



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

Date: Wednesday, 10 April 2019

Time: 4.00pm

**Location: Council Chambers
Fairlie**

AGENDA

Ashwick Opuha Rural Water Supply Ratepayers Annual General Meeting

10 April 2019

**Suzette van Aswegen
Chief Executive Officer**

Ashwick Opuha Rural Water Supply Ratepayers Committee Membership:

Chris McCarthy
Stephen Whittaker
Brian Tiffen
Graeme Page
Noel McPherson
Steve Gallagher
Chad Steetskamp
Andrew McLaughlin
Paul Gallagher
Alistair Homes

Order Of Business

1	Opening	5
2	Apologies	5
3	Public Forum	5
4	Declarations Of Interest.....	5
5	Reports	6
5.1	Confirmation of Minutes of the meeting on Tuesday, May 24, 2018.....	6
5.2	Chairman's Report	12
5.3	Financial Report and Budget	13
5.4	Election of Chairperson and Election of Committee	17
5.5	General Business	18

- 1 OPENING**
- 2 APOLOGIES**
- 3 PUBLIC FORUM**
- 4 DECLARATIONS OF INTEREST**

5 REPORTS

5.1 CONFIRMATION OF MINUTES OF THE MEETING ON TUESDAY, MAY 24, 2018

File Reference: NA

Author: Charlotte Borrell, Committee Administrator

Authoriser: Toni Morrison, Group Manager Projects and Administration

Attachments: 1. Minutes of meeting on May 24, 2018  

STAFF RECOMMENDATIONS

1. That the minutes of the Annual General Meeting of the Ashwick Opuha Rural Water Supply Ratepayers Committee, held on Tuesday, May 24, 2018, be confirmed and adopted as a correct record of the meeting.

SUZETTE VAN ASWEGEN

CHIEF EXECUTIVE OFFICER



MINUTES

Ashwick Opuha Rural Water Supply Ratepayers Annual General Meeting

24 May 2018

Ashwick Opuha Rural Water Supply Ratepayers Annual General Meeting Minutes 24 May 2018

**MINUTES OF MACKENZIE DISTRICT COUNCIL
ASHWICK OPUHA RURAL WATER SUPPLY RATEPAYERS ANNUAL GENERAL MEETING
HELD AT THE COUNCIL CHAMBERS, FAIRLIE
ON THURSDAY, 24 MAY 2018 AT 4.00PM**

PRESENT: Chris McCarthy (Chairman), Stephen Whittaker, Brian Tiffen, Graeme Page, Noel McPherson, Chad Steetskamp, Ashley Biggs, Paul Gallagher

IN ATTENDANCE: Cr Stuart Barwood, Cr Anne Munro, Pauline Jackson (Rates Officer), Paul Morris (Group Manager Finance), Geoff Horler (Utilities Manager), Arlene Goss (Committee Administrator)

1 OPENING

Mr McCarthy opened the meeting and welcomed everyone.

2 APOLOGIES

COMMITTEE RESOLUTION ASH/2018/1

Moved: Chad Steetskamp

Seconded: Ashley Biggs

That apologies be accepted from Cr Chris Clarke, Ralph Moffat, Ron Smith and Steve Gallagher.

CARRIED

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 TUESDAY, MAY 2, 2017

COMMITTEE RESOLUTION ASH/2018/2

Moved: Brian Tiffen

Seconded: Chris McCarthy

That the minutes of the Annual General Meeting of the Ashwick Opuha Rural Water Supply Ratepayers Committee, held on Tuesday, May 2, 2017, be confirmed and adopted as a correct record of the meeting.

CARRIED

5.2 CHAIRMAN'S REPORT

The chairman read out his report as follows:

"The water race system has worked reasonably well over the last year. We're still having a few issues with weedy races but when these have been identified the landowners have cleaned them out quite quickly.

We have had a major expense this season installing two new automatic water flow measuring devices.

Thanks to Paul Gallagher for looking after the South Opuha headworks, Brian Tiffen for looking after the Stoneleigh headworks, and Steve Whittaker for his good work as our raceman."

Paul Gallagher reported that the new flow monitor was working well, although he doesn't believe it was calibrated right as the readings were lower. Mr Horler answered that the new meter is correct and the old recordings may have been incorrect.

Stephen Whittaker then provided a raceman's report as follows:

"The water race system has worked reasonably well this season, but there has been some issues at times. These are breaches in the races where water is flowing out into paddocks due to blockages, or as in one case where the bank of the race has collapsed. We expect the landowner where the problem exists to rectify the problem as soon as possible so those downstream are getting their water. It saves the time of Chris and myself trying to find the problem.

