



# Goings On About Rates



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# Goings On About Rates

## *a.k.a. Koitiata Fights Rates*

In early 2009, following a very large increase in village property valuations it was learned that our rates were going to be increased by an average of 31%. The village was aroused, submissions were made, and a petition presented to RDC.

The mayor was invited and came to a residents' meeting. It was held on a Sunday afternoon in early June. It was standing room only. He proceeded to tell residents that they didn't understand how the rating system worked and "it was just bad luck". That strategy went down like a lead balloon and served to further infuriate the community.

After that meeting, his esteem went to zero in the community. And the rates increased.

Three years later, in early 2012 members of the Koitiata community became aware that Rangitikei District Council had plans to apply substantial increases onto the property rates for Koitiata ratepayers in the 2012/13 rating year. RDC were struggling to justify the rating increases. When a mystifying "Jam-Jar" economic theory emerged, it suggested that ratepayers were being taken for a ride. The people in the Koitiata community, whether permanent or 'week-enders' might have had a laid-back lifestyle, but RDC had, as they say, 'poked the bear with a stick'.

The following content have been copied from media sites, community emails and the koitiata.blogspot.com website. That website, together with email and FB postings, was a prime communication enabler for village residents, and the promotion of the cause, with a wider audience, and specifically the media.

In addition to the community content, there are copies of the media coverage from that time, graphics of "The Signs" and a couple of later FB posts.

**Additional Information:** The use of the term '*Rates Revolt*' was used to get the attention of media, and to emphasize residents' anger. The community did not intend to withhold rates payments. It was later learned that the mayor had raised the intention of imposing debt collection onto any residents that withheld their rate payments.

Media photographers delighted in getting the bright red and blue signs that populated the village fences into shots of 'disgruntled' residents. The positive publicity generated for Koitiata created negative publicity for RDC. As was intended.

The content in the last page sums up Koitiata's views on the RDC mayor's posture towards the community's concerns, (*please note the date*). And when later in that year he lost his position as mayor, we had to have an appropriate final word with a suitably irreverent poem.

Yes, the rates did increase. But the community was now being treated with respect.

*NOTE: The content has not been rewritten. Editing has been done to improve formatting and readability, and to tidy up some of the things-that-happen with import of content.*

## **[1] Alerting Koitiata Notice - 19th April 2012**

### **RATES INCREASE ALERT!**

Below is copy of the email sent out 19th April, to alert the ratepayers as to what RDC had in store for the Koitiata community and drum up support for submissions to the council.

During the preceding week or two, it became apparent that a large majority of the community were not aware of what RDC proposed. There were notions of 'rates-going-up-again' but not of the proposed unfair increase for Koitiata ratepayers. There wasn't at that date, any direct or specific advice from RDC as to the actual size of the rate increases proposed for the Koitiata ratepayers! (And nor has there ever been any direct information since).

We had been advised by councillors Soraya Peke-Mason and Andy Watson, at a meeting with our residents committee, that there were 'implications for Koitiata' in the plan. But it was only when a full copy of the plan was examined that residents became aware of what was in store.

It was very soon realised that the rate increases were not only unfair and would be a financial burden on many of our residents, but that the rating system changes could undermine the character of our small no-frills village community.

This email kicked off our community's campaign.

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**To: Koitiata Residents**

**Well here we go again!**

If you remember Chalky's "Bad Luck" theory that the rates increase of 34% in 2009/2010 was because our CV's had gone up and it was beyond RDC's control, I bet you will all be interested to hear his theory on why we are now getting bigger increases even though our CV's have decreased by approx. 25%!

These increases are exorbitant, and relative to the times we are living in are unconscionable! Have your say, support the committee's submission with your signature/name and put in your own submission!

Give me a ring if you need any help with your own submission or need any further info.

Regards,  
Eddy  
Koitiata

# RATES INCREASE!!

## RANGITIKEI DISTRICT COUNCIL ARE AT IT AGAIN!

The RDC's 'Draft Long-Term Plan 2012-2022' includes a proposal to change the rating system. The changes are "to ensure that everyone who receives a Council service pays the same for it wherever they live in the District."

Unfortunately for us, there is an intention to apply a charge on every ratepayer for Water, Sewerage, and Stormwater even if not provided with those services. As a result of this change Koitiata rates will increase dramatically. The table below, (data extracted from RDC's plan), gives examples of 42.17% to 46.45% increases; properties valued below and above the examples will have higher and lower increases.

Your committee held a meeting with two RDC Councillors. They were repeatedly given the message that these increases and the manner in which they are being applied is unacceptable to the residents of Koitiata, (and no doubt by other communities within the Rangitikei facing the similar increases).

Location	New Capital Value	Proposed 2012/13 Rates	Actual 2011/12 Rates	Increase \$	Increase %
Koitiata	\$205,000	\$1488	\$1047	\$441	+42.17%
Koitiata	\$144,000	\$1281	\$889	\$392	+44.14%
Koitiata	\$136,000	\$1253	\$867	\$386	+44.55%
Koitiata	\$104,000	\$1144	\$781	\$363	+46.45%

The Koitiata committee will be making a submission to RDC on behalf of the community. We will be emphasising the imposition this will have on Koitiata property owners relative to recent rate increases, increased insurance costs, and other increasing demands on relatively decreasing incomes. We will also be objecting to the un-democratic manner in which these increases are 'being sprung onto our community', (the above figures were 'hidden away' at the back of the full version of their plan). *(Eddy Mason can tell you your proposed rates if you want to know.)*

The submission will be prepared over the next few days and must be delivered to RDC before midday Tuesday next week (24<sup>th</sup>) for inclusion in their process.

