

# **Mackenzie District Council Annual Plan**

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**2023/24**



**Mackenzie**  
DISTRICT COUNCIL

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## Message from the Mayor and Chief Executive – Making progress in challenging times

We are now heading into the third year of our 10-year plan.

A lot has changed since we adopted our current Long-Term Plan in June 2021.

We are not immune to the issues the country is experiencing now - the impact of rising costs of living is affecting us all.

Central government has continued with its aggressively paced reform agenda. Two pieces of legislation have been passed that affect both the delivery of water services and the ownership of water infrastructure assets. Numerous requests for information from the National Transition Unit have been made to us and this has added significantly to the team's workload. Our Council has continued to voice our concerns about the Water Reforms and has continued to support the work undertaken by Community for Local Democracy.

Significant changes to the Resource Management Act (RMA) have been signalled to be approved by Cabinet in July 2023. The final report on the future for Local Government is planned to be with the minister in June 2023.

This Reform agenda brings with it a great deal of uncertainty for the local government sector, but our Council remains committed to seek the best outcome for the community.

Tourism has recovered well from COVID-19, but the operators are now battling to service the tourism demand surge. Labour shortages and a lack of suitable affordable accommodation are major barriers faced across the District. Council will need to collaborate with our Treaty partners and private stakeholders to try and identify some solutions to the housing problems,

As a Council, we are committed to delivering what we said we would do in the Long Term Plan. Therefore, this Annual Plan is a continuation of the direction set in the 10-year plan and focused on delivering projects that we have committed to. The current economic conditions with inflation rates at historically high levels and increasing interest rates are creating challenges for all New Zealanders.

We acknowledge high inflation is impacting the communities' daily lives. While we face the same cost pressures, we have worked very hard to limit the impact on rates. We have proposed an average rate increase of 10.2% which is what we had signalled in our Long Term Plan.

This draft plan focuses on continuing to make progress on our signalled LTP direction.

- We have looked for savings without compromising services and facilities used by our community.
- Completing the deferred maintenance on civic buildings (Fairlie)
- Continuing to progress the Review of the District Plan Review Stage 3 and 4
- Actively investing heavily in infrastructure e.g. Fairlie Water Treatment and Roding Resilience and Twizel water meter installation
- Investments in placemaking e.g. Tekapo Domain and Lakeside Playgrounds in Tekapo, Lakefront Enhancement in Tekapo, Lake Ruataniwha project in Twizel, Peace Avenue Tree Maintenance and Village Fairlie Green development
- Planning for Community Development and identifying community needs and projects and how we tackle them and plan for them in the LTP.
- Working with agencies to address wilding pine spread in the Mackenzie.



For the most part our plans for 2023/24 haven't altered significantly from what we outlined in our Long-Term Plan 2021-31, and there are no major changes of direction.

In previous consultations you've told us that things like safe, well-maintained roads, good quality drinking water and community facilities are important for our quality of life and environmental protection — so we're keeping our focus on these areas.

As a District we believe this plan makes the right decisions for our people, our environment, and our future generations. We want to strike the balance between planning responsibly for our community now and into the future, while keeping rates as affordable as possible in these extraordinary economic times.

Anne Munro  
Mayor

Angela Oosthuizen  
Chief executive

# Our Strategic Vision

MDC has developed the following strategic vision and outcomes to chart the course and set our direction for the future.

This vision has been developed alongside the community and will help MDC focus our efforts to ensure everything we do remains focussed on improving our communities, our environment and our way of life.

## Vision

To empower our communities and treasure our environment

## Mission

Strengthening our communities

### Guiding Values

Be fair to everyone

Strive for a better future

Dare to be different

Act with respect and trust

Protect our peace and serenity

### Our Community Outcomes

#### A TREASURED ENVIRONMENT

We recognise that our outstanding environment plays a vital role in sustaining our district.

We manage our environment and natural resources sustainably to ensure they can be enjoyed now and by future generations.

We have sustainable, efficient and well-planned infrastructure, services and community facilities.

#### RESILIENT, SUCCESSFUL COMMUNITIES

Our communities have access to facilities and networks which enable people to enjoy positive, healthy lifestyles.

Our communities are engaged, connected and are given the opportunity to influence local outcomes and decisions.

Our communities have a 'sense of place' that makes people proud to live here.

Our communities are resilient and provide for inter-generational wellbeing through networks that care for all ages.

#### STRONG AND INNOVATIVE ECONOMY

We value the role that our District's environmental, social and cultural assets play in supporting economic development.

We are a welcoming, enabling and business friendly district that encourages creative local economic development.

We recognise and manage the effects of economic growth and actively support our communities and environment while striving for prosperity.

#### EMBRACE HERITAGE AND DIVERSITY

We embrace our partnership with ngā rūnanga and support mana whenua traditions and relationships with their ancestral lands, waterways, wāhi tapu and other taonga.

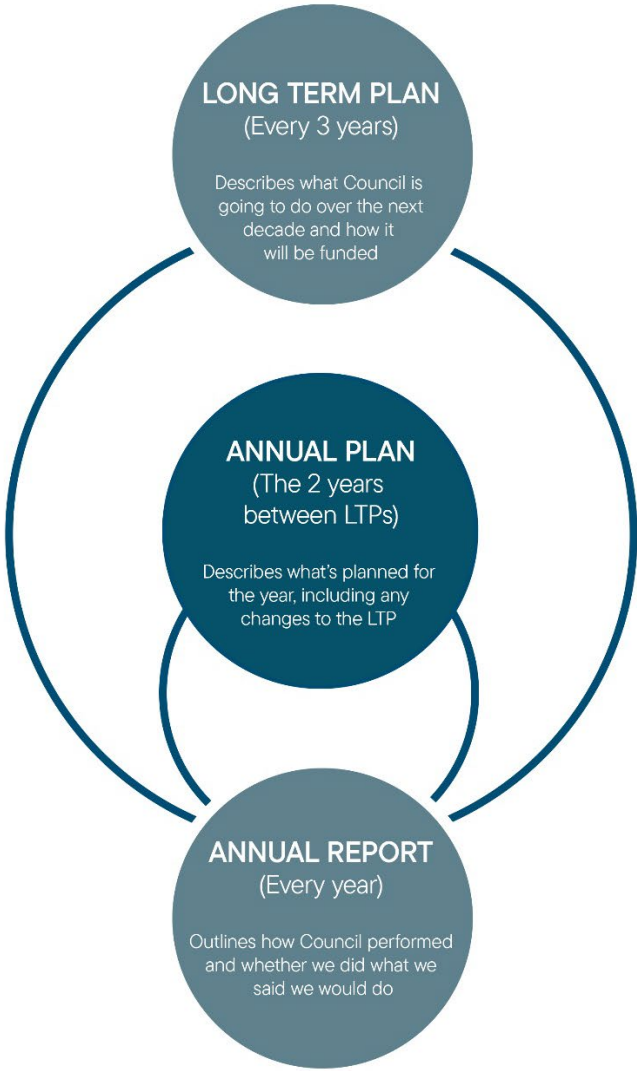
We are proud of and celebrate the heritage and diversity of our District and our people.

We respect each other and what we contribute to the District through our traditions and culture.

Our communities are given the opportunity to celebrate and explore their heritage, identity and creativity.

Council’s planning process centres on three key documents:

- 1. The **Long Term Plan (LTP)**, prepared every three years, is a strategic planning document which forecasts Council’s budgets and project priorities over its ten year life.
- 2. The **Annual Plan** is produced in the years when we do not produce a Long Term Plan. The Annual Plan updates the work programme and budget in detail for the year the plan covers.
- 3. The **Annual Report** is prepared every year to report on how the Council performed against its targeted budget and work programme for the year and to report any variations.



## Guide to the Annual Plan 2023/24

In the years when we do not produce a long-term plan, an annual plan is prepared to detail the work programme and expenditure for the coming year. The annual plan provides up to date budgets and information on specific areas of work Council plans to undertake for the next financial year.

The Annual Plan highlights any variations for the coming year from what was proposed in the Long Term Plan 2021-2031. Where there are significant variations, reasons are provided as well as the financial impact of these changes.

The financial year beginning 1 July 2023 is the third year of Mackenzie District Council's Long Term Plan 2021-2031. The Long Term Plan sets out the Council's ten-year budget and work programme and is updated, in consultation with the community, every three years.

### **Annual work programme and budget**

For each activity you will find information about projects to be delivered in the coming year, any changes to the level of services detailed in the Long Term Plan 2021-2031 and what the service will cost. A financial summary is provided for each group of activities that compares the budget forecast in the Long Term Plan 2021-2031 with the budget for 2023/24.

This Annual Plan does not contain any significant variations from Year 3 of the Long Term Plan 2021-2031. As a result, we are not required to consult on the Annual Plan itself in accordance with section 95(2A) of the Local Government Act 2002. Instead, we have informed the community of the key work that they can expect to see us complete throughout the 2023/24 year.

The format of this Annual Plan follows the same order as the LTP 2021-2031 to make it easy to relate the two documents.

This document is the formal and public statement of the Council's intentions in relation to the matters covered by the Annual Plan 2023/24 in accordance with section 96 of the Local Government Act (2002).

The document sets out the following:

- a summary of how the Annual Plan 2023/24 varies from the Long Term Plan 2021-2031. The summary reflects our rates for 2023/24, noting that the total rates are lower than those forecast for this year in the Long Term Plan 2021-2031;
- a summary of how the Council plans to prudently manage its revenues, expenses, assets, liabilities and finances; and
- the budget for 2023/24 and rates details for the year.

If you are interested in more information about Mackenzie District Council's community outcomes, groups of activities and levels of service, including the Council's policies for carrying out its work, please refer to the Long Term Plan 2021-2031. Copies of the document are available on the Council's website at [www.mackenzie.govt.nz](http://www.mackenzie.govt.nz) (type Long Term Plan into the search function). Copies of the Long Term Plan are also available in the community libraries at Fairlie and Twizel and from the Council's offices in Fairlie or Twizel.

## Our Activities at a Glance



Council's activities and work programmes come out of the priorities identified during the development of Asset Management Plans (AMPs) and the 30 Year Infrastructure Strategy. These documents are reviewed every three years in line with the Long Term Plan. Council's activities have been grouped into the following:

<b><i>Governance and Corporate Services</i></b>	<ul style="list-style-type: none"> <li>• Governance</li> <li>• Chief Executive Office (Human Resources, Health and Safety)</li> <li>• Customer Services</li> <li>• Corporate Services (Information Technology, Finance, Corporate Planning, Communications, Community Development, Governance Support)</li> </ul>
<b><i>Three Waters</i></b>	<ul style="list-style-type: none"> <li>• Water supplies</li> <li>• Wastewater</li> <li>• Stormwater</li> </ul>
<b><i>Transportation</i></b>	<ul style="list-style-type: none"> <li>• Roding</li> <li>• Footpaths</li> <li>• Streetlighting</li> <li>• Parking</li> <li>• Cycleways and walkways, including Alps2Ocean</li> </ul>
<b><i>Regulatory Services</i></b>	<ul style="list-style-type: none"> <li>• Resource Management and District Planning</li> <li>• Building Control</li> <li>• Animal Control</li> <li>• Environmental Health</li> </ul>
<b><i>Emergency Management</i></b>	<ul style="list-style-type: none"> <li>• Civil Defence and Emergency Management</li> </ul>
<b><i>Parks and Community Facilities</i></b>	<ul style="list-style-type: none"> <li>• Parks and open spaces</li> <li>• Swimming pools</li> <li>• Community Centres and Halls</li> <li>• Libraries</li> <li>• Pensioner Housing</li> <li>• Cemeteries</li> <li>• Public Toilets</li> </ul>
<b><i>Waste Management and Minimisation</i></b>	<ul style="list-style-type: none"> <li>• Kerbside collection</li> <li>• Resource Recovery Parks and Hardfill Sites</li> <li>• Waste minimisation</li> </ul>
<b><i>Tourism, Economic Development and Commercial Activities</i></b>	<ul style="list-style-type: none"> <li>• Investments, including Forestry</li> <li>• Pukaki Airport</li> <li>• Real estate</li> <li>• Economic Development</li> <li>• District promotion via our Regional Tourism Organisation (RTO)</li> </ul>



The Council is not proposing to vary its work programme, significantly, from that proposed in the Long Term Plan 2021-2031. However, there are some variations to the budget for 2023/24.

At the time the 2021-2031 Long Term Plan was prepared, New Zealand was in the midst of the Covid-19 pandemic and its effects on the global and local economy was still playing out. The Annual Plan now reflects some of those effects, particularly inflation, interest rates and disruption to supply chain. Therefore there are differences to Year 3 of the Long Term Plan forecasts. The Council has acted prudently to reduce its expenditure in anticipation of lower income in order to maintain its levels of service.

### **What's changed**

#### **Rates increase**

The third year of the Long Term Plan 2021-2031 forecast a 10.3% rates increase. Initially, with the impact of inflation, the 2023/24 rates increase rose drastically above 10.3%, however the Council resolved to marginally reduce the rates increase to 10.2% to recognise the effects of inflation and increased interest rates and costs on the community. This lower-than-forecast rate increase was achieved by reviewing Council's proposed work programmes and prioritising work in order to still meet its obligations to the community as a responsible manager; as well as maintaining infrastructure services to a level that the community expects. The Council also chose to not to fully fund depreciation in a number of activities due to significant increases in depreciation levels as a result of infrastructure revaluations in 2021-2022. Within the three waters with the uncertainty of the water services reform programme Council also decided to fund some three waters costs from their reserves rather than via the general rate.

This equates to an increase in rates of \$314.20 per annum for a house with a capital value of \$350,000 in Fairlie and an increase of \$499.05 per annum for a sheep and beef farm with a capital value of \$4,325,000. Details of sample rates across the entire region are available on pages 81 and 82 of this document.

#### **Operating Expenditure**

Council is forecasting an increase of \$6.5 million above the LTP. The major factors to this are increased personnel costs and maintenance contract costs, as a result of COVID-19 demand and supply issues and inflation costs. As well there are one off project costs in regards Better Off Funding, Matariki Festival and Mayors Taskforce for Jobs (\$1.5 million) that are fully funded from government grants.

#### **Capital Expenditure**

Council is forecasting an additional \$14.2 million of projects from the LTP, of which are either re-budgeted from the 2022/23 year (Twizel water meters, Fairlie Water Supply upgrade, Fairlie administration building, Lake Ruataniwha Reserve, Fairlie and Pukaki public toilets, Tekapo Lakeside Drive playground) or have been identified as priority requirements (Twizel water ring main, Tekapo wastewater treatment plant, wastewater inlet screens, Twizel Man made hill development, Alps to Ocean Trail, Lake Tekapo Lakefront, Tekapo Domain playground, District wide projects, Tekapo township projects, Twizel township projects, public toilets).

## Activities

The following activities have identified differences for the 2023/24 year from those matters set out in the Long Term Plan 2021-2031:

### Governance and Corporate Services

Increased costs in payments to staff and suppliers of \$783,000. This has been funded from an increased general rate requirement, grants and subsidies and overhead recoveries.

Increased capital costs of \$1,100,000 as a result of the re-budgeting of the Fairlie administration building renovation from 2022/23, funded from borrowings and reserves.

### Water Supplies

Decreased financial contribution income of \$640,000, reflective of actual development occurring in the district.

Increased capital costs of \$7,100,000 as a result of the re-budgeting of the Twizel water meter installation project and the Fairlie water supply upgrade from 2022/23, funded from borrowing and reserves.

### Wastewater

Decreased financial contribution income of \$375,000, reflective of actual development occurring in the district.

Increased capital costs of \$940,000 as a result of the re-budgeting of the Lake Tekapo wastewater treatment plant upgrade and district wide inlet screens from 2022/23, funded from reserves.

### Transportation

Increased costs in payments to staff and suppliers of \$230,000 as a result of increased roading contract maintenance costs. This has been funded from an increased rate requirement and subsidies and grants.

### Regulatory Services

Increased costs in payments to staff and suppliers of \$705,000 in regards the District Plan Review project. This has been met from borrowing.

### Emergency Management

Increased costs in payments to staff and suppliers of \$128,000 has been met by rates.

### Parks and Community Services

Increased capital costs of \$2,840,000 due to the re-budgeting of the Lake Ruataniwha Reserve, Fairlie and Pukaki public toilets and the Tekapo Lakeside Drive playground, additional projects added due to community feedback and asset reviewing for district wide projects, Twizel Man made hill development, Alps to Ocean Trail, Lake Tekapo Lakefront, Tekapo Domain playground, Tekapo and Twizel township projects, and public toilets). The additional costs have been funded from a mix of borrowing and reserves.

### Waste Management and Minimisation

Increased costs in payments to staff and suppliers of \$411,000 as a result of a change to the waste management contract in regards the recording of commercial waste disposal (previously income received for commercial waste disposal was netted off the contract management costs). This has been met by increased fees and charges revenue and targeted rates requirement.

### Tourism, Economic Development and Commercial

Increased costs of \$2,912,000 in payments to staff and suppliers due to additional operational costs at Pukaki Airport, forestry plantations, commercial rental properties and project costs for Matariki Festival, Better off Funding programme and Mayors Taskforce for Jobs scheme. The increased costs are funded via subsidies and grants and reserves.

