



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

Date: Thursday, 23 May 2019
Time: 9.30am
Location: Council Chambers Fairlie

AGENDA

School Road Rural Water Supply Ratepayers Annual General Meeting

23 May 2019

Suzette van Aswegen
Chief Executive Officer

School Road Rural Water Supply Ratepayers Committee Membership:

Keith Stanley (Chair)

Warren Walker

Joe Harrison

Keith Walker

Peter Mills

Bronwyn Williams

Kevin O'Neill

Kevin Payne

Mike Phillips

Les Riddle

Phil McCabe

Michelle Bergman

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

5 REPORTS

5.1 CONFIRMATION OF MINUTES OF THE MEETING ON TUESDAY, MAY 1, 2018

File Reference: NA

Author: Charlotte Borrell, Committee Administrator

Authoriser: Stuart Grant, Acting Group Manager Projects & Admin

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

STAFF RECOMMENDATIONS

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

SUZETTE VAN ASWEGEN

CHIEF EXECUTIVE OFFICER



MINUTES

School Road Rural Water Supply Ratepayers Annual General Meeting

1 May 2018

**MINUTES OF MACKENZIE DISTRICT COUNCIL
SCHOOL ROAD RURAL WATER SUPPLY RATEPAYERS ANNUAL GENERAL MEETING
HELD AT THE COUNCIL CHAMBERS, FAIRLIE
ON TUESDAY, 1 MAY 2018 AT 9.00AM**

PRESENT: Keith Stanley (Chairman), Phil McCabe, Helen Johnson, Ross Moore, John Wright, Warren Walker, Andrew Anderson (Fairlie Golf Club), Keith Walker, Lester Cordes, Allan Hooper, Chris O'Neill, Les Riddle, Joe Harrison, Peter Cooke (President A&P Society), Kevin O'Neill

IN ATTENDANCE: Cr Chris Clarke, Cr Stuart Barwood, Paul Morris (Group Manager Finance), Geoff Horler (Utilities Manager), Arlene Goss (Committee Administrator)

1 OPENING

The chairman opened the meeting.

2 APOLOGIES

Apologies were received from Mayor Graham Smith and Chief Executive Suzette van Aswegen.

3 REPORTS

5.1 CONFIRMATION OF MINUTES OF THE MEETING ON TUESDAY, MAY 2, 2017

COMMITTEE RESOLUTION SCH/2018/1

Moved: Keith Stanley

Seconded: Warren Walker

1. That the minutes of the Annual General Meeting of the School Road Rural Water Supply Ratepayers Committee, held on Tuesday, May 2, 2017, be confirmed and adopted as a correct record of the meeting after the name Mr Warren is corrected to Keith Walker.

CARRIED

Matters Arising from the Minutes - The chairman has spoken to the rates officer regarding the rating of the A&P Society. All A&P Societies are charged a half rate by law. It was agreed to discuss the rating of Golf Club under general business.

5.2 CHAIRMAN'S REPORT

The chairman said he was contacted regarding flooding on Gillingham Street. This was not an issue.

There is an issue with flooding on Talbot Road. Spraying has taken place to address this.

The chairman has also spoken to a couple of people about cleaning out the race on their properties.

COMMITTEE RESOLUTION SCH/2018/2

Moved: John Wright

Seconded: Warren Walker

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

CARRIED

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 2017 and determine the budget for the 2018/2019 year.

Paul Morris distributed an updated financial report at the meeting to correct an error in the capital budget. This is now \$18,000 in credit instead of \$3000.

The scheme is increasing its capital reserve. This is a good result for the scheme.

Council is looking at an overall rates rise of 8%. This has influenced changes to the budget for 2018/19. Mr Morris asked if the committee wanted to move its AGM forward next year to have input into Council's overall rates rise. Would have to be held a couple of months earlier.

Discussion was held on the need for a capital reserve. A new resource consent will be needed in 20-25 years and Ecan may require the open race to be piped, but at this stage this is an unknown. Mr Morris does not think there is a need to put aside extra cash at this stage.

A question was asked regarding confidence that the consent rules don't change. Geoff Horler noted that other rural water schemes are facing the need to renew consents and things are changing, but the current consent for the School Road water race is binding until it expires.

The chairman asked those present if they wanted to move the meeting forward. There was agreement that the current timing of the annual general meeting was fine.

Discussion was held on the per hectare rate and the fixed charge of \$30. Kevin O'Neill questioned whether there was a need to increase this. Paul Morris responded that Council does not fund depreciation on this asset and argued that it was better to err on the side of allowing for unknown costs that may arise.