1. We need your signature and/or name as support please; if in the village please contact Keith Gray, 25 Omanu St, 327 3985 or Eddy Mason, 3 Rapaki St, 327 3676 to arrange to add your signature, or email your permission for signing on your behalf to: [eddynjoy@gmail.com](mailto:eddynjoy@gmail.com)
2. Please also make your own submission via RDC's website or the form in the DLT Plan Summary booklet (distributed around the village by Shona Welsh).
3. Your support is needed, and your feedback will be appreciated.

Keith Gray  
Chairman,  
Koitiata Residents' Committee

PS. We will be taking up the issue of the proposed sewerage scheme development with RDC, This is a separate issue, and you will be kept up to date on that subject.

## Jam-Jar Economics

You are probably wondering what this Jam-Jar thing is about.

In April 2012 when communicating with RDC regarding the changes to accounts via the 2012/13 Plan, it was explained how accounting for rates worked, by suggesting;

*“It is like using jam jars at home. Jars are labelled for expenses, and you disperse your income into each jam jar and save up until it is needed to pay the relative bill when due.”*

The reasoning being proffered for the rates increases was a need to improve the RDC inhouse accounting processes. It was suggested that compacting council accounts into a lesser number of expense categories was just like having a lesser quantity of jam jars. *Life would be easy.*

This spurious justification for changing the rating system, was claimed to be of major benefit to ratepayers, by being a 'simplification of RDC's operating accounts'. The benefit was to be the result of saving in administration effort by having less management accounts, or in RDC speak, *“less jam jars.”* So, cost savings equals increased rates, how does that work?

An email was sent off to RDC to find out about the cost savings that would result.

**Q:** *I cannot find anything in the spin or the financial data in the plan that refers to or shows the cost savings that will result from operating less accounts.*

**A:** *We have not endeavoured to quantify what the cost savings would be, as they will come in administrative effort, i.e., the finance team. They will be able to spend less time allocating charges to a wide variety of accounts. This will not mean a reduction in staff numbers; rather, it will mean that there will be an ability to incorporate some of the other detailed financial work that we find it difficult to have time for.*

*The truth is that we have struggled to maintain all the financial requirements (on which we are audited) that have been introduced over the last decade. Aggregating up the large number of accounts adds additional complexity.*

It became known that some RDC councillors were also asking questions, particularly relative to the transparency issue of expenses being merged without breakdown into source categories.

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*“Never did decide whether this ‘jam-jar’ stuff was supposed to be serious, or whether it was an in-house local-body finance-team joke”*

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## **[2] Koitiata Community's Submission To RDC's DLTP 2012-2022**

### **Koitiata Submission to DLTP**

The document following at is a copy of the Koitiata community's submission to Rangitikei District Council, regarding the proposed change to the rating system via their 10-year plan.

The rating changes proposed would, as indicated by examples in a table on page 155 of the DLTP, increase Koitiata rates by 42.17% to 46.45%. It is also shown in the plan on page 151 that rates totalling \$241.29 are going to be charged for 'no services' under the pretext of 'public good'.

The fact that this rating information was tucked away amongst the data at the rear of the full plan, suggests that the RDC's 'consultative' process was disingenuous right from the start. But, while already sceptical at this point, it was decided to play the game and participate in the plan submission system.

The community's response to our notice of 19th April had been overwhelming via a continual stream of emails and phone calls. So, it was five days of talking and writing and then a completed submission. And to reinforce to RDC that this was the community speaking, the submission had 98 signatures from Koitiata property owners attached.

The chairman of our Koitiata Resident's Committee, Keith Gray, spoke to this submission at the RDC hearings on Thursday 26th April.

Hi to Koitiata ratepayers,

Following is a copy of our submission made to RDC on your behalf regarding their proposed rates increase. You will note that we also included comment on their inclusion of a sewerage scheme in the plan, but because this is proposed at year 5 and subject to further review, we are focussing on the rate increases at present.

I spoke to the council on this submission last Thursday 26<sup>th</sup>. I gained the impression from their response, that our community submission, (with 100 signatures attached), together with the numerous other written and verbal submissions made by Koitiata residents, resulted in getting RDC's attention and that we collectively gave the councillors our message.

Since then the mayor has communicated that "RDC have been made aware of Koitiata's concern and will try to resolve the issue", and he has proposed meeting with the resident's committee shortly.

Whether anything positive results from this remains to be seen.

We must therefore assume that further action will be required and will accordingly be looking at our 'action plan' over the next week or so. Your feedback and input is appreciated, more please!

Keith Gray

25 Omanu Street, Phone (06) 327 3985

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## **Submission to Draft Long Term Plan 2012 - 2022**

### **Koitiata Rates Increase**

I am making this submission to Council via the DLTP submission process as the chairman of the Koitiata Residents Committee. This is being made on behalf of the community, and with the support of the undersigned Koitiata residents. Please note that I wish to speak on this submission at one of the "oral Submission" meetings.

- Although the planned streamlining of the Rangitikei rating system may be a noble cause, the resultant effect of the massive rate increases on the residents of our community is to say the least, disturbing and alarming.
- From data located within the full version of "the plan" it is shown that our community is going to be subjected to rate increases in the region of 40% to 50%. This is approximated to mean an average of \$400 for each village ratepayer.

<b>Examples</b>	<i>Rates 2011-2012</i>	<i>Rates 2012-2013</i>	<b><i>Increase</i></b>
<i>Rapaki Street (unconnected)</i>	\$1380	\$1883	<b>\$503</b>
<i>Rapaki Street (unconnected)</i>	\$899	\$1295	<b>\$396</b>
<i>Wainui Street</i>	\$909	\$1302	<b>\$393</b>
<i>Wainui Street</i>	\$931	\$1371	<b>\$440</b>
<i>Omanu Street</i>	\$888	\$1282	<b>\$394</b>

- These increases have aroused great concern amongst residents, particularly those on fixed and low incomes. We have all been subjected to increased insurance, fuel, electricity and other cost of living increases; where does RDC think the residents of Koitiata (and other similarly effected communities) are going to find the extra \$400 to \$500 to pay these increases?



