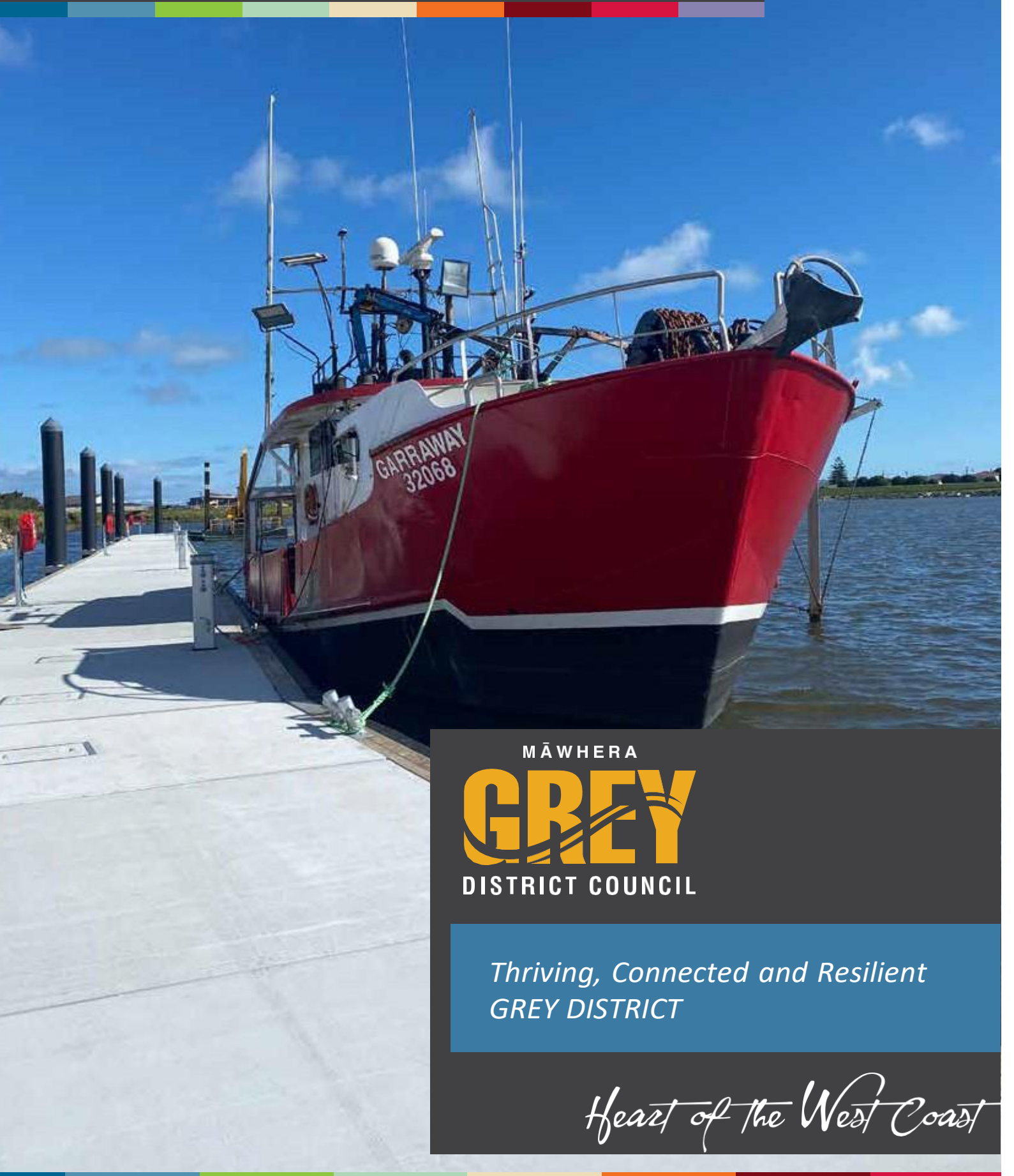


# Grey District Council

## Annual Report 2020/2021



MĀWHERA  
**GREY**  
DISTRICT COUNCIL

*Thriving, Connected and Resilient*  
GREY DISTRICT

*Heart of the West Coast*



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**PART A:**

# **Introduction**

# Message from Her Worship the Mayor and the Chief Executive

Welcome to the 2020/2021 Annual Report, in which we present:

- Our income and expenditure for the 2020/2021 financial period.
- What has been delivered for the money spent – outlined within our performance reporting under each group activity statement; and
- Our achievements and highlights.

This year has seen Council face the added pressures of navigating through the COVID-19 new normal, while continuing with normal services and some large infrastructure projects. Council has done incredibly well to continue delivering services, embracing the opportunities provided by an exceptional amount of Government funding, and the added demands that COVID-19 has placed on us. Our teams across council have worked well in what have been challenging times, due to border restrictions and rolling lockdowns.

The wider Council organisation has been resilient in the face of change and the difficult circumstances that the 2020/2021 year has brought.

The year also brought about the start of what could be a period of significant change, with reform led by Central Government looking to change the Resource Management Act, a proposed centralisation of our Three Water assets (stormwater, drinking water and wastewater), and even a review into what Local Government will look like in the future. This is a great deal of change to be proposed in one short period, and some of the impacts are still unknown, but we will continue to work towards what is best for our people and communities.

The results show a deficit of \$7.769m. However, this includes a one-off transfer of the Grey Flood wall asset of \$6.72m. The floodwall asset has been transferred to West Coast Regional Council because they undertake the capital work and maintenance on that asset.

Council has met eight of the ten goals of the governments mandatory financial affordability and performance benchmarks.

Some highlights from the year are:

- The renovations and upgrades of numerous War Memorials, Community Halls and Community Facilities through funding received from the Provincial Growth Fund.
- Progression on the replacements of the Moonlight and Rough River Bridges funded through the Provincial Growth Fund.
- Initiating the Re-bricking of the Blaketown Retirement Units.
- Commencing stage one of the Port Pontoon Project in conjunction with Buller District Council.
- Installing the majority of the infrastructure for the Kaiata Water Supply Project, which involved installing approximately \$3m worth of infrastructure in a three-month period.
- Undertaking and completing the 2021-2031 Long Term Plan within statutory timeframes, which also included significant engagement meetings with our Grey District Communities throughout May.

We are committed to being open, honest, accountable, and transparent when reporting to our community. Finally, we would like to thank the hard-work, skills and efforts of many, including elected members, staff and volunteers this year. We encourage you to please take the time to read this report and be informed on what our Council is doing to make the Grey District Thriving, Connected and Resilient.



**Tania Gibson**  
Mayor



**Paul Morris**  
Chief Executive



# Councilors and their portfolios as at 30 June 2021

	<p><b>Tania Gibson</b></p> <p><b>Position:</b> Mayor</p> <p><b>Portfolio Responsibilities:</b> Economic Development, Aged Care, Young People, Tourism, Retirement housing</p>		<p><b>Allan Gibson</b></p> <p><b>Position:</b> Deputy Mayor</p> <p><b>Portfolio Responsibilities:</b> Three waters (Water, Stormwater, Sewerage)</p>
	<p><b>Murray Hay</b></p> <p><b>Position:</b> Councillor Central Ward</p> <p><b>Portfolio Responsibilities:</b> Community Safety and Resilience (Civil Defence and Emergency Management, Sea inundation).</p>		<p><b>Tim Mora</b></p> <p><b>Position:</b> Councillor Central Ward</p> <p><b>Portfolio Responsibilities:</b> Climate Change (Zero Carbon, Forestry, Solid Waste).</p>
	<p><b>Patrick McBride</b></p> <p><b>Position:</b> Councillor Central Ward</p> <p><b>Portfolio Responsibilities:</b> Community Facilities (Libraries, Cemeteries, History House).</p>		<p><b>Anton Becker</b></p> <p><b>Position:</b> Councillor Eastern Ward</p> <p><b>Portfolio Responsibilities:</b> Spatial Development, Finance and Risk.</p>
	<p><b>Rose Green</b></p> <p><b>Position:</b> Councillor Northern Ward</p> <p><b>Portfolio Responsibilities:</b> Community Health and Wellbeing promotion (Sport and Recreation, Parks and Reserves, Health).</p>		<p><b>Peter Haddock</b></p> <p><b>Position:</b> Councillor Southern Ward</p> <p><b>Portfolio Responsibilities:</b> Transport (Roads, footpaths and kerbing, Airport, Port and Cycle Trails).</p>

	<p><b>Rex MacDonald</b></p> <p><b>Position:</b> Councillor Southern Ward</p> <p><b>Portfolio Responsibilities:</b> CEO and Council Employer obligations, Disabled people.</p>		<p><b>Francois Tumahai</b></p> <p><b>Position:</b> Kaiwhakahaere (iwi representative)</p> <p><b>Portfolio Responsibilities:</b> Community Identity (Māori, New Coasters, Citizenship Ceremonies).</p>
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## Council is committed to:

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

# Executive Leadership Team

<b>Chief Executive Officer</b>	Paul Morris
<b>Group Manager Operations</b>	Aaron Haymes
<b>Group Manager Customer and Community</b>	Gerry Veugelaers
<b>Group Manager Strategy, Policy and Corporate Support</b>	Vacant



# Contact Details

Postal Address	PO Box 382, Greymouth 7840
Main Office	105 Tainui Street, Greymouth Tel: +64 03 769 8600 Info@greydc.govt.nz <a href="http://www.greydc.govt.nz">www.greydc.govt.nz</a> Facebook: /GreyDC

Corporate Services	info@greydc.govt.nz
Environmental Services	environmental.services@greydc.govt.nz
Infrastructure Services	infrastructure@greydc.govt.nz
Grey District Library	18 Albert Street, Greymouth Tel: + 03 768 5597 library@greydc.govt.nz
Westland Recreation Centre	83 High Street, Greymouth Tel: +64 03 768 9076 WRC@greydc.govt.nz
Port of Greymouth	C/- 105 Tainui Street, Greymouth

# **PART B:**

# **Independent Auditor's**

# **Report**

## Independent Auditor's Report

### To the readers of Grey District Council's annual report for the year ended 30 June 2021

The Auditor-General is the auditor of Grey District Council (the District Council). The Auditor-General has appointed me, Chris Genet, using the staff and resources of Audit New Zealand, to report on the information in the District Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the District Council has complied with the requirements of schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the District Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 28 February 2022. This is the date at which we give our report.

### Opinion on the audited information

In our opinion:

- the financial statements on pages 22 to 92:
  - present fairly, in all material respects:
    - the District Council's financial position as at 30 June 2021;
    - the results of the operations and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the funding impact statement on pages 93 to 94, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's annual plan;
- the performance information on pages 105 to 190:
  - presents fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2021, including:
    - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;

- the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
  - complies with generally accepted accounting practice in New Zealand; and
- the statement about capital expenditure for each group of activities on pages 113 to 193, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council’s annual plan; and
- the funding impact statement for each group of activities on pages 111 to 191, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council’s long-term plan.

## **Report on the disclosure requirements**

We report that the District Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence Regulations 2014) on pages 95 to 104, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council’s audited information and, where applicable, the District Council’s long-term plan and annual plans.

## **Emphasis of matter – The Government’s three waters reform programme announcement**

Without modifying our opinion, we draw attention to note 36 on page 86, which outlines that subsequent to year-end, the Government announced it will introduce legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities from 1 July 2024. The impact of these reforms, once legislated, will mean that the District Council will no longer deliver three waters services.

## **Basis for our opinion on the audited information**

We carried out our audit in accordance with the Auditor-General’s Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the “Responsibilities of the auditor for the audited information” section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General’s Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

## **Responsibilities of the Council for the audited information**

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council’s responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.



The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the District Council or there is no realistic alternative but to do so.

## **Responsibilities of the auditor for the audited information**

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the District Council's annual plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the performance information, as a reasonable basis for assessing the levels of service achieved and reported by the District Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the District Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the District Council to cease to continue as a going concern.