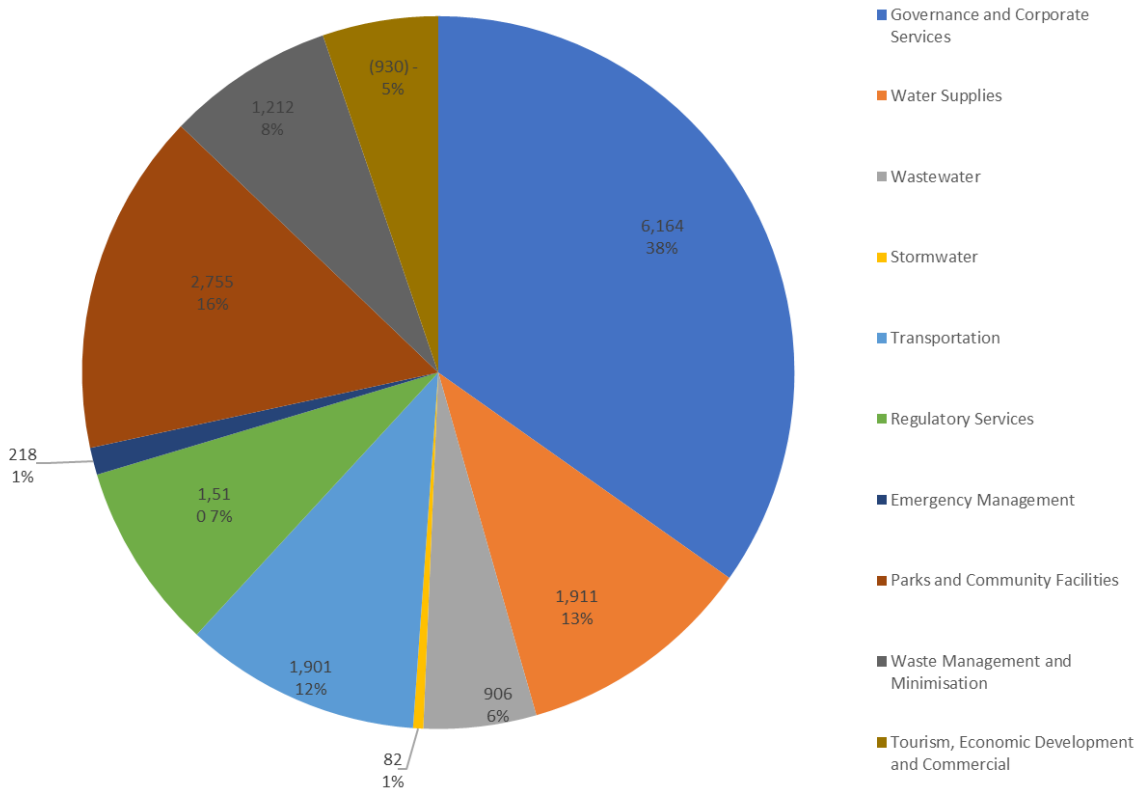
Increased capital costs of \$2,100,000 for the A2O Cycleway upgrade have been met from subsidies and grants and borrowing.

# Overall Rate Summary 2023/24

(GST exclusive)

Annual Plan 2022/23 (\$000)	Activity	Annual Plan 2023/24 (\$000)	Change from 2022/23	LTP 2023/24 (\$000)
5,782	Governance and Corporate Services	6,164	6.6%	6,092
1,841	Water Supplies	1,911	3.8%	2,142
828	Wastewater	906	9.4%	1,099
163	Stormwater	82	-49.7%	136
1,655	Transportation	1,901	14.9%	1,732
941	Regulatory Services	1,510	60.4%	1,584
173	Emergency Management	218	26.1%	85
2,522	Parks and Community Facilities	2,754	9.2%	2,675
1,212	Waste Management and Minimisation	1,348	11.2%	1,217
(718)	Tourism, Economic Development and Commercial Activities	(930)	-29.5%	(857)
<b>14,399</b>	<b>Total Rates</b>	<b>15,864</b>	<b>10.2%</b>	<b>15,905</b>

## Share of Rates

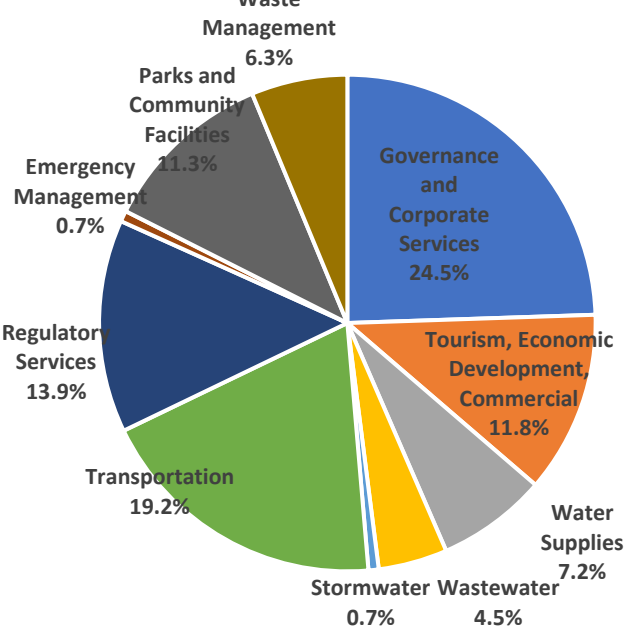


# How your Rates are Spent

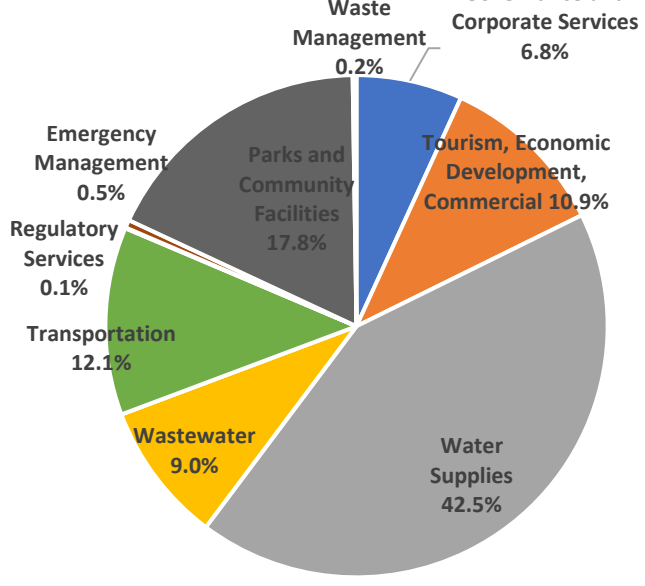
## What does council spend money on?

The following graphs show what the Council will be spending during the year – both operating expenditure for the day to day running of services and facilities as well as capital expenditure to improve services and facilities.

**Operating Expenditure**

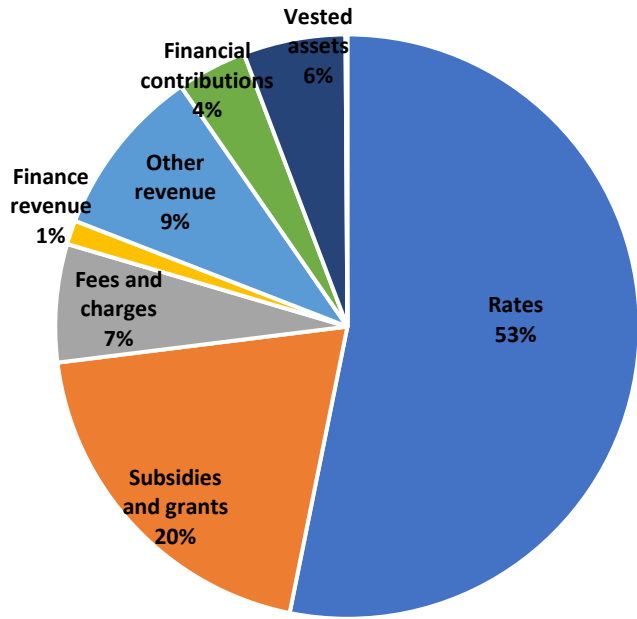


**Capital Expenditure**



## Where does Council's money come from?

Expenditure is paid for from a mix of rates, fees, interest and dividends on Council's investments, and external sources such as financial assistance from government agencies. The graph shows where the money will come from in 2023/24.



## Funding of Council Activities

Council's Revenue and Financing Policy sets out how we fund activities and can be found in the Long Term Plan 2021-2031. (Volume 2, page 313). The policy is based on the principle that those who benefit from an activity or service of Council should if practicable pay for that service.

We use a mix of revenue sources to meet operating and capital expenditure, including:

- user charges, grants, sponsorship, subsidies and other income, general rates or targeted rates (based on either capital value or uniform annual charge basis), reserve funds, investment income, proceeds from the sale of assets and lump sum contributions, and internal and external borrowing.

A summary of all Council activities under the Revenue and Financing Policy is shown in the table below.

OPERATING	User Charges	Grants Subsidies & Others	Investment Income	Financial Contributions/ Development Contributions	Reserve Funds	Borrowing	Targeted Rates	General Rates
Governance								
Three waters								
Transportation								
Regulatory Services								
Parks and Open Spaces								
Tourism & Economic Development								
Commercial Activities								
Emergency Management		Event - based						
Waste Management and Minimisation								
CAPITAL	User Charges	Grants Subsidies & Others	Investment Income	Financial Contributions / Development Contributions	Reserve Funds	Borrowing	Targeted Rates	General Rates
Governance								
Three waters								
Transportation								
Regulatory Services								
Parks and Open spaces								
Tourism & Economic Development and Commercial activities								
Emergency Management								
Waste Management and Minimisation								

## Governance and Corporate Services

This activity supports and guides all activities carried out by the Mackenzie District Council. Its services enable Council to function and provide stable, transparent, effective, efficient and accountable local governance to the district.

This activity includes:

### Governance

- District Council
- Community Boards
- Elections

### Corporate Services

- Chief Executive Office
- Human Resources and Health and Safety
- Customer Services
- Governance Support
- Finance
- Corporate Planning
- Information Technology
- Communications and Engagement

### What we do

#### Governance

Our governance portfolio is the foundation of everything that we do as a Council. The governing body of Council is responsible and democratically accountable for decision making of the Mackenzie District Council. The District Council includes a Mayor, elected at large, and seven Councillors, elected by way of three wards: Pukaki, Opuha and Tekapo (3 elected from each of Pukaki and Opuha; 1 elected from Tekapo). Local community boards are also democratically elected to represent each of our three wards.

In addition to full Council meetings held at monthly, Mackenzie District Council operates two standing committees: Audit and Risk Committee and Chief Executive Performance Committee. Council is also represented on a number of joint committees at a regional level.

The governance function of Council includes the management of triennial local body elections for the Mayor, ward Councillors and Community Board members, and any required by-elections. All election functions carried out by Mackenzie District Council are in accordance with the Local Electoral Act 2001.

#### Corporate Services

Our corporate services activities support the functioning of Council through administration and managerial support. These activities incorporate the Chief Executive Office, Customer Services, Finance, Information and Engagement (including IT, Communications and Governance Support), and Corporate Planning. These activities support the governance function of Council and all the other services that Council manage on behalf of our community. Corporate Services also administers and distributes grants from Sport New Zealand and Creative New Zealand.

## Our performance measures

What you can expect from us	What we will measure	Targets: 2023/24
<b>Council</b> Prepare key accountability documents in accordance with good practice.	The annual report is prepared within statutory timeframes and with an unmodified audit opinion. The annual plan is prepared within statutory timeframes.	The annual report is prepared within statutory timeframes and with an unmodified audit opinion. The annual plan is prepared within statutory timeframes
<b>Council</b> Represent and govern the district on behalf of the community	The percentage of residents across the district who say they are satisfied with the performance of the councillors and Mayor in the annual ratepayer survey.	≥ 60%
<b>Council</b> Build strong iwi relationships and encourage Maori to contribute to the decision-making process	Number of face-to-face meetings held each year between council representatives and ngā Papatipu Rūnanga, or Te Rūnanga o Ngāi Tahu.	≥ 2
<b>Council</b> Provide opportunities for the community to engage with elected members	Number of public forums held each year with communities and groups	≥ 40
<b>Customer Services</b> Customer expectations for service response meet customer demand and are delivered in a timely manner	Council provides a centralised service point (via face to face, phone and e-mail) for all customers.	Two to three service centres operating Monday to Friday 8:30am to 5pm providing first point of contact customer service via face to face, phone and e-mail. Number of service centres, and hours operated to be informed by performance statistics, population growth, demand and customer feedback
<b>Customer Services</b> Customer expectations of the quality of the service received at the first point of contact	Council meets customer satisfaction levels at the first point of contact.	At least 85% of customers are satisfied or very satisfied by the quality of the centralised customer service received at the first point of contact. Measured by annual customer satisfaction survey and quality monitoring.
<b>Finance</b> Reporting	Provide financial reports to Council meetings to enable timely decisions to be made	Financial reports included in Council meeting agendas for every meeting
<b>Finance</b> Revenue collection and management	Collect rates revenue for Council and manage funds to ensure availability for Council requirements	Issue rates invoices by no later than twenty calendar days prior to invoice due date every quarter Ensure collection procedures followed to maximise prompt payments Quarterly debtors reports provided to Council.
<b>Finance</b> Payments management	Ensure that staff and suppliers are paid on a timely basis to ensure continuity of Council operations	Process payroll fortnightly and creditors payments no later than the 20 <sup>th</sup> of the following month - to ensure timely payment

## Major projects 2023/24

**Hardware replacement:** Lifecycle replacement (LCR) is the process to maintain functionality and user productivity through the plan to acquire, track, support, and decommission hardware like laptops, desktop computers, printers, and other technology equipment. Failure to take a holistic view of PC lifecycle services can lead to inefficiencies, duplication, omissions and, ultimately, unnecessary cost — essentially raising the total cost of ownership. A percentage of our hardware is replaced each year, on a 4 to 6 year cycle (depending on the average lifespan and industry norms).

**Other:** Updated aerial imagery for geospatial platforms.

**Citizens Portal Development:** Website, smartphone app and system developments to deliver a ‘single view of customer’. This means that all the information Council holds relating to an individual is linked between currently siloed systems. Over time, this will enable ratepayers and residents to access more council services on-line – allowing self-service, and reducing the number of services that require a customer to attend one of council’s offices. Customers will be able to see information relating to their property and accounts and in future make changes on-line. A refreshed service ticket system will enable council to track the progress of service requests more effectively, deliver improved reporting, and allow customers to track the progress of their request via the website or a myMDC app on a smartphone.

**Fairlie Administration Building:** Seismic (earthquake) and accessibility (lift) upgrade works.

## Capital projects 2023/24

	2023/24 Year 3 LTP \$000	2023/24 Annual Plan \$000
<b>Total capital works</b>	<b>146</b>	<b>1,321</b>
Communications projects	3	-
Network infrastructure	10	238
IT Support Projects	47	-
Furniture & Fittings - Twizel	2	3
Vehicle replacements	84	90
Fairlie administration building – Seismic and accessibility upgrade	-	900
Furniture & Fittings - Fairlie	-	10
Information & Engagement – on-line customer portal	-	80



## Governance and Corporate Services - Funding Impact Statement for 2023/24

	Annual Plan Budget 2022/23	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	4,875	5,211	5,053
Targeted rates	35	35	169
Subsidies and grants for operating purposes	-	-	175
Fees and charges	61	176	62
Internal charges and overheads recovered	937	937	1,022
Local authorities fuel tax, fines, infringement fees, and other receipts	735	392	1,023
<b>Total Operating Funding</b>	<b>6,643</b>	<b>6,750</b>	<b>7,504</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	6,754	6,892	7,807
Finance costs	2	17	53
Internal charges and overheads applied	(390)	(493)	(659)
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding</b>	<b>6,366</b>	<b>6,416</b>	<b>7,068</b>
<b>Surplus (Deficit) if Operating Funding</b>	<b>277</b>	<b>334</b>	<b>303</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(6)	(51)	1,076
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding</b>	<b>(6)</b>	<b>(51)</b>	<b>1,076</b>
<b>Applications of Capital Funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	134	50	80
- to replace existing assets	242	96	1,241
Increase (decrease) in reserves	(103)	137	58
Increase (decrease) in investment	-	-	-
<b>Total Applications of Capital Funding</b>	<b>271</b>	<b>283</b>	<b>1,379</b>
<b>Surplus (Deficit) of Capital Funding</b>	<b>(277)</b>	<b>(334)</b>	<b>(303)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Three Waters

The provision of safe and sufficient drinking water, and the appropriate collection and treatment of wastewater and stormwater, are essential for the health and well-being of our communities.

This activity includes:

### Water Supply

- Urban drinking water supply, treatment and reticulation systems
- Rural water supplies (including stock water schemes)

### Wastewater

- Wastewater collection, treatment and disposal systems

### Stormwater

- Collection, treatment and disposal of urban stormwater

## What we do

Our three waters activities are core functions of Council under the Local Government Act 2002.

### Water supply

Council maintains and manages the abstraction, treatment and distribution of water through community water supplies in the townships of Twizel (including Pukaki Airport), Tekapo/Takapō, Fairlie and Burkes Pass and rural scheme at Allandale and Albury. Council also administers two public stock water race systems within the district being Ashwick Opuha and School Road.

Management of the Albury water supply is undertaken by the Albury Rural Water Supply Society Inc. under a formal agreement with the Council. Routine operations of a small piped stock water scheme, Kimbell Rural, is carried out by consumers.

### Wastewater

Council is responsible for the management of wastewater (sewage) collection, treatment and disposal services for its urban communities. Wastewater services are provided to protect public health within our communities, support the development of the district and to protect the natural and built environment.

There are community wastewater systems in the townships of Twizel, Tekapo/Takapō, Fairlie and Burkes Pass. In each case, effluent is collected and treated using a waste stabilisation pond system and then discharged to ground.

### Stormwater

The stormwater network provides drainage away from the road corridor and homes to minimise the incidence of flooding.

Council manages stormwater networks in Twizel, Tekapo/Takapō and Fairlie. Each of these schemes are subject to consent conditions imposed by Environment Canterbury Regional Council (ECAN). Our networks

discharge to ground water or to surface water after flowing through some form of treatment such as a swale or larger vegetated treatment area.

The stormwater network excludes infrastructure related to the roading activity.