COMMITTEE RESOLUTION SCH/2018/3

Moved: Cr Warren Walker

Seconded: Cr Keith Walker

1. That the report be received.
2. That the financial report for the year ended 30 June 2017 be adopted.
3. That the budget for 2018/2019 be adopted as presented.
4. That the Water Supply recommends to Council the per hectare rate be set at \$3.99 per hectare (inclusive of GST) and the per property rate is kept at \$30.00 per property (inclusive of GST).

CARRIED

5.4 GENERAL BUSINESS

Chris O'Neill raised the issue of flooding on Talbot Road. He questioned why the water race does not get cleaned out, despite being sprayed. This flooding damages his driveway. Never used to be a problem but now there is more oxygen weed. He said it hasn't been cleaned out on the roadside.

The chairman said the land owner is responsible for cleaning out the race on the roadside. Discussion took place on who looks after the roadside areas.

Mr O'Neill also said a lot of water runs through the surge ponds. Geoff Horler commented on the situation described by Mr O'Neill. A lot of work has been done to stem the flow but it washes out. The chairman said there is a lot more water coming down there than there used to be. Mr O'Neill said it's affecting the road.

Andrew Anderson from the Golf Club said the club hasn't been charged the water rate in the past and would like to know why they are being charged now. He was concerned about the principle.

Paul Morris said land owners did not have to be using the system to pay the rate. This is the same principle applied across all water schemes – the asset needs to be used or is able to be used.

The chairman thought the law had changed. The rugby club also pays this rate.

Andrew Anderson asked for a record in the minutes that the golf club are not happy with this. He would like this matter to be taken to the councillors to review the rules.

A question was asked about why the golf club was not rated historically. The chairman said this was before his time but it may have received a dispensation because it was a club. Paul Morris said it may have just fallen through the cracks.

A resolution that the committee looks at changing the rules was suggested but was not voted on.

Peter Cooke, president of the A&P Society, was concerned the society was in the same position. The chairman explained the history of why the society had started paying the water rate.

5.5 ELECTION OF CHAIRPERSON AND ELECTION OF COMMITTEE

Keith Stanley vacated the chair and Paul Morris called for nominations for the position of chairman.

Kevin O'Neill nominated Keith Stanley and this was seconded by John Wright. Mr Stanley was re-elected unopposed.

It was also agreed that the committee should remain all those attending the meeting and those giving apologies.

COMMITTEE RESOLUTION SCH/2018/4

Moved: Kevin O'Neill

Seconded: John Wright

That Keith Stanley be re-elected chairperson of the School Road Rural Water Supply Ratepayers Committee for 2018/19.

CARRIED

COMMITTEE RESOLUTION SCH/2018/5

Moved: Kevin O'Neill

Seconded: Keith Walker

That all members present, and apologies received, be the members of the committee for the School Road Rural Water Supply for 2018/19.

CARRIED

The Meeting closed at 9.51am.

The minutes of this meeting were confirmed at the School Road Rural Water Supply Ratepayers Annual General Meeting held in 2019.

.....
CHAIRPERSON

5.2 CHAIRMAN'S REPORT**File Reference:** NA**Author:** Charlotte Borrell, Governance Advisor**Authoriser:** Stuart Grant, Acting Group Manager Projects & Admin**Attachments:** Nil**STAFF RECOMMENDATIONS**

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

BACKGROUND

The chairman, Keith Stanley, 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. School Road Water Race Budget Report 2019 [↓](#) 

PURPOSE OF REPORT

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.

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 recommends to Council the per hectare rate be set at \$2.77 per hectare (inclusive of GST) and the per property rate is kept at \$30.00 per property (inclusive of GST).

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 budget.
- The final column 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 (after adding back \$628 in Depreciation) of \$3,317. The budgeted position for the same period was to break even with a cash surplus of \$Nil

The key variances from last year were that the Repairs and Maintenance budget of \$690 and Contractor budget of \$1,149 were unspent. Consent Monitoring costs of \$90 were \$1,407 under budget.

2018/2019 year:

For the current year, it is forecast that the Water Race will breakeven after adding back depreciation of \$628. The forecast result is unchanged due to the consent monitoring, repairs and maintenance and contractor costs being on or under budget to date.

