

Updates From the Acting Mayor

The last few months at council have been extremely busy, with many strategic pieces of work culminating with milestone decisions, necessary for us to move on into the new year. We finalised the Annual Plan (AP) which has been a significant piece of work that both councillors and staff have been working on since late 2024. The AP lays out the groundwork and budgets that council will operate under for the next year. It takes into consideration 'business as usual activities' as well as projects that were signalled to be looked at for Year Two of the 2024-34 Long Term Plan (LTP) that was adopted last July. In the LTP we forecasted rates to be at 10.8% and after much analysis, debate, negotiation and validation we were able to strike the rates at an overall increase of 10.7% for the 2025-26 year.

There were two new areas that have been included in the AP calculations. Council has aimed to overlay a fairer cost allocation in this AP by adopting a more 'user pays' focus. This approach does not reduce any levels of services but rather states that if you are using a service, or using it to excess, then you will be required to pay for it. The two items focused on in this AP were:

Water Charges: Firstly, Council has agreed to lower the threshold of available water usage to be 500m³ per connection (down from 700m³) before excess charges were to be applied across the district. The volume agreed upon after taking feedback from our communities is double the NZ average threshold of 250m³ per connection. The second adjustment made to water charges was that the cost for excess use of water was lifted from \$1/m³ to \$2+GST/m³. This new threshold and excess charges are to be applied across the district. Based on community feedback, work was undertaken to ensure that consumers are only charged a billable amount once the annual allowance is exceeded.

User Pays Toilets: A trial is being implemented for 'user pays' charging of public toilets, whose patronage is predominantly driven by drive through visitors to our district. Council considered that it was only fair that these toilets have a charge attached to them and the revenue generated helps to offset the operational costs for having these available to visitors. For the 2024-25 year the cost of operating all of the public toilets in our district was approximately \$100/ratepayer. This burden on our small ratepayer base is not equitable and by implementing this charge it is hoped that we can reduce some of these operating expenses ratepayers face. The two public toilet blocks selected are the newly constructed units at what has been named the Tekapo Alps to Ocean (A2O) Terminus, located at Hamilton Drive and the new and existing block of toilets that are situated at the Pukaki Dam. The charge to use these toilets will be \$1.50/user for electronic payments and \$2/user for cash payments.

TOURISM:

Tourism continues to grow and while this is economically beneficial not only to our operators and to the national GDP, it does present ongoing funding difficulties for infrastructure, lack of housing availability for our workers and also social licence issues. I have been actively advocating to central government about the Mackenzie and our unique challenges and the need for assistance, to help us manage these pressures sustainably.

LOCAL WATER DONE WELL (LWDW):

Over the past year Council has been working to identify and agree on what was the best model we could use to manage our three water requirements for the district (i.e. drinking water, wastewater and storm water), as mandated by central government. This came down to two options – an 'In-house Business Unit' or a 'Multi-council Water Services Organisation'.

The amount of work undertaken by council staff and councillors to navigate our way through this has been significant. After hearings and deliberations, the decision was made that council would establish an 'In-house Business Unit' to manage this requirement for our district. Now that the decision has been made, we are required to furnish Water Service Delivery Plans to

the Department of Internal Affairs (DIA) for their approval at the start of September, with the intention of getting this established to commence service on 1st July 2027. Given our small size, and because of the magnitude of this decision, it does mean that there will have to be compromises going forward on what non-water related projects that council will be able to progress and when these will occur for our communities.

DISTRICT PLAN REVIEW:

Over the past four years Council has been working through updating our District Plan, which has been seriously out of date (2004). We recently held the Hearings for the various components that made up Stage Four of our District Plan and the independent panel's decisions were publicly notified on Thursday 24 July 2025. There is a 30-day period for appeals to be lodged.

Updating our outdated District Plan was a critical priority, not only for guidance on how growth and development is managed in the district, but also to provide a local voice in the Regional Plans the current government plans to introduce.