- We evaluate the overall presentation, structure, and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the entities or business activities within the Group to express an opinion on the consolidated audited information.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Other information**

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 5 to 21, and 194 to 195, but does not include the audited information, the disclosure requirements, and our auditor's report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Independence**

We are independent of the District Council in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we have performed an assurance engagement over the District Council's long-term plan 2021-2031 and a limited assurance engagement in respect of the District Council's debenture trust deed. These engagements are compatible with those independence requirements. Other than the audit, our report on the disclosure requirements and this engagement, we have no relationship with or interests in the District Council or its subsidiaries and controlled entities.



Chris Genet  
Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand



**PART C:**

# **Financial Statements and Notes**

# Statement of Compliance and Responsibility

## Compliance

The Council and Management of the Grey District Council confirm that with the exception of meeting the statutory deadline for adopting the Annual Report all the statutory requirements in relation to the Annual Report have been complied with. Section 98 of the Local Government Act 2002 requires the Council to adopt its Annual Report by 31 December after the end of the financial year. Council was not able to comply with this requirement for the year ended 30 June 2021. The Annual Report was adopted on February 28, 2022.

All other 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.

## 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 reporting.

In the opinion of Council and management of Grey District Council, the annual Financial Statements for the year ended 30 June 2021 fairly reflect the financial position and operations of Grey District Council.



**Tania Gibson**  
Mayor  
Dated 28/02/2022



**Paul Morris**  
Chief Executive  
Dated 28/02/2022

# Statement of Comprehensive Revenue and Expense

For the Year Ended 30 June 2021

	Note	Actual 2020 \$000	Annual Plan 2021 \$000	Actual 2021 \$000
<b>REVENUE</b>				
Rates, including targeted water supply rates	3	17,711	17,892	17,423
Subsidies and grants	4	8,171	10,909	7,887
Development and financial contributions		200	30	69
Fees and charges	5	4,328	4,597	4,689
Interest revenue	6	278	255	59
Other revenue	7	493	399	1,869
<b>Total revenue</b>		<b>31,181</b>	<b>34,082</b>	<b>31,996</b>
<b>EXPENDITURE</b>				
Personnel costs	8	5,957	6,047	6,425
Depreciation and amortisation expense	16	9,645	9,333	9,892
Finance costs	6	1,640	890	1,014
Loss on Disposal of Floodwall Asset		-	-	6,720
Other expenses	9	12,691	17,421	15,714
<b>Total expenses</b>		<b>29,933</b>	<b>33,691</b>	<b>39,765</b>
<b>Net surplus/(deficit) before tax</b>		<b>1,248</b>	<b>391</b>	<b>(7,769)</b>
Income tax expense		-	-	-
<b>Surplus/(deficit) after tax attributable to Grey District Council</b>		<b>1,248</b>	<b>391</b>	<b>(7,769)</b>
<b>OTHER COMPREHENSIVE REVENUE AND EXPENSE</b>				
Movement in asset revaluation reserve		28,456	-	-
<b>Total other comprehensive revenue and expense</b>		<b>28,456</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive revenue and expense</b>		<b>29,704</b>	<b>391</b>	<b>(7,769)</b>

The accompanying notes form part of these financial statements.

# Statement of Financial Position

As at 30 June 2021

	Note	Actual 2020 \$000	Annual Plan 2021 \$000	Actual 2021 \$000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	10	3,526	6,175	11,759
Receivables	11	5,141	4,324	5,688
Other financial assets	12	3,159	4,003	2,999
Inventory	13	307	-	-
Non-current assets held for sale		-	-	-
		<b>12,133</b>	<b>14,502</b>	<b>20,446</b>
<b>Non-current assets</b>				
Receivables	11	34	164	32
Property, plant and equipment	14	436,444	428,474	429,828
Intangible assets	15	67	217	13
Other financial assets	12	111	500	527
Investment property	17	2,592	3,540	3,400
		<b>439,248</b>	<b>432,895</b>	<b>433,800</b>
<b>TOTAL ASSETS</b>		<b>451,381</b>	<b>447,397</b>	<b>454,246</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Bank overdraft		-	-	-
Payables	18	3,270	4,487	5,410
Employee entitlements	19	633	573	569
Deferred revenue		325	212	2,681
Borrowings	20	14,000	5,000	9,000
Derivative financial instruments	21	-	-	-
		<b>18,228</b>	<b>10,272</b>	<b>17,660</b>
<b>Non-current liabilities</b>				
Provisions	22	2,480	1,867	2,675
Employee entitlements	19	483	452	514
Borrowings	20	9,979	28,912	21,587
Derivative financial instruments	21	1,845	-	1,211
		<b>14,787</b>	<b>31,231</b>	<b>25,987</b>
<b>TOTAL LIABILITIES</b>		<b>33,015</b>	<b>41,503</b>	<b>43,647</b>
<b>EQUITY</b>				
Retained earnings	23	226,863	234,860	216,373
Special funds	23	11,265	7,337	13,986
Trusts bequests and other reserves	23	211	258	211
Revaluation reserve	23	180,027	163,439	180,027
<b>Total equity attributable to the Council</b>		<b>418,366</b>	<b>405,894</b>	<b>410,597</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>451,381</b>	<b>447,397</b>	<b>454,244</b>

The accompanying notes form part of these financial statements.

# Statement of Changes in Equity

For the Year Ended 30 June 2021

	Actual 2020 \$000	Annual Plan 2021 \$000	Actual 2021 \$000
Balance at 01 July	388,662	405,503	418,366
Total comprehensive revenue and expense	29,704	391	(7,769)
<b>Balance at 30 June</b>	<b>418,366</b>	<b>405,894</b>	<b>410,597</b>

The accompanying notes form part of these financial statements.



# Statement of Cash Flows

For the Year Ended 30 June 2021

	Note	Actual 2020 \$000	Annual Plan 2021 \$000	Actual 2021 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from rates revenue		17,757	17,815	17,620
Subsidies and grants received		7,527	10,909	10,774
Development and financial contributions received		200	-	69
Interest received		326	300	115
Dividends received		-	-	-
Receipts from other revenue		4,533	4,819	5,803
Payments to suppliers		(12,792)	(17,058)	(14,412)
Payments to employees		(5,902)	(6,047)	(6,458)
Interest paid		(1,277)	(890)	(1,014)
Income tax paid (refund)		-	-	-
Goods and services tax (net)		58	128	(928)
<b>Net cash from operating activities</b>	24	<b>10,430</b>	<b>9,976</b>	<b>11,569</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of property, plant and equipment		36	-	-
Proceeds from sale of investment property		4	-	-
Receipts from sale of investments		18,084	12,582	5,998
Purchase of property, plant and equipment		(9,790)	(13,744)	(9,935)
Purchase of intangible assets		(4)	-	-
Acquisition of investments		(13,197)	(10,956)	(5,998)
<b>Net cash from investing activities</b>		<b>(4,867)</b>	<b>(12,118)</b>	<b>(9,935)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings		4,000	5,367	20,600
Repayment of borrowings		(10,000)	(5,137)	(14,000)
Dividends paid		-	-	-
<b>Net cash from financing activities</b>		<b>(6,000)</b>	<b>230</b>	<b>6,600</b>
<b>Net (decrease)/increase in cash, cash equivalents and bank overdrafts</b>		<b>(437)</b>	<b>(1,912)</b>	<b>8,234</b>
Cash, cash equivalents and bank overdrafts at the beginning of the year		3,962	8,087	3,525
<b>Cash, cash equivalents and bank overdrafts at the end of the year</b>	10	<b>3,525</b>	<b>6,175</b>	<b>11,759</b>

The accompanying notes form part of these financial statements.

# Notes to the Financial Statements

## Statement of accounting policies

### Reporting entity

Grey District Council (“Council”) is a territorial local authority governed by the Local Government Act 2002. Council has one associate: West Coast Amateur Sports Trust. All associates are incorporated in New Zealand.

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.

The financial statements of Council are for the year ended 30 June 2021. The financial statements were authorised for issue by Council on 28 February 2022.

### Basis of preparation

The financial statements of Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entity Standards (PBE Standards) and authoritative notices that are applicable to entities that apply PBE Standards.

Council is classified as a Tier 2 reporting entity but has elected to report under Tier 1 and it applies full PBE Standards.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on a historical cost basis, except where modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets, and certain financial instruments (including derivative instruments).

The financial statements are presented in New Zealand dollars and are rounded to the nearest thousand dollars (\$'000) where indicated. The functional currency of Council is New Zealand dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the surplus/deficit.

### Associates

An associate is an entity over which Council has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The Council has adopted PBE IPSAS 34-38, the new group standard in preparing these financial statements.

Council investments in associates are carried at cost in Council's own “parent entity” financial statements in accordance with PBE IPSAS 34-38.

## Accounting policies

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

### 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.

#### Subsidies and grants

New Zealand Transport Agency financial assistance is recognised as revenue upon entitlement, which is when 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

#### 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.

## **Other revenue**

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 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.

## **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 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**

### **Finance leases**

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, Council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

## **Operating leases**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

## **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 90 days or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

## **Financial assets**

Council classifies its financial assets into the following four categories: held-to-maturity investments, loans, receivables, and financial assets at fair value through equity. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus/deficit in which case the transaction costs are recognised in the surplus/deficit.

Loans, including loans to community organisations made by Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the surplus/deficit as a grant.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, net asset backing, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

- **Loans and receivables**

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus/deficit. Loans and receivables are classified as “trade and other receivables” in the statement of financial position.

- **Held to maturity investments**

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that Council has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus/deficit.

Investments in this category include fixed term deposits and bonds.

- **Financial assets at fair value through the surplus or deficit**

Derivatives held by Council are categorized in this group unless they are designated as hedges. After initial recognition, they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus/deficit. Council uses derivative financial instruments to hedge exposure to foreign exchange and interest rate risks arising from financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

- **Financial assets at fair value through other comprehensive revenue and expense are those that are not designated as fair value through equity or are not classified in any of the other categories above.**

This category encompasses investments that Council intends to hold long-term but which may be realised before maturity.

After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in other comprehensive revenue and expense except for impairment losses, which are recognised in the surplus/deficit. In the event of impairment, any cumulative losses previously recognised in other comprehensive revenue and expense will be reclassified and recognised in surplus/deficit even though the asset has not been de-recognised.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

## **Impairment of financial assets**

At each balance date, Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. The total impairment loss is recognised in the surplus or deficit.

A provision for impairment of receivables is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

## **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.

## **Inventory**

Inventory held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at the lower of cost, adjusted, when applicable, for any loss of service potential.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

When land held for development and future resale is transferred from investment property/property, plant, and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant, and equipment.

## Non-Current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

## 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, and breakwater and wharves.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

### 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.

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.

### 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 retained earnings.

### Subsequent costs

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 Council and the cost of the item can be measured reliably.

### 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)	%
<b>Buildings:</b>			
- 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		
Landfill sites	Straight line	10-50	2-10
Landfill capitalised aftercare costs	Straight line	8	12.5
<b>Water supply systems</b>			
- 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
<b>Drainage and sewerage</b>			
- 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
<b>Roading networks:</b>			
- Formation	No 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 waterchannels	Straight line	10-80	1.25-10
<b>Drainage: culverts and catch pits</b>	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
Work in progress	Straight line	-	-

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



## Valuation

Infrastructural assets	Valuation basis
Roading network	Optimised depreciated replacement cost
Land under roads	Deemed cost
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

## Revaluation

The measurement base for each class of asset is described below. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

## Valuation

Fixed assets	Valuation basis
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	Deemed cost
Heritage assets	Deemed 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

### ***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.

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.

## 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 as determined.

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

## 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.

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.

### *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. A discount rate of 5.0% and an inflation factor of 2.5% were used. 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.

