total annual)	<b>\$3,091</b>	<b>\$1,834</b>
Rates (total per week)	<b>\$59.44</b> per week	<b>\$35.27</b> per week
	<b>Water</b> <b>\$7.40</b> per week	
	<b>Wastewater</b> <b>\$13.73</b> per week	
	<b>Stormwater</b> <b>\$1.85</b> per week	<b>Rural Drainage</b> <b>\$0.75</b> per week
	<b>Solid Waste</b> <b>\$4.10</b> per week	<b>\$1.77</b> per week
	<b>Roading</b> <b>\$8.27</b> per week	<b>\$11.53</b> per week
	<b>Environmental Services</b> <b>\$3.08</b> per week	<b>\$3.08</b> per week
	<b>Governance and Strategy</b> <b>\$3.48</b> per week	<b>\$3.48</b> per week
	<b>Cemeteries</b> <b>\$0.38</b> per week	<b>\$0.38</b> per week
	<b>Civil Defence</b> <b>\$0.42</b> per week	<b>\$0.42</b> per week
	<b>Animal Control</b> <b>\$0.46</b> per week	<b>\$0.46</b> per week
	<b>Halls and Recreation Complexes</b> <b>\$0.77</b> per week	<b>\$0.77</b> per week
	<b>Library</b> <b>\$2.48</b> per week	<b>\$1.77</b> per week
	<b>Makino</b> <b>\$2.94</b> per week	<b>\$2.10</b> per week
	<b>Parks &amp; Reserves</b> <b>\$3.85</b> per week	<b>\$2.84</b> per week
	<b>Public Conveniences</b> <b>\$0.58</b> per week	<b>\$0.58</b> per week
	<b>General*</b> <b>\$5.65</b> per week	<b>\$5.34</b> per week

\* General Rate funds the following services: Economic Development, Community Development, and components of Property, Stormwater, Central Business District redevelopment and security, Building Control, District Planning Consents and Review, Environmental Health and Monitoring and Liquor Licensing services.

## How will my rates change?

The rating valuation was updated in August 2016. The overall increase in the capital value of the district was 12%. Properties where the valuation increase or decrease significantly varies from the district average valuation increase will result in rates change that will vary from the average rate increase.

Rating Category	Capital Value	% Valuation Increase	2016/17 Total Rates (GST Incl)	2017/18 Total Rates (GST Incl)	\$ Annual Change	% Change
Feilding Residential	\$330,000	11.9%	\$3,031	\$3,091	\$59	2.0%
Feilding Residential (multi-unit)*	\$2,420,000	30.8%	\$31,166	\$32,733	\$1,567	5.0%
Feilding Rural (no water)	\$450,000	4.7%	\$2,417	\$2,474	\$57	2.4%
Feilding Rural (no water or wastewater)	\$620,000	3.3%	\$1,990	\$1,974	-\$16	-0.8%
Feilding CBD	\$325,000	4.8%	\$7,272	\$7,356	\$84	1.2%
Feilding CBD	\$510,000	0.0%	\$7,742	\$7,428	-\$314	-4.1%
Rural with no services	\$147,000	5.0%	\$1,042	\$1,067	\$25	2.4%
Rural with no services	\$660,000	4.8%	\$1,675	\$1,667	-\$8	-0.5%
Rural with services	\$195,000	8.3%	\$2,257	\$2,305	\$49	2.2%
Rural with services	\$210,000	5%	\$2,200	\$2,255	\$55	2.5%
Rural with wastewater	\$240,000	0%	\$2,056	\$2,097	\$41	2.0%
Rural with farming as one remission	\$1,184,000	23.3%	\$1,203	\$1,385	\$182	15.1%
Rural with drainage scheme	\$5,250,000	15.4%	\$8,423	\$8,860	\$437	5.2%
Industrial/Commercial	\$1,750,000	38.9%	\$6,949	\$8,453	\$1,485	21.4%
Industrial/Commercial	\$7,752,000	0.3%	\$31,337	\$28,908	-\$2,429	-7.7%
Utilities	\$5,980,000	7.7%	\$25,645	\$25,473	-\$172	-0.7%
Utilities	\$10,720,000	47.5%	\$33,324	\$44,954	\$11,630	34.9%

\* Does not include volumetric charges (sewerage and water)

The impact on individual properties is dependent on:

- The change in valuation
- The services provided
- The percentage of rates calculated using the capital value as a base.

# Supporting Information

The following financial and rating base information formed the basis of the Annual Plan document. There is a vast range of other policies and documents that guide us. For more detailed information please visit [www.mdc.govt.nz](http://www.mdc.govt.nz) and check out the Council's Long Term Plan.

## Financial Overview and Statements

### Financial Overview

The Council's Annual Plan covers the period 1 July 2017 to 30 June 2018. It incorporates operating and capital expenditure. In this section financial information is provided at a summary level but more detailed information for each activity and group of activities is included throughout the document.

### Financial Strategy

The Long Term Plan 2015-25 includes the Council's Financial Strategy. This Strategy outlines how Council intends to:

- Ensure the Council's long term financial position is sustainable
- Recognise which generation benefits and who should pay when considering its approach to funding
- Manage debt within defined levels
- Look after the District's infrastructure provided by previous generations for the use by current and future generations
- Leave financial capacity for future generations so they are capable of funding unanticipated high priority programmes
- Take account of ability to pay over the longer term
- Have robust systems and processes.

The Financial Strategy has close links with the Infrastructure Strategy which is also contained in the Long Term Plan. Consistent with the Financial Strategy and its associated funding and financial policies, the Annual Plan achieves the following:

- Maintains the current level of service for each of the Council activities
- An ability to maintain the condition of the District's assets
- Forecasts net debt at 30 June 2018 of \$66m is less than the \$70.9m planned in the Long Term Plan
- An increase in the total rates requirement for 2017/18 of 3.9%. This is less than the 4.5% increase forecast in the Long Term Plan.

To provide a degree of certainty to ratepayers the Financial Strategy sets limits on rate increases throughout the term of the Long Term Plan. In addition, it sets limits on what the Council considers to be sustainable levels of debt.



How does the Annual Plan compare:

- **Increase in total rates:** Council's rate limit is 5.9%, the Long Term Plan planned for 4.5%, our actual rate is 3.9%
- **Borrowing:** Council can borrow up to \$75.9m, but is planning to borrow \$66m
- **Capital Expenditure:** Council planned in the Long Term Plan to spend \$21.3m on Capital projects, and is going to spend \$31.2m
- **Operating Surplus/ (Deficit):** In the current Long Term Plan we had planned for an operating surplus of \$480k, our revised surplus is now \$60k

Note: Based on September 2016 Business and Economic Research Ltd (BERL) local government cost indicator of 1.9% and a rating base growth assumption of 1.1%.

