



# Annual Report 2023/2024





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# PART A: Introduction





# Message from Her Worship the Mayor and the Chief Executive

## Welcome to the Grey District Council's 2023/2024 Annual Report.

This report covers council's income and expenditure for the financial year ended 30 June 2024. The performance reporting under each group of activity statements indicate where money has been spent.

For the 2023/2024 financial year, the Grey District was continuing to experience the consequences of rising inflation. While CPI fell back to within the acceptable range for the Reserve Bank, prices have not reduced which has been felt by the Grey District Community.

As a result, council's actual expenses exceed budget contributing to the deficit outlined below.

The foreseeable future will continue to require council to maintain a prudent approach to spending.

## Financial performance for the year

The Council recorded a total operating deficit of \$(6.370) million. The key components are summarised below:

### Revenue

Total revenue for the year was \$39.83 million compared to a budget of \$33.36 million, resulting in a favourable \$6.47 million variance. The majority of this is the increase in subsidies and grants received which relate to Roading projects. Council's Investment Property portfolio also had a revaluation gain of \$1.825 million.

### Expenditure

Total expenditure was \$46.2 million compared to budget of \$36.8million, resulting in a \$9.4 million unfavourable variance. \$6.6 million of the unfavourable variance is made up of other expenses which is due to increased costs associated with consultants and contractors as well as increased costs dealing with the results of past weather events. \$2.3 million relates to increased depreciation expenses due to impact of a revaluation of infrastructure assets in the past year.

### Other comprehensive revenue

Total other comprehensive revenue relates to the revaluation of Councils Land and Buildings assets. The value of these assets increased by \$13,212 million during the year. The revaluation increase reflects the increased value of land and buildings in the Grey District.

## Financial position at the end of the year

### Fixed Assets

Council's fixed assets are now \$569 million an increase of \$10 million from the prior financial year. This is driven primarily by the revaluation of Council's land and building assets as mentioned above and the ongoing capital works programme undertaken over the last year.

### Debt

Council's debt has increased \$2 million from the 2023 year to a closing debt holding of \$32.6 million as at 30 June 2024. The majority of this debt relates to the council's capital building programme but council does borrow cover the ongoing operational deficit from its Port activities.

## The Future

Council resolved to adopt an amended Annual Report for the 2025 year. This provides council the opportunity to adopt a nine year LTP that takes into account the latest changes in legislation from central government including:

- Local Water Done Well legislation
- Resource Management Act Reform
- Local Government reform.

With the continued changes in our operating and the legislative environment, the council will continue to seek and represent the views of its community.

*Tania Gibson*

Mayor

*Joanne Soderlund*

Chief Executive

# Councillors and their portfolios as at 30 June 2024

## Tania Gibson



### Mayor

#### Committees:

Operations and Capital Programme Delivery  
 Finance, Regulatory and Business Support  
 Commercial and Economic Development  
 Chief Executive Employment  
 Risk and Assurance Subcommittee  
 Grey District Resilience Subcommittee  
 Civic Awards, Creative Communities  
 Sport New Zealand Rural Travel Fund  
 Tenders Subcommittee  
 Members Code of Conduct  
 Joint Floodwall, Te Tai o Poutini One Plan  
 Committee (TTPP)

## Allan Gibson



### Councillor Eastern Ward/Deputy Mayor

#### Committees:

Operations and Capital Programme Delivery  
 Committee  
 Finance, Regulatory and Business Support  
 Committee  
 Commercial and Economic Development  
 Committee  
 Tenders Subcommittee  
 Members Code of Conduct Committee  
 Joint Floodwall  
 Te Tai o Poutini One Plan Committee (TTPP)

## Robert Mallinson



### Councillor Eastern Ward

#### Committees:

Operations and Capital Programme Delivery  
 Finance, Regulatory and Business Support  
 Risk and Assurance  
 Tenders Subcommittee

## Kate Kennedy



### Councillor Northern Ward

#### Committees:

Operations and Capital Programme Delivery  
 Finance, Regulatory and Business Support  
 Animal Control  
 Sport New Zealand Rural Travel  
 Creative Communities Committee

## John Canning



### Councillor Southern Ward

#### Committees:

Operations and Capital Programme Delivery  
 Finance, Regulatory and Business Support  
 Commercial and Economic Development  
 Grey District Resilience  
 Animal Control  
 District Licensing

## Jack O'Connor



### Councillor Central Ward

#### Committees:

Operations and Capital Programme Delivery  
 Committee.  
 Finance, Regulatory and Business Support  
 Committee  
 Risk and Assurance Subcommittee  
 Animal Control Committee  
 Creative Communities Committee  
 Sport New Zealand Rural Travel Fund

## Peter Davy



### Councillor Central Ward

#### Committees:

Operations and Capital Programme Delivery  
 Committee  
 Finance, Regulatory and Business Support  
 Committee, Commercial & Economic  
 Development Committee  
 Tenders Subcommittee

## Rex MacDonald



### Councillor Southern Ward

#### Committees:

Operations and Capital Programme Delivery  
 Finance, Regulatory and Business Support  
 Commercial and Economic Development  
 Risk and Assurance Subcommittee  
 Chief Executive Employment  
 Tenders Subcommittee

## Tim Mora



### Councillor Central Ward

#### Committees:

Operations and Capital Programme Delivery  
 Committee  
 Finance, Regulatory and Business Support  
 Committee  
 Commercial and Economic Development  
 Committee  
 Risk and Assurance Subcommittee  
 Grey District Resilience Subcommittee  
 Civic Awards Committee  
 Creative Communities Committee  
 Sport New Zealand Rural Travel Fund  
 Joint Floodwall

## Francois Tumahai



### Kaiwhakahaere (Iwi Representative)

#### Committees:

Operations and Capital Programme Delivery  
 Finance, Regulatory and Business Support



## Council is committed to:

- Being accountable to its community.
- Consulting its community in the spirit of collective decision-making.
- Participating strongly in the activities of organised local government.
- Displaying equity and transparency in its dealings with its community.
- Sustainability as a basis for development activities in the District.
- Being a good employer.
- Building on our heritage.
- Representing its community strongly and positively.
- Working with other bodies and institutions pursuing the same goal.
- Striving towards optimum efficiency and a customer focus.
- Incorporating the cultural, economic, environmental and social well-being of the community within decision-making.
- Creating opportunities for all.
- A healthy community.

## Executive Leadership Team

- Chief Executive Officer
  - Joanne Soderlund (effective 1 October 2024)
  - Paul Pretorius (Acting 7 March to 1 October 2024)
  - Paul Morris (finished 7 March 2024)
- Group Manager Operations
  - Aaron Haymes
- Group Manager Corporate Services
  - Kathryn Ruddle (effective 24 March 2025)
- Group Manager Community
  - Penny Kirk (effective 10 February 2025)
- Group Manager Economic Development and Regulatory Services
  - Peter O’Sullivan (effective 10 February 2025)

# Key Council contact information

## Council contacts



Grey District Council  
105 Tainui Street  
Greymouth 7805



PO Box 382  
GREYMOUTH 7840



Tel 03 769 8600



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Web [www.greydc.govt.nz](http://www.greydc.govt.nz)



Facebook [facebook.com/greydc](https://facebook.com/greydc)

Instagram [@greymouth\\_nz](https://instagram.com/greymouth_nz)

## Banker



Westpac

## Auditor



Ernst & Young New Zealand, Christchurch on behalf of the  
Office of the Auditor General, Wellington

## Solicitor



Hannan & Seddon, Greymouth (division of Corcoran French)

## Corporate Services



[info@greydc.govt.nz](mailto:info@greydc.govt.nz)

## Environmental Services



[environmental.services@greydc.govt.nz](mailto:environmental.services@greydc.govt.nz)

## Infrastructure Services



[infrastructure@greydc.govt.nz](mailto:infrastructure@greydc.govt.nz)

## Grey District Library



18 Albert Street, Greymouth Tel: + 03 768 5597  
[library@greydc.govt.nz](mailto:library@greydc.govt.nz)

## Westland Recreation Centre



83 High Street, Greymouth Tel: +64 03 768 9076  
[WRC@greydc.govt.nz](mailto:WRC@greydc.govt.nz)

## Port of Greymouth



C/- 105 Tainui Street, Greymouth





# PART B:

# Groups of Activity

# Statements





## Introduction

Council provides a wide range of services for and on behalf of the residents of the Grey district. For planning and reporting purposes, these services are grouped together as groups of activities. Our plans for each of the of the groups of activities are set out in our Long-Term Plan 2021-2031 (LTP).

The purpose of this section of the Annual Report is to report on the degree to which Council achieved what it set out to do for each of the groups of activities in both financial and non-financial terms, and its actual performance for the year.

This section of the Annual Report provides the following information for each group of activities:

- The services included in each group.
- An explanation of why Council provides these services.
- A summary of how the services help achieve Council's community outcomes.
- An overview of performance for the year.
- Performance measures that show the level of service Council has provided compared with the targets set out in the LTP.
- A funding impact statement that shows the cost of providing the of group of activities and how they have been paid for.

Council has made a number of judgements in preparing its service performance information. The judgements exercised do not have a significant effect on the selection, measurement, aggregation and presentation of the Council's service performance information.

## Summary of activity performance

Based on our annual Resident Survey, 56% of residents surveyed are satisfied with Council's performance. 37% indicated they were dissatisfied, and 7% did not express an opinion. The most common reasons for being satisfied with the council is the mayor doing a good job, the stance council has taken over three waters as well as providing good communication.

Council achieved 31 of its 75 (41%) activity-based performance targets for the financial year. This is not ideal and council is working hard in 2024/2025 to improve on these. Response time's regarding issues with services council provided were mostly met however some measures relating to facilities and infrastructure maintenance did not which in a large part is due to severe staff resource constraints. The capacity of council to be able to attend to some aging infrastructure such as ageing pipes is limited at present.

Some of the highlights arising from Council's work programmes over the year were as follows:

- A start on the new library that will create a destination in town for our community.
- The investment in a new toilet block at Anzac Park which will open to the public in 2025.
- The start of the Kotare Domain Improvement project which will benefit the community.
- Continued construction on the Cobden, Arnott Heights, Tasman View and Puketahi Street Water Reservoirs.

Continuing to improve many of our retirement units through a programme of work that has included new roofs, improved weathertightness and insulation, better security and new driveways.

Continued work on our port facilities with the start of the new winch house.

## Resident Satisfaction Survey

Results from the 2023/2024 resident satisfaction survey have been used for a number of the activity performance measures.

Council used an independent research company to carry out the survey on Council's behalf. The survey consisted of a representative sample of 359 Grey District residents aged 18+ using on-line and telephone interviews. The on-line sample was self-selecting, and the overall sample profile was balanced as far as possible within budget constraints by using the telephone interviews. The survey took place between late November 2023 and early February 2024.

The statistical margin of error at a 95% confidence level for the sample of 359 is plus/minus 5.2%.





# Land Transport



# Land Transport

## Activities included in this group

Land Transport includes the following key functions:

- Council roads including associated facilities such as streetlights, cycle lanes and road signs (State Highways excluded as they are the responsibility of the Waka Kotahi New Zealand Transport Agency (NZTA))
- Footpaths
- Bridges and large culverts
- Bus shelters
- Promotion of road safety

The car parking function is dealt with under the 'Commercial & Property' section.

The management and maintenance of the Greymouth to Taramakau Bridge section of the West Coast Wilderness Trail is included in this activity.

## Why we are involved in this activity/these activities

Council provides sealed roads (including bridges where necessary), footpaths, bus shelters and streetlights so that motor vehicles, bicycles and pedestrians can travel efficiently and safely.

Modern society cannot function without access. Access is important as it enables the convenient movement of people and goods to places of work, trade, health services, education and recreation.

Promotion of road safety is also important to avoid damage to property, injury and deaths while people are using land transport infrastructure.

## Contribution to Community Outcomes

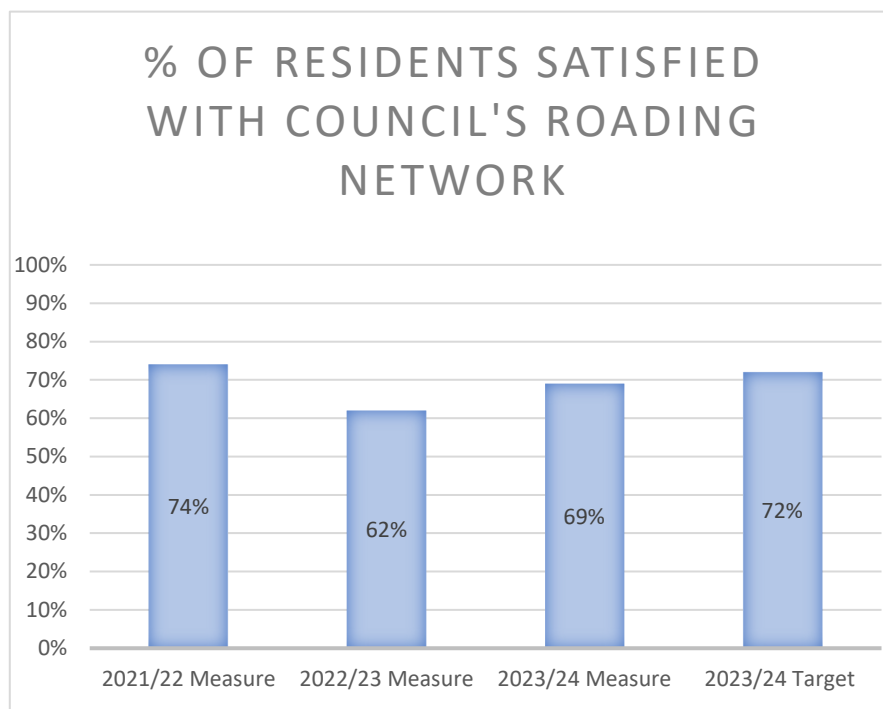
OUTCOME	CONTRIBUTION
<b>Economic Wellbeing</b>	
<b>Strong Sustainable Prosperous</b>	<ul style="list-style-type: none"> <li>▪ Well maintained roading and bridge network to provide access within the district.</li> <li>▪ Well maintained footpaths to provide access.</li> </ul>
<b>Social Wellbeing</b>	
<b>Safe</b>	<ul style="list-style-type: none"> <li>▪ The well-maintained roading network, cycle lanes, footpaths, cycleways ensure safe travel for motorists, pedestrians and cyclists.</li> <li>▪ Streetlights and lighting for community safety.</li> <li>▪ The provision of bus shelters for safety of school children.</li> <li>▪ Road safety promotion activities enhance the safety of the community.</li> </ul>
<b>Connected</b>	<ul style="list-style-type: none"> <li>▪ Well maintained roading network, footpaths, cycle lanes and cycle paths for connection to activities, businesses, communities and industry.</li> </ul>

## Our performance in 2023/2024

# Land Transport

### Overview

The proportion of residents satisfied with the Council’s roading network increased in 2023/24 to 69%. This was below the target of 72% but is an increase on the 2022/23 figure of 62%. Overall, the Council achieved five of its 11 performance targets for land transport. In 2023/2024, there were no deaths but 8 serious injury crashes on council-managed local roads. 91% or more of the council roads meet the smooth roads standard. Most of the bridge-related performance measures are marginal, and the plan is to include the bridge not meeting the standards on FWP and repair/upgrade it to meet the required standard. We continue to work on getting bridges to specification and standards alongside the associated funding constraints and programme delay. Also, some marginally performing Class 1 bridges are being moved to DNC (Do Not Cross) to be safe for now until remedial work is undertaken in the 2024-2027 LTP years.



A significant amount of work has been done throughout the district this year in maintaining, operating and renewing roads, bridges and other infrastructure.

Three bridges (Moonlight, Rough River, William Stewart) have been replaced with two more (Seven Mile and Clear Creek) are currently under construction. Additional bridge maintenance works are planned to be undertaken in the near future.

Based on the recent NZTA National Land Transport Programme funding announcements/approval, additional bridge, road, and footpath maintenance works are planned for the upcoming years. Remedial work has been completed for last year's slips at various district locations. Waka Kotahi approved a funding application for emergency events last year.

## Performance measures – Land Transport

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
Customer satisfaction	% of residents are satisfied with Council's roading network	72%	62%	69%	Target Not Achieved The Resident's Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website.
	% of residents are satisfied with the way local roads are maintained	54%	48%	55%	Target Achieved The Resident's Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website.
	% of residents are satisfied with the way footpaths are maintained	50%	39%	34%	Target Not Achieved The Resident's Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website..
	% of customer requests responded to within 10 working days	87%	91%	73%	Target Not Achieved 273 service requests out of 375 were responded to within 10 working days
The condition of our roads, bridges and footpaths	% of roads which meet smooth roads standard	90%	91%	91%	Target Achieved Smooth is defined as less than 150 NAASRA
	% of sealed road network resurfaced per year	7%	3.29%	4%	Target Not Achieved Overall contracted and planned forward work programme was completed for the year 2023/24. The target was not met as there was insufficient budget to cover 7% sealing network. Hence, practical contractual solutions were delivered on-site. Based on the FWP/RAMM/Site assessment, Material/Resources/Contractors' costs have hugely risen over the years due to cost fluctuation, so generally, the worst sites based on the FWP are picked up on the programme.
	% of footpaths at service standard of "fair" or better (as measured against condition ratings set in the Combined West Coast Land Transport AMP)	80%	83%	81%	Target Achieved Footpath condition rating survey data shows that 81% of footpaths in the district are rated fair or better.
	% of bridges posted more than Class 1 – 44 tonnes	93%	93%	91%	Target Not Achieved. As per the latest bridge assessment, 91% of bridges in the district is posted more than Class1. This data is provided by our bridge consultants which shows 15 of our bridges are posted more than Class 1 – 44 tonnes. Also there are 2 bridges which has completed structural works for upgrading but waiting for further inspections which makes it 17 out of total 208 structures The plan is to include the bridge not meeting the standards on FWP and repair/upgrade it to meet the required standard. This is all dependent on the NZTA budget and maintenance activity in the district.  We are working on getting bridges up to specs and standards- funding constraints and associated programme delay.  Also, some marginal Class 1 bridges are being moved to DNC (do not cross) to be safe for now until some remedial works are undertaken in 2024-2027 NLTP.
% of bridges can cross 50 MAX or HPMV	90%	61%	90.38%	Target Achieved GDC have 20 out of 208 structures restrictive to 50MAX loading from previous screening.	

					The intention is to complete the seismic strengthening and bridge renewals work prioritised to get up to the standard level. We are working on getting bridges upto specs and standards- funding constraint and associated programme delay. Also, some marginal Class I bridges are being moved to DNC (do not cross) to be safe for now until some remedial works are undertaken in 2024-2027 NLTP
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## Performance measures – Land Transport

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
The safety of our roads	Maximum % of fatalities/serious injury crashes on local roads contributed to by road factors	<17%	11%	9.7%	Target Achieved In 2023/2024 there were only 8 serious crashes and none were due to road conditions
	Change in number of fatalities/serious injury crashes from previous year on local roads 2022/2023: 2 fatal/serious crashes 2021/2022: No fatalities 2020/2021: 2 fatal/serious crashes 2019/2020: 5 fatal/serious crashes	Reduction > 1	+2	+6 serious crashes	Target Not Achieved Using the NZTA's Crash Analysis System, there were a total of 8 serious injury crashes on local roads in 2023/2024



# Land Transport Funding Impact Statement

For the year ended 30 June 2024

	LTP 2022-23 \$000	LTP 2023-24 \$000	Actual 2023-24 \$000
<b>OPERATING FUNDING</b>			
<b>SOURCES OF OPERATING FUNDING</b>			
General Rates, Uniform annual general charges, rates penalties	2,755	2,738	3,026
Targeted rates	-	-	-
Subsidies and grants for operating purposes	1,931	1,918	3,705
Fees and charges	72	74	68
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	159	162	263
<b>Total Operating Funding</b>	<b>4,917</b>	<b>4,892</b>	<b>7,062</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	2,711	2,666	5,485
Finance costs	2	63	5
Internal charges and overheads	685	720	462
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>3,398</b>	<b>3,449</b>	<b>5,953</b>
<b>SURPLUS / (DEFICIT) OF OPERATING FUNDING</b>	<b>1,519</b>	<b>1,443</b>	<b>1,109</b>
<b>CAPITAL FUNDING</b>			
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	2,887	3,567	3,294
Development and financial contributions	-	-	18
Increase/(decrease) in debt	1,812	169	(50)
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>4,699</b>	<b>3,736</b>	<b>3,262</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	405	963	132
- to replace existing assets	5,536	4,104	3,988
Increase/(decrease) in reserves	277	112	251
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding</b>	<b>6,218</b>	<b>5,179</b>	<b>4,371</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>	<b>(1,519)</b>	<b>(1,443)</b>	<b>(1,109)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Variations from budget – Land Transport

- Subsidies and Grants \$1.8 million higher attributable to emergency and general works carried out.
- Payments to staff and suppliers \$2.8 million higher due to unexpected emergency such as Brunner Mine \$720,000 and higher expenditure on footpaths and resealing.

## Identified effects of these activities on the community

- On-going minor safety improvements have decreased the risk to users of the district's roading network.
- Continued reduction in funding (in real terms) from the NZTA for subsidised works in line with the Government Policy Statement on Land Transport Funding (i.e., no adjustment for inflation) has placed a higher financial burden on the local community.



# Stormwater

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# Stormwater

## Activities included in this group

Stormwater includes the following key functions:

- Management of Stormwater systems (mostly in urban residential areas) including public open drains.
- Flood prevention. This includes maintaining urban watercourses.

Note: Council has a minor Flood Protection responsibility in that it puts floodgates in place in specific locations when levels in the Grey River reach a specific height.

It also maintains and operates flood pump stations at Johnston Street and Tarry Creek Greymouth as part of the Greymouth Flood Scheme on behalf of the Greymouth Flood Scheme Committee (a joint Grey District Council and West Coast Regional Council committee).

## Why we are involved in this activity/these activities

Council needs to control stormwater to protect our community’s health and safety and minimise property damage and access. Adequate collection and disposal arrangements are of critical importance and the flood prevention focus is important.

## Contribution to Community Outcomes

OUTCOME	CONTRIBUTION
<b>Economic Wellbeing</b>	
<b>Strong Sustainable</b>	<ul style="list-style-type: none"> <li>▪ The effective management and strategic approach of the stormwater system provides continuity of access to infrastructure and property throughout the district.</li> </ul>
<b>Social Wellbeing</b>	
<b>Safe</b>	<ul style="list-style-type: none"> <li>▪ The effective management of the stormwater system provides community, industry, and business with assurances of safety.</li> </ul>
<b>Environment Wellbeing</b>	
<b>Practical Resilient Sustainable</b>	<ul style="list-style-type: none"> <li>▪ The effective management and strategic approach of the stormwater system provides for resiliency and a sustainable environment throughout the district.</li> </ul>

# Our performance in 2023/2024

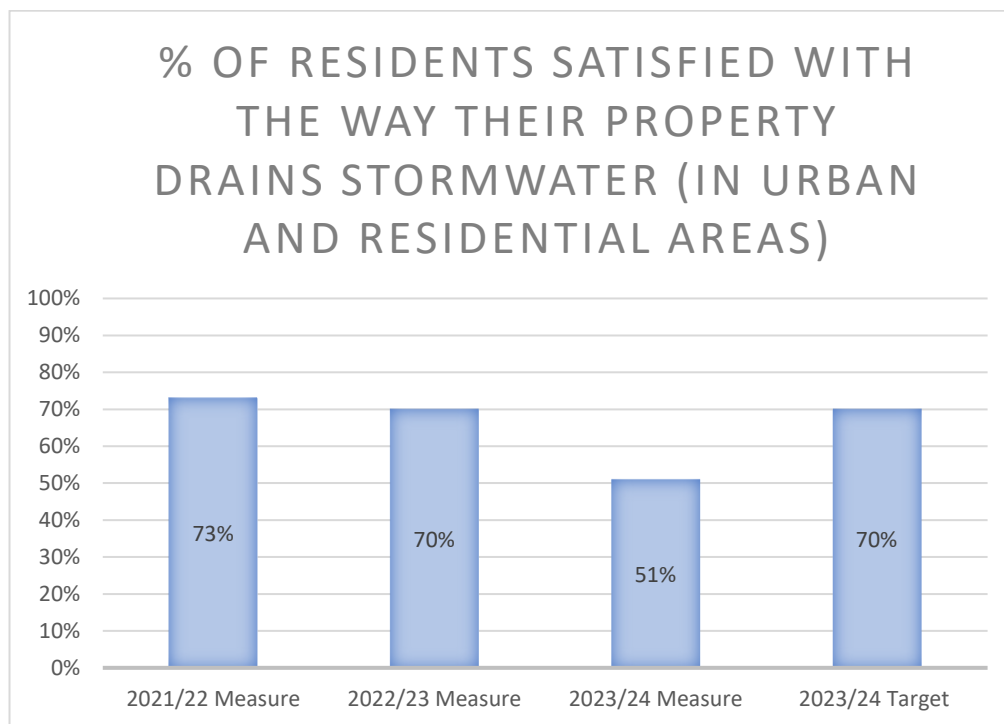
## Stormwater

### Overview

The proportion of residents satisfied with the way their property drains stormwater (in urban and residential areas) fell in 2023/24 to 51%. Overall, Council achieved eight of its ten performance targets for stormwater.

Improving stormwater systems is a priority for the Council as the region faces the challenge of more regular and more intense rain events.

A number of stormwater assets are at or close to the end of their useful life. We are therefore focusing on the most critical parts of the system as well as responding to weather events as they happen. The increasing cost of materials means that making progress on reducing the backlog of deferred renewals is likely to require additional funding in the future.



## Performance measures - Stormwater

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
Customer satisfaction	Number of complaints received about a Council stormwater scheme (per 1,000 properties connected to a Council scheme)	Total complaints: 30 Per 1,000 properties: 4.8 (6,199 connections)	Total complaints: 60 Per 1,000 properties: 8.25 (7,272 Connections)	Total complaints: 54 Per 1,000 properties: 7.39 (7,307 Connections)	Target Not Achieved 54 complaints were received and resolved regarding Council's stormwater services, which is a slight decrease on last year and is higher than our target. Storm events are being more frequent with higher rainfall intensities, resulting in more surface ponding and flood events. The community are becoming more freely giving us feedback than in the past.
The reliability and efficiency of the stormwater system	% of residents are satisfied with the way their property drains stormwater in urban and residential areas	70%	70%	51%	Target Not Achieved The Resident's Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website.
	Maximum number of flooding events * * Note: a flood event is defined as a 50 year flood, which is a flood event that has a 2% probability occurring in any given year. To measure this Council will obtain information on corresponding storm event rainfall intensities.	Nil	Nil	Nil	Target Achieved No significant flood events as defined by a 1:50 return period for 2023/2024.

## Performance measures - Stormwater

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
The reliability and efficiency of the stormwater system	For each flooding event, maximum number of habitable floors affected (per 1,000 properties connected to a Council scheme) Note: Council is only measuring reported incidents in urban areas where the stormwater network is. Number of serviced properties includes all urban properties, whether connected to the Council service or not. Some properties discharge stormwater via their own property stormwater system to watercourses.	Total floors: 2  Per 1,000 properties: 0.32  (7,272 connections))	Nil	Nil	Target Achieved There were no habitable floors affected by flooding (for properties connected to a Council scheme).
	Median response time to attend a flooding event	3 hours	Nil	Nil	Target Achieved There was no significant flood events in 2023/2024.
Stormwater discharges are managed without adversely affecting the receiving environment	Number of abatement notices	2	Nil	Nil	Target Achieved None received for this financial year.
	Number of infringement notice	1	Nil	Nil	Target Achieved None received for this financial year.
	Number of enforcement orders	Nil	Nil	Nil	Target Achieved None received for this financial year.
	Number of successful prosecutions	Nil	Nil	Nil	Target Achieved None received for this financial year.
	Total for all enforcement actions	3	Nil	Nil	Target Achieved None received for this financial year.

# Stormwater Funding Impact Statement

For the year ended 30 June 2024

	LTP 2022-23 \$000	LTP 2023-24 \$000	Actual 2023-24 \$000
<b>OPERATING FUNDING</b>			
<b>SOURCES OF OPERATING FUNDING</b>			
General Rates, Uniform annual general charges, rates penalties	1,322	1,663	1,242
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	(0)
<b>Total Operating Funding</b>	<b>1,322</b>	<b>1,663</b>	<b>1,242</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	594	608	628
Finance costs	23	32	35
Internal charges and overheads	209	212	246
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>826</b>	<b>852</b>	<b>909</b>
<b>SURPLUS / (DEFICIT) OF OPERATING FUNDING</b>	<b>496</b>	<b>811</b>	<b>334</b>
<b>CAPITAL FUNDING</b>			
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	672	(3)	731
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>672</b>	<b>3</b>	<b>731</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	283	283	74
- to replace existing assets	1,137	1,180	855
Increase/(decrease) in reserves	(252)	(655)	136
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding</b>	<b>1,168</b>	<b>808</b>	<b>1,065</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>	<b>(496)</b>	<b>(811)</b>	<b>(334)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Variations from budget - Stormwater

- Debt increased higher than LTP Year 3. \$734,000, due to Council decision to fund renewals by debt instead of rates to reduce rates requirement.