## Provisions

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense

### **Landfill post closure costs**

Council has a legal obligation under its resource consent to provide on-going maintenance and monitoring services at the landfill site after closure. A provision for post closure costs is recognised as a liability when the obligation for post closure arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure. The discount rates applied are 0.22% - 2.72%.

## Financial guarantees

A financial guarantee contract is a contract that requires the Council to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value, even if a payment under the guarantee is not considered probable. If a financial guarantee contract was issued in a stand-alone arms-length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, a liability is recognised based on the probability that the Council will be required to reimburse a holder for a loss incurred discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation. However, if it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value of the future expenditure.

## Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

## 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.

## Goods and Service Tax (GST)

All items in the financial statements 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 the 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***

Note 22 discloses an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

### ***Financial guarantees***

Note 22 discloses Council's assessment on the probability that Council will be required to reimburse the guarantee holder and the total amount of the guarantee.

### ***Infrastructural assets and property carried at fair value***

There are a number of assumptions and estimates used when performing Optimised Depreciation Replacement Cost (ODRC) valuations over infrastructural assets and property carried at fair value. These include:

The physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;

Estimating any obsolescence or surplus capacity of an asset; and

Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted 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 Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus/deficit. To minimise this risk, Council's infrastructural asset useful lives have been determined with reference to the NZ 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 Council's asset management

planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers peer review Council's infrastructural asset revaluations.

### ***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 2021:

#### **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 is 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.

## Cost of service statements

The Cost of Service Statements, as provided in the Statement of Service Performance, report the net cost of services for significant activities of Council, and are represented by the costs of providing the service less all directly related revenue that can be allocated to these activities.

## 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

### **PBE FRS 48 Service Performance Reporting**

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 Presentation of Financial Statements and is effective for the year ending 30 June 2023, with early application permitted. The Council has not yet determined how application of PBE FRS 48 will affect its statement of service performance.

It does not plan to adopt the standard early.

### **PBE IPSAS 41 Financial Instruments**

In March 2019, the External Reporting Board (XRB) issued PBE IPSAS 41 Financial Instruments, which supersedes both PBE IFRS 9 Financial Instruments and PBE IPSAS 29 Financial Instruments: Recognition and Measurement. The main changes between PBE IPSAS 29 and PBE IPSAS 41 are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected credit losses, which may result in earlier recognition of impairment losses.

The Council does not plan to adopt the standard early.

### ***Amendment to PBE IPSAS 2 Statement of Cash Flows***

An amendment to PBE IPSAS 2 Statement of Cash Flows requires entities to provide disclosures that enable users of financial statements to evaluate changes and liabilities arising from financing activities, including both changes arising from cash flows and non cash changes

The council plans to apply the standard in preparing its 30 June 2022 financial statements. The council has not yet assessed the effects of the new standard.

## Summary revenue and expenditure for groups of activities

	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000
<b>REVENUE</b>			
Land transport	9,190	6,512	6,498
Stormwater	1,158	1,361	1,309
Wastewater	2,870	2,641	3,000
Water Supply	2,433	4,793	3,799
Solid waste management	2,461	2,287	2,633
Emergency management	119	244	142
Environmental services	2,252	2,316	2,335
Other transport	1,608	4,981	1,382
Property and housing	1,138	1,330	1,943
Community facilities and events	5,679	5,970	6,582
Democracy and administration	8,488	8,381	9,314
<b>Total activity revenue</b>	<b>37,396</b>	<b>40,816</b>	<b>38,937</b>
Less internal recoveries	(6,215)	(6,734)	(6,940)
<b>Total revenue</b>	<b>31,181</b>	<b>34,082</b>	<b>31,997</b>
<b>EXPENDITURE</b>			
Land transport	7,342	7,760	7,813
Stormwater	1,505	1,457	8,548
Wastewater	3,425	2,870	3,243
Water Supply	2,185	2,147	2,455
Solid waste management	2,174	2,132	2,419
Emergency management	101	111	87
Environmental services	2,353	2,272	2,590
Other transport	1,208	5,345	1,364
Property and housing	1,380	1,345	1,462
Community facilities and events	6,372	6,286	7,033
Democracy and administration	8,103	8,700	9,691
<b>Total activity expenditure</b>	<b>36,148</b>	<b>40,425</b>	<b>46,705</b>
Less internal expenses	(6,215)	(6,734)	(6,940)
<b>Total Expenditure</b>	<b>29,933</b>	<b>33,691</b>	<b>39,765</b>

Each significant activity is stated gross of internal costs and revenues. In order to fairly reflect the total external operations for the Council in the statement of comprehensive revenue and expense, these transactions are eliminated as shown above.



### 3. Rates revenue

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:

	Actual 2020 \$000	Annual Plan 2021 \$000	Actual 2021 \$000
<b>GENERAL RATES</b>			
General Rate	7,347	7,154	6,972
Uniform Annual General Charge	3,375	3,533	3,442
<b>Total general rates</b>	<b>10,722</b>	<b>10,687</b>	<b>10,414</b>
<b>TARGETED RATES ATTRIBUTABLE TO ACTIVITIES:</b>			
District Promotion	403	202	193
Refuse Collection	1,448	1,400	1,389
Sewerage Collection	2,608	2,570	2,642
Water Supplies	2,076	2,570	2,364
Water Meter Rates	224	250	199
Lump sum contributions	-	-	-
<b>PENALTIES</b>			
Rate Penalties	230	213	222
<b>Total rates</b>	<b>17,711</b>	<b>17,892</b>	<b>17,423</b>

### Rates remissions

Rate revenue shown is net of rates remitted on land where Grey District Council is the ratepayer. Rate discounts and rates remitted per Council policy are expensed through the surplus/deficit.

	Actual 2020 \$000	Annual Plan 2021 \$000	Actual 2021 \$000
Rates on land where GDC is the ratepayer	425	458	436
Rate discounts	33	45	37
Rates remitted per Council policy	29	43	31
<b>Total rates remitted</b>	<b>487</b>	<b>546</b>	<b>504</b>

## Non-rateable land

In accordance with the Local Government (Rating) Act 2002 certain properties cannot be rated for general rates. This includes schools, places of religious worship, public gardens and reserves. These non-rateable properties, where applicable, may be subject to targeted rates in respect of sewerage, water, refuse and sanitation. Non-rateable land does not constitute a remission under Council's rates remission policy.

## 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—*

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

As at 30 June  
2019      As at 30 June 2020

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Total number of rating units	9,043	9,099
Total capital value of rating units	2,681,042,350	2,863,105,350
Total land value of rating units	1,256,134,350	1,277,862,350

## 4. Subsidies and grants

	<b>Actual 2020</b>	<b>Annual Plan 2021</b>	<b>Actual 2021</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
New Zealand Transport Agency subsidies	5,859	4,031	3,802
Ministry of Health drinking water related subsidies	-	-	-
Ministry of Health wastewater related subsidies	-	-	-
Other grants and subsidies	2,312	6,878	4,085
<b>Total subsidies and grants</b>	<b>8,171</b>	<b>10,909</b>	<b>7,887</b>

There are no unfulfilled conditions and other contingencies attached to subsidies and grants recognised (2020: nil).

## 5. Fees and charges

	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000
Wastewater - trade waste user charges	79	71	69
Building and resource consent charges	733	807	798
Dog registration and other user charges	199	206	199
Liquor licencing fees	68	50	72
Landfill charges	723	740	956
Swimming pool and stadium user charges	871	1,215	989
Parking fees	41	25	20
Lease revenue	359	362	355
Retirement housing rental revenue	653	673	669
Port berthage and user access fees	198	217	223
Other fees and charges	404	231	339
<b>Total fees and charges</b>	<b>4,328</b>	<b>4,597</b>	<b>4,689</b>

## 6. Interest revenue and finance costs

	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000
<b>INTEREST REVENUE</b>			
Interest Revenue:			
- term deposits	278	255	59
- local authority and government bonds	-	-	-
<b>Total interest revenue</b>	<b>278</b>	<b>255</b>	<b>59</b>
<b>FINANCE COSTS</b>			
Interest expense:			
- interest on borrowings	1,046	890	1,014
Interest derivatives (presented net):			
- Interest rate swaps - fair value through P&L	594	-	(633)
<b>Total Finance Costs</b>	<b>1,640</b>	<b>890</b>	<b>381</b>
<b>Net finance costs</b>	<b>1,362</b>	<b>635</b>	<b>322</b>

## 7. Other revenue

	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000
Traffic and parking infringements	45	48	25
Freedom camping infringements	12		8
Petrol tax	149	155	135
Vested land and infrastructure from property development	-	-	-
Insurance recoveries	-	-	-
Non-current assets held for sale gains on disposal	-	-	-
Property plant & equipment gains on disposal	108	55	43
Investment property gains on disposal	3	-	-
Investment property revaluation gains	24	-	814
Gain on change in fair value of interest rate swap (Note 21)	-	-	633
Other	152	141	211
<b>Total other revenue</b>	<b>493</b>	<b>399</b>	<b>1,869</b>

## 8. Personnel costs

	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000
Wages and salaries	5,636	5,745	6,160
Contributions to defined contribution plans	266	242	298
Increase/(decrease) in employee benefit liabilities	55	60	(33)
<b>Total employee expenses</b>	<b>5,957</b>	<b>6,047</b>	<b>6,425</b>

## 9. Other expenses

	Note	Actual 2020 \$000	Annual Plan 2021 \$000	Actual 2021 \$000
<b>Fees to principal auditor</b>				
2020 Financial statements audit		102		13
2021 Financial statements audit		-	114	110
Long Term Plan (LTP) audit		-	40	74
Debenture Trust Deed Audit		4	-	4
Insurance expenses		858	613	870
Consultants		729	869	1,298
Legal fees		122	102	276
Electricity		1,019	1,104	942
Grants & Donations		364	362	863
Remuneration of elected members	32	331	358	351
Directors' fees		-	-	-
Minimum lease payments under operating leases		247	293	243
Assets written off		-	-	-
Impairment of asset expense		-	-	-
Bad debt expense		-	28	-
Movement in impairment of receivables	11	39	-	1
Movement in provision for financial guarantee		(40)	-	73
Loss on sale of property, plant and equipment		-	-	-
Loss on sale of Investment Property		-	-	-
Investment property revaluation losses		-	-	-
Other operating expenses		8,916	13,538	10,596
<b>Total other expenses</b>		<b>12,691</b>	<b>17,421</b>	<b>15,714</b>

## 10. Cash and cash equivalents

	Actual 2020 \$000	Actual 2021 \$000
Cash at bank and on hand	3,526	11,759
Call deposits	-	-
Term deposits with maturities of less than 3 months at acquisition	-	-
<b>Total cash and cash equivalents</b>	<b>3,526</b>	<b>11,759</b>

The carrying value of cash at bank, call deposits, and short-term deposits with maturities less than three months approximates their fair value.

The effective interest rate on deposits in 2021 was 1.05% (2020: 2.71%). The deposits had an average maturity of 185 days (2020: 192 days).

## 11. Trade and other receivables

	Actual 2020 \$000	Actual 2021 \$000
<b>Receivables</b>		
Rates receivables	1,575	1,473
Water rate receivables	80	89
New Zealand Transport Agency receivable	1,075	700
Port receivables	134	112
Lease receivables	381	414
Sundry receivables	1,929	2,009
Community loans	34	32
Prepayments	273	326
Loans to related parties	-	-
Interest receivable	86	30
GST receivable	32	960
<b>Receivables prior to impairment</b>	<b>5,599</b>	<b>6,145</b>
Less provision for impairment of receivables	(424)	(425)
<b>Total receivables</b>	<b>5,175</b>	<b>5,720</b>
<b>Total receivables comprise:</b>		
Receivables from non-exchange transactions – (this includes outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates)	4,708	5,276
Receivables from exchange transactions – (this includes outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates)	467	444
<b>COMPRISING:</b>		
Current	5,141	5,688
Non-current	34	32
<b>Total trade and receivables</b>	<b>5,175</b>	<b>5,720</b>

### Fair Value

Receivables are generally short-term and non-interest bearing. Therefore, the carrying value of receivables approximates their fair value.