### Rating Units

Rating units as 30 June of the preceding year e.g. 2017/18 = 30 June 2017

Manawatu District Council	2016/17	2017/18
Total Number of rating units	14,430	13,689

*The decrease in property numbers is due to property amalgamation in order to comply with the Office of the Valuer General rules*

### Rating System

Council provides local public services and infrastructure that the community needs to survive and prosper. Providing these services comes at a cost and a large portion is collected from the rates that Council charge property owners. This document explains how rates are calculated.

The law that enables Councils to collect rates is the Local Government (Rating) Act

#### It is important to us that our rating system

- Provides enough revenue to cover costs
- Spreads the costs of providing services as fairly as possible
- Meets the legal requirements
- Can be understood by the ratepayer and promotes accountability.

The Rating system should be read in conjunction with the Council's Revenue and Financing Policy, and the Funding Impact Statement.

#### How Council calculates your rates

Rates are a property tax that is charged each year by the Council.

Council decides what services it will provide in the future and how much it will cost. The cost is then allocated over the properties in the district.

Changes in rates can be because of changes to house or land values, changes in Council costs, and changes in the services provided.

#### Types of rates

- General Rate – used to pay for services that are for public benefit and cannot be charged to specific users
- Uniform Targeted Rate – charged on every separately used or inhabited part of a property, used to pay for services that are provided to the community
- Targeted Rate – used to pay for identified services.

### Definition of Separately Used or Inhabited Part of a Rating Unit

A separately used or inhabited part of a rating unit includes any part of a rating unit that can be used separately or inhabited by either the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement. As a minimum, the land or premises intended to form the separately used or inhabited part of the rating unit must be capable of actual habitation, or separate use.

Separately used or inhabited part - for a residential rating unit. Includes a building or part of a building that is, intended to be used as, or is able to be used as, an independent residence with independent kitchen with connected cooking facilities, including flats and apartments and flats which share kitchen and bathroom facilities.

Separately used or inhabited part - for a commercial rating unit. Means a building or part of a building that is, or intended to be, or is able to be, separately tenanted, leased or subleased for commercial purposes.

#### Not rated as separately used parts of a rating unit:

- A residential sleep-out or granny flat without independent kitchen facilities
- A hotel/motel/hostel room with or without kitchen facilities
- Individual storage garages/sheds/partitioned areas of a warehouse.
- Individual offices/premises of partners in a partnership
- Bed and breakfast home stay

### Inspection of Rating Information Database

In accordance with the Local Government (Rating) Act 2002, the District Valuation Roll and Rates Records are available for public inspection at the Council Offices, 135 Manchester Street, Feilding, between the hours of 8am and 5pm on all business days of the week (except Wednesday - 9am and 5pm).

Each property is put into a category that is decided from:

- where it is situated in the district
- what the property is used for
- what activities are allowed.

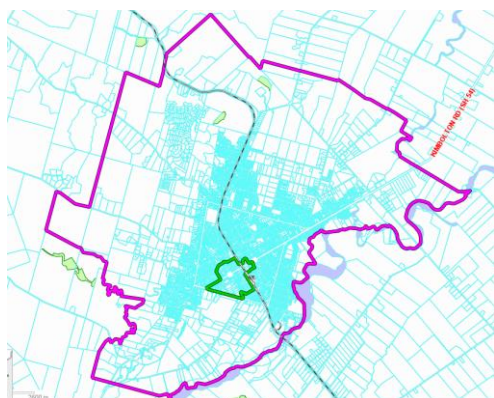
This differential category decides what calculation is used for the General Rate, Roading Targeted Rate and Parks and Sports Grounds Targeted Rate charges.

Differential Category	Description
1. Feilding Residential	Being all rating units situated within the 2009 Feilding differential rating area* used solely or principally for residential or farming purposes or is vacant, but excluding those rating units included in Category 2 and 3.
2. Feilding Rural	Being all rating units situated within the 2009 Feilding differential rating area* being properties zoned Rural 1, Rural 2 or Flood Channel 2 under the Manawatu District Plan.
3. Feilding CBD	Being all rating units situated within the 2009 Feilding Central Business differential rating area*, not used solely or principally for residential purposes.
4. Rural	Being all rating units situated outside the 2009 Feilding differential rating area* excluding those rating units included in Category 5 and 6.
5. Industrial and Commercial	Being all rating units zoned Industrial under the Manawatu District Plan and used solely or principally for commercial or industrial purposes excluding those rating units included in Category 3 OR all rating units in the 2009 Feilding differential rating area used solely or principally for conducting a business but excluding those rating units in Category 3.
6. Utilities	Being all rating units situated within the Manawatu District that have been identified by the Valuer General as infrastructure utility networks.

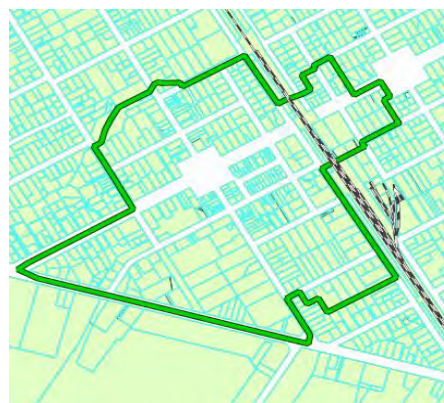
\*“Feilding differential rating area” as delineated on the plan filed in the office of the Council

\*“Feilding Central Business District differential rating area as delineated on the plan filed in the office of the Council

“Feilding Differential Rating Area 2009”



“Feilding Central Business District Differential Rating Area 2009”



### Goods and Services Tax (GST)

All amounts stated in this rating system document are GST inclusive.

### General Rate

The capital value (CV) of the property is multiplied by the rate in the \$ that the property category is assigned to.

Differential Category	Basis	Differential	Rate in the \$	Estimated Revenue \$
1. Feilding Residential	CV	1.00	0.00089	1,421,154
2. Feilding Rural	CV	0.50	0.00045	142,584
3. Feilding CBD	CV	2.25	0.00201	278,819
4. Rural	CV	0.40	0.00036	1,964,888
5. Industrial and Commercial	CV	1.60	0.00143	230,364
6. Utilities	CV	1.60	0.00143	129,129

Total revenue collected from General Rates for 2017/2018 is \$ 4,166,938.

### Parks and Sports Grounds Targeted Rate

The Capital Value (CV) of the property is multiplied by the rate in the \$ that the property category is assigned to.