## Our performance measures

What you can expect from us	What we will measure	Targets: 2023/24
<b>Water supply</b>		
Provide safe drinking water.	Compliance with Drinking Water Standards (part 4) – Bacterial Compliance*	≥ 95%
	Compliance with Drinking Water Standards (part 5) – Protozoal Compliance <sup>1*</sup>	3 of 5 supplies compliant
Maintain excellent water supply network services.	The percentage of real water loss from the networked reticulation system*	≤ 25%
Maintain excellent customer services	The median response times to attend a call-out in response to a fault or unplanned interruption to the network reticulation system:*	
	a) attendance for urgent call- outs	≤ 2h
	b) resolution of urgent call-outs	≤ 12h
	c) attendance for non-urgent call-outs	≤ 72h
	d) resolution of non-urgent call- outs	≤ 120h
	The total number of complaints received about any of the following:*	
	a) drinking water clarity b) drinking water taste c) drinking water odour d) drinking water pressure or flow e) continuity of supply f) MDC response to any of the above	≤ 5 per 1,000 Connected properties
The percentage of ratepayers satisfied with the water supply service	≥ 80%	
Provide demand management of water supply services	Average consumption of drinking water per day per resident with the district*	≤ 1.2m <sup>3</sup>

<sup>1</sup> This measures the water quality of Tekapo, Twizel, Fairlie, Allendale and Albury water supplies. It is expected that Twizel and Tekapo/Takapō will be compliant by 2022/23 and Fairlie will be compliant by 2024/25. There is the potential for Allendale to be compliant within this LTP period if it is found that it is feasible to connect it to Fairlie. Albury will not be compliant. Council is currently working on understanding the status of the Albury Rural water supply.

What you can expect from us	What we will measure	Targets: 2023/24
<b>Wastewater</b>		
Maintain excellent sewer network services	The number of dry weather sewerage overflows from Council's sewerage system, expressed per 1,000 sewerage connections to that sewerage system*	≤ 2 per 1,000 connected properties
Wastewater is discharged in a safe manner	Compliance with the Council's resource consents for discharge from its sewerage system measured by:	
	a) Data within the annual compliance reports	Compliant
	b) The number of abatement notices	Nil
	c) The number of infringement notices	Nil
	d) The number of enforcement orders	Nil
	e) The number of convictions	Nil
Maintain excellent customer services	Where the Council attends to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, the following median response times measured:*	
	a) attendance time	≤ 1h
	b) resolution time	≤ 4h
	The total number of complaints received about any of the following:*	
	a) sewage odour	≤ 50 per 1,000 connected properties
	b) sewerage system faults	
	c) sewerage system blockages, and	
	d) MDC response to issues with its wastewater system. expressed per 1,000 connected properties	
	Satisfaction with wastewater treatment and disposal service.	≥ 85%

What you can expect from us	What we will measure	Targets: 2023/24
<b>Stormwater</b>		
Maintain excellent network services	The number of flooding events in the Mackenzie district*	≤ 2
	For each flooding event, the number of habitable floors affected* expressed per 1,000 connected properties	≤ 2 per 1,000 connected properties
Stormwater services managed according to required environmental standards	Compliance with the Council's resource consents for discharge from its stormwater system, measured by the number of:*	
	a) abatement notices	Nil
	b) infringement notices	Nil
	c) enforcement orders	Nil
	d) convictions	Nil
Maintain excellent customer services	The median response time to attend a flooding event*	≤ 2h
	The total number of complaints received about the performance of the stormwater system*` expressed per 1,000 connected properties	≤ 5 per 1,000 connected properties
	The percentage of ratepayers satisfied with the stormwater service	≥ 80%

\* Mandatory Performance Measure

Attendance time: from the time that the Council receives notification to the time that the service personnel reach the site.

Resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault or interruption.

Response time: from the time that the Council receives notification to the time that the service personnel reach the site.

## Major projects 2023/24

### Water supply

- **Water Metering:** Council will continue with the installation of smart water meters to properties connected to urban water supplies, beginning in Twizel, to monitor consumption and to encourage water conservation.
- **Fairlie water supply upgrade:** The detailed design and construction stage of the Fairlie water treatment plant is planned for completion to meet New Zealand Drinking Water Standards within the 2023/24 year. The full project outlined in the 2021-2031 LTP involves the construction of a new membrane filtration plant capable of managing the water quality fluctuations experienced from the current source. The upgrade also involves the construction of two new 1,000 m<sup>3</sup> treated water reservoirs. This project is scheduled for completion by June 2024.
- **Water Safety Plans:** During 2023/24, Council will continue delivering on the projects identified within our water safety plans. This will involve a range of initiatives including backflow prevention, catchment controls, quality control on sampling regimes and equipment upgrades.
- **Water Main Upgrades – Twizel Ring Main:** This work involves upgrading approximately 5,000m of water main and associated fittings in Twizel, in order to meet firefighting demand and to allow for future population growth.

### Wastewater

- **Lake Tekapo/Takapō upgrades – Wastewater treatment plant:** An upgrade of the wastewater treatment plant is required to cater for growth in tourism and include the Station Bay subdivision. This is likely to include the establishment of a new treatment plant, a new discharge site, additional storage and pump replacements. Community Consultation on options will be followed by final site selection and design.
- **Pipe replacement programme:** Renewal of aging or defective wastewater pipes will continue across the urban centres based on the condition rating and performance of the wastewater network.
- **New Wastewater Screens and Inlet works:** Work at all wastewater treatment plants is ongoing to instal new inlet screens at Twizel, Fairlie and Tekapo/Takapō. This will help prevent the build-up of inert materials in the bottom of the recently desludged sewage treatment ponds. As part of the work at Fairlie and Twizel, tankered septage reception facilities are being installed.
- **Pressure Sewer Systems:** Two areas have been identified for the extension of the reticulated wastewater network into the Allandale Industrial area in Fairlie and Lyford Lane rural residential area in Twizel. Consultation, design and construction commencement are planned for 23/24.

### Stormwater

- **Stormwater Reticulation Upgrade:** Minor stormwater treatment improvements are planned to be undertaken in Tekapo/Takapō to improve the quality of stormwater discharged to the environment.

## Capital projects 2023/24

Water Supplies	2023/24 Year 3 LTP \$000	2023/24 Annual Plan \$000
<b>Total capital works</b>	<b>1,089</b>	<b>8,226</b>
Urban water - service connections – new/renewals	375	100
Urban water - reticulations	637	637
Urban water - Twizel water meter installation	0	1,200
Urban water – Fairlie treatment & Storage	0	6,190
Downlands water - reticulation	35	20
Downlands water - renewals	0	30
Downlands water - treatment	42	49

Wastewater	2023/24 Year 3 LTP \$000	2023/24 Annual Plan \$000
<b>Total capital works</b>	<b>807</b>	<b>1,750</b>
Treatment – Tekapo/Takapō	796	400
Sewer reticulation – new	11	1,350

Stormwater	2023/24 Year 3 LTP \$000	2023/24 Annual Plan \$000
<b>Total capital works</b>	<b>0</b>	<b>0</b>
Reticulation	0	0

## Water Supplies - Funding Impact Statement for 2023/24

	Annual Plan Budget 2022/23	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	1,840	2,132	1,911
Subsidies and grants for operating purposes	-	-	-
Fees and charges	124	127	124
Internal charges and overheads recovered	5	5	5
Local authorities fuel tax, fines, infringement fees, and other receipts	1	33	36
<b>Total Operating Funding</b>	<b>1,970</b>	<b>2,297</b>	<b>2,076</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	923	983	905
Finance costs	104	214	195
Internal charges and overheads applied	54	57	183
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding</b>	<b>1,081</b>	<b>1,254</b>	<b>1,283</b>
<b>Surplus (Deficit) if Operating Funding</b>	<b>889</b>	<b>1,042</b>	<b>793</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	1,028	1,143	500
Increase (decrease) in debt	4,705	(576)	6,024
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding</b>	<b>5,733</b>	<b>566</b>	<b>6,524</b>
<b>Applications of Capital Funding</b>			
Capital expenditure			
- to meet additional demand	1,000	25	1,200
- to improve the level of service	5,751	679	6,846
- to replace existing assets	128	385	179
Increase (decrease) in reserves	(257)	519	(908)
Increase (decrease) in investment	-	-	-
<b>Total Applications of Capital Funding</b>	<b>6,622</b>	<b>1,609</b>	<b>7,317</b>
<b>Surplus (Deficit) of Capital Funding</b>	<b>(889)</b>	<b>(1,042)</b>	<b>(793)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Wastewater - Funding Impact Statement for 2023/24

	Annual Plan Budget 2022/2023	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	828	1,109	906
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	21	21	65
<b>Total Operating Funding</b>	<b>849</b>	<b>1,131</b>	<b>971</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	594	828	620
Finance costs	-	6	1
Internal charges and overheads applied	30	32	149
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding</b>	<b>624</b>	<b>866</b>	<b>770</b>
<b>Surplus (Deficit) if Operating Funding</b>	<b>225</b>	<b>265</b>	<b>201</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	650	675	300
Increase (decrease) in debt	(10)	245	(9)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding</b>	<b>640</b>	<b>921</b>	<b>291</b>
<b>Applications of Capital Funding</b>			
Capital expenditure			
- to meet additional demand	-	796	-
- to improve the level of service	1,426	11	1,750
- to replace existing assets	-	-	-
Increase (decrease) in reserves	(561)	378	(1,258)
Increase (decrease) in investment	-	-	-
<b>Total Applications of Capital Funding</b>	<b>865</b>	<b>1,185</b>	<b>492</b>
<b>Surplus (Deficit) of Capital Funding</b>	<b>(225)</b>	<b>(265)</b>	<b>(201)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Stormwater - Funding Impact Statement for 2023/24

	Annual Plan Budget 2022/2023	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	163	136	82
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	9
<b>Total Operating Funding</b>	<b>163</b>	<b>136</b>	<b>90</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	95	47	83
Finance costs	-	-	-
Internal charges and overheads applied	4	5	37
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding</b>	<b>99</b>	<b>51</b>	<b>120</b>
<b>Surplus (Deficit) if Operating Funding</b>	<b>64</b>	<b>85</b>	<b>(30)</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	182	201	100
Increase (decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding</b>	<b>182</b>	<b>201</b>	<b>100</b>
<b>Applications of Capital Funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	414	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	(169)	286	70
Increase (decrease) in investment	-	-	-
<b>Total Applications of Capital Funding</b>	<b>245</b>	<b>286</b>	<b>70</b>
<b>Surplus (Deficit) of Capital Funding</b>	<b>(64)</b>	<b>(85)</b>	<b>30</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Transportation

Our Transportation activity is a key function of Council connecting our district.

This group of activities includes:

- Local road network (excluding State Highways and Aoraki Mt Cook)
- Bridges
- Streetlighting
- Signage
- Road safety
- Parking
- Footpaths
- Cycleways, including Alps 2 Ocean Cycleway

### What we do

Our transportation activity supports the provision of our district's roading network, which is vital infrastructure for our community, underpinning our district's economic wellbeing and supporting significant activities such as farming, tourism and development. Our roading network links areas, connects people with each other and essential services, underpins our district's iconic tourism economy, enables businesses to access resources and markets, and provides people with social, cultural, recreational and employment opportunities.

The transportation activity is concerned with provision of the land transport network and associated assets and services throughout the district. It delivers both asset (such as roads, signs, and infrastructure) and non-asset functions (such as temporary traffic management and road safety initiatives).

Council currently manages over 732km of roads (71% unsealed), 95 bridges, 69km of footpath, drainage facilities (e.g. soak pits, culverts), signs, carparks, kerb and channel, 1,251 street lights, cycleways (including the Alps 2 Ocean Trail), and road marking. Overall management of the assets is provided by the Council, with operational work carried out by contractors.

Passive transport (walking and cycling) is a key part of our transportation activity. We provide many cycleways and walkways throughout the district. These range from footpaths and cycleways in the road corridor, to cycleways that are off-road, such as the Alps 2 Ocean (A2O) Trail.

The A2O cycle trail is 312km long beginning in the Southern Alps at Aoraki Mt Cook National Park, descending 780m through the Mackenzie basin and down the Waitaki Valley to Oamaru with multiple access points and options to begin or end the ride or to ride only local sections. The route has been carefully selected to avoid major river crossings and utilises existing dam and bridge structures. The route utilises a combination of on-road sections along low volume roads and off-road shared use paths.

## Our performance measures

What you can expect from us	What we will measure	Targets: 2023/24
Provide safe, smooth, quality sealed roads to reduce travel times and vehicle wear.	The average quality of ride on a sealed local road network, measured by smooth travel exposure:*	
	a) rural roads	≥ 90%
	b) urban roads	≥ 75%
	The percentage of the sealed local road network that is resurfaced*	≥ 4%
	The percentage of the unsealed road network renewed using wearing course and stabilisation techniques	≥ 2%
Provide a safe and efficient roading network.	The percentage of road users are satisfied with the roading network	≥ 85%
	The change from the previous year in number of fatalities and serious crashes on the local road network, expressed as a number* <i>(0 change equates to ≤2 fatality and serious injury crashes)</i>	0
	The number of death and serious injuries recorded for the financial year on local roads under control of the Mackenzie District Council. <i>(In line with the Road to Zero vision)</i>	< 1
	The number of reported crashes on local roads under control of the Mackenzie District Council.	≤ 10
Maintain footpaths in good condition, fit for purpose.	The percentage of customer service requests relating to roads and footpaths to which Council responds within ten working days.*	≥ 75%
	The percentage of footpaths that are at or above the 'average condition rating'.* <i>Condition rating will be undertaken at not less than 5 years frequency.</i>	≥ 75%

\*Mandatory Performance Measure

### Major projects 2023/24

**Low-Cost Low Risk Projects:** This includes safety focused projects like site benching, seal widening, traction seals, speed management, travel management demand measures, kerb and channel improvements and intersection improvements.

**Unsealed road metalling:** Road metalling will continue particularly on high risk and high trafficked road like Lilybank and Braemar Road. An economic assessment will be undertaken in 2023/24 to assess the viability of seal extensions along these roads.

**Upgrading of footpaths in the major urban centres:** Footpaths will be upgraded in all major towns in response to the increasing focus on active modes of travel and reducing carbon emissions.

**Ongoing sealed road resurfacing upgrades:** Resurfacing of sealed roads is programmed to respond to the need to improve the condition of sealed roads across the district.

## Capital projects 2023/24

	2023/24 Year 3 LTP \$000	2023/24 Annual Plan \$000
<b>Total capital works</b>	<b>2,425</b>	<b>2,339</b>
Plant and equipment	13	13
Unsealed road metalling	743	728
Sealed road resurfacing	531	520
Drainage renewals	96	94
Sealed road pavement rehabilitations	138	135
Structures component replacements – cattle-stops	32	31
Bridge and structures – renewals	55	54
Environmental renewals	26	0
Footpath renewals	223	210
Streetlight LED upgrades	13	0
Low-cost-low-risk improvements	462	462
Traffic services renewals	93	92

## Transportation - Funding Impact Statement for 2023/24

	Annual Plan Budget 2022/23	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	1,655	1,732	1,901
Subsidies and grants for operating purposes	1,120	998	1,145
Fees and charges	-	-	-
Internal charges and overheads recovered	36	-	36
Local authorities fuel tax, fines, infringement fees, and other receipts	97	101	115
<b>Total Operating Funding</b>	<b>2,908</b>	<b>2,830</b>	<b>3,197</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	2,323	1,957	2,187
Finance costs	24	47	228
Internal charges and overheads applied	30	36	99
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding</b>	<b>2,377</b>	<b>2,041</b>	<b>2,513</b>
<b>Surplus (Deficit) if Operating Funding</b>	<b>531</b>	<b>790</b>	<b>683</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	1,229	1,224	1,186
Development and financial contributions	-	-	-
Increase (decrease) in debt	(70)	411	461
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding</b>	<b>1,159</b>	<b>1,635</b>	<b>1,647</b>
<b>Applications of Capital Funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	476	475	462
- to replace existing assets	1,894	1,950	1,877
Increase (decrease) in reserves	(679)	-	(8)
Increase (decrease) in investment	-	-	-
<b>Total Applications of Capital Funding</b>	<b>1,690</b>	<b>2,425</b>	<b>2,330</b>
<b>Surplus (Deficit) of Capital Funding</b>	<b>(531)</b>	<b>(790)</b>	<b>(683)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Regulatory Services

This activity includes:

- Resource management (the planning department)
- Building control services
- Animal control services
- Public health and liquor licensing services

It is important for the Council to undertake these activities in order to maintain a safe and healthy environment for the community.

### What we do

The planning department is responsible for administering the Council's functions under the Resource Management Act 1991. The key planning document is the District Plan, which sets out the issues facing the district and then manages the effects of those issues by setting objectives, policies and rules to achieve the purpose of the Resource Management Act. The purpose of the Resource Management Act is to enable sustainable management of the district's natural and physical resources.

Other resource management functions of the planning department include:

- Resource consents processing
- Processing plan changes
- Monitoring and enforcement of resource consents and activities permitted by the District Plan
- Review of the District Plan

The planning department is also responsible for regulatory policy and bylaw development and monitoring, including bylaw and policy development in relation to the Health Act 1956, Dog Control Act 1996, Sale and Supply of Alcohol Act 2012 and Freedom Camping Act 2011.

The Council is also an accredited Building Consent Authority. Council's building control department is responsible for administering the Council's functions under the Building Act 2004. This involves processing building consent applications, monitoring the construction of buildings, and issuing code compliance certificates upon the completion of building work. The building control team also undertake Territorial Authority building services which includes:

- Building Warrant of Fitness
- Certificates of acceptance
- Pool fencing compliance
- Earthquake prone buildings compliance
- Dangerous and insanitary buildings
- Notices to fix
- Land information memorandum

The Council has responsibilities under the Food Act 2014 to ensure that premises which prepare and sell food meet hygiene regulations and are inspected. The Council also has other responsibilities under the Sale and Supply of Alcohol Act 2012.