MAYORS TASKFORCE FOR JOBS (MTFJ) 25-YEAR CELEBRATIONS

July saw the anniversary of the start of the MTFJ program. This initiative has been running for 25 years, which is a major milestone. It started as a group of 6 councils around a table with an idea and desire to make a difference for the youth in their communities. It has now become a major movement and currently includes 36 councils across NZ. Since 2019 MTFJ has been responsible for helping 7,671 youth into employment and numerous others into part-time and casual roles, as well as helping achieve educational and training outcomes (these statistics are not recorded). The sole purpose of the taskforce is to help all young people aged 16-24 into meaningful employment related activities within their communities. In the Mackenzie we have two co-ordinators, Hannah Beer and Mary McCambridge, who work throughout our district to help prepare, guide and work with employers to get these individuals into employment. Working in conjunction with the Ministry of Social Development, both of our MTFJ co-ordinators are achieving fantastic results for our youth. If there are any prospective employers out there looking for staff, then consider lifting a young person up and getting them into work in our district and get in touch with our MTFJ co-ordinators.

Finally, as we head to the end of this cycle of local government, I would like to thank my fellow councillors and also all the members of our Community Boards who have stepped up and been involved in helping our district grow and prosper over the past three years. I acknowledge that it involves a great deal of personal effort, at times sacrifice and public presence, to put yourself out there in these civic minded roles. At times this may seem that it is not appreciated, but I want to pass on my thanks and know that Mayor Anne would also like to acknowledge the public service you have all made for our district over this last triennium. I think the following quote from author 'Aberjhani' sums up your contributions:

"Discourse and critical thinking are essential tools when it comes to securing progress in a democratic society. But in the end, unity and engaged participation are what make it happen."

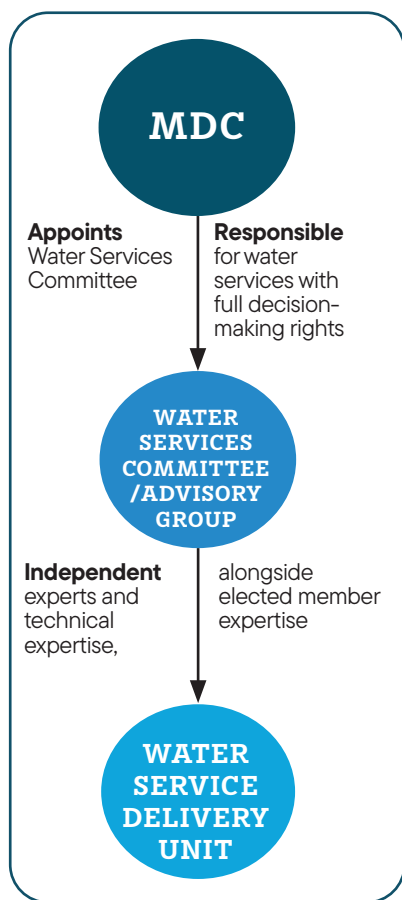
Warmest regards

Karen Morgan



The future of water delivery in Mackenzie

Internal Water Services Unit: Governance and structure



As part of the Government's water reform, Council was required to undertake a major project to identify and compare various options for providing water services under the Local Water Done Well framework. We asked our community for their feedback on two options – ring-fenced water services managed and administered by Mackenzie District Council, or the establishment of a joint water services entity with other councils. Community feedback highlighted several key themes: affordability, local control, access to financing, and trust in governance.

Council's Decision

After holding hearings where people who chose to could speak to their submission, and after extensive deliberations, in a meeting on 15 July, Councillors voted for the option to deliver water services 'in-house'.

Under this option, water services will continue to be delivered through Council, but changes will need to be made to meet the government's new requirements.

We now need to set up a dedicated internal water services unit, with some changes to the way these services are governed and managed, to ensure we comply with ring-fencing and other regulatory requirements. We will be fully responsible for all day-to-day operations, system maintenance, planning for future water needs, and repaying any water-related debt.

What next?

The next step is for council to create a Water Service Delivery Plan. Central Government requires these plans to be submitted to Department of Internal Affairs (DIA) by 3 September 2025. The plans are a way for us to demonstrate our commitment to deliver Councillors' chosen option for water services that meet regulatory requirements, support growth and urban development, and that are financially sustainable.

Through the development of this plan we are required to provide a detailed assessment of our water infrastructure, how much we need to invest in the network to meet the new standards, and how we plan to finance and deliver it into the future.

The DIA will assess our plan, along with all the others submitted by councils around New Zealand, during September-October 2025, and will let us know their recommendations. Completed, approved plans will be published by the end of 2025.

What are our assets?