I took over downloading the data logs from Whitestone in October 2017 but experienced a lot of technical issues between the data logs and the laptop. Geoff suggested we look at a better system that would record and relay this information on the flows directly to Ecan 24/7.

The decision was made to purchase and install this system as soon as possible as we were not collecting the data from the logs which is a breach of our consent, and we were using manual methods to control the flows. We now have access to that information by going on the Environmental Consultancy Water Use website, which gives you a graph of daily flows and a raft of other data.

This has come at some cost but the benefits will save us time and money in the long term and will be beneficial when we apply for a new consent in 2020.

It is important that we remind consumers that are intensively grazing cattle or deer that they provide a drinking bay where the race enters the property (approx. 10 meters) and an electric wife along the rest of the race to keep stock out. We will draft a letter to consumers to remind them of their obligations when grazing. This concludes my report."

COMMITTEE RESOLUTION ASH/2018/3

Moved: Chris McCarthy

Seconded: Ashley Biggs

That the reports from the chairman and raceman be adopted.

CARRIED

5.3 FINANCIAL REPORT AND BUDGET

This report was prepared for the committee members to review the financial report for the year ended 30 June 2017 and determine the budget for the 2018/2019 year.

Paul Morris asked the committee if they would like to bring their annual general meeting forward to have more input into Council's planning process. The committee agreed to do this.

Last year the water supply made a cash surplus of approx. \$7,500. In the current financial year it has spent \$15,000 on new data loggers. Expected to make about \$4,700 revenue this year which will go into the capital reserve.

COMMITTEE RESOLUTION ASH/2018/4

Moved: Chris McCarthy

Seconded: Steve Gallagher

That the financial report for the year ended 30 June 2017 be adopted.

That the budget for 2018/2019 be adopted as presented.

That the annual general meeting be moved forward to January.

CARRIED

5.4 ELECTION OF CHAIRPERSON AND ELECTION OF COMMITTEE

Group Manager Finance, Paul Morris, called for nominations for the position of chairman. Paul Gallagher nominated Chris McCarthy and this was seconded by Graeme Page. Mr McCarthy was re-elected unopposed.

COMMITTEE RESOLUTION ASH/2018/5

Moved: Paul Gallagher

Seconded: Graeme Page

1. That Chris McCarthy be elected chairperson of the Ashwick Opuha Rural Water Supply Ratepayers Committee for 2018/19.

CARRIED

COMMITTEE RESOLUTION ASH/2018/6

Moved: Cr Paul Gallagher

Seconded: Cr Brian Tiffen

2. That all present at the meeting, and those who have made apologies, remain as members of the committee for 2018/19.

CARRIED

5.5 GENERAL BUSINESS

Mr McCarthy went through the results of a survey of water supply users, as attached to these minutes below.

The subcommittee has identified another couple of races that could be closed down in the next year or so. Paul Gallagher noted his plans to close down a race on his property. Discussion was held on other races that could be closed.

The recommendation of the subcommittee are to rationalise the races where they can. It was also decided not to merge with the Allandale water scheme.

Whether or not to close the scheme was discussed. The chairman asked if the scheme was contributing to the degradation of the water in the river. Noted that the water races may also be diluting the contamination of the river. Further discussion took place on water quality issues.

Mr Whittaker was asked for the results of the water sampling. He said levels go up and down according to the season and weather, and then outlined the results for each nutrient.

Mr McCarthy read out a letter from Ron Smith regarding the future of the water race supply. This letter is attached to these minutes below.

The chairman said they would have to start working on the new consent in the next year. He proposed that a subcommittee be formed to look at alternatives and report back to the next annual general meeting. Discussion was held on the types of issues that would arise in the consent process.

It was agreed that the current subcommittee would work for this purpose. The chairman asked those present if they would like to join the subcommittee and some agreed. They agreed to meet in mid-June.

Attachments

- 1 Letter from Ron Smith to Ashwick Opuha Water Supply Committee
- 2 Ashwick Opuha Water Supply Survey Results

The Meeting closed at 5.00pm.

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

.....
CHAIRPERSON

5.2 CHAIRMAN'S REPORT**File Reference:** NA**Author:** Charlotte Borrell, Committee Administrator**Authoriser:** Toni Morrison, Group Manager Projects and Administration**Attachments:** Nil**STAFF RECOMMENDATIONS**

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

BACKGROUND

The chairman, Chris McCarthy, will provide a verbal report at the meeting.