## Our performance measures

What you can expect from us	What we will measure	Targets: 2023/24
To efficiently manage environmental issues within the District.	The percentage of those surveyed satisfied that the Council are adequately managing resource management issues in the District.	≥80%
To provide a customer focused service for processing resource consents while achieving our obligations under the Resource Management Act 1991.	The percentage of non-notified consents which are processed within the 20 working day statutory timeframe.	≥98% compliance.
	The percentage of resource consent applicants who are satisfied with the quality of the service they receive.	≥60%
To provide a customer focused building control service that achieves our obligations under the Building Act 2004.	The percentage of building consents granted within the 20 working day statutory timeframe from the date of acceptance.	100% compliance.
	The percentage of applicants for building consents who are satisfied with the quality of the service they receive.	≥80%
	Retain IANZ accreditation to maintain Building Consent Authority status.	IANZ accreditation is maintained
	The percentage of Code of Compliance Certificates issued within the 20 working day statutory timeframe from the date of acceptance.	100% compliance
To issue annual Building Warrant of Fitness Certificates that ensure public safety and confidence.	The percentage of Building Warrant of Fitness Certificates audited on an annual basis.	20%
LIMS	The percentage of LIMS which are processed within the 10 working day statutory timeframe.	≥85% compliance.
To provide a safe environment for dogs and the public to co-exist.	The percentage of those surveyed who believe the Council is adequately managing dog control issues in the District.	≥80%

## Major projects 2023/24

**District Plan Review:** Council will continue its rolling review of the District Plan with Stage 3 scheduled for notification (October 2023) and hearings (April 2024) during this year. Stage 4 will continue to progress with engagement and provision development occurring before a tentative notification date of June 2024.

## Capital projects 2023/24

	2023/24 Year 3 LTP \$000	2023/24 Annual Plan \$000
<b>Total capital works</b>	<b>3</b>	<b>10</b>
Animal control – plant & equipment	3	10

## Regulatory Services - Funding Impact Statement for 2023/24

	Annual Plan Budget 2022/23	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	788	1,348	1,253
Targeted rates	-	-	-
Subsidies and grants for operating purposes	100	315	100
Fees and charges	1,475	1,485	1,513
Internal charges and overheads recovered	154	-	257
Local authorities fuel tax, fines, infringement fees, and other receipts	(17)	(21)	7
<b>Total Operating Funding</b>	<b>2,499</b>	<b>3,127</b>	<b>3,130</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	3,142	3,139	3,844
Finance costs	59	42	230
Internal charges and overheads applied	125	(10)	192
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding</b>	<b>3,326</b>	<b>3,170</b>	<b>4,266</b>
<b>Surplus (Deficit) if Operating Funding</b>	<b>(827)</b>	<b>(44)</b>	<b>(1,136)</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	250	262	262
Increase (decrease) in debt	620	46	1137
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding</b>	<b>870</b>	<b>308</b>	<b>1,399</b>
<b>Applications of Capital Funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	50	3	10
- to replace existing assets	-	-	-
Increase (decrease) in reserves	(7)	262	253
Increase (decrease) in investment	-	-	-
<b>Total Applications of Capital Funding</b>	<b>43</b>	<b>265</b>	<b>263</b>
<b>Surplus (Deficit) of Capital Funding</b>	<b>827</b>	<b>44</b>	<b>1,136</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Emergency Management

This activity is delivered by the recognised process of comprehensive emergency management which utilises the 4 R's: Reduction, Readiness, Response and Recovery. While all these activities are equally important, our communities and governance often measure success by our response activities.

Our vision for CDEM is "that individuals, whanau and businesses understand our hazards and can identify opportunities to respond and recover from the impacts of that hazard".

### What we do

The Mackenzie District Council is a member of the Canterbury Civil Defence Emergency Management (CDEM) Group established under the Civil Defence Emergency Management Act 2002 (CDEM Act). CDEM Group member Councils work together to identify Canterbury's hazards so that communities can understand them and informed decisions can be made about acceptable levels of risk. Arrangements for managing emergencies in a coordinated, multi-agency manner are specified in the Canterbury CDEM group plan. The Mackenzie District Council works with our communities and partner agencies to ensure that we plan for all potential events that could impact on this district. The way we do this is by comprehensive emergency management aligned with the 4 R's: Reduction, Readiness, Response, and Recovery. There are a number of key components of our CDEM activity:

- **Duty Officer:** Timaru, Waimate and Mackenzie District Councils have an MOU that provides 24/7 duty officer and controller coverage across South Canterbury to monitor alerting systems and to be available to respond at short notice.
- **Emergency Operations Centre:** Council is required to identify a location for the Emergency Operations Centre (EOC) which will be suitably equipped to allow council to monitor or coordinate the response to an emergency event.
- **Operational activities:** Emergency management is required to maintain operational readiness, to respond to events within the district, or to deploy to other CDEM or partner agency responses within New Zealand.
- **CDEM Equipment:** We maintain CDEM equipment to enable a timely response and ensure that staff are trained to operate this equipment.
- **Response Planning:** A number of planning activities are completed to ensure operational readiness.
- **Public Education:** Communities are educated and informed via numerous methods to help them understand the hazard scape of our district and how they can be more prepared for an emergency.
- **Community Response Teams:** Volunteer teams need ongoing support in the form of training, personal protective equipment (PPE) and other opportunities that develop over time.
- **Working with our Partner Agencies:** we work on creating, fostering, maintaining and building on relationships locally, regionally and nationally.

## Our performance measures

What you can expect from us	What we will measure	Targets: 2023/24
Increase community awareness and understanding of CDEM	That the community understand the risks within the district.	≥80%
	Community resilience plans/ or response plans are created and reviewed in collaboration with the target community.	1 new plan 1 reviewed plan
	Presentations to community groups or interested parties on CDEM (topics include resilience, response, lessons learnt, community preparedness)	5
Increase community readiness	That individuals or whanau feel they are prepared for an emergency.	≥80%
	Continue to recruit and train volunteer CDEM Community Response Team members – training sessions	15
The organisation is prepared to respond to an emergency	That council has 24/7 CDEM duty officer to monitor warning systems and be available to partner agencies	100%
	That council staff are trained to a minimum of “EOC 2”	80%
	An EOC exercise is conducted annually	1
	That an alternative communication system is maintained and tested	48
The organisation will engage with community in risk reduction activities Increase community awareness and understanding of CDEM	The organisation participates in risk reduction planning, modelling, or engaging scientific research	3
	Specific risk/ hazard presentations or Public education campaign, new learnings or studies undertaken	1

## Major projects 2023/24

### Upgrade of key emergency equipment

During 2023/24 a major review of the current Emergency Operations Centre (EOC) set up and procedures was completed to ensure it is professional, appropriately resourced and user friendly. This review has resulted in several recommendations.

In response we have retired unsuitable and/or outdated equipment (including old laptops and cell phones), put in place new in-house processes to allow staff to use their own MDC issued electronic equipment during an emergency response and allocated a small cache of spare laptops for use if required. All the laptops will be managed by MDC’s Information Technology team.

Additional electronic/telecommunications equipment has been identified for purchase during 2023/24 such as computer screens, power distribution boards, power/phone cords and standby cell phones capable of having the IPEX app downloaded for emergency response use.

We will also invest in mobile equipment that will provide power, internet and phone services so an EOC can be activated in any location throughout the district if the current site at the Fairlie Council Chambers is compromised or unsuitable.

## Portable Generators

Mackenzie District Council currently hold one 88KVA mobile generator located in Lake Tekapo. Budget has been provided to purchase a further two 88KVA mobile generators for Twizel and Fairlie townships during 2023/24. This will provide additional resilience and resources to the wider district.

## Capital projects 2023/24

	2023/24 Year 3 LTP \$000	2023/24 Annual Plan \$000
<b>Total capital works</b>	<b>5</b>	<b>99</b>
Plant & Equipment	5	20
Portable Generator & Trailer - Twizel	-	39
Portable Generator & Trailer - Fairlie	-	39

## Emergency Management - Funding Impact Statement for 2023/24

	Annual Plan Budget 2022/23	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	145	72	181
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	37
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total Operating Funding</b>	<b>145</b>	<b>72</b>	<b>218</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	149	54	182
Finance costs	1	1	3
Internal charges and overheads applied	16	9	23
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding</b>	<b>166</b>	<b>64</b>	<b>208</b>
<b>Surplus (Deficit) if Operating Funding</b>	<b>(21)</b>	<b>8</b>	<b>10</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(1)	(2)	87
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding</b>	<b>(1)</b>	<b>(2)</b>	<b>87</b>
<b>Applications of Capital Funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	23	5	99
Increase (decrease) in reserves	(43)	1	(2)
Increase (decrease) in investment	-	-	-
<b>Total Applications of Capital Funding</b>	<b>(20)</b>	<b>6</b>	<b>97</b>
<b>Surplus (Deficit) of Capital Funding</b>	<b>(21)</b>	<b>(8)</b>	<b>(10)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Parks and Community Facilities

Mackenzie District Council Parks and Community Facilities provides parks and reserves land, facilities and services to meet the current and future needs of the community in a way that is sustainable in the long-term and complies with regulatory requirements.

### What we do

Specifically, the Parks and Community Facilities activities include the following assets and services:

- Parks and Open Spaces
- Swimming Pools
- Public Toilets
- Trees
- Community and Recreation Centres
- Council Administration Buildings
- Cemeteries
- Streetscapes
- Trails
- Community Housing
- Playgrounds
- Responsible camping assets
- Funding applications for co-funded tourist assets

Council also provides a range of services including pensioner housing, grants to the Resource Centres in Fairlie and Twizel, and supports the medical centre in Fairlie.

### Our performance measures

What you can expect from us	What we will measure	Targets: 2023/24
Township services and amenities are provided and maintained to an acceptable level	Average customer satisfaction rating for township services and amenities.*	≥84%
	Average customer satisfaction rating for Parks and Community Facilities.*	≥90%
Parks and Community Facilities are operated effectively, efficiently, safely and meet the needs of the users.	Benchmarking of parks and open spaces operation and maintenance costs as measured by Yardstick	Within 15% of peer group median cost per hectare
	Monthly performance assessment of parks and public toilets operations and maintenance standards	≥90%
	Recreation Aotearoa Pool Safe Accreditation	Maintain Pool Safe accreditation
	Average customer satisfaction rating for Swimming Pool Facilities.*	≥85%

What you can expect from us	What we will measure	Targets: 2023/24
	No serious harm accidents on our playgrounds, parks, or facilities	Zero reported serious harm incidents
A commitment to improve Parks and Public Amenities management over time.	Parks and public amenities management as measured by Yardstick** Best Practice score	Annual score increase of 10%

\*Note that customer satisfaction is measure once a year by a Ratepayers Opinion Survey. This survey includes questions on customer satisfaction with cemeteries, libraries, community halls and buildings, town centres, parks, swimming pools and public toilets. The measure in the above table refers to the total combined average level of satisfaction across all towns and facilities.

\*\* Yardstick is a national benchmarking tool used to measure current park management performance and drive future improvements.

### Major projects 2023/24

**Lake Tekapo Lake Front Reserve:** Work is underway to develop a master plan for the Tekapo waterfront reserves that incorporates vegetation enhancement, park furniture, and site planning for the main reserve area to ensure that upcoming projects and existing amenities work together. Planning for the development of a community level playground will also get underway.

**Man Made Hill:** Work will continue on the staged native planting and other works associated with the development of the hill as detailed in the 2022 Revegetation and Recreational Development and Maintenance Plan.

**Lake Ruataniwha Reserve:** Following adoption of the Reserve Management Plan, detailed planning and implementation of enhancements will continue on a staged basis with initial emphasis on improving trails parking and vegetation around the “lagoon area” and new public toilets.

**Alp 2 Ocean (A2O) Trail:** Subject to receiving funding from MBIE Great Rides Fund, undertake the development of the East Pukaki off-roading Stage 1.

**Fairlie and Pukaki Public Toilets:** Complete the construction of new toilets at Fairlie Village Green and Pukaki lookout carpark.

## Capital projects 2023/24

	2023/24 Year 3 LTP \$000	2023/24 Annual Plan \$000
<b>Total capital works</b>	<b>606</b>	<b>3,445</b>
Tekapo township – Lake front reserves plan and development	157	150
Tekapo township – Signage upgrade	0	30
Tekapo township – Lakeside Drive playground	0	280
Tekapo township – Domain playground	0	600
Tekapo township – Asset renewal	0	35
Twizel township – Signage upgrade	52	40
Twizel township – Lake Ruataniwha Reserve	0	500
Twizel township – Man Made Hill stages 2 and 3	0	320
Twizel township – Ohau Road Reserve path and playground	0	350
Twizel township – Tree planting	0	100
Twizel township – Asset renewals	0	40
Cemeteries – Burkes Pass Rabbit proof fencing	17	40
District general – Trail developments	1	150
Fairlie township – Signage upgrade	0	25
Fairlie township – Asset renewals	0	30
Fairlie township – Village Green shelter	0	60
Fairlie township – Dog park improvements	0	10
Rural Works – Asset renewals	0	25
Rural Works – Signage upgrade	0	25
Mackenzie Community Centre –Furniture renewal	21	10
Pensioner housing – Fairlie – Healthy homes requirements	8	35
Pensioner housing – Twizel - Healthy homes requirements	0	15
Public toilets –Haymans Road carpark upgrade	210	350
Public toilets – A2O trail Ohau (relocation from Haymans Rd)	0	25
Strathconan swimming pool -plant and equipment renewal	8	5
Strathconan swimming pool – Emergency compliance upgrades	0	80
Tekapo Community Hall – furniture and fittings	5	5
Twizel Events Centre – building upgrades	122	20
Twizel Events Centre – Furniture and fittings	0	15
Twizel swimming pool – Accessibility and general improvements	0	70
Twizel swimming pool – Plant and equipment renewal	5	5

## Parks and Community Facilities - Funding Impact Statement for 2023/24

	Annual Plan Budget 2022/23	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	685	671	769
Targeted rates	1,704	1,886	1,828
Subsidies and grants for operating purposes	1	28	1
Fees and charges	101	122	130
Internal charges and overheads recovered	133	-	158
Local authorities fuel tax, fines, infringement fees, and other receipts	311	272	328
<b>Total Operating Funding</b>	<b>2,934</b>	<b>2,979</b>	<b>3,2146</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	2,681	2,672	2,751
Finance costs	8	45	90
Internal charges and overheads applied	77	(36)	136
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding</b>	<b>2,765</b>	<b>2,681</b>	<b>2,977</b>
<b>Surplus (Deficit) if Operating Funding</b>	<b>169</b>	<b>298</b>	<b>237</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	586	-	-
Development and financial contributions	12	12	-
Increase (decrease) in debt	322	408	977
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding</b>	<b>920</b>	<b>420</b>	<b>977</b>
<b>Applications of Capital Funding</b>			
Capital expenditure			
- to meet additional demand	282	-	-
- to improve the level of service	1,046	210	2,335
- to replace existing assets	1,027	396	1,110
Increase (decrease) in reserves	(1,266)	112	(2,231)
Increase (decrease) in investment	-	-	-
<b>Total Applications of Capital Funding</b>	<b>1,089</b>	<b>718</b>	<b>1,214</b>
<b>Surplus (Deficit) of Capital Funding</b>	<b>(169)</b>	<b>(298)</b>	<b>(237)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Waste Management and Minimisation

The Waste Management and Minimisation activities include all the work Council does in managing and minimizing rubbish and recycling in the Mackenzie District. The Waste Minimisation Act 2008 states that all authorities (councils) must promote effective and efficient forms of waste management and minimisation. Waste minimisation includes all the actions we can take to divert waste from landfills. This includes reducing the waste we generate and also reusing, recycling and recovering the value of our waste.

### What we do

Mackenzie has made solid steps towards minimising waste and setting in place strong services which enable our communities to manage their waste in an appropriate manner. Waste management and minimisation activities include:

- **Kerbside collection:** Council provides a four bin service to our main urban areas including Albury, Fairlie, Kimbell, Burkes Pass, Tekapo and Twizel. Other rural properties located along the collection route between the townships can voluntarily opt into the service, provided the collection truck has a safe place to stop.
- **Resource recovery parks:** Resource Recovery Parks (RRPs) and Class 4 Cleanfill sites are located in Twizel, Tekapo and Fairlie, with the operation of these contracted to EnviroWaste. Waste can be dropped off at our RRP by the public and commercial collectors. All three parks accept residual waste, green / garden waste, recyclables including mixed recycling, electronic items, glass and metal, domestic quantities of waste oil, paint and hazardous substances, batteries, LPG cylinders and tyres. Glass is currently processed at a site in Twizel where it is crushed and used in roading materials. There are no other recycling or reprocessing plants within the district, with all other recycling being transported out of the district for processing.
- **Landfill Disposal:** There are no Class 1 landfills within the district. Under our current contract, waste is sent to Redruth Landfill in Timaru.

### Our performance measures

What you can expect from us	What we will measure	Targets: 2023/24
Engage the community to achieve waste reduction	The percentage of solid waste from the district resource recovery diverted from landfills.	55% or above
	The amount of household kerbside waste to landfill.	≤ 105kg per person per annum
	Average customer satisfaction rating for kerbside waste collections.	80% or above
	Average customer satisfaction rating for Resource Recovery Parks.	80% or above
Waste is handled hygienically	Compliance with resource consent conditions.	100%

## Major projects 2023/24

**Resource consent:** There are three clean fill sites in the district, located in Tekapo, Fairlie and Twizel. The resource consents for these sites expired in November 2019, with a new application being lodged with Environment Canterbury in early 2019. The sites are able to continue operating while the application is being processed.