### Impairment

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 four (4) months after the due date for payment. If payment has not been made within three (3) months of the Court's judgment, then the Council can apply to the Registrar of the High Court to have the judgment 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 ageing profile of receivables at year end is detailed below:

	Gross	2020 Impairment	Net	Gross	2021 Impairment	Net
	\$000	\$000	\$000	\$000	\$000	\$000
Not past due	2,051	-	2,051	3,669	-	3,669
Past due 1 - 30 days	100	-	100	52	-	52
Past due 31 - 90 days	315	-	315	334	-	334
Past due > 90 days	3,133	(424)	2,709	2,090	(425)	1,665
<b>Total</b>	<b>5,599</b>	<b>(424)</b>	<b>5,175</b>	<b>6,145</b>	<b>(425)</b>	<b>5,720</b>

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

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

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

	Actual 2020	Actual 2021
	\$000	\$000
At 1 July	385	424
Provisions reversed during the year	3	5
Additional provisions made during the year	36	(4)
Receivables written off during period	-	-
<b>At 30 June</b>	<b>424</b>	<b>425</b>



## 12. Other financial assets

	Actual 2020 \$000	Actual 2021 \$000
<b>CURRENT PORTION</b>		
Term deposits with original maturities greater than 3 months and remaining maturities less than 12 months	2,999	2,999
Borrower notes	160	-
Local authority stock	-	-
Available-for-sale financial assets	-	-
<b>Total current investments</b>	<b>3,159</b>	<b>2,999</b>
<b>NON-CURRENT PORTION</b>		
Borrower notes	80	495
Local authority stock	31	32
Unlisted shares	-	-
<b>Total non-current investments</b>	<b>111</b>	<b>527</b>

The carrying value of cash at bank, call deposits, and short-term deposits with maturities less than three months approximates their fair value.

### ***Fair value***

#### *Term deposits*

The carrying amount of term deposits approximates their fair value.

#### *Borrower notes*

The carrying amount of borrower notes approximates their 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.

## 13. Inventory

	Actual 2020 \$000	Actual 2021 \$000
Land being developed for sale	307	-
Materials held for repair of Aquatic Centre	-	-
<b>Total inventory</b>	<b>307</b>	<b>-</b>

All inventory was disposed of during the 2021 financial year

# 14. Property, Plant and Equipment

<b>COUNCIL 2021</b>	Cost/ valuation 01-Jul-20	Accumulated depreciation & impairment charges 01-Jul-20	Carrying amount 01-Jul-20	Current year additions	Current year disposals/ transfers at cost	Accumulated depreciation on disposals	Current year impairment charges	Current year depreciation	Revaluation surplus / (deficit)	Cost/ valuation 30-Jun-21	Accumulated depreciation & impairment charges 30-Jun-21	Carrying amount 30-Jun-21
<b>INFRASTRUCTURAL ASSETS</b>												
Roading Network	153,508		<b>153,508</b>	3,061	-	-	-	(4,216)		<b>156,569</b>	(4,216)	<b>152,353</b>
Land Under Roads	68,733	-	<b>68,733</b>	-	-	-	-	-		<b>68,733</b>	-	<b>68,733</b>
Stormwater	40,332	-	<b>40,332</b>	190	-	-	-	(1,032)		<b>40,522</b>	(1,032)	<b>39,490</b>
Flood Protection System	8,615	(1,863)	<b>6,752</b>	-	(8,605)	1,935	-	(82)		<b>10</b>	(10)	<b>-</b>
Sewerage	69,481		<b>69,481</b>	590	-	-	-	(1,342)		<b>70,071</b>	(1,342)	<b>68,729</b>
Water Supply Systems	34,672		<b>34,672</b>	1,710	-	-	-	(997)		<b>36,382</b>	(997)	<b>35,385</b>
Landfill Site	6,693	(2,782)	<b>3,911</b>	54	(317)	25	-	(79)		<b>6,430</b>	(2,836)	<b>3,594</b>
Work in progress	937	-	<b>937</b>	3,366	(937)	-	-	-		<b>3,366</b>	-	<b>3,366</b>
<b>TOTAL INFRASTRUCTURAL ASSETS</b>	<b>382,971</b>	<b>(4,645)</b>	<b>378,326</b>	<b>8,971</b>	<b>(9,859)</b>	<b>1,960</b>	<b>-</b>	<b>(7,748)</b>	<b>-</b>	<b>382,083</b>	<b>(10,433)</b>	<b>371,650</b>
<b>OTHER FIXED ASSETS</b>												
General Land	4,325	-	<b>4,325</b>	-	-	-	-	-		<b>4,325</b>	-	<b>4,325</b>
Other Land	2,856	-	<b>2,856</b>	-	-	-	-	-		<b>2,856</b>	-	<b>2,856</b>
Buildings	37,963	-	<b>37,963</b>	1,058	(113)	-	-	(1,446)		<b>38,908</b>	(1,446)	<b>37,462</b>
Plant & Machinery	2,210	(1,490)	<b>720</b>	135	-	-	-	(138)		<b>2,345</b>	(1,628)	<b>717</b>
Furniture & Fittings	555	(426)	<b>129</b>	13	-	-	-	(16)		<b>568</b>	(442)	<b>126</b>
Computer Equipment	2,226	(1,885)	<b>341</b>	140	(24)	24	-	(94)		<b>2,342</b>	(1,955)	<b>387</b>
Library Stocks	2,230	(1,968)	<b>262</b>	72	-	-	-	(58)		<b>2,302</b>	(2,026)	<b>276</b>
Breakwaters & Wharves	6,653	(3,869)	<b>2,784</b>	43	-	-	-	(122)		<b>6,696</b>	(3,991)	<b>2,705</b>
Aerodrome	2,376		<b>2,376</b>	8	-	-	-	(75)		<b>2,384</b>	(75)	<b>2,309</b>
Parking Developments	481	(179)	<b>302</b>	144	-	-	-	(12)		<b>625</b>	(191)	<b>434</b>
Reserve Board Assets	290	-	<b>290</b>	-	-	-	-	-		<b>290</b>	-	<b>290</b>
Sports fields and Parks	5,244	(1,044)	<b>4,200</b>	35	-	-	-	(113)		<b>5,279</b>	(1,157)	<b>4,122</b>
Heritage Assets	1,114	(339)	<b>775</b>	-	-	-	-	(20)		<b>1,114</b>	(359)	<b>755</b>
Work in progress	795	-	<b>795</b>	717	(98)	-	-	-		<b>1,414</b>	-	<b>1,414</b>
<b>TOTAL OTHER FIXED ASSETS</b>	<b>69,318</b>	<b>(11,200)</b>	<b>58,118</b>	<b>2,365</b>	<b>(235)</b>	<b>24</b>	<b>-</b>	<b>(2,094)</b>	<b>-</b>	<b>71,448</b>	<b>(13,270)</b>	<b>58,178</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENTS</b>	<b>452,289</b>	<b>(15,845)</b>	<b>436,444</b>	<b>11,336</b>	<b>(10,094)</b>	<b>1,984</b>	<b>-</b>	<b>(9,842)</b>	<b>-</b>	<b>453,531</b>	<b>(23,703)</b>	<b>429,828</b>

<b>COUNCIL 2020</b>	Cost/ valuation 01-Jul-19	Accumulated depreciation & impairment charges 01-Jul-19	Carrying amount 01-Jul-19	Current year additions	Current year disposals/ transfers at cost	Accumulated depreciation on disposals	Current year impairment charges	Current year depreciation	Revaluation surplus / (deficit)	Cost/ valuation 30-Jun-20	Accumulated depreciation & impairment charges 30-Jun-20	Carrying amount 30-Jun-20
<b>INFRASTRUCTURAL ASSETS</b>												
Roading Network	172,962	( 8,636 )	<b>164,326</b>	5,666	-	-	-	( 4,458 )	( 12,026 )	<b>153,508</b>	-	<b>153,508</b>
Land Under Roads	68,733	-	<b>68,733</b>	-	-	-	-	-	-	<b>68,733</b>	-	<b>68,733</b>
Stormwater	32,560	( 1,404 )	<b>31,156</b>	243	-	-	-	( 774 )	9,707	<b>40,332</b>	-	<b>40,332</b>
Flood Protection System	8,615	( 1,791 )	<b>6,824</b>	-	-	-	-	( 72 )	-	<b>8,615</b>	( 1,863 )	<b>6,752</b>
Sewerage	55,999	( 2,104 )	<b>53,895</b>	568	-	-	-	( 1,130 )	16,148	<b>69,481</b>	-	<b>69,481</b>
Water Supply Systems	25,414	( 1,098 )	<b>24,316</b>	398	-	-	-	( 569 )	10,527	<b>34,672</b>	-	<b>34,672</b>
Landfill Site	6,586	( 2,701 )	<b>3,885</b>	107	-	-	-	( 81 )	-	<b>6,693</b>	( 2,782 )	<b>3,911</b>
Work in progress	754	-	<b>754</b>	183	-	-	-	-	-	<b>937</b>	-	<b>937</b>
<b>TOTAL INFRASTRUCTURAL ASSETS</b>	<b>361,739</b>	<b>( 17,734 )</b>	<b>353,889</b>	<b>7,165</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>( 7,084 )</b>	<b>24,356</b>	<b>382,971</b>	<b>( 4,645 )</b>	<b>378,326</b>
<b>OTHER FIXED ASSETS</b>												
General Land	4,260	-	<b>4,260</b>	-	-	-	-	-	65	<b>4,325</b>	-	<b>4,325</b>
Other Land	2,818	-	<b>2,818</b>	38	-	-	-	-	-	<b>2,856</b>	-	<b>2,856</b>
Buildings	38,248	( 3,544 )	<b>34,704</b>	1,329	-	-	-	( 1,835 )	3,765	<b>37,963</b>	-	<b>37,963</b>
Service concession asset - Civic Centre	-	-	<b>-</b>	-	-	-	-	-	-	<b>-</b>	-	<b>-</b>
Plant & Machinery	2,183	( 1,356 )	<b>827</b>	54	( 27 )	27	-	( 161 )	-	<b>2,210</b>	( 1,490 )	<b>720</b>
Furniture & Fittings	523	( 409 )	<b>114</b>	32	-	-	-	( 17 )	-	<b>555</b>	( 426 )	<b>129</b>
Computer Equipment	2,070	( 1,749 )	<b>321</b>	156	-	-	-	( 136 )	-	<b>2,226</b>	( 1,885 )	<b>341</b>
Library Stocks	2,165	( 1,919 )	<b>246</b>	65	-	-	-	( 49 )	-	<b>2,230</b>	( 1,968 )	<b>262</b>
Breakwaters & Wharves	6,622	( 3,742 )	<b>2,880</b>	31	-	-	-	( 127 )	-	<b>6,653</b>	( 3,869 )	<b>2,784</b>
Aerodrome	2,171	( 96 )	<b>2,075</b>	117	-	-	-	( 48 )	232	<b>2,376</b>	-	<b>2,376</b>
Parking Developments	443	( 172 )	<b>271</b>	-	-	-	-	( 7 )	38	<b>481</b>	( 179 )	<b>302</b>
Reserve Board Assets	290	-	<b>290</b>	-	-	-	-	-	-	<b>290</b>	-	<b>290</b>
Sports fields and Parks	2,801	( 936 )	<b>1,865</b>	2,443	-	-	-	( 108 )	-	<b>5,244</b>	( 1,044 )	<b>4,200</b>
Heritage Assets	1,114	( 319 )	<b>795</b>	-	-	-	-	( 20 )	-	<b>1,114</b>	( 339 )	<b>775</b>
Work in progress	2,474	-	<b>2,474</b>	1,083	( 2,762 )	-	-	-	-	<b>795</b>	-	<b>795</b>
<b>TOTAL OTHER FIXED ASSETS</b>	<b>64,599</b>	<b>( 14,242 )</b>	<b>53,940</b>	<b>5,348</b>	<b>( 2,789 )</b>	<b>27</b>	<b>-</b>	<b>( 2,508 )</b>	<b>4,100</b>	<b>69,318</b>	<b>( 11,200 )</b>	<b>58,118</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENTS</b>	<b>426,338</b>	<b>( 31,976 )</b>	<b>407,829</b>	<b>12,513</b>	<b>( 2,789 )</b>	<b>27</b>	<b>-</b>	<b>( 9,592 )</b>	<b>28,456</b>	<b>452,289</b>	<b>( 15,845 )</b>	<b>436,444</b>