The provision of three waters (drinking water, wastewater and stormwater services) is a core council function: it ensures public health, manages the assets, delivers community wellbeing, and safeguards the environment.

Three Waters infrastructure includes water and wastewater treatment facilities, pipes, pump stations, and other assets that have been built from significant council investment over many years.

Council provides all three water services to the main townships: Fairlie, Takapō/Tekapo and Twizel. Council also operates water supply schemes in Burkes Pass and Allandale, and a wastewater scheme in Burkes Pass. The Albury Water scheme supplies water to the rural areas around Albury, and the Albury township connected to the Downland Water Supply (not managed by Council). The Albury township supply is connected to the Downland Water Supply (not managed by Council).

Total replacement value of our three waters network is \$101.3 million

Explaining your rates

About your rates

Council provides local public services and infrastructure that the community needs to survive and prosper. Providing these services comes at a cost and the rates that Council charges property owners is the largest source (about 66%) of Council's revenue.

Each year Council decides what services it will provide in the future, what projects will be undertaken, and what the associated costs will be. These costs are then allocated over the properties in the district in the form of rates.

When your rates change there can be several causes. One of these is when the costs to Council of doing regular work increases (for example, the cost of gravel for roads increases). Other reasons the can change may be because Council is providing new services, or amenities. Because some rates are apportioned according to the value of a property, there can also be changes as your properties value changes.

Our Rating System is driven by legislation and forms a part of the Funding Impact Statement and should be read in conjunction with the Council's Revenue and Financing Policy. There are more details about our rating system in these documents.

Types of Rates

- **General Rates** – generally used by the Council to fund activities that are of public benefit and cannot be charged to specific users.
- **Targeted Rates** – generally used by Council to fund specific activities or provision of services in a specific location.

General Rates

These are paid by everyone. They can be either based on the capital value of a property, or they can be a fixed rate where everyone pays the same.

The Uniform Annual General Charge (UAGC) is a general rate. It is a fixed amount paid by each rating unit regardless of the value of the property. Every ratepayer pays the UAGC.

It is used for some community amenities, such as parks, and the cost of governance and leadership, civil defence, environmental health, regulatory management, and more.

Targeted Rates

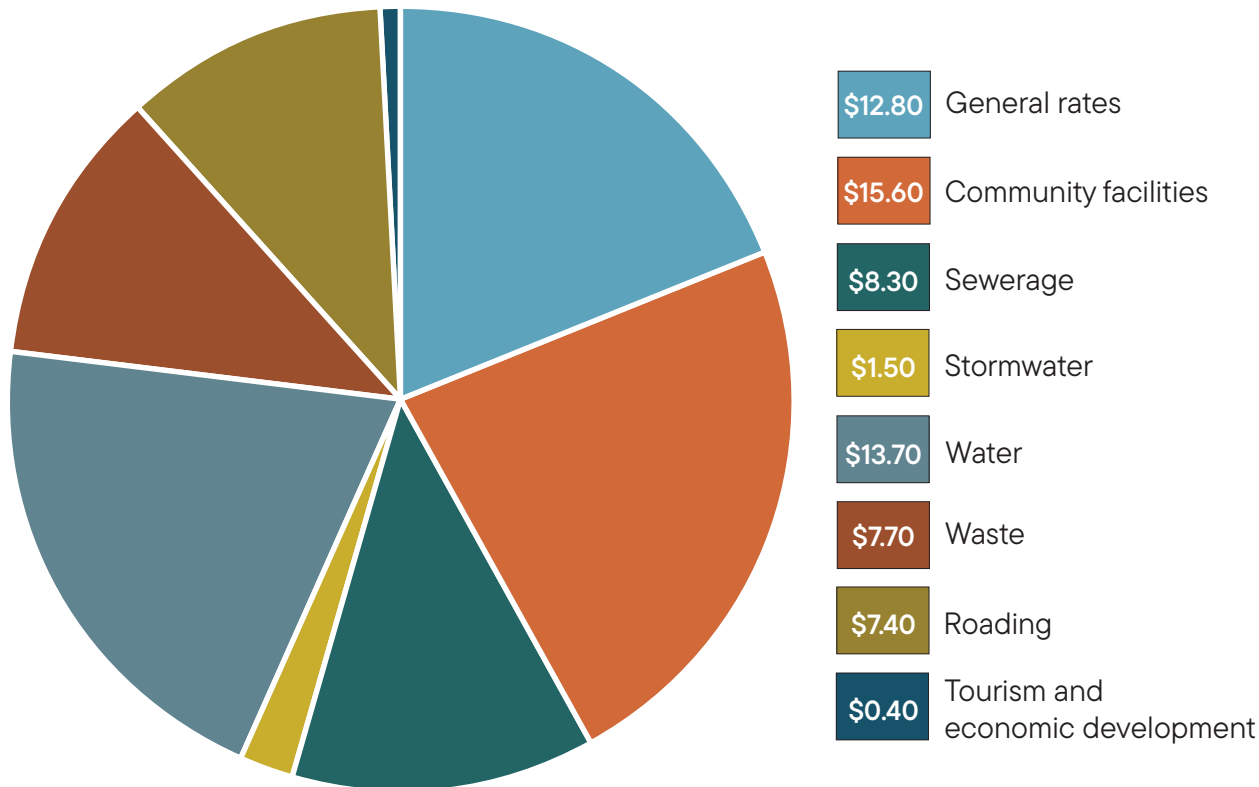
Targeted rates are charged for a specific service. They are applied to each rating unit (or separately used or inhabited part of a rating unit – SUIP) to cover the cost of a service or activity by those who use it, or who contribute to the need for it. A given property may pay several targeted rates, depending on the services they receive