**Landscaping – Twizel Resource Recovery Park:** A landscaping and planting project is planned for the Twizel Resource Recovery Park. This aims to provide increased screening of the park and wind protection. This will be a staged project to be carried out over three years.

## Capital projects 2023/24

	2023/24 Year 3 LTP \$000	2023/24 Annual Plan \$000
<b>Total capital works</b>	<b>7</b>	<b>47</b>
Resource consent	0	10
Plant and equipment – replacement wheelie bins	7	7
Landscaping – Twizel Resource Recovery Park		30

## Waste Management and Minimisation - Funding Impact Statement for 2023/24

	Annual Plan Budget 2022/23	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	249	259	279
Targeted rates	915	912	1,011
Subsidies and grants for operating purposes	-	-	-
Fees and charges	194	218	194
Internal charges and overheads recovered	48	-	57
Local authorities fuel tax, fines, infringement fees, and other receipts	35	46	356
<b>Total Operating Funding</b>	<b>1,441</b>	<b>1,435</b>	<b>1,898</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,381	1,416	1,827
Finance costs	-	1	-
Internal charges and overheads applied	38	(5)	54
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding</b>	<b>1,419</b>	<b>1,413</b>	<b>1,882</b>
<b>Surplus (Deficit) if Operating Funding</b>	<b>21</b>	<b>23</b>	<b>16</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	-	-
-Development and financial contributions	-	-	-
Increase (decrease) in debt	(3)	(4)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding</b>	<b>(3)</b>	<b>(4)</b>	<b>-</b>
<b>Applications of Capital Funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	30
- to replace existing assets	27	7	17
Increase (decrease) in reserves	(9)	12	(31)
Increase (decrease) in investment	-	-	-
<b>Total Applications of Capital Funding</b>	<b>18</b>	<b>19</b>	<b>16</b>
<b>Surplus (Deficit) of Capital Funding</b>	<b>(21)</b>	<b>(23)</b>	<b>(16)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Tourism, Economic Development and Commercial Activity

The tourism, economic development and commercial activity includes the promotion and marketing of tourism within the district, enhancing economic development and managing the Council's commercial investments.

### What we do

The Council's tourism and economic development activity consists of:

- Promotion of the Mackenzie District as a tourist destination, including website and social media visitor attraction, and collaboration with district tourism operators
- Alps 2 Ocean (A2O) cycle trail tourism business and operations (in conjunction with the Waitaki District Council)
- Economic development services delivered including business support, training, events and education, as well as facilitating new or improved business opportunities

The Council's commercial activities are:

- Cash and equity investments
- Forestry investments
- Real estate
- Commercially leased properties
- Pukaki Airport

### Our performance measures

What you can expect from us	What we will measure	Targets: 2023/24
Economic development is fostered for the district as a whole	Percentage of ratepayers satisfied with the Council's tourism promotion and economic development	≥80%
Number of Council initiated projects as identified in the Economic Strategy 2021/25	At least one project per Financial Year initiated by Council	1 or more
Pukaki Airport is well maintained	User satisfaction with facility	≥ 80%
Forestry returns maximised	Financial net surplus per predicted cashflows from LTP or annual report	\$541,785
Investments – Council's investments are managed wisely in accordance with community expectations	Council's cash investment portfolio independently reviewed each quarter, and performance of investments against the Bancorp Ltd benchmark portfolio	Council's cash investment portfolio independently reviewed each quarter, and performance of investments against the Bancorp Ltd benchmark portfolio

## Major projects 2023/24

**Te Manahuna Ki Uta/Destination Mackenzie Project:** Te Manahuna Ki Uta/Destination Mackenzie (TMKU) is a multi-agency strategic plan for the Mackenzie District led by Mackenzie District Council. Co-design with our Treaty Partner is a crucial element of the project, and all work is informed by Mana Whenua values and aspirations. This Destination Management Plan aims to set a vision for Te Manahuna/Mackenzie and a direction for tourism going forward.

After the adoption of the final plan in September 2022, Council is kicking off phase 2 of this project. With external funding already secured Phase 2 will advance some of the priority projects identified in TMKU.

**Alps 2 Ocean Cycle Trail (A2O):** Council will continue to allocate \$50,000 per annum to the maintenance of the trail, as well as an additional \$50,000 in marketing and promotional costs which is presently provided through a contract with Tourism Waitaki. A significant project to off-road the Hayman Road section already has Council and external funding allocated and is proposed to be substantially delivered in the 2023/24 year.

**Economic development support:** A review of the Council's Economic Development Strategy should be completed by early 2023/24.

**Promotion of the Mackenzie District as a tourist destination:** Council plans to continue its promotion of the Mackenzie District as a tourism destination at its present level following the transition of service delivery from Christchurch NZ. External funding secured for Regional Events will support opportunities identified throughout the year.

**Pukaki Airport (land, administration and operations):** A Pukaki Airport Master Plan is proposed to be developed and completed in 2023/24. This will guide future investment and operations for the Council owned district airport.

## Capital projects 2023/24

	2023/24 Year 3 LTP \$000	2023/24 Annual Plan \$000
<b>Total capital works</b>	<b>52</b>	<b>2,105</b>
Pukaki airport – Upgrade of terminal furniture	-	5
Tourism and economic development - computer equipment	52	-
A2O Cycleway – to off-road Hayman Road section	-	2,100

Tourism, Economic Development and Commercial - Funding Impact Statement for 2023/24

	Annual Plan Budget 2022/23	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	118	46	51
Targeted rates	464	423	551
Subsidies and grants for operating purposes	-	-	1,800
Fees and charges	-	-	-
Internal charges and overheads recovered	(1,301)	-	(1,532)
Local authorities fuel tax, fines, infringement fees, and other receipts	1,084	1,058	1,207
<b>Total Operating Funding</b>	<b>366</b>	<b>1,527</b>	<b>2,077</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,305	770	3,682
Finance costs	17	31	(149)
Internal charges and overheads applied	20	1,347	41
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding</b>	<b>1,342</b>	<b>2,147</b>	<b>3,573</b>
<b>Surplus (Deficit) if Operating Funding</b>	<b>(976)</b>	<b>(620)</b>	<b>(1,496)</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	-	-	1,550
Development and financial contributions	-	-	-
Increase (decrease) in debt	536	(1,065)	(350)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding</b>	<b>536</b>	<b>(1,065)</b>	<b>1,200</b>
<b>Applications of Capital Funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	2,100
- to replace existing assets	30	52	5
Increase (decrease) in reserves	(470)	(1,730)	(2,401)
Increase (decrease) in investment	-	(8)	-
<b>Total Applications of Capital Funding</b>	<b>(440)</b>	<b>(1,685)</b>	<b>(296)</b>
<b>Surplus (Deficit) of Capital Funding</b>	<b>976</b>	<b>620</b>	<b>1,496</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Prospective Financial Statements

The prospective financial statements in this section outline Council's planned expenditure for the 2023/24 financial year.

To see the significant forecast assumptions that underlie the financial information in this Annual Plan please refer to the Long Term Plan 2021-2031.

### **Funding Impact Statement**

The purpose of the Funding Impact Statement is to show the revenue and financing mechanisms that Council uses to cover its estimated expenses.

The Funding Impact Statement is required under the Local Government Act 2002 and conforms to the Local Government (Financial Reporting and Prudence) Regulations 2014. The Funding Impact Statement has been prepared in accordance with Schedule 10, Part 2, Clause 20 of Schedule 10 of the Local Government Act 2002.

### **Balanced Budget Statement**

The Council is required under the Local Government Act 2002 to ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses. Council may set projected operating revenues at a different level from that required, if Council resolves that it is financially prudent to do so.

### **Receipt of Capital Income**

From time to time Council budgets to receive different types of capital income in the form of financial contributions, reserve contributions and vested assets. These are not used to reduce the amount of rates required for a particular activity but instead are transferred to a capital reserve in order to fund future expenditure.

### **Funding of depreciation**

The balanced budget provisions of the Local Government Act 2002 (s100) allow a council to not fully fund all expenditure (including depreciation) provided it can demonstrate that it is financially prudent to do so. We have previously decided not to fully cash fund the depreciation cost of various assets.

The Council has resolved that it will not cash-fund depreciation on certain assets for a variety of reasons. The most significant of these is where we believe we will receive money from third parties to help fund any asset replacement. The most important of these third parties is the New Zealand Transport Agency (NZTA) which co-invests in the roading network. It has also been assumed with some community assets that third party funding was received to help build or develop the facility.

The other major reason depreciation is not funded is when we do not expect to renew or replace an asset at the end of its useful life. The Council owns and operates a number of small rural water supplies which are largely self-managed by committees of users. They have been content to meet capital expenditure as it is required and not fund depreciation year by year. Council has raised no objection to this and notes the amounts of depreciation are relatively small. There were low numbers of users on each supply and they understood the consequences and rationale for not funding depreciation.

These rural schemes include: Albury, Ashwick/Opuha, School Road and Kimbell.

Council also does not fully fund depreciation on its Halls and swimming pools as Council assume that we will either receive external grants or loan for the balance.

# Annual Plan Disclosure Statement

**What is the purpose of this statement?**

The purpose of this statement is to disclose the Council’s planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) Section 101.

Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark	Benchmark Quantified Limit	Planned	Met
Rates affordability benchmark	Total rates increase will be less than 9.00% plus inflation (LGCI 2.98%)	10.2%	Yes
Debt affordability benchmark	Total debt to total revenue will not exceed 1.75	0.05	Yes
Balanced budget benchmark	100%	88%	No
Essential services benchmark	100%	245%	Yes
Debt servicing benchmark	10%	2.4%	Yes

**1. Rates affordability benchmark**

The Council meets the rates affordability benchmark if its planned rates increases equal or are less than its quantified limit on rates increases.

**2. Debt affordability benchmark**

The Council meets the debt affordability benchmark if its planned borrowing is within its quantified limit on borrowing.

**3. Balanced budget benchmark**

The Council meets the balanced budget benchmark if its planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant or equipment) equals or is greater than its operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

**4. Essential services benchmark**

The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

**5. Debt servicing benchmark**

The council meets the debt servicing benchmark if its planned borrowing costs equals or is less than 10% of its planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant or equipment).



## Accounting Policies

### Reporting entity

Mackenzie District Council (Council) is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The principal activity of Mackenzie District Council is the provision of local authority services, including resource management, water, storm water, wastewater and roading services, hazard management, recreation and cultural services and building control to the community. The Council does not operate to make a financial return.

The Council has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice. The financial statements of the Council are for the periods ending 30 June 2024. The prospective financial statements were authorised for issue by Council on 28 June 2023.

### Basis of preparation

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the Long-Term Plan.

The Council and management of Mackenzie District Council are responsible for the preparation of the financial statements, including the appropriateness of the assumptions underlying the financial statements and other required disclosures.

Council, who are authorised to do so, believe the assumptions underlying the financial statements are appropriate.

### Statement of Compliance

The financial statements of the Council have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements have been prepared in accordance with and comply with PBE Standards RDR. The criteria under which Council is eligible to report in accordance with Tier 2 PBE Standards as total expenditure is below the \$30 million threshold.

### Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000) unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for land and buildings classified as property, plant and equipment, certain infrastructure assets, investment property, some investments and forestry.

### Water services reform programme

The forecast information does not reflect the water services reform programme.

## Joint Operation

A joint operation is a contractual agreement whereby two or more parties undertake an economic activity that is subject to joint control. Joint control exists when there is a binding agreement between the parties involved in the arrangement and this agreement requires the relevant activities of the arrangement to be decided by unanimous consent from all parties involved in the arrangement.

For joint arrangements, the Council recognises in its financial statements its assets, liabilities, revenue and expenses relating to its share in the arrangement.

The Council has a joint arrangement with the Timaru District Council and Waimate District Council for the Downlands Rural Water Scheme. The Downlands Rural Water Scheme is a joint operation rather than a joint venture because the three Council's jointly own their specified share of the whole scheme and have rights to the assets and obligations for the liabilities relating to the arrangement, due to the structure of the arrangement not being through a separate vehicle. Council's share in this joint arrangement equates to 4%, with Timaru District Council's share being 82% and Waimate District Council's 14%.

## Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable.

### Rates Revenue

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by meter) and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue
- Revenue arising from late payment penalties is recognised as revenue when rates become overdue
- Rates collected on behalf of the Environment Canterbury Regional Council (ECan) are not recognised in the financial statements, as the Council is acting as an agent for ECan.

### Waka Kotahi (New Zealand Transport Agency) roading subsidies

Council receives government grants from the New Zealand Transport Agency, which subsidises part of the costs of maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

### Other grants received

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions are satisfied.

### Building and resource consent revenue

Revenue from building consents is recognised when payment of the consent is received. Revenue from fees charged for resource consent processing is recognised in proportion to the stage of completion. Work performed is invoiced monthly until completion.

### Entrance Fees

Entrance fees are fees charged to users of the Council's local facilities, such as the pools. Revenue from entrance fees is recognised upon entry to such facilities.

### Provision of goods and services

Services provided to third parties on commercial terms are exchange transactions. Revenue from these services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

**Contributions**

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

**Vested or donated physical assets**

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects that it will need to return or pass the asset to another party.

**Landfill fees**

Fees for disposing of waste are recognised as waste is disposed of by users.

**Sale of Goods and Services**

Revenue from the sale of goods and services is recognised when a product is sold or service provided to the customer.

**Interest and dividends**

Interest revenue is accrued on a time basis using the effective interest method, by reference to the principal outstanding and at the interest rate applicable. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.

Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the cost of the investment.

**Donated and bequeathed financial assets**

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if these are substantive use or return conditions and the liability released to revenue as the conditions are met. (e.g. as the funds are spent for the nominated purpose).

**Rental revenue**

Rental revenue is recognised on a straight-line basis over the lease term.

**Expenditure**

The specific accounting policies for significant expenditure items are explained below.

**Superannuation schemes**

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit when incurred.

**Borrowing costs**

All borrowing costs are recognised as an expense in the period in which they are incurred.

**Grant expenditure**

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.

### **Operating Leases**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight line basis over the lease term. Lease incentive received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

### **Contractual commitments**

These are commitments for which a formal contract has been entered into at balance date. These commitments are based on the legal commitment outstanding under contracts. They do not take in account any additional work required due to emergency events or any adjustments to costs based on inflation.

### **Income tax**

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

## **Statement of Financial Position Items**

### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

### **Trade and Other Receivables**

Trade and other receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). The Council and group apply the simplified ECL model of recognising lifetime ECL for receivables. In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are "written-off":

- when remitted in accordance with the Council's rates remission policy; and
- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written-off when there is no reasonable expectation of recovery.

### **Financial assets/financial liabilities**

The Council shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the Council becomes party to the contractual provisions of the instrument.

At initial recognition, the Council shall measure a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial Assets are classified as either: (1) Amortised Cost, (2) Fair value through profit or loss, or (3) Fair Value through other comprehensive income.

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset shall be measured at fair value through other comprehensive revenue or expense if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortised cost or at fair value through other comprehensive revenue and expense. However an entity may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through surplus or deficit to present subsequent changes in fair value in other comprehensive revenue and expense.

#### **Subsequent measurement of financial assets at amortised cost**

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses. Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits, community loans, and loans to subsidiaries and associates.

#### **Subsequent measurement of financial assets at FVTOCRE**

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds with equity. The Council and group designate into their category all equity investments that are not included in its investment fund portfolio, and if they are intended to be held for the medium to long-term.

#### **Expected credit loss allowance (ECL)**

The Council and group recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measure at the present value of cash shortfalls, which is the difference between the cash flows due to Council and group in accordance with the contract and the cash flows it expect to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECL's are recognised in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Council and group considers reasonable and supportable information that is relevant without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Council and group's historical experience and informed credit assessment and included forward-looking information.

The Council and group consider a financial asset to be in default when the financial asset is more than 90 days past due. The Council and group may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligations in full.

Financial Liabilities are classified as either: (1) Amortised Cost, (2) Fair value through profit or loss.

Financial liabilities are generally classified and measured at amortised cost unless they meet the criteria for classification at fair value through profit or loss.

A financial liability is classified as a financial liability at fair value through profit or loss if it meets one of the following conditions:

- It is held for trading, or
- It is designated by the entity as at fair value through profit or loss (note that such a designation is only permitted if specified conditions are met).

A financial liability is held for trading if it meets one of the following conditions:

- It is incurred principally for the purpose of repurchasing it in the near term
- On initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking, or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

### **Inventories**

Inventories are held for distribution or for use in the provision of goods and services. The measurement of inventories depends on whether the inventories are held for commercial or non-commercial (distribution at no charge or for a nominal charge) distribution or use. Inventories are measured as follows:

- Commercial: measured at the lower of cost and net realisable value.
- Non-commercial: measured at cost, adjusted for any loss of service potential.

Cost is allocated using the first-in-first-out (FIFO) method, which assumes the inventories that were purchased first are distributed or used first.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Any write-down from cost to net realisable value or for the loss of service potential is recognised in the surplus or deficit in the year of the write-down.

When land held for development and future resale is transferred from investment property/property, plant, and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant, and equipment.

### **Plantation Forestry**

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Gains or losses arising on initial recognition of forestry assets at fair value less costs to sell and from a change in fair value less costs to sell are recognised in the surplus or deficit. Forestry maintenance costs are recognised in the surplus or deficit when incurred.

## Property, plant and equipment

### **Operational assets**

Operational assets are tangible assets that are able to be dealt with as part of the operating strategy. These include operational land, buildings and improvements, furniture and fittings, plant and equipment, computer hardware, motor vehicles, office equipment, resource recovery parks and heritage assets.

### **Restricted assets**

Restricted assets are parks and reserves owned by Council, which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions. They include reserves vested under the Reserves Act, and endowments and other property held in trust for specific purposes.

### **Infrastructure assets**

Infrastructure assets are the fixed utility systems owned by the Council and group. Each asset class includes all items that are required for the network to function. For example, sewer reticulation includes reticulation piping and sewer pump stations.

