

Rangitikei District Council

Omatane Rural Water Supply Sub-Committee Meeting

Order Paper – Wednesday 8 November 2017 – 3:00 p.m.



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1 Apologies

2 Confirmation of Minutes

Recommendation

That the minutes of the Omatane Rural Water Supply Sub-Committee meeting held on 10 May 2017 be taken as read and verified as an accurate record of the meeting.

3 Matters Arising

4 Water Managers Report

A verbal report will be provided at the meeting.

Recommendation

That the Water Managers Report, be received.

5 Scheme Overseers Report

Recommendation

That the Scheme Overseers Report, be received.

6 Financial Report

The statement of operations period ending September 2017 will be tabled.

Recommendation

That the statement of operations; Period ending June 2017 and period ending September 2017, be received.

7 Members/Questions

8 Date of Next Meeting

Wednesday 14 February 2018

Rangitikei District Council

Omatane Rural Water Supply Sub-Committee Meeting

Minutes – Wednesday 10 May 2017 – 3:00 p.m.



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Present:

Mr A McKay, Chairperson
 Mr N Gregory
 Mr L Kelly
 Mr M Thomas

In Attendance:

Mr D Miller, Asset Engineer – Roading and Utilities
 Mr G McIrvine, Finance & Business Support Group Manager (arrived at 3:15pm)
 Mr A Sargent, Management and Project Accountant (arrived at 3:15pm)
 Cr R Rainey
 Ms R Baird, Administration

Tabled documents: Item 3 Matters Arising – Minutes of the Special Meeting of the Rangitikei County Council (11 December 1980)

1 Apologies

Resolved minute number 17/ORWS/021 File Ref

That the apologies from His Worship the Mayor and Mr A Ramsay for absence be received.

Mr L Kelly/Mr N Gregory. Carried.

2 Confirmation of Minutes

Resolved minute number 17/ORWS/022 File Ref

That the minutes of the Omatane Rural Water Supply Sub-Committee meeting held on 23 November 2016 be taken as read and verified as an accurate record of the meeting.

Mr L Kelly/Mr N Gregory. Carried.

3 Matters Arising

Mr Miller tabled a copy of the minutes of the Special Meeting of the Rangitikei County Council of 11 December 1980. In regards to the ownership of tanks, the minutes noted that any asset past the point of supply is privately owned and not owned by the scheme.

Mr McKay said he had supplied his and Mr Ramsays maps but Mr Kelly was still to provide his. Mr Miller asked that they be dropped off to the Taihape office and once scanned he would return them. Mr Thomas said he has copies of Mr Tweedales and the main line, but they are very big maps, Mr Miller advised that these could be scanned to an A3 size and then joined together.

4 Water Managers Report

Mr Miller gave a verbal report. He said that the issue of getting Horizons data for consent compliance has now been resolved and that feedback from Horizons should be available at the next meeting.

Resolved minute number 17/ORWS/23 File Ref

That the Water Managers Report, be received.

Mr L Kelly/Mr N Gregory. Carried

5 Scheme Overseers Report

There was no report as Mr Bird was not present. Mr McKay said there was a break on the line that was fixed and generally the scheme is working well but was worried that maintenance was very thin.

6 Financial Report

Mr McIrvine introduced Mr Sargent who is Councils Management and Project Accountant.

Mr Thomas queried the figure of \$3905. Mr McIrvine suggested that it could have been coded to the wrong general ledger code. Mr Thomas said it looks as though it could be the invoice for the flow meter that was fixed to comply with the resource consent. Mr Sargent to obtain the original invoice to determine what it is for and then advise members by email.

Cr Rainey asked if the latest water leak would come out of the renewals budget. Mr Gregory replied that there had been a number of breaks in this area which are more often repairs and maintenance. Mr Miller said there is a renewals budget available if needed.

Resolved minute number **17/ORWS/24** **File Ref**

That the Statement of Operations: Period ending 31 March 2017 be received.

