

Mackenzie Messenger

News & Information from Mackenzie District Council

The Greek philosopher, Heraclitus, wisely noted that the only constant in life is change. In that spirit, Council continues work to respond to the challenges of COVID-19, and adapt to become more resilient and sustainable into the future. A number of strategic studies are underway, to ensure we are spending effectively and that our work programs align with our shared vision for the District. Government reforms - in particular the three waters and the RMA review - will have a significant impact on how Council operates. Projects include:

Three Waters reform

The government led water reforms are the most significant changes to local government since the reforms of 1989. In the wake of the Havelock North Inquiry and subsequent Three Waters Review, central government is embarking on significant water reforms which will establish a new water regulator - Taumata Arowai. While the impacts of this change are yet to be finalised, it appears likely that water will be delivered by a new statutory authority instead of council.

District Plan Review

The District Plan guides land use and development across our district. It sets out what activities you can and can't do, what activities you need resource consent for, and how certain activities may be carried out. It covers things like residential development, noise, location and height of buildings, and protection of indigenous vegetation. We are currently reviewing our District Plan and expect to notify a draft for public consultation in early 2022.

The Mackenzie Spatial Plans

The Mackenzie Spatial Plans will create a 30-year vision of what the future could look like in Fairlie, Takapō/Tekapo and Twizel. The project will ensure our main townships are maintained as places for people, ensuring growth can occur in a sustainable way that benefits our communities, & improves and enhances the places and spaces where we live, work and play.

Te Manahuna Ki Uta/Destination Mackenzie

Te Manahuna Ki Uta/Destination Mackenzie is a multi-

partner strategic planning process for the Mackenzie District led by Mackenzie District Council. It will develop a Destination Management Plan for the Te Manahuna/Mackenzie District as part of a wider tourism journey that includes Aoraki Mt Cook National Park, the upper Waitaki Valley and the Lindis Pass, providing a coordinated approach to the management of all the aspects that contribute to a visitor's experience, including residents, business, industry, and Iwi. It aims to create a sustainable and resilient tourism eco-system for the benefit of the local community. This will be completed by the end of 2021.

Parks & Play Strategies.

We have identified a number of challenges with how we manage our parks and open spaces and we're putting together a Parks Strategy and a Play Strategy to help us better plan for and maintain our current parks and playgrounds. It will also help us understand what provisions we need to make for future parks and reserves and what sort of level of capital and operational expenditure these require. This will help us inform the investment required and ensure we continue to make use of our outstanding outdoor spaces. These will be completed by September 2021.

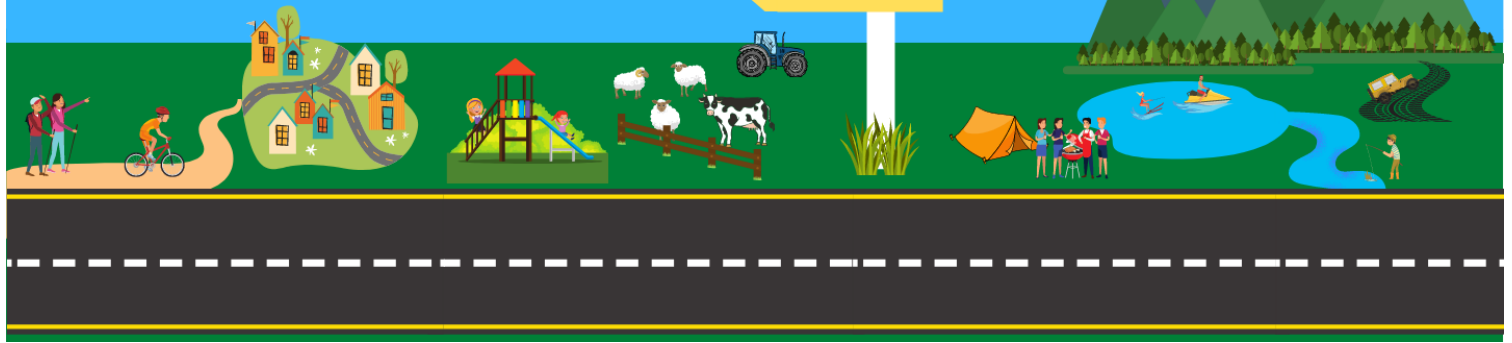
Trails Strategy

We know our district has world class walking and cycling trails and opportunities exist to improve this network. We have commissioned a Trails Strategy to help us form a coherent view of how our trails network can be improved and expanded to provide for both residents and visitors to the District. We believe our trail network can become a significant asset to our community and we want to ensure investment is targeted in the right areas and for the right reasons. This is expected to be completed by October this year.