### **Unformed or paper roads**

An unformed or paper road is a term for a road that is legally established and recorded in survey plans, but has not been formed, and that ownership of the land associated with the paper road resides with Council. Council does not recognise land under unformed paper roads in the financial statements because there is little or no service potential from the majority of these paper roads. Valuing these assets is also difficult. It is difficult to measure the service benefit to the public from having access to these routes. There is also limited market data detailing recent sales of such small individual areas arguably due to the high cost of disposal.

### **Additions**

The cost of an item of property, plant, or equipment is recognised as an asset if and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and group and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

### **Disposals**

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

### **Subsequent costs**

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

### **Revaluations**

The carrying values of revalued items are assessed annually to ensure that their carrying amount does not differ materially from fair value and at least every three years. If there is a material difference, then the off-cycle asset classes are revalued. Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit.



Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expense.

Operational assets	Is the class revalued	Valuation basis
<b>Buildings</b>	Yes	Fair value
<b>Computer hardware</b>	No	Depreciated historical cost
<b>Furniture and fittings</b>	No	Depreciated historical cost
<b>Heritage assets</b>	No	Deemed cost
<b>Land</b>	Yes	Fair value
<b>Motor vehicles</b>	No	Depreciated historical cost
<b>Office equipment</b>	No	Depreciated historical cost
<b>Plant and machinery</b>	No	Depreciated historical cost
<b>Restricted assets</b>		
<b>Land</b>	Yes	Fair value
<b>Flood protection and control works</b>	No	Not applicable
<b>Landfills</b>	No	Not applicable
<b>Village projects</b>	No	Depreciated historical cost
<b>Alps 2 Ocean cycleway</b>	No	Deemed cost
<b>Infrastructural assets</b>		
<b>Land under roads</b>	No	Not applicable
<b>Roads and footpaths</b>	Yes	Optimised depreciated replacement cost
<b>Litter bins and landfills</b>	No	Depreciated historical cost
<b>Resource consents</b>	No	Depreciated historical cost
<b>Stormwater</b>	Yes	Optimised depreciated replacement cost
<b>Wastewater</b>	Yes	Optimised depreciated replacement cost
<b>Water supplies</b>	Yes	Optimised depreciated replacement cost

### **Depreciation**

Depreciation is provided on a straight-line basis on all property, plant and equipment, other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Operational Assets	Depreciation method	Life (years)
<b>Buildings</b>	Straight line	13 - 80
<b>Computer hardware</b>	Straight line	3 - 10
<b>Computer network cabling</b>	Straight line	10
<b>Furniture and fittings</b>	Straight line	10
<b>Heritage assets</b>	Straight line	60 - 150
<b>Land</b>	Not depreciated	-
<b>Motor vehicles</b>	Straight line	5
<b>Office equipment</b>	Straight line	5 - 10
<b>Light plant and machinery</b>	Straight line	10 - 25
<b>Plant and machinery</b>	Straight line	10 - 25
<b>Infrastructural Assets</b>		
<b>Resource recovery parks and landfills</b>	Straight line	0 - 80



Litter bins	Straight line	10
Village projects	Straight line	15 - 80
Alps 2 Ocean cycleway	Straight line	50
Formation	Not depreciated	-
Land under roads	Not depreciated	-
<b>Roads</b>		
Formation	Not depreciated	-
Sub-base	Straight line	0 - 100
Base course	Straight line	75 - 125
Surfacing	Straight line	3 - 40
Kerb and channelling	Straight line	0 - 100
Street signs	Straight line	20
Street lighting	Straight line	20 - 40
Bridges	Straight line	80 - 100
Shoulders	Straight line	0 - 100
<b>Footpaths</b>		
Surface	Straight line	25 – 75
Base	Straight line	30 - 75
Formation	Not depreciated	-
Sub-base	Not depreciated	-
Resource Consents	Straight line	10 - 33
<b>Stormwater</b>		
Lines	Straight line	60 - 150
Manholes	Straight line	150
Open drains	Not depreciated	-
<b>Wastewater</b>		
Mains	Straight line	10 – 80
Pumps	Straight line	15 – 20
Oxidation ponds	Not depreciated	0 – 100
Box culverts	Straight line	100
Manholes	Straight line	100
<b>Water supplies</b>		
Piping mains	Straight line	10 - 80
Pumps	Straight line	15 - 20
Service lines	Straight line	60 - 80
Hydrants	Straight line	80
Valves and air valves	Straight line	25 - 80
Meters	Straight line	20 - 25
Reservoirs	Straight line	40 - 80

#### Intangibles - Software acquisition and development

Acquired computer software is capitalised on the basis of costs incurred to acquire and bring to use the specific software.

Costs that are directly attributable with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs associated with development and maintenance of the Council's website are recognised as an expense when incurred.

### **Easements**

Easements are not cash generating in nature, instead they give Council the right to access private property where infrastructural assets are located. Council has not valued and recognised easements as an intangible asset under PBE IPSAS 31 Intangible Assets. The work required identifying and developing a central register to record easements and paper roads would be considerable and difficult to ensure that it was comprehensive and complete. Council is also concerned that the cost to establish the register would be substantial with minimal benefits being achieved. Registered valuers would have difficulty determining a fair value for the easements due to their unique nature and having no active market for this particular asset type. There is also no recognised valuation methodology. For these reasons, Council has opted not to recognise easements as an intangible asset because they cannot be quantified, and the value of the easements cannot be measured reliably.

### **Carbon Credits**

Purchased Carbon credits are recognised at cost on acquisition. Acquired Carbon Credits from the Crown are recognised at fair value on receipt. In the absence of an Active Market Carbon Credits are brought in at their cost to the Council. Carbon Credits are not amortised but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

### **Impairment**

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

### **Employee Entitlements**

#### Short Term Employee Entitlements

Employee benefits expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

#### Long Term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis.

The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement; and contractual entitlement information; and
- The present value of estimated future cash flows.

#### Presentation of employee entitlements

Sick leave, annual leave, and vested long service leave are classified as a current liability, Non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

## Provisions

A provision is recognised for future expenditure of uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event;
- it is probable that an outflow of future economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in “finance costs.”

## Payables and deferred revenue

Short-term payables are recorded at the amount payable.

## Equity and Reserves

Equity is the community’s interest in the Council and is measured as the difference between total assets and total liabilities.

Equity is disaggregated and classified into the following components:

- Special funds reserves;
- Separate reserves;
- Asset revaluation reserves; and
- Accumulated general funds.

### *Special funds reserves*

Special reserves have been set up for specific purposes. Their use is restricted to the purpose for which they were set up. They retain their surplus or deficit but are used to meet the costs that comply with their purpose.

- Other reserves - Other reserves consist of funds which have been received over time by the Council, usually by way of a donation or bequest, the terms of which restrict the use of funds. Each amount has been set up as a trust fund to maintain a degree of independence from general Council funds.
- Restricted reserves - Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.
- Council-created reserves - Council-created reserves are reserves established by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

### *Separate reserves*

These are reserve balances where activities are funded either by targeted rates or a combination of targeted rates and general rates. They hold a surplus or deficit balance from year to year, and the fund is only held for that specific activity. For example, each water supply activity has its own reserve balance.

### *Asset revaluation reserves*

These reserves relate to:

- The revaluation of property, plant and equipment to fair value including operational and infrastructure assets, and
- The revaluation of financial assets including shares and bond stock held. This reserve comprises of the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense, FVTOCRE.

### **Accumulated General Funds**

Accumulated General Funds consist of all other equity transactions not classified as operating reserves, capital reserves, asset revaluation reserves, other reserves or special reserves.

### **Statement of Cash Flows**

Cash and cash equivalents is considered to be cash on hand and cash at bank, and on-call deposits, net of overdrafts.

Operating activities include cash received from all revenue sources of the Council and record the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise activities that change the equity and debt capital structure of the Council.

### **Goods and Services Tax (GST)**

All items in the financial statements are stated exclusive of GST.

### **Budget Figures**

The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the council for preparing these financial statements.

### **Critical Accounting Estimates and Assumptions**

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Estimating the fair value of land, buildings, and infrastructural assets
- Estimating the fair value of forestry assets
- Estimating the retirement obligation for employees
- Estimating the landfill aftercare provision

### **Critical judgements in applying accounting policies**

Management has exercised the following critical judgements in applying accounting policies:

- Classification of property
- Accounting for suspensory loan from Housing New Zealand
- Accounting for donated or vested land and buildings with use or return conditions

### **Changes in accounting policies**

Accounting policies have been changed to incorporate all necessary changes as required by the new Public Benefit Entity (PBE) Standards. No changes to recognition/measurement were required.

## Prospective Statement of Comprehensive Revenue and Expense

	Annual Plan Budget 2022/23	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>Revenue</b>			
Rates	14,464	15,972	15,944
Subsidies and grants	3,036	2,565	5,957
Fees, charges and metered rates for water supply	1,847	2,129	1,959
Finance revenue	321	310	400
Other revenue	2,085	1,608	2,836
Development and financial contributions	2,122	2,293	1,162
Vested assets	2,979	3,060	1,700
Other gains / (losses)	11	29	31
<b>Total Operating Revenue</b>	<b>26,865</b>	<b>27,966</b>	<b>29,988</b>
<b>Expenditure</b>			
Personnel costs	5,685	5,382	6,491
Finance costs	215	405	650
Other expenses	13,660	13,369	17,656
Depreciation and amortisation expense	4,946	5,160	5,970
<b>Total Operating Expenditure</b>	<b>24,506</b>	<b>24,316</b>	<b>30,768</b>
<b>Operating Surplus (Deficit) before Tax</b>	<b>2,358</b>	<b>3,650</b>	<b>(780)</b>
Income Tax	-	-	-
<b>Operating Surplus (Deficit) after Tax</b>	<b>2,358</b>	<b>3,650</b>	<b>(780)</b>
<b>Other Comprehensive Revenue and Expense</b>			
<i>Items that could be reclassified to surplus / (deficit)</i>			
Financial assets at fair value through other comprehensive revenue and expense	434	451	434
Gain on revaluation of property, plant and equipment	233	-	-
<b>Total Other Comprehensive Revenue and Expense</b>	<b>667</b>	<b>451</b>	<b>434</b>
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>	<b>3,026</b>	<b>4,101</b>	<b>(346)</b>

## Prospective Statement of Movements in Equity

	Annual Plan Budget 2022/23	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
Equity at the beginning of the year	313,338	316,469	367,341
Comprehensive Revenue and Expense	3,026	4,101	(346)
<b>EQUITY AT THE END OF THE YEAR</b>	<b>316,364</b>	<b>320,571</b>	<b>366,996</b>

## Prospective Statement of Financial Position

	Annual Plan Budget 2022/23	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4,168	4,880	5,368
Receivables	3,839	4,023	4,003
Inventories	28	28	74
Prepayments	84	84	117
Short term investments	11,226	15,226	8,400
<b>Total Current Assets</b>	<b>19,345</b>	<b>24,241</b>	<b>17,962</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	298,782	299,120	351,657
Intangible assets	946	896	1,719
Forestry	7,863	8,102	5,212
Investment property	4,319	4,340	5,386
Inventory term	558	389	342
Other financial assets	11,352	12,100	11,969
<b>Total Non-Current Assets</b>	<b>323,821</b>	<b>324,947</b>	<b>376,285</b>
<b>TOTAL ASSETS</b>	<b>343,166</b>	<b>349,188</b>	<b>394,247</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5,783	5,435	6,045
Employee benefit liabilities	328	328	308
Provisions	63	63	2
Borrowings	2,709	2,713	3,006
<b>Total Current Liabilities</b>	<b>8,883</b>	<b>8,539</b>	<b>9,361</b>
<b>Non-Current Liabilities</b>			
Provisions	-	-	32
Employee benefit liabilities	-	-	26
Borrowings	17,919	20,078	17,832
<b>Total Non-Current Liabilities</b>	<b>17,919</b>	<b>20,078</b>	<b>17,890</b>
<b>TOTAL LIABILITIES</b>	<b>26,802</b>	<b>28,617</b>	<b>27,251</b>
<b>NET ASSETS</b>	<b>316,364</b>	<b>320,571</b>	<b>366,996</b>
<b>EQUITY</b>			
Retained earnings	125,659	127,340	106,398
Separate and special reserves	25,094	27,334	27,672
Asset revaluation reserves	165,611	165,896	232,926
<b>TOTAL EQUITY</b>	<b>316,364</b>	<b>320,571</b>	<b>366,996</b>

## Prospective Statement of Cash Flows

	Annual Plan Budget 2022/23	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>Cash flows from operating activities</b>			
Receipts from rates revenue	14,464	15,882	15,944
Receipts from other revenue	4,311	3,737	4,825
Subsidies and grants received	3,036	2,565	5,957
Interest and dividends from investments	181	310	400
Financial and development contributions received	2,122	2,293	1,162
Payments to suppliers and employees	(19,346)	(18,648)	(24,147)
Interest paid	(215)	(405)	(650)
<b>Net cash flow from operating activities</b>	<b>4,554</b>	<b>5,734</b>	<b>3,489</b>
<b>Cash flows from investing activities</b>			
Receipts from sale of property, plant and equipment	523	-	-
Receipts from sale of investments	10,000	15,234	10,000
Purchase of property, plant and equipment	(13,953)	(5,141)	(12,571)
Purchase of investments	(10,000)	(15,226)	(10,000)
<b>Net cash flow from investing activities</b>	<b>(13,429)</b>	<b>(5,133)</b>	<b>(12,571)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	10,628	2,113	9,412
Repayment of borrowings	-	(2,700)	-
<b>Net cash flow from financing activities</b>	<b>10,628</b>	<b>(587)</b>	<b>9,412</b>
Net increase / (decrease) in cash held	1,752	14	331
Add opening cash brought forward	2,416	4,866	5,037
<b>CASH AND CASH EQUIVALENTS AT YEAR END</b>	<b>4,168</b>	<b>4,880</b>	<b>5,368</b>



## Prospective Funding Impact Statement (whole of Council)

	Annual Plan Budget 2022/23	Long Term Plan Forecast 2023/24	Annual Plan Budget 2023/24
	\$000	\$000	\$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	6,860	7,607	7,585
Targeted rates	7,605	8,365	8,359
Subsidies and grants for operating purposes	1,221	1,340	3,220
Fees and charges	1,827	2,129	1,986
Interest and dividends from investments	321	310	524
Local authorities fuel tax, fines, infringement fees, and other receipts	2,100	1,608	2,685
<b>Total Operating Funding</b>	<b>19,933</b>	<b>21,358</b>	<b>24,358</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	19,345	18,749	24,148
Finance costs	215	405	650
Other operating funding applications	-	-	-
<b>Total Applications of Operating Funding</b>	<b>19,560</b>	<b>19,154</b>	<b>24,798</b>
<b>Surplus (Deficit) if Operating Funding</b>	<b>373</b>	<b>2,205</b>	<b>(440)</b>
<b>Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	1,815	1,224	2,736
Development and financial contributions	2,122	2,293	1,162
Increase (decrease) in debt	6,318	(587)	9,412
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources of Capital Funding</b>	<b>10,255</b>	<b>2,930</b>	<b>13,310</b>
<b>Applications of Capital Funding</b>			
Capital expenditure			
- to meet additional demand <sup>1</sup>	1,282	822	1,200
- to improve the level of service	9,233	1,427	13,613
- to replace existing assets	3,437	2,892	4,527
Increase (decrease) in reserves	(3,325)	-	(6,470)
Increase (decrease) in investment	-	(7)	-
<b>Total Applications of Capital Funding</b>	<b>10,628</b>	<b>5,135</b>	<b>12,870</b>
<b>Surplus (Deficit) of Capital Funding</b>	<b>(373)</b>	<b>(2,205)</b>	<b>440</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Reserve Funds Summary

The Council maintains reserve funds as a sub-part of its equity. The following presents a summary of total reserve fund movements from 1 July 2023 to 30 June 2024 and is followed by a breakdown into each type of reserve.

	<b>Balance 01/07/2023 \$000</b>	<b>Deposits to funds \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2024 \$000</b>
Special reserves	13,677	325	(1,250)	12,753
Separate reserves	17,336	17,164	(19,582)	14,919
Asset revaluation reserves	232,492	434	-	232,926
<b>Total reserve funds</b>	<b>263,505</b>	<b>17,923</b>	<b>(20,832)</b>	<b>260,598</b>

### Special Reserve Funds

Special funds have been set up for specific purposes. Their use is restricted to the purpose for which they were set up. They retain their surplus or deficit but are used to meet the costs that comply with their purpose.

Trust and Bequest Funds - These funds are subject to specific conditions accepted as binding by the Council, such as bequests or operations in trust under specific Acts, and which may not be revised by Council without reference to the courts or a third party. Transfers from these reserves may only be made for certain specific purposes or when specific conditions are met.

### Separate Reserves

These are reserve balances where activities are funded either by targeted rates or a combination of targeted rates and general rates. They hold a surplus or deficit balance from year to year, and the fund is only held for that specific activity. For example, each water supply activity has its own reserve balance.