Differential Category	Basis	Differential	Rate in the \$	Estimated Revenue \$
1. Feilding Residential	CV	1.00	0.00053	846,254
2. Feilding Rural	CV	0.30	0.00016	50,943
3. Feilding CBD	CV	2.75	0.00146	202,923
4. Rural	CV	0.30	0.00016	877,523
5. Industrial and Commercial	CV	1.50	0.00080	128,602
6. Utilities	CV	1.75	0.00093	84,101

Total revenue collected from Parks and Sport Grounds targeted rate for 2017/2018 is \$ 2,190,346. This excludes the \$25 target rate included in the Uniform Targeted Rates.

### Roading Targeted Rate

The Capital Value (CV) of the property is multiplied by the rate in the \$ that the property category is assigned to.

Differential Category	Basis	Differential	Rate in the \$	Estimated Revenue \$
1. Feilding Residential	CV	1.00	0.00100	1,587,990
2. Feilding Rural	CV	0.65	0.00065	207,119
3. Feilding CBD	CV	2.75	0.00274	380,784
4. Rural	CV	0.65	0.00065	3,567,773
5. Industrial and Commercial	CV	1.50	0.00150	241,320
6. Utilities	CV	1.75	0.00175	157,814

Total revenue collected from Roothing Targeted Rate for 2017/2018 is \$ 6,142,800. This excludes the \$100 target rate included in the Uniform Targeted Rate.

### Uniform Targeted rates

This rate is charged for each separately used or inhabited parts of a rating unit. The Uniform Targeted Rates (UTR) include the following services:

Activity	Uniform Targeted Rate 2017/18	Revenue to be collected 2017/2018
Animal Control	24	311,487
Cemeteries	20	268,590
Civil Defence	22	284,966
Governance and Strategy	181	2,397,482
Environmental and Regulatory Management	160	2,114,441
Local Halls and Recreation Complexes	40	531,562
Parks and Sports Grounds	25	330,809
Public Conveniences	30	399,285
Solid Waste	92	1,215,853
Roothing	100	1,323,236
<b>TOTAL</b>	<b>\$694</b>	<b>\$9,177,711</b>

**Kerbside Recycling Targeted Rate**

This rate is applied to each separately used or inhabited parts of a rating unit that has the recycling service available, excluding vacant land.

**Kerbside Recycling Targeted Rate** \$ 121.00

Total revenue to be generated by Kerbside Recycling Targeted Rate for 2017/2018 is \$816,595.

**Makino Aquatic Centre and Libraries Targeted Rate**

This rate is charged for each separately used or inhabited parts of a rating unit.

**Within Feilding Differential Rating Area** \$ 282.00

**Outside the Feilding Differential Rating Area** \$ 201.00

Total revenue generated by the Makino Aquatic Centre and Libraries Targeted Rate for 2017/2018 is \$3,216,488.

**Feilding CBD Redevelopment Targeted Rate**

This rate is applied to properties that are in the Feilding CBD differential category. The capital value of the property is multiplied by \$ 0.00190.

Total revenue generated by Feilding CBD Redevelopment Targeted Rate for 2017/2018 is \$260,222.

**Feilding CBD Security Targeted Rate**

This rate is applied for each separately used or inhabited parts of a rating unit that are in the Feilding CBD differential category.

Feilding CBD Security \$ 286.00

Total revenue to be collected by Feilding CBD Security Target Rate for 2017/2018 is \$ 73,942.

**Ultra-Fast Broadband Targeted Rate**

This rate is applied for each separately used or inhabited parts of a rating unit that is capable of being connected to this service as it runs past the rating unit.

Ultra Fast Broadband \$ 898.00

Total revenue to be collected by Ultra Fast Broadband Targeted Rate in the industrial area for 2017/2018 is \$22,455.

**Stormwater Targeted Rate**

The Stormwater targeted rate is charged to all rating units within the following areas:

**Within Feilding Differential Rating Area** \$ 96.00

**Zoned as Rongotea Village in District Plan** \$ 83.00

**Zoned as Sanson Village in District Plan** \$ 92.00

Total revenue to be generated from Stormwater Targeted Rates for 2017/2018 is \$ 649,560.

## Rural Land Drainage Targeted Rates

This rate is charged for the properties that are part of the scheme, the rate in \$ is multiplied by the land value.

Category	Rate in \$	Estimated Revenue \$
Bainesse drainage district		
Bainesse Class A	0.000380	3,727
Bainesse Class B	0.000180	2,330
Bainesse Class C	0.000160	932
Makowhai drainage district		
Makowhai Class A	0.000250	3,679
Makowhai Class B	0.000170	2,453
Makowhai Class C	0.000030	1,226
Maire drainage district		
Maire Class A	0.000270	1,447
Maire Class B	0.000090	1,158
Maire Class C	0.000130	868
Maire Class D	0.000200	579
Oroua Downs drainage district		
Oroua Downs Class A	0.000770	29,189
Oroua Downs Class B	0.000380	21,892
Oroua Downs Class C	0.000240	14,595

Total revenue to be generated from Rural Land Drainage Targeted Rates for 2017/2018 is \$ 84,076

## Wastewater Disposal Targeted Rate

The Wastewater disposal targeted rate is based on the level of wastewater service provided to the property.

“Connected” –	A charge for each toilet or urinal, that is connected to a Council operated wastewater scheme, excluding restricted service or those that have chosen volumetric charging. Any separately used or inhabited part of a rating unit that is used exclusively or principally as a residence will be charged for one toilet for each residence.
“Serviceable” –	50% of the connected rate for rating unit that is capable of being connected to a Council wastewater scheme as the reticulations runs past the rating unit.
“Restricted” –	80% of the connected rate for each toilet or urinal, or each separately used or inhabited part of a rating unit that is connected to a Council operated wastewater scheme, receiving a restricted service. Any separately used or inhabited part of a rating unit that is used exclusively or principally as a residence will be charged for one toilet for each residence. This includes Mount Taylor.

<b>Wastewater disposal - Connected</b>	<b>\$ 714.00</b>
<b>Wastewater disposal - Serviceable</b>	<b>\$ 357.00</b>
<b>Wastewater disposal - Restricted</b>	<b>\$ 571.00</b>

Total revenue to be generated from Wastewater Disposal Targeted Rates 2017/2018 is \$ 5,700,004.

## Volumetric Wastewater Charges

For those users that have chosen volumetric charging, wastewater volumes will be based on flowmeter reading or 80% of the water consumption. The wastewater charge will be \$187 every three months per connection. Should discharge exceed 304 cubic meters within the rating year, an additional charge of \$1.10 per cubic meter will be charged.

## Water Supply Targeted Rates – Urban

The Water Supply Targeted Rate are based on the level of water service provided to the property.