# Core Assets

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

	Closing book value	Additions constructed by Council	Additions transferred to Council	Most recent replacement cost estimate for revalued assets
	\$000	\$000	\$000	\$000
<b>2021</b>				
<b>Water Supply Systems</b>				
- treatment plants and facilities	6,557	127	-	6,748
- other assets (such as reticulation systems)	28,828	1,583	-	59,095
<b>Sewerage</b>				
- treatment plants and facilities	17,339	-	-	17,680
- other assets (such as reticulation systems)	51,390	590	-	75,651
<b>Stormwater</b>	39,490	190	-	89,385
<b>Roads and footpaths</b>	152,353	3,061	-	253,442
<b>Flood Protection System</b>	n/a	-	-	n/a
	<b>295,957</b>	<b>5,551</b>	<b>-</b>	<b>502,001</b>
<b>2020</b>				
<b>Water Supply Systems</b>				
- treatment plants and facilities	6,748	183	-	6,748
- other assets (such as reticulation systems)	27,924	215	-	59,095
<b>Sewerage</b>				
- treatment plants and facilities	17,680	-	-	17,680
- other assets (such as reticulation systems)	51,801	568	-	75,651
<b>Stormwater</b>	40,332	243	-	89,385
<b>Roads and footpaths</b>	153,508	5,666	-	253,442
<b>Flood Protection System</b>	6,752	-	-	n/a
	<b>304,745</b>	<b>6,875</b>	<b>-</b>	<b>502,001</b>

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 2019/2020 year. The Flood protection system relates to the Greymouth floodwall, which Council values on a historical cost basis.

## 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 2020.

The Council also has an investment property portfolio that was revalued as at 30 June 2021. The valuation highlighted that there were market uncertainties that affected the valuation - refer to note 17 of the financial statements for further information.

### Other fixed assets: aerodrome

Improvements - At fair value determined on a depreciated replacement cost basis by Council's former Assets Manager, MD Sutherland BSc (Geography), BE (Civil), PGDip Bus Admin ADEM MIPENZ AFNZIM. The valuation is effective as at 30 June 2020.

# Infrastructural asset classes

## Sewerage, water and stormwater

At fair value determined on a depreciated replacement cost basis by Council's Assets Manager, MD Sutherland BSc (Geography), BE (Civil), PGDip Bus Admin ADEM MIPENZ AFNZIM. 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 2020.

## Roading network

At fair value determined on a depreciated replacement cost basis by Pauline True (BBs (Economics), PGDip Arts (GIS)), Stantec. The valuation has been independently reviewed by Brian Smith (BCom CA), Stantec. The valuation is effective as at 30 June 2020.

The lives are generally based upon NZ Infrastructure Asset Valuation and Depreciation Guidelines – Version 2.0. In specific cases these have been modified where, in the opinion of Stantec and GDC, a different life is appropriate. The changes are justified in the valuation report.

## 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.

## Total fair value of property, plant and equipment valued by each valuer

	Cost/ revaluation 30-Jun-20 \$000
MD Sutherland, Grey DC	145,911
P True, Stantec	153,508
P J Hines, Coast Valuations Limited	43,238

## 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 EQ assessments on the public buildings it is responsible for 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 2021 financial year.

## Work in progress

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

	Actual 2020 \$000	Actual 2021 \$000
<b>INFRASTRUCTURAL ASSETS</b>		
<b>Water supply systems</b>		
- Kaiata Water supply	-	2,844
- Runanga supply	937	-
- Rough River Bridge Replacement		378
- Moonlight Creek Bridge Replacement		144
	<b>937</b>	<b>3,366</b>
<b>OTHER FIXED ASSETS</b>		
<b>Buildings</b>		
- Greymouth Gateway Project	-	38
- Cenotaph Upgrade	-	4
- Marine Dredge	698	1,086
- Semi Covered Storage Shed Preston Road	98	-
- Slipway Upgrade	-	286
	<b>796</b>	<b>1,414</b>



## Asset Insurance

	Carrying value of assets covered by insurance contracts \$000	Maximum amount to which assets are insured \$000
Buildings	37,462	87,612
Contents	789	14,011
Work in progress	98	-
Vehicles	717	601
Stormwater network and plant	39,490	29,276
Sewerage network and plant	68,729	52,189
Water supply network and plant	35,385	33,786
Landfill	3,594	4,151
Flood Protection System	-	-
Breakwaters & Wharves	2,705	19,474
	<b>188,969</b>	<b>241,100</b>

### ASSET VALUES FROM STATEMENT OF FINANCIAL POSITION

Property, plant and equipment 429,828

#### Less carrying value of those assets disclosed above:

Carrying value of assets covered by insurance contracts 188,969

Carrying value of assets covered by financial risk sharing arrangements. -

#### Less uninsured asset classes

Roading Network 152,353

Land Under Roads 68,733

General Land 4,325

Other Land 2,856

Aerodrome 2,309

Parking Developments 434

Reserve Board Assets 290

Sports fields and Parks 4,122

Heritage Assets 755

Work in progress 4,682

-

## 15. Intangible Assets

	Council Computer software \$000
<b>COST</b>	
Balance at 1 July 2019	448
Additions	4
Disposals	-
<b>Balance at 30 June 2020</b>	<b>452</b>
Balance at 1 July 2020	452
Additions	-
Disposals	-
<b>Balance at 30 June 2021</b>	<b>452</b>
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b>	
Balance at 1 July 2019	( 332 )
Amortisation charge	( 53 )
Disposals	-
<b>Balance at 30 June 2020</b>	<b>( 385 )</b>
Balance at 1 July 2020	( 385 )
Amortisation charge	( 54 )
Disposals	-
<b>Balance at 30 June 2021</b>	<b>( 439 )</b>
<b>CARRYING AMOUNTS</b>	
Balance at 1 July 20	116
Balance at 30 June and 1 July 2021	67
<b>Balance at 30 June 2021</b>	<b>13</b>

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

## 16. Depreciation and amortisation expense by group of activity

Depreciation and amortisation expense by significant activity

	Actual 2020 \$000	Annual Plan 2021 \$000	Actual 2021 \$000
Land transport	4,457	4,551	4,216
Stormwater	847	776	1,106
Wastewater	1,130	1,052	1,342
Water Supply	569	549	997
Solid waste management	91	159	90
Emergency management	4	5	4
Environmental services	3	3	3
Other transport	256	187	276
Property and housing	423	406	414
Community facilities and events	1,646	1,383	1,253
Democracy and administration	219	262	191
<b>Total depreciation and amortisation expense</b>	<b>9,645</b>	<b>9,333</b>	<b>9,892</b>

## 17. Investment property

	Actual 2020 \$000	Actual 2021 \$000
Balance 01 July	2,670	2,592
Transfer from <i>Assets held for sale</i>	-	-
Transfer from <i>Property, plant and equipment</i>	-	-
Disposals	(102)	(30)
Addition	-	24
Fair value gains/(losses) on valuation	24	814
<b>Balance at 30 June</b>	<b>2,592</b>	<b>3,400</b>

At fair value as determined from market-based evidence. 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 2021.

As at the date of valuation we consider the market was impacted by uncertainty caused by the COVID-19 pandemic.

## 18. Payables

	Note	Actual 2020 \$000	Actual 2021 \$000
<b>Payables under exchange transactions</b>			
Trade payables		2,054	4,064
Sundry Creditors		1,080	1,263
Directors fee payable		-	-
Accrued expenses		-	-
Amounts due to related parties	29	18	27
Interest Payable		118	56
<b>Total</b>		<b>3,270</b>	<b>5,410</b>
<b>Payables under non-exchange transactions</b>			
Grants payable		-	-
GST payable		-	0
<b>Total</b>		<b>-</b>	<b>0</b>
<b>Total trade and other payables</b>		<b>3,270</b>	<b>5,410</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.

## 19. Employee entitlements

	Actual 2020 \$000	Actual 2021 \$000
Accrued pay	188	108
Annual leave	657	704
Long service leave	89	89
Retirement gratuities	182	182
	<b>1,116</b>	<b>1,083</b>
<b>COMPRISING:</b>		
Current	633	569
Non-current	483	514
<b>Total employee benefit liabilities</b>	<b>1,116</b>	<b>1,083</b>

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

The present value of retirement and long service leave obligations are 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 2.0% (2020: 3.5%) and an inflation factor of 1.5% (2020: 2.0%) were used.

## 20. Borrowings

	Actual 2020 \$000	Actual 2021 \$000
<b>CURRENT</b>		
Secured loans	14,000	9,000
<b>Total current borrowings</b>	<b>14,000</b>	<b>9,000</b>
<b>NON-CURRENT</b>		
Secured loans	9,979	21,586
<b>Total non-current borrowings</b>	<b>9,979</b>	<b>21,586</b>
<b>Total borrowings</b>	<b>23,979</b>	<b>30,586</b>

## 20a. External Borrowings

External borrowings	Maturity date	Interest rate (as at 30 Jun 20)	Balance at 30 June 2020	Loans uplifted	Amortisation of fair value	Loans repaid	Balance at 30 June 2020
			\$	\$		\$	\$
<b>LOAN NAME</b>							
Harbour Asset Management floating rate no	28 Mar 22	1.11%	5,000,000	-	-	-	5,000,000
Local Government Funding Agency	15 May 21	6.00%	5,000,000	-	-	( 5,000,000 )	-
Local Government Funding Agency	15 May 21	6.00%	5,000,000	-	-	( 5,000,000 )	-
Local Government Funding Agency	15 Apr 23	5.50%	2,978,850	-	7,205	-	2,986,055
Local Government Funding Agency	15 Apr 23	1.28%	2,000,000	-	-	-	2,000,000
Local Government Funding Agency	15 Mar 21	1.18%	4,000,000	-	-	( 4,000,000 )	-
Local Government Funding Agency	15 May 24	0.86%	-	3,000,000	-	-	3,000,000
Local Government Funding Agency	15 May 25	0.92%	-	3,000,000	-	-	3,000,000
Local Government Funding Agency	15 May 26	0.96%	-	4,000,000	-	-	4,000,000
Local Government Funding Agency	15 May 28	0.97%	-	3,600,000	-	-	3,600,000
Local Government Funding Agency	10 Sep 21	0.58%	-	4,000,000	-	-	4,000,000
Local Government Funding Agency	15 Apr 27	1.95%	-	3,000,000	-	-	3,000,000
			<b>23,978,850</b>	<b>20,600,000</b>	<b>7,205</b>	<b>(14,000,000)</b>	<b>30,586,055</b>
Portion of Term Debt repayable within One year			14,000,000				9,000,000
Portion of Term Debt repayable in One to Two years			5,000,000				4,986,055
Portion of Term Debt repayable in Two to Five years			4,978,850				10,000,000
Portion of Term Debt repayable in Five years or more							6,600,000
<b>Total Term Debt repayable</b>			<b>23,978,850</b>				<b>30,586,055</b>

The Council's secured loans are secured over either separate or general rates of the Council. Carrying values are approximately equal to fair value.