SUZETTE VAN ASWEGEN
CHIEF EXECUTIVE OFFICER

5.3 FINANCIAL REPORT AND BUDGET

File Reference: FIN 1/3/4

Author: Paul Morris, Group Manager Finance

Authoriser: Suzette van Aswegen, Chief Executive Officer

Attachments: 1. Ashwick Opuha Water Race Budget Report [↓](#) 

PURPOSE OF REPORT

The 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.

STAFF RECOMMENDATIONS

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 recommend to Council a rate requirement it deems appropriate.

INTRODUCTION

The financial statement attached as Appendix 1 has 4 sets of figures, designed to provide comparative data covering 3 consecutive years. Moving left to right:

- The first column represents revenue and expenditure for last year, the 12 months to 30 June 2018.
- The second and third columns present information on the current year - for the six months from July 2018 to December 2018.
- The fourth column outlines the year's annual budget.
- The final columns on the far right hand side of the page represents the budget for next year.

FINANCIAL PERFORMANCE

2017/2018 year:

For the year ended 30 June 2018, the Water Race recorded a cash surplus of \$9,212, as compared to the budgeted cash surplus of \$Nil; the main variances being that:

- Consent monitoring costs of \$1,199 were incurred compared to the budget of \$3,421;
- Contractors costs totaling \$4,075 were incurred compared to budget of \$11,600;
- Interest earned on Capital Reserves totaled \$2,475 compared to a budget of \$1,206.

Capital expenditure of \$14,378 was spent on the installation of water flow equipment.

2018/2019 year:

For the current year, it is forecast that the Water Race will record a cash surplus of \$5,296 (after adding back the \$910 in depreciation). The forecast surplus results from expected savings of contractor costs for \$3,912 and consent monitoring costs of \$530. The contractor costs budget allowed for the replacement of two intakes in the event that they were washed out in a flood event.

RESERVE BALANCES:

The Water Race began the year with a Capital Reserve Balance of \$71,205. As the Water Race is forecast to record a cash surplus of \$5,296, the reserve is expected to have a closing balance of \$76,501.

BUDGET FOR 2019/2020:

The total budgeted cash costs amount to \$15,813, which is largely due to contractor costs expected to be \$12,198 next financial year.

Included in the reserve streams is the yearly charge to the Allandale Scheme (\$3,284).

There is not expected to be any capital expenditure for the year.

If the Committee chose to cover its cash costs the rate would be need to be set at \$272.27 per point to be sufficient to cover operating costs of \$15,813.

Option 2, the Committee could choose not to set a rate; however this would result in a cash deficit of (\$11,000) and reduce the scheme's capital reserve balance to a surplus of \$60,205.

With Option 3, the Committee have indicated that it would like to levy the rate at the same level as the 2017. In 2017 the rate was set at \$225.00 (GST inclusive). This option would result in a cash surplus of (\$1,640) and reduce the scheme's capital reserve balance to a surplus of \$69,565.

Ashwick Opuha Water Supply Consumers

2528016400	Ashwick Flat Dairy Farms Limited	1
2528018502	Ashwick Flat Dairy Farms Limited	1
2528015110	Ashwick Holdings Limited	1
2528017200	Bennett Stephen Alexander	1
2529010200	Bennett Stephen Alexander	1
2529009400	Biggs Farming Company Limited	1
2529007100	Biggs Land Company Limited	1
2528019006	Birss Trevor John	1
2528019004	Cartlidge Nicola Jane	1
2528018601	Cascade Creek Limited	1
2528016100	Cows 4 Us Limited	1
2528017300	Crampton Geoffrey Charles	1
2528015107	Dainter Clare Louise	1
2528016601	Dwyer Hayden	1
2528016200	Fox Peak Station Company Limited	1
2528015900	Gallagher Paul Gerald	1
2528015200	Gallagher Stephen James	1
2528018501	Gibson Rhonda Jane	1