We're committed to ensuring residents and ratepayers have the opportunity to input into each process and we look forward to working together as the projects get underway. Thank you for all the feedback you've shared with us to date - it really makes a difference.

Graham Smith, Mayor, and Suzette Van Aswegen, CEO.

Long Term (10 Year) Plan 2021 - 2031



What is the Long Term Plan?

The Long Term Plan (LTP) sets out everything we intend to deliver for the Mackenzie community over the next ten years, and how we intend to fund it. It outlines the services and activities that we will provide, the projects we will carry out and the level of service the community can expect. The plan also includes how much we expect things to cost, how we'll pay for them and what it all means for rates and debt. An LTP looks a decade ahead, but is reviewed and consulted on every three years. An annual plan is prepared for the years in between.

Why is it important?

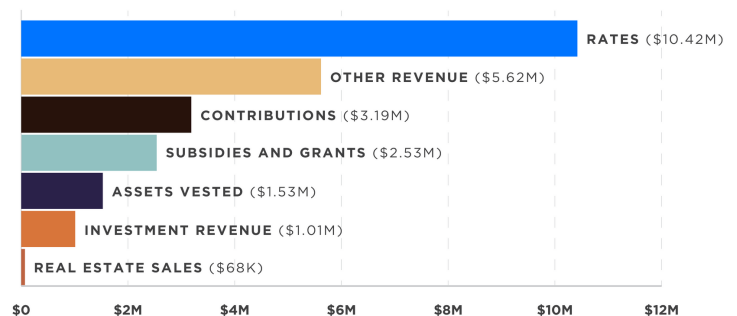
There are a number of projects underway that will guide investment over the next ten years, which include the District Plan Review, Mackenzie Spatial Plans and Te Manahuna Ki Uta/Destination Mackenzie (and more). We are also dealing with the longer term effects of COVID-19, which will continue to impact our district over the foreseeable future. We have challenges around responding to climate change, drinking water, wastewater and stormwater reforms and other central government direction. We think we need to keep doing what we're doing – investing in our district, improving our infrastructure, upgrading parks and reserves, and planning for the future. If we continue to invest, we'll be improving the district and helping our economic recovery.

How Should we pay for things?

Mackenzie District Council (MDC) gets its money from a range of sources – about 43% from rates, with the rest from fees and charges, subsidies, financial contributions, grants, property rentals, investments, property sales and debt funding.

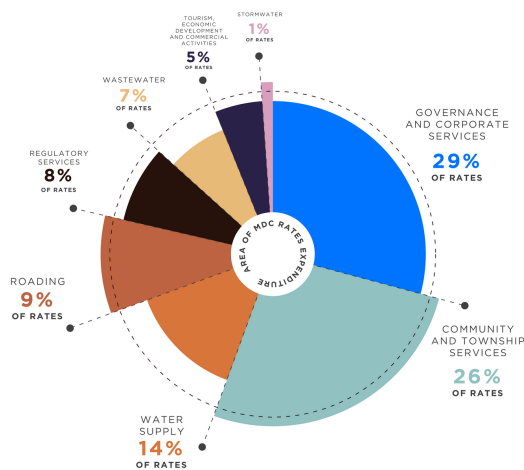
How are your rates spent?

TOTAL REVENUE 2020 (\$24.36M)



The level of rates set by the Council depends mainly on the services we have to provide, such as drinking water, wastewater and roads, and on what services and facilities the community can afford. If you own a property you pay rates directly to Council. Those who live in the district but don't own property also pay rates indirectly through their rent. As such, the LTP is important to all residents, whether or not you own property, and we want to hear from anyone with an interest in the district. In general, our running costs, such as paying employees, maintaining parks and reserves, and keeping the lights on are paid for through rates and fees and charges.