Mr L Kelly/Mr N Gregory. Carried

7 Updating the Rural Water Supply Policy

Mr Miller said that the following changes to the policy had been requested by the Hunterville Water Scheme Sub-Committee. He asked what this committees thoughts were on these changes.

Mr Miller referred to 5.2 *"Each Property owner shall provide on their property the equivalent of 48 hours storage of water at peak demand for that property. This shall be at their own expense"*.

Cr Rainey asked if any of the members had 48 hour capacity. Mr Gregory replied that they would have 24 hour capacity. Mr Miller said the Omatane scheme is not dependent on power like the Hunterville scheme, and suggested that the amount of storage required could be set by each committee.

6.1 *"A person who is supplied with reticulated water by, or on behalf of, a Rural Water Supply must not waste the water or allow it to be wasted"*

Mr Gregory said there is two old valves that need to be replaced as they waste a lot of water, and that there are two tanks that have free flow into a dam which could be made more efficient to save the water. Mr Gregory asked if Council had the maps to see where the orpheus valves are. Mr Miller to look into it.

4.1 *“Rural Water Supplies are non-potable. Water provided is not intended for human consumption. If a property owner wishes the water to be used for human consumption, they must install appropriate treatment within the property at their own cost”*

Mr Miller said that in regards to the Omatane Hall, they would need to get a filter or a UV system. Mr Gregory said the Hall Committee is currently looking into this matter. Cr Rainey suggested they apply for funding.

Mr Thomas asked if there was capacity to add consumers to this scheme. Mr Miller said he didn't think so but could look into it if the need arose.

Cr Rainey asked that as John Platts and Dean Hammond were no longer on the scheme would there not be excess water. Mr Gregory replied that there would be but Dean Hammond did have access to two troughs and that when the scheme was originally set up there was an allowance of an extra 30%.

Mr Miller said if a new member was to come onto the scheme the committee could charge capital contribution. The committee agreed that they would deal with this when and if the need arose.

Resolved minute number 17/ORWS/25 File Ref

That the amendments to the updated Rural Water Supply Policy be accepted and Section 5.2 be further amended to read as follows: “Each property owner shall provide on their property storage of water. This shall be at their own expense. The amount of storage required shall be set by the relevant Committee”.

Mr L Kelly/Mr N Gregory. Carried.

8 Members/Questions

Mr Gregory said he was hoping to sell his property in 6 – 8 weeks time, but on undertaking a title search he found that his current property was not on the scheme. He would look into this matter.

Resolved minute number 17/ORWS/26 File Ref

That Mr Gregory's 5.6 hectare property be included into the Omatane Rural Water Scheme.
Mr A McKay/Mr L Kelly. Carried

9 Next meeting

The next meeting to be held 8 November 2017

10 Meeting Closed

The meeting closed at 4:00pm

OMATANE RURAL WATER SUPPLY FINANCIAL STATEMENTS
COMMENTARY FOR THE 12 MONTHS ENDING:
30th June 2017

The commentary supporting the performance to date / presented within the financial reports is as follows:

Performance:

- **Metered Revenue against budget**
Shows a Favourable of \$3k, last year's comparison is also Favourable at \$3k
- **General Rates**
This is tracking as per the budget and is similar to last year
- **Interest Charged**
This shows a minor variance against both budget and last year
- **Expenditure against budget**
Is unfavourable at \$10k being an increase in spending

Activities contributing to the increase were;

	Expenditure Variance to Budget	Increase / Decrease	
i. Depreciation infrastructure	7,064		Unfavourable
ii. Insurance	96		Unfavourable
iii. Rates	-558		Favourable
iv. Professional Services - MDC	-1,038		Favourable
v. MDC Charges - PSU	0		Immaterial
vi. Principal Contractor	5,772		Unfavourable
vii. Resource Consents	527		Unfavourable
viii. Materials	<u>-1,295</u>		Favourable
		10,568	

Capital Renewals Infrastructure

- There was no spend for the 12 month period ending 30th June 2017 against a budget of \$5k