- Ratepayers will be faced with severe financial hardship and are dismayed to find that there is no corresponding increase in council provided services or facilities. Why do residents of Koitiata, similar small communities and farmers who supply their own water systems, have to pay RDC \$130.09 for no water service?
- Members of the Koitiata community do not make huge demands on RDC for funding in our village. They make positive and active contributions to the wellbeing of the village and it's surrounding assets, including the provision of and maintenance of access to Turakina Beach for all residents of Rangitikei, and numerous other visitors from different parts of New Zealand and from throughout the world.
- It is the retired (and those intending to be retired in Koitiata) who have been at the forefront of the community support activities in Koitiata. On page 4 of the DLTP it is stated that an aim of RDC is to *"enable retired residents to remain in Rangitikei"*. The same plan now undermines that aim in Koitiata!
- There are examples of low income and retired property owners in other localities in NZ being forced to sell up and move because of their inability to pay excessively increased rates. Does RDC want to be responsible for this negative downstream effect happening on it's own patch as a result of the planned rate increases?
- The proposed change to the Rangitikei rating system is a major issue and it will be insincere of RDC to claim to have adequately explained to ratepayers the need for, and the benefits to the ratepayer, of the proposed changes.
- We as residents of Koitiata choose to live in our community, as other people choose to live in towns or cities. To be forced to pay for district wide expenses when we supply and maintain our own systems, and are happy to do so at our own expense, does not equate to fairness in any shape or form. We do not want curbing, footpaths, water systems, or any other 'big city' type infrastructure; we don't want RDC to kill our unique community by driving up living costs and changing the character of Koitiata!
- Until RDC fully and democratically communicates the need for the changes and the ensuing benefits to ratepayers, and comes up with a more equitable system for the spreading and easing of the resulting financial burden on ratepayers, with subsequent ratepayers approval, this change to the rating system must be deferred.
- We expect that RDC will consider ratepayers ability to pay, first, above all other considerations. Do RDC councillors have the good sense that would be required to enable it to take the appropriate action? We look forward to finding out.
- If, in spite of all the ratepayer objections, the decision is made that the rating system will be changed, and there is no means of enabling the financial burden to be eased, then the residents of Koitiata reserve their right to take whatever future action is required to protect their community.

### **Koitiata Sewerage Scheme**

- We have noted that without any consultation with the residents of Koitiata, RDC have included in the DLTP 2012-2022 an intention to expand the Koitiata sewerage system.
- We have also noted the limited and spurious information that is being put forward as justification for and the basis on which the need for this expansion is claimed.
- We reserve our right to take up and challenge RDC on this issue in the future.

Keith Gray

Chairman, Koitiata Residents Committee

## **Post Submission**

### **Community Update - 30th April 2012**

Our submission was given to RDC on Tuesday 24th and Keith spoke at the submission hearings on Thursday 26th.

Up until the eve of the closing time our submission was an on-going work in progress, and residents had only a brief opportunity to read a draft copy before it was submitted.

Residents had also gone to a lot of trouble, to get a large quantity of RDC's Plan Summary and Submission booklets, and distribute them within the village, get them filled in, collect them again, and then deliver the completed forms back to RDC in Marton. So there was a lot of interest in what would eventuate at the submission hearings.

Because the community had very genuine concerns and had put what was considered to be a strong case against unfair rating changes, there was some hope that getting our concerns up front with RDC would do the trick. After all, our community submission had 98 signatures attached and 40 residents filled in individual submission forms. We were all participating in democracy and playing the 'submission game'.

It was evident that we did get RDC's attention with our community and the volume of individual submissions. But the communication from the mayor a few days after the submissions hearing did nothing to allay our suspicions that the winner of 'the submission game' had been predetermined well before kick-off.

Incidentally , the mayor never did meet with the resident's committee . He never made any contact to let us know how he was getting on with 'trying to resolve the issue'. In fact he never did get back about anything!

Keith phoned the mayor during the week leading up to our ratepayers meeting and that phone call confirmed that it was all spin coming out of RDC.

So, it was now to be game on and the community would determine the rules.

### [3] Media Release - 27th May 2012

#### Koitiata Media Release

It had become evident during the days following our submission, (from media & other sources), that the RDC submission process was never intended to be a catalyst for plan change.

It had been determined very soon after, that unless our cause had coverage in the media, we were not going to get any serious attention from RDC. The following Media Release was prepared in mid-May and emailed out to editors on 27th May.

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Dear Editors,

Below please find copy of media release from Keith Gray, Chair of the Koitiata Residents' Committee in the Rangitikei in response to the Mayor's proposal to **increase rates by 50% to make residents pay for services they cannot access.**

I look forward to speaking with you and you are most welcome to attend our village meeting, Village Hall, Wainui Street, Koitiata, Turakina Beach, Sunday June 3 at 2:00pm. (10kms off main Bulls-Whanganui Highway. Turn left after Turakina township if heading north towards Whanganui – at signpost saying 'Turakina Beach. This is the only road into our village.)

Regards  
Keith Gray

Koitiata Residents' Committee  
25 Omanu Street  
Koitiata  
(Turakina Beach)  
RD 11, Whanganui  
Ph: 06 327 3985

**Media Release 27 May 2012 – for immediate release**

**Attention: Local Govt and Political Reporters**

### **Rangitikei Residents Furious at Unfairness**

‘Koitiata residents are furious at the unfairness of the Rangitikei District Council’s (RDC) proposal to increase their rates by 40-50% to cover the cost of services to which they have no access,’ Chair of the local Residents’ Committee, Keith Gray said today.

The Residents’ Committee has resolved to take this issue to the highest level and has called a meeting of all residents in the village hall, Wainui Street, Koitiata, Sunday June 3rd at 2.00pm to discuss further action.

‘Feeling about this issue has reached fever pitch,’ said Mr Gray. ‘The residents are united in their resolve to have this provision repealed and they won’t resile from that position,’ he said.