Rates for MDC residents have been traditionally kept low through the use of things like property sales profits, carbon credits and forestry sales. While this has ensured rates have stayed low (we're the third lowest in the country), it isn't a sustainable way of continuing to maintain and progressively improve our services, infrastructure and our district. Residents and ratepayers expect a certain level of service, however this, like everything, needs to be paid for. This means there is an ongoing 'balancing act' that needs to happen to get the right mix of the delivery of council services versus the cost of rates.



GOVERNANCE AND CORPORATE SERVICES OPERATING EXPENDITURE \$5,246,000 CAPITAL EXPENDITURE \$807,000	COMMUNITY AND TOWNSHIP SERVICES OPERATING EXPENDITURE \$3,254,000 CAPITAL EXPENDITURE \$742,000	WATER SUPPLY OPERATING EXPENDITURE \$1,691,000 CAPITAL EXPENDITURE \$785,000	ROODING OPERATING EXPENDITURE \$4,032,000 CAPITAL EXPENDITURE \$3,303,000	REGULATORY SERVICES OPERATING EXPENDITURE \$2,928,000 CAPITAL EXPENDITURE \$5,000	WASTEWATER OPERATING EXPENDITURE \$859,000 CAPITAL EXPENDITURE \$326,000	TOURISM, ECONOMIC DEVELOPMENT AND COMMERCIAL ACTIVITIES OPERATING EXPENDITURE \$3,151,000 CAPITAL EXPENDITURE \$264,000	STORMWATER OPERATING EXPENDITURE \$128,000 CAPITAL EXPENDITURE \$123,000
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We want to get that balance right, and this is why we're looking for your input at this early point in the LTP process. We want to have an honest and open conversation up front, so everyone is on the same page and understands the pressures we all have to deal with to ensure that we get the best results for our communities.

There are a number of issues on the horizon that will require significant investment from our communities, and we need to have a discussion as a community about what constitutes an appropriate level of service, the trade offs that might be required, and how we should pay for improvements, repairs and new services.

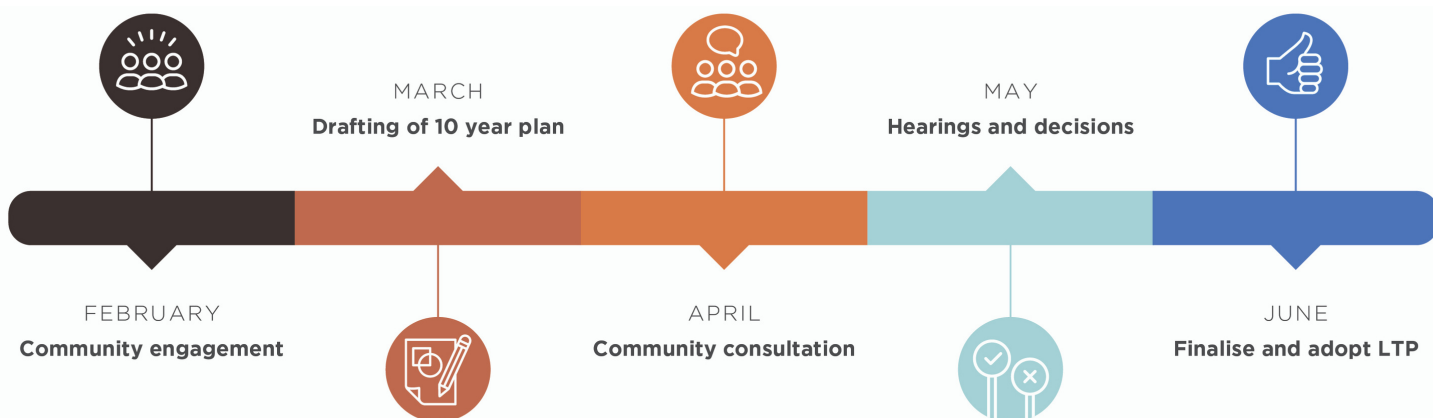
How do I get involved?

We'll be asking for your feedback on a number of projects, the outcome of which will feed into our Long Term Plans. These projects include:

- Spatial Plans and District Plan review
- Te Manahuna Ki Uta/Destination Mackenzie
- Parks, Play and Trails Strategies

While the above projects will offer a lot of direction to Council once complete, there are a number of issues that we can get on with right now, and we want your input to ensure we're heading in the right direction.