Capital Projects:

- There was no spend for the 12 month period ending 30th June 2017

For further details relating to the expenditure of \$25k please refer to the transaction details as provided within the Financial report for June 2017

Andrew Sargent
31st October 2017
Management & Project Accountant

OMATANE RURAL WATER SUPPLY FINANCIAL STATEMENTS

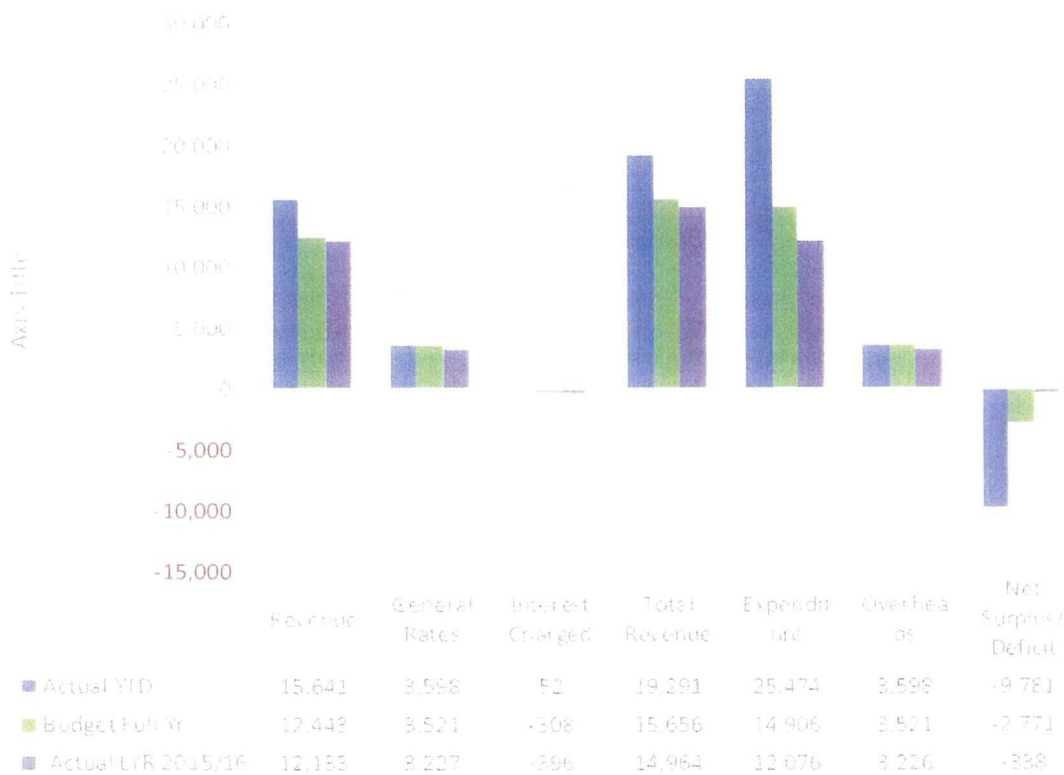
STATEMENT OF FINANCIAL PERFORMANCE SUMMARY

As at 30 June 2017

Performance Summary

	Actual YTD	Budget Full Yr	Actual LYR 2015/16
Revenue	15,641	12,443	12,133
General Rates	3,598	3,521	3,227
Interest Charged	52	-308	-396
Total Revenue	19,291	15,656	14,964
Expenditure	25,474	14,906	12,076
Overheads	3,598	3,521	3,226
Net Surplus/Deficit	-9,781	-2,771	-338

PERFORMANCE SUMMARY For June 2017



OMATANE RURAL WATER SUPPLY FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL PERFORMANCE
As at 30 June 2017