## 21. Derivative financial instruments

	Actual 2020 \$000	Actual 2021 \$000
Interest rate swaps - fair value	1,845	1,211
	<b>1,845</b>	<b>1,211</b>
<b>COMPRISING:</b>		
Current	-	-
Non-current	1,845	1,211
<b>Total derivative financial instruments</b>	<b>1,845</b>	<b>1,211</b>

The notional principal amounts of the outstanding interest rate swap contracts for the Council were \$13,500,000 (2020:\$13,500,000). At 30 June 2021, the fixed interest rates of cash flow interest rate swaps vary from 2.04% to 4.95% (2020:2.04% to 4.95%).



## 22. Provisions

	Actual 2020 \$000	Actual 2021 \$000
Landfill aftercare provision	1,860	1,982
Financial guarantees	620	693
<b>Total provisions</b>	<b>2,480</b>	<b>2,675</b>

Movements for each class of provision are as follows:

### Landfill aftercare provision

	Actual 2020 \$000	Actual 2021 \$000
Balance 01 July	1,667	1,860
Additional provisions made in the year	243	172
Amounts used in the year	(50)	(50)
Unused amounts reversed	-	-
<b>Balance at 30 June</b>	<b>1,860</b>	<b>1,982</b>

#### ***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 sites are Blackball and 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 cash outflows for landfill post-closure are expected to occur between 2021 and 2055. 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 is discounted using a range of the discount rates of 1.5% to 2.72% (2020 0.22% to 2.72%).

## Financial guarantees

	Actual 2020 \$000	Actual 2021 \$000
Balance 01 July	660	620
Additional provisions made in the year	64	64
Amounts used in the year	(33)	(41)
Unused amounts reversed	(71)	50
<b>Balance at 30 June</b>	<b>620</b>	<b>693</b>

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

	<b>Loan 1</b>
<b>Lender</b>	<b>Nelson Building Society</b>
<b>Total</b>	\$693,000
<b>Term</b>	<b>25 years</b>
<b>Expiry</b>	<b>May 2035</b>

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 there is a high likelihood that it will be called upon by the above lenders to make loan payments.

Council is not satisfied that the West Coast Theatre Trust has the financial stability to meet all its obligations under the loans, and in the 2014/2015 Annual Plan, Council resolved to grant the West Coast Theatre Trust an additional \$50,000 of funding to be used to meet the minimum loan payments. This funding was confirmed to continue in the 2021 – 2031 LongTerm Plan and subsequent Annual Plans.

## 23. Equity

	Actual 2020 \$000	Actual 2020 \$000
<b>RATEPAYERS EQUITY</b>		
Opening balance	229,302	226,863
Plus net surplus/(deficit) for the year	1,248	(7,769)
Net transfer from/(to) Special Funds	(3,678)	(2,721)
Net transfer from/(to) Trusts & Bequests	(9)	-
Net Transfer from revaluation reserves on disposal	-	-
<b>Closing balance</b>	<b>226,863</b>	<b>216,373</b>
<b>SPECIAL FUNDS</b>		
Opening balance	7,587	11,265
Plus interest (transfer from ratepayer equity)	90	59
Other transfers from ratepayers equity	4,102	5,161
Transfer to ratepayers equity	(514)	(2,499)
<b>Closing balance</b>	<b>11,265</b>	<b>13,986</b>
<b>TRUSTS, BEQUESTS &amp; OTHER RESERVES</b>		
Opening balance	202	211
Transfer from ratepayers equity	12	2
Transfer to ratepayers equity	(3)	(2)
<b>Closing balance</b>	<b>211</b>	<b>211</b>
<b>REVALUATION RESERVES</b>		
Opening balance	151,571	180,027
Reclassification to surplus or deficit on disposal	-	-
Net revaluation gains / (losses)	28,456	-
Impairment losses recognised in the revaluation reserve	-	-
<b>Closing balance</b>	<b>180,027</b>	<b>180,027</b>
<b>TOTAL EQUITY</b>	<b>418,366</b>	<b>410,597</b>
<b>REVALUATION RESERVES ARE MADE UP OF THE FOLLOWING</b>		
Land & Building Revaluation Reserve	24,814	24,814
Aerodrome revaluation reserve	668	668
Roading Revaluation Reserve	72,693	72,693
Water Revaluation Reserve	19,571	19,571
Investment Revaluation Reserve	52	52
Parking Developments	38	38
Drainage & Sewerage Revaluation Reserve	62,191	62,191
	<b>180,027</b>	<b>180,027</b>

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

## 2021: 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		-	-	-	-
Greymouth Sewerage Fund	Wastewater	-	-	-	-
Te Kinga Infra Upgrade Reserve	All activities	99	-	-	99
Rural Sewerage Capital Works Reserve	Wastewater	304	3	-	307
Cobden Stormwater Mitigation Reserve	Stormwater	56	-	-	56
Barrytown Area Infra Reserve	All activities	66	-	-	66
Atarau Area Infra Reserve	All activities	-	-	-	-
Ahaura Area Infra Reserve	All activities	183	1	-	184
Haupiri Area Infra Reserve	All activities	126	1	-	127
Nelson Creek Infrastructure Reserve	All activities	19	-	-	19
Ngahere Infrastructure Reserve	All activities	210	1	-	211
Blackball Area Infra Reserve	All activities	1	-	-	1
Runanga Area Infra Reserve	All activities	712	4	(456)	260
Kaiata Stillwater Area Infra Reserve	All activities	208	-	(23)	185
Karoro Infrastructure Development Reserv	All activities	695	5	-	700
South Beach/Paroa Infrastructure Reserve	All activities	451	3	-	454
Cameron's Infrastructure Reserve	All activities	85	-	-	85
Gladstone Infrastructure Reserve	All activities	223	1	(40)	184
Arnold Valley Area Infra Reserve	All activities	92	1	-	93
Lake Brunner Area Infra Reserve	All activities	173	1	-	174
Hohonu Area Infra Reserve	All activities	42	1	-	43
Infra Renewal Reserve	All activities	263	48	(140)	171
Moana Water Supply	Water supply	10	-	-	10
Flood Protection Reserve	Stormwater/Flood protection	126	1	-	127
Cemetery Extension Reserve	Cemeteries	53	1	-	54
Cemetery Maintenance Reserve	Cemeteries	391	8	-	399
Footpath Reserve	Land transport	67	1	-	68
Roading Reserve - Exp Committed	Land transport	225	4	(33)	196
Land Fill Reserve	Solid waste management	68	11	-	79
Airport Maintenance Reserve	Airport	616	115	-	731
Disaster Recovery Reserve	All activities	264	2	-	266
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	82	317	(28)	371
Land Sale Reserve	All activities	79	63	(20)	122
Reserves Subdivision Contributions	Community facilities and parks	184	33	(92)	125
Maori Land Compensation Reserve	Council property	148	-	(21)	127
TDS Reserve	Economic development	67	1	-	68
Town Clock Reserve	Community facilities and parks	24	-	-	24
Gas Management Plan Reserve	Council property	19	-	-	19
District Planning Reserve	District planning	4	-	-	4
Plant and Machinery Reserve	All activities	480	108	(71)	517
Building & Property Gen Reserve	Council property	57	48	(33)	72
Westland Rec Centre Maintenance Reserve	Westland Recreation Centre	21	30	-	51
Spring Creek Pool	Spring Creek Pool	87	1	-	88
Ogilvie Reserve Reserve	All activities	26	1	-	27
Corp Equip and Furniture Reserve	Council administration	805	41	(95)	751
Staff Costs Reserve	Council administration	-	-	-	-
Sunshine Coach Reserve	Council administration	7	-	-	7
Rental Housing Reserve	Retirement housing	126	116	-	242
Pike River Memorials Maintenance Reserve	Memorial Maintenance	-	-	-	-
Library Reserve	Libraries	19	8	-	27
SPECIAL FUNDS - Committed Expenditure	All activities	3,205	4,217	(1,447)	5,975
<b>Total special funds</b>		<b>11,265</b>	<b>5,220</b>	<b>(2,499)</b>	<b>13,986</b>

## 2021: 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	19	-	-	19
E White Bequest	Community facilities and parks	44	-	-	44
Mayoral Flood Relief Fund	Democracy	8	1	-	9
Grey United Tennis Resurfacing Reserve	Community facilities and parks	-	-	-	-
Citizens Emergency Relief Fund	Democracy	74	1	-	75
Perotti Bequest	Community facilities and parks	-	-	-	-
Peters Bequest - Talking Books	Libraries	13	-	(2)	11
Vera Corbett Bequest	Libraries	35	-	-	35
Thomas Dehenry Bequest	Community facilities and parks	18	-	-	18
<b>Total trusts and bequests</b>		<b>211</b>	<b>2</b>	<b>(2)</b>	<b>211</b>
<b>TOTAL SPECIAL FUNDS, TRUSTS, AND BEQUESTS</b>		<b>11,476</b>	<b>5,222</b>	<b>(2,501)</b>	<b>14,197</b>

## 2020: 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>					
Greymouth Sewerage Fund	Wastewater	-	-	-	-
Te Kinga Infra Upgrade Reserve	All activities	96	3	-	99
Rural Sewerage Capital Works Reserve	Wastewater	297	7	-	304
Cobden Stormwater Mitigation Reserve	Stormwater	54	2	-	56
Barrytown Area Infra Reserve	All activities	64	2	-	66
Atarau Area Infra Reserve	All activities	-	-	-	-
Ahaura Area Infra Reserve	All activities	178	5	-	183
Hauptiri Area Infra Reserve	All activities	123	3	-	126
Nelson Creek Infrastructure Reserve	All activities	19	-	-	19
Ngahere Infrastructure Reserve	All activities	205	5	-	210
Blackball Area Infra Reserve	All activities	1	-	-	1
Runanga Area Infra Reserve	All activities	765	19	(72)	712
Kaiata Stillwater Area Infra Reserve	All activities	204	5	(1)	208
Karoro Infrastructure Development Reserv	All activities	661	34	-	695
South Beach/Paroa Infrastructure Reserve	All activities	440	11	-	451
Camerons Infrastructure Reserve	All activities	83	2	-	85
Gladstone Infrastructure Reserve	All activities	218	5	-	223
Arnold Valley Area Infra Reserve	All activities	90	2	-	92
Lake Brunner Area Infra Reserve	All activities	169	4	-	173
Hohonu Area Infra Reserve	All activities	41	1	-	42
Infra Renewal Reserve	All activities	149	140	(26)	263
Moana Water Supply	Water supply	9	1	-	10
Flood Protection Reserve	Stormwater/Flood protection	123	3	-	126
Cemetery Extension Reserve	Cemeteries	52	1	-	53
Cemetery Maintenance Reserve	Cemeteries	377	14	-	391
Footpath Reserve	Land transport	66	1	-	67
Roading Reserve - Exp Committed	Land transport	190	70	(35)	225
Land Fill Reserve	Solid waste management	56	12	-	68
Airport Runway Reserve	Aiport Runway	-	-	-	-
Airport Maintenance Reserve	Airport	507	109	-	616
Disaster Recovery Reserve	All activities	258	6	-	264
Civil Defence Reserve	Emergency management	36	1	(35)	2
Rural Fire Authority Reserve	Rural fire authority	31	1	(30)	2
Economic Development Reserve	All activities	1	-	(8)	(7)
Harbour Endowment LS Reserves	Port	74	12	(4)	82
Land Sale Reserve	All activities	14	180	(115)	79
Reserves Subdivision Contributions	Community facilities and parks	145	41	(2)	184
Maori Land Compensation Reserve	Council property	166	4	(22)	148
TDS Reserve	Economic development	66	1	-	67
Town Clock Reserve	Community facilities and parks	24	-	-	24
Gas Management Plan Reserve	Council property	18	1	-	19
District Planning Reserve	District planning	4	-	-	4
Plant and Machinery Reserve	All activities	408	96	(24)	480
Building & Property Gen Reserve	Council property	43	49	(35)	57
Westland Rec Centre Maintenance Reserve	Westland Recreation Centre	20	1	-	21
Spring Creek Pool	Spring Creek Pool	85	2	-	87
Ogilvie Reserve Reserve	All activities	36	1	(11)	26
Corp Equip and Furniture Reserve	Council administration	794	57	(46)	805
Staff Costs Reserve	Council administration	-	-	-	-
Sunshine Coach Reserve	Council administration	7	-	-	7
Rental Housing Reserve	Retirement housing	108	66	(48)	126
Pike River Memorials Maintenance Reserve	Memorial Maintenance	-	-	-	-
Library Reserve	Libraries	12	7	-	19
SPECIAL FUNDS - Committed Expenditure	All activities	-	3,205	-	3,205
<b>Total special funds</b>		<b>7,587</b>	<b>4,192</b>	<b>(514)</b>	<b>11,265</b>