“Connected” –	A charge for each separately used or inhabited part of a rating unit that is connected to a Council operated water supply, excluding restricted service or extraordinary connection or those that have chosen volumetric charging.
“Serviceable” –	50% of the connected charge for each rating unit that is capable of being connected to the Council water supply as the supply runs past the rating unit.
“Restricted” –	80% of the connected charge for each separately used or inhabited part of a rating unit that is connected to a Council operated water supply, receiving a restricted service. This includes Mount Taylor and Sanson.

<b>Water supply - Connected</b>	<b>\$ 385.00</b>
<b>Water supply - Serviceable</b>	<b>\$ 192.50</b>
<b>Water supply - Restricted</b>	<b>\$ 308.00</b>

Total revenue to be generated from Water Supply – Urban Targeted Rates 2017/2018 is \$ 2,399,112.

## Volumetric Water Charges (water by meter)

Those users that are extraordinary (as defined in Council’s Bylaws) or have chosen volumetric charging have their water metered and charged three monthly based on the pipe size.

	<b>Every 3 Months</b>
<b>15 mm to 20 mm</b>	<b>\$160.00</b>
<b>25 mm</b>	<b>\$170.00</b>
<b>32 mm</b>	<b>\$170.00</b>
<b>40 mm</b>	<b>\$180.00</b>
<b>50 mm</b>	<b>\$180.00</b>
<b>100 mm</b>	<b>\$210.00</b>
<b>150 mm</b>	<b>\$230.00</b>

Should consumption exceed the water usage of 380 cubic meters within the rating year, an additional consumption charge of \$1.40 per cubic meter will be charged.

## Water Supply Targeted Rates - Rural

A water supply targeted rate is charged to properties in the schemes based on what units are allocated or supplied.

<b>Stanway/Halcombe – unit charge</b>	<b>\$ 196.00</b>
<b>Waituna West – unit charge</b>	<b>\$ 323.00</b>
<b>Kiwitea rural water – unit charge</b>	<b>\$ 207.00</b>
<b>Kiwitea rural water – additional unit supply</b>	<b>\$ 269.10</b>

Total revenue to be generated from Water Supply Targeted Rates – Rural for 2017/2018 is \$ 919,936

### Himatangi Beach Wastewater Disposal – Capital Contribution Targeted Rate

A capital contribution targeted rate is charged on properties that ratepayers have signed an agreement to pay their capital contribution over a set term for the Himatangi Beach wastewater scheme.

Category	Targeted Rate
Five year term, 1 July 2013 to 30 June 2018	\$2,384
Ten year term, 1 July 2013 to 30 June 2023	\$1,392
Twenty year term, 1 July 2013 to 30 June 2033	\$ 923

### Rongotea Water Supply – Capital Contribution Targeted Rate

A capital contribution targeted rate is charged on properties that ratepayers have signed an agreement to pay their capital contribution over a set term for the Rongotea water scheme.

Category	Targeted Rate
Three year term, 1 July 2015 to 30 June 2018	\$1,510
Five year term, 1 July 2015 to 30 June 2020	\$ 966
Ten year term, 1 July 2015 to 30 June 2025	\$ 564
Twenty year term, 1 July 2015 to 30 June 2035	\$ 374

### Rates invoice and penalty dates

The rates detailed in this Rating System (excluding the metered water) are calculated annually and detailed on the Rates Assessment. This covers the year 1 July 2017 to 30 June 2018.

The Rate Assessment is divided into four instalments. Council send an invoice for each of the instalments August, November, February and May. The due date for payment of the invoice is the last Friday of the month it is invoiced.

- A 10 percent penalty will be charged to the statement balance that is not paid by the due date.
- A 10 percent penalty will be charged on 1 July 2017 and again on 1 January 2018 to any balance that is not paid from previous years.

If annual rates are paid by 24 November 2017, any penalty charged for instalment one will be reversed.

	Instalment One	Instalment Two	Instalment Three	Instalment Four
<b>Invoice Date</b>	1 August 2017	1 November 2017	1 February 2018	1 May 2018
<b>Payment Due Date</b>	<b>25 August 2017</b>	<b>24 November 2017</b>	<b>23 February 2018</b>	<b>25 May 2018</b>
<b>Penalty Date</b>	30 August 2017	29 November 2017	28 February 2018	29 May 2018

Volumetric Water Charges will be invoiced at the end of each quarter and are due for payment on the last working day of the following month.

	Quarter One	Quarter Two	Quarter Three	Quarter Four
<b>Invoice Date</b>	30 September 2017	31 December 2017	31 March 2018	30 June 2018
<b>Payment Due Date</b>	<b>31 October 2017</b>	<b>31 January 2018</b>	<b>30 April 2018</b>	<b>31 July 2018</b>

Individual 2017/2018 property rates assessments can be viewed on the website [www.mdc.govt.nz](http://www.mdc.govt.nz), Property and Rates search function or call 06 323 0000.



# Manawatu District Council

## Prospective Statement of Comprehensive Revenue and Expense

		2017	2018	2018
	Note	Annual Plan \$000	Long-Term Plan \$000	Annual Plan \$000
<b>Revenue</b>				
Rates revenue		31,018	32,728	32,318
Financial income		364	440	217
Subsidies and grants	A	7,886	6,919	8,031
Development contributions		691	713	696
Other revenue		8,743	8,045	8,657
Other gains/(losses)		417	417	417
<b>Total revenue</b>	1	<b>49,119</b>	<b>49,262</b>	<b>50,336</b>
<b>Expenditure</b>				
Personnel costs	B	10,347	10,153	11,984
Depreciation and amortisation	2	12,759	13,462	13,192
Finance costs		3,181	4,075	2,969
Other operating expenses		22,266	21,092	22,131
<b>Total operating expenditure</b>	1	<b>48,553</b>	<b>48,782</b>	<b>50,276</b>
<b>Operating surplus/(deficit) before tax</b>		<b>566</b>	<b>480</b>	<b>60</b>
Income tax expense		0	0	0
<b>Net surplus/(deficit) after tax</b>	3	<b>566</b>	<b>480</b>	<b>60</b>
<b>Other comprehensive income and expense</b>				
Gains on the revaluation of property, plant and equipment		14,945	13,083	13,083
Impairment losses on restricted buildings through other comprehensive revenue and expenses		0	0	0
Gains/(losses) on financial assets at fair value through other comprehensive revenue				
<b>Total other comprehensive income and expense</b>		<b>14,945</b>	<b>13,083</b>	<b>13,083</b>
<b>Total comprehensive revenue and expense for the year</b>		<b>15,511</b>	<b>13,563</b>	<b>13,143</b>

### Note A

In 2017 a Ministry of Health subsidy was planned to cover capital costs associated with the Sanson water scheme (\$690,000). A portion of this subsidy of \$210,000 has been carried forward from 2016/17. Council receives a subsidy from the New Zealand Transport Agency for roading works. In the 2017 year additional work was planned to reinstate bridges damaged as a result of the June 2015 flood. More reinstatement work is planned for the 2018 year.