Revenue

Account	Detail	YTD Actual 2016/17	FYR Budget 2016/17	Actual LYR 2015/16
60618142	Metered Supply Charges	15,641	12,443	12,133
	Total Rates	15,641	12,443	12,133
Apportioned Rates Revenue				
6061880801	General Rates	3,598	3,521	3,227
60618809	Internal Interest Paid	-112	-112	-126
6061880901	Interest Charged Rate A/c	164	-196	-269
6061880903	Treasury Int Charged Loan A/c	0	0	0
	Total Apportioned Rates Revenue	3,650	3,213	2,831
Internal Charges				
606181791100	Allocated o/heads CEO	1,190	1,059	1,091
606181792100	Allocated o/heads Fin Services	850	823	764
606181792500	Allocated o/heads Stat Plannin	1,047	1,045	889
606181794100	Allocated o/heads Cust Service	166	172	159
606181795100	Allocated o/heads Assets	345	422	324
	Total Internal Charges	3,598	3,521	3,226
Expenditure				
6061834301	Telephone Costs	0	0	0
6061856208	Depreciation infrastructure	16,621	9,557	9,289
60618565	Insurance	822	726	304
6061856702	Rates	952	1,510	1,129
6061863001	Professional Services - MDC	0	1,038	210
6061863003	MDC Charges - PSU	0	0	400
60618691	Principal Contractor	5,772	0	
60618697	Resource Consents	527	0	744
60618699	Materials	780	2,075	
	Total Expenditure	25,474	14,906	12,076
	Net Surplus	-9,781	-2,771	-338

OMATANE RURAL WATER SUPPLY FINANCIAL STATEMENTS				
STATEMENT OF FINANCIAL POSITION				
As at 30 June 2017				
		YTD Actual	FYR Budget	Actual LYR
Capital - Renewals Infrastructure		2016/17	2016/17	2015/16
60618721	Treasury Loans Repaid	0	281	0
6061876201	Omatane Reticulation Contractor	0	5,190	0
	Total Capital - Renewals Infra	0	5,471	0
Capital - Projects				
	Net Projects	0	5,471	0
Equity				
60618966	Public Equity Omatane Rural Wa	470,482		425,965
60618990	Public Equity Omatane Rural Wa	425,627	0	
	Net Surplus	-9,781	-2,771	-338
	Working Capital	-9,840	8,242	-3,281
	Total Equity	876,488	5,471	422,346
Non Current Assets				
60618878	Infrastructure	0	0	0
60618886	Water Supply Schemes	895,075	0	452,460
6061888601	Depreciation Infrastructure	-16,621	0	-27,867
	Net Projects	0	5,471	0
	Total Non Current Assets	878,454	5,471	424,593
Non Current Liabilities				
60618950	Internal Loan	-1,966		-2,247
	Total Non Current Liabilities	-1,966		-2,247
	Net Assets	876,488	5,471	422,346

OMATANE RURAL WATER SUPPLY FINANCIAL STATEMENTS
CASHFLOW STATEMENT
As at 30 June 2017

	YTD Actual 2016/17	YTD Budget 2016/17	FYR Budget 2015/16	
Revenue				
Operating revenue	15,641	1,036	12,443	12,133
General rates	3,598	0	3,521	3,227
Interest Charged Rate A/c	52	-33	-308	-396
Treasury Int Charged Loan A/c	0	0	0	0
Total revenue	19,291	1,003	15,656	14,964
Expenses				
Operating expenses	25,474	1,233	14,906	12,076
Overheads	3,598	298	3,521	3,226
Interest paid				
Add back non-cash items	-16,621	-801	-9,557	-9,289
	12,451	730	8,870	6,013
Net surplus from operating	6,840	273	6,786	8,951
Capital items				
Capital expenditure	0	427	5,190	0
Loan repayments	0	28	281	0
Total capital	0	455	5,471	0
Net cash surplus(deficit)	6,840	-182	1,315	8,951

Notional bank account	
Opening balance 1 July 2016	3,000
Cash surplus(deficit) above	6,840
Closing balance 31/03/2017	9,840

ALTERNATIVE CASH ANALYSIS	
OPENING CASH BALANCE 01/07/16	3,000
PROFIT/LOSS	-9,780
ADD BACK NON CASH ITEMS	16,621
Closing Cash Balance 31/03/2017	9,840