## 2020: Trusts and bequests

Reserve	Activities to which the reserve relates	Balance 01 July	Transfers into fund	Transfers out of fund	Balance 30 June
		\$000	\$000	\$000	\$000
Trusts and bequests					
McGlashan Trust	Community facilities and parks	19	-	-	19
E White Bequest	Community facilities and parks	43	1	-	44
Mayoral Flood Relief Fund	Democracy	8	-	-	8
Grey United Tennis Resurfacing Reserve	Community facilities and parks	-	-	-	-
Citizens Emergency Relief Fund	Democracy	73	1	-	74
Perotti Bequest	Community facilities and parks	-	-	-	-
Peters Bequest - Talking Books	Libraries	14	1	(2)	13
Vera Corbett Bequest	Libraries	34	1	-	35
<b>Thomas Dehenny Bequest</b>	<b>Community facilities and parks</b>	<b>11</b>	<b>8</b>	<b>(1)</b>	<b>18</b>
Total trusts and bequests		202	12	(3)	211
<hr/>					
TOTAL SPECIAL FUNDS, TRUSTS, AND BEQUESTS		7,789	4,204	(517)	11,476

## 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.
Hauptiri 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.



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 signaled 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.

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).

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

	Actual 2020 \$000	Actual 2021 \$000
Deficit from operations	1,248	(7,769)
<b>ADD/(LESS) NON CASH ITEMS</b>		
Depreciation	9,645	9,892
Impairment in value of Property, Plant and Equipment	-	-
Assets vested in Council	-	-
Unrealised landfill aftercare costs	193	122
Movement in provision for financial guarantee	(40)	73
Movement in employee entitlements (non current)	33	31
Assets vested by Council	-	-
Assets written off	-	6,670
	<b>9,831</b>	<b>16,788</b>
<b>MOVEMENTS IN WORKING CAPITAL</b>		
(Increase)/decrease in accounts receivable	(778)	(601)
(Increase)/decrease in interest receivable	48	56
(Increase)/decrease in inventory	-	307
Increase/(decrease) in accounts payable	(246)	2,042
Increase/(decrease) in interest payable	(11)	(62)
Increase/(decrease) in revenue in advance	53	2,356
Increase/(decrease) in employee entitlements	22	(64)
	<b>(912)</b>	<b>4,034</b>
<b>LESS ITEM CLASSIFIED AS INVESTING ACTIVITY</b>		
Net (gain)/loss on sale of property, plant & equipment and non-current assets held for sale	(108)	(43)
Net (gain)loss on sale of investment property	(3)	-
Fair value (gains)/losses on valuation of investment property	-	(814)
less amortisation of fair value of term loans	(220)	7
Change in fair value of interest swap	594	(634)
	<b>263</b>	<b>(1,484)</b>
<b>Net cash flow from operations</b>	<b>10,430</b>	<b>11,569</b>

## 25. Capital commitments and operating leases

### Operating leases as lessee

Grey District Council leases land and office equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 21 years for land and four (4) years for office equipment. The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

#### ***Non-cancellable operating leases as lessee***

	Actual 2020 \$000	Actual 2021 \$000
<b>OFFICE EQUIPMENT</b>		
Not later than one year	45	49
Later than one year and not later than two years	21	32
Later than two years but not later than five years	20	23
Later than five years	-	-
	<b>86</b>	<b>104</b>
<b>LAND LEASES</b>		
Not later than one year	223	221
Later than one year and not later than two years	196	209
Later than two years but not later than five years	559	609
Later than five years	1,813	1,828
	<b>2,791</b>	<b>2,867</b>
<b>Total non-cancellable operating leases</b>	<b>2,877</b>	<b>2,971</b>

## Council as lessor

Grey District Council rents land to leaseholders in the normal course of its business. The majority of these leases are ground leases and have a non-cancellable term of 21 years for land.

	Actual 2020 \$000	Actual 2021 \$000
<b>NON-CANCELLABLE OPERATING LEASES AS LESSOR</b>		
Not later than one year	344	288
Later than one year and not later than two years	258	268
Later than two years but not later than five years	703	698
Later than five years	3,671	3,483
<b>Total non-cancellable operating leases</b>	<b>4,976</b>	<b>4,737</b>

Operating and maintenance contracts include fixed price and unit rate provisions, which makes estimating the value of the future commitment difficult. For this reason, no value has been included for these contracts.

## Other contracts

Council has entered into future contracts in respect of on-going maintenance and operations of facilities and infrastructure. The companies that have been contracted and the period for which those contracts remain in effect are as follows:

<b>Westroads Ltd</b>	
• Roothing Maintenance Works	To 30 June 2022
• Maintenance of Parks & Reserves, Cemeteries & Urban Waterways (New contract commenced 1 July 2019)	To 30 June 2024
<b>Smart Environmental New Zealand Limited</b>	
• Solid Waste Operation Contract	To 30 June 2022
<b>Provision of Services for Civil Defence</b>	
Tied into Contracts	
<b>Paul Smith Earthmoving 2002 Limited</b>	
• Utilities Maintenance (incl. Maintenance and Operation of the Greymouth Flood Scheme)	To 30 June 2022
<b>OCS Limited</b>	
• Public Conveniences & Council Chambers Cleaning (New contracted commenced 1 July 2019)	To 30 June 2022
<b>Programmed Property Services Limited</b>	
• Left Bank Art Gallery & Well Women's Centre Exterior Painting and Maintenance	To 17 February 2026
<b>TLC Home Services</b>	
• Maintenance of Moana and Te-Kinga Parks and Reserves	To 30 June 2024
<b>One Girl and Her Dog Property Maintenance</b>	
• Cleaning and maintenance of public conveniences Moana and Te-Kinga	To 30 June 2022
• Collection of refuse in Moana, Ruru and Te-Kinga	To 30 June 2022

Operating and maintenance contracts include fixed price and unit rate provisions, which makes estimating the value of the future commitment difficult. For this reason, no value has been included for these contracts.

## Capital commitments approved and contracted

In addition to the above operating and maintenance contracts Council as at 30 June 2021 had remaining contractual commitments as follows:

Contract	Contractor	Minimum remaining commitment per awarded contract
Taylorville, Dobson & Kaiata Sewerage Scheme	Tru-Line Civil Limited	\$98,846.00
Runanga Water Treatment Plant Upgrade - Civil Works	Process Flow Limited	\$9,899.00
Recycling Hook Bins	A G McMaster	\$33,104.67
Bridge Replacements - William Stewart Bridge	Concrete Structures Limited	\$3,864,613.00
Bridge Replacements - Rough River Bridge	Isaac Construction Limited	\$2,937,858.56
Bridge Replacements - Moonlight Creek Bridge	Isaac Construction Limited	\$2,232,481.77
Kaiata Water Supply	Isaac Construction Limited	\$471,261.94
Greymouth Water Reservoirs Tank Supply	Service Engineers Limited	\$1,454,883.61
Puketahi Street Zebra Crossings & kerb Extensions	A G McMaster Limited	\$37,848.80
Greymouth Cenotaph Kerb & Surface Renewal	B D Solutions	\$49,461.12
Re-bricking of Retirement Housing, Blaketown	T W Builders Limited	\$179,072.50
Re-bricking of Retirement Housing, Blaketown	S A Thelning Brick and Block-laying Ltd	\$137,802.49
Re-bricking of Retirement Housing, Blaketown	Midland Brick	\$49,253.35
		<b>\$11,556,386.81</b>

## 26. Contingent liabilities

### 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.

#### Defined benefit superannuation scheme

The Council is a participating employer in the National Provident Fund's Defined Benefit Plan Contributors Scheme (the scheme) which is a multi-employer defined benefit scheme. If the other participating employers ceased to participate in the scheme, the Council could be responsible for the entire deficit of the scheme (see note 28). Similarly, if a number of employers ceased to participate in the scheme, the Council could be responsible for an increased share of the deficit. The Council estimates that during the next financial year the Council's contribution to the scheme will be \$13,760 (2020:\$ 20,640).

## 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 NZLGFA. 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 2021, LGFA had borrowings totaling \$14.42 billion (2020 \$11.908 billion).

## Claim against Council

Council had a contingent liability relating to an April 2019 weather tightness tribunal claim. This was settled in March 2021 at a cost of \$100,000.

## 27. 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 2021, the payments to be made to Council in the future totaled \$14,327 (2020: \$95,173).

## 28. Defined benefit superannuation scheme

The Council contributes to a multi-employer defined benefit superannuation scheme (the scheme), operated by the National Provident Fund. The funding level (solvency ratio) of the Scheme is the ratio of the net assets available to pay benefits to the value of the past service liabilities. The Actuary has estimated the funding level, as at 31 March 2021, as 102.2% (95.9% as at 31 March 2020). This funding level is an estimate based on the valuation results and membership data as at 31 March 2021 and allows for the investment return for the year ended 31 March 2022.

Each year the Scheme's Actuary carries out a review of the Scheme to determine an employer contribution rate sufficient to meet the accrued and future liabilities of the Scheme. In the actuarial review completed as at 31 March 2021 the Actuary recommended (and endorsed by the board) employer contributions to the Scheme change from 3.0 to 4.0 times (400%) of the employees' contribution from 1 April 2021.



## 29. Related Party Transactions

### Council members

During the year, Council made purchases from businesses in which Councillors had an interest. Details of these interests are as follows:

Councillor	Business in which an interest is held	Transaction type	Service received from the business 2020 (incl. GST) \$	Amount payable 2020 (incl. GST) \$	Service received from the business 2021 (incl. GST) \$	Amount payable 2021 (incl. GST) \$	
Gibson	A.J	Greymouth Mitsubishi Ltd	Vehicle repairs	469		4,122	-
Haddock	P.R	Westland Engineering	Engineering Services	3,595	14	9,235	7,882
Haddock	P.R	E-Quip Engineering	Engineering Services	20,091	1,895	15,926	-
Haddock	P.R	Minerals West Coast	Contribution	5,750		-	-
Hay	M	Hay Brothers 2014	Painting Contractors	17,346	3,984	92,261	19,551
Kokshoorn	A.F	Greymouth Car Centre	Vehicle repairs	345		-	-
Kokshoorn	A.F	Greymouth Evening Star	Printing and advertising	88,253	7,522	-	-
				<b>135,849</b>	<b>13,415</b>	<b>121,544</b>	<b>27,434</b>

During the year, Council made supplies to businesses in which Councillors had an interest. Details of these interests are as follows:

Councillor	Business in which an interest is held	Transaction type	Services provided to the business 2020 (incl. GST) \$	Amount receivable 2020 (incl. GST) \$	Services provided to the business 2021 (incl. GST) \$	Amount receivable 2021 (incl. GST) \$	
Gibson	A.J	Muffler Shop West Coast Ltd	Lease	36,068	43,024	38,477	54,501
				<b>36,068</b>	<b>43,024</b>	<b>38,477</b>	<b>54,501</b>

## West Coast Theatre Trust

Grey District Council makes two appointments to the West Coast Theatre Trust. Grey District Council does make a contribution to West Coast Theatre Trust for operational purposes but does not have any rights to any distributions from that entity. Therefore, no revenue, expenses or assets are recognised in respect of these investments.