	<b>Opening Balance 1 July 2023 \$000</b>	<b>Movement into Reserve \$000</b>	<b>Movement out of reserve \$000</b>	<b>Closing Balance 30 June 2024 \$000</b>
<b>Special reserves</b>				
Albury War Memorial	4	0	0	4
Albury Water Supply	40	0	0	40
Ashwick/Allandale War Memorial	6	0	0	6
Ashwick/Opuha Water	0	0	0	0
Carpark Development	257	1	0	259
Davidson Bequest - Cemetery	2	0	0	2
Emergency Management	20	0	0	20
Enid Hutt Fairlie Beautifying Fund	31	0	0	31
Gillingham Bequest - Library	0	0	0	0
Gould Bequest - Cemetery	2	0	0	2
Heritage Fund	9	0	0	9

Housing Replacement	7	0	0	7
Insurance	3,216	16	0	3,232
Land Subdivision	432	2	0	434
Land Subdivision - Opuha	188	8	0	196
Land Subdivision - Pukaki	2,828	181	(820)	2,189
Land Subdivision - Tekapo	2,314	95	(430)	1,979
Mackenzie County Scholarship Trust	87	0	0	88
Masonic Lodge Scholarship	40	0	0	40
Paterson Ponds	10	0	0	10
Pensioner Housing Amenities	2	0	0	2
Real Estate Investment	4,136	21	0	4,156
Sherwood Downs Sports Trust	0	0	0	0
Strathconan Pool Capital	1	0	0	1
Watertight Building	44	0	0	44
<b>Total Special Reserves</b>	<b>13,677</b>	<b>325</b>	<b>(1,250)</b>	<b>12,753</b>

Separate Reserves	Opening Balance 1 July 2023	Movement into Reserve	Movement out of reserve	Closing Balance 30 June 2024
	\$000	\$000	\$000	\$000
Administration - Capital Reserve	(5)	1	0	(4)
Administration - Internal Loan	(33)	2	0	(31)
Albury Hall	1	0	0	1
Albury Water Supply	0	0	0	0
Allandale/Spur Road Water	(54)	33	(13)	(34)
Allandale/Spur Road Water - Internal Loan	(250)	13	0	(237)
Animal Control	68	1	(10)	59
Animal Control - Internal Loan	(4)	0	0	(3)
Ashwick/Opuha Water	23	0	0	24
Cemeteries - Capital Reserve	(25)	(0)	0	(25)
Cemeteries - Internal Loan	0	(0)	(40)	(40)
Civil Defence - Capital Reserve	(14)	10	(2)	(6)
Civil Defence - Internal Loan	(60)	3	(90)	(147)
Council Building - Fairlie - Capital Reserve	(66)	68	(35)	(33)
Council Building - Fairlie - Internal Loan	(475)	25	(900)	(1,350)
Council Building - Twizel - Capital Reserve	43	27	(18)	52
Council Building - Twizel - Internal Loan	(285)	15	0	(270)
Depot - Tekapo	(0)	1	0	1
Depot - Twizel	(0)	5	0	5
District Council - Capital Reserve	(1)	0	0	(1)
District General - Capital Reserve	(185)	0	(212)	(397)
District Wide Roading	(875)	677	0	(198)
District Wide Roading - Internal Loan	(4,275)	225	(686)	(4,736)
Downlands Water Supply	10	0	0	10
Downlands Water Supply	1,050	5	(10)	1,045

Eversley Sewer	(1)	(0)	0	(1)
Eversley/Punaroa Water Races	0	0	0	0
Fairlie Camping Ground	(10)	24	0	14
Fairlie Community Board	2	0	0	2
Fairlie Medical Centre - Capital Reserve	66	13	0	78
Fairlie Pensioner Housing	194	38	(49)	183
Fairlie Township	62	(0)	(125)	(63)
Forestry	7,484	35	(475)	7,044
Information and Engagement - Capital Reserve	(10)	12	(4)	(2)
Information and Engagement - Internal Loan	(76)	4	(80)	(152)
Investment Management Account	15,083	12,875	(1,697)	26,261
IT Support - Capital Reserve	(49)	96	(96)	(49)
IT Support - Internal Loan	(152)	8	(150)	(294)
Kimbell Water	25	1	0	26
Lake Tekapo Community Board	1	0	0	1
Lake Tekapo Community Hall	(19)	6	(5)	(18)
Lake Tekapo Township	(213)	(1)	(71)	(286)
Lake Tekapo Township - Internal Loan	(123)	6	(600)	(717)
Mackenzie Community Centre	147	27	(10)	164
Manuka Terrace Water	0	0	0	0
Old Library Café	78	10	(15)	73
Other Reserves - Lake Alexandrina	747	65	0	812
Plant Account	(18)	124	(117)	(11)
Public Toilets - Capital Reserve	(1)	83	(90)	(8)
Public Toilets - Internal Loan	(285)	15	(300)	(570)
Pukaki Airport Board	1,636	6	(352)	1,290
Pukaki Visitor Centre	30	10	(45)	(5)
Real Estate	933	12	(87)	858
Resource Planning - Internal Loan	(4,603)	213	(1,350)	(5,740)
Roading Professional Services Business Unit	(524)	2	(13)	(535)
Rural Works and Services	235	1	(90)	145
School Road Water	33	0	0	33
Sherwood Downs Hall and Reserve	61	0	0	61
Skipton Hall	(1)	(0)	0	(1)
Swimming Pool - Strathconan	(18)	10	(4)	(12)
Swimming Pool - Strathconan - Internal Loan	(170)	9	(80)	(241)
Swimming Pool - Twizel	(235)	0	(1)	(237)
Swimming Pool - Twizel - Internal Loan	(703)	37	(70)	(736)
Tourism and Development	72	22	0	95
Tourism and Development - Internal Loan	0	0	(650)	(650)
Twizel Community Board	(12)	0	0	(12)
Twizel Community Centre	110	55	(53)	111
Twizel Community Centre - Internal Loan	(171)	9	0	(162)
Twizel Pensioner Housing	76	14	(29)	61
Twizel Township	390	(1)	(530)	(140)



Twizel Township - Internal Loan	(93)	28	0	(65)
Urban Stormwater	860	105	(30)	935
Urban Wastewater	4,427	617	(1,860)	3,184
Urban Water	661	1,293	(2,212)	(258)
Urban Water - Internal Loan	(3,325)	175	(6,200)	(9,350)
Waste Management	149	47	(77)	118
<b>Total Separate Reserves</b>	<b>17,336</b>	<b>17,164</b>	<b>(19,582)</b>	<b>14,919</b>

<b>Asset revaluation reserves</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Share Revaluation	8,221	434	0	8,655
Investment Revaluation	(2)	0	0	(2)
<i>Infrastructural Assets Revaluation Reserves</i>				
- Land	42,942	0	0	42,942
- Water Supplies	27,342	0	0	27,342
- Downlands Water Supply	1,203	0	0	1,203
- Wastewater Schemes	21,792	0	0	21,792
- Stormwater Schemes	6,293	0	0	6,293
- Roading	112,242	0	0	112,242
- Plant	(18)	0	0	(18)
- Buildings	12,479	0	0	12,479
<b>Total revaluation reserves</b>	<b>232,492</b>	<b>434</b>	<b>0</b>	<b>232,926</b>

## Rating Definitions

### Separately Used or Inhabited Part of a Rating Unit (SUIP)

Where uniform annual general charges and targeted rates are assessed on each separately used or inhabited part (SUIP) of a rating unit, the following definition will apply.

A separately used or inhabited part of a rating unit includes any part of a rating unit that is used or inhabited by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, or any parts or parts of a rating unit that can be separately used or inhabited by the ratepayer. This definition includes separately used parts, whether or not actually inhabited at any particular time, which are provided by the owner for rental (or some other form of occupation) on an occasional or long term basis by someone other than the owner.

For the purposes of this definition, vacant land and vacant premises offered or intended for use or inhabitation by a person other than by the owner and usually used as such, are defined as “used”. For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one separately used or inhabited part.

Examples of properties which have separately used or inhabited parts include:

- Residential property that contains two or more units that can be separately inhabited, including flats or houses each of which is or can be separately inhabited
- Commercial or other non-residential property containing separate residential accommodation
- Commercial premises that contain separate shops, kiosks or other retail or wholesale outlets, each of which is operated as a separate business or is capable of operation as a separate business
- Farm property with more than one dwelling
- Council property with more than one lessee.

Council has recognised that there are certain instances where the above situations will occur, but in circumstances that do not give rise to separate uses or inhabitations. These specific instances are:

- Where a residential property contains not more than one additional separately inhabited part and where members of the owner’s family inhabit the separate part on a rent-free basis
- Individual storage garages / partitioned areas of a warehouse
- Bed and breakfast home stays.

## Differential Categories

All properties	All rateable properties in the Mackenzie District
Ohau A	All rating units in the former Twizel ward, used for hydro electric power generation (as more particularly defined on valuation roll number 25320 00701A)
Tekapo A	All rating units in the former Tekapo ward, used for hydro electric power generation (as more particularly defined on valuation roll number 25300 15901)
Tekapo B	All rating units in the former Tekapo ward, used for hydro electric power generation (as more particularly defined on valuation roll number 2530 18400)
All Other Properties	All rating units in the Mackenzie District other than Ohau A, Tekapo A and Tekapo B
All Other Rural Properties	All rating units in the Mackenzie District excluding the community areas of Twizel, Tekapo, Fairlie and Mount Cook Village and other than Ohau A, Tekapo A and Tekapo B
Rural Community	All rating units in the Mackenzie District excluding the community areas of Twizel, Tekapo, Fairlie and Mount Cook Village
Commercial Business	All rating units within the Mackenzie District identified as where the principal user of the land is identified as being a trading entity engaged in commercial business activities (excluding commercial accommodation providers)
Industrial Land Properties	All rating units within the Mackenzie District used for Industrial purposes (excluding Ohau A, Tekapo A and Tekapo B) and is generally identified in the Council's Rating Information Database with a property category code beginning with I. The property category code is the code given to a property when identifying the highest and best use of a property by Council's valuation service provider
Commercial Accommodation Business	All rating units within the Mackenzie District identified as accommodation providers for short term (less than 30 consecutive days occupancy by the same occupier) paying guests and where the principal use of the land is commercial accommodation business
Secondary Accommodation Properties	All other rating units within the Mackenzie District identified by Council as accommodation providers for short term (less than 30 consecutive days occupancy by the same occupier) paying guests, but where the principal use of the land is not commercial accommodation business

## Rating for 2023/24

All rates are shown GST inclusive

### General Rate

A general rate will be set on capital value under section 13 of the Local Government (Rating) Act 2002 on all rateable land.

The general rate will be set differentially using the following categories based on the use and location of the land:

- Tekapo A
- Ohau A
- Tekapo B
- All Other Properties

The relationship between the rates set in the differential categories are as follows:

<b>Category</b>	<b>Revenue Produced</b>
Ohau A	10% of the total rate requirement excluding the UAGC requirement
Tekapo A	10% of the total rate requirement excluding the UAGC requirement
Tekapo B	10% of the total rate requirement excluding the UAGC requirement
All Other Properties	70% of the total rate requirement excluding the UAGC requirement

The general rate is used to fund in whole or part, the general activities of Council, including but not limited to the following:

- Democracy (Council General)
- Health and Liquor Guidelines
- Animal Control
- Building Control
- District Planning
- Resource Consent Planning
- Responsible Camping
- Civil Defence
- Waste Management
- Pensioner Housing
- Public Toilets
- Cemeteries
- Medical Facilities
- Tourism and Economic Development

	<b>Factor</b>	<b>Estimated Revenue 2023/24</b>
Ohau A	0.0024547 per dollar of capital value	769,004
Tekapo A	0.0210686 per dollar of capital value	769,004
Tekapo B	0.0037150 per dollar of capital value	769,004
All Other Properties	0.0011861 per dollar of capital value	5,351,450
		<b>7,658,462</b>

### Uniform Annual General Charge (UAGC)

A uniform annual general charge will be set under section 15 of the Local Government (Rating) Act 2002 as a fixed amount per SUIP.

Its level is designed to obtain a balance between flat charges and rates on capital value that is acceptable to Council. It is not used to fund any special portion of the general expenditure of Council.



The uniform annual general charge is used to fund in whole or part, the general activities of Council, including but not limited to the following:

- Democracy (Council General)
- Health and Liquor Guidelines
- Animal Control
- Building Control
- District Planning
- Resource Consent Planning
- Responsible Camping
- Civil Defence
- Waste Management
- Pensioner Housing
- Public Toilets
- Cemeteries
- Medical Facilities
- Tourism and Economic Development

	Factor	Estimated Revenue 2023/24
Uniform Annual General Charge	\$175.00 per SUIP	972,300

### Targeted Rates

Sections 16 to 19 of the Local Government (Rating) Act 2002 authorise Council to set targeted rates to fund functions that are identified in its Long Term Plan as being functions for which targeted rates may be set.

Schedule 3 of the Local Government (Rating) Act 2002 lists factors that may be used to calculate the liability of targeted rates and section 18 provides that rates may be set per rating unit. The Council may select one or more of these factors for each targeted rate. If differential rating is being used, the Council must use the matters contained in Schedule 2 of the Local Government (Rating) Act 2002 to define the differential categories.

Lump Sum Contributions – except in respect of the Eversley Reserve Sewerage Rate, the Council does not accept lump sum contributions for any targeted rates.

### Works and Services Targeted Rates

The following targeted rates will be assessed under section 16 of the Local Government (Rating) Act 2002 to fund Council's works and services activities. Council's swimming pools and community halls are 70% funded as part of this rate. The works and services that may be provided to each community include:

- Social services and information provision
- Village and township maintenance
- Parks and reserves
- Swimming pools
- Community halls

### Twizel Works and Services Rate

This targeted rate will be assessed on every rating unit in the Twizel community area of benefit (as defined on a map held by Council) and will be:

- A fixed amount per SUIP of a rating unit to fund an annually defined percentage of the targeted rate requirement (excluding capital improvement work in the Twizel community area of benefit which is funded by the Twizel Improvement rate); and
- A rate in the dollar based on capital value of the land to fund the balance of the targeted rate requirement (excluding capital improvement work in the Twizel community area of benefit which is funded by the Twizel Improvement rate).

Currently the 2023/24 split of the rate requirement is 10% fixed charges and 90% rate in the dollar of capital value.

Factor		Estimated Revenue 2023/24
Fixed Charge	\$31.86 per SUIP	71,552
Capital Value Rate	0.0005192 per dollar of capital value	643,964
		<b>715,516</b>

### Fairlie Works and Services Rate

This targeted rate will be assessed on every rating unit in the Fairlie community area of benefit (as defined on a map held by Council) and will be:

- A fixed amount per SUIP of a rating unit to fund an annually defined percentage of the targeted rate requirement; and
- A rate in the dollar based on the capital value of the land to fund the balance of the targeted rate requirement.

Currently the 2023/24 split of the rate requirement is 10% fixed charges and 90% rate in the dollar of capital value.

Factor		Estimated Revenue 2023/24
Fixed Charge	\$97.00 per SUIP	60,138
Capital Value Rate	0.0023738 per dollar of capital value	541,245
		<b>601,383</b>

### Lake Tekapo Works and Services Rate

This targeted rate will be assessed on every rating unit in the Lake Tekapo community area of benefit (as defined on a map held by Council) and will be:

- A fixed amount per SUIP of a rating unit to fund an annually defined percentage of the targeted rate requirement; and
- A rate in the dollar based on the capital value of the land to fund the balance of the targeted rate requirement.

Currently the 2023/24 split of the rate requirement is 48% fixed charges and 52% rate in the dollar based on capital value.

Factor		Estimated Revenue 2023/24
Fixed Charge	\$242.19 per SUIP	246,549
Capital Value Rate	0.0003033 per dollar of capital value	267,094
		<b>513,643</b>

### Rural Works and Services Rate

This targeted rate will be assessed on every rating unit in the rural community (as defined on a map held by Council) and will be:

- A fixed amount per SUIP of a rating unit to fund an annually defined percentage of the targeted rate requirement; and
- A rate based on the capital value of the land to fund the balance of the targeted rate requirement, set differentially using the following categories based on the use and location of the land:
  - Ohau A
  - Tekapo A
  - Tekapo B

- All Other Rural Properties

The relationship between the rates set in the differential categories is as follows:

<b>Category</b>	<b>Factor</b>
Ohau A	20% of the total rate requirement
Tekapo A	20% of the total rate requirement
Tekapo B	20% of the total rate requirement
All Other Rural Properties	40% of the total rate requirement

Currently the 2023/24 split of the rate requirement is 49% fixed charges and 51% rate in the dollar based on capital value.

	<b>Factor</b>	<b>Estimated Revenue 2023/24</b>
Fixed Charge	\$37.04 per SUIP	58,779
Ohau A	0.0000391 per dollar of capital value	12,236
Tekapo A	0.0003352 per dollar of capital value	12,236
Tekapo B	0.0000591 per dollar of capital value	12,236
All Other Rural Properties	0.0000116 per dollar of capital value	24,471
		<b>119,958</b>

## Urban Sewerage Rates

### Sewage Treatment Rate

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 on rating units located in the Fairlie, Twizel (including land encompassing and known as Pukaki Airport), Lake Tekapo communities and Burkes Pass township (as defined on maps held by Council) to fund the cost of sewage treatment.

The targeted rate will be:

- A fixed amount per SUIP of a rating unit which is connected to a community sewerage scheme
- An additional targeted rate will be assessed on every rating unit which is connected to a community sewerage scheme of a fixed amount per water closet or urinal after the first (rating units comprising a single household are treated as having one water closed or urinal). This rate will be set at 25% of the fixed amount.

**Note:** For the purposes of the targeted rates for sewage treatment:

- The sewerage service is treated as being provided if the rating unit is connected to a public sewerage drain;
- A rating unit used primarily as a residence for one household is treated as having not more than one water closet or urinal.

### Sewerage Infrastructure Rate

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 on rating units located in the Fairlie, Twizel (including land encompassing and known as Pukaki Airport), Lake Tekapo communities and Burkes Pass township (as defined by maps held by Council) to fund the Council's sewerage infrastructure services. This includes sewer maintenance, depreciation and the servicing of loans.

The targeted rate will be:

- A fixed amount per SUIP of a rating unit which is connected or capable of being connected to a community sewerage scheme

- An additional targeted rate will be assessed on every rating unit connected to a community sewerage scheme of a fixed amount per water closet or urinal after the first (rating units comprising a single household are treated as having one water closet or urinal). This rate will be set at 25% of the fixed amount.