A targeted rate can also be either be a fixed rate, or a variable one based on the value of a property.

Some of the most common things covered by a targeted rate are: kerbside rubbish collection, water and sewer services, the roading network, and street lighting and footpaths.



Your weekly rates



A2O Tekapo Terminus completed



Visitors and residents in Tekapo will now have another opportunity to take a break, and look at the view. A new facility, including toilets, has been completed at the junction of Hamilton Drive and the Fairlie-Tekapo Road on the eastern side of town.

As well as toilets, the new Hamilton Drive site has a number of amenities including picnic tables, bike stands and shelter, Campervan waste disposal unit and a trash compactor. The new facility is also near the Tekapo start of the popular Alps 2 Ocean Trail.

The new toilets are pay operated with payWave at \$1.50 and the option of coin payment at \$2.00 will be available soon.

The facility was opened on Wednesday 23 July by Acting Mayor Karen Morgan, Chair of the Tekapo Community Board Steve Howes, and Councillor for Tekapo Matt Murphy.

This toilets, bike shelter and picnic tables were funded from council's capital work programme. We're grateful to the team at Dimension Building and pleased to report that the project came in on budget.



Elections are being held for:

Mayor

Provides leadership to the other councillors, is a leader in the community and performs civic duties.

Councillors

Representing our three wards of Opuha (3), Pukaki (3) and Tekapo (1). Their role is to focus on strategic issues and regional plans, set policies, make regulatory decisions and review council performance.

Community Boards

Community Board Positions are available across the three boards of Twizel, Tekapo and Fairlie. Their purpose is to represent and act as an advocate for their community, provide an overview of local services and engage with community groups.

Key Election Dates

4 July 2025	Candidate nominations open
1 August 2025	Candidate nominations close / electoral roll closes
18 September 2025	Voting papers delivered
11 October 2025	Election Day – Voting closes at noon Provisional results out
17 October 2025	Final results out
24 October 2025	Swearing in ceremony

Pre-election Report

The 2025 Pre-election Report provides residents and ratepayers with information on the key challenges and opportunities facing our District as we head toward the Council tri-annual elections this October.



The Pre-election Report contains the following information:

- A report on compliance with Council's Financial Strategy set out in the 2021-2031 and 2024-2034 Long Term Plans. This includes a comparison of limits on rates, rate increases, debt and returns on investments and financial prudence benchmarks
- A summary of key projects, challenges and opportunities.
- Financial statements for the three years preceding the election year, budgeted financial statements for the election year, and forecast financial statements for the three years following the election year
- Details of the major projects planned to follow the election, including their rationale and costs.

The report is intended to help provide voters with the information they need to make informed decisions at election time. It is also offered as an overview to election candidates, setting out the Council's existing and future challenges and opportunities in a politically neutral context.

The report is available to view online at: [mackenzie.govt.nz > elections](https://mackenzie.govt.nz/elections)