2528014702	Giddings David Sansom	1
2528018800	Gillies Vivienne Heather	1
2529010800	Glenapitea Limited	1
2528018602	Guiney Kieran Joseph	1
2529005801	Hendry Tina Joyce	1
2529011200	Latta Garry James	1
2528019005	Loader Luke Edward	1
2529010500B	MacPherson Noel Fraser	1
2528016300	Mackenzie District Council	1
2528016701	Mackenzie District Council	1
2528019002	Marshall Angela Marie	1
2528015000	McCarthy Christopher John	1
2528019001	McHaffie Stephen Eion	1
2528016301	Moffatt Ralph Ronald	1
2528018402	Mountainview Dairy Farm Limited	1
2528019003	Murray David Mathew	1
2528017501	OLeary Regan David	1
2529004300	Olds Peter John	1
2528015901	Page Farming Limited	1
2528018503	Reid Aaron Caleb	1
2528016700	Shallow Creek Farms Limited	1
2528017012	Shallow Creek Farms Limited	1
2528018600	Stonebrook Dairy Farm Limited	1
2528015600	Tiffen Brian Kevin	1
2528015106	Wander Lodge Limited	1
2528017500	Whittaker Stephen David	1
2528017600	Wimborne Dairy Farm Limited	1
		45

SUZETTE VAN ASWEGEN

CHIEF EXECUTIVE OFFICER

**ASHWICK/OPUHA WATER RACE COMMITTEE
FINANCIAL REPORT**

30/6/2018 Year to Date Actual		31/12/2018 Year to Date Actual Budget	30/6/2019 Full Year Forecast Budget	30/6/2020 Draft Full Year Budget
				Option 1Option 2Option 3
	REVENUE			
8,804	Separate Rates	5,544 5,544	11,089 11,089	10,654 0 9,065
2,475	Interest on Capital Reserve	1,079 576	2,000 1,146	1,875 1,529 1,823
0	Other Income	0 0	0 0	0 0 0
3,207	Contributions	1,602 1,602	3,207 3,207	3,284 3,284 3,284
14,486	Total Revenue	8,225 7,722	16,296 15,442	15,813 4,813 14,173
	DIRECT EXPENSES			
0	Consultancy Services	0 0	0 0	0 0 0
0	Valuation	0 0	0 0	0 0 0
1,199	Consent Monitoring	1,474 1,764	3,000 3,530	3,615 3,615 3,615
4,075	Contractors	280 5,958	8,000 11,912	12,198 12,198 12,198
0	Motor Vehicle Charges	0 0	0 0	0 0 0
0	Quality Monitoring	0 0	0 0	0 0 0
910	Depreciation	456 456	910 910	910 910 910
0	Support Activity Charges	0 0	0 0	0 0 0
6,184	Total Direct Expenses	2,210 8,178	11,910 16,352	16,723 16,723 16,723
8,302	Operating Surplus (Deficit)	6,015 (456)	4,386 (910)	(910) (11,910) (2,550)
	CAPITAL RESERVE			
76,371	Opening Balance	71,205 71,205	71,205 71,205	76,501 71,205 71,205
8,302	Operating Surplus (Deficit)	6,015 (456)	4,386 (910)	(910) (11,910) (2,550)
0	Transfer to Ratepayers Equity	0 0	0 0	0 0 0
0	Less Resource Consent Costs	0 0	0 0	0 0 0
(14,378)	Less Headworks / Reticulation	0 0	0 0	0 0 0
910	Add Back Depreciation	456 456	910 910	910 910 910
71,205	Closing Balance	77,676 71,205	76,501 71,205	76,501 60,205 69,565
	Number of Points / Properties			45
	Rate per point (GST Incl)			\$ 272.27

C:\Users\Charlotte\Desktop\Ashwick Opuha Water Race Budget Report

5.4 ELECTION OF CHAIRPERSON AND ELECTION OF COMMITTEE**File Reference:** NA**Author:** Paul Morris, Group Manager Finance**Authoriser:** Suzette van Aswegen, Chief Executive Officer**Attachments:** Nil**STAFF RECOMMENDATIONS**

1. That (name) be elected chairperson of the Ashwick Opuha Rural Water Supply Ratepayers Committee for 2019/20.
2. That all present at the meeting, and those who have made apologies, remain as members of the committee for 2019/20.

BACKGROUND

An election to fill the roles of chairperson and committee is held once each year at the Annual General Meeting.

SUZETTE VAN ASWEGEN
CHIEF EXECUTIVE OFFICER

5.5 GENERAL BUSINESS**File Reference:** NA**Author:** Charlotte Borrell, Committee Administrator**Authoriser:** Toni Morrison, Group Manager Projects and Administration**Attachments:** Nil**STAFF RECOMMENDATIONS**

That the information be noted.

BACKGROUND

Any issues or matters for action can be raised under General Business.

SUZETTE VAN ASWEGEN

CHIEF EXECUTIVE OFFICER