The Council’s ten year plan proposes to have a common charge for water and sewerage services across the whole Rangitikei region rather than retaining the fairer differentiated charging structure that operates presently.

‘Every rate-payer in Koitiata village will have their rates substantially increased to cover the costs of providing water and sewerage services to people living in other areas of the Rangitikei,’ said Mr Gray. ‘It is grossly unfair and will create hardship for many of our residents who are retired and on fixed incomes. They are in no position to absorb such an outrageous increase,’ he said.

‘Our residents have already paid the cost of installing and operating their own water supplies and their own septic tanks,’ said Mr Gray. ‘The few houses that share a small sewerage system pay a full cost recovery fee to access that service and that’s their choice,’ he said. ‘The Council cannot expect us to be paying twice for services we’ve already paid for ourselves,’ he said.

**ENDS**

For more information Contact:

Koitiata Residents’ Committee Spokesperson: Keith Gray: Ph: 06 327 3985  
Mobile: 027 776 1796

## [ ] Ratepayer's Meeting—3rd June 2012

### Ratepayers Meeting

A ratepayers and residents meeting was held on Sunday 3rd June. Being the Queen's Birthday holiday weekend, the hoped-for good attendance eventuated.

There's nothing like Rangitikei District Council screwing Koitiata residents around with the rates to get this community together, and there weren't too many property owners missing on the day.

At this point RDC had submitted their plan to the auditors ... with no changes! The community was not happy to learn that their submission, with 98 signatures attached, had been ignored. During the meeting the community's frustration with RDC was evident, and there were the usual suggestions from the floor, as to what the community should do, with/to the Mayor/Councillors/RDC, most suggestions being illegal.

But rationality prevailed, and the meeting agreed to take the following actions, in addition to any other (legal) actions required;

- Establish a Fighting Fund account with community contributions.
- Fund the design and production of signs for the village.

Contact our Rangitikei MP regarding the unfair rates regime being implemented by RDC on our community.

- Koitiata residents will attend the RDC meeting on 28th June, (adoption of LTPlan to be voted on at this meeting.)
- Motion was put and passed: "Committee to look into possibility and implications of a Rate Strike by Koitiata ratepayers."
- Motion of "No confidence in RDC's CEO, Mayor and Councillors" was moved and passed.
- Letter covering expressions of ratepayer frustration and the motions passed to be sent to RDC Mayor, Councillors & CEO.

The meeting expressed unanimous support for the action taken to date, and for what would be taken in future, should RDC not reconsider the unfair rating imposition on Koitiata's ratepayers.

One of our intentions with timing our media release during the week before, had been to get 'media attention' for the meeting. This worked; Keith had an RNZ interview prior to the meeting and another later in the day after the meeting, and our cause was covered in RNZ news 3rd and 4th June.

NEW ZEALAND / REGIONAL

# Residents of Rangitikei town angered at rates rise

5:22 pm on 3 June 2012

Share this



Residents of a small town in Rangitikei met on Sunday afternoon to plan a fight back against a proposed rates increase of up to 40%.

About 70 locals met in Koitiata to discuss the rise, which is flagged in the Rangitikei District Council's 10-year plan and proposes charging a common rate across the region for water and sewerage services.

Koitiata Residents' Committee chairperson Keith Gray says residents don't use those services because most have their own septic tanks and water supplies.

Mr Gray says with fuel and other costs going up, many locals, who are on fixed incomes will struggle to cope.

He says a protest will most likely happen outside the district council's chambers at its next meeting later this month.

## [ ] No Confidence Letter to RDC - 7th June 2012

Following the Koitiata Ratepayers meeting on 3rd June, the following letter was sent to the Mayor, Councillors, and CEO of RDC.

At this point it had been concluded that the plan was not going to be changed or modified in any way by the Mayor or RDC's management. It would only be changed by pressure from RDC's Councillors, and they would only modify their prior support, if they were obligated to accept their individual and collective responsibility, for the plan's negative impact on Koitiata and other Rangitikei ratepayers.

There was some information appearing, which suggested that some councillors were hearing the ratepayer's concerns and were wavering in their support for the plan.

Because we were not confident that all the councillors would have been given a copy of this letter immediately, it was decided that from this point on all communications with RDC would be emailed to each councillor directly.

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*The Mayor, Councillors, CEO  
Rangitikei District Council  
46 High Street, Marton 4741  
Dear Sirs & Madams,*

*As you will be aware, a meeting of Koitiata ratepayers and residents was held on Sunday 3rd June regarding the Rangitikei District Council's proposed rates increases. The overwhelming sentiment expressed by the attendees was that the ratepayers of Koitiata are not being treated fairly by RDC. Many ratepayers expressed their frustration with the LTP submission process and the lack of consultation by RDC on their planned rate system changes.*

*It was also strongly expressed that the proposed rate increases of 40 to 50% on top of the collective 50% increase over the past 3 years, was an unacceptable imposition on our community.*

*Two resolutions were subsequently proposed and carried by a nearly unanimous majority;*

- a) a vote of no confidence in Rangitikei District Council's CEO, Mayor and Councillors was passed (71 in favour – 1 against).*
- b) the Committee will examine the possibility and legal implications of a Rate Strike by Koitiata ratepayers (70 in favour – 2 against).*

*The meeting expressed unanimous support, for the efforts made to date, and for actions to be taken in the future by their Residents' Committee should RDC not reconsider the planned increases and/or provide relief to Koitiata ratepayers.*

*Keith Gray  
Chairman  
Koitiata Residents Committee*



# Koitiata to fight rates hike

Manawatu Standard

Jun 08, 2012



FAIRFAX NZ

ABOVE: LEFT TO RIGHT: PETER FRASER, KEITH GRAY, EDDY MASON

**BIG RISES NOT ON:** Koitiata community members are upset about their rates hikes.

Residents of remote Koitiata believe their village is a slice of paradise, but their views on proposed rates hikes are anything but mild.