**OMATANE RURAL WATER SUPPLY FINANCIAL STATEMENTS
EXPENDITURE SUMMARY**

As at 30 June 2017

Sum of Value		Month											
Account Description	Account code	Jul-16	Aug-16	Sep-16	Oct-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Grand Total
Depreciation infrastructure	6061856208	796.42	796.42	796.42	796.42	796.42	796.42	796.42	796.42	796.42	796.42	7,860.38	16,621.00
	6061888601	0.00											0.00
Insurance	60618565	17.50	17.50	17.50	28.39							740.87	821.76
Principal Contractor	60618691		737.50					360.00			600.00		2,375.76
Rates	6061856702		165.87	155.10	320.97							310.20	952.14
Resource Consents	60618697		3,396.00				487.00					40.48	3,923.48
Materials	60618699										780.11		780.11
Grand Total		813.92	5,113.29	969.02	1,145.78	796.42	1,283.42	1,156.42	796.42	796.42	2,176.53	8,951.93	25,474.25

**OMATANE RURAL WATER SUPPLY FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL PERFORMANCE**

3 Year Trend Summary

As at 30 June 2017

Expenditure Details	2017 Actual FullYr	2017 Budget FullYr	2016 Actual FullYr	2016 Budget FullYr	2015 Actual FullYr	2015 Budget FullYr
Telephone Costs						374
Depreciation infrastructure	16,621	9,557	9,289	9,345	9,289	11,462
Insurance	822	726	304	285	572	662
Rates	952	1,510	1,129	1,455	300	1,169
Professional Services - MDC		1,038	210	1,000	1,200	828
Principal Contractor	5,772				2,083	2,482
MDC Charges - Retic			400			
Resource Consents	527	2,075	744	2,000	144	1,087
Materials	780					259
Totals	25,474	14,906	12,076	14,085	13,588	18,323

OMATANE RURAL WATER SUPPLY FINANCIAL STATEMENTS
EXPENDITURE SUMMARY - TRANSACTIONS

As at 30 June 2017

Account Description	Account code	Month	Date	Transaction description	Sum of Value
Depreciation infrastructure					16,621
Insurance					822
Principal Contractor	60618691	Aug-16	10/08/2016	AP Luke Bird 110503/01 Work on Omatane Water Scheme	270
			24/08/2016	AP Taihape Plumbin 110857/01 Take Shane from Alf Downs on Rhino to tank	468
		Nov-16	29/11/2016	AP Cameron White 111938/01 Work on the Omatane Water Scheme	678
		Feb-17	21/02/2017	AP Cameron White 112853/01 Work on the Omatane Water Scheme	360
		Mar-17	31/03/2017	Crn Omatane coding	
		May-17	16/05/2017	AP Cameron White 113808/01 Repairs to Omatane Rural Water Scheme	600
			23/05/2017	crn to coding 60618697	
	60618691 Total				2,376
Rates	6061856702	Aug-16	31/08/2016	RDC Property Rates	166
		Sep-16	30/09/2016	Accrue Horizons Rates Properties Prepmts September Qtr	155
		Oct-16	31/10/2016	Horizon Rates	155
				RDC Property Rates	166
		Jun-17	30/06/2017	Rates Prepayments 2 Quarters	310
	6061856702 Total				952
Resource Consents	60618697	Aug-16	01/08/2016	Crn to coding frm 60618691	
			31/08/2016	AP Alf Downs Contr 110787/01 Omatane Flow Meter Fault	3,396
		Jan-17	26/01/2017	AP Horizons Region 112374/01 Annual Rsch Chge - Consent103988 - Omatane	487
		Mar-17	31/03/2017	Crn Omatane coding	
		Jun-17	30/06/2017	AP Horizons Region 114494/02 Compliance Report - Omatane	40
	60618697 Total				3,923
Materials					780
Grand Total					25,474