### Note B

In the figures above superannuation costs are included in other operating expenses for the 2017 Annual Plan and the Long Term Plan. Due to a change in financial reporting standards this cost is now included in personnel costs. This amounts to \$453,000 for the 2018 year.

Notes 1 - 7 are on pages 29 to 31.

**Manawatu District Council  
Prospective Statement of Changes in Net Assets/Equity**

	Note	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Opening Equity Balance</b>	5	573,868	608,960	589,259
Total other comprehensive Income and expense		15,511	13,563	13,143
<b>Closing Equity Balance</b>		<b>589,379</b>	<b>622,523</b>	<b>602,401</b>

# Manawatu District Council

## Prospective Statement of Financial Position

		2017	2018	2018
	Note	Annual Plan \$000	Long-Term Plan \$000	Annual Plan \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents		1,260	2,712	2,962
Accounts receivable		7,538	6,915	7,729
Investment in Council Controlled Entities		279	281	279
Other financial assets		705	0	0
Non-current assets held for sale		634	0	0
<b>Total current assets</b>		<b>10,416</b>	<b>9,908</b>	<b>10,970</b>
<b>Non-current assets</b>				
Property, plant and equipment		644,439	685,426	660,460
Intangible assets		916	950	818
Investment in associate		0	0	0
Non-current assets for sale		0	0	0
Investment in Council Controlled Entities		4,332	4,036	4,336
Other financial assets		2,953	2,953	2,953
<b>Total non-current assets</b>		<b>652,640</b>	<b>693,365</b>	<b>668,567</b>
<b>Total assets</b>		<b>663,056</b>	<b>703,273</b>	<b>679,537</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable		9,419	8,375	9,657
Provisions		103	45	103
Employee entitlements		781	776	801
Borrowings		5,000	8,000	5,000
<b>Total current liabilities</b>		<b>15,303</b>	<b>17,196</b>	<b>15,561</b>
<b>Non-current liabilities</b>				
Provisions		606	607	606
Borrowings		57,768	62,948	60,968
<b>Total non-current liabilities</b>		<b>58,374</b>	<b>63,555</b>	<b>61,574</b>
<b>Total liabilities</b>		<b>73,677</b>	<b>80,751</b>	<b>77,135</b>
<b>Equity</b>				
Retained earnings	7	465,093	457,963	464,711
Other reserves	7	124,286	164,560	137,690
<b>Total equity</b>		<b>589,379</b>	<b>622,523</b>	<b>602,401</b>
<b>Total Liabilities and Equity</b>		<b>663,056</b>	<b>703,273</b>	<b>679,537</b>

# Manawatu District Council

## Prospective Statement of Cash Flows

Note	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Cash flows from operating activities</b>			
Cash was provided from:			
Receipts from rates revenue	31,018	32,728	32,318
Interest received	347	432	209
Dividend received	17	8	8
Receipts from other revenue	17,321	15,676	17,384
Cash was disbursed to:			
Payments to suppliers and employees	(32,347)	(31,245)	(34,074)
Interest paid	(3,181)	(4,075)	(2,969)
Income tax paid	0	0	0
Goods and services tax (net)	0	0	0
<b>Net cash from operating activities</b>	<b>13,175</b>	<b>13,524</b>	<b>12,876</b>
<b>Cash flows from investing activities</b>			
Cash was provided from:			
Proceeds from sale of forestry	33	40	0
Proceeds from sale of property, plant and equipment	2,050	2,684	2,000
Net investments movements	411	932	411
Cash was disbursed to:			
Purchase of intangible assets	(667)	(53)	(52)
Purchase of property, plant and equipment	(32,276)	(21,243)	(31,128)
<b>Net cash from investing activities</b>	<b>(30,449)</b>	<b>(17,640)</b>	<b>(28,768)</b>
<b>Cash flows from financing activities</b>			
Cash was provided from:			
Proceeds from borrowing	11,723	11,030	15,278
Cash was disbursed to:			
Repayment of borrowings	(1,873)	(5,000)	(5,000)
<b>Net cash from financing activities</b>	<b>9,850</b>	<b>6,030</b>	<b>10,278</b>
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	(7,540)	1,914	(5,615)
Cash, cash equivalents and bank overdrafts at the beginning of the year	8,800	798	8,577
<b>Cash, cash equivalents and bank overdrafts at the end of the year</b>	<b>1,260</b>	<b>2,712</b>	<b>2,962</b>

## Notes to the Financial Statements

### Note 1

#### Reconciliation of Prospective Statement of Comprehensive Revenue and Expense to the Funding Impact Statement (FIS)

The Funding Impact Statements (FIS) throughout the document are prepared in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014. They do not comply with Generally Accepted Accounting Practices (GAAP). However, the core financial statements (prospective statement of comprehensive revenue and expense, prospective statement of changes in net assets / equity, prospective statement of financial position and the prospective statement of cash flows) are prepared in compliance with GAAP. The following is a reconciliation between the revenue and expenditure shown in the prospective statement of comprehensive revenue and expense and the Council's overall Funding Impact Statement.

	2017	2018	2018
	Annual Plan \$000	Long-Term Plan \$000	Annual Plan \$000
<b>Operating Revenue in the FIS</b>	<b>42,254</b>	<b>43,283</b>	<b>43,888</b>
Subsidies and grants for capital expenditure	5,476	4,543	5,010
Development and financial contributions	973	1,018	1,021
Net gain and losses not included in FIS	417	417	417
<b>Total Revenue in the Statement of Comprehensive Revenue and Expense</b>	<b>49,119</b>	<b>49,262</b>	<b>50,336</b>
Applications of Operating Funding in the FIS	35,794	35,321	37,084
Depreciation not included in the FIS	12,759	13,462	13,192
<b>Total Operating Expenditure in the Statement of Comprehensive Revenue and Expense</b>	<b>48,553</b>	<b>48,783</b>	<b>50,276</b>

### Note 2

#### Depreciation and Amortisation Expense per Group of Activities

	2017	2018	2018
	Annual Plan \$000	Long-Term Plan \$000	Annual Plan \$000
Community Facilities	1,340	1,490	1,421
District Development	0	0	0
Emergency Management	8	7	5
Environmental and Regulatory	13	13	8
Governance and Strategy	5	6	0
Roading Network	6,959	7,102	7,271
Solid Waste	66	80	67
Stormwater and Drainage	509	546	443
Wastewater	1,441	1,690	1,654
Water Supply	1,701	1,782	1,631
Support Services	718	745	692
<b>Total Depreciation and Amortisation</b>	<b>12,760</b>	<b>13,461</b>	<b>13,192</b>

### Note 3

#### Explanation of Net Operating Surplus (Deficit) after tax

Section 100 of the Local Government Act 2002 requires Council to ensure projected operating revenues are set at a level sufficient to meet that year's projected operating expenses. The table below details the make up of the net surplus/(deficit) as detailed in the Statement of Comprehensive Revenue and Expense.