You can learn more about these issues and share your thoughts with us by filling out the survey available on our online engagement platform at letstalk.mackenzie.govt.nz.



Fairlie Community Skatepark nearing completion

Congratulations to Heartlands Fairlie and the Skatepark group who are close to completing the new skatepark on the Fairlie Village Green. The group undertook local fundraising and applied to Lotto who provided the majority of the funding. The Fairlie Community Board also supported the project, and Council have been pleased to assist by project managing the construction process. The skatepark will be a fantastic asset to the community and especially our younger residents.

We were excited to see the concrete being poured last week and look forward to seeing the skatepark in use. Thank you to all in the community who have donated time and resources to the project - what a great example of what can be achieved when we combine resources and work together! Look out for details of the opening in the Fairlie Accessible.

RATES 101

All you've ever wanted to know about rates!

Talk to anyone about Council business, and rates are usually a topic that pops up pretty quickly. Generally, people aren't shy about sharing their opinions on rates. Around June each year, Councils' adopt their Long-Term (10-Year) Plan or Annual Plans and 'strike the rates' to set what ratepayers will be asked to pay for the coming year's activity, there is often media coverage and associated debate about the inevitable rate increases. Generally, the media reports "X% rates increase" as the headline. This can be misleading as it implies that everybody's rates will be increasing by X%. In reality, the percentage refers to the amount the Council's total revenue from rates will be increasing. What each property pays depends on the location and value of the property.

Rates explained.

The term 'rates' is used to cover a number of different charges. There are targeted rates – which apply to specific locations or activities only, and which can be based on the capital value of your property, the land value, or simply be applied as a uniform charge ie every property located in that area or benefiting from that specific activity is charged the same amount. Then there are general rates – which are charged to every property in the District, and again these can be based on the value of the property or can be a uniform charge. Uniform charges are also known as the UAGC or Uniform Annual General Charge. We also collect rates on behalf of Environment Canterbury and Fire Service levies – this is itemised on your rates invoice and is included in the total amount you pay. The leaflet in your rates bill explains how your particular rates are made up. Rates are your investment, as a property owner, in the current services and future state of your local area and the wider region.

What are the rates used for?

Your Mackenzie District Council rates pay for familiar services like drinking water supply, waste water and stormwater collection and management, rubbish collection, maintenance of rural roads and township footpaths, parks, reserves, pools, community facilities, town and village halls, public toilets, township amenities, regulatory services like planning and building control, and more.

Keeping rates affordable.

The challenge all Councils face with rates is that affordability for the ratepayer dictates the pace of progress of rate-funded programmes. What programmes we undertake and how we fund them are important decisions, which is why we consult on them. A question we're now facing, with a rising tide of Government policy settings and community expectation regarding the environment, is how we can accelerate the rate of environmental progress while keeping affordability in front of mind.

Other sources of council income.

Rates are not our only form of income and we receive central government grants for a variety of services, such as a contribution towards the cost of the roading network, and there are user-pays charges for consent applications, hall hire, pool use and some other activities. We can also make use of council reserves (which of course need to be topped back up again), and we can borrow funds to the extent that our policies allow (which need to be repaid). Both of these impact rates but spread the impact out over time. These different funding mechanisms, and how to fairly and justifiably apply the different types of rates, are all things the Council considers when looking at Annual and Long-Term Plans – it is detailed work and not a simple task. The particular combination of funding streams that Council confirms when it strikes the rates will affect all ratepayers differently, hence why a single X% figure for a rates increase doesn't tell the whole story about what you will pay and what work you are supporting with your rating contribution.

Have your say on the upcoming Long-Term Plan.

While people don't seem to be shy expressing their opinion on rates and what the Council is up to, this doesn't seem to translate into many people making a submission and telling the Council what they think. We're currently asking for your feedback on a number of issues before we prepare a draft of our 2021 – 2031 Long Term (10 Year) Plan. Your participation in that process is a key element of ensuring we get the right balance between what is affordable and what we need to do. Find out more at letstalk.mackenzie.govt.nz. Note there will also be the opportunity to provide feedback on the draft Long Term Plan before it is formally adopted.

Council is looking forward to hearing from you.