The coastal settlement halfway between Bulls and Whanganui is raring to fight rates increases of up to 38 per cent on last year, which the predominantly pensioner population says it cannot afford.

"We will not rest," resident Peter Fraser said. "Their ideas are grandiose ... They're just not listening to us, that's the problem."

The Frasers, like most other Koitiata residents, are on a pension. Their drinking water comes from rainwater catchments, they tend their gardens with bore water and their waste goes back into the soil.

None of the 115 properties in Koitiata are hooked up to the main water supply. One hundred residents are unhappy enough with the Rangitikei District Council's plan to call an emergency community meeting for this weekend.

"Feeling about this issue has reached fever pitch," said Koitiata Residents Committee leader Keith Gray. "The residents are united in their resolve to have this provision repealed and they won't resile from that position."

The average ratepayer in Koitiata paid \$850 last year and would pay \$1150 in 2012. Their general rates covered district amenities such as libraries and swimming pools. But it is the switch to uniform targeted rates that has called the village to arms. The council's draft long-term plan proposes that 25 per cent of costs covering the district's connections to reticulated water and wastewater facilities be met by all ratepayers, including those in non-connected communities. This would attract a base charge of \$237.19 for Koitiata residents on top of their general rates.

"Our residents have already paid the cost of installing and operating their own water supplies and their own septic tanks," Mr Gray said.

Council chief executive Clare Hadley said the council had changed the way it funded water, wastewater, and stormwater projects. Unconnected properties should share those costs, she said, partly because some rural residents had been seen collecting water their rates hadn't paid for.

Not in Koitiata, Mr Gray said. If a resident ran out of water, they would pay up to \$500 for a tankerful.

Rates hikes would cover \$135 million worth of capital expenditure on infrastructure. Mr Gray said towns like Koitiata with ageing, diminishing populations couldn't afford to shoulder council debt for projects they did not want.

"It's going to kill a little community like this, I think. I don't think the council realises that."

## **[6] “Mayor Chalky’s Response” - 12th June 2012**

### **Reply from mayor re ‘no confidence letter’**

This letter speaks for itself. The first paragraph sets the tone; he **did know** about the meeting, and when he suggested that he ‘should come out’, was told, *“You are not invited, it is for Koitiata ratepayers only”*. The rest of the letter is a load of patronising rubbish!

Our response to this letter expressed the built-up frustration within the Koitiata community at the apparent lack of consideration by RDC for our concerns; (refer to following post; Community’s Response to RDC – 20th June 2012).



12 June 2012

Koitiata Residents Committee  
c/o 25 Omanu Street  
KOITIATA

Dear Keith

Thank you for your letter. I did know that there was to be a meeting at Koitiata and was prepared to attend had I been asked. However I do respect your right to sort things out as a community first.

I am sorry that the residents feel that they were not consulted adequately over the draft Long Term Plan. I did see to it that the issues were widely reported in all the local newspapers. Koitiata was not singled out in these articles nor singled out by the Council as a target if you like, but I did point out that the impacts would affect those ratepayers with lower property values. Crs Peke-Mason and Watson also attended a special meeting, organised by Cr Peke-Mason to look at these issues.

The reason that Koitiata's rates increases appear to be higher than others is because of the comparatively low starting point. This means that percentage increases look bad but in real money they are on a par with everyone else, ie a 40% increase on \$1000.00 equals \$400 while a 10% increase on \$4000 also equals \$400. Rangitikei, like almost all other local authorities, is compelled by both legislation and sheer necessity to upgrade our essential water services and our roading network. We are talking about millions of dollars and while we are working very hard, and succeeding in keeping the running costs well below the rate of inflation, we do have to fund these major infrastructure projects. Rates are struck on a combination of property value and services provided. The higher value properties are hit hardest with the general rates, while our towns get caught with the targeted rates. There is a whole raft of things that do not fit either category and we have made a conscious effort to spread the things that do not provide particular benefit to any group of ratepayers over all of our ratepayers. This is on your rates bill as a Uniform Annual General Charge or UAGC. From the water perspective, there are similar issues. A lot of the water costs also benefit the District as a whole and while the lion's share of these costs is charged back to the connected users, we have charged a portion across the District.

These two items are the drivers for Koitiata's increases but every property in Rangitikei is also getting these charges.

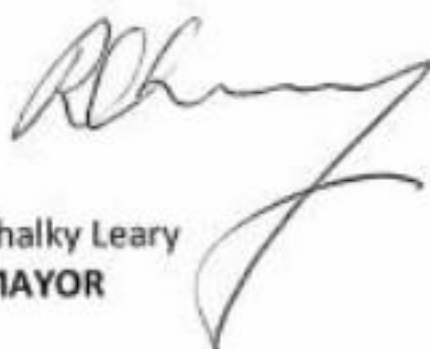
The good news if you like is that now these changes have been made, it is very unlikely that there will be any more in at least the foreseeable future, so from now on the rates will not jump around as they have sometimes been doing.

I am sorry that your community feel that they have no confidence in me or the Council. We are working very hard to make things as fair as possible across the board. As far as a rates strike is concerned, under the laws as they stand, it just cannot be done. Participants would be treated like anyone who does not pay their bills and would be facing debt collectors and all that that entails.

One thing I have been stressing all the way along is the Government Rates Rebate Scheme. Central Government recognises that people on fixed incomes can struggle to pay their rates and they also concede that a lot of the increases are due to legislation on their part. As a result they will contribute quite significantly in some cases to individuals. The Council administers this scheme on Government's behalf and are very pleased to be able to assist. All you need to do is to contact our office and someone will go through it all and if you qualify then substantial savings can be made.

Thank you again for your letter, I do hope that this explanation will help the residents understand the Council's stance. If you have any more meetings I would be more than happy to attend as long as the time and day fit with my other duties.