**Note:** for the purposes of the targeted rate for sewerage infrastructure:

- The sewerage infrastructure service is treated as being provided if the rating unit is connected to or able to be connected to a public sewerage drain and is within 30 metres of such a drain;
- A rating unit used primarily as a residence for one household is treated as having not more than one water closet or urinal.

### Eversley Reserve Sewerage Rate

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 to repay a loan made by Council to Eversley Reserve ratepayers to fund on-property sewerage infrastructure for rating units in the Eversley Reserve area of benefit. excluding those rating units that opted to pay a lump sum contribution.

The targeted rate will be a fixed amount per rating unit in the Eversley Reserve (as defined on a map held by Council), excluding those rating units which have opted to pay the lump sum contribution.

	Factor	Estimated Revenue 2023/24
Treatment Fixed Charge	\$58.70 per SUIP	193,805
Treatment Additional Charge	\$14.67 for each additional water closet	12,290
Infrastructure Fixed Charge	\$200.05 per connectable SUIP	782,502
Infrastructure Additional Charge	\$50.01 for each additional water closet	41,911
Eversley Reserve Fixed Charge	\$938.30 per rating unit	11,260
		<b>1,041,768</b>

### Urban Stormwater Rate

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 on rating units located in the Fairlie, Twizel and Lake Tekapo communities (as defined on maps held by Council) to fund the costs of Council's urban stormwater reticulation.

The targeted rate will be a fixed amount per SUIP of a rating unit which is within the communities of Fairlie, Twizel and Lake Tekapo.

	Factor	Estimated Revenue 2023/24
Fixed Charge	\$24.31 per SUIP	94,207

### Urban Water Supply Rates

#### Water Treatment Rate

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 on rating units located in the Fairlie, Twizel (including land encompassing and known as Pukaki Airport), Lake Tekapo communities and Burkes Pass township (as defined on maps held by Council) to fund the costs of Council's urban water treatment.

The targeted rate will be a fixed amount per SUIP of a rating unit which are connected to a Council community water supply (except those rating units receiving a metered water supply).

### Water Infrastructure Rate

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 on rating units located in the Fairlie, Twizel (including land encompassing and known as Pukaki Airport), Lake Tekapo communities and Burkes Pass township (as defined on maps held by Council) to fund the Council's urban water supply infrastructure services. This includes maintenance, depreciation and the servicing of loans.

The targeted rate will be a fixed amount per SUIP of a rating unit which is connected or capable of connection to a council community water supply (except those rating units receiving a metered water supply).

**Note:** any rating unit to which water can be but is not supplied (being a property situated within 100 metres of any part of an urban communities' waterworks) is treated as being capable of connection.

### Metered Water Rate

A targeted rate under section 16 of the Local Government (Rating) Act 2002. The targeted rate will be a fixed amount per metered supply on any separately used or inhabited part of a rating unit which receives a Council water metered supply.

- Fairlie community
- Twizel community
- Lake Tekapo community
- Burkes Pass community
- Rural community

	Factor	Estimated Revenue 2023/24
Treatment Fixed Charge	\$73.72 per connected SUIP	226,539
Infrastructure Fixed Charge	\$397.39 per connectable SUIP	1,536,933
Metered Water Fixed Charge	\$471.12 per metered supply per SUIP	101,055
		<b>1,864,527</b>

### Rural Water Supply Rates

The following targeted rates will be assessed under the Local Government (Rating) Act 2002 to fund rural water supplies.

**Note:** rating units are considered to be supplied if the rating unit receives a water supply, or any part of the rating unit lies within the defined area of benefit for that supply (as defined on maps held by Council).

#### Allandale Water Supply

A targeted rate for water supply under section 19 of the Local Government (Rating) Act 2002 assessed on every rating unit supplied with water by the Allandale rural water supply, to fund the costs of maintenance, depreciation and the servicing of loans.

The targeted rate will be a fixed amount per unit of water supplied.

**Note:** For the purposes of the Allandale water supply, a unit of water allows for a supply of 1,820 litres per day.

#### Ashwick / Opuha Water Supply

A targeted rate for water supply under section 16 of the Local Government (Rating) Act 2002 assessed on every rating unit within the defined area of benefit for the Ashwick / Opuha rural water supply, to fund the costs of maintenance, depreciation and the servicing of loans.

The targeted rate will be a fixed amount per rating unit.

### Fairlie Water Race

A targeted rate for a water supply under section 16 of the Local Government (Rating) Act 2002 assessed on every rating unit within the defined area of benefit for the Fairlie water race, to partly fund the costs of maintenance, depreciation and the servicing of loans.

The targeted rate will be a fixed amount per rating unit.

An additional targeted rate will be a fixed amount per hectare within the rating unit.

### Spur Road Water Supply

A targeted rate for water supply under section 19 of the Local Government (Rating) Act 2002 assessed on every rating unit supplied with water by the Spur Road rural water supply, to fund the costs of maintenance, depreciation and the servicing of loans.

The targeted will be a fixed amount per unit of water supplied.

**Note:** For the purposes of the Spur Road water supply, a unit of water allows for a supply of 1,820 litres per day.

### Downlands Water Supply

A targeted rate for water supply under section 16 of the Local Government (Rating) Act 2002 on every rating unit serviced by Downlands water supply within the Mackenzie District, to fund the costs of maintenance, depreciation and the servicing of loans.

The targeted rate will be a fixed amount per rating unit.

A targeted rate for water supply under section 19 of the Local Government (Rating) Act 2002 assessed on every rating unit serviced by Downlands water supply within the Mackenzie District, to fund the costs of maintenance, depreciation and the servicing of loans.

The targeted rate will be a fixed amount per unit of water.

**Note:** for the purposes of the Downlands water supply, a unit of water allows for a supply of 1,000 litres per day.

	Factor	Estimated Revenue 2023/24
Allandale Water Supply	\$336.11 per unit	162,342
Ashwick / Opuha Water Supply	\$31.43 per rating unit	1,415
Fairlie Water Race Fixed Charge	\$30.00 per rating unit	900
Fairlie Water Race	\$4.27 per hectare	2,971
Spur Road Water Supply	\$466.48 per unit	31,254
Downlands Water Fixed Charge	\$690.00 per rating unit	39,330
Downlands Water Supply	\$276.00 per unit	59,616
		<b>297,828</b>

### District Roding Rate

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 to fund the costs of all roading in the Mackenzie District, both subsidised and non-subsidised.

The targeted rate will be assessed on every rating unit in the Mackenzie District (excluding Mount Cook Village) and will be made up of two components:

- A fixed amount per SUIP of a rating unit to fund an annually defined percentage of the targeted rate requirement; and

- A rate based on the capital value of the land, to fund the balance of the targeted rate requirement, set differentially using the following categories based on the use and location of the land:
  - a) Ohau A
  - b) Tekapo A
  - c) Tekapo B
  - d) All Other Properties

The relationship between the rates set in the differential categories is as follows:

<b>Category</b>	<b>Revenue Produced</b>
Ohau A	10% of the total rate requirement
Tekapo A	10% of the total rate requirement
Tekapo B	10% of the total rate requirement
All Other Properties	70% of the total rate requirement

Currently the 2023/24 split of the rate requirement is 35% fixed charges and 65% rate in the dollar based on capital value.

	<b>Factor</b>	<b>Estimated Revenue 2023/24</b>
Fixed Charge	\$139.71 per SUIP	763,154
Ohau A	0.0004524 per dollar of capital value	141,729
Tekapo A	0.0038830 per dollar of capital value	141,729
Tekapo B	0.0006847 per dollar of capital value	141,729
All Other Properties	0.0002227 per dollar of capital value	992,100
		<b>2,180,441</b>

### Twizel Improvement Rate

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 to fund capitalised improvement work in the Twizel community area of benefit. The rates will be assessed on rating units in the Twizel community (as defined by a map held by Council).

The targeted rate will be a fixed amount per SUIP of a rating unit.

	<b>Factor</b>	<b>Estimated Revenue 2023/24</b>
Fixed Charge	\$51.14 per SUIP	<b>114,809</b>

### Solid Waste Rate

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 to partly fund the cost of all solid waste activity undertaken by Council. It will be assessed on every rating unit to which the Council provides the service. These waste collection areas (as defined on maps held by Council) are:

- Twizel waste collection area
- Lake Tekapo waste collection area
- Fairlie waste collection area
- Those rating units within one kilometre of the collection route on State Highway 8 from Cave in the east to Twizel in the west that have opted to receive the service.

The targeted rate will be a fixed amount per SUIP of a rating unit to which the Council provides the service.

	<b>Factor</b>	<b>Estimated Revenue</b>
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		2023/24
Fixed Charge	\$369.59 per SUIP	1,162,362

### Tourism and Economic Development Rates

Targeted rates will be assessed under section 16 of the Local Government (Rating) Act 2002 to fund the costs of Mackenzie District tourism and promotion activities.

#### *Fixed Amount*

A targeted rate will be assessed as a fixed amount per SUIP of a rating unit on every rating unit in the Mackenzie District.

#### *Differential Rate*

Targeted rates will be assessed on rating units in the following categories (defined on the basis of the use to which the land is put), and set differentially:

The categories for the rate are:

- Commercial Business
- Industrial Land Properties
- Commercial Accommodation Business
- Secondary Accommodation Properties

The targeted rates will be:

- Commercial Business – a rate on the rateable capital value of the land on rating units in the commercial business category
- Industrial Land Properties – a fixed amount per rating unit for industrial land properties
- Commercial Accommodation Business – a rate on the rateable capital value of the land on rating units in the commercial accommodation category
- Secondary Accommodation Properties – a rate on the rateable capital value of the land on rating units in the secondary accommodation category.

The amount per dollar of capital value for secondary accommodation properties is half of that for commercial properties.

The relationship between the rates set is as follows:

<b>Category</b>	<b>Revenue Produced</b>
All Properties	10% of the total rate requirement
Commercial Business	28.63% of the total rate requirement
Industrial Land Properties	1.37% of the total rate requirement
Commercial Accommodation Business	21.53% of the total rate requirement
Secondary Accommodation Properties	38.48% of the total rate requirement

Currently the 2023/24 split of the rate requirement is 15% fixed charges and 85% rate in the dollar based on capital value.

	Factor	Estimated Revenue 2023/24
Fixed Charge	\$11.40 per SUIP	63,309
Commercial Business	0.0009241 per dollar of capital value	182,626
Industrial Land Properties	\$100.00 per rating unit	7,300
Commercial Accommodation Business	0.0009041 per dollar of capital value	116,083
Secondary Accommodation Properties	0.0004521 per dollar of capital value	263,769
		<b>633,087</b>



### Rural Cattle Stop Maintenance Rate

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 to fund the cost of the maintenance and upgrade costs of cattle stop structures and approaches (10 metres either side of the transverse centre line running through the middle of the cattlestop) on Council road and the outer boundary of a rating unit.

The targeted rate will be a fixed amount per cattle stop, (or part thereof, if the cattlestop benefits more than one rating unit) on those rating units benefitting.

	Factor	Estimated Revenue 2023/24
Fixed Charge	\$125.00 per cattle stop	5,875

### Community Facilities Rate

A targeted rate will be assessed under section 16 of the Local Government (Rating) Act 2002 to fund 30% of the cost of the Twizel Events Centre, Twizel Swimming Pool, Lake Tekapo Community Hall, Mackenzie Community Centre, Strathconan Swimming Pool, Albury Hall, Skipton Hall, and Sherwood Hall.

The targeted rate will be a fixed amount per SUIP of a rating unit on every rating unit in the Mackenzie District.

	Factor	Estimated Revenue 2023/24
Fixed Charge	\$41.64 per SUIP	231,373

### Due Date for payment of Rates

All rates will be payable in three instalments on the due dates as follows:

Instalment Number	Due Date
One	20 September 2023
Two	20 December 2023
Three	20 March 2024
Four	20 June 2024

Ratepayers may elect to pay on a more regular basis if they choose before the due date of any instalment. Rates may be paid utilising any payment methods acceptable to the Council, including quarterly direct debits, cash or eftpos at Council offices, direct credit or other bank transfer methods.

### Penalties

A penalty of 10% of the amount of the rates assessed in the 2023/2024 financial year remaining unpaid will be added if not paid on or before the due date, on the following dates:

Instalment Number	Penalty Date
One	22 September 2023
Two	22 December 2023
Three	22 March 2024
Four	24 June 2024

A further penalty under section 58 of 10% of the amount of any rates for previous financial years remaining unpaid on the later of 5 working days after the date of resolution (6 July 2023) will be added. An additional penalty of 10% will be added to any unpaid rates from previous financial years that remain unpaid on 8 January 2024.

## Rating Impact on Sample Properties

The following examples show how the adopted changes will affect properties in different areas. The examples show the rates proposed for 2023/24 compared with the actual rates for 2022/23.

In the following examples the variables are used to demonstrate the potential impacts on rateable properties in different locations:

- Targeted rates for stormwater, wastewater, waste management and water have not been included for rural properties and where applicable will be additional to the rates identified
- Extraordinary metered water charges are not included and where applicable will be additional to the rates identified.

### Fairlie

Type	Last Year's Capital Value	Actual 2022/23	New Capital Value	Proposed 2023/24	Rates Change
Mid Value Section	140,000	1,439.17	140,000	<b>1,616.06</b>	176.89
Low Value House	205,000	2,130.96	205,000	<b>2,363.95</b>	232.99
Mid Value House	350,000	2,618.41	350,000	<b>2,912.43</b>	294.02
High Value House	630,000	3,559.72	630,000	<b>3,971.57</b>	411.85
Commercial Mid Value	530,000	3,728.84	530,000	<b>4,183.06</b>	454.22
Commercial High Value	1,130,000	6,204.74	1,130,000	<b>7,007.08</b>	802.33
Accommodation Mid Value	290,000	2,607.74	290,000	<b>2,947.66</b>	339.92
Accommodation High Value	750,000	4,457.18	750,000	<b>5,103.55</b>	646.37
Secondary Mid Value	315,000	2,604.50	315,000	<b>2,922.46</b>	317.96
Secondary High Value	750,000	4,210.15	750,000	<b>4,764.59</b>	554.43

### Lake Tekapo

Type	Last Year's Capital Value	Actual 2022/23	New Capital Value	Proposed 2023/24	Rates Change
Mid Value Section	500,000	1,919.11	500,000	<b>2,087.76</b>	168.65
Low Value House	500,000	2,392.38	500,000	<b>2,589.77</b>	197.39
Mid Value House	860,000	2,969.87	860,000	<b>3,206.15</b>	236.28
High Value House	2,900,000	6,242.31	2,900,000	<b>6,698.95</b>	456.64
Commercial Mid Value	3,360,000	9,649.67	3,360,000	<b>10,691.37</b>	1,041.70
Commercial High Value	8,470,000	21,754.52	8,470,000	<b>24,162.41</b>	2,407.89
Accommodation Mid Value	850,000	3,513.75	850,000	<b>3,957.50</b>	443.75
Accommodation High Value	8,470,000	20,756.78	8,470,000	<b>23,893.27</b>	3,136.49
Secondary Mid Value	750,000	3,040.44	750,000	<b>3,356.91</b>	316.48
Secondary High Value	1,350,000	4,200.54	1,350,000	<b>4,655.49</b>	454.95

## Twizel

Type	Last Year's Capital Value	Actual 2022/23	New Capital Value	Proposed 2023/24	Rates Change
Mid Value Section	265,000	1,446.14	265,000	<b>1,583.42</b>	137.29
Low Value House	365,000	2,100.88	365,000	<b>2,278.24</b>	177.36
Mid Value House	500,000	2,345.88	500,000	<b>2,538.53</b>	192.65
High Value House	1,300,000	3,797.69	1,300,000	<b>4,080.96</b>	283.27
Commercial Mid Value	1,010,000	4,143.78	1,010,000	<b>4,555.12</b>	411.35
Commercial Mid Value	3,520,000	10,618.30	3,520,000	<b>11,713.89</b>	1,095.59
Accommodation Mid Value	750,000	3,293.62	750,000	<b>3,698.60</b>	404.99
Accommodation High Value	8,810,000	23,230.04	8,810,000	<b>26,525.56</b>	3,295.52
Secondary Mid Value	750,000	3,046.59	750,000	<b>3,359.64</b>	313.04
Secondary High Value	1,350,000	4,225.87	1,350,000	<b>4,668.73</b>	442.87

## Rural

Type	Last Year's Capital Value	Actual 2022/23	New Capital Value	Proposed 2023/24	Rates Change
Low Value Township Section	50,000	420.15	50,000	<b>475.81</b>	55.66
Low Value Township House	175,000	944.10	175,000	<b>1,022.96</b>	78.86
Lifestyle Low Value	660,000	1,232.06	660,000	<b>1,342.31</b>	110.25
Lifestyle Mid Value	700,000	1,285.30	700,000	<b>1,399.13</b>	113.83
Lifestyle High Value	930,000	1,591.43	930,000	<b>1,725.84</b>	134.41
Farm Low Value – Sheep and Beef	940,000	1,604.74	940,000	<b>1,740.05</b>	135.31
Farm Mid Value – Sheep and Beef	4,325,000	6,110.18	4,325,000	<b>6,548.42</b>	438.24
Farm Mid Value - Dairy	8,280,000	11,374.29	8,280,000	<b>12,166.48</b>	792.19
Farm High Value – Cropping	14,500,000	19,653.11	14,500,000	<b>21,001.95</b>	1,348.84
Farm High Value – Sheep and Beef	18,800,000	25,376.41	18,800,000	<b>27,110.08</b>	1,733.66
Secondary Mid Value	750,000	1,598.88	750,000	<b>1,809.25</b>	210.38
Secondary High Value	1,300,000	2,512.08	1,300,000	<b>2,839.20</b>	327.12

*Note – Rural properties do not include rates for water or wastewater*



**Mackenzie**

DISTRICT COUNCIL