



Mackenzie

DISTRICT COUNCIL

**Notice is given of a Kimbell Rural Water Supply Ratepayers
Annual General Meeting to be held on:**

Date: Wednesday, 22 June 2022

Time: 8.30am

**Location: Council Chambers
Fairlie**

AGENDA

**Kimbell Rural Water Supply Ratepayers
Annual General Meeting**

22 June 2022

Note: This meeting will be digitally recorded by the minute-taker.

Kimbell Rural Water Supply Ratepayers Committee Membership:

Richard Davis (Chair)

All Users of the Kimbell Rural Water Supply

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- 1 OPENING**
- 2 APOLOGIES**

3 REPORTS

3.1 MINUTES OF KIMBELL RURAL WATER SUPPLY RATEPAYERS COMMITTEE MEETING - 23 MAY 2019

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: 1. **Minutes of Kimbell Rural Water Supply Ratepayers Committee Meeting - 23 May 2019**

RECOMMENDATION

1. That the Minutes of the Kimbell Rural Water Supply Ratepayers Committee Meeting held on Thursday 23 May 2019 be received and confirmed as an accurate record of the meeting.

MINUTES OF MACKENZIE DISTRICT COUNCIL
KIMBELL RURAL WATER SUPPLY RATEPAYERS ANNUAL GENERAL MEETING
HELD AT THE COUNCIL CHAMBERS, FAIRLIE
ON THURSDAY, 23 MAY 2019 AT 8.30AM

PRESENT: Richard Davis (Chair), Maree Davis, Charles Waters, Brian Beattie, Andrew Anderson

IN ATTENDANCE: Mayor Graham Smith, Geoff Horler (Utilities Manager), Charlotte Borrell (Governance Advisor)

1 OPENING

Richard Davis welcomed everyone and opened the meeting.

2 APOLOGIES

Mark Sheehan

3 PUBLIC FORUM

There was no public forum.

4 DECLARATIONS OF INTEREST

There were no declarations of interest.

5 REPORTS

5.1 CONFIRMATION OF MINUTES OF THE MEETING ON 28 MARCH 2018

COMMITTEE RESOLUTION KIM/2019/7

Moved: Charles Waters

Seconded: Maree Davis

1. That the minutes of the Annual General Meeting of the Kimbell Rural Water Supply Ratepayers Committee, held on Thursday, March 28, 2018, be confirmed and adopted as a correct record of the meeting.

CARRIED

5.2 CHAIRMAN'S REPORT

All is running well with the supply and there have been no problems so that's good.

STAFF RECOMMENDATIONS

The report be received and Mr Davis thanked for his work as chairman over the previous year.

5.3 FINANCIAL REPORT AND BUDGET

This report has been prepared for the committee members to review the financial report for the year ended 30 June 2018 and determine the budget for the 2019/2020 year.

COMMITTEE RESOLUTION KIM/2019/8

Moved: Chair Richard Davis

Seconded: Charles Waters

1. That the report be received.
2. That the financial report for the year ended 30 June 2018 be adopted.
3. That the budget for 2019/2020 be adopted as presented.
4. That the Water Supply resolves to collect \$1,100 (GST exclusive) from users prior to 30 June 2020.

CARRIED

5.4 ELECTION OF CHAIRPERSON AND ELECTION OF COMMITTEE

The mayor presided as temporary chair to elect the 2019/20 chair.

COMMITTEE RESOLUTION KIM/2019/9

Moved: Charles Waters

Seconded: Brian Beattie

1. That Richard Davis be elected chairperson of the Kimbell Rural Water Supply Ratepayers Committee for 2019/20.

CARRIED

COMMITTEE RESOLUTION KIM/2019/10

Moved: Chair Richard Davis

Seconded: Maree Davis

2. That all users of the Kimbell Rural Water Supply remain as the committee for the supply for 2019/20.

CARRIED

5.5 GENERAL BUSINESS

Geoff Horler (Utilities Manager) spoke about the scheme being in a healthy state. He made the committee aware of potential future requirements. ECan may require a meter and logging device be installed to report water use to ECan. A water safety plan would also be required. This is because ECan require data supplied for water use on all consents. In addition ECan may require samples at source. The potential cost for the meter is a couple of hundred dollars, and for the logging device approximately \$5000. In future, dependant on legislation, the scheme may need to comply with drinking water standards.

There was discussion around chlorine treatment. Mr Horler explained how chlorine works.

The Meeting closed at 9.09am.

The minutes of this meeting were confirmed at the Kimbell Rural Water Supply Ratepayers Annual General Meeting held on .

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CHAIRPERSON

3.2 CHAIRPERSON'S REPORT

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: Nil

STAFF RECOMMENDATIONS

That the chairperson provide a report to the meeting on current activity, and be thanked for their work as chairperson over the past year.

3.3 FINANCIAL REPORT AND BUDGET

Author: Sandy Hogg, Manager - Finance

Authoriser: Paul Numan, General Manager Corporate Services

Attachments: 1. Kimbell Water Supply Financials [↓](#) 

PURPOSE OF REPORT

This report has been prepared for the committee members to review the financial report for the year ended 30 June 2022 and determine the budget for the 2022/2023 year.

STAFF RECOMMENDATIONS

1. That the report be received.
2. That the financial report for the year ended 30 June 2022 be adopted.
3. That the budget for 2022/2023 be adopted as presented.
4. That the Water Supply resolves to collect \$1,100 (GST exclusive) from users prior to 30 June 2023.

INTRODUCTION:

The financial statement attached as Appendix 1 has 5 sets of figures, designed to provide comparative data covering 4 consecutive years. Moving left to right:

- The first three columns represent revenue and expenditure for, the 12 months to 30 June 2019, 2020 and 2021.
- The fourth column presents information on the current year – the forecasted results to 30 June 2022. It includes actual results to March and proposed revenue and expenditure for the final three months of the year (April, May, June)
- The final column on the far right hand side of the page represents the draft budget for next year.

FINANCIAL PERFORMANCE:

2018/2019 Year

For the year ended 30 June 2019, the Water Supply recorded a cash surplus (after adding back the \$1,269 of unfunded depreciation) of \$1,209.

2019/2020 Year

For the year ended 30 June 2019, the Water Supply recorded a cash surplus (after adding back the \$4,462 of unfunded depreciation) of \$1,285. Compared to the 2018/2019 results, variances were:

- Increase in income from contributions (recoverable services) of \$118.
- Decrease in interest earned on the reserve of \$36.
- Increase in insurance costs of \$6.

2020/2021 Year

For the year ended 30 June 2021, the Water Supply recorded a cash surplus (after adding back the \$4,462 of unfunded depreciation) of \$1,236. Compared to the 2019/2020 results, variances were:

- Decrease in income from contributions (recoverable services) of \$5.
- Decrease in interest earned on the reserve of \$35.
- Increase in insurance costs of \$9.

2021/2022 Year

For the year ended 30 June 2022, the Water Supply is forecasted to have a cash surplus (after adding back the \$4,462 of unfunded depreciation) of \$1,128. Compared to the 2020/2021 results, variances will be:

- Decrease in interest earned on the reserve of \$106.
- Increase in insurance costs of \$2.

RESERVE BALANCE:

The Water Supply began the year with a Reserve Balance of \$23,624. The forecast cash surplus of \$1,128 means that the Reserve is forecast to increase to \$24,752 by year end. This will earn interest at a rate set at 0.50%. Council is forecasting interest to be earned of \$118.

BUDGET FOR 2022/2023

There are no significant changes to the costs included in budget from that of the last few years. There is a slight increase in total expenditure budgeted due to revised insurance costs planned for next year.

The Supply has funded \$1,100 as a contribution to the operations, which is in excess of its current requirement of \$100.

The committee needs to balance the likely costs of future expenditure for such things as resource consent, with current contribution levels.

It is still considered that the resource consent renewal required in 2032 should be straight forward and inexpensive.

Therefore it is recommended that the water supply contributions remain at \$1,100 plus GST.

**Mackenzie District Council
Kimbell Water Supply**

2018/19 Actuals	2019/20 Actuals	2020/21 Actuals	Account	2021/22 Forecast	2022/23 Budget
			Operating Revenue		
(987)	(1,105)	(1,100)	344143. Recoverable Services	(1,100)	(1,100)
(295)	(259)	(224)	344150. Interest earned on Capital Reserve	(118)	(124)
(1,282)	(1,365)	(1,324)		(1,218)	(1,224)
			Operating Expenditure		
73	79	88	344236. Insurance	90	95
1,269	4,462	4,462	344251. Depreciation	4,462	4,462
1,342	4,542	4,550		4,552	4,557
59	3,177	3,226	Funding Requirement	3,334	3,333
(1,269)	(4,462)	(4,462)	Unfunded Depreciation - 100%	(4,462)	(4,462)
1,209	1,285	1,236	Operating Surplus/(Deficit)	1,128	1,129
1,209	1,285	1,236	<i>Transfer to / (from) Reserves</i>	1,128	1,129
			Kimbell Water Supply Reserve		
19,894	21,103	22,388	Balance brought forward	23,624	24,752
1,209	1,285	1,236	Transfer to / (from) Reserves	1,128	1,129
21,103	22,388	23,624	Closing Balance	24,752	25,881

3.4 GENERAL BUSINESS

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: Nil

STAFF RECOMMENDATIONS

That any issues or matters for action be raised under General Business.

5.5 ELECTION OF CHAIRPERSON AND MEMBERS OF COMMITTEE

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: Nil

At each annual general meeting an election is held for the position of chairperson and members of the committee. Traditionally, all users of the supply have been made members of the committee, with all having voting rights.

STAFF RECOMMENDATIONS

1. That (name) be elected chairperson of the Kimbell Rural Water Supply Ratepayers Committee for 2022/23.
2. That the members of the committee for 2022/23 are (names).