	2020 (excl. GST)	Amount payable 30-Jun-20 (excl. GST)	2021 (excl. GST)	Amount payable 30-Jun-21 (excl. GST)
	\$	\$	\$	\$
Payments to the organisation	92,469	4,620	96,005	

## West Coast Amateur Sports Trust

The above organisation is a Council Controlled Organisation by virtue of the fact that the Mayors of the three West Coast local authorities have nominated the respective District representatives on the Trust. This has happened ‘informally’ and there has been no formal Council involvement and no set policies or objectives with regard to control of this organization or specific key performance targets or other measures have been put in place. Steps are in place to change the Trust Deed to remove the right of local authorities to control the votes on the Trust.

	2020 (excl. GST)	Amount payable 30-Jun-20 (excl. GST)	2021 (excl. GST)	Amount payable 30-Jun-21 (excl. GST)
	\$	\$	\$	\$
Grants Provided	-	-	-	-

## Key management personnel

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

No debts involving a related party have been written off or forgiven during the year (2020: Nil). There are no transactions that have taken place at nil or nominal value that have not already been mentioned above.

## Key management personnel compensation

	Actual 2020	Actual 2021
Salaries and other short term employee benefits	1,162,648	1,162,084
Employer superannuation contributions	47,293	51,926
Post employment benefits	-	-
<b>Total compensation</b>	<b>1,209,941</b>	<b>1,214,010</b>
<b>Total full-time equivalent personnel</b>	<b>14</b>	<b>14</b>

Key management personnel include the Mayor, Elected Members, Chief Executive and other senior management personnel.

Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent figure is taken as the number of Councillors.

## 30. Greymouth floodwall

The Greymouth floodwall was owned by Grey District Council. It is managed by a joint committee of Grey District Council and West Coast Regional Council. The joint committee along with the West Coast Regional Council and Grey District Council agreed to transfer ownership of the asset to West Coast Regional Council as on a practical level the responsibility for the management, rating and maintenance of the structural integrity of the floodwall sits with the West Coast Regional Council.

Transfer of ownership occurred as at 30 June 2021 and has resulted in a \$6.72 m loss on transfer of the asset in the 2020/2021 year.

## 31. Elected members' remuneration

Gross pay to individual Councillors and Board Members was as follows:

		Honarium 2021 \$	Travel Allowance 2021 \$	Total 2021 \$	Total 2020 \$
<b>MAYOR</b>					
Kokshoorn	A.F	-	-	-	27,370
Gibson	T.K	101,508	-	101,508	71,263
<b>COUNCILLOR</b>					
Becker	A.D	35,701	912	36,613	32,090
Coll	A.P	-	-	-	6,939
Gibson	A.J	40,800	-	40,800	34,916
Gibson	T.K	-	-	-	7,196
Green	R.D	27,326	-	27,326	19,218
Haddock	P.R	33,285	-	33,285	31,540
Hay	M	29,742	-	29,742	28,933
McBride	P.T	27,326	-	27,326	26,158
MacDonald	R.R	27,326	-	27,326	19,218
Mora	T.F	27,326	-	27,326	19,218
Sandrey	C.R	-	-	-	6,939
<b>Total elected members remuneration</b>		<b>350,341</b>	<b>912</b>	<b>351,253</b>	<b>330,999</b>

## 32. Chief Executive Officer's remuneration

The Chief Executive of the Grey District Council is appointed under Section 42(1) of the Local Government Act 2002.

The total remuneration paid to the Chief Executive position was \$213,414 (2020: \$281,097 )

This included a non taxable allowance of \$1,484 (2020: \$ nil)

### 33. Council employees

#### 2021

<\$60,000	67
\$60,000 - \$79,999	24
\$80,000 - \$99,999	8
\$100,000 - \$119,999	6
\$120,000 - \$179,999	6
>\$180,000	1
<b>Total Employees</b>	<b>112</b>

#### 2020

<\$60,000	60
\$60,000 - \$79,999	21
\$80,000 - \$99,999	12
\$100,000 - \$149,999	7
\$150,000 - \$200,999	5
<b>Total Employees</b>	<b>105</b>

**Total remuneration includes non-financial benefits provided to employees.**

At balance date, the Council employed 72 (2020: 58) full-time employees, with the balance of staff representing 20 (2020: 18) full-time equivalent employees. A full-time employee is determined on the basis of a 32-hour working week.

### 34. Severance payments

There were no severance payments during the 2020/2021 year that meet the definition of a severance payment as in clause 33 of schedule 10 of the Local Government Act 2002 (2020: Nil payments).

### 35. 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.

## 36. Events subsequent to balance date

### **Three Waters Reform**

In July 2020, the Government launched the Three Waters Reform Programme – a three-year programme to reform local government three waters service delivery arrangements. Currently 67 different councils own and operate the majority of the drinking water, wastewater and stormwater services across New Zealand. The proposed reform programme is being progressed through a partnership-basis approach with the local government sector, alongside Iwi/Māori as the Crown's Treaty Partner.

Following the Government announcement on the 27 October 2021 on 3 waters reform, there is increased certainty with the proposal to transfer the three-water delivery and infrastructure from the 67 councils to four Water Service Entities (WSEs). In June 2021, the Government proposed regional boundaries for each entity A, B, C and D, which would manage water assets for the country. Council would belong to WSE 'D,' which covers the South Island excluding the top. Based upon the current proposals, the WSE would be independent with a separate Board of Directors and Councils would have no shareholding and no financial interest. At the date of this annual report being approved for issue there is due to this announcement, increased certainty that should the legalisation be enacted, Council will not be responsible for the delivery and infrastructure of three water services from 1 July 2024.

## 37. Impact of Covid-19

The 2020/2021 year has seen further impacts of Covid-19 continue to affect Council.

Supply chain disruptions have caused issues with product availability and delivery, as well as cost increases across both freight and materials. Freight charges have increased significantly, which is causing significant increases for infrastructure projects.

This has seen increases in project and contractor costs, which is having an impact on Council's infrastructure expenditure. The previous lock down period affected the Capital project delivery programme for a short period of time, which has flowed through into the current period.

Council activities in three waters, roading, solid waste and public toilets were considered essential services and remained in operation with strict health and safety protocols following the guidance provided by Central Government's Covid-19 Taskforce.

Council supported community through activation of the Emergency Operations Centre (EOC) in a combined operation the West Coast Regional Council Emergency Coordination Centre. The operation provided welfare support to the district and providing information to the community through, Council's Facebook page and website. While the lockdown and potential future impacts of Covid-19 may negatively impact residents' ability to pay rates in the future, as at 30 June 2021 there was minimal impact.

The Council also has an investment property portfolio that was revalued as at 30 June 2021. The valuation highlighted that there were market uncertainties that affected the valuation. The valuer has stated that due to the COVID-19 pandemic, the normal operation of the property market has been impacted, resulting in a lack of recent comparable market transactions.

Overall, the Council assessed that COVID-19 has had a moderate impact on the financial and operational results for the year ended 30 June 2021.

## 38. 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:

	Actual 2020 \$000	Actual 2021 \$000
<b>FINANCIAL ASSETS</b>		
<b>Loans and receivables</b>		
Cash and cash equivalents (net)	3,526	11,759
Short term investments > 3 -12 months	3,159	2,999
Trade and other receivables	5,175	5,720
	<b>11,860</b>	<b>20,478</b>
<b>Held to maturity investments</b>		
Term investments	-	-
Borrower notes (Local Government Funding Agency)	240	495
Local authority stock	31	32
	<b>271</b>	<b>527</b>
<b>Available for sale</b>		
Unlisted shares (Civic Assurance)	-	-
	-	-
<b>FINANCIAL LIABILITIES</b>		
<b>Financial liabilities at amortised cost</b>		
Trade and other payables	3,270	5,410
Secured loans	23,979	30,586
	<b>27,249</b>	<b>35,996</b>
<b>Fair value through statement of comprehensive revenue and expense</b>		
Derivative financial instruments (interest rate swap)	1,845	1,211
	<b>1,845</b>	<b>1,211</b>

## Fair value hierarchy

	Total \$000	Quoted Market Price \$000	Observable Inputs \$000	Significant non- observable inputs \$000
<b>30 June 2021</b>				
<b>Financial Assets</b>				
Borrower notes	495	-	495	-
Bonds	32	-	32	-
<b>Financial Liabilities</b>				
Derivatives	1,211	-	-	1,211
<b>30 June 2020</b>				
<b>Financial Assets</b>				
Borrower notes	240	-	240	-
Bonds	31	-	31	-
<b>Financial Liabilities</b>				
Derivatives	1,845	-	-	1,845
	<b>Actual 2020 \$000</b>		<b>Actual 2021 \$000</b>	
Balance at 1 July	1,251		1,845	
Gain and losses recognised in surplus or deficit	594		(634)	
Gain and losses recognised in other comprehensive	-		-	
Purchases	-		-	
Sales	-		-	
Transfer into level 3	-		-	
Transfers out of level 3	-		-	
	<b>1,845</b>		<b>1,211</b>	



## Contractual maturity analysis financial liabilities (excluding derivatives)

	Carrying Amount	Contractual cash flows	Less Than 1 Year	1-2 years	2-5 years	More than 5 years
	\$000	\$000	\$000	\$000	\$000	\$000
<b>2021</b>						
Payables	5,410	5,410	5,410	-	-	-
Bank overdraft	-	-	-	-	-	-
Secured loans	30,586	30,586	9,000	4,986	10,000	6,600,000
Finance leases	-	-	-	-	-	-
Financial guarantees	693	693	693	-	-	-
<b>Total</b>	<b>36,689</b>	<b>36,689</b>	<b>15,103</b>	<b>4,986</b>	<b>10,000</b>	<b>6,600,000</b>
<b>2020</b>						
Payables	3,270	3,270	3,270	-	-	-
Bank overdraft	-	-	-	-	-	-
Secured loans	23,979	23,979	14,000	5,000	4,979	-
Finance leases	-	-	-	-	-	-
Financial guarantees	620	620	596	-	-	-
<b>Total</b>	<b>27,869</b>	<b>27,869</b>	<b>17,866</b>	<b>5,000</b>	<b>4,979</b>	<b>-</b>

## Contractual maturity analysis derivative financial liabilities

	Liability carrying amount	Asset carrying amount	Contractual cash flows	Less than 1 year	1-2 years	2-5 years	More than 5 years
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>2021</b>							
Net settled derivative liabilities	1,211	-	1,211	-	-	810	401
<b>Total</b>	<b>1,211</b>	<b>-</b>	<b>1,211</b>	<b>-</b>	<b>-</b>	<b>810</b>	<b>401</b>
<b>2020</b>							
Net settled derivative liabilities	1,845	-	1,845	-	-	595	1,250
<b>Total</b>	<b>1,845</b>	<b>-</b>	<b>1,845</b>	<b>-</b>	<b>-</b>	<b>595</b>	<b>1,250</b>

## 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 10 and on Council's borrowings in note 20.

### 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 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 2021 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the surplus/deficit by \$76,000 (2020: \$34,000).

Based on financial instrument disclosures at the balance date and with other variables held constant; if interest rates on borrowings at 30 June 2021 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the surplus after tax by \$153,000 (2020: \$120,000) 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.

### 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 (2020: \$550,000) plus available credit on a credit line facility with Westpac of \$5,000,000 (2020: \$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 12 and 21 respectively.

## 39. 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.

## 40. Explanation of major variances against budget

Explanations for major variations from Council's estimated figