



Mackenzie

DISTRICT COUNCIL

Notice is given of a School Road Rural Water Supply Ratepayers

Annual General Meeting to be held on:

Date: Wednesday, 22 June 2022

Time: 10.00am

Location: Council Chambers

Fairlie

AGENDA

School Road Rural Water Supply Ratepayers Annual General Meeting

22 June 2022

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

School Road Rural Water Supply Ratepayers Committee Membership:

Keith Stanley (Chair)

Warren Walker

Keith Walker

Peter Mills

Kevin O'Neill

Kevin Payne

Les Riddle

Phil McCabe

Andrew Anderson

Peter Cooke

Ross Moore

John Wright

Helen Johnson

Allan Hooper

Lester Cordes

Matthew Wilson

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1 OPENING

2 APOLOGIES

3 REPORTS

3.1 MINUTES OF SCHOOL ROAD RURAL WATER SUPPLY RATEPAYERS COMMITTEE MEETING - 12 MARCH 2020

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: 1. **Minutes of School Road Rural Water Supply Ratepayers Committee Meeting - 12 March 2020**

RECOMMENDATION

1. That the Minutes of the School Road Rural Water Supply Ratepayers Committee Meeting held on Thursday 12 March 2020 be received and confirmed as an accurate record of the meeting.

**MINUTES OF MACKENZIE DISTRICT COUNCIL
SCHOOL ROAD RURAL WATER SUPPLY RATEPAYERS ANNUAL GENERAL MEETING
HELD AT THE COUNCIL CHAMBERS, FAIRLIE
ON THURSDAY, 12 MARCH 2020 AT 9.30AM**

PRESENT: Chairman Keith Stanley and eight other School Road ratepayers including Warren Walker, Peter Mills, Kevin O'Neill, John Wright, Allan Hooper.

IN ATTENDANCE: Geoff Horler (Utilities Manager), Adrian Hodgett (Finance Manager), Pauline Jackson (Rates Officer), Arlene Goss (Governance Advisor)

1 OPENING

The chairman opened the meeting and welcomed everyone.

2 APOLOGIES

COMMITTEE RESOLUTION SCH/2020/10

Moved: Warren Walker

Seconded: Peter Mills

That apologies be received from Keith Walker, Kevin Payne, the Showgrounds Committee and Mayor Graham Smith.

CARRIED

3 REPORTS

3.1 CONFIRMATION OF MINUTES OF THE PREVIOUS AGM

COMMITTEE RESOLUTION SCH/2020/11

Moved: Warren Walker

Seconded: Peter Mills

That the minutes of the Annual General Meeting of the School Road Rural Water Supply Ratepayers Committee, held on Tuesday, May 23, 2019, be confirmed and adopted as a correct record of the meeting.

CARRIED

MATTERS ARISING FROM THE MINUTES

The chairman asked Pauline Jackson to update the committee on the rating of the golf course. She said golf course land was in the rating area for the School Road Water Race. Years ago if people didn't use the water race they were not charged rates for it. But that no longer applied. The Golf Course has received a 50% rates remission, so their water rates this year totalled about \$66.

The chairman noted that some water race users did not receive a copy of the meeting notice and agenda in the post. Pauline Jackson offered to investigate this and get back to the chairman.

3.2 CHAIRMAN'S REPORT

Chairman Keith Stanley said the year had gone smoothly for the water race. There were no flooding events and January had been dry. The water race was taking all the water out of the Fairlie Creek in January. Weed spraying has been carried out. He thanked those present for their work.

3.3 FINANCIAL REPORT AND BUDGET

This was prepared for the committee members to review the financial report for the year ended 30 June 2019 and determine the budget for the 2020/2021 year.

Finance manager Adrian Hodgett spoke to the report. He said the water race is currently operating under budget but is forecasted to spend the budget by the end of the financial year on June 30. With the surplus showing in the reserves, he suggested the committee agree to keep the rates at the same level this year. He did not anticipate any reason to raise the water race rates.

COMMITTEE RESOLUTION SCH/2020/12

Moved: Kevin O'Neill

Seconded: John Wright

1. That the report be received.
2. That the financial report for the year ended 30 June 2019 be adopted.
3. That the budget for 2020/2021 be adopted as presented.
4. That the Water Supply recommends to Council the per hectare rate remains at \$2.77 per hectare (inclusive of GST) and the per property rate is kept at \$30.00 per property (inclusive of GST).

CARRIED

3.4 ELECTION OF CHAIRPERSON AND ELECTION OF COMMITTEE

The chairman asked if anyone else would like to do the job and there were no volunteers, so he was re-elected to the chair.

COMMITTEE RESOLUTION SCH/2020/13

Moved: Peter Mills

Seconded: Warren Walker

1. That Keith Stanley be re-elected chairperson of the School Road Rural Water Supply Ratepayers Committee for 2020/21.
2. That all members present and apologies received be the members of the committee for the School Road Rural Water Supply for 2020/21.

CARRIED

3.5 GENERAL BUSINESS

Utilities Manager Geoff Horler raised the issue of flow monitoring. The current monitoring method was not acceptable to Environment Canterbury and could not continue. A new monitor needed to be installed so water flow information was easily accessible to the monitoring team in Christchurch using cell phone technology. This could cost about \$5000 to install, plus an annual fee of \$200 for monitoring.

The chairman said it was a lot of money to spend and he wanted to talk to Environment Canterbury about it first, because he did not agree that it was needed.

Further discussion took place and Mr Horler said failing to comply with Environment Canterbury's request could result in the water race being issued an abatement notice.

The committee agreed that money in the reserve fund should be spent on this.

COMMITTEE RESOLUTION SCH/2020/14

Moved: Peter Mills

Seconded: Allan Hooper

That staff be instructed to seek a price for monitoring equipment and report this back to the committee.

CARRIED

The chairman asked for his vote against to be recorded.

The Meeting closed at 9.49am.

The minutes of this meeting will be confirmed at the School Road Rural Water Supply Ratepayers Annual General Meeting held in 2021.

Note: Following the meeting it was discovered that, due to a clerical error, eight properties using the School Road Water Supply were not sent a copy of the agenda of the meeting beforehand. Council apologises for this error.

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. School Road Water Race [↓](#) 

PURPOSE OF REPORT

The report has been prepared for the Committee members to review the forecasted 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 recommends to Council a rate requirement of \$6.03(GST Incl.) per hectare and the per property rate is kept at \$30.00 (GST Incl.) per property to achieve an income requirement of \$5,060 for the scheme.

INTRODUCTION

The financial statement attached as Appendix 1 has 6 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 and fifth columns present information on the current year – the budget for the year and the forecasted results to 30 June 2022. For the forecasted results 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 an operating surplus of \$2,957.

2019/2020 Year

For the year ended 30 June 2020, the Water Supply recorded an operating surplus of \$2,952. Compared to the 2018/2019 results, main variances were:

- Decrease in income from targeted rates of \$738.
- Decrease in income from targeted rates of \$2,270.
- Decrease in monitoring costs of \$652.

2020/2021 Year

For the year ended 30 June 2021, the Water Supply recorded an operating surplus of \$2,896. Compared to the 2019/2020 results, main variances were:

- Increase of \$122 for corporate overhead allocation.

2021/2022 Year

For the year ended 30 June 2022, the Water Supply is forecasted to have an operating deficit of \$4,396. This is above the budgeted operating surplus of \$0 and is a result of increases in areas such as contractors but offset by savings in repairs and maintenance and monitoring. Increases to interest earned on the reserve account offsets some of these budget overruns.

Compared to the 2020/2021 results, main variances for 2021/2022 will be:

- Increase in income from targeted rates of \$2,140.
- Decrease in interest earned on reserve account of \$444.
- Increase in monitoring costs of \$1,000.
- Increase in contractors' costs of \$8,000.

RESERVE BALANCE

This year we are forecasting a transfer of \$4,396 from the reserve account which will result in the reserve having a closing balance of \$24,109 in credit.

BUDGET FOR 2022/2023

There have been very minimal changes over the 2021/22 budget. The income from targeted rates has been budgeted at \$171 lower than that of this year.

It is anticipated that the School Road Water Race will produce a cash surplus of \$11 after adding back unfunded depreciation.

The budget is proposing the balance of the reserve at the end of the year to be \$24,120 in credit.

CURRENT CONSUMERS

Total operating costs of \$5,060 (GST incl.) are to be rated for. Based on 29 consumers the rate in the dollar is proposed to be \$30.00 and 695 hectares at \$6.03 per hectare.

Valuation Reference	Ratepayer 1	Ratepayer 2	Hectares
2528007100	Belcher Robert John		12.68
2528007201	Berghan Michelle Louise	PMC Trust Management 2012 Limited	2.49
2528007008	Cordes Lester Eric	Cordes Stephanie May	9.50
2531056901	Fairlie Golf Club Incorporated		18.00
2531056000	Girvan Clarice Elaine	Girvan Norman Stewart Andrew	0.82
2531055600	Hellmrich Lain Patrick Gunnion	Hellmrich Heather Mary	1.44
2528007010	Hewson Farming Company Limited		79.25
2528007102	Hooper Allan Ross	Eade Susan Ann	3.89
2528007103	Johns Astrid Kelly	Giddens Anna Claire	1.49
2531054900	Lambert Sandra Veronica	Taylor Ingrid Robyn	1.80
2531055200	Mackenzie AP Society Incorporated		10.52
2560005400	Mackenzie District Council		4.05
2528006900	McCabe Philip Rodger	Johnson Helen Mary	28.32
2528007200	Moorland Holdings Limited		56.70
2528007202	Moorland Holdings Limited		2.63
2528007203	Moorland Holdings Limited		2.50
2528007204	Moorland Holdings Limited		3.16
2528005100	ONEILL Kevin Bernard	ONEILL Deborah Mary	40.16
2531055100	Payne Kevin David	Payne Jodi Su Lester	4.48
2528007009	Riddle Leslie Morris Unwin	Riddle Sandra Margaret	0.97
2528006500	Rodwell Timothy Preston	Rodwell Carin Joanna	66.40
2528006700	Stanley Keith Edward	Stanley Annette Hilda	136.37
2528004302	Wainono Dairy Limited		40.46
2528007101	Walker Alice Winifred		19.28
2528006502	Walker Warren Edward	Walker Janine Maree	3.66
2528006600	Walker Warren Edward	Walker Janine Maree	109.67
2531054400	Williams Bronwyn Anne	Seward Andrew Mark	1.76
2528006701	Yelnats Holdings Limited		26.80
			695.19

**Mackenzie District Council
School Road Water Race**

2018/19 Actuals	2019/20 Actuals	2020/21 Actuals	Account	2021/22 Budget	2021/22 Forecast	2022/23 Budget
(3,170)	(2,432)	(2,431)	345105. Separate Rates	(4,571)	(4,571)	(4,400)
(439)	(520)	(587)	345150. Interest earned on Capital Rsv	0	(143)	(121)
(3,609)	(2,952)	(3,018)		(4,571)	(4,714)	(4,521)
0	0	0	345247. Repairs & Maintenance - Other	761	0	700
628	628	628	345251. Depreciation	628	628	630
652	0	0	345255. Consent Monitoring	1,700	1,000	1,700
0	0	0	345261. Contractors	2,000	8,000	2,000
0	0	122	345344. Corporate Overhead Allocation	110	110	110
1,280	628	750		5,199	9,738	5,140
(2,329)	(2,324)	(2,269)	Funding Requirement	628	5,024	619
(628)	(628)	(628)	Unfunded Depreciation - 100%	(628)	(628)	(630)
2,957	2,952	2,896	Operating Surplus/(Deficit)	0	(4,396)	11
2,957	2,952	2,896	<i>Transfer to / (from) Reserves</i>	0	(4,396)	11
19,700	22,657	25,609	School Road Water Race Reserve			
			Balance brought forward	28,506	28,506	24,109
2,957	2,952	2,896	Transfer to / (from) Reserves	0	(4,396)	11
22,657	25,609	28,506	Closing Balance	28,506	24,109	24,120

3.4 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 those present at the AGM have been made members of the committee, with all having voting rights.

STAFF RECOMMENDATIONS

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

3.5 GENERAL BUSINESS

Author: Arlene Goss, Governance Advisor

Authoriser:

Attachments: Nil

STAFF RECOMMENDATIONS

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