Yours faithfully



Chalky Leary  
**MAYOR**

## **[A] Community's Response to RDC - 20th June 2012**

### **The Letter to RDC**

The response to the mayor's letter of 12th June above, follows below. This letter was sent via email to the Mayor, with a copy also sent directly to each of the Councillors and the CEO.

Also included with the letter, a copy of our community's submission to RDC's plan, and a copy of the Mayor's 12th June letter. These copies were sent to ensure that the Councillors were fully aware of where Koitiata residents were coming from, and the reasons for this 'straight-from-the-shoulder' response to the Mayor's patronising attitude.

Our letter expressed the built-up frustration within the Koitiata community at the apparent lack of consideration by RDC for our concerns. There were bona fide anxieties for our community's welfare. There was genuine concern that our community's small sea-side village character and culture, was going to be 'big-town-rated' out of existence. And all we had from RDC was the Mayors platitudes!

There had been subsequent reports that described our letter as being "strongly worded" and it was also reported that a councillor said it was "offensive".

If these reports were correct, at least we now had their attention! But considering all the spin that was coming out of RDC, these media reports had to be taken with a pinch of salt.

The content of the letter was deliberately intended to evoke the RDC councillors into at least considering that maybe the Koitiata community was fed up with being taken for granted. And then maybe they would ask themselves why. Maybe we could get them to understand what we were on about when expressing concerns about how they would undermine the 'culture and character' of our village by subjecting our residents to 'big town rates'. Maybe.

If any of the councillors wanted to see what 'being offended' really was, they should have seen their plan from our side of the equation. That view would show them that their upset is a mild form, relative to what was being inflicted on the Koitiata ratepayers!

To: Rangitikei District Council

*Thanks for your reply to our letter. Unfortunately, the content underlines the reason why Koitiata ratepayers have no confidence in RDC, collectively the mayor, councillors & management.*

*The response has again trolled the bottom for more feeble justifications for the rating changes being foisted upon Rangitikei ratepayers. We had expected that by now, some informed and enlightening responses would be forthcoming from RDC. Why must it always be more spin? And always ever so second rate, the 'mushroom principle' underlying RDC's communication strategy as usual.*

*Koitiata residents are insulted by the patronising response to their concerns regarding the affordability of the planned \$400 to \$500 and beyond rates increases. To state that "...rates will not jump around as they have sometimes been doing" is being dishonest. Koitiata ratepayers would have loved to experience the sideways and downwards bits of the "jumping around rates"! We only ever receive the upwards bits out here! And to get no additional services for our money adds insult to injury!*

*The consultative process, (and we use that term loosely within this context), has been a joke. The rating change process has been going on for well over a year; didn't RDC think that ratepayers should have had an input? Didn't ratepayers have a right to more than the spin that was gloriously printed in 'full-we-know-how-to-waste-ratepayer's-money-colour'? And ratepayers even had to go and pick up a copy, that's if they wanted to be consultative! Let's not get too democratic in the Rangitikei!*

*We actually don't care whether the expenditure is on "new major infrastructure projects" or "upgrading existing infrastructure", (infrastructure is a nice 'fudge' word isn't it). And we are not interested in whether \$400 is 10% of \$4000 or 40% of \$1000 or whatever! We don't give a &##\* about this or all the other lame and obscure justifications being spun out of RDC! Our rates have increased 50% over the last 3 years and you are now threatening to increase them by another \$400 to \$500! Where the hell do you think we are going to get the money from? Which planet are you currently all residing on?*



*RDC have not even attempted to address the community effecting issues we raised in our submission to the LTP. Why not? Is this because, like numerous other well-intentioned submissions, it was summarised into obscurity by some back-room bureaucrat. Or is it simply that RDC only pays lip service to the real basic living concerns of it's communities? Has the spreadsheet mentality taken over even elected councillors now? Maybe it's just because RDC doesn't give a &%#\* about anything but empire! If RDC does not put ratepayers concerns above all else, then it will be adjudged a failed entity.*

*And if the basis for, and justifications of the rating changes are so weak that RDC has only the insincere 'jam-jars theory' to use as vindication, then RDC will also become a degraded entity, degraded by it's own inflated view of itself! And RDC will soon after be projected out of the space it tenuously hangs onto, and the Koitiata ratepayers will be paying their rates to another council.*

*And then maybe there will be a 'farewell RDC party' on the beach, and we will likely dance on the grave of another failed & degraded local authority empire, gone by its own hand.*