## Identified effects of these activities on the community

- The nature of some of Council's stormwater network is such that overflows in higher rainfall are not uncommon. This has short term negative effects as overflows can enter private property and flow down secondary flow paths (such as roads)
- The on-going effects of climate change are potentially leading to more frequent high intensity storms which reduce the ability of stormwater systems to cope.
- The ongoing Greymouth wastewater upgrade is starting to demonstrate results for the Greymouth stormwater system working more efficiently.



# Wastewater



# Wastewater (sewerage)

## Activities included in this group

Sewerage includes collection, treatment and disposal in the six (6) Council schemes of:

- Wider Greymouth area (Greymouth, Cobden, Blaketown, Boddytown, Dobson, Taylorville and Kaiata)
- Karoro, South Beach, Paroa
- Runanga/Dunollie
- Moana
- Blackball
- Iveagh Bay (Te Kinga)

This activity does not cover on-site individual property waste disposal systems or public schemes that are owned and operated by other individuals or businesses.

## Why we are involved in this activity/these activities

By collecting, treating, and disposing of wastewater, Council provides a service to residents and businesses that supports development in the district and protects the physical environment and our community's health.

## Contribution to Community Outcomes

OUTCOME	CONTRIBUTION
<b>Economic Wellbeing</b>	
<b>Strong Sustainable</b>	<ul style="list-style-type: none"> <li>▪ The effective management, treatment and maintenance of waste and wastewater systems is integral to providing for a strong and sustainable economy.</li> </ul>
<b>Social Wellbeing</b>	
<b>Safe</b>	<ul style="list-style-type: none"> <li>▪ The effective management, treatment and maintenance of waste and wastewater systems is fundamental to the health and safety of people within the community.</li> </ul>
<b>Environment Wellbeing</b>	
<b>Practical Resilient Strategic</b>	<ul style="list-style-type: none"> <li>▪ The effective and strategic management, treatment and maintenance of waste and wastewater systems ensures resiliency of the Environment now and into the future.</li> </ul>

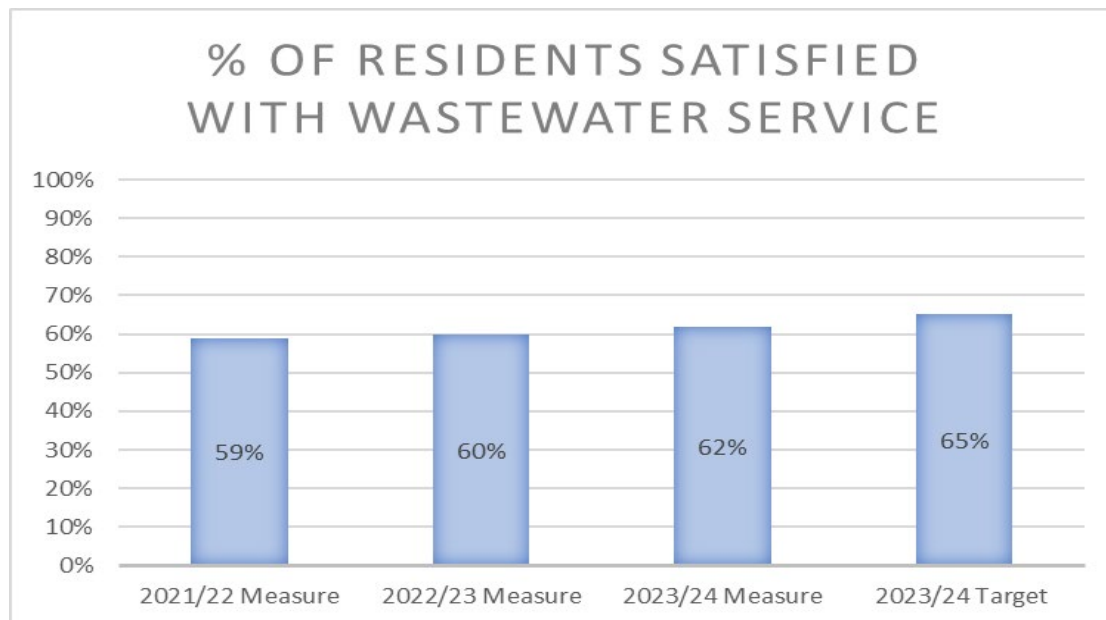


# Our performance in 2023/2024 - Wastewater

## Overview

The proportion of residents satisfied with the wastewater service in 2023/2024 was 62%. This was below the target of 65% but slightly improved from the prior years' performance. Overall, Council achieved seven of its ten performance targets for wastewater.

The Council's wastewater systems are generally in good condition and continued to perform well during the 2023/2024 year. Much of the network is relatively modern as a result of the investments in the Greymouth treatment plant plus the construction and upgrade of other schemes over the past ten years. This means there is less of a deferred renewals challenge for wastewater systems as many of the assets are well within their useful life. Our focus remains on keeping the systems running well and increasing the number of household connections.





## Performance measures - Wastewater

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
Customer satisfaction	% of residents are satisfied with wastewater service (where the service is available)	65%	60%	62%	Target Not achieved  The Resident's Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website.
	Number of complaints received, e.g. about odour, faults, blockages, response times (per 1,000 sewerage connections)	Total complaints: 50  Per 1,000 properties: 9.0  (5,512 connections)	Total complaints: 98  Per 1,000 properties: 17.98  (5,448 connections)	Total complaints: 101  Per 1,000 properties: 18.53  (5,488 connections)	Target Not Achieved 101 complaints were received and resolved in 2023/2024. This is an increase on complaints received last year and significantly higher than target. The complaints were mainly to do with blocked sewers. Extended dry period between December – March which would have resulted in no flush flowing within the combined sewer / stormwater systems that led to blockages.
The reliability and efficiency of the wastewater system	Number of wastewater overflows into houses due to faults in the public reticulation	Nil	Nil	Nil	Target Achieved  No wastewater overflows into houses were reported in 2023/2024.
	Number of dry weather sewerage overflows (per 1,000 sewerage connections)	Total overflows: 9  Per 1,000 properties: 1.8  (5,512 connections)	Total overflows: 6  Per 1,000 properties: 1.1  (5,448 connections)	Total overflows: 4  Per 1,000 properties: 0.7  (5,488 connections)	Target Achieved  4 dry weather sewerage overflows were reported in 2023/2024.



## Performance measures - Wastewater

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
The reliability and efficiency of the wastewater system	Median response times to reported faults <ul style="list-style-type: none"> <li>to get to site (timed from notification)</li> <li>to resolve the problem (timed from notification)</li> </ul> (Where contaminated sites are discovered or identified through site investigations, response times will be longer if consents are required to remove and dispose of material)	1 hour  5 hours	1 hour 38 Minutes  3 hour 6 minutes	1 hour 38 minutes  3 hours 40 minutes	Target Not Achieved  Whist mobilisation within the hour has not been achieved resolution has been achieved.
Treated wastewater discharges are managed without adversely affecting the receiving environment	Number of abatement notices	2	Nil	Nil	Target Achieved  None received for this financial year.
	Number of infringement notices	1	Nil	Nil	Target Achieved  None received for this financial year.
	Number of enforcement orders	Nil	Nil	Nil	Target Achieved  None received for this financial year.
	Number of successful prosecutions	Nil	Nil	Nil	Target Achieved  None received for this financial year.
	Total for all enforcement actions	3	Nil	Nil	Target Achieved  None received for this financial year.

# Wastewater funding impact statement

For the year ended 30 June 2024

	LTP 2022-23 \$000	LTP 2023-24 \$000	Actual 2023-24 \$000
<b>OPERATING FUNDING</b>			
<b>SOURCES OF OPERATING FUNDING</b>			
General Rates, Uniform annual general charges, rates penalties	-	-	-
Targeted rates	2,777	3,109	2,873
Subsidies and grants for operating purposes	-	-	-
Fees and charges	92	94	121
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
<b>Total Operating Funding</b>	<b>2,869</b>	<b>3,203</b>	<b>2,994</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	1,382	1,412	1,677
Finance costs	437	473	555
Internal charges and overheads	266	270	334
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>2,085</b>	<b>2,155</b>	<b>2,565</b>
<b>SURPLUS / (DEFICIT) OF OPERATING FUNDING</b>	<b>784</b>	<b>1,048</b>	<b>429</b>
<b>CAPITAL FUNDING</b>			
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	439
Increase/(decrease) in debt	( 168)	1,118	91
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>- 168</b>	<b>1,118</b>	<b>530</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	168	99	112
- to replace existing assets	448	2,067	472
Increase/(decrease) in reserves	-	-	374
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding</b>	<b>616</b>	<b>2,166</b>	<b>958</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>	<b>(784)</b>	<b>(1,048)</b>	<b>(429)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Variations from budget - Wastewater

Development and Financial Contributions \$439,000 higher than LTP Year 3 budget due to developers selling sections.

Capital expenditure \$1.5 million less than LTP Year 3 due to delays in Stage 1 and 2 Greymouth Sewer project.

Debt \$1.027 million less than LTP Year 3 due to reduced capital programme.

## Identified effects of these activities on the community

The on-going upgrades and new schemes have placed a recognised financial burden on those required to fund them. Whilst this has a negative impact it is considered that they are outweighed by the positive impacts, such as reduced discharges to the environment.





# Water supply





# Water Supply

## Activities included in this group

Water supply includes sourcing, treatment and distribution from the following Council water supply schemes:

- Wider Greymouth (Greymouth, Cobden, Blaketown, Boddytown, Karoro, South Beach, Paroa, Taylorville, Dobson and Stillwater)
- Runanga/Dunollie/Rapahoe (currently fed from Greymouth Scheme)
- Blackball

## Why we are involved in this activity/these activities

Water is a basic need and an essential service. We provide quality, affordable water and, in the process contribute to:

- Our community's health
- Community safety (through water supply for firefighting)
- Industrial and residential development

## Contribution to Community Outcomes

OUTCOME	CONTRIBUTION
<b>Economic Wellbeing</b>	
<b>Strong Sustainable</b>	<ul style="list-style-type: none"> <li>▪ The effective management, treatment and maintenance of water and water supply systems is integral to providing for a strong and sustainable economy.</li> </ul>
<b>Social Wellbeing</b>	
<b>Safe</b>	<ul style="list-style-type: none"> <li>▪ The effective management, treatment and maintenance of water supply systems is fundamental to the health and safety of people within the community.</li> </ul>
<b>Environment Wellbeing</b>	
<b>Practical Resilient Strategic</b>	<ul style="list-style-type: none"> <li>▪ The effective and strategic management, treatment and maintenance of water and water supply systems ensures resiliency of the Environment now and into the future.</li> </ul>



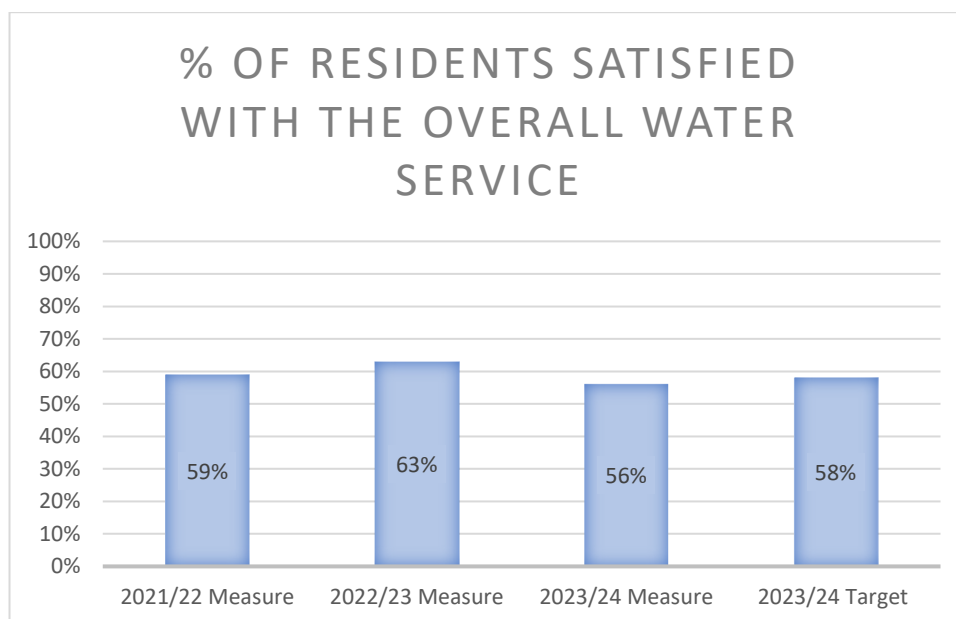
# Our performance in 2023/2024 – Water Supply

## Overview

The proportion of residents satisfied with the overall water service in 2023/2024 was 56%. This was below the target of 58% and decrease over the prior two years' performance. Overall, Council achieved three of its 16 performance targets for water supply.

Much of the Council's water supply network is ageing and we have used the Government's three waters stimulus funding to help address the problem. In 2021/2022 the replacement of reservoirs began. These projects are significant and are still a work in progress as at 30 June 2024. Council expects these projects to be completed before the 30 June 2025.

Reducing the level of deferred renewals for water supply systems presents a big task for the Council with old pipes, periodic breakages and high leakage rates. Addressing this will take time. We have been concentrating on renewing the critical water mains that provide key lifelines for the district so that we are less vulnerable to natural disaster. The increasing cost of materials has though limited the amount of work that can be completed within existing budgets.





Performance measures

# Water Supply

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
Customer satisfaction	% of residents are satisfied with overall water supply service	58%	63%	56%	Target Not Achieved The Resident's Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website.
	Maximum number of complaints received about water clarity, taste, odour, pressure/ flow, continuity of supply or Council's response to reported issues (per 1,000 water supply connections)	Total complaints: 133 Per 1,000 properties: 28.6 (5,140 connections)	Total complaints: 26 Per 1,000 properties: 4.9 (5,233 connections)	Total complaints: 66 Per 1,000 properties: 12.5 (5,268 connections)	Target Achieved 51 complaints were received and resolved in 2023/2024, which is under our target of 133 complaints.
Council is providing a reliable, efficient and safe water supply	Maximum number of notifiable water supply transgressions with Drinking Water Standards per year:				
	<ul style="list-style-type: none"> <li>Greymouth (now includes Taylorville/Dobson/ Stillwater/ Runanga/Rapahoe/Kaiata)</li> </ul>	Nil	Nil	1 Conserve Water Notice	Target Achieved No significant notifiable transgressions.
	<ul style="list-style-type: none"> <li>Blackball</li> </ul>	Nil	Nil	1 boiled water notice issued. 1 conserve water notice (continuation from previous year).	Target Not Achieved 1 x bacterial transgression (E.coli) on 14/09/23 however Boiled Water Notice in place during this period. 1 x FAC transgression on 03/01/2024
Council is providing a reliable, efficient, and safe water supply	Maximum % of real water loss from reticulation system (water loss measured from the reservoirs at least once per year):				
	<ul style="list-style-type: none"> <li>Greymouth (now includes Taylorville/Dobson/ Stillwater)</li> </ul>	20%	71%	65%	Target Not Achieved A desktop analysis was completed through the Greater Greymouth, Runanga, Rapahoe & Blackball areas. This review suggests that leakage is similar to the previous year's review, although some small improvements have been noted.
	<ul style="list-style-type: none"> <li>Blackball</li> </ul>	5%	44%	42%	
	<ul style="list-style-type: none"> <li>Runanga/Rapahoe</li> </ul>	15%	72%	69%	Council is moving forward with splitting the scheme reticulation within the respective schemes to



				enable better monitoring and identification of leakage.
Drinking water supply compliance with following sections of the drinking water standards:				
Part 4 – bacteria <sup>2</sup> compliance criteria - These results are provisional, pending the assessment of compliance by the independent Drinking Water Assessor.				



Performance measures

# Water Supply

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes	
Council is providing a reliable, efficient, and safe water supply	<ul style="list-style-type: none"> <li>Greymouth (now includes Taylorville/Dobson/ Stillwater/ Runanga/Rapahoe/Kaiata)</li> </ul>	Achieved	Not Achieved	Not Achieved	Target Not Achieved Partially met - Chlorine dose achieved. C.t, T10 and FACE not continuously monitored however minimum values calculated on a daily basis to ensure compliance. Some short periods monitor/s offline or out of service without affecting chlorine dosing. Total flow meter failure on 20/07/24. Raw water flow used to calculate C.t, T10. Bacterial disinfection by chlorination achieved using these criteria. Bacterial disinfection by UV not achieved.	
	<ul style="list-style-type: none"> <li>Blackball</li> </ul>	Achieved	Not Achieved	Not Achieved	Target Not Achieved Filed bacterial compliance due to boiled water notice issued	
	<ul style="list-style-type: none"> <li>Runanga/Rapahoe</li> </ul>	Achieved	N/A	N/A	Target Not Achieved Runanga Supply was connected to the Greymouth supply on a temporary basis on 26 April 2018.	
	Part 5 – protozoal compliance criteria - These results are provisional, pending the assessment of compliance by the independent Drinking Water Assessor.					
	<ul style="list-style-type: none"> <li>Greymouth (now includes Taylorville/Dobson/ Stillwater/ Runanga/Rapahoe/Kaiata)</li> </ul>	Achieved	Not Achieved	Not Achieved	Target Not Achieved UV Treatment recertification required under new rules/parameters. Protozoa dose not achieved for periods of time between July to Oct 2023.	
	<ul style="list-style-type: none"> <li>Blackball</li> </ul>	Achieved	Not Achieved	Achieved	Target Achieved Protozoa compliance achieved	
<ul style="list-style-type: none"> <li>Runanga/Rapahoe</li> </ul> <p>Assumes the Runanga/Rapahoe supply will become or remain a chlorinated supply</p>	Achieved	N/A	N/A	Target Not Achieved Runanga Supply was connected to the Greymouth supply on a temporary basis on 26 April 2018.		

<sup>1</sup> Based on estimated leakage from desktop analysis.

<sup>2</sup> Bacteria (e.g. E.Coli) and protozoa (e.g. Giardia and Cryptosporidium) are small living organisms (bugs and such like) that are harmful to humans. Bacteria can be removed by chlorine disinfection whereas protozoa cannot and require higher levels of treatment.



Performance measures

# Water Supply

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
Average consumption of drinking water per day per resident	Average litres per person per day	< 640 litres per person per day	741 litres per person per day	741 Litres per person per day	Target Not Achieved  Council is actively undertaking leak detection throughout all water schemes. It is hoped that leak resolution and pipework renewals will result in a decrease in average consumption rates moving forward. Council's program of installing flow meters will also assist in identifying leak locations and leak reduction. During this year there was a significant long extended dry period leading to increased demand in consumption.
Our response times to reported faults	Median response times to faults or unplanned interruptions:  (Where contaminated sites are discovered or identified through site investigations response times will be longer if consents are required to remove and dispose of material)				
	Attendance time for urgent call-outs (from notification)	1 hour	1.22 hours	17.57 hours	Target Not Achieved  Contractor has not met the required response timeframes under the maintenance contract. Council are seeing increased breaks which is resulting significantly higher demands on our contractor.
	Resolution time for urgent call-outs (from notification)	5 hours	2.30 hours	19.21 hours	Target Not Achieved  Contractor has not met the required response timeframes under the maintenance contract. Council are seeing increased breaks which is resulting significantly higher demands on our contractor.
	Attendance time for non-urgent call-out	1.5 working days	2.16 hours	47.27 hours	Target Not Achieved  Contractor has not met the required response timeframes under the maintenance contract. Council are seeing increased breaks which is resulting significantly higher demands on our contractor.
	Resolution time for non-urgent call-outs	5 working days	3.18 hours	43.33 hours	Target Not Achieved  Contractor has not met the required response timeframes under the maintenance contract. Council are seeing increased breaks which is resulting significantly higher demands on our contractor.

# Water supply Funding Impact Statement

For the year ended 30 June 2024

	LTP 2022-23 \$000	LTP 2023-24 \$000	Actual 2023-24 \$000
<b>OPERATING FUNDING</b>			
<b>SOURCES OF OPERATING FUNDING</b>			
General Rates, Uniform annual general charges, rates penalties	-	-	-
Targeted rates	2,946	2,976	2,766
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	(0)
<b>Total Operating Funding</b>	<b>2,946</b>	<b>2,976</b>	<b>2,766</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	1,326	1,327	1,585
Finance costs	245	243	389
Internal charges and overheads	321	325	501
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>1,892</b>	<b>1,895</b>	<b>2,475</b>
<b>SURPLUS / (DEFICIT) OF OPERATING FUNDING</b>	<b>1,054</b>	<b>1,081</b>	<b>291</b>
<b>CAPITAL FUNDING</b>			
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	147
Increase/(decrease) in debt	(62)	(70)	397
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>(62)</b>	<b>(70)</b>	<b>544</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	82	82	49
- to replace existing assets	866	885	1,772
Increase/(decrease) in reserves	44	44	(985)
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding</b>	<b>992</b>	<b>1,011</b>	<b>835</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>	<b>(1,054)</b>	<b>(1,081)</b>	<b>(291)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>





## Variations from budget – Water Supply

Development Contributions \$147,000 higher than LTP Year 3 due to developer sale of subdivision sections.

Capital expenditure \$854,000 higher than LTP Year 3 due to the continuation of the Reservoir projects.

A reduction in reserves of \$1,029,000 attributable to increase in capital expenditure.

## Identified effects of these activities on the community

- All water supplies provided by Council in the district, are chlorinated, with chlorine residue monitored within the reticulations. In recent years Council water supplies have at time struggled to maintain supply due to extended warm, dry period of weather, where river and creek levels around intake facilities run low. To mitigate this Council has invested in an additional bore at the Greater Greymouth Water Treatment Plant and ensured that the emergency intakes at Sids Road, can supply treated water if required. A new intake gallery has been installed under Blackball Creek, which will ensure sufficient water can be taken for the Blackball Water Supply. This work will result in both of Council's water supplies being more resilient into the future.

# Solid Waste



# Solid waste (refuse and recycling)

## Activities included in this group

Waste management involves:

- Refuse collection
- Recovery of recyclable materials
- Management of Landfill and Clean fill- Resource Recovery Centres
- Management of minor quantities of hazardous waste
- Litter Bin management
- Waste minimisation
- Environmental monitoring, also of closed refuse facilities

Litter control is a Regulatory function and is covered under the Environmental Services activity.

## Why we are involved in this activity/these activities

Solid waste management is necessary for the health and quality of life of the community, the local economy and the environment.

## Contribution to Community Outcomes

OUTCOME	CONTRIBUTION
<b>Economic Wellbeing</b>	
<b>Strong Sustainable</b>	<ul style="list-style-type: none"> <li>▪ Efficient and responsible management of solid waste is an integral to providing for a strong and sustainable economy.</li> </ul>
<b>Social Wellbeing</b>	
<b>Safe</b>	<ul style="list-style-type: none"> <li>▪ Efficient and responsible management of solid waste is fundamental to the health and safety of people within the community.</li> </ul>
<b>Environment Wellbeing</b>	
<b>Practical Resilient Strategic</b>	<ul style="list-style-type: none"> <li>▪ Effective, strategic, and responsible management of solid waste provides for resiliency of the environment.</li> </ul>



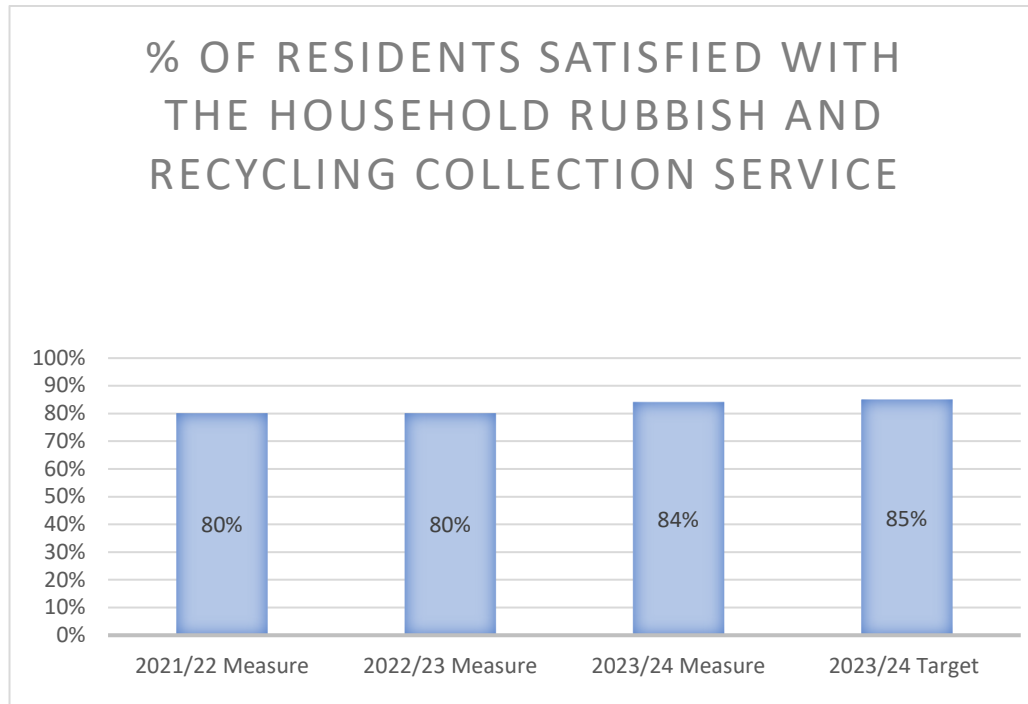
## Our performance in 2023/2024

# Solid Waste

### Overview

The proportion of residents satisfied with the household rubbish and recycling collection service remained high in 2023/2024 at 84%. This was consistent with prior years' performance but was below the target of 85%. Overall, Council achieved one of its three performance targets for solid waste.

The Council continues its commitment to reducing waste and improve its recycling. The appointment of a dedicated waste minimisation officer along with collaboration with other West Coast Councils should drive the reduction of waste and improve recycling.





Performance measures

# Solid Waste

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
Customer satisfaction	% of residents satisfied with the household rubbish and/or recycling collection service provided by the Council	85%	80%	84%	Target Not achieved.  The Resident's Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website.
Facilities and services are managed without adversely affecting the receiving environment	Maximum number of resource consent infringements	Nil	Nil	Nil	Target Achieved  None received for 2023/2024.
	% of waste is recycled	20%	12%	19%	Target Not Achieved.  Whilst the target level of 20% was not achieved in the 2023-24 year, Council has made significant progress towards achieving this, with a result of 19%. This is significantly improved on the 2022/23 year which was 12%. Council will continue to work on improving the percentage of waste that is being recycling and diverted away from landfill

# Solid Waste Funding Impact Statement

For the year ended 30 June 2024



	LTP 2022-23 \$000	LTP 2023-24 \$000	Actual 2023-24 \$000
<b>OPERATING FUNDING</b>			
<b>SOURCES OF OPERATING FUNDING</b>			
General Rates, Uniform annual general charges, rates penalties	257	577	340
Targeted rates	1,875	1,913	2,103
Subsidies and grants for operating purposes	49	50	186
Fees and charges	802	835	1,482
Internal charges and overheads recovered	-	-	20
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	0
<b>Total Operating Funding</b>	<b>2,983</b>	<b>3,375</b>	<b>4,132</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	2,590	2,713	3,673
Finance costs	36	32	80
Internal charges and overheads	133	135	293
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>2,759</b>	<b>2,880</b>	<b>4,046</b>
<b>SURPLUS / (DEFICIT) OF OPERATING FUNDING</b>	<b>224</b>	<b>495</b>	<b>86</b>
<b>CAPITAL FUNDING</b>			
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	67	69	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	1,783	( 378)	( 97)
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>1,850</b>	<b>(309)</b>	<b>(97)</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	2,028	28	139
- to replace existing assets	36	148	0
Increase/(decrease) in reserves	10	10	( 150)
Increase/(decrease) of investments	-	-	0
<b>Total applications of capital funding</b>	<b>2,074</b>	<b>186</b>	<b>(11)</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>	<b>(224)</b>	<b>(495)</b>	<b>(86)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Variations from budget – Solid Waste

Fees and charges are \$650,000 higher than LTP Year 3 due to higher fees and charging for greenwaste.

Payments to staff and suppliers \$960,000 less favourable than LTP Year 3 attributable partly to higher waste levy costs and higher Waste contract charges.

## Identified effects of these activities on the community

The continuation of kerbside services, both refuse and recycling (including separate glass collection), has continued to see results for Council. This is seen by the significant increase in the percentage of waste being recycling by Council, which sits at 19% for the 2023-24 year. A 7% increase on the previous year. This has ultimately reduced the volume of waste that was disposed to landfill. This has a long term positive impact as the landfill facility can offer a longer useful life.

The provision of environmentally compliant solid waste management services comes at a relatively high cost. Whilst this is accepted by most, a minority choose to dispose of refuse illegally. The cost of illegal dumping is wherever possible recovered from the offending party



# Environmental services







# Environmental services

## Activities included in this group

Environmental services include:

### District Planning

- District Plan
- Policy
- Resource Management (land use)
- Monitoring

### Building Control

As a Building Consent Authority (BCA) Council carries out the following tasks:

- Processes building consent applications
- Grants and issues building consents
- Undertakes building inspections
- Issues Notices to Fix
- Issues Code Compliance Certificates
- Investigation of complaints relating to building work and illegal buildings
- Issues compliance schedules
- Any other functions and duties specified in the Building Act 2004 As a **Territorial Authority (TA)** Council carries out the following tasks:
  - Performs functions relating to our Dangerous, Earthquake-Prone and Insanitary Buildings Policy
  - Administration and audit of building warrants of fitness (BWOFF)
  - Investigation of building work related complaints where consents have not been applied for or issued
  - Issues project information memorandum (PIM)
  - Issues building consent discretionary exemptions under Schedule 1(2)
  - Processes and Issues Certificates of Acceptance (CoA)
  - Issues and amends compliance schedules
  - Decides the extent to which buildings must comply with the building code when they're altered, are subject to a change of use, or their specified intended life changes
  - Carries out any other functions and duties specified in the Building Act

## Other Regulation

- Council bylaws
- District Plan (including noise), Building Act and freedom camping compliance

## Health Regulation

- Inspection and licensing of food premises under the Food Hygiene Regulations 1974 and the Food Act 2004
- Annual registration of offensive trades, camping grounds, hairdressers, funeral directors, mortuaries and mobile shops, together with other duties under the Health Act 1956
- Responding, investigating and reporting on noise complaints and other duties under the Resource Management Act 1991 and the District Plan
- Ensuring appropriate steps are in place to limit the impact of commercial or industrial noise and ensure compliance within the noise provisions of the District Plan
- Inspection of liquor premises (participation in stakeholder compliance visits), licensing of liquor premises, reporting to the Alcohol Regulatory and Licensing Authority (ARLA) and the Grey District Licensing Committee (DLA) and administering new applications or renewals of managers certificates

## Emergency Management

Civil Defence and Emergency Management, including:

- Developing, implementing and monitoring District-wide emergency management plans
- Promoting community preparedness for emergencies
- Working with other authorities, both locally and in the Region, to plan for and respond to hazards, risks and emergencies
- Mobilising and responding in the event of an emergency

## Dog/Stock Control

- Investigation of complaints about dogs including barking, wandering, menacing and dangerous dogs
- Enforcing legislation and Council's bylaws which govern where dogs are permitted, control of dogs on a leash and fencing of dogs within a property boundary
- Impounding wandering dogs and taking steps to identify the owner of the dog
- Maintaining a register of dogs generally and for those classified as menacing or dangerous
- Responding to wandering stock complaints

Local Government legislation requires that Council, where possible, maintain a clear division between its operational and regulatory functions. Local authorities, as facilitators of development and growth, also have to comply with statutory requirements and administer legislative powers in a fair and objective manner and avoid conflicts of interest. It is for this reason that these activities are in the same grouping.



## Why we are involved in this activity/these activities

Council undertakes these activities to contribute to providing a safe, healthy and sustainable environment.

- The district planning service ensures the District is able to promote development to support a prosperous community without compromising rights of residents and the District's physical and natural assets/resources. It achieves this aim by appropriate application of the Resource Management Act, through the review and implementation of the District Plan and its resource consent and monitoring functions.
- Council's building control services ensures that the District's buildings and other associated structures (such as swimming pools) are safe, habitable and meet National legislative requirements. Of particular importance is Council's role in advising on and, where necessary, enforcing the statutory provisions relating to earthquake prone buildings.
- Other regulation activities focus on working with the community to ensure the District remains a peaceful and attractive place to live and work. By the careful application of Bylaws and other legal mechanisms, Council aims to reduce littering, effectively manage freedom camping and respond to noise nuisances, as well as encourage residents to maintain tidy sections.
- Health regulation services aim to protect our community from infectious and notifiable diseases by promoting food safety practices in food establishments. This activity also aims to ensure that hairdressing businesses, gaming machines, camping grounds and those selling liquor conform to appropriate standards.
- Emergency Management is in place make sure that our District is prepared for emergencies. The District is not only in a high rainfall area and, therefore subject to flooding, but inundation, cyclones and tornados have in the past caused problems. Most importantly, the District is a high risk earthquake area. Council subscribes to the principles of "reduce, readiness, response, and recovery" and "get ready – get thru".
- The dog and stock control service aims to provide a safer District by reducing dog-related offences through ensuring the registration of dogs, the education of their owners and the investigation of complaints. In addition, this service seeks to support safer road and rail corridors by responding to complaints about wandering stock and working with landowners to maintain stock proof fencing. Council undertakes this activity in accordance with its obligations under the Dog Control Act 1996 and Impounding Act 1955.



## Contribution to Community Outcomes – Environmental Services

OUTCOME	CONTRIBUTION
<b>Economic Wellbeing</b>	
<b>Strong Sustainable</b>	<ul style="list-style-type: none"><li>▪ The ongoing provision of District Planning/Resource Management, Regulatory, Compliance, Health and Food Safety and Animal Control provides a platform for a strong and sustainable economy.</li><li>▪ The provision of effective emergency preparedness and activated emergency activities ensures the ongoing operation of the economy in times and following emergency situations.</li></ul>
<b>Social Wellbeing</b>	
<b>Safe Enabled</b>	<ul style="list-style-type: none"><li>▪ The ongoing provision of District Planning/Resource Management, Regulatory, Compliance, Health and Food Safety and Animal Control provide assurances of safety for all sectors of the community, business, and industry.</li><li>▪ The provision of emergency preparedness and activated emergency activities provides for safety of the community, as well as enabling communities to be prepared for these events.</li></ul>
<b>Environment Wellbeing</b>	
<b>Practical Resilient Strategic</b>	<ul style="list-style-type: none"><li>▪ The ongoing provision of District Planning/Resource Management, Regulatory, Compliance, Health and Food Safety and Animal Control provide for resiliency and a future focus for our environment.</li></ul>



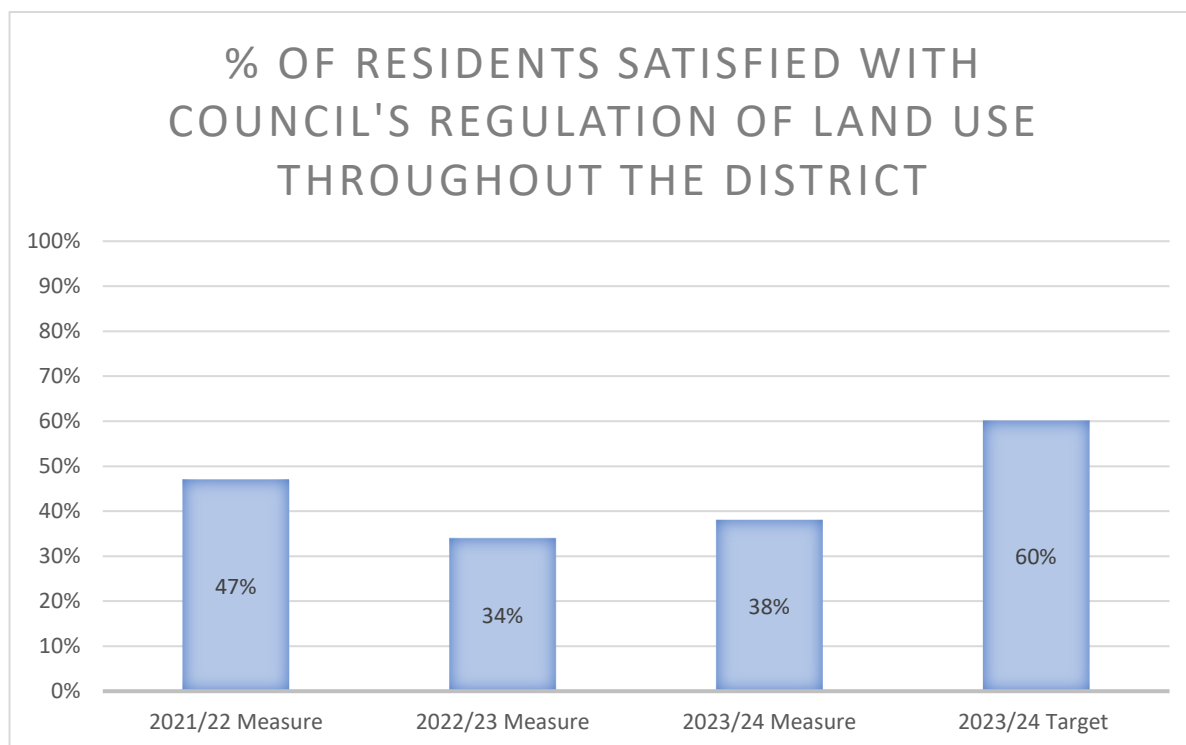
# Our performance in 2023/2024

## Environmental Services

### Overview

The proportion of residents satisfied with the Council's regulation of land use throughout the district in the 2023/2024 year was 38%. While this number was higher than the previous year, it was below the target of 60% and it has given us valuable feedback on areas for improvement. Overall, Council achieved three of its ten performance targets for environmental services. Notably, multiple of the remaining measures were very close to achieving their targets.

The past year has been incredibly dynamic for our environmental services teams. The building control team issued 248 Code of Compliance Certificates for completed building work. Furthermore, 55 land use consents, that allow a change in land activity, were drafted during the financial year. This upswing illustrates an increase in residential building activity within the district, and reflects a large number of infill subdivisions, and some larger rural-residential and rural lifestyle subdivisions that are now able to proceed. This is a promising indicator of growth and development within the district.





## Performance measures

# Environmental Services

What we're measuring	How we'll measure	2023/ 2024 target	2022/ 2023 measure	2023/ 2024 measure	Notes
Council is efficiently processing information requests and consent applications within statutory time limits	% of Land Information Memoranda (LIMs) issued within 10 working days of application	100%	95.7%	99.35%	Target Not Achieved.  308 of 310 LIMs were issued within 10 working days in 2023/2024.  2 LIM's were outside the statutory timeframe.
	% of non-notified land use consents processed within 20 working days	100%	58%	50%	Target Not achieved  27 of 55 non-notified consents were processed within 20 days in 2023/2024.  26 consents took over 20 days to process. Some had s37 extensions to processing timeframe.
	% of building consent applications issued within statutory time limits	100%	91.1%	93.71%	Target Not Achieved  265 of 283 building consent applications issued within statutory time frame.  18 BC's were outside the statutory timeframe.
	% of Code of Compliance Certificates (CCC) issued within statutory time limits	100%	92.51%	87.5%	Target Not Achieved  217 of 248 CCC issued within statutory timeframes.  17 CCC's were outside the statutory timeframe
	% of building inspection undertaken at agreed times	95%	Not Measured	Not Measured	Target Not Measured  Council currently does not have the capability to measure building inspections that are carried out at agreed times.
We are ensuring that buildings within the District are safe and meet national quality standards	Grey District Council maintains accreditation as a building consent authority	Achieved	Achieved	Achieved	Target Achieved  BCA Accreditation has been maintained.



## Performance measures

# Environmental Services

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
We are responding to service requests in a timely manner	% of after-hours noise complaints responded to within two hours	98%	95%	95%	Target Not Achieved  A total of 73 noise callouts (AH), 5 were not responded to within 2hrs. Council contracts a security company to provide this service. Reports of complaints are monitored and checked by our staff daily.
	% of after-hours animal control complaints responded to within two hours	100%	100%	100%	Target Achieved  A total of 56 callouts (AH). All were responded to within 2hrs.
	% of complaints about breaches of bylaws and District Plan rules are responded to within five working days	100%	100%	100%	Target Achieved  A total of 261 complaints. All were responded to within 5 days.
Our District Plan is effective in developing and maintaining sustainable development and a satisfactory environment	% of residents satisfied with Council's regulation of land use throughout the District	60%	34%	38%	Target Not Achieved  The Resident's Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website

# Environmental Services Funding Impact Statement

For the year ended 30 June 2024

	LTP 2022-23 \$000	LTP 2023-24 \$000	Actual 2023-24 \$000
<b>OPERATING FUNDING</b>			
<b>SOURCES OF OPERATING FUNDING</b>			
General Rates, Uniform annual general charges, rates penalties	1,658	1,613	1,335
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	949	989	1,339
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	313	314	202
<b>Total Operating Funding</b>	<b>2,920</b>	<b>2,916</b>	<b>2,876</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	739	734	1,873
Finance costs	5	5	11
Internal charges and overheads	2,132	2,162	2,058
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>2,876</b>	<b>2,901</b>	<b>3,942</b>
<b>SURPLUS / (DEFICIT) OF OPERATING FUNDING</b>	<b>44</b>	<b>15</b>	<b>(1,066)</b>
<b>CAPITAL FUNDING</b>			
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	31	31	233
Increase/(decrease) in debt	5	5	(5)
Gross proceeds from the sale of assets	-	-	3
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>36</b>	<b>36</b>	<b>231</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	33	34	38
- to replace existing assets	6	6	14
Increase/(decrease) in reserves	41	11	(887)
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding</b>	<b>80</b>	<b>51</b>	<b>(835)</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>	<b>(44)</b>	<b>(15)</b>	<b>1,066</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>





## Variations from budget – Environmental Services

Fees and Charges were \$350,000 more than LTP Year 3 due to higher fees being charged.

Payments to staff and suppliers were \$1.1 million higher than LTP Year 3 due to increase contractor usage by building and planning units.

A decrease in reserves of \$(898,000) is due to the deficit of \$1 million.

## Identified effects of these activities on the community

During the year Council continued to enforce its Earthquake-Prone Buildings (EQPB) Policy. In developing this policy, the Grey District Council must balance the need to protect public health and safety against the economic implications of requiring significant remedial building work and the community's desire to protect historic structures and the West Coast heritage. Council has continued to proactively engage with the community and building owners concerning their obligations under the policy.



# Commercial & Property





# Commercial & Property

## Activities included in this group

### Greymouth Aerodrome

- The aerodrome, including the runway, taxi area, grass runway for use by microlight aircraft as well as navigation lights.
- The Greymouth Aero Club as service provider to incoming and departing aircraft.
- Management of the land portfolio in the form of land leases and rights to occupy.

### Parking

- The provision of parking.
- Regulating the use of parking.

### Port of Greymouth

- Managing the port, the breakwaters, wharves and the slipway.
- Managing the navigation safety function.
- Managing the land holding portfolio.

### Council property (operational)

- A building portfolio involving three leased buildings and the buildings supporting Council's administrative function (Tainui St and Runanga service centre).
- Other buildings enabling the delivery of community services, e.g. Westland Recreation Centre, Grey District Library History House museum, Women's Centre and Left Bank Art Gallery.
- Unused Council land consisting of various titles across the District.
- Management of leases with Mawhera Incorporating regarding land leased by Council.

### Retirement Housing

- Maintaining and managing occupation of 118 units.
- Pro-active provision of further retirement housing units.



## Why we are involved in this activity/these activities

Council provides these services as part of a much wider array of services aimed at improving the health, safety, enjoyment and connectedness of our community. Each component contributes as follows:

- The aerodrome is an important strategic asset. It not only provides the opportunity for use by smaller commercial and private aircraft but also provides a convenient transport option for Grey Base Hospital for the transfer of patients and staff as well for emergency air rescue services. In addition, it is an important training venue for related activities and defensive driver training. St John's Ambulance and Land Search & Rescue both have headquarters located on the aerodrome site.
- The Parking function is an integral component of a vibrant and growing CBD and important access to other key services in the District. It provides for safety and convenient access to commercial, educational and service industries and venues.
- The ownership of the Port was transferred to Council as part of the 1989 Local Government Reorganisation. Port of Greymouth is an important fishing asset as it is located closest to the lucrative Hokitika Trench fishing grounds. It provides safe berthage to a local and, from time to time, visiting fishing fleet as well. It is home to the fish handling and processing activities of two firms.
- Council is committed to managing its commercial property portfolio responsibly so as to maximise revenue for the benefit of all residents.
- Council provides retirement housing for disadvantaged, elderly persons to give them warm, safe and affordable accommodation.



## Contribution to Community Outcomes – Commercial & Property

OUTCOME	CONTRIBUTION
<b>Economic Wellbeing</b>	
<b>Strong Sustainable Prosperous</b>	<ul style="list-style-type: none"><li>▪ The management and operation of Council's commercial property, including the Port and Aerodrome, are essential to enable the district to have a strong economy.</li><li>▪ The management and maintenance of parking facilities provide benefit in providing for a strong and sustainable local economy.</li></ul>
<b>Social Wellbeing</b>	
<b>Safe Connected Enabled</b>	<ul style="list-style-type: none"><li>▪ The management and operation of Council's commercial property, including the Port and Housing is integral for connection outside of the district for safety and enablement of local and regional economy.</li><li>▪ The management, maintenance and provision of safe parking facilities assist with community enablement and safety.</li></ul>
<b>Environment Wellbeing</b>	
<b>Resilient</b>	<ul style="list-style-type: none"><li>▪ The management and operation of Council's commercial property, including the Port and Aerodrome assist the district's resiliency under several scenarios.</li></ul>



## Our performance in 2023/2024

# Commercial & Property

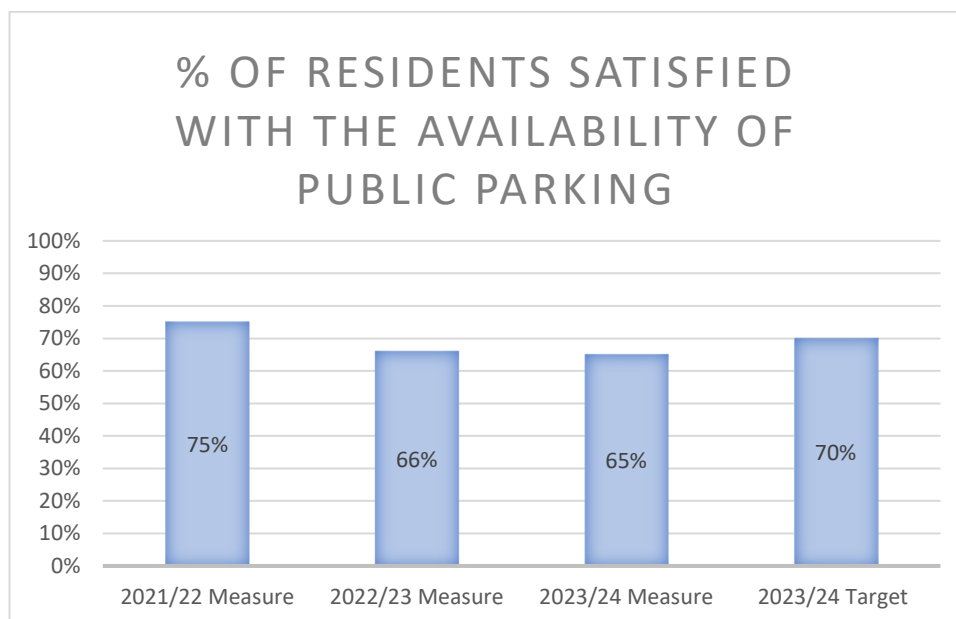
### Overview

Overall, Council achieved two of its four performance targets for commercial and property.

Over the past couple of years, the Council has carried out a programme of work to improve our retirement units. This has included new roofs, weathertightness and insulation, better security and new driveways. Occupancy of the 118 units for the year was very close to 100% and tenant satisfaction was 92% of those that responded to our survey.

Port operations continue to provide a financial challenge for Council. There has been significant investment in the wharves, the new slipway, and the start of the winch shed which will contribute to its viability going forward. At present the Port remains essentially a fishing port, with limited opportunity to increase revenue to meet its full operating costs. This may change in the future if proposed mining of mineral sand by a local company provides an additional revenue stream, and central government announcements around mineral extraction provide opportunities for the port and wider district. Supporting the Port operation remains important to Council as the economic activity created by the Port provides custom to local business in Greymouth.

The proportion of residents satisfied with the availability of public parking remained high in 2023/24 at 65%. This is a slight reduction in satisfaction from the prior year and is less than the target of 70%.



## Performance measures Commercial & Property

### Parking

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
Customer satisfaction	% of residents are satisfied with the availability of public parking	70%	66%	65%	Target Not achieved.  The Resident's satisfaction survey was conducted during November 2024 to February 2025. The full report is available on Council's website.

### Port

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
Customer satisfaction	Annual survey of Port users completed in August, measuring satisfaction	75%	Not measured	50%	Target Not Achieved  The annual survey was carried out in November and December 2024.

### Retirement housing

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
An affordable, well maintained, and efficient retirement housing service is provided	Achievement of minimum percentage of occupancy rates	95%	99.51%	99.84%	Target Achieved  All units are effectively let. Council takes the opportunity between tenants to undertake any necessary renewal works.
Customer satisfaction	% of tenants satisfied with the service (annual survey of tenants)	90%	94%	92%	Target Achieved  In June 2024, 57 survey responses were received from our tenants, 92% of those responses were satisfied or very satisfied with the Retirement Housing. The next survey will be carried out before the end of July 2024.

# Commercial & Property Funding Impact Statement

For the year ended 30 June 2024

	LTP 2022-23 \$000	LTP 2023-24 \$000	Actual 2023-24 \$000
<b>OPERATING FUNDING</b>			
<b>SOURCES OF OPERATING FUNDING</b>			
General Rates, Uniform annual general charges, rates penalties	500	506	473
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	(0)
Fees and charges	1,354	1,406	1,024
Internal charges and overheads recovered	591	617	325
Local authorities fuel tax, fines, infringement fees and other receipts	68	69	388
<b>Total Operating Funding</b>	<b>2,513</b>	<b>2,598</b>	<b>2,211</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	1,694	1,719	1,904
Finance costs	275	297	254
Internal charges and overheads	567	576	994
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>2,536</b>	<b>2,592</b>	<b>3,152</b>
<b>SURPLUS / (DEFICIT) OF OPERATING FUNDING</b>	<b>(23)</b>	<b>6</b>	<b>(941)</b>
<b>CAPITAL FUNDING</b>			
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	700	406	519
Gross proceeds from the sale of assets	-	-	1
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>700</b>	<b>406</b>	<b>521</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	250	100	2
- to replace existing assets	583	309	970
Increase/(decrease) in reserves	(156)	3	(1,392)
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding</b>	<b>677</b>	<b>412</b>	<b>(420)</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>	<b>23</b>	<b>(6)</b>	<b>941</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>





## Variations from budget – Commercial & Property

Fees and Charges \$382,000 lower than LTP Year 3 attributable to lower than expected Port fees received.

Local authorities fuel tax, fines, infringements and other receipts \$320,000 attributable to lease income from Council Property portfolio.

Capital expenditure to improve level of service was \$661,000 higher than LTP Year 3 due to resealing of Airport runway and building of Winch house at Port.

Decrease in reserves \$1.3 million higher than LTP Year 3 due to increased capital works and operational deficit.

## Identified effects of these activities on the community

The port operations continue to struggle financially, however there is a more positive outlook with the development of a new fish processing facility in Greymouth.

The aerodrome continues to offer the facilities required to support health services.

With the district economy taking a downturn the provision of parking enforcement has not been required to the same extent as previous years. Council has reduced the service provided to match the demand.



# Community & Recreation





## Activities included in this group

Community facilities include:

### Libraries

- Greymouth Library (including Pioneer Library)
- Runanga Library

### Swimming Pools

- Westland Recreation Centre
- Spring Creek Pool, Runanga

### Heritage, Arts & Culture

- Museum operations
- Financial support to other Arts, Culture and Heritage bodies

### Indoor Sport Centres

- Westland Recreation Centre

### Parks and Tracks

- Parks
- Playgrounds
- Walking tracks
- Other open areas accessible to the public.
- Statues and monuments

### Public restrooms

- Ten public toilets, some with other facilities

### Council's In-house task force

#### Cemeteries

- Karoro Cemetery
- Gladstone Cemetery
- Stillwater Cemetery
- Barrytown Cemetery
- Blackball Cemetery
- Ahaura Cemetery
- Nelson Creek Cemetery (Ngahere)
- Moonlight Cemetery (not maintained)
- Maori Gully
- Cobden Cemetery
- Greenstone Cemetery
- Dungaville Cemetery (not maintained)
- Notown Cemetery
- Napoleon's Hill Cemetery (not maintained)
- Interment (burial) services
- Application and pre-purchase of burial plots
- Cemetery records



## Why we are involved in this activity/these activities

It is a requirement for any community to have access to a wide range of services that makes living in that area and visiting that area attractive and enjoyable. It is often described as services and activities that make any community “whole”. These services often “define” a community and give the community identity and a sense of belonging.

Services can be in the form of active and passive recreation and enjoyment.

Facilities offered by Grey District Council are critical services that ensure the wellbeing of our communities and answer the needs of society. Whether those needs be economic, social, environmental, emotional or physical, our facilities are where people can feed their imaginations, rebuild their lives, find direction, upskill themselves, and put the theory of growth, understanding and tolerance into practice.



# Contribution to Community Outcomes

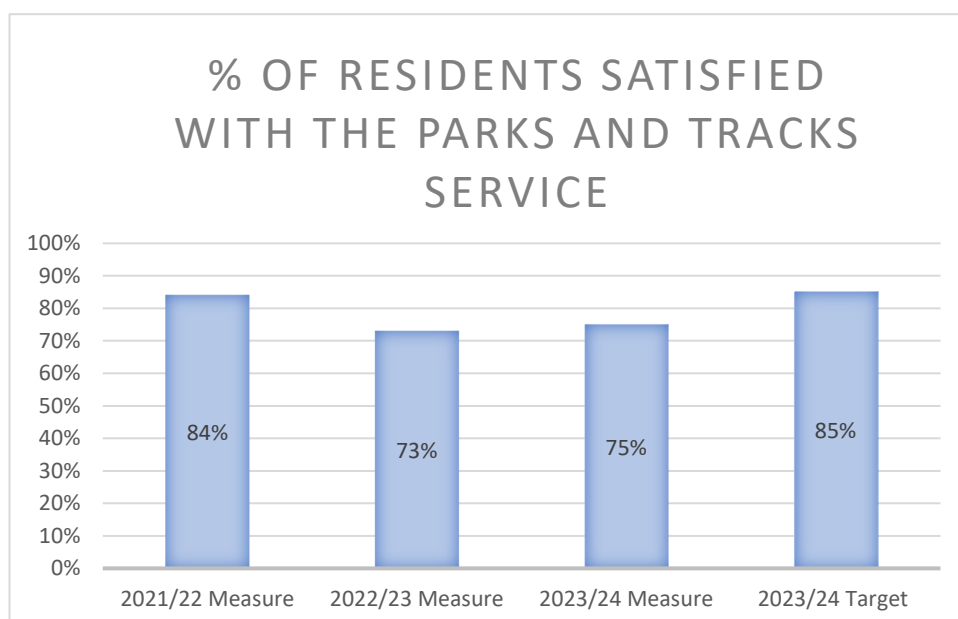
OUTCOME	CONTRIBUTION
<b>Economic Wellbeing</b>	
<b>Strong</b> <b>Diverse</b> <b>Sustainable</b> <b>Prosperous</b>	<ul style="list-style-type: none"> <li>▪ The provision and effective management of recreational and sports facilities, along with the Library and Museum Services contributes to a strong, sustainable, prosperous and diverse economy.</li> <li>▪ The provision and effective management of retirement housing assists with a strong, sustainable, and diverse economy.</li> <li>▪ The provision, strategic management, and maintenance of public toilet facilities for the community and visitors assists with a strong, prosperous and sustainable economy.</li> <li>▪ The enablement of arts facilities assists with a diverse and strong economy.</li> <li>▪ The management and maintenance of parks, reserves and cemeteries assists with a sustainable and strong economy.</li> </ul>
<b>Social Wellbeing</b>	
<b>Safe</b> <b>Inclusive</b> <b>Connected</b> <b>Enabled</b>	<ul style="list-style-type: none"> <li>▪ The provision and effective management of recreational and sports facilities, along with the Library and Museum Services makes for an inclusive, connected, safe and enabled community.</li> <li>▪ The provision and effective management of retirement housing enables a safe, enabled and connected community.</li> <li>▪ The provision, management, and maintenance of public toilet facilities for community and visitors assists with safety in the community.</li> <li>▪ The enablement of arts facilities assists in an inclusive, enabled and connected community.</li> <li>▪ The provision and maintenance of parks, reserves and cemeteries provides a safe, connected, and enabled community.</li> </ul>
<b>Connected</b>	<ul style="list-style-type: none"> <li>▪ Well maintained roading network, footpaths, cycle lanes and cycle paths for connection to activities, businesses, communities and industry.</li> </ul>
<b>Cultural Wellbeing</b>	
<b>Proud</b> <b>Unique</b> <b>Inter-connected</b> <b>Vibrant</b>	<ul style="list-style-type: none"> <li>▪ The provision and effective management of recreational and sports facilities, along with the Library and Museum Services contributes to a proud, unique, inter-connected and vibrant culture.</li> <li>▪ The enablement of arts facilities assists in and proud, unique and vibrant culture.</li> <li>▪ The provision and maintenance of parks and reserves provide a unique and vibrant culture.</li> </ul>
<b>Environment Wellbeing</b>	
<b>Practical</b> <b>Resilient</b> <b>Strategic</b>	<ul style="list-style-type: none"> <li>▪ The effective and strategic management of parks, reserves and cemeteries contributes to resiliency in the environment.</li> </ul>

# Our performance in 2023/2024 – Community & Recreation

## Overview

Council did not achieve any of its performance measures for Community and Recreation in this financial year.

Community and recreation facilities were well utilised during this financial year with an increase in the number of larger events at the Westland Recreation Centre. The new café is a welcome addition to the facility and a long outstanding request from customers. It is especially popular during the long winter sport season. The new library build has been approved, and the project is well underway. This community hub will offer all the current services and programmes in a modern environment and enhance the central business district. Community engagement process ensured community involvement in the project with good feedback for consideration. A new customer service feedback system has been implemented across the community and recreation area. It provides real time feedback with weekly and monthly reports to enhance customer service.



# Community & Recreation

## Libraries

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
Customer satisfaction	% of residents are satisfied with service	82%	63%	61%	Target Not Achieved.  The Resident's satisfaction survey was conducted during November 2023 to February 2024. The full report is available on Council's website.

## Westland Recreation Centre/Swimming Pools

What we're measuring	How we'll measure	2023/2024 target	2022/2023 measure	2023/2024 measure	Notes
Customer satisfaction	% of users are satisfied with swimming pools	75%	71%	69%	Target Not Achieved  The Resident Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website.
	% of users satisfied with WRC stadium	75%	65%	67%	Target Not Achieved  The Resident Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website.
	% of users satisfied with WRC fitness centres/gyms/group fitness classes	65%	53%	53%	Target Not Achieved  The Resident Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website.

## Community & Recreation

### Cemeteries

What we're measuring	How we'll measure	2023/ 2024 target	2022/ 2023 measure	2023/ 2024 measure	Notes
Customer satisfaction	% of residents satisfied with the standard of cemetery facilities	77%	69%	66%	Target Not Achieved  The Resident Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website.

### Parks and Tracks

What we're measuring	How we'll measure	2023/ 2024 target	2022/ 2023 measure	2023/ 2024 measure	Notes
Customer satisfaction	% of residents are satisfied with the service	85%	73%	75%	Target Not Achieved  The Resident Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website.

### Public Toilets

What we're measuring	How we'll measure	2023/ 2024 target	2022/ 2023 measure	2023/ 2024 measure	Notes
Customer satisfaction	% of residents are satisfied with the service	72%	68%	70%	Target Not Achieved  The Resident Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website.



# Community & Recreation Funding Impact Statement

For the year ended 30 June 2024

	LTP 2022-23 \$000	LTP 2023-24 \$000	Actual 2023-24 \$000
<b>OPERATING FUNDING</b>			
<b>SOURCES OF OPERATING FUNDING</b>			
General Rates, Uniform annual general charges, rates penalties	4,537	4,643	4,782
Targeted rates	66	94	-
Subsidies and grants for operating purposes	68	68	220
Fees and charges	1,338	1,324	1,168
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	31	31	11
<b>Total Operating Funding</b>	<b>6,040</b>	<b>6,160</b>	<b>6,180</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	4,556	4,689	5,121
Finance costs	162	160	155
Internal charges and overheads	862	872	947
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>5,580</b>	<b>5,721</b>	<b>6,222</b>
<b>SURPLUS / (DEFICIT) OF OPERATING FUNDING</b>	<b>460</b>	<b>439</b>	<b>(42)</b>
<b>CAPITAL FUNDING</b>			
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	1,163
Development and financial contributions	-	-	-
Increase/(decrease) in debt	(87)	46	285
Gross proceeds from the sale of assets	-	-	0
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>(87)</b>	<b>46</b>	<b>1,449</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	6	6	1,832
- to replace existing assets	249	391	341
Increase/(decrease) in reserves	118	88	(766)
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding</b>	<b>373</b>	<b>485</b>	<b>1,407</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>	<b>(460)</b>	<b>(439)</b>	<b>42</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Variations from budget – Community & Recreation

Payments to staff and suppliers \$432,000 higher than LTP Year 3 attributable to higher insurance premiums and contractor costs in Parks and Reserves, and the Recreation Centre.

Capital expenditure \$1.826 million higher than LTP Year 3 attributable to the building of the new library.

## Identified effects of these activities on the community

Council continues to offer high quality community facilities that form an integral part of making the Grey district an attractive place to live, work, and invest. It is recognised that these facilities require a high level of general ratepayer input, and there is not always a direct link between those who pay and those who benefit. Council strives to deliver the services in the most cost-effective manner possible.



# Democracy & Administration

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# Democracy & Administration

## Activities included in this group

Democracy and Administration includes Council, public consultation, Council administration and economic development.

### Why we are involved in this activity/these activities

A healthy community requires its elected Council to show strong leadership, but, at the same time, to conduct its business in an open, transparent manner.

A vital component of democracy and administration is a Council Administration that executes Council’s policies in a professional, objective and fair manner and, in doing so, respects the needs and circumstances of individual residents.

Council is involved with projects which provide economic development benefits to ensure the Grey District is a vibrant, progressive and welcoming environment where people can live, work or visit. Council will focus on the issues of concern that can be controlled, while keeping a watchful eye on those issues of concern which are not within its control.

Council facilitates events in the Grey District to provide vibrancy and enhance community wellbeing. Council will organise events to be held on Council property, e.g., Town Square, community facilities.

## Contribution to Community Outcomes

OUTCOME	CONTRIBUTION
<b>Economic Wellbeing</b>	
<b>Strong</b> <b>Diverse</b> <b>Sustainable</b> <b>Prosperous</b>	<ul style="list-style-type: none"> <li>Effective, diverse, and strategic leadership contributes to a strong, sustainable, and prosperous economy.</li> <li>Effective economic development and event facilitation contributes to a strong, diverse, sustainable, and prosperous economy.</li> <li>Efficient and strategic administration enables a strong economy.</li> </ul>
<b>Social Wellbeing</b>	
<b>Proud</b> <b>Unique</b> <b>Inter-connected</b> <b>Vibrant</b>	<ul style="list-style-type: none"> <li>Effective, diverse and strategic leadership enables a safe, inclusive and connected community.</li> <li>Effective economic development, and event facilitation enables an inclusive, connected and enabled community.</li> <li>Efficient and strategic administration enables the community.</li> </ul>
<b>Cultural Wellbeing</b>	
<b>Proud</b> <b>Unique</b> <b>Inter-connected</b> <b>Vibrant</b>	<ul style="list-style-type: none"> <li>Effective and diverse leadership enables the district to be culturally inter-connected.</li> <li>Effective economic development and event activities provide for a proud, unique, inter-connected and vibrant culture.</li> </ul>
<b>Environment Wellbeing</b>	
<b>Bold</b> <b>Practical</b> <b>Resilient</b> <b>Strategic</b>	<ul style="list-style-type: none"> <li>Effective and strategic leadership provide for decisions that enable boldness, practicality and resiliency within the environment.</li> </ul>

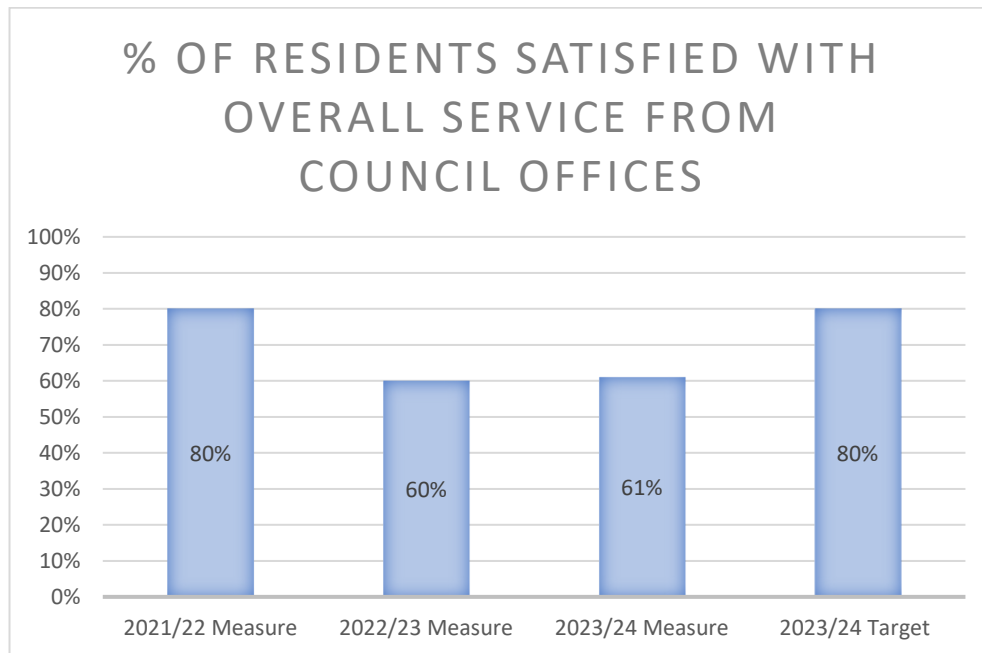


# Our performance in 2023/2024

## Democracy & Administration

### Overview

The proportion of residents satisfied with the overall service from Council offices increased in to 61% in 2023/2024 from the 2022/2023 result 60%.





## Performance measures

# Democracy & Administration

What we're measuring	How we'll measure	2023/ 2024 target	2022/ 2023 measure	2023/ 2024 measure	Notes
Customer satisfaction	% of residents are satisfied with the service they received when they have contacted Council offices	80%	60%	61%	Target not Achieved  The Resident Satisfaction Survey was conducted during November 2023 to February 2024. The full report is available on Council's website.

# Democracy & Administration Funding Impact Statement

For the year ended 30 June 2024

	LTP 2022-23 \$000	LTP 2023-24 \$000	Actual 2023-24 \$000
<b>OPERATING FUNDING</b>			
<b>SOURCES OF OPERATING FUNDING</b>			
General Rates, Uniform annual general charges, rates penalties	2,102	2,243	2,337
Targeted rates	129	129	348
Subsidies and grants for operating purposes	26	26	751
Fees and charges	77	47	39
Internal charges and overheads recovered	7,509	7,511	8,660
Local authorities fuel tax, fines, infringement fees and other receipts	139	135	490
<b>Total Operating Funding</b>	<b>9,982</b>	<b>10,091</b>	<b>12,625</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	7,538	7,546	9,219
Finance costs	-	-	1
Internal charges and overheads	2,402	2,354	3,716
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>9,940</b>	<b>9,900</b>	<b>12,936</b>
<b>SURPLUS / (DEFICIT) OF OPERATING FUNDING</b>	<b>42</b>	<b>191</b>	<b>(311)</b>
<b>CAPITAL FUNDING</b>			
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	-	-	130
Gross proceeds from the sale of assets	-	-	3
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>0</b>	<b>0</b>	<b>132</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	4	4	98
- to replace existing assets	157	160	292
Increase/(decrease) in reserves	( 119)	27	(569)
Increase/(decrease) of investments	-	-	0
<b>Total applications of capital funding</b>	<b>42</b>	<b>191</b>	<b>(178)</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>	<b>(42)</b>	<b>(191)</b>	<b>311</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Variations from budget – Democracy & Administration

Subsidies and Grants receipts \$725,000 higher than expected due to Majors Taskforce for Jobs and 3 Waters Transition funding.

## Identified effects of these activities on the community

Back in October 2012, key stakeholders identified from a cross section of organisations within the district were invited to be part of the Economic Development Liaison Group (EDLG) to help draft an Economic Development Strategy. Chaired by the Mayor, this group was responsible for overseeing and guiding the development of the Grey District Council's Economic Development Strategy, a ten-year plan to help foster economic growth within the district. A draft Economic Development Strategy was put out to the community for feedback in May and on 11 July 2013, the EDLG met to hear and consider submissions on the draft plan. Following this, a final strategy was developed and subsequently adopted by Council on 12 August 2013. This strategy continues to act as the basis for subsequent Council projects, such as the CBD renewal.





# PART C: Financial Statements and Notes



# Statement of Compliance and Responsibility

## Compliance

The Council and Management of the Grey District Council confirm that all statutory requirements relating to the annual report, as outlined in the Local Government Act 2002, have been complied with including the requirement to comply with generally accepted accounting practice.

The Statement of Service Performance of the Council has been prepared in accordance with the requirements of Part 3 Schedule 10 of the LGA, including the requirement from section 111 of the LGA to prepare all information in accordance with New Zealand generally accepted accounting practice (NZ GAAP).

## Responsibility

Council and management of the Grey District Council accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

Council and management accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and the reliability of the financial and service performance reporting.

In the opinion of Council and management of Grey District Council, the annual Financial Statements and the Statement of Service Performance for the year ended 30 June 2024 fairly reflect the financial position and operations of Grey District Council.



***Tania Gibson***

Mayor

24 March 2025



***Joanne Soderlund***

Chief Executive

24 March 2025

# Statement of Comprehensive Revenue and Expense

For the Year Ended 30 June 2024

		<b>Actual 2024 \$000</b>	<b>Budget 2024 \$000</b>	<b>Actual 2023 \$000</b>
<b>REVENUE</b>				
	Note			
Rates revenue	3	21,483	22,108	20,285
Subsidies and grants	4	9,321	5,096	10,215
Fees and charges	5	5,242	4,808	4,480
Financial and Development Contributions		837	65	197
Interest revenue	6	380	171	503
Other revenue	7	2,567	1,116	1,693
<b>Total revenue</b>		<b>39,830</b>	<b>33,364</b>	<b>37,373</b>
<b>EXPENSES</b>				
Personnel costs	9	8,012	7,643	7,086
Finance costs	10	1,484	1,421	1,363
Other expenses	11	23,148	16,530	21,060
Depreciation and amortisation expense	20	13,556	11,209	11,797
<b>Total expenses</b>		<b>46,200</b>	<b>36,803</b>	<b>41,306</b>
<b>Surplus / (deficit) before TAX</b>		<b>(6,370)</b>	<b>(3,439)</b>	<b>(3,933)</b>
Income Tax credit (expense)		-	-	-
<b>Surplus / (deficit)</b>		<b>(6,370)</b>	<b>(3,439)</b>	<b>(3,933)</b>
<b>OTHER COMPREHENSIVE REVENUE AND EXPENSE</b>				
<i>Items that will not be reclassified to surplus/(deficit)</i>				
Gains/(Losses) on revaluations of assets	18	13,212	-	47,063
<b>Total other comprehensive revenue and expense</b>		<b>13,212</b>	<b>-</b>	<b>47,063</b>
<b>Total comprehensive revenue and expense</b>		<b>6,842</b>	<b>(3,439)</b>	<b>43,131</b>

The accompanying notes form part of these financial statements.

# Statement of Financial Position

As at 30 June 2024



		<b>Actual 2024 \$000</b>	<b>Budget 2024 \$000</b>	<b>Actual 2023 \$000</b>
<b>ASSETS</b>				
	Note			
<b>Current assets</b>				
Cash and cash equivalents	13	3,471	4,427	8,028
Receivables	14	7,351	6,425	5,646
Prepayments	15	640	-	552
Other financial assets	16	1,150	6,828	587
Derivative financial instruments	17	6	-	186
<b>Total current assets</b>		<b>12,618</b>	<b>17,680</b>	<b>14,999</b>
<b>Non-current assets</b>				
Property, plant and equipment	18	568,897	536,914	558,154
Inventories	-	-	30	-
Intangible assets	19	165	200	209
Investment property	21	5,695	3,700	3,870
Other financial assets	16	596	102	618
Derivative financial instruments	17	345	-	413
<b>Total non-current assets</b>		<b>575,698</b>	<b>540,946</b>	<b>563,264</b>
<b>Total assets</b>		<b>588,316</b>	<b>558,626</b>	<b>578,263</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables and deferred revenue	22	8,064	6,040	6,815
Employee benefit liabilities	23	497	542	379
Borrowings	25	10,000	5,000	7,000
<b>Total current liabilities</b>		<b>18,561</b>	<b>11,582</b>	<b>14,194</b>
<b>Non-current liabilities</b>				
Employee benefit liabilities	23	179	-	210
Provisions	24	1,237	1,968	1,360
Borrowings	25	22,600	32,418	23,600
Derivative financial instruments	17	-	95	-
<b>Total non-current liabilities</b>		<b>24,016</b>	<b>34,481</b>	<b>25,170</b>
<b>Total liabilities</b>		<b>42,577</b>	<b>46,063</b>	<b>39,364</b>
<b>Net assets</b>		<b>545,741</b>	<b>512,564</b>	<b>538,899</b>
<b>EQUITY</b>				
Accumulated Funds	26	221,431	238,702	228,725
Reserves	26	9,898	7,799	8,973
Revaluation Reserves	26	314,413	266,063	301,201
<b>Total equity</b>		<b>545,741</b>	<b>512,564</b>	<b>538,899</b>

The accompanying notes form part of these financial statements.



# Statement of Changes in Equity

For the year ended 30 June 2024

	Note	<b>Actual 2024 \$000</b>	<b>Budget 2024 \$000</b>	<b>Actual 2023 \$000</b>
<b>Equity at 1st of July</b>		538,899	516,003	495,768
Total comprehensive revenue		6,842	(3,439)	43,131
<b>Equity at 30th June</b>	26	545,741	512,564	538,899

The accompanying notes form part of these financial statements.

The accompanying notes form part of these financial statements

# Statement of Cash Flows

For the year ended 2024

	Note	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from rates revenue		22,324	22,108	20,306
Receipts from other revenue		8,762	11,085	7,382
Subsidies and grants received		5,616	-	15,118
Interest received		380	171	428
Payments to suppliers and employees		(30,581)	(24,173)	(27,734)
Finance costs		(1,484)	(1,421)	(1,250)
<b>NET CASH INFLOW/ (OUTFLOW) FROM</b>				
<b>OPERATING ACTIVITIES</b>	27	5,017	7,770	14,250
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of property, plant and equipment		8	-	-
Proceeds sale of investments		(546)	-	-
Proceeds from sale of investment properties		-	-	121
Proceeds from realisation of other financial assets		-	-	1,589
Purchase of property, plant and equipment & Intangibles		(11,035)	(14,622)	(12,813)
Purchase of other financial assets		-	-	(636)
<b>NET CASH INFLOW/ (OUTFLOW) FROM</b>				
<b>INVESTING ACTIVITIES</b>		(11,573)	(14,622)	(11,739)
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from Borrowing		3,050	7,302	17,000
Repayment of Borrowings		(1,050)	(1,050)	(17,000)
<b>NET CASH INFLOW/ (OUTFLOW) FROM</b>				
<b>FINANCING ACTIVITIES</b>		2,000	6,252	0
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>				
Opening Cash Balance 1 July		8,028	5,028	5,517
Closing Balance 30 June		3,471	4,427	8,028
<b>REPRESENTED BY</b>				
<b>Cash &amp; cash equivalents</b>	13	3,471	4,427	8,028

The accompanying notes form part of these financial statements.



# Notes to the Financial Statements

## 1. Statement of accounting policies

### Reporting entity

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

The primary objective of Council is to provide goods and services for a community or social benefit rather than making a financial return. The Council has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice (GAAP).

The financial statements of Council are for the year ended 30 June 2024. The financial statements were authorised for issue by Council on 24 March 2025.

### Basis of preparation

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the year.

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

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

The financial statements have been prepared in accordance with and comply with Public Benefit Entity Standards.

### Measurement Base

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$’000), other than the remuneration and the severance payment disclosures in the corresponding note, and the related party transaction disclosures in the corresponding note. The remuneration, severance payment, and related party transaction disclosures are rounded to the nearest dollar.

The financial statements have been prepared on a historical cost basis, except for investment properties, some classes of property, plant and equipment, derivative financial instruments and available-for-sale investments, which have been measured at fair value.

Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into New Zealand Dollars (the functional currency) using the spot exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in surplus or deficit.

### Accounting policies

The following accounting policies which materially affect the measurement of financial performance, financial position and cash flows for Council have been applied:

### Changes in accounting policies

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

### Amendments to PBE IPSAS 19 Provisions, Contingent Liabilities and Contingent Assets

Amendments to PBE IPSAS 19 Provisions, Contingent Liabilities and Contingent Assets is effective 1 July 2023.



The Council has applied the amendments from 1 July 2023.

When considering whether a contract is onerous, PBE IPSAS 19 requires an entity to consider the unavoidable costs which is the lower of the costs of fulfilling a contract and any compensation or penalties arising from failure to fulfill a contract.

The amendments added a description on the “costs of fulfilling a contract” when determining the unavoidable costs under the onerous contracts. The cost of fulfilling a contract comprises the costs that relate directly to the contract.

Costs that relate directly to a contract consist of both:

- ▶ The incremental costs of fulfilling that contract—for example, direct labour and materials; and
- ▶ An allocation of other costs that relate directly to fulfilling contracts—for example, an allocation of the depreciation charge for an item of property, plant, and equipment used in fulfilling that contract among others. Early application is permitted if specific requirements are met.

The Council has assessed the amendments have minimal impact on the financial statements.

## Amendments to PBE IPSAS 17 Property, Plant and Equipment

Amendments to PBE IPSAS 17 are effective from 1 July 2023. The Council has applied the amendments from 1 July 2023.

The amendments amended the direct attribution costs to exclude the proceed from selling any items produced, such as samples produced when testing equipment, while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating. The amendments also require the proceed from selling such produced sample to be recognised in surplus or deficit and applying the measurement requirements of PBE IPSAS 12 Inventories.

The amendment also requires the separate disclosure of the amounts of proceeds and costs included in the surplus or deficit for the samples produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating.

The Council has assessed the amendments have minimal impact on the financial statements.

There have been no other changes in accounting policies.

## Revenue

Revenue comprises of the items below and is measured at the fair value of consideration received or receivable. Revenue may be derived from either exchange or non-exchange transactions.

### Revenue from exchange and non-exchange transactions

Revenue from exchange transactions arises where the Council provides goods or services to another entity and directly receives approximately equal value (primarily in the form of cash in exchange).

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. Revenue from non-exchange transactions arises when the Council receives value from another party without giving approximately equal value directly in exchange for the value received.

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm’s length commercial transaction between a willing buyer and willing seller. Many of the services that the Council provides for a fee are charged at below market value as they are subsidised by rates. Other services operate on a cost recovery or break-even basis and are not considered to reflect a market return. Most of the Council’s revenue is therefore categorised as non-exchange.

Specific accounting policies for major categories of revenue are outlined below. The Council undertakes various activities as part of its normal operations, some of which generate revenue, but generally at below market rates. The following categories (except where noted) are classified as transfers, which are non-exchange transactions other than taxes.

## Rates

Rates Revenue is recognised by Council as being revenue on the due date of each instalment. Rates are a tax as they are payable under the Local Government (Rating) Act 2002 and are therefore defined as non-exchange.





Water billing revenue is recognised on an accrual basis and are taxes that use a specific charging mechanism to collect the rate and are non-exchange revenue.

Rates arising from late payment penalties are recognised as revenue when rates become overdue.

## Subsidies and grants

Council receives funding assistance from Waka Kotahi New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

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

Other bequests, and assets vested in Council — with or without conditions — are recognised as revenue when control over the assets is obtained.

## Insurance proceeds

Insurance proceeds are recognised as revenue when the compensation becomes receivable. Claims accepted after balance date are not recognised where their receipt was not virtually certain. Refer to 'Other revenue' in Note 8.

## Development and financial contributions

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

## Finance revenue

Interest revenue is included in finance revenue in the statement of comprehensive revenue and expense and recognised using the effective interest method.

Interest earned on assets measured at Fair Value through Surplus or Deficit is recorded using the contractual interest rate.

## Other revenue and Fees and Charges

Dividends are recognised when the right to receive payment has been established and are classified as exchange revenue.

Revenue from fines and penalties (e.g., traffic and parking infringements, library overdue book fines, rates penalties) are recognised when infringement notices are issued or when the fines/penalties are otherwise imposed.

Revenue from the rendering of services where the service provided is non-exchange is recognised when the transaction occurs to the extent that a liability is not also recognised. Within rendering of services, the only revenues considered to be exchange revenue are from Parking services (meter fees and permits) and commercial leases of some building assets. For these transactions the revenue is recognised by reference to the stage of completion of the transaction at the reporting date.

The sale of goods is classified as exchange revenue. Sale of goods is recognised when products are sold to the customer and all risks and rewards of ownership have transferred to the customer.

Investment property lease rentals (net of any incentives given) are classified as exchange revenue and recognised on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which benefits derived from the leased asset is diminished.

## Other gains and losses

Gains include additional earnings on the disposal of property, plant and equipment and movements in the fair value of financial assets and liabilities and are recognised as exchange revenue.

Vested Asset Revenue for no nominal consideration is recognised as non-exchange revenue when the maintenance period (where the developer is responsible for addressing maintenance items) ends and the asset is at the required standard to be taken over by Council. The fair value of vested or donated assets is usually determined by reference



to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

## Borrowing costs

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

## Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date. Movement in the fair value in interest rate swaps (derivatives) are recognised as a finance expense/revenue through the surplus/deficit.

## Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received. Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision.

## Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date. The substance of the arrangement depends on whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

### Lessee

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the entity. Assets held under a finance lease are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The entity also recognises the associated lease liability at the inception of the lease, at the same amount as the capitalised leased asset.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in surplus or deficit.

Contingent rents shall be charged as expenses in the period in which they are incurred.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the entity. Operating lease payments are recognised as an operating expense in surplus or deficit on a straight-line basis over the lease term.

### Leases

Leases in which the entity does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term. Rent received from an operating lease is recognised as income on a straight-line basis over the lease term. Contingent rents are recognised as revenue in the period in which they are earned.

## Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, with a net of outstanding bank overdrafts as they are considered an integral part of the Council's cash management.

Bank overdrafts are included within interest-bearing loans and borrowings in current liabilities on the face of the statement of financial position.

## Financial assets

### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, and fair value through surplus or deficit. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Council's business model for managing them. The Council initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through surplus or deficit, transaction costs.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are SPPI on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through surplus or deficit, irrespective of the business model.

The Council's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Council commits to purchase or sell the asset. The Council's financial assets include: cash and cash equivalents, trade receivables from non-exchange transactions, short term deposits and derivatives financial instruments.

### Subsequent measurement

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains or losses are recognised in surplus or deficit when the asset is derecognised, modified or impaired.

The Council's financial assets at amortised cost includes cash and cash equivalents, trade receivables from non-exchange transactions and short term deposits.

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of financial performance.

This category includes derivative financial instruments, LGFA borrower notes and Civic Assurance Shares.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from council statement of financial position) when:

- ▶ The rights to receive cash flows from the asset have expired, or
- ▶ Council has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (a) council has transferred substantially all the risks and rewards of the asset, or
  - (b) the Council has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When Council has transferred its rights to receive cash flows from an asset or has entered into a pass-through



arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, Council continues to recognise the transferred asset to the extent of its continuing involvement. In that case, Council also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that Council has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that Council could be required to repay.

## Impairment

Council recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through surplus or deficit. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that Council expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For receivables from non-exchange transactions and receivables from exchange transactions, Council applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. Council has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

In certain cases, Council may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by Council. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## Financial liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through surplus or deficit, payables and borrowings.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Council's financial liabilities include trade and other payables, borrowings and derivative financial instruments.

### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- ▶ Financial liabilities at fair value through surplus or deficit
- ▶ Financial liabilities at amortised cost

### Financial liabilities at fair value through surplus or deficit

Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through surplus or deficit.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by Council that are not designated as hedging instruments in hedge relationships as defined by PBE IPSAS 41.

Financial liabilities designated upon initial recognition at fair value through surplus or deficit are designated at the initial date of recognition, and only if the criteria in PBE IPSAS 41 are satisfied. Council has not designated any



financial liability as at fair value through surplus or deficit.

## Financial liabilities at amortised cost

This is the category of financial liabilities that is most relevant to Council. After initial recognition financial liabilities at amortised costs are subsequently measured at amortised cost using the EIR method. Gains or losses are recognised in surplus or deficit when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of financial performance.

A financial liability is derecognised when the obligation under the liability is discharged, waived, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, then such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of financial performance.

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if:

- (a) there is a currently enforceable legal right to offset the recognised amounts; and
- (b) there is either an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

## Derivative financial instruments

Council uses derivative financial instruments, such as interest rate swaps to hedge its interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Derivative assets and liabilities are classified as non-current when the remaining maturity is more than 12 months, or current when the remaining maturity is less than 12 months. The fair values of interest rate swaps are determined using a valuation technique based on cash flows discounted to present value using current market interest rates. Any gains or losses arising from changes in the fair value of derivatives are taken directly to surplus or deficit.

## Accounts Receivable

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

## Property, Plant and Equipment

Property, plant and equipment consists of:

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

Other fixed assets — these include land, buildings, breakwater and wharves.

## Additions

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

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

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired in a non-exchange transaction at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.



The costs of day-to-day servicing of property, plant, and equipment are recognised in surplus or deficit as they are incurred.

## Disposals

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

## Depreciation

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

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Asset Class	Depreciation Method	Life (years)	%
Buildings:			
- Structure	Straight line	40-50	2.0-2.5
- Fit Out	Straight line	10-20	5.0-10
- Services	Straight line	15-30	3.33-6.67
- Sundry (e.g. car parking)	Straight line	10	10
Aerodrome	Straight line	10-75	1.33-10
Plant and machinery	Straight line	3-30	3-33
Furniture and fittings	Straight line	10	10
Computer equipment	Straight line	3-8	12.5-33
Library stocks	Straight line	8	12.5
Breakwater and wharves	Straight line	40-50	2-2.5
Reserve board assets	Not depreciated		
INFRASTRUCTURE ASSETS			
Roading networks:			
- Formation	Not depreciated		
- Pavement structure - sealed	Straight line	40-50	2-2.5
- Pavement structure - unsealed	Straight line	3-22	4.5-33
- Pavement surfacing	Straight line	8-16	6.25-12.5
- Kerb and channelling	Straight line	50-150	0.67-2
- Bridges	Straight line	15-100	1- 1.67
- Footpaths	Straight line	15-50	2-6.67
- Drainage: surface water channels	Straight line	10-80	1.25-10
Water supply systems			
- Pipe network	Straight line	50-100	1-2
- Pumps and electrical	Straight line	10-80	1.25-10
- Reservoirs	Straight line	60-80	1.67-10
Stormwater and sewerage			
- Pipe network	Straight line	50-100	1 - 2



- Pumps and electrical	Straight line	10-80	1.25-10
- Ponds	Straight line	60	1.67
Heritage assets	Straight line	40	2.5
Landfill Sites			
Landfill sites	Straight line	10-50	2-10
Landfill capitalised aftercare costs	Straight line	8	12.5
Stormwater: culverts and catch pits	Straight line	50-150	0.67-2
- Traffic signs and pavement marking	Straight line	5-15	0.67-20
- Streetlights	Straight line	22-40	2.5-4.0
Flood protection scheme	Straight line	100	1
Parking developments	Straight line	50	2
Sports fields and parks improvements	Straight line	5-100	1-20

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.





## Valuation

The measurement base for each class of asset is described below.

<b>Infrastructural assets</b>	<b>Valuation basis</b>
Roading network	Optimised depreciated replacement cost
Land under roads	Deemed cost, carried at cost and not depreciated
Stormwater	Optimised depreciated replacement cost
Flood protection system	Depreciated historical cost.
Sewerage	Optimised depreciated replacement cost
Water supply systems	Optimised depreciated replacement cost
Landfill site	Depreciated historical cost

<b>Fixed assets</b>	<b>Valuation basis</b>
General land	Fair value
Other land	Historical cost
Buildings	Fair value
Plant and machinery	Depreciated historical cost
Furniture and fittings	Depreciated historical cost
Computer equipment	Depreciated historical cost
Library stocks	Depreciated historical cost
Breakwater and wharves	Depreciated historical cost
Aerodrome	Fair value
Parking developments	Depreciated historical cost
Reserve Board Assets	Historical Value
Sports fields and parks	Depreciated historical cost
Heritage assets	Depreciated historical cost



## Accounting for revaluations

Council accounts for revaluations of property, plant and equipment on a class of asset basis. The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus/deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus/deficit will be recognised first in the surplus/deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expense.

Those asset classes that are revalued are valued on a three yearly valuation cycle on the basis described above. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

## Intangible Assets

### Computer software acquisition and development

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

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

Computer software is amortised on a straight-line basis over its useful life. The useful life of software is estimated as one to four years. Annual computer software licences are fully expensed in year one.

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

Costs associated with maintaining computer software are recognised as an expense when incurred.

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

## Investment property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, Council measures all investment property at fair value at each reporting date.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus/deficit.

## Investment in Associates and Joint Ventures

An associate is an entity over which the Council has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of another entity, but has no control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties have joint control of the arrangement have rights to the net assets of the arrangement. joint control is the agreed sharing of control of an arrangement by way of a binding



arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Council's investment in associates and joint ventures is accounted for at cost in the Council's separate financial statements. In the Council's separate statement of financial performance, dividends receivable from associates or joint ventures are recognised as revenue.

## Impairment of non-financial assets

Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Council would, if deprived of the asset, replace its remaining future economic benefits or service potential. The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus/deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus/deficit. The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus/deficit, a reversal of the impairment loss is also recognised in the surplus/deficit.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the surplus/deficit.

## Trade and other payables

Short-term creditors and other payables are recorded at their face value.

## Employee benefits

### Short-term benefits

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

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken, at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave accrued.

### Long-term benefits

#### Long service leave and retirement leave

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and



- the present value of the estimated future cash flows. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long- term increase in remuneration for employees.

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

## Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When council expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

### Rehabilitation provision – landfill

The Council has a legal obligation under its resource consent to operate the landfill. Under this resource consent, the Council has a legal obligation to provide ongoing maintenance and monitoring of the landfill site after its closure.

Council records a provision for post-closure rehabilitation costs that are expected to be incurred in connection with the closure of the landfill. Rehabilitation costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the landfill asset.

The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the rehabilitation liability. The unwinding of the discount is expensed as incurred and recognised in surplus or deficit as a finance cost. The estimated future costs of rehabilitation are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

The impact of climate-related matters on remediation of environmental damage is considered when determining the rehabilitation provision which has been disclosed in Note 24.

### Weathertightness provision

Council recognises a provision for the Council's estimated liability relating to the settlement of weathertightness claims. The provision relates to claims made under the Weathertight Homes Resolution Services Act 2006, as well as civil proceedings directly against the Council.

The provision calculation includes the estimated net settlement that the Council is expected to make on:

- ▶ All claims that are currently actively managed by the Council
- ▶ All claims that have been lodged with Weathertight Home Resolution Services, but are not yet actively managed by the Council, and
- ▶ Estimated future claims that are not yet identified or reported



Estimated cash flows relating to settlement are discounted to present value at a pre-tax rate reflecting the risks specific to the weathertightness provision. The unwinding of the discount is expensed as incurred and recognised in surplus or deficit as a finance cost. Estimated future settlements are reviewed annually and adjusted as appropriate. Changes in estimated future settlements or in the discount rate are recognised in surplus or deficit.

## Restructuring provisions

Restructuring provisions are recognised only when the recognition criteria for provisions are fulfilled. Council has a constructive obligation that gives rise to a restructuring provision only when:

- ▶ A detailed formal plan identifies the operating unit or part of the operating unit concerned, the location and number of employees affected, a detailed estimate of the associated costs, and an appropriate timeline, and
- ▶ The employees affected have been notified of the plan's main features, and therefore, have a valid expectation that the plan will be implemented

If the effect of the time value of money is material, the estimated restructure costs are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## Borrowings

Borrowing on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date

## Equity

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Ratepayers' equity (Retained earnings)
- Special funds reserves
- Trusts, bequests and other reserves
- Asset revaluation reserves.

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council. Restricted reserves are those reserves subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the courts or third parties. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Council created reserves are reserves established by Council decision. Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

Asset revaluation reserves comprise the cumulative net change in the fair value of assets classified as fair value though other comprehensive revenue and expense.



## Goods and Service Tax (GST)

All items in the financial statements including the Statement of Cashflows are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

## Budget figures

The budget figures are those approved by Council at the beginning of the year in its 2023/2024 Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Council for the preparation of the financial statements.

## Cost allocation

Council has derived the cost of service for each significant activity of Council using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers and floor area.

## Critical accounting estimates and assumptions

In preparing these financial statements, Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Landfill aftercare provision - the associated note to the financial statements discloses an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.



## Infrastructural assets and property carried at fair value

There are a number of assumptions and estimates are used when valuing infrastructure and property assets using the depreciated replacement cost method. These include:

- The replacement costs where appropriate reflect optimisation due to over-design or surplus capacity.
- Estimating the replacement cost of the asset. The replacement cost of an asset is based on recent construction contracts in the region for modern equivalent assets, from which unit rates are determined. Unit rates have been applied to components of the network based on size, material, depth, and location. If recent contract cost information is considered out of date, it is indexed using Statistics New Zealand's Capital Goods Price Index (based on the March 2024 quarter index) for civil constructions to convert them to current dollar value at the valuation date.
- Estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected by the local conditions. For example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over or underestimating the annual depreciation charge recognised as an expense in the statement of comprehensive revenue and expense. To minimise this risk, infrastructural asset useful lives have been determined with reference to the New Zealand Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration, and condition-modelling are also carried out regularly as part of asset management planning activities, which provide further assurance over useful life estimates.

## Critical judgements in applying council's accounting policies

Management has exercised the following critical judgements in applying Council's accounting policies for the period ended 30 June 2024:

### Classification of property

Council owns a number of properties, which are maintained primarily to provide housing to elderly persons. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of Council's social housing policy. These properties are accounted for as property, plant and equipment.

### Classification of leases

Council is the lessor on a large number of leases which include terms where the lessee can extend the lease into perpetuity. Council has determined that the risks and rewards of ownership are retained by the Grey District Council and therefore have classified the leases as operating leases.

### Classification of property

Council's leasehold property has been classified as Investment Property as the primary purpose is to earn rental revenue for the Council and is not directly related to service delivery.

## Service Performance Reporting (PBE FRS 48)

The Statement of service performance is formally classified in part B of this report.

The relevant legislation governing the requirement of reporting of the Council's service performance is Part 3 of Schedule 10 of the Local Government Act 2002.

The statement of service performance of the Council has been prepared in accordance with PBE standards and is for the year ended 30 June 2024.

In preparing the statement of service performance, the council has made judgement on the application of reporting standards and has made estimates and assumptions concerning the measurement of certain service performance targets.



## Statement of cash flows

The following are the definitions of terms used in the statement of cash flows:

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

“Investing Activities” are those activities relating to the acquisition, holding and disposal of property, plant and equipment and of investments. Investments can include securities not falling within the definition of cash.

“Financing Activities” are those activities change the equity and debt capital structure of Council.

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

## Standards issued and not yet effective and not early adopted

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of Council’s financial statements are disclosed below. Council intends to adopt these standards, if applicable, when they become effective.

### Amendments to PBE IPSAS 1 Disclosure of Fees for Audit Firms' Services

Commences to apply for annual reporting periods beginning on or after 1 January 2024.

The amendments to PBE IPSAS 1 aim to address concerns about the quality and consistency of **disclosures an entity provides about fees paid to its audit or review firm for different types of services.**

The enhanced disclosures are expected to improve the transparency and consistency of disclosures about fees paid to an entity’s audit or review firm.

Entities are required to disclose the fees incurred for services received from their audit or review firm, and a description of each service, using the following specified categories:

- ▶ Audit or review of the financial report
- ▶ Other non-audit and non-review services:
  - ▶ Audit or review related services
  - ▶ Other assurance services and other agreed-upon procedures engagements
  - ▶ Taxation services
  - ▶ Other services





## 2. Summary revenue and expenditure for groups of activities

	<b>Actual 2024 \$000</b>	<b>Budget 2024 \$000</b>	<b>Actual 2023 \$000</b>
<b>Revenue</b>			
Land Transport	10,374	8,354	8,809
Stormwater	1,242	1,284	1,320
Wastewater	3,433	3,104	2,832
Water Supply	3,206	3,128	4,483
Solid Waste	4,112	3,754	3,352
Environmental Services	3,113	2,968	2,888
Commercial & Property	3,721	2,052	4,092
Community & Recreation	7,344	6,111	5,882
Democracy & Administration	3,284	2,609	3,715
<b>Total activity revenue</b>	<b>39,830</b>	<b>33,364</b>	<b>37,373</b>
<b>Expenditure</b>			
Land Transport	11,276	8,464	9,891
Stormwater	2,539	2,127	2,068
Wastewater	4,773	3,956	4,152
Water Supply	3,981	3,283	3,747
Solid Waste	4,122	3,576	3,444
Environmental Services	3,953	2,925	3,255
Commercial & Property	3,698	2,775	3,059
Community & Recreation	7,916	6,993	7,396
Democracy & Administration	3,942	2,704	4,294
<b>Total Expenditure</b>	<b>46,200</b>	<b>36,803</b>	<b>41,306</b>

This shows a breakdown of the Total Revenue and Operating Expenditure, as shown on the Statement of Comprehensive Revenue and Expense, between each Group of Activities.



### 3. Rates revenue

		<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
General Rate	Non Exchange	8,531	7,931
Uniform Annual General Charge	Non Exchange	4,439	4,192
Water Supply	Non Exchange	2,766	2,677
Water Supply by Meter	Exchange	293	268
Wastewater	Non Exchange	2,873	2,769
Solid Waste	Non Exchange	2,103	1,844
Community & Recreation	Non Exchange	-	37
Democracy & Administration	Non Exchange	348	291
Rates Penalties	Non Exchange	131	275
Other rates revenue		(1)	1
<b>Total Rates</b>		<b>21,483</b>	<b>20,285</b>
Exchange		293	268
Non Exchange		21,190	20,017
<b>Total Exchange/Non Exchange</b>		<b>21,483</b>	<b>20,285</b>

Total revenue from any funding mechanism authorised by the Local Government (Rating Act) 2002 (i.e. including targeted water supply rates and lump sum contributions) is as follows:

<b>Ratings base</b>	<b>June 2024</b>	<b>June 2023</b>
Revenue from rates for Grey District Council was billed on the following information:		
Number of rating units at end of preceding year	9,186	9,127
Total capital value of rating units at end of preceding year	3,879,194,450	3,824,580,450
Total land value of rating units at end of preceding year	1,749,147,750	1,744,748,750

### Rating base information

This information is provided in terms of Schedule 10 clause 30A of the Local Government Act 2002:

The annual report must state—

- the number of rating units within the district or region of the local authority at the end of the preceding financial year:
- the total capital value of rating units within the district or region of the local authority at the end of the preceding financial year:
- the total land value of rating units within the district or region of the local authority at the end of the preceding financial year.



## 4. Subsidies and grants

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
<b>Government Grants</b>		
Grants received - Government NZTA	5,737	4,159
Transportation	1,262	1,345
3 Waters	361	1,649
Other Government Grants and Subsidies	1,860	2,920
<b>Total Government Grants</b>	<b>9,220</b>	<b>10,073</b>
<b>Non Government Grants</b>		
Development West Coast	10	30
Other Non Government Funding	91	112
<b>Total Non Government Grants</b>	<b>101</b>	<b>142</b>
<b>Total Subsidies and Grants</b>	<b>9,321</b>	<b>10,215</b>

There are no unfulfilled conditions and other contingencies attached to subsidies and grants recognised (2023: nil)

Total Non Exchange Revenue for the year from Subsidies and Grants was \$9.321 million. (2023: \$10.215 million)

## 5. Fees and Charges

		<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Solid waste	Exchange	1,482	1,083
Animal control	Exchange	201	198
Building and planning consents	Exchange	920	824
Other environmental services	Exchange	218	189
Swimming pool and stadium	Exchange	1,037	957
Community housing	Non Exchange	824	750
Port	Exchange	172	166
Other fees and charges	Exchange	388	313
<b>Total Fees and Charges</b>		<b>5,242</b>	<b>4,480</b>
Exchange		4,418	3,730
Non Exchange		824	750
<b>Total Exchange/Non Exchange</b>		<b>5,242</b>	<b>4,480</b>

## 6. Interest revenue

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
<b>Finance revenue</b>		
Interest revenue	380	503
<b>Total Finance Revenue</b>	<b>380</b>	<b>503</b>

Total Exchange Revenue for the year \$380,000(2023: \$503,000)

## 7. Other revenue

		<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Lease revenue	Exchange	381	307
Donations	Non Exchange	1	22
Infringements	Non Exchange	55	18
Petrol Tax	Non Exchange	134	186
Gain on disposal of PPE	Exchange	17	19
Gains on fair value derivatives	Exchange	(249)	439
Gains on fair value investment property	Exchange	1,825	305
Other Revenue	Exchange	403	397
<b>Total Other Revenue</b>		<b>2,567</b>	<b>1,693</b>
Exchange		2,377	1,467
Non Exchange		190	226
<b>Total Exchange/Non Exchange</b>		<b>2,567</b>	<b>1,693</b>

### 7a Operating Leases as Lessor

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Not later than one year	378	285
Later than one year and not later than two years	277	248
Later than one year and not later than five years	713	629
Later than five years	4,346	3,797
<b>Total Operating leases as lessor</b>	<b>5,714</b>	<b>4,959</b>

The majority of these leases are ground leases and have a non-cancellable term of 21 years

## 8. Revenue Exchange / Non-Exchange

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
<b>Revenue from exchange transactions</b>		
Rates Revenue	293	268
Subsidies and Grants	-	-
Fees & Charges	4,418	3,730
Other Revenue	2,377	1,467
Finance Revenue	380	503
Development and Financial Contributions	-	-
<b>Total revenue exchange</b>	<b>7,468</b>	<b>5,968</b>
<b>Revenue from non-exchange transactions</b>		
Rates Revenue	21,190	20,017
Subsidies and Grants	9,321	10,215
Fees & Charges	824	750
Other Revenue	190	226
Development and Financial Contributions	837	197
<b>Total revenue non-exchange</b>	<b>32,362</b>	<b>31,405</b>

## 9. Personnel costs

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Salaries and wages	7,761	6,833
Defined contribution plans	251	253
	8,012	7,086

Employer contributions to defined contributions plans include contributions to Kiwisaver.

During the year the total remuneration and value of other non-financial benefits received by or payable to the Mayor, other Councillors and Chief Executive of the Council were as follows (note there is no rounding in this note):

	<b>Actual 2024 \$</b>	<b>Actual 2023 \$</b>
Gibson T.K. (Mayor)	118,869	113,737
Becker A.D	-	10,529
Gibson A.J.	55,276	46,876
Green R.D.	-	7,725
Haddock P.R.	-	10,092
Hay M.	-	7,725
McBride p.T.	-	8,409
MacDonald R.R.	40,462	33,424
Mora T.F.	41,562	34,584
Mallinson, R	44,924	29,095
O'Connor, J	41,262	25,792
Canning, J	43,572	26,991
Davy, P	43,341	13,798
Kennedy, C	42,082	26,250
Chief Executive total remuneration paid or payable for the year	364,005	261,569

### Remuneration for employees by band as at 30 June

	<b>Actual 2024</b>	<b>Actual 2023</b>
> \$180,000	4	2
\$120,000 - 179,999	9	5
\$100,000 - 119,999	9	5
\$80,000 - 99,999	14	15
\$60,000 - 79,999	24	22
< \$60,000	37	35
	97	84

The number of full time equivalent (FTE) employees as at 30 June 2024 was 89 (2023: 84) where 32 hours a week is considered full time.

For the year ended 30 June 2024 Council made 4 severance payments to the value of \$128,650 (2023: 12500) which included a severance payment to the previous CE of \$90,000



## 10. Finance Costs

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
<b>Finance expenses</b>		
Interest expense	1,484	1,363
<b>Total Finance Expense</b>	<u>1,484</u>	<u>1,363</u>

## 11. Other expenses

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
<u>Expenses include:</u>		
<i>Fees to principal auditor</i>		
Audit fees for financial statement audit (EY)	223	169
Audit fees for Debenture Trust Deed audit (EY)	4	4
Fees to other auditors	3	-
Insurance	1,436	1,175
Contractors and Professional Services	15,712	13,625
Utilities	1,019	1,127
Minimum lease payments	319	301
Grants	810	859
Loss on Disposal PPE	1	23
Direct Investment Property Costs	-	-
Other operating expenses	3,621	3,777
<b>Total other expenses</b>	<u>23,148</u>	<u>21,060</u>

The auditor of Council, for and on behalf of the Office of the Auditor-General, is Brendan Summerfield of Ernst & Young.

## 12. Operating Leases as Lessee

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Not later than one year	312	226
Later than one year and not later than five years	885	869
Later than five years	1,140	1,472
<b>Total Operating Lease Commitments</b>	<u>2,337</u>	<u>2,567</u>

Operating leases relate to land and equipment leases. The majority of these leases have a non-cancellable term of 21 years for land and four years for office equipment.



## 13. Cash and cash equivalents

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Cash at bank and in hand	3,471	3,519
Term Deposits with maturities under 3 months	-	4,509
<b>Total cash and cash equivalents</b>	<b>3,471</b>	<b>8,028</b>

The carrying value of cash at bank, call deposits, and short-term deposits with maturities less than three months (which are held for meeting short-term cash commitments) approximates their fair value.

The total value of cash and cash equivalents that can only be used for a specified purpose as outlined in the relevant trust deeds is \$235,000 (2023: \$227,000).

## 14. Trade and other receivables

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Rates receivables	1,499	1,776
Trade receivables	5,641	3,763
GST receivable	503	343
Unused Amounts Reversed	(292)	(236)
<b>Total receivables</b>	<b>7,351</b>	<b>5,646</b>

### **Total receivables comprise:**

Receivables from non-exchange transactions - this includes outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates

7,048	5,589
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Receivables from exchange transactions - this includes outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates

303	57
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<b>7,351</b>	<b>5,646</b>
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### Fair Value

Debtors and other receivables are generally short-term and non-interest bearing, therefore, their carrying value of approximates their fair value.

### Impairment

The Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

The Council does not provide for any impairment on rates receivable as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid for (4) months, after the due date for payment. If payment has not been made within three (3) months of the Court's judgement, then the Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

Ratepayers can apply for payment plan options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value of future payments if the effect of discounting is material.



The status of receivables as at 30 June are detailed below:

	<b>2024</b>	Gross \$000	Impairment \$000	Net \$000
<b>Council</b>				
Not past due		1,837	-	1,837
Past due 1 - 3 months		1,980	-	1,980
Past due 3 to 6 months		3,826	(292)	3,534
Total		7,643	(292)	7,351
	<b>2023</b>	Gross \$000	Impairment \$000	Net \$000
<b>Council</b>				
Not past due		1,282	-	1,282
Past due 1 - 3 months		1,999	-	1,999
Past due 3 to 6 months		2,601	(236)	2,365
Total		5,882	(236)	5,646

All receivables greater than 30 days in age are considered to be past due.

The unused amounts reversed has been calculated based on a review of specific overdue receivables. Individually impaired receivables have been determined to be impaired because of significant financial difficulties being experienced by the debtor.

Movement in the provision for impairment of receivables are as follows:

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Balance at 1st July	235	235
Additional provisions made during year	57	1
Balance at 30th June	292	235

## 15. Prepayments

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Prepayments	640	552
<b>Total prepayments</b>	640	552





## 16. Other Financial Assets

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
<b>Current portion</b>		
Short term deposits	1,000	512
LFGA borrower notes	150	75
<b>Total Current Portion</b>	1,150	587
<b>Non-current portion</b>		
<i>Investments in other entities</i>		
LFGA borrower notes	565	588
Civic Assurance Shares	31	30
Total investments in other entities	596	618
<i>Investments in other entities</i>		
<b>Total Non-Current Portion</b>	596	618

Short term deposits with maturities of less than 90 days from inception is classified as cash and cash equivalents.

### Fair Value

#### Term Deposits

The carrying amount of term deposits approximates their fair value.

#### Borrower Notes

The carrying amount of borrower notes are measured at fair value.

#### Unlisted Shares

Unlisted shares are recognised at fair value. Due to the immaterial size and nature of the Council's investment in the New Zealand Local Government Insurance Corporation Limited (Civic Assurance), the Council has estimated the fair value of this investment based on the LGFA's net asset backing as at 30 June.

### Impairment

There were no impairment expenses or provisions for other financial assets. At balance date, none of these financial assets are either past due or impaired.



## 17. Derivative Financial Instruments

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Current asset portion - Interest Rate Swaps	6	186
	<hr/> 6	<hr/> 186
Non-current asset portion Interest Rate Swaps	345	413
	<hr/> 345	<hr/> 413
<b>Total derivative financial instrument Asset</b>	<hr/> 351	<hr/> 599
Non-current liability portion Interest Rate Swaps	-	-
	<hr/> -	<hr/> -
<b>Total derivative financial instrument liability</b>	<hr/> -	<hr/> -

The notional principle amounts of the outstanding interest rate swap contracts at 30 June 2024 were \$13,500,000 (2023: \$18,500,000). Maturity dates range from 15 May 2025 to 16 April 2029.

At 30 June 2024, the interest rates for interest rate swaps vary from 3.39% to 4.95% (2023: 2.04% to 4.95%).

The fair value of interest rate swaps have been determined by calculating the expected cashflows under the terms of the swaps and discounting these values to present value.

## 18. Property, Plant and Equipment (PPE)

COUNCIL 2024	Cost/ valuation 01-Jul-23	Accumulated depreciation & impairment charges 01-Jul-23	Carrying amount 01-Jul-23	Current year additions	Current year disposals/ transfers at cost	Accumulate d depreciation on disposals	Accumulate d Depreciation on Reval reversal	Current year impairment charges	Current year depreciation	Revaluatio n surplus / (deficit)	Cost/ valuation 30-Jun-24	Accumulated depreciation & impairment charges 30-Jun-24	Carrying amount 30-Jun-24
<b>INFRASTRUCTURAL ASSETS</b>													
Roading Network	198,661	-	<b>198,661</b>	4,061	-	-	-	-	( 5,323 )	-	<b>202,722</b>	( 5,323 )	<b>197,399</b>
Land Under Roads	68,733	-	<b>68,733</b>	-	-	-	-	-	-	-	<b>68,733</b>	-	<b>68,733</b>
Stormwater	60,154	-	<b>60,154</b>	926	83	-	-	-	( 1,629 )	-	<b>61,163</b>	( 1,629 )	<b>59,534</b>
Sewerage	106,913	-	<b>106,913</b>	415	115	-	-	-	( 2,208 )	-	<b>107,443</b>	( 2,208 )	<b>105,235</b>
Water Supply Systems	50,581	-	<b>50,581</b>	1,035	1,431	-	-	-	( 1,506 )	-	<b>53,047</b>	( 1,506 )	<b>51,541</b>
Landfill Site	5,450	( 2,976 )	<b>2,474</b>	-	353	-	-	-	( 72 )	-	<b>5,803</b>	( 3,048 )	<b>2,755</b>
Work in progress	4,064	-	<b>4,064</b>	892	( 1,629 )	-	-	-	-	-	<b>3,327</b>	-	<b>3,327</b>
<b>TOTAL INFRASTRUCTURAL ASSETS</b>	<b>494,556</b>	<b>( 2,976 )</b>	<b>491,580</b>	<b>7,329</b>	<b>353</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>( 10,738 )</b>	<b>-</b>	<b>502,238</b>	<b>( 13,714 )</b>	<b>488,524</b>
<b>OTHER FIXED ASSETS</b>													
General Land	5,871	( 1 )	<b>5,870</b>	-	1,426	-	1	-	( 1 )	4,380	<b>11,676</b>	( 1 )	<b>11,675</b>
Other Land	3,300	-	<b>3,300</b>	78	( 426 )	-	-	-	-	-	<b>2,952</b>	-	<b>2,952</b>
Buildings	45,907	( 2,005 )	<b>43,902</b>	445	( 497 )	1	4,084	-	( 2,083 )	8,832	<b>50,603</b>	( 3 )	<b>50,600</b>
Plant & Machinery	3,724	( 1,928 )	<b>1,796</b>	461	( 118 )	123	-	-	( 208 )	-	<b>4,066</b>	( 2,013 )	<b>2,054</b>
Furniture & Fittings	603	( 460 )	<b>143</b>	71	-	-	-	-	( 15 )	-	<b>673</b>	( 475 )	<b>198</b>
Computer Equipment	2,705	( 2,150 )	<b>555</b>	126	-	-	-	-	( 106 )	-	<b>2,832</b>	( 2,256 )	<b>576</b>
Library Stocks	2,428	( 2,150 )	<b>278</b>	56	-	-	-	-	( 67 )	-	<b>2,484</b>	( 2,217 )	<b>267</b>
Breakwaters & Wharves	6,696	( 4,234 )	<b>2,462</b>	146	-	-	-	-	( 117 )	-	<b>6,842</b>	( 4,351 )	<b>2,491</b>
Aerodrome	2,473	( 91 )	<b>2,382</b>	283	( 1,000 )	-	-	-	( 41 )	-	<b>1,756</b>	( 132 )	<b>1,624</b>
Parking Developments	580	( 227 )	<b>353</b>	-	-	-	0	-	( 18 )	-	<b>580</b>	( 245 )	<b>335</b>
Reserve Board Assets	290	-	<b>290</b>	-	-	-	-	-	-	-	<b>290</b>	-	<b>290</b>
Sports fields and Parks	5,324	( 1,359 )	<b>3,965</b>	101	-	-	-	-	( 91 )	-	<b>5,425</b>	( 1,450 )	<b>3,975</b>
Heritage Assets	1,238	( 402 )	<b>836</b>	-	-	-	-	-	( 23 )	-	<b>1,238</b>	( 425 )	<b>813</b>
Work in progress	442	-	<b>442</b>	2,225	( 142 )	-	-	-	-	-	<b>2,524</b>	-	<b>2,524</b>
<b>TOTAL OTHER FIXED ASSETS</b>	<b>81,581</b>	<b>( 15,007 )</b>	<b>66,574</b>	<b>3,990</b>	<b>( 757 )</b>	<b>124</b>	<b>4,085</b>	<b>-</b>	<b>( 2,770 )</b>	<b>13,212</b>	<b>93,940</b>	<b>( 13,568 )</b>	<b>80,373</b>
<b>TOTAL PPE</b>	<b>576,137</b>	<b>( 17,983 )</b>	<b>558,154</b>	<b>11,319</b>	<b>( 404 )</b>	<b>124</b>	<b>4,085</b>	<b>-</b>	<b>( 13,508 )</b>	<b>13,212</b>	<b>596,178</b>	<b>( 27,282 )</b>	<b>568,897</b>



<b>COUNCIL 2023</b>	Cost/ valuation 01-Jul-22	Accumulated depreciation & impairment charges 01-Jul-22	Carrying amount 01-Jul-22	Current year additions	Current year disposals/ transfers at cost	Accumulate d depreciation on disposals	Accumulate d Depreciation on Reval reversal	Current year impairment charges	Current year depreciation	Revaluatio n surplus / (deficit)	Cost/ valuation 30-Jun-23	Accumulated depreciation & impairment charges 30-Jun-23	Carrying amount 30-Jun-23
<b>INFRASTRUCTURAL ASSETS</b>													
Roading Network	185,118	-	<b>185,118</b>	10,627	-	-	4,716	-	( 4,716 )	7,632	<b>198,661</b>	-	<b>198,661</b>
Land Under Roads	68,733	-	<b>68,733</b>	-	-	-	-	-	-	-	<b>68,733</b>	-	<b>68,733</b>
Stormwater	44,946	-	<b>44,946</b>	455	-	-	1,189	-	( 1,189 )	15,942	<b>60,154</b>	-	<b>60,154</b>
Sewerage	88,002	-	<b>88,002</b>	240	-	-	1,729	-	( 1,729 )	20,400	<b>106,913</b>	-	<b>106,913</b>
Water Supply Systems	47,890	-	<b>47,890</b>	986	-	-	1,384	-	( 1,384 )	3,089	<b>50,581</b>	-	<b>50,581</b>
Landfill Site	6,037	( 2,908 )	<b>3,129</b>	( 587 )	-	-	-	-	( 68 )	-	<b>5,450</b>	( 2,976 )	<b>2,474</b>
Work in progress	8,178	-	<b>8,178</b>	2,687	( 6,801 )	-	-	-	-	-	<b>4,064</b>	-	<b>4,064</b>
<b>TOTAL INFRASTRUCTURAL ASSETS</b>	<b>448,904</b>	<b>( 2,908 )</b>	<b>445,996</b>	<b>14,408</b>	<b>( 6,801 )</b>	-	<b>9,018</b>	-	<b>( 9,086 )</b>	<b>47,063</b>	<b>494,556</b>	<b>( 2,976 )</b>	<b>491,580</b>
<b>OTHER FIXED ASSETS</b>													
General Land	5,800	0	<b>5,800</b>	1	-	-	-	-	( 1 )	-	<b>5,801</b>	( 1 )	<b>5,800</b>
Other Land	2,856	-	<b>2,856</b>	444	-	-	-	-	-	-	<b>3,300</b>	-	<b>3,300</b>
Buildings	41,880	( 16 )	<b>41,864</b>	4,027	-	-	-	-	( 1,989 )	-	<b>45,907</b>	( 2,005 )	<b>43,902</b>
Plant & Machinery	2,456	( 1,773 )	<b>683</b>	1,268	-	-	-	-	( 155 )	-	<b>3,724</b>	( 1,928 )	<b>1,796</b>
Furniture & Fittings	589	( 450 )	<b>139</b>	14	-	-	-	-	( 10 )	-	<b>603</b>	( 460 )	<b>143</b>
Computer Equipment	2,525	( 2,045 )	<b>480</b>	180	-	-	-	-	( 105 )	-	<b>2,705</b>	( 2,150 )	<b>555</b>
Library Stocks	2,357	( 2,088 )	<b>269</b>	71	-	-	-	-	( 62 )	-	<b>2,428</b>	( 2,150 )	<b>278</b>
Breakwaters & Wharves	6,696	( 4,113 )	<b>2,583</b>	-	-	-	-	-	( 121 )	-	<b>6,696</b>	( 4,234 )	<b>2,462</b>
Aerodrome	2,473	( 3 )	<b>2,470</b>	-	-	-	-	-	( 88 )	-	<b>2,473</b>	( 91 )	<b>2,382</b>
Parking Developments	650	( 209 )	<b>441</b>	-	-	-	-	-	( 18 )	-	<b>650</b>	( 227 )	<b>423</b>
Reserve Board Assets	290	-	<b>290</b>	-	-	-	-	-	-	-	<b>290</b>	-	<b>290</b>
Sports fields and Parks	5,318	( 1,264 )	<b>4,054</b>	6	-	-	-	-	( 95 )	-	<b>5,324</b>	( 1,359 )	<b>3,965</b>
Heritage Assets	1,235	( 379 )	<b>856</b>	3	-	-	-	-	( 23 )	-	<b>1,238</b>	( 402 )	<b>836</b>
Work in progress	1,557	-	<b>1,557</b>	( 1,115 )	-	-	-	-	-	-	<b>442</b>	-	<b>442</b>
<b>TOTAL OTHER FIXED ASSETS</b>	<b>76,682</b>	<b>( 12,340 )</b>	<b>64,342</b>	<b>4,899</b>	-	-	-	-	<b>( 2,667 )</b>	-	<b>81,581</b>	<b>( 15,007 )</b>	<b>66,574</b>
<b>TOTAL PPE</b>	<b>525,586</b>	<b>( 15,248 )</b>	<b>510,338</b>	<b>19,307</b>	<b>( 6,801 )</b>	-	-	-	<b>( 11,753 )</b>	<b>47,063</b>	<b>576,137</b>	<b>( 17,983 )</b>	<b>558,154</b>



## Core Assets

Included within the infrastructure assets above are the following core Council assets:

	<b>Closing Book Value</b>	<b>Additions: constructed by Council</b>	<b>Additions: transferred to Council</b>	<b>Most recent replacement cost estimate for revalued assets</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>2024</b>				
<b>Water Supply Systems:</b>				
- treatment plants and facilities	7,868	2,466	-	20,121
- other assets (such as reticulation systems)	43,673	-	-	81,896
<b>Wastewater:</b>				
- treatment plants and facilities	24,467	530	-	37,740
- other assets (such as reticulation systems)	80,768	-	-	114,677
<b>Stormwater</b>	59,534	1,009	-	141,327
<b>Roads and footpaths</b>	197,399	4,061	-	334,933
<b>2023</b>				
<b>Water Supply Systems:</b>				
- treatment plants and facilities	5,858	988	-	10,092
- other assets (such as reticulation systems)	52,724	-	-	90,832
<b>Wastewater:</b>				
- treatment plants and facilities	15,360	240	-	25,821
- other assets (such as reticulation systems)	72,642	-	-	126,066
<b>Stormwater</b>	60,154	456	-	140,318
<b>Roads and footpaths</b>	198,661	10,628	-	330,872

The replacement cost for Water Supply Systems, Sewerage, Stormwater, and Roads and footpaths are based on the optimised replacement cost estimate amounts in the valuation for the 2022/2023 year plus 2023/24 year additions.



## Valuation

### Other fixed assets: general land and buildings

At fair value as determined from market-based evidence where possible and optimised depreciated replacement cost by an independent valuer. The most recent valuation was performed by Peter J Hines BCom (VPM), ZNZIV, Registered Valuer of Coast Valuations Limited, and the valuation is effective as at 30 June 2024.

The Council also has an investment property portfolio that was revalued as at 30 June 2024.

### Other fixed assets: aerodrome

Improvements – At fair value determined on a depreciated replacement cost basis by Hannah Bennet (BEng (Hons) Eng Sci), BECA. The valuation is effective as at 30 June 2022.

## Infrastructure asset classes

### Sewerage, water supply systems and stormwater

At fair value determined on a depreciated replacement cost basis by Council's Utilities Engineer Team Leader. The valuation has been independently reviewed by Kerry Mayes Technical Principal: Valuations and Economic Advisor at WSP Ltd. The valuation is effective as at 30 June 2023.

### Roading network

At fair value determined on a depreciated replacement cost basis by Hannah Bennet (BEng (Hons) Eng Sci), BECA. The valuation is effective as at 30 June 2023.

The lives are generally based upon NZ Infrastructure Asset Valuation and Depreciation Guidelines – Version 2.0.

### Land under roads

Land under roads was valued based on fair value of adjacent land determined by Council's Assets Manager, MD Sutherland BSc (Geography), BE (Civil), PGDip Bus Admin ADEM MIPENZ AFNZIM, effective 30 June 2005. Land under roads is no longer revalued.

## Impairment

Council has reviewed its fixed asset register on a line by line basis to consider whether there is an impairment of any assets. We are not aware of any issue that would cause any significant change in asset value. The relevant issues considered were:

- Change in use
- One off events that damaged the assets
- Market value changes
- Decreases in earning potential

The Port assets and Council's earthquake prone buildings were all assessed on the above criteria and were determined to either be not impaired or already appropriately considered in the carrying values. Council has carried out initial assessments on the public buildings it is responsible for to assess whether buildings are potentially earthquake-prone buildings and is currently completing detailed assessments on the buildings. The buildings have been assessed for impairment and it has been determined that any necessary impairments were appropriately considered and reflected in the market valuations applied as at 30 June 2020 when the asset class was revalued. No additional impairment has been determined for the 2024 financial year.

## Work in progress

Property, plant, and equipment in the course of construction by class of asset is detailed below:

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Buildings	1,911	-
Plant & Equipment	109	-
Breakwaters and Wharves	195	442
Sportfields and Parks	206	-
Roading Network	59	-
Wastewater	115	115
Water Supply Systems	3,146	3,861
Stormwater	8	88
Waste	95	-
	5,844	4,506

## Asset Insurance

The following information relates to the insurance of Council assets as at 30 June.

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
The maximum amount to which insured assets (PPE) are insured	409,415	332,653
The total value of all Council assets covered by insurance contracts (PPE)	280,286	334,778



## Capital Commitments

The amount of contractual commitments for acquisition of property, plant and equipment is:

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Roading Network	52	660
Sewerage	116	6,407
Water Supply Systems	417	2,390
Public Conveniences	41	-
Solid Waste	25	-
Plant & Equipment	-	619
Stormwater	20	-
	<hr/>	<hr/>
	671	10,076

## Gains/Losses on revaluation of assets

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Land & Buildings	13,212	-
Aerodrome	-	-
Roading	-	7,632
Water Supply Systems	-	3,089
Stormwater and Sewerage	-	36,342
	<hr/>	<hr/>
	13,212	47,063





## 19. Intangible Assets

	<b>Computer Software \$000</b>
<b>Balance as at 1 July 2023</b>	
Cost	701
Accumulated amortisation and impairment	(492)
Opening carrying amount	<u>209</u>
<b>Year ended 30 June 2024</b>	
Additions	3
Amortisation charge	(47)
<b>Balance as at 30 June 2024</b>	
Cost	704
Accumulated amortisation and impairment	(539)
Closing carrying amount	<u><b>165</b></u>
<b>Balance as at 1 July 2022</b>	
Cost	657
Accumulated amortisation and impairment	(448)
Opening carrying amount	<u>209</u>
<b>Year ended 30 June 2023</b>	
Additions	44
Amortisation charge	(44)
<b>Balance as at 30 June 2023</b>	
Cost	701
Accumulated amortisation and impairment	(492)
Closing carrying amount	<u><b>209</b></u>

There are no restrictions over the title of intangible assets. No intangibles are pledged as security for liabilities.

## 20. Depreciation and Amortisation expense

Activity	Actual	Actual
	2024	2023
	\$000	\$000
Land Transport	5,323	4,715
Stormwater	1,630	1,189
Wastewater	2,208	1,729
Water Supply	1,506	1,384
Solid Waste	82	81
Environmental Services	11	8
Commercial & Property	871	799
Community & Recreation	1,693	1,685
Democracy & Administration	232	207
	<u>13,556</u>	<u>11,797</u>

## 21. Investment property

	Actual	Actual
	2024	2023
	\$000	\$000
Balance as at 1 July	3,870	3,690
Disposals	-	(125)
Fair value gains/(losses) on valuation (note 7)	1,825	305
Balance as at 30 June	<u>5,695</u>	<u>3,870</u>

Council's investment properties are valued annually at fair value effective 30 June 2024 for the financial year by Peter J Hines BCom (VPM), ZNZIV, Registered Valuer of Coast Valuations Limited. All investment properties are valued based on open market evidence.

The fair value of investment property has been determined using the capitalisation of net revenue and discounted cashflow methods. These methods are based on assumptions including future rental revenue, anticipated maintenance costs, and appropriate discount rates. Where just the land value has been assessed, a 'market comparison' approach has been adopted. This method involves reference to sales of properties which have similar attributes to the subject property. Comparisons are drawn between the subject property and the sales evidence. Subjective adjustments are applied where necessary to account for factors which have a direct impact on the sale price and value.

There are no contractual obligations in relation to investment properties at balance date not recognised in the financial statements (2023: Nil).

### Investment in Associates and Joint Ventures

Council has an interest in the West Coast Amateur Sports Trust by virtue of the fact the Mayor can appoint up to three trustees to the board of the Trust. Other than this, there has been no formal involvement in setting the policies or objectives and has no rights to the net assets of the Trust.

Due to Council having no tangible investment in the Trust and concluding the operation is immaterial from a financial reporting perspective, Council has elected not to disclose its share of the Trust's net assets.



## 22. Payables and deferred revenue

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Trade creditors and accruals	7,245	5,647
Retention & Bonds	196	378
<b>Total trade and other payables</b>	<b>7,441</b>	<b>6,025</b>
Revenue in advance	623	790
<b>Total payables and deferred revenue</b>	<b>8,064</b>	<b>6,815</b>

Payables are generally non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of payables approximates their fair value.

## 23. Employee entitlements

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Accrued salaries and wages	157	-
Annual leave	417	505
Long service leave	76	55
Retiring gratuities	26	28
<b>Total employee benefits</b>	<b>676</b>	<b>589</b>
Comprising:		
Current	497	379
Non-current	179	210
<b>Total employee benefits</b>	<b>676</b>	<b>589</b>

## Key assumptions in measuring retirement and long service leave obligations

The present value of retirement and long service leave obligations depend on a number of factors that are determined on an actuarial basis. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

Expected future payments are discounted using forward discount rates derived from the yield curve of New Zealand government bonds. The discount rates used have maturities that match, as closely as possible, the estimated future cash outflows. The salary inflation factor has been determined after considering historical salary inflation patterns. A weighted average discount rate of 4.69% (2023: 5.1%) and an inflation factor of 2.3% (2023: 4.0%) were used.



## 24. Provisions

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
<b>Landfill aftercare provision</b>		
Opening balance	1,360	1,968
Amounts used during the year	(17)	(30)
Increase/(decrease) due to discount rate changes and assessment of liability	(137)	(609)
Discount unwinding	31	31
Closing balance	1,237	1,360

Council has responsibility under the resource consent to provide maintenance and monitoring of the landfill after the sites are closed. The major site is McLean's Pit.

The cash outflows for landfill post-closure are expected to occur in between 2065 and 2095 (2023: 2065 and 2095). The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and using a range of the discount rates of 4.74% to 5.3% (2023: 4.3% to 5.43%).

### Landfill aftercare provision

Council has responsibility under the resource consent to provide maintenance and monitoring of the landfill after the sites are closed. The major site McLean's Pit. There are post-closure responsibilities such as:

- Treatment and monitoring leachate
- Groundwater and surface monitoring
- Gas monitoring and recovery
- Implementation of remedial measures such as needed for cover and control systems
- On-going site maintenance for drainage systems, final cover and vegetation.

The management of the landfill will influence the timing of the recognition of some liabilities.

The Council is listed as the sole guarantor for a loan agreement between the West Coast Theatre Trust and Nelson Building Society. At 30 June 2024, Grey District Council assesses the likelihood of this being called upon as unlikely and instead discloses it as a contingent liability.

## 25. Borrowings

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
<b>At amortised cost</b>		
<b>Current</b>		
Secured Loans	10,000	7,000
<b>Non-current</b>		
Secured loans	22,600	23,600
<b>Total borrowings</b>	32,600	30,600

	<b>Balance 30 June 2023</b>	<b>New Loans Raised</b>	<b>Principle Repaid</b>	<b>Balance 30 June 2024</b>
<b>Council Borrowings</b>	30,600,000	3,050,483	(1,050,483)	32,600,000



Council's loans are secured over either separate or general rates of the Council. Interest is charged on a floating rate basis. At balance date the current weighted average effective interest rate on the bank borrowings is 5.21% (2023: 3.12%). Maturity dates range from 15 May 2025 to 15 May 2028.

## 26. Equity

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
<b>Accumulated funds</b>		
As at 1 July	228,725	233,599
Surplus/(deficit) for the year	(6,370)	(3,933)
Reserve Transfers		
Special Funds	(7)	(11)
Separate funds	(913)	(930)
As at 30 June	221,435	228,725
<b>Restricted reserves</b>		
As at 1 July	227	216
Transfers to Retained Earnings	7	11
As at 30 June	234	227
<b>Council reserves</b>		
As at 1 July	8,748	7,815
Transfers to Reserves	913	930
As at 30 June	9,661	8,745
<b>Asset revaluation reserves</b>		
As at 1 July	301,201	254,138
Revaluation gains/(losses)	13,212	47,063
As at 30 June	314,412	301,201
Asset revaluation reserves consist of:		
Land & Building Revaluation Reserve	45,138	31,949
Aerodrome Revaluation Reserve	892	893
Roading Revaluation Reserve	110,866	110,867
Water Revaluation Reserve	32,482	32,482
Investment Revaluation Reserve	52	52
Parking Developments	88	63
Drainage and Sewerage Revaluation Reserve	124,894	124,894
Total	314,412	301,200
<b>Total Equity</b>	545,742	538,898



## Capital Management

The Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires Council to manage its revenue, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer's funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its Long Term Plan (LTP) and in its annual plan (where applicable) to meet the expenditure needs identified in those plans. And the Act sets out the factors the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTP.

Council has the following Council created reserves

- reserves for different areas of benefit
- self-insurance reserves; and
- trust and bequest reserves

Reserves for different areas of benefit are used where there is a discrete set of rate payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

Information about reserve funds held for a specific purpose is provided on the following page.

# 2024: Special Funds

Reserve	Activities to which the reserve relates	Balance 01 July \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June \$000
<b>Special funds</b>					
Special Fund Interest Suspense		-	-	-	-
Grey mouth Sewerage Fund	Wastewater	-	-	-	-
Te Kinga Infra Upgrade Reserve	All activities	107	4	-	111
Rural Sewerage Capital Works Reserve	Wastewater	330	13	-	343
Cobden Stormwater Mitigation Reserve	Stormwater	60	2	-	63
Barrytown Area Infra Reserve	All activities	60	2	-	62
Atarau Area Infra Reserve	All activities	0	0	-	0
Ahaura Area Infra Reserve	All activities	198	8	-	206
Haupiri Area Infra Reserve	All activities	136	5	-	142
Nelson Creek Infrastructure Reserve	All activities	21	1	-	21
Ngahere Infrastructure Reserve	All activities	227	9	-	236
Blackball Area Infra Reserve	All activities	1	0	-	1
Runanga Area Infra Reserve	All activities	280	11	-	291
Kaiata Stillwater Area Infra Reserve	All activities	199	8	-	207
Karoro Infrastructure Development Reserve	All activities	753	30	-	784
South Beach/Paroa Infrastructure Reserve	All activities	488	20	-	508
Cameron's Infrastructure Reserve	All activities	92	4	-	95
Gladstone Infrastructure Reserve	All activities	198	8	-	206
Arnold Valley Area Infra Reserve	All activities	100	4	-	104
Lake Brunner Area Infra Reserve	All activities	115	5	-	120
Hohonu Area Infra Reserve	All activities	46	2	-	48
Infra Renewal Reserve	All activities	567	639	-	1,206
Moana Water Supply	Water supply	10	0	-	11
Flood Protection Reserve	Stormwater/Flood protection	136	5	-	142
Cemetery Extension Reserve	Cemeteries	58	2	-	60
Cemetery Maintenance Reserve	Cemeteries	445	18	-	463
Footpath Reserve	Land transport	73	3	-	76
Roading Reserve - Exp Committed	Land transport	497	20	-	517
Land Fill Reserve	Solid waste management	95	4	-	99
Airport Runway Reserve	Airport	55	-	-	55
Airport Maintenance Reserve	Airport	809	27	(278)	558
Disaster Recovery Reserve	All activities	286	11	-	297
Civil Defence Reserve	Emergency management	2	0	-	2
Rural Fire Authority Reserve	Rural fire authority	2	0	-	2
Economic Development Reserve	All activities	(7)	-	-	(7)
Harbour Endowment LS Reserves	Port	510	20	-	530
Land Sale Reserve	All activities	183	7	-	190
Reserves Subdivision Contributions	Community facilities and parks	284	249	-	533
Maori Land Compensation Reserve	Council property	137	5	-	142
TDS Reserve	Port	73	3	-	76
Town Clock Reserve	Community facilities and parks	26	1	-	27
Gas Management Plan Reserve	Council property	20	1	-	21
District Planning Reserve	District planning	4	0	-	5
Plant and Machinery Reserve	All activities	458	25	-	483
Building & Property Gen Reserve	Council property	77	3	-	80
Westland Rec Centre Maintenance Reserve	Westland Recreation Centre	55	2	-	57
Ogilvie Reserve Reserve	All activities	29	1	(13)	17
Corp Equip and Furniture Reserve	Council administration	617	25	-	641
Staff Costs Reserve	Council administration	0	0	-	0
Sunshine Coach Reserve	Council administration	8	0	-	8
Rental Housing Reserve	Retirement housing	(204)	-	-	(204)
Pike River Memorials Maintenance Reserve	Memorial Maintenance	-	-	-	-
Library Reserve	Libraries	29	1	-	30
SPECIAL FUNDS - Committed Expenditure	All activities	-	-	-	-
<b>Total special funds</b>		<b>8,744</b>	<b>1,211</b>	<b>(292)</b>	<b>9,664</b>



## 2024: Trusts and bequests

Reserve	Activities to which the reserve relates	Balance 01 July \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June \$000
<b>Trusts and bequests</b>					
McGlashan Trust	Community facilities and parks	21	1	-	22
E White Bequest	Community facilities and parks	47	2	-	49
Mayoral Flood Relief Fund	Democracy	9	0	-	10
Citizens Emergency Relief Fund	Democracy	81	3	-	84
Perotti Bequest	Community facilities and parks	-	-	-	-
Peters Bequest - Talking Books	Libraries	12	0	(2)	10
Vera Corbett Bequest	Libraries	38	2	-	39
Thomas Dehenny Bequest	Community facilities and parks	20	1	-	20
<b>Total trusts and bequests</b>		<b>227</b>	<b>9</b>	<b>(2)</b>	<b>235</b>
<b>TOTAL SPECIAL FUNDS, TRUSTS, AND BEQUESTS</b>		<b>8,972</b>	<b>1,220</b>	<b>(293)</b>	<b>9,898</b>



# 2023: Special Funds

Reserve	Activities to which the reserve relates	Balance	Transfers	Transfers	Balance
		01 July	into fund	out of fund	30 June
		\$000	\$000	\$000	\$000
<b>Special funds</b>					
Special Fund Interest Suspense		-	-	-	-
Grey mouth Sewerage Fund	Wastewater	-	-	-	-
Te Kinga Infra Upgrade Reserve	All activities	101	6	-	107
Rural Sewerage Capital Works Reserve	Wastewater	311	19	-	330
Cobden Stormwater Mitigation Reserve	Stormwater	57	3	-	60
Barrytown Area Infra Reserve	All activities	67	4	(11)	60
Atarau Area Infra Reserve	All activities	-	-	-	-
Ahaura Area Infra Reserve	All activities	186	11	-	197
Haupiri Area Infra Reserve	All activities	128	9	-	137
Nelson Creek Infrastructure Reserve	All activities	19	1	-	20
Ngahere Infrastructure Reserve	All activities	214	14	-	228
Blackball Area Infra Reserve	All activities	1	-	-	1
Runanga Area Infra Reserve	All activities	264	18	-	282
Kaiata Stillwater Area Infra Reserve	All activities	187	11	-	198
Karoro Infrastructure Development Reserve	All activities	710	43	-	753
South Beach/Paroa Infrastructure Reserve	All activities	460	29	-	489
Camerons Infrastructure Reserve	All activities	86	5	-	91
Gladstone Infrastructure Reserve	All activities	187	11	-	198
Arnold Valley Area Infra Reserve	All activities	94	6	-	100
Lake Brunner Area Infra Reserve	All activities	176	9	(70)	115
Hohonu Area Infra Reserve	All activities	43	3	-	46
Infra Renewal Reserve	All activities	470	97	-	567
Moana Water Supply	Water supply	10	-	-	10
Flood Protection Reserve	Stormwater/Flood protection	128	8	-	136
Cemetery Extension Reserve	Cemeteries	54	3	-	57
Cemetery Maintenance Reserve	Cemeteries	405	40	-	445
Footpath Reserve	Land transport	69	4	-	73
Roading Reserve - Exp Committed	Land transport	199	298	-	497
Land Fill Reserve	Solid waste management	80	16	-	96
Airport Maintenance Reserve	Airport	713	97	-	810
Airport Runway Resealing Reserve	Airport	29	23	-	52
Disaster Recovery Reserve	All activities	269	17	-	286
Civil Defence Reserve	Emergency management	2	-	-	2
Rural Fire Authority Reserve	Rural fire authority	2	-	-	2
Economic Development Reserve	All activities	(7)	-	-	(7)
Harbour Endowment LS Reserves	Port	381	128	-	509
Land Sale Reserve	All activities	172	12	-	184
Reserves Subdivision Contributions	Community facilities and parks	163	120	-	283
Maori Land Compensation Reserve	Council property	129	8	-	137
TDS Reserve	Economic development	69	4	-	73
Town Clock Reserve	Community facilities and parks	25	2	-	27
Gas Management Plan Reserve	Council property	19	1	-	20
District Planning Reserve	District planning	4	-	-	4
Plant and Machinery Reserve	All activities	477	68	(86)	459
Building & Property Gen Reserve	Council property	73	4	-	77
Westland Rec Centre Maintenance Reserve	Westland Recreation Centre	52	3	-	55
Spring Creek Pool	Spring Creek Pool	89	-	(89)	-
Ogilvie Reserve Reserve	All activities	28	1	-	29
Corp Equip and Furniture Reserve	Council administration	581	36	-	617
Staff Costs Reserve	Council administration	-	-	-	-
Sunshine Coach Reserve	Council administration	7	-	-	7
Rental Housing Reserve	Retirement housing	(192)	-	(11)	(203)
Pike River Memorials Maintenance Reserve	Memorial Maintenance	-	-	-	-
Library Reserve	Libraries	27	2	-	29
SPECIAL FUNDS - Committed Expenditure	All activities	-	-	-	-
<b>Total special funds</b>		<b>7,818</b>	<b>1,194</b>	<b>(267)</b>	<b>8,745</b>



## 2023: Trusts and bequests

Reserve	Activities to which the reserve relates	Balance 01 July \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June \$000
<b>Trusts and bequests</b>					
McGlashan Trust	Community facilities and parks	20	1	-	21
E White Bequest	Community facilities and parks	45	3	-	48
Mayoral Flood Relief Fund	Democracy	9	-	-	9
Grey United Tennis Resurfacing Reserve	Community facilities and parks	-	-	-	-
Citizens Emergency Relief Fund	Democracy	76	4	-	80
Perotti Bequest	Community facilities and parks	-	-	-	-
Peters Bequest - Talking Books	Libraries	11	-	-	11
Vera Corbett Bequest	Libraries	36	2	-	38
Thomas Dehenny Bequest	Community facilities and parks	19	1	-	20
<b>Total trusts and bequests</b>		<b>216</b>	<b>11</b>	<b>-</b>	<b>227</b>
<b>TOTAL SPECIAL FUNDS, TRUSTS, AND BEQUESTS</b>		<b>8,034</b>	<b>1,205</b>	<b>(267)</b>	<b>8,972</b>



## Purpose of each reserve fund

Special funds	
Greymouth Sewerage Fund	To fund the wider Greymouth Area Sewerage Scheme.
Te Kinga Infrastructure Upgrade Reserve	To fund land transport, water, and/or wastewater infrastructure upgrades required in the Te Kinga area.
Rural Sewerage Capital Works Reserve	To fund enhancement and development sewerage schemes other than the Greymouth Area scheme.
Cobden Stormwater Mitigation Reserve	To fund enhancement of stormwater management in Cobden.
Barrytown Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Ahaura Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Haupiri Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Nelson Creek Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Nelson Creek Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Ngahere Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Blackball Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Runanga Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Kaiata Stillwater Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Karoro/Gladstone Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Karoro Infrastructure Development Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
South Beach/Paroa Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Camerons Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Gladstone Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Arnold Valley Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Lake Brunner Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Hohonu Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.



Special funds <i>(continued)</i>	
Infrastructure Renewal Reserve	To fund expenditure in connection with deferred maintenance, major maintenance and renewal in respect of land transport (including footpaths), wastewater, water supply, stormwater and solid waste
Moana Water Supply	To fund any design options for a reticulated water supply servicing Moana (not signalled in this plan).
Flood Protection Reserve	To fund capital works to enhance flood protection measures in the District for which Council is responsible for.
Cemetery Extension Reserve	To fund additional capacity, renewal and maintenance of cemeteries.
Cemetery Maintenance Reserve	To fund additional capacity, renewal and maintenance of cemeteries.
Footpath Reserve	To fund the development or renewal of footpaths in the District (land transport activity).
Roading Reserve - Expenditure Committed	To spread funding of key roading (land transport) renewal projects, given that they do not have an equal funding requirement year to year.
Landfill Reserve	To fund capital works required for solid waste management
Airport Maintenance Reserve	To fund the periodic re-seal of airport runway and other significant maintenance.
Airport Runway Resealing Reserve	To fund the periodic re-seal of airport runway and other significant maintenance.
Disaster Recovery Reserve	To fund Council's excess on the loss of Council assets in the event of a major disaster (all activities).
Civil Defence Reserve	To fund any extraordinary expenditure associated with providing Council's emergency management function.
Economic Development Reserve	To fund economic development, including a share of land transport, wastewater, water supply, and stormwater development expenditure incurred via subdivision.
Harbour Endowment LS Reserves	To fund any operating deficits of port related activities
Land Sale Reserve	To fund purchase of land, key strategic assets and obtaining fee simple ownership of leasehold property; and to fund other significant projects as decided by Council as part of the Annual Plan.
Reserves Subdivision Contributions	To fund the creation of new recreational areas/reserves.
Māori Land Compensation Reserve	To fund part of the rent increases on land leased from the Mawhera Incorporation (all activities with associated leases).
Town Development Strategy Reserve	To fund a portion of any projects that may arise as a result of the Town Development Strategy.
Town Clock Reserve	To fund renewal/major maintenance of town clock.



<b>Special funds(continued)</b>	
District Planning Reserve	To fund any large costs arising from District Plan reviews or one-off projects associated with planning and regulations.
Plant and Machinery Reserve	To replace existing plant (vehicles), or effect major maintenance to existing plant.
Building & Property General Reserve	To fund major maintenance and renewal of Council buildings and associated facilities excluding dedicated reserves (property activity).
Westland Rec Centre Maintenance Reserve	To fund major maintenance and renewal of the Westland Recreation Centre including fit-out.
Spring Creek Pool	To assist in the promotion, development and maintenance of Spring Creek Pool
Ogilvie Reserve	To fund on-going maintenance costs associated with the Ogilvie Reserve.
Corp Equip and Furniture Reserve	To fund the upgrade and renewal of office equipment and furniture; and to fund new office equipment and investment in new technology
Staff Costs Reserve	To fund the cost of recruiting and replacing staff (all activities)
Sunshine Coach Reserve	To fund any renewal and significant maintenance cost associated with the 'Sunshine Coach'
Rental Housing Reserve	To maintain in perpetuity, Council's retirement housing stock.
Westland Recreation Centre Reserve	To fund the proposed Miners' Recreation Centre.
Library Reserve	To fund any key maintenance work or equipment upgrades required at Council's District library.
Special Funds - Committed Expenditure	Holds amounts already committed by Council from other Special Funds, but not yet spent.
Ogilvie Reserve Reserve	Money held to benefit the Ogilvie Reserve from old Ogilvie Reserve Committee.



Trusts and bequests	
McGlashan Trust	Maintenance development of war memorial areas in the District.
E White Bequest	Surface development/maintenance of reserve land lying alongside or adjacent to the Greymouth/Hokitika railway line, including Petrie Avenue (parks and reserves, parking).
Mayoral Flood Relief Fund	To assist victims of flooding and other adverse events.
Citizens Emergency Relief Fund	To assist victims of flooding and other adverse events.
Perotti Bequest	A bequest for general municipal purposes (any activities).
Peters Bequest - Talking Books	To purchase talking books for the library.
Vera Corbett Bequest	To purchase library books.
Thomas Dehenny Bequest	A bequest for general municipal purposes (any activities).



## 27. Reconciliation of operating surplus/(deficit) to net cash inflows/(outflows) from operating activities

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Surplus/(deficit) after tax	(6,370)	(3,933)
<b>Add/(less) non-cash items:</b>		
Depreciation and amortisation	13,555	11,797
(Gains)/losses in fair value of investment property	(1,825)	(305)
(Gains)/losses in fair value of financial instruments	249	(439)
Movement in provision	14	(608)
Other	(23)	2,423
<b>Add/(less) items classified as investing or financing activities:</b>		
(Gains)/losses on disposal of property, plant	-	(500)
<b>Add/(less) movements in working capital items:</b>		
Accounts receivable	(1,705)	6,779
Prepayments	(88)	(141)
Accounts payable	1,247	(776)
Employee Entitlements	86	(48)
Provisions	(123)	-
Net cash inflow/(outflow) from operating activities	5,017	14,250

## 28. Explanation of Major Variances against budget

Explanation of major variances from Council's estimated figures in the 2023/2024 budget, as reflected in the 2023/2024 Annual Plan.

### Comprehensive Income and Expenditure

Council made a net surplus of \$6,842,000 (budgeted deficit of -\$3,439,000).

Subsidies and Grants \$4.225 million more favourable attributable to extra Transport funding for emergencies, footpaths and sealing, and Kanoa funding for new Library build.

Financial Contributions \$772,000 more favourable due to higher than expected subdivision activity.

Other Revenue \$1.45 million more favourable due to \$1.8 million positive revaluation movement for Councils Investment property portfolio, less negative revaluation of Derivatives \$250,000 attributable to change in interest rates.

Other Expenses \$6.6 million less favourable than budget attributable to higher insurance premiums \$380,000, Increased grants to Te Ara Pounamu \$150,000 and spending on government funded Mayors Taskforce for Jobs \$230,000. Additionally Council incurred less favourable, \$208,000, levies and charges in its Solid Waste operations. Contracting Costs were \$4.8 million less favourable for Council attributable to \$1.3 million spent on in the Building and Planning Units, and \$2.3 million less favourable in transport attributable to increased spending on footpaths \$517,000, Sealed Pavement Maintenance \$390,000, minor Improvement \$142,000, and Brunner Mine site Emergency works \$709,000.

Depreciation \$2.3million less favourable due to 30 June 2023 revaluation not included in Annual Plan.

### Financial Position

Other Financial Assets less favourable, \$5.2 million, as investments used to pay for Council operations.

Property, Plant and Equipment \$32 million more favourable due to 30 June 2024 Land and Buildings revaluation not anticipated in 2023/24 Annual Plan as well as prior year revaluations. Investment Property \$2 million higher due to unbudgeted revaluation at 30 June 2024.

Borrowing \$4.8 million more favourable due to delays in Council's Capex programme.

## 29. Related Party Transactions

### Transactions with Related Parties

During the year Councillors and key management were involved in minor transactions (for example, payment of rates) with the Council as part of a normal customer relationship.

Related party disclosures have not been made for transactions with related parties that are:

- Within a normal supplier or client/recipient relationship; and
- On terms and conditions no more or less favourable than those that it is reasonable to expect the Council would have adopted in dealing with the party at arm's length in the same circumstances.

### Key management personnel compensation

	<b>Actual 2024</b>	<b>Actual 2023</b>
<b>Councillors</b>	<b>\$</b>	<b>\$</b>
Full-time equivalent members	9	9
Remuneration	471,349	392,608
<b>Senior management team, including the Chief Executive</b>		
Full-time equivalent members	3	4
Remuneration	726,796	720,413
<b>Total full-time equivalent personnel</b>	<b>12</b>	<b>13</b>
<b>Total key management personnel remuneration</b>	<b>1,198,145</b>	<b>1,113,021</b>

## 30. Contingent liabilities and financial guarantees

### Westurf Recreation Trust

The Council has agreed to act as a sole guarantor for a Westurf Recreation Trust loan, up to a maximum of \$200,000, for the purposes of upgrading their artificial turf at the Greymouth Hockey Stadium. This is contingent on final Council satisfaction on the project being financially sustainable. As at balance date the trust has not yet proceeded with uplifting of a loan and has indicated to Council that they are unlikely to require the loan.

### West Coast Theatre Trust

The Council is listed as a sole guarantor for a loan agreement that the West Coast Theatre Trust has entered into. The loan details are:

Lender	Nelson Building Society
Principal	\$693,000
Term	25 years
Expiry	May 2035

The exercising of the guarantees will be dependent on the financial stability of the West Coast Theatre Trust. At balance date, the Grey District Council believes that the West Coast Theatre Trust has the financial stability to meet all its obligations under the loans.





## Local Government Funding Agency

Grey District Council is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. The NZLGFA has a current credit rating from Fitch Ratings of AA+ and Standard and Poor's rating of AAA for local currency and AA+ for foreign.

Council is one of the local authority guarantors of the NZ LGFA. The aggregate amount of uncalled shareholder capital (\$20 million) is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, the council is a guarantor of all of NZLGFA's borrowings. At 30 June 2024, LGFA had borrowings totalling \$23,030 billion (2023 \$16.788 billion).

Accounting standards require Council to recognise the guarantee liability at fair value. However, Council has not been able to determine a sufficiently reliable fair value for the guarantee and has therefore not recognised the liability. Council considers that the risk of NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

- it is not aware of any local authority debt default events in New Zealand; and
- local government legislation would enable local authorities to set a rate to raise sufficient funds to meet any debt obligations if further funds were required.

## New Zealand Mutual Liability Riskpool Scheme

Grey District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down; however the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operations of the scheme. The likelihood of any call in respect of historical claims diminishes with each year's limitations periods expire. However, as a result of the Supreme Court decision on 1 August 2023 in *Napier City Council vs Local Government Mutual Trustee Limited*, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weather-tight defects (in a mixed claim involving both weather-tight and non-weather-tight defects). Riskpool has advised that it is working through the implications of the Supreme Court decision. At this point any potential liability is unable to be quantified.

## 31. Contingent assets

### Financial contributions – resource consents

Council has entered into a number of bonding arrangements with various sub dividers, whereupon the financial contributions payment to Council is delayed until the sale of each individual lot. The actual contributions are adjusted based on relative price indices and are underwritten by a third-party guarantor. As at 30 June 2024, the payments to be made to Council in the future totalled \$24,995 (2023: \$238,151).

## 32. Severance payments

There were severance payments totalling \$128,650 during the 2023/2024 year that meet the definition of a severance payment as in clause 33 of schedule 10 of the Local Government Act 2002 (2023: \$12,800). The severance payments were paid to 3 employees in amounts of \$20,000, \$8,650, and \$10,000. A severance payment of \$90,000 was paid to the previous CEO who finished in February 2024. These amounts are included in note 9 personnel costs.

## 33. Bonds receivable and bonds payable

Council is party to a surety bond agreement along with the West Coast Regional Council and Buller District Council with regards to a number of resource consents. The agreements are jointly executed by the three Councils, with said funds only called upon if remedial action is required per the conditions of the resource consents. As Council has no



automatic right of claim over the funds, it is not recognised in the statement of financial position as an asset or liability.

### 34. Financial instrument risk

Council has a series of policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

The accounting policies for financial instruments have been applied to the line items below:

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
<b>FINANCIAL ASSETS</b>		
<i>Mandatorily measured at FVTSD</i>		
Derivative financial instrument assets	351	599
Other financial assets:		
- LFGA Borrower Notes	715	663
- Civic Assurance Shares	31	30
<i>Total at FVTSD (2022: Held for Trading)</i>	1,097	1,292
<i>Amortised Cost</i>		
Cash and cash equivalents	3,471	8,028
Trade and other receivables	5,523	3,527
Other financial assets:		
- Term deposits	1,000	512
- Community loans	-	-
<i>Total at Amortised Cost</i>	9,994	12,067
<b>FINANCIAL LIABILITIES</b>		
<i>Mandatorily measured at FVTSD</i>		
- Derivative financial instrument liabilities – not hedge accounted	-	-
<i>Amortised Cost</i>		
Trade and other payables	7,441	6,025
Borrowings:		
- Bank overdraft	-	-
- Lease liabilities	-	-
- Secured loans	32,600	30,600
Other financial liabilities	-	-
<i>Total financial liabilities at amortised cost</i>	40,041	36,625

FVTSD = Fair value through surplus and deficit.



## Fair value hierarchy

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Level 1 – Quoted market price – Financial instruments with quoted prices for identical instruments in active markets.
- Level 2 – Valuation technique using observable inputs – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable
- Level 3 – Valuation techniques with significant non-observable inputs – Financial instruments valued using models where one or more significant inputs are not observable

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position:

	<b>Total</b>	<b>Level 1 Quoted market price</b>	<b>Level 2 Observable inputs</b>	<b>Level 3 Significant non- observable inputs</b>
	\$000	\$000	\$000	\$000
<b>30 Jun 2024</b>				
<b>Financial assets</b>				
Derivative financial instrument assets	351	-	351	-
Short Term Deposits	-	-	-	-
LGFA Borrower Notes	715	-	715	-
Civic Assurance Shares	31	-	-	31
<b>Financial liabilities</b>				
Derivatives	-	-	-	-
<b>01 Jul 2023</b>				
<b>Financial assets</b>				
Derivatives	599	-	599	-
Short Term Deposits	-	-	-	-
LGFA Borrower Notes	663	-	663	-
Civic Assurance Shares	32	-	-	30
<b>Financial liabilities</b>				
Derivatives financial instruments	-	-	-	-

There were no transfers between the different levels of the financial hierarchy.

### Valuation techniques with significant non-observable inputs (level 3)

The table below provides a reconciliation from the operating balance to the closing balance for the level 3 fair value measurements:

	<b>2024 \$000</b>	<b>2023 \$000</b>
Balance as at 1 July	30	31
Balance as at 30 June	31	30

Changing a valuation assumption to a reasonable possible alternative assumption would not significantly change fair value. We assessed the latest audited financial statements as at 31 March 2024 of Civic Assurance and assessed there is no material change in net assets impacting the Council's investment in shares of \$31k.



## Contractual maturity analysis financial liabilities (excluding derivatives)

	Carrying amount \$000	Less than 1 year \$000	1-2 years \$000	2-5 years \$000	More than 5 years \$000
<b>2024</b>					
Trade and other payables	7,441	7,441	-	-	-
Secured loans	32,600	10,000	7,500	15,100	-
<b>Total</b>	<b>40,041</b>	<b>17,441</b>	<b>7,500</b>	<b>15,100</b>	<b>-</b>
<b>2023</b>					
Trade and other payables	6,025	6,025	-	-	-
Secured loans	30,600	7,000	3,000	15,500	5,100
<b>Total</b>	<b>36,625</b>	<b>13,025</b>	<b>3,000</b>	<b>15,500</b>	<b>5,100</b>

## Contractual maturity analysis of financial assets

The table below analyses Council's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date.

	Carrying amount \$000	Less than 1 year \$000	1-5 years \$000	More than 5 years \$000
<b>Council 2024</b>				
Cash and cash equivalents	3,471	3,471	-	-
Trade and other receivables	5,852	5,852	-	-
Unlisted shares	31	-	-	31
- term deposits	1,000	1,000	-	-
- investment in debt securities	715	150	565	-
Derivative Financial Instruments	351	6	345	-
<b>Total</b>	<b>11,420</b>	<b>10,479</b>	<b>910</b>	<b>31</b>
<b>Council 2023</b>				
Cash and cash equivalents	8,028	8,028	-	-
Trade and other receivables	3,870	3,870	-	-
Unlisted shares	30	-	-	30
- term deposits	512	512	-	-
- investment in debt securities	665	75	175	415
Derivative Financial Instruments	599	186	248	165
<b>Total</b>	<b>13,704</b>	<b>12,671</b>	<b>423</b>	<b>610</b>



# Financial Instruments Risks

Council has a series of policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

## Market Risk

### Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Council is not exposed to currency risk, as it does not enter into foreign currency transactions.

### Interest rate risk

The interest rates on Council's cash and cash equivalents are disclosed in note 13 and on Council's borrowings in note 25.

### Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowing issued at fixed rates expose Council to fair value interest rate risk. Council's Liability Management policy outlines the level of borrowing that is to be secured using fixed rate instruments. Fixed to floating interest rate swaps are entered into to economically hedge the fair value interest rate risk arising where Council has borrowed at fixed rates. In addition, investments at fixed interest rates expose Council to fair value interest rate risk.

If interest rates on cash and cash equivalents and other financial assets at 30 June 2024 had fluctuated by plus or minus 3.25% (2023: 3.25%), the effect would have been to decrease/increase the surplus/deficit by \$145,307 (2023: \$260,917).

Based on financial instrument disclosures at the balance date and with other variables held constant; if interest rates on borrowings at 30 June 2024 had fluctuated by plus or minus 3.25% (2023: 3.25%), the effect would have been to decrease/increase the surplus after tax by \$879,547 (2023: \$681,785) as a result of higher/lower interest expense on floating rate borrowings.

### Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose Council to cash flow interest rate risk.

Council manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates and swaps them into fixed rates that are generally lower than those available if Council borrowed at fixed rates directly. Under the interest rate swaps, Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

### Credit risk

Credit risk is the risk that a third party will default on its obligation to Council, causing Council to incur a loss. Council has no significant concentrations of credit risk, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Council invests funds only in deposits with registered banks and local authority stock and its investment policy limits the amount of credit exposure to any one institution or organisation.

Investments in other Local Authorities are secured by charges over rates. Other than other local authorities, the Council only invests funds with those entities, which have a Standard and Poor's credit rating of at least A2 for short term and A- for long-term investments.

Accordingly, the Council does not require any collateral or security to support these financial instruments.



Council's maximum credit exposure for each class of financial instrument is as follows:

	<b>Actual 2024 \$000</b>	<b>Actual 2023 \$000</b>
Cash at bank and term deposits	4,471	8,540
Trade and other receivables	5,349	3,527
Community loans	-	-
Investments in debt securities	715	663
Derivative financial instrument assets	351	599
<b>Total credit risk</b>	<b>10,886</b>	<b>13,329</b>

All cash at bank and term deposits are neither past due nor impaired and are made with registered banks with Standard and Poor's credit ratings of A1 or better short term.

### Liquidity risk

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Council aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, Council maintains a target level of investments that must mature within the next 12 months.

Council manages its borrowings in accordance with its funding and financial policies, which includes a Liability Management policy. These policies have been adopted as part of Council's Long-Term Plan.

Council has a maximum amount that can be drawn down against its overdraft facility of \$550,000 (2023: \$550,000) plus available credit on a credit line facility with Westpac of \$5,000,000 (2023: \$5,000,000). There are no restrictions on the use of this facility.

The maturity profiles of Council's interest bearing investments and borrowings are disclosed in notes 16 and 25 respectively.

	<b>Carrying amount \$000</b>	<b>Less than 1 year \$000</b>	<b>1-2 years \$000</b>	<b>2-5 years \$000</b>	<b>More than 5 years \$000</b>
<b>2024</b>					
Trade and other payables	7,441	7,441	-	-	-
Secured loans	32,600	10,000	7,500	15,100	-
<b>Total</b>	<b>40,041</b>	<b>17,441</b>	<b>7,500</b>	<b>15,100</b>	<b>-</b>
<b>2023</b>					
Trade and other payables	6,025	6,025	-	-	-
Secured loans	30,600	7,000	3,000	15,500	5,100
<b>Total</b>	<b>36,625</b>	<b>13,025</b>	<b>3,000</b>	<b>15,500</b>	<b>5,100</b>



## 35. Capital management

Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 [the Act] requires Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer's funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising Council's assets and not expecting them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally, Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires Council to make adequate and effective provision in its Long-Term Plan (LTP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans and the Act sets out the factors that Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in Council's LTP.

Council has the following Council created reserves:

- Reserves for different areas of benefit;
- Self-insurance reserves; and
- Trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Council.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donate.

## 36. Tax

Council has taxable losses of 12.722 million to offset against future years taxable income. (2022: 14.85mn).

	Actual 2023 \$000	Actual 2022 \$000
<b>Income Tax</b>		
<b>Components of Tax Expense</b>		
Current tax expense	-	-
Adjusted to current tax in prior years	-	-
Deferred tax expense	-	(21,000)
<b>Tax Expense</b>	<b>-</b>	<b>(21,000)</b>
<b>Relationship between tax expense and accounting profit</b>		
Net surplus/(deficit) before tax	(3,933)	11,059
Tax at 28%	(1,101)	3,097
Plus (less) tax effect of:	-	-
Non-deductible expenditure	841	-
Non-taxable income	-	3,097
Council share of NRLLP income	-	-
Deferred tax losses	(65)	-
Unrecognised tax losses	325	-
Other adjustments	-	-
<b>Tax Expense</b>	<b>-</b>	<b>-</b>
<b>Income Tax</b>		
<b>Components of Tax Expense</b>		
Current tax expense	-	-
Adjusted to current tax in prior years	-	-
Deferred tax expense	-	(21,000)
<b>Tax Expense</b>	<b>-</b>	<b>(21,000)</b>
<b>Relationship between tax expense and accounting profit</b>		
Net surplus/(deficit) before tax	(3,933)	11,059
Tax at 28%	(1,101)	3,097
Plus (less) tax effect of:	-	-
Non-deductible expenditure	841	-
Non-taxable income	-	3,097
Council share of NRLLP income	-	-
Deferred tax losses	(65)	-
Unrecognised tax losses	325	-
Other adjustments	-	-

Deferred tax Asset (Liability)	Property, Plant & Equipment	Employee Entitlements	Other Provisions	Tax Losses	Total
Balance at 30 June 2022					
Charged to surplus or deficit	(899,630)	-	-	920,630	21,000
Charged to other comprehensive income	(21,000)	-	-	-	21,000
<b>Balance at 30 June 2022</b>	<b>(920,630)</b>	<b>-</b>	<b>-</b>	<b>920,630</b>	<b>-</b>
Charged to surplus or deficit	(3,310)	-	-	3,310	-
Charged to other comprehensive income	-	-	-	-	-
<b>Balance at 30 June 2023</b>	<b>(923,940)</b>	<b>-</b>	<b>-</b>	<b>923,940</b>	<b>-</b>



# Funding impact statement for whole of Council

For the year ended 30 June 2024

	Budget 2022-23 \$000	Actual 2022-23 \$000	Budget 2023-24 \$000	Actual 2023-24 \$000
<b>OPERATING FUNDING</b>				
<b>Sources of operating funding</b>				
General Rates, Uniform annual general charges, rates penalties	12,910	12,958	13,730	13,665
Targeted Rates (other than metered water supply rates)	8,012	7,886	8,378	8,383
Subsidies and grants for operating purposes	2,116	5,697	1,925	4,863
Fees and charges	4,713	4,480	4,808	5,242
Interest and dividends from investments	217	503	171	380
Local authorities fuel tax, fines, infringement fees and other receipts	595	930	1,116	974
<b>Total Operating Funding</b>	<b>28,563</b>	<b>32,455</b>	<b>30,128</b>	<b>33,507</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	22,767	28,127	24,173	31,159
Finance costs	1,361	1,363	1,421	1,484
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>24,128</b>	<b>29,490</b>	<b>25,594</b>	<b>32,643</b>
<b>SURPLUS / (DEFICIT) OF OPERATING FUNDING</b>	<b>4,435</b>	<b>2,965</b>	<b>4,534</b>	<b>864</b>
<b>CAPITAL FUNDING</b>				
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	2,954	4,519	3,171	4,457
Development and financial contributions	31	197	65	837
Increase/(decrease) in debt	4,768	6	6,251	2,000
Gross proceeds from the sale of assets	-	102	-	8
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>7,753</b>	<b>4,824</b>	<b>9,487</b>	<b>7,303</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	3,324	3,523	7,636	2,476
- to replace existing assets	9,197	9,031	6,986	8,568
Increase/(decrease) in reserves	(333)	(4,765)	(601)	(2,877)
Increase/(decrease) of investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>12,188</b>	<b>7,789</b>	<b>14,021</b>	<b>8,167</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>	<b>(4,435)</b>	<b>(2,965)</b>	<b>(4,534)</b>	<b>(864)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Financial reporting and prudence disclosures

The government introduced the Local Government (Financial Reporting and Prudence) Regulations 2014 which has a series of measures and benchmarks, disclosed in the following pages. These measures further highlight the financial performance of Council in a way that is consistent and standardised.

These measures allow for comparison of financial performance with other councils. However, readers are urged to read the commentary and explanations provided to give context to the information, as it is not always possible to compare Grey District Councils' results with other councils due to their size, location and provision of services.

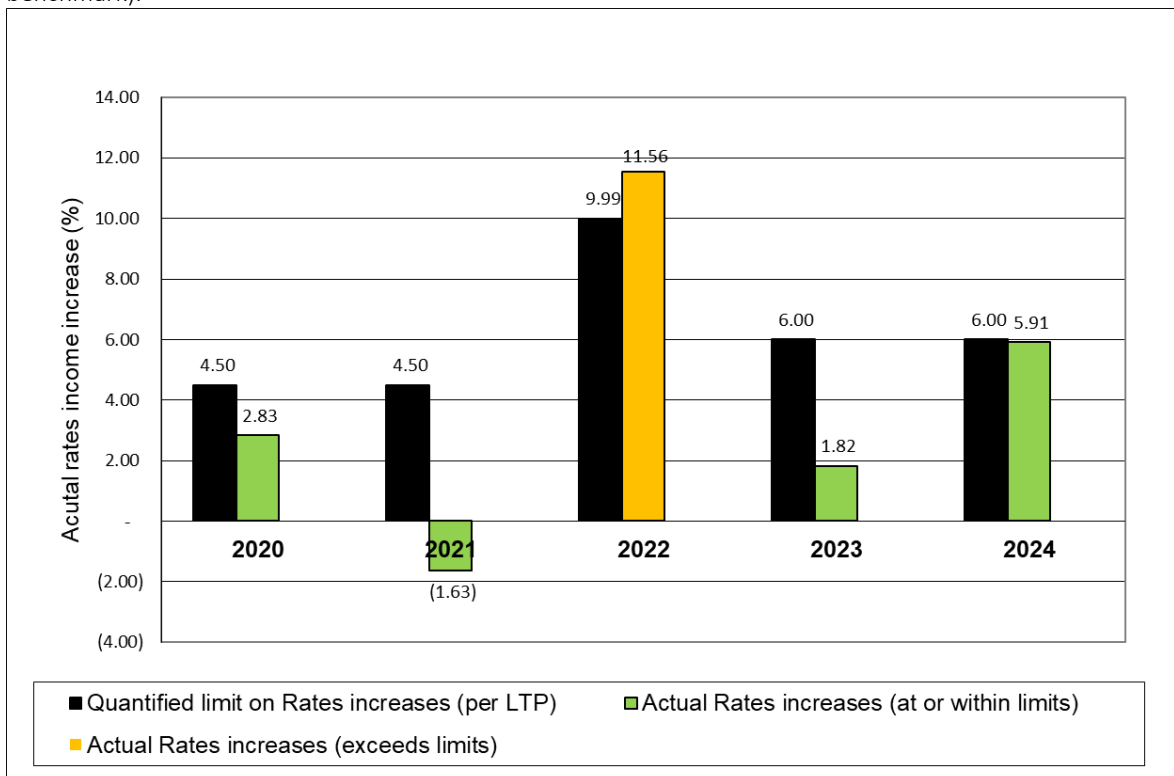
## 1. Rate affordability benchmarks

The Council meets the rates affordability benchmark if –

- its actual rates income equals or is less than each quantified limit on rates; and
- its actual rates increases equal or are less than each quantified limit on rates increases.

### Total actual rate income percentage increases

- For 2019, 2020 and 2021, the limit as contained within Council’s financial strategy (per the 2018 – 2028 Long-Term Plan) is for the total rate increase in any year to be no more than 4.5% (4.5% being the benchmark).
- For 2022, the limit as contained within Council’s financial strategy (per the 2021 – 2031 Long-Term Plan) is for the total rate increase in the 2022 year to be no more than 9.99% (9.99% being the benchmark).
- For 2023 onwards, the limit as contained within Council’s financial strategy (per the 2021 – 2031 Long Term Plan) is for the total rate increase for 2023 and subsequent years to be no more than 6.00% (being the benchmark).

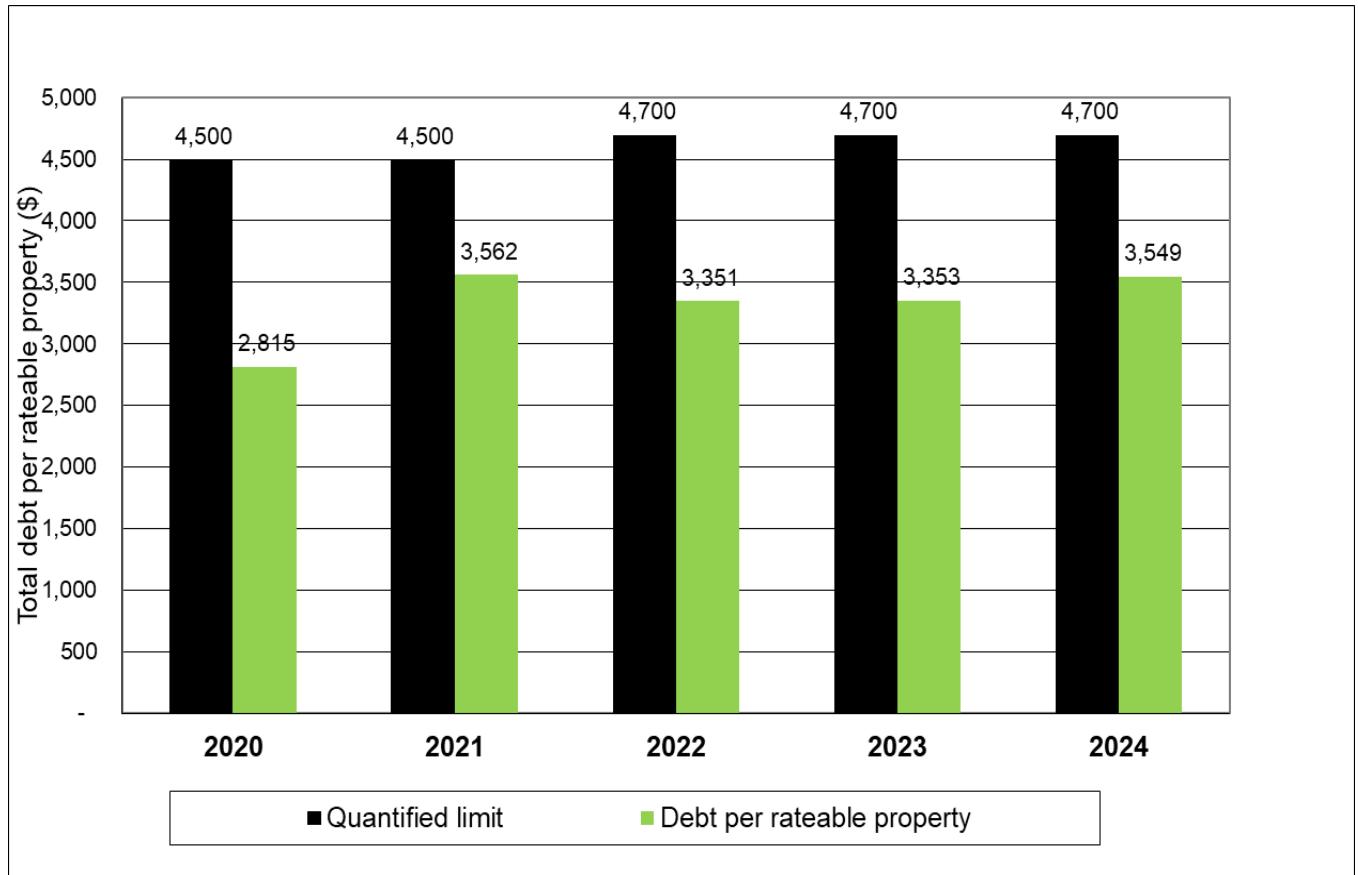


## 2. Debt affordability benchmark

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. The Council has three measures for debt affordability and these are set out below.

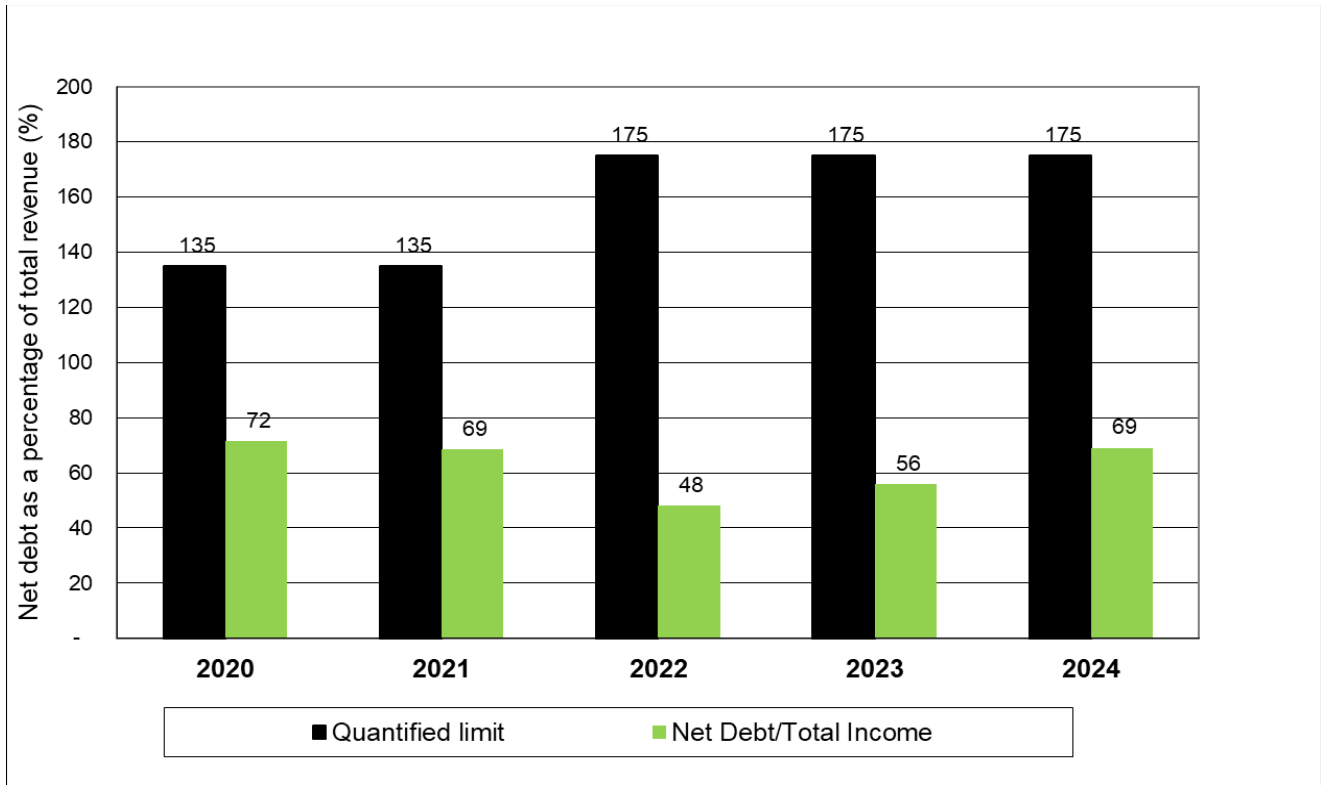
### Total actual debt per rateable property

The following graph displays the total actual debt per rateable property. Council’s benchmark is for total debt per rateable property to remain less than \$4,500 for the 2020 and 2021 years and \$4,700 for the 2022 and subsequent years (per the 2021 – 2031 Long-Term Plan).



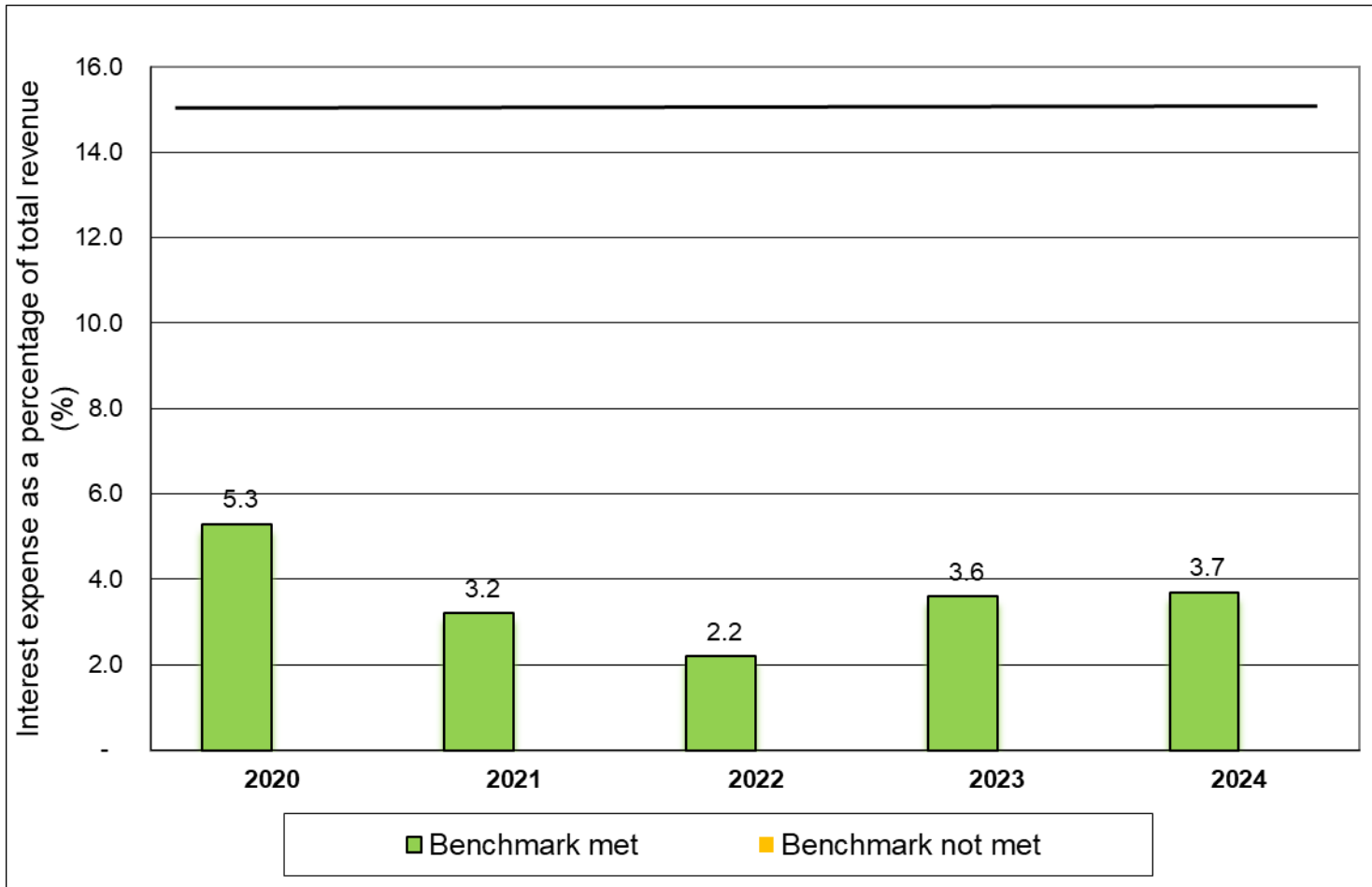
## Total net debt as a percentage of total revenue

The following graph displays total actual net debt as a percentage of total revenue. Council’s benchmark is for total net debt to remain less than 135% of total revenue for the years, 2018 to 2021 (per the 2018 – 2028 Long-Term Plan) and 175% for the 2022 year (per the 2021 – 2031 Long-Term Plan).



## Total interest expense as a percentage of total actual revenue

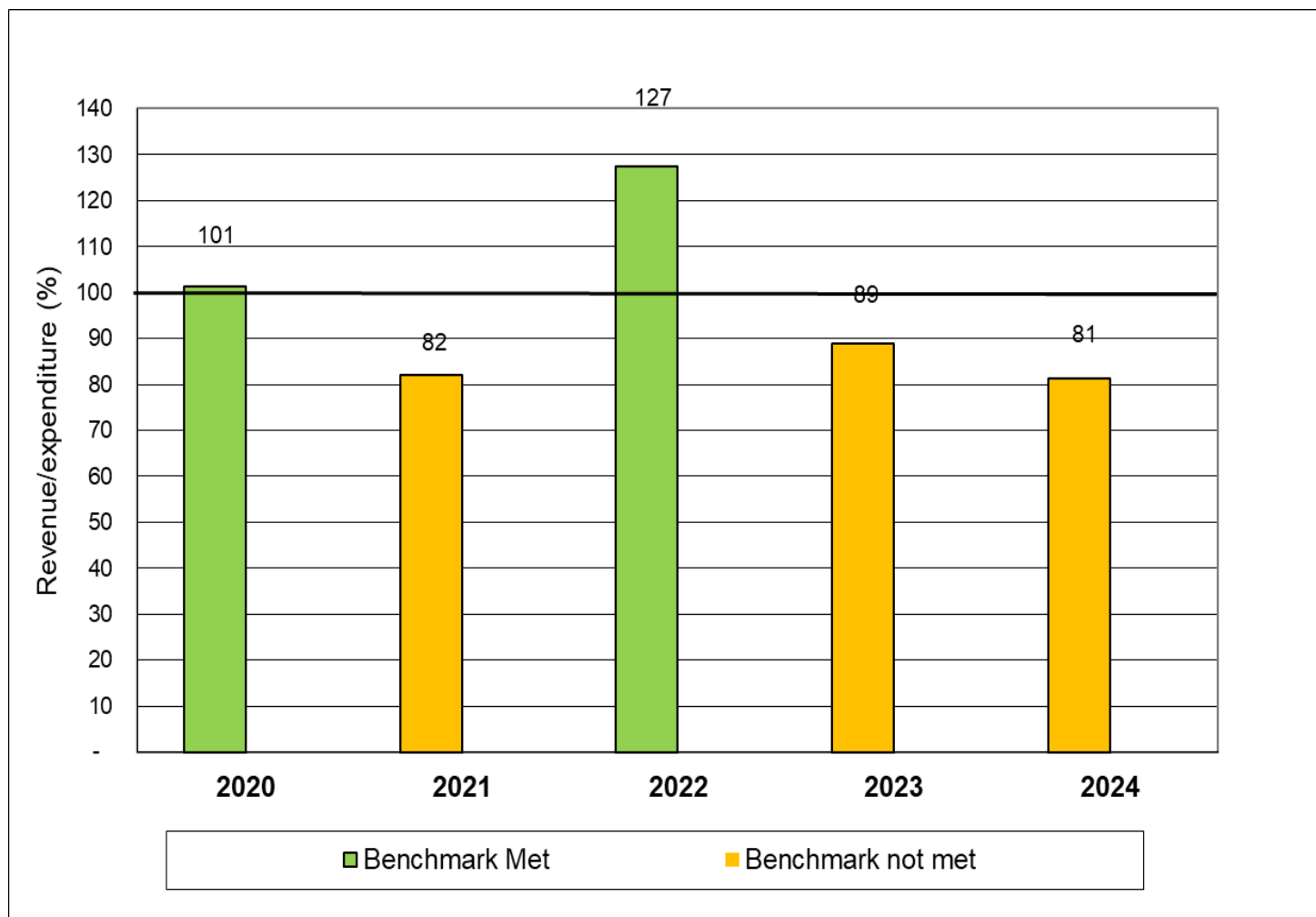
The following graph displays total actual interest expense as a percentage of total revenue. Council's benchmark is for total interest expenses to remain less than 15% of total revenue.



### 3. Balanced budget benchmark

The following graph displays the council’s revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). Council meets this benchmark if its revenue equals or is greater than its operating expenses.

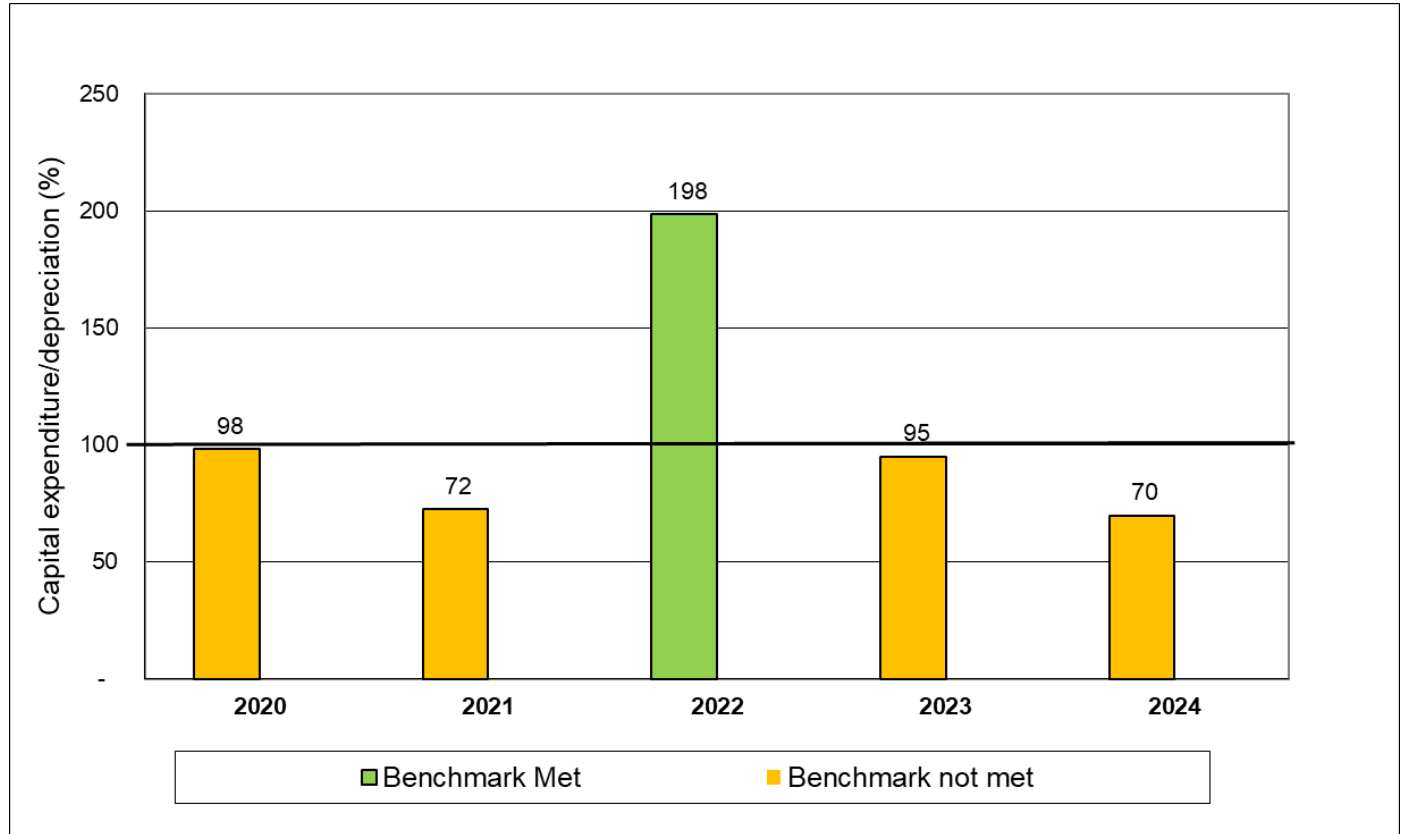
The 2021 year included a one-off expenditure item of \$6.72 million for the transfer of the Grey Flood wall asset to the West Coast Regional Council. If this had not occurred, the 2021 measure would have been 98.40%.



## 4. Essential services benchmark

The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services.

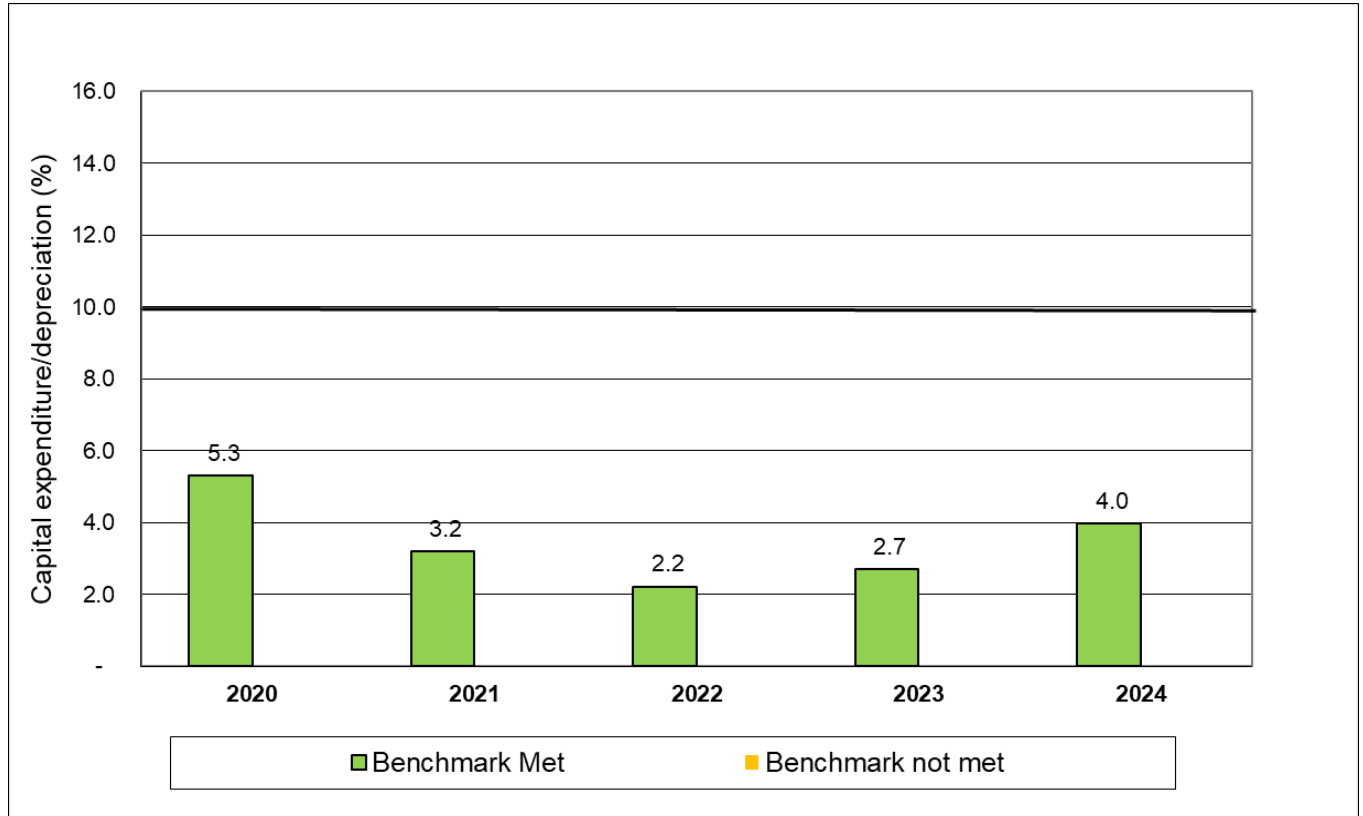
Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



## 5. Debt servicing benchmark

The following graph displays Council’s borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects the council’s population will grow no faster than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.

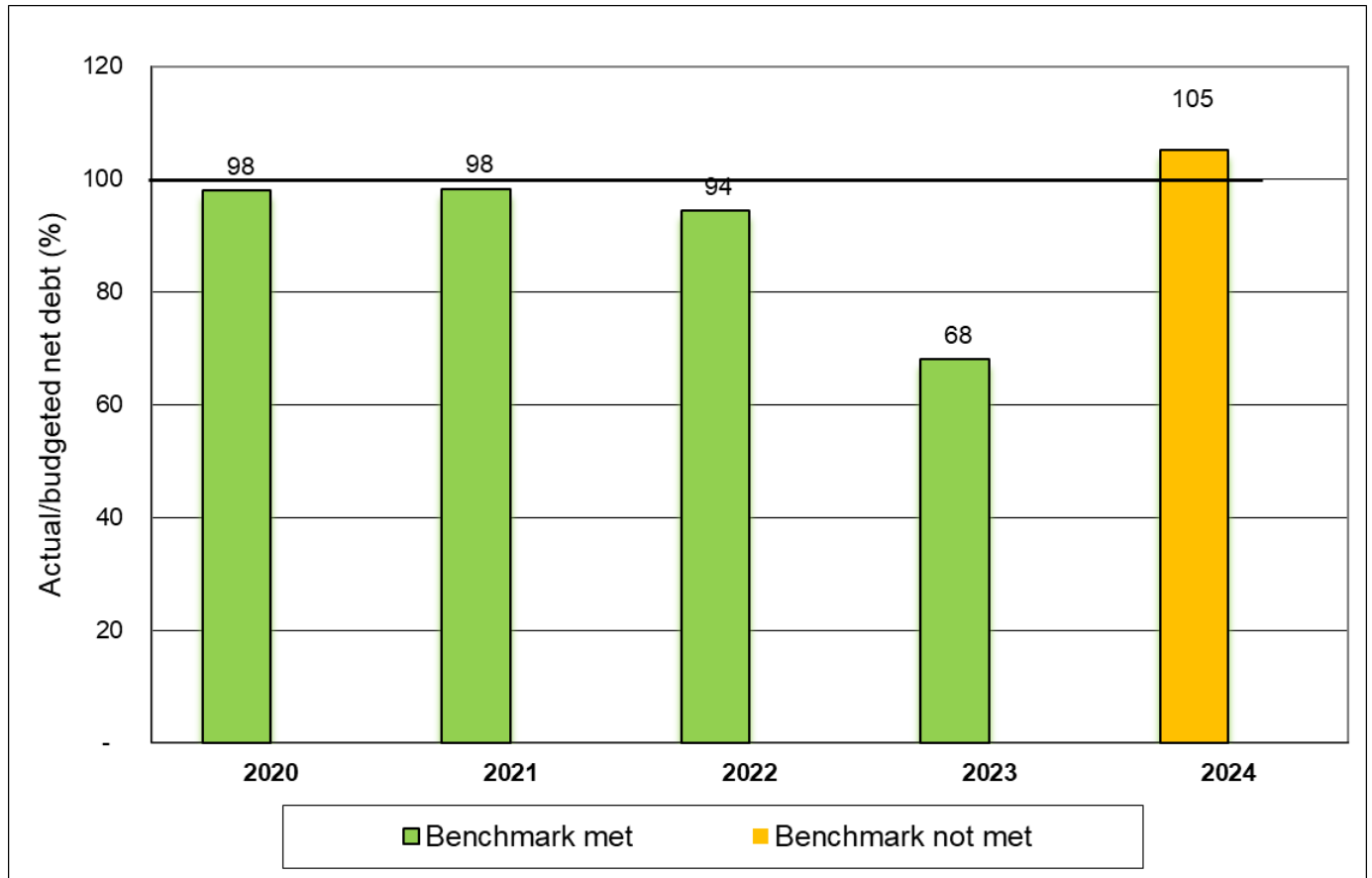




## 6. Debt control benchmark

The following graph displays the council’s actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

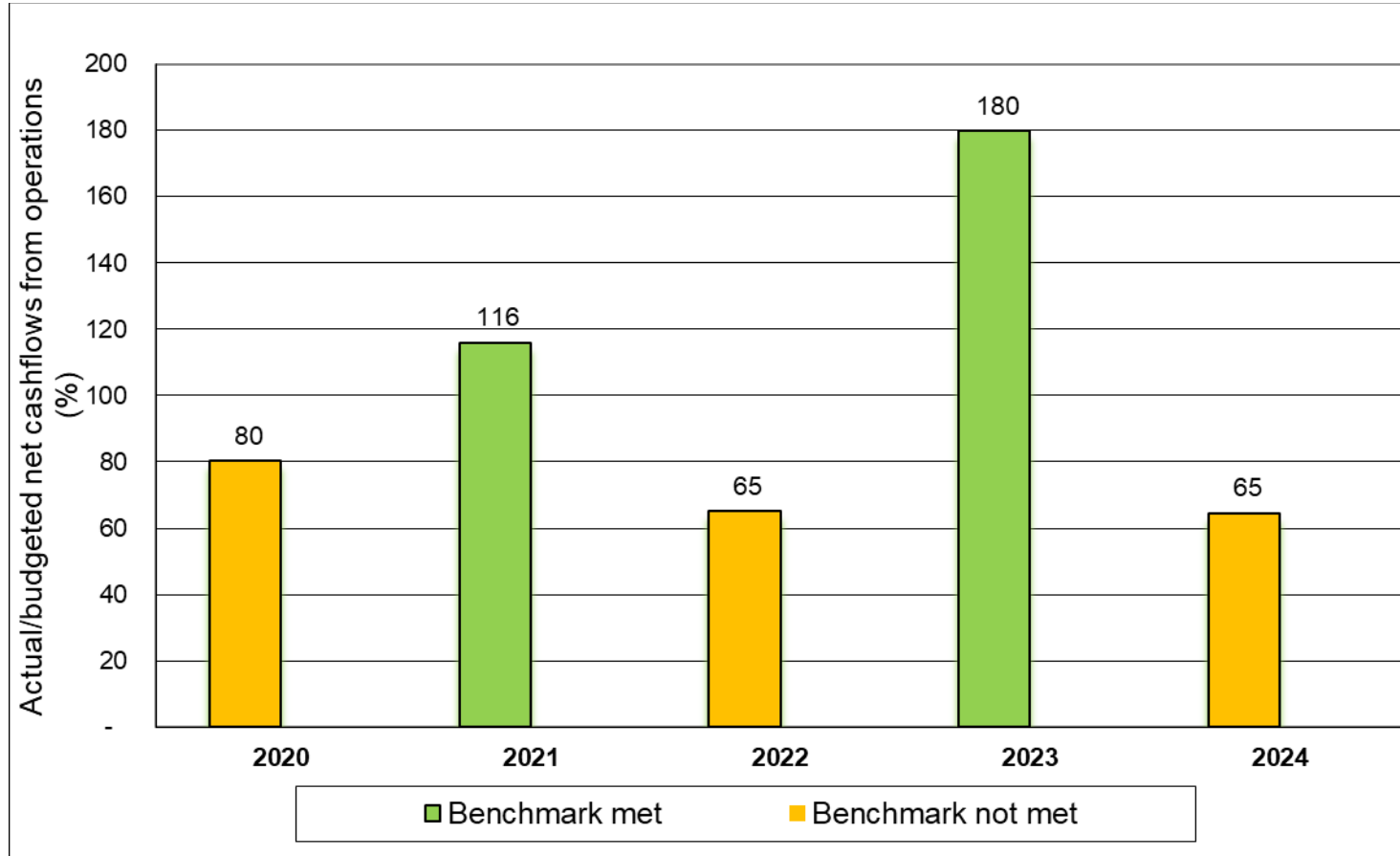
Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



## 7. Operations control benchmark

This graph displays the council’s actual net cash flow from operations as a proportion of its planned net cash flow from operations.

Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.





# PART D: Consultation with Māori





Through a specific activity, “Efficient and Open Consultation”, Council has set specific performance targets relating to the establishment and maintenance of processes in providing opportunities for Māori to contribute to the decision making processes of the Grey District Council.

At their meeting on 8 April 2019, Grey District Council confirmed the Memorandum of Understanding between Council and Te Runanga O Ngāti Waewae, paving the way for greater acknowledgement of the important role of Māori in our District, both historically and into the future.

The Memorandum was officially signed at the Council meeting on 13 May 2019, at which time the Runanga Chairperson, Mr Francois Tumahai, was appointed a seat at the Council table as part of an informal arrangement pending formalisation at the next Electoral Representation Review.



# PART E: Independent Auditors report