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Net surplus/(deficit) after tax</b>	<b>566</b>	<b>480</b>	<b>60</b>
The surplus/(deficit) consists of the following			
Roading subsidy received from NZ Transport Agency to fund capital expenditure	4,786	4,543	4,800
Subsidies and grants for capital expenditure	690	0	210
Capital contributions and connection fees used to fund capital expenditure	282	305	325
Development contributions recognised as revenue but used to fund past or future capital expenditure in relation to growth	691	713	696
Depreciation not funded			
- Roothing (renewal funded by NZTA subsidy)	(3,356)	(3,425)	(3,507)
- Parks (only 50% of depreciation is funded)	(125)	(163)	(203)
- Halls (depreciation is only funded on recreation complexes)	(221)	(227)	(218)
Loans principal repayments funded from rates			
- CBD redevelopment loans	84	90	93
- Ultra Fast Broadband	3	6	4
Gain on property recognised	417	417	417
Use of reserves and special funds (including interest on growth account, subdivision development etc.)	(2,685)	(1,780)	(2,557)
	<b>566</b>	<b>480</b>	<b>60</b>

### Note 4

#### Water by meter included in Rates

Water charged by volume (water by meter) are included in rates revenue in the Statement of Comprehensive Revenue and Expense and in targeted rates in the Funding Impact Statements. The amount of water by meter included in rates is:

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
Water by meter included in rates	947	983	959

## Note 5 Opening Balances

The opening balances for 1 July 2017 do not agree with the closing balances for the prior year's Annual Plan (30 June 2017). The Annual Plan was approved by Council in June 2016 and the Annual Plan closing balances reflect the planned position at that time. Actual results for the 2016/17 financial year do not always reflect the position included in the plan. Potential changes include capital projects not progressing and therefore the associated funding is not uplifted, revaluations being different than planned, variances in cash requirements and the resulting impact on equity. To calculate the opening balances for the Annual Plan we have reforecasted the closing balances at 30 June 2017 to reflect known changes. This main items impacted include cash, investments, property plant and equipment, borrowing and equity.

## Note 6 Funding Impact Statements - transfer between operational and capital activities

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
Surplus (deficit) of operating funding	6,460	7,962	6,804
Surplus (deficit) of capital funding	(6,460)	(7,962)	(6,804)
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>(0)</b>
Loan principal repayments funded by rates	87	96	97
Depreciation funded by rates but transferred to reserve to fund renewal (current and future years)	9,058	9,646	9,264
Operating items funded from the transfer of reserves included in the capital activities	(2,685)	(1,780)	(2,557)
	<b>6,460</b>	<b>7,962</b>	<b>6,804</b>

## Note 7 Reserve Fund Movements

Equity is made up of a number of reserves - refer to the Statement of Accounting Policies. Schedule 10, clause 16 requires the movement of these funds to be disclosed. The following is a summary of reserve funds over the life of the long term plan for each class of funds.

### RETAINED EARNING

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Accumulated Funds</b>			
Included in the Accumulated Funds in the balance sheet are two types of reserves. These are separate funds and growth funds detailed below.			
<b>Growth Funds</b>			
These funds are created from Development and Financial Contributions levied. They are used for growth related expenditure for the creation of community assets. These include roads, parks and reserves, stormwater, wastewater and water supply.			
Opening balances	1,691	714	2,424
Transfers to reserves	691	713	696
Transfers from reserves	(2,035)	(1,694)	(3,084)
Closing Balance	<b>347</b>	<b>(267)</b>	<b>36</b>

### Depreciation Reserves

These funds are created from depreciation and amortisation funded through revenue sources. These funds are only applied to the renewal of existing assets and for principal repayments of loans.

Opening balances	5,772	2,041	5,671
Transfers to reserves	9,058	9,646	9,264
Transfers from reserves	(10,436)	(12,485)	(16,627)
Closing Balance	<b>4,394</b>	<b>(797)</b>	<b>(1,692)</b>

### OTHER RESERVES

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
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#### Trusts and Bequests

Funds have been gifted to Council for specific purposes, and in many cases have other restriction placed on the fund. The purpose of the fund may not be revised without reference to the Courts or a third party. These include the Hook Bequest, Trewin Bequest, Wakerill Trust, Robert Dickson Library Trust, PA Broad Memorial Trust, Historical Trust, Children's Welfare Trust, Robert Dickson Educational Trust, Museum Trust and the Feilding and District Relief Trust.

Opening balances	196	207	200
Transfers to reserves	7	8	8
Transfers from reserves	(3)	3	3
Closing Balance	<b>200</b>	<b>217</b>	<b>211</b>

#### Special Funds

These are funds set aside by Council. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council. They include the General Purpose Reserve, Insurance Reserve and the Land Subdivision Reserve.

Opening balances	1,316	1,340	1,340
Transfers to reserves	50	51	51
Transfers from reserves	(26)	(26)	(141)
Closing Balance	<b>1,340</b>	<b>1,365</b>	<b>1,250</b>

#### Revaluation Reserves

These reserves have been created from the revaluation movements of the property, plant and equipment.