RESERVE BALANCES:

The Water Race began the year with Capital Reserve Balance of \$19,700 surplus. With the Water Race forecast to record a cash surplus of Nil the Reserve Balance is expected to remain unchanged at \$19,700 at the end of the financial year.

BUDGET FOR 2019/2020:

The total cash operating costs budgeted is \$3,523 largely due to consent monitoring costs of \$1,581 and contractors \$1,214.

Rates reducing to \$2,431 will result in a small deficit of \$1,256 reducing the capital reserve surplus to \$19,072.

It is therefore recommended that the rate per hectare increase to \$2.77 (inclusive of GST) and the per property charge remains at \$30.00. The rate per hectare has been based on 29 properties.

SCHOOL WATER RACE CONSUMERS AND NUMBER OF HECTARES:

	Ratepayer Name	Hectares
2528007100	Belcher Robert John	13
2528007201	Berghan Michelle Louise	2
2528007008	Cordes Lester Eric	10
2531056900B	Fairlie Golf Club Incorporated	18
2531056000	Girvan Clarice Elaine	1
2531055600	Hellmrich Lain Patrick Gunnion	1
2528007010	Hewson Farming Company Limited	79
2528007102	Hooper Allan Ross	4
2528007103	Johns Astrid Kelly	1
2531054900	Lambert Sandra Veronica	2
2531055200	Mackenzie AP Society Incorporated	11
2560005400	Mackenzie District Council	4
2528006900	McCabe Philip Rodger	28
2528006500	Mills Peter Alwyn	66
2528007204	Moore and Scorrige Developments Limited	3
2528007200	Moorland Holdings Limited	57
2528007203	Moorland Holdings Limited	2
2528005100	ONeill Kevin Bernard	40
2531055100	Payne Kevin David	4
2528007202	Phillips Jacqueline Lisa	3
2528007009	Riddle Leslie Morris Unwin	1
2528006700	Stanley Keith Edward	136
2528004300	Wainono Dairy Limited	40
2528007101	Walker Keith William	19
2528006502	Walker Warren Edward	4
2528006600	Walker Warren Edward	110
2531054400	Williams Bronwyn Anne	2
2528007007	Williams Jason Lloyd	4
2531054500	Wilson Matthew Douglas	2
2528006701	Yelnats Holdings Limited	27
		696

SUZETTE VAN ASWEGEN
CHIEF EXECUTIVE OFFICER

SCHOOL ROAD WATER RACE
FINANCIAL REPORT

(628)

30/6/2018 Year to Date Actual	Total Hectare Rates	31/12/2018 Year to Date Actual Budget	30/6/2019 Full Year Forecast Budget	30/6/2020 Full Year Budget
	REVENUE			
3,043	Total Hectare Rates	1,596 1,596	3,195 3,195	2,431
0	Total Property Rates	0 0	0 0	0
0	Other Income	0 0	0 0	0
364	Capital Reserve Interest	213 126	246 246	464
3,407	Total Revenue	1,809 1,722	3,441 3,441	2,895
	DIRECT EXPENSES			
0	Valuation	0 0	0 0	0
0	Other Consultancy Services	0 0	0 0	0
0	Interest on Capital Reserve	0 0	0 0	0
0	Insurance	0 0	0 0	0
90	Consent Monitoring	652 774	1,544 1,544	1,581
0	Telephone	0 0	0 0	0
0	Repairs & Maintenance	0 354	711 711	728
0	Contractors	0 594	1,186 1,186	1,214
628	Depreciation	312 312	628 628	628
0	Support Activity Charges	0 0	0 0	0
718	Total Direct Expenses	964 2,034	4,069 4,069	4,151
2,689	Operating Surplus (Deficit)	845 (312)	(628) (628)	(1,256)
	CAPITAL RESERVE			
16,383	Opening Balance	19,700 19,700	19,700 19,700	19,700
2,689	Operating Surplus (Deficit)	845 (312)	(628) (628)	(1,256)
628	Add Back Depreciation	312 312	628 628	628
0	Transfer to Ratepayers Equity	0 0	0 0	0
0	Less Headworks	0 0	0 0	0
0	Less Resource Consent Costs	0 0	0 0	0
19,700	Closing Balance	20,857 19,700	19,700 19,700	19,072
	Number of Hectares			696
	Variable Rate per hectare (GST Incl)			\$ 2.77

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 School Road Rural Water Supply Ratepayers Committee for 2019/20.
2. That all members present and apologies received be the members of the committee for the School Road Rural Water Supply 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:** Stuart Grant, Acting Group Manager Projects & Admin**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