*Keith Gray and the Koitiata Ratepayers*

## The Signs

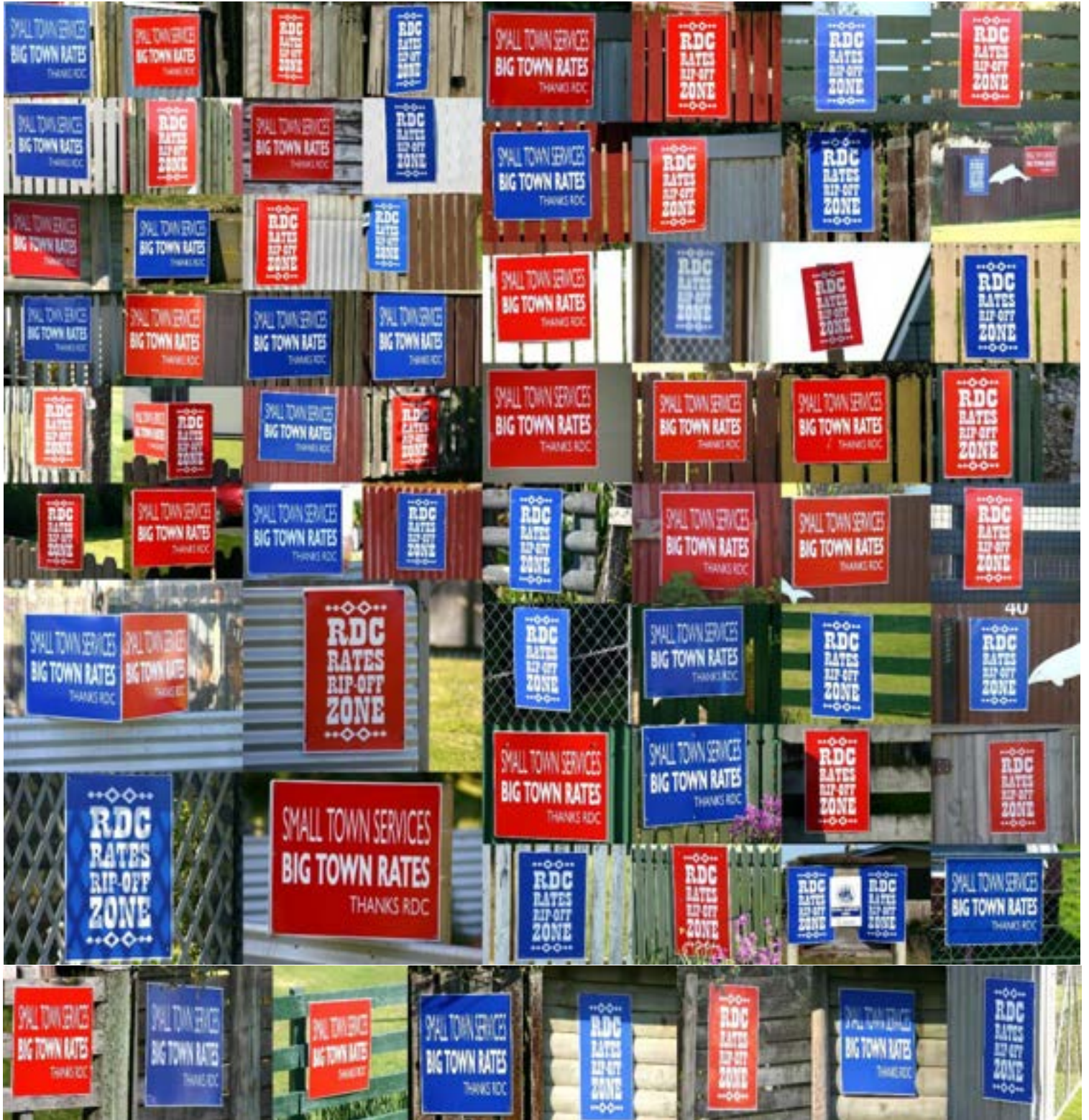
The ratepayers meeting in June 2012 had decided to establish a 'Fighting Fund' and produce 'protest-signs' to be put up throughout the village.

A suitable design was decided on and the production of the signs went ahead.

Throughout July and August, the village was suitably decorated.

There were not too many gaps in the village, and it turned out to be somewhat of a tourist attraction, and it was an embarrassment for Rangitikei District Council.

Most signs remained until removed after the mayor was defeated in the Oct 2013 elections.





# Koitiata fights rates hike

Manawatu Standard

August 30, 2012



WARWICK SMITH/FAIRFAX NZ. ABOVE: FROM LEFT TO RIGHT, TINA, PAT, JOY, ROBYN, JENNY. PLUS, ONE BLOKE.

**SIGNS OF RESISTANCE:** Koitiata residents are upset at rates increases of \$300 to \$400 a year when they receive no services.

Ten signs have joined some 60 red and blue placards already decorating Koitiata's beach front, signalling the small coastal community's anger about rates increases.

The community, largely pensioners on fixed incomes, has turned to making signs, Facebook activism and blogging to record its firm opposition to rates increases adopted under the Rangitikei District Council's long-term plan this year.

Koitiata resident Eddy Mason said most residents were retired and could not afford another \$300 to \$400 a year for rates.

"Where do they think people will get the money from?"

"The council can't just expect us to lie down, roll over and pay the bill," he said. "They seem to forget that they are our representatives. There has been very little constructive communication from the council to the ratepayers."

The coastal village is largely self-sufficient. None of the 115 properties are hooked up to a central water supply, and most have septic tanks.

"We've got no footpaths, no nothing. And that's the way we like it. We don't want big city stuff and we don't want to pay for it," Mr Mason said.

Of the Koitiata residents, 36 had made submissions during a period of public consultation on the council's long-term plan.

They staged several meetings outlining their concerns about district-wide rating, increased council expenditure and loans for shared water and sewerage schemes, and about 20 disgruntled residents packed out the council chambers the day the new rates were adopted to signal their displeasure.

A letter to the council stated that Koitiata residents had "no confidence" in Rangitikei District councillors, calling their correspondence "patronising".

In a letter addressed to Koitiata residents in June, Rangitikei Mayor Chalky Leary explained that rates were going up around the country and the seaside community was not being singled out.

He said Rangitikei was compelled to upgrade its roading and water networks, and general rates district-wide had to be increased to foot that bill.

Initially, they were faced with rates increases across the board of almost 40 per cent apiece, which had now been softened to just over 30 per cent.

Overall, Rangitikei rates would rise by about 6.5 per cent.

But Mr Mason said rates had increased by 100 per cent in the town in the past five years and the signs the community had begun affixing to their fences about three weeks ago were a message that they had had enough.

Most residents were now facing increases of up to \$400 on top of last year's bills, putting their rates close to the amount paid by urban dwellers in Palmerston North City who had access to a variety of council services.

Mr Mason said his property was now rated at almost \$2000 a year, which he said was unacceptable as he received no water or rubbish collection services.

# Rates rise reviewed after outcry

13:32, Sep 25 2012



WAIRAKEI (SMITH/STAFF) AX 162

**SIGNS OF DISCONTENT:** Kaitiaki residents show their opposition to rates increases of up to 40 per cent.

Reviled rates increases in Rangitikei's smallest communities look set to be scaled back, but the protest placards are not coming down just yet.