Opening balances	107,401	149,426	122,746
Transfers to reserves	14,945	13,083	13,083
Transfers from reserves	400	469	400
Closing Balance	<b>122,746</b>	<b>162,978</b>	<b>136,229</b>

### TOTAL OTHER RESERVES

	<b>124,286</b>	<b>164,560</b>	<b>137,690</b>
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**Manawatu District Council  
Funding Impact Statement  
Whole of Council**

	Annual Plan 2017 \$000	Long Term Plan 2018 \$000	Annual Plan 2018 \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	4,018	4,156	3,923
Targeted rates	27,000	28,571	28,394
Subsidies and grants for operating purposes	2,410	2,376	3,021
Fees and charges	4,749	4,497	5,264
Interest and dividends from investments	364	440	217
Local authorities fuel tax, fines, infringement fees and other receipts	3,713	3,242	3,069
<b>Total operating funding</b>	<b>42,254</b>	<b>43,283</b>	<b>43,888</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	32,613	31,245	34,115
Finance costs	3,181	4,076	2,969
Other operating funding applications	0	0	0
<b>Total applications of operating funding</b>	<b>35,794</b>	<b>35,321</b>	<b>37,084</b>
<b>Surplus (deficit) of operating funding</b>	<b>6,460</b>	<b>7,962</b>	<b>6,804</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	5,476	4,543	5,010
Development and financial contributions	973	1,018	1,021
Increase (decrease) in debt	9,850	6,030	10,253
Gross proceeds from sale of assets	2,050	2,684	2,000
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding</b>	<b>18,349</b>	<b>14,275</b>	<b>18,284</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	5,172	1,701	6,987
- to improve the level of service	10,229	4,835	6,460
- to replace existing assets	17,542	14,759	17,733
Increase (decrease) in reserves	(8,019)	1,143	(5,976)
Increase (decrease) of investments	(115)	(201)	(115)
<b>Total application of capital funding</b>	<b>24,809</b>	<b>22,237</b>	<b>25,089</b>
<b>Surplus (deficit) of capital funding</b>	<b>(6,460)</b>	<b>(7,962)</b>	<b>(6,804)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Manawatu District Council  
Funding Impact Statement  
Community Facilities**

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	616	610	328
Targeted rates	5,612	6,006	6,032
Subsidies and grants for operating purposes	4	4	4
Fees and charges	1,354	1,470	1,322
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	24	11	37
<b>Total operating funding</b>	<b>7,610</b>	<b>8,101</b>	<b>7,723</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	5,110	4,916	5,395
Finance costs	1,235	1,360	866
Internal charges and overheads applied	916	1,186	1,277
Other operating funding applications	0	0	0
<b>Total applications of operating funding</b>	<b>7,261</b>	<b>7,462</b>	<b>7,538</b>
<b>Surplus (deficit) of operating funding</b>	<b>349</b>	<b>639</b>	<b>186</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	92	93	91
Increase (decrease) in debt	1,511	2,201	3,261
Gross proceeds from sale of assets	2,050	2,684	2,000
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding</b>	<b>3,653</b>	<b>4,978</b>	<b>5,352</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	967	350	1,859
- to improve the level of service	2,450	2,138	2,414
- to replace existing assets	824	660	857
Increase (decrease) in reserves	(240)	2,469	408
Increase (decrease) of investments	0	0	0
<b>Total application of capital funding</b>	<b>4,002</b>	<b>5,617</b>	<b>5,538</b>
<b>Surplus (deficit) of capital funding</b>	<b>(349)</b>	<b>(639)</b>	<b>(187)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Manawatu District Council  
Funding Impact Statement  
District Development**

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	2,119	2,155	2,545
Targeted rates	96	111	84
Subsidies and grants for operating purposes	25	57	25
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	71	241	65
<b>Total operating funding</b>	<b>2,311</b>	<b>2,564</b>	<b>2,719</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	2,082	2,053	2,317
Finance costs	286	286	260
Internal charges and overheads applied	291	391	350
Other operating funding applications	0	0	0
<b>Total applications of operating funding</b>	<b>2,658</b>	<b>2,730</b>	<b>2,927</b>
<b>Surplus (deficit) of operating funding</b>	<b>(347)</b>	<b>(166)</b>	<b>(208)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(11)	(35)	49
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding</b>	<b>(11)</b>	<b>(35)</b>	<b>49</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	8	0	0
- to replace existing assets	24	0	0
Increase (decrease) in reserves	(275)	0	(44)
Increase (decrease) of investments	(115)	(201)	(115)
<b>Total application of capital funding</b>	<b>(358)</b>	<b>(201)</b>	<b>(159)</b>
<b>Surplus (deficit) of capital funding</b>	<b>347</b>	<b>166</b>	<b>208</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Manawatu District Council  
Funding Impact Statement  
Emergency Management**

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	224	237	0
Targeted rates	183	192	248
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
<b>Total operating funding</b>	<b>407</b>	<b>429</b>	<b>248</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	324	332	200
Finance costs	0	0	0
Internal charges and overheads applied	75	89	63
Other operating funding applications	0	0	0
<b>Total applications of operating funding</b>	<b>399</b>	<b>421</b>	<b>263</b>
<b>Surplus (deficit) of operating funding</b>	<b>8</b>	<b>8</b>	<b>(15)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	16	0	0
- to replace existing assets	0	8	0
Increase (decrease) in reserves	(8)	0	(15)
Increase (decrease) of investments	0	0	0
<b>Total application of capital funding</b>	<b>8</b>	<b>8</b>	<b>(15)</b>
<b>Surplus (deficit) of capital funding</b>	<b>(8)</b>	<b>(8)</b>	<b>15</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Manawatu District Council  
Funding Impact Statement  
Environmental and Regulatory Services**

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	565	587	566
Targeted rates	2,014	2,085	2,110
Subsidies and grants for operating purposes	0	0	0
Fees and charges	1,509	1,554	1,804
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	24	24	24
<b>Total operating funding</b>	<b>4,112</b>	<b>4,250</b>	<b>4,504</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	2,131	1,789	2,293
Finance costs	0	0	0
Internal charges and overheads applied	2,216	2,298	2,520
Other operating funding applications	0	0	0
<b>Total applications of operating funding</b>	<b>4,347</b>	<b>4,087</b>	<b>4,813</b>
<b>Surplus (deficit) of operating funding</b>	<b>(236)</b>	<b>163</b>	<b>(309)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	0	0	0
Increase (decrease) in reserves	(236)	163	(309)
Increase (decrease) of investments	0	0	0
<b>Total application of capital funding</b>	<b>(236)</b>	<b>163</b>	<b>(309)</b>
<b>Surplus (deficit) of capital funding</b>	<b>236</b>	<b>(163)</b>	<b>309</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Manawatu District Council  
Funding Impact Statement  
Governance Team**

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	2,135	2,080	2,085
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	66	0	0
<b>Total operating funding</b>	<b>2,201</b>	<b>2,080</b>	<b>2,085</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	850	553	598
Finance costs	0	0	0
Internal charges and overheads applied	1,346	1,521	1,487
Other operating funding applications	0	0	0
<b>Total applications of operating funding</b>	<b>2,196</b>	<b>2,074</b>	<b>2,085</b>
<b>Surplus (deficit) of operating funding</b>	<b>5</b>	<b>6</b>	<b>1</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	0	0	0
Increase (decrease) in reserves	5	6	1
Increase (decrease) of investments	0	0	0
<b>Total application of capital funding</b>	<b>5</b>	<b>6</b>	<b>1</b>
<b>Surplus (deficit) of capital funding</b>	<b>(5)</b>	<b>(6)</b>	<b>(1)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Manawatu District Council  
Funding Impact Statement  
Roading Network**