Rangitikei District Council has signalled plans for a rates review in reaction to a public outcry against district-wide increases. The ratepayer bill for infrastructure and maintenance of public assets could be redistributed to relieve those residents in remote areas who rarely use them.

Kaitiaki resident Eddy Mason had spearheaded a rates revolt in his remote coastal community by erecting signs mocking Rangitikei District Council throughout the town.

He was not convinced by the council's latest move.

"I'll believe it when I see it," Mr Mason said. "We are pretty sceptical about things that come out of the Rangitikei council so I guess the proof is in the pudding, as they say."

The council had this year shifted to a district-wide rating system, which caused an average increase of about 6 per cent, and caused rates in Bulls and Kaitiaki to climb sharply, with bills up 40 per cent on last year in some areas.



The council has announced it will be evaluating options to ease the burden on small communities. These include reducing the amount ratepayers contribute to the district's public assets, adding a supply charge for urban water users, and funding facilities like public toilets and cemeteries from general rates.

"Public debate" was the reason given for the review in council documents, with rates relief focused on smaller settlements. But spending would remain the same, which could mean increases for some urban ratepayers to make up the shortfall.

Rangitikei Mayor Chalky Leary said the review had been sparked by the amount of public feeling on the issue. "Of course we have been taking notice of the people out there.

"We will see if we can give relief to those ratepayers who have been hit the most."

But Mr Mason said the council's overtures did not solve the problem long-term.

"We know they took notice, that has been our intention, of course. But I think they still don't quite get it. They haven't reduced their expenditure," Mr Mason said.

Mr Leary said the council was moving to "standardise" its rating system.

"There is nothing fair about rating. We make it as fair as we can. We can't have a perfect system but we are striving for it," Mr Leary said.

**ManawatuStandard** | Hui Rewa Manawatu

## More even from now on, mayor tells rates rebels

Koitiata ratepayers needn't expect much from a rates review by the Rangitikei District Council, Mayor Chalky Leary says.

The council this week reviewed its rating policy, which this year included some "spectacular" jumps in rates for residents of Bulls and the seaside settlement of Koitiata, west of Turakina. Most Koitiata residents do not have water or sewerage services provided by the council.

It was a "particularly brave" change, Mr Leary said, and Koitiata rates increased 42 to 46 per cent - in most cases from around \$600 to around \$1000.

Residents, led by Eddy Mason, reacted by mounting a "rates revolt" and putting up signs on their fences.

Mr Leary said he sympathised with people on low incomes and owned low-value properties but were still facing large rates increases. But the district was facing major expenses to upgrade its wastewater and drinking-water systems and the review would only help them a little.

This year's rates were set and could not be changed, and next year's would not be much different.

However, Mr Leary said there should be no more "spectacular" changes. People with properties of the same value, and receiving the same services, should be paying the same rates.

"I have assured them that from now on it should be more even."

He said Koitiata residents had not been treated unfairly.

"I would argue that they haven't been paying a fair share up until now."

Mr Mason said he wasn't surprised by Mr Leary's response. The fight would continue, and the settlement's signs would not be coming down.

The revolt might be spreading, too, with Marton and Bulls residents also requesting signs.

"I think the council get a bit carried away with who they think Rangitikei is.

"It's not a supercity. It's a whole lot of small towns with differing levels of service and support from council," Mr Mason said.





*Press Release; 01/04/2013*

## Rangitikei Mayor Gives Award and Apology to Koitiata Residents

Mayor Chalky Leary today announced that Koitiata has won the inaugural ***‘RDC Democracy First Award’***.

When announcing the award, Mayor Chalky said, “The council and I are unanimous that Koitiata deserves this award, because of the outstanding and inspiring dedication to active democracy and transparency shown by the residents”.

“Koitiata residents have shown what can be achieved by putting democracy first. They will be very pleased that this year’s rate increase, of 1.5%, holds their rates increase since 2008 down to +109%.”

“I will also take this opportunity to apologise to Koitiata, for any claims made that they didn’t understand, the complexities of ‘The Rating System’, or the fairness of ‘Public Good’, or the financial wizardry of ‘Jam Jars’. They have amply demonstrated that they know spin when they see it.”

Chalky added, “We have all been quite humbled by Koitiata’s grassroots, no spin approach to democracy. It has been their example that has stopped myself and other councillors from behaving like pompous twits”.

“I’m looking forward to being invited out to Koitiata soon to present the award. I like all the nice colourful signs in the town. They show that the people care about their village”.

*Posted on Koitiata FB & emailed to RDC*

## Farewell Chalky

Chalky Leary may have been the mayor but there was very little respect for the office or the incumbent of that office within the Koitiata community.

When the Local Body Elections were held in 2013, the writing was on the wall through-out Rangitikei. Koitiata wasn't the only community that had issues with the RDC and their mayor. The voters spoke and he was history.

When his comments in the media surfaced, they couldn't be let pass without the last word from Koitiata.

*Manawatu Standard Oct 12, 2013; Extract*

### **Outgoing Rangitikei mayor says changes surprising**

The Rangitikei District Council table has received a clean out with six new councillors joining the new mayor.

The defeated Chalky Leary who held the chains for two terms said he was disappointed not to be re-elected.

He was surprised by the volume of change around the council table. "It's a big change to the council which I find hard to believe because I thought we did a good job for the last three years," he said.

"I'm sort of riding off into the sunset thinking I've got no regrets."

*Koitiata FB and email Oct 16, 2013: The Last Word*

### **SO LONG CHALKY**

**Our Chalky strides through twilight air  
A hero? No, a gelded mayor.**

**He'd won our votes upon a charter  
Of rescuing Koitiata:**

**'Vote for me and I'll push through  
New drains, new mains, new pipes for poo!'**

**But all we got's a bloody bill  
For swimming pools in Hunterville.**

**So ride off into that sunset, licked,  
Aware your arse is truly kicked.**