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	56	57	25
Targeted rates	6,101	6,254	6,718
Subsidies and grants for operating purposes	2,282	2,219	2,887
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	187	190	186
<b>Total operating funding</b>	<b>8,626</b>	<b>8,720</b>	<b>9,816</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	4,453	4,333	5,755
Finance costs	198	201	169
Internal charges and overheads applied	318	455	168
Other operating funding applications	0	0	0
<b>Total applications of operating funding</b>	<b>4,969</b>	<b>4,989</b>	<b>6,092</b>
<b>Surplus (deficit) of operating funding</b>	<b>3,657</b>	<b>3,731</b>	<b>3,724</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	4,786	4,543	4,800
Development and financial contributions	133	135	132
Increase (decrease) in debt	(84)	474	341
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding</b>	<b>4,835</b>	<b>5,152</b>	<b>5,273</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	1,458	416	1,979
- to improve the level of service	1,168	2,080	1,066
- to replace existing assets	9,081	6,999	8,493
Increase (decrease) in reserves	(3,215)	(612)	(2,539)
Increase (decrease) of investments	0	0	0
<b>Total application of capital funding</b>	<b>8,492</b>	<b>8,883</b>	<b>8,997</b>
<b>Surplus (deficit) of capital funding</b>	<b>(3,657)</b>	<b>(3,731)</b>	<b>(3,724)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Manawatu District Council  
Funding Impact Statement  
Solid Waste**

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	1,670	1,737	1,767
Subsidies and grants for operating purposes	99	96	105
Fees and charges	908	677	879
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	1	57	2
<b>Total operating funding</b>	<b>2,678</b>	<b>2,567</b>	<b>2,753</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	2,152	1,954	2,413
Finance costs	79	114	60
Internal charges and overheads applied	397	432	384
Other operating funding applications	0	0	0
<b>Total applications of operating funding</b>	<b>2,628</b>	<b>2,500</b>	<b>2,857</b>
<b>Surplus (deficit) of operating funding</b>	<b>50</b>	<b>67</b>	<b>(104)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	713	(77)	(36)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding</b>	<b>713</b>	<b>(77)</b>	<b>(36)</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	785	5	71
- to replace existing assets	0	0	0
Increase (decrease) in reserves	(22)	(15)	(211)
Increase (decrease) of investments	0	0	0
<b>Total application of capital funding</b>	<b>763</b>	<b>(10)</b>	<b>(140)</b>
<b>Surplus (deficit) of capital funding</b>	<b>(50)</b>	<b>(67)</b>	<b>104</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Manawatu District Council  
Funding Impact Statement  
Stormwater and Drainage**

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	177	189	158
Targeted rates	681	725	638
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
<b>Total operating funding</b>	<b>858</b>	<b>914</b>	<b>796</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	350	304	192
Finance costs	360	406	278
Internal charges and overheads applied	22	68	172
Other operating funding applications	0	0	0
<b>Total applications of operating funding</b>	<b>732</b>	<b>778</b>	<b>642</b>
<b>Surplus (deficit) of operating funding</b>	<b>126</b>	<b>136</b>	<b>154</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	244	248	242
Increase (decrease) in debt	1,678	508	2,114
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding</b>	<b>1,922</b>	<b>756</b>	<b>2,357</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	1,542	594	2,135
- to improve the level of service	211	0	0
- to replace existing assets	863	396	733
Increase (decrease) in reserves	(568)	(98)	(358)
Increase (decrease) of investments	0	0	0
<b>Total application of capital funding</b>	<b>2,048</b>	<b>892</b>	<b>2,510</b>
<b>Surplus (deficit) of capital funding</b>	<b>(126)</b>	<b>(136)</b>	<b>(154)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Manawatu District Council  
Funding Impact Statement  
Wastewater**

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	4,567	5,346	5,052
Subsidies and grants for operating purposes	0	0	0
Fees and charges	956	773	1,240
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
<b>Total operating funding</b>	<b>5,523</b>	<b>6,119</b>	<b>6,292</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	2,907	2,924	2,329
Finance costs	1,506	1,674	1,696
Internal charges and overheads applied	21	170	959
Other operating funding applications	0	0	0
<b>Total applications of operating funding</b>	<b>4,434</b>	<b>4,768</b>	<b>4,984</b>
<b>Surplus (deficit) of operating funding</b>	<b>1,089</b>	<b>1,351</b>	<b>1,308</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	271	289	309
Increase (decrease) in debt	3,464	(563)	2,252
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding</b>	<b>3,735</b>	<b>(274)</b>	<b>2,561</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	500	114	743
- to improve the level of service	3,485	131	2,341
- to replace existing assets	3,844	3,803	3,539
Increase (decrease) in reserves	(3,006)	(2,971)	(2,754)
Increase (decrease) of investments	0	0	0
<b>Total application of capital funding</b>	<b>4,824</b>	<b>1,077</b>	<b>3,869</b>
<b>Surplus (deficit) of capital funding</b>	<b>(1,089)</b>	<b>(1,351)</b>	<b>(1,308)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Manawatu District Council  
Funding Impact Statement  
Water Supply**

	2017 Annual Plan \$000	2018 Long-Term Plan \$000	2018 Annual Plan \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	3,941	4,035	3,660
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
<b>Total operating funding</b>	<b>3,941</b>	<b>4,035</b>	<b>3,660</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	1,862	1,772	1,041
Finance costs	395	433	305
Internal charges and overheads applied	207	298	846
Other operating funding applications	0	0	0
<b>Total applications of operating funding</b>	<b>2,464</b>	<b>2,503</b>	<b>2,192</b>
<b>Surplus (deficit) of operating funding</b>	<b>1,477</b>	<b>1,533</b>	<b>1,468</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	690	0	210
Development and financial contributions	233	253	247
Increase (decrease) in debt	692	(51)	555
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
<b>Total sources of capital funding</b>	<b>1,615</b>	<b>202</b>	<b>1,012</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	705	227	270
- to improve the level of service	1,475	457	528
- to replace existing assets	2,358	2,361	3,329
Increase (decrease) in reserves	(1,446)	(1,310)	(1,647)
Increase (decrease) of investments	0	0	0
<b>Total application of capital funding</b>	<b>3,092</b>	<b>1,735</b>	<b>2,480</b>
<b>Surplus (deficit) of capital funding</b>	<b>(1,477)</b>	<b>(1,533)</b>	<b>(1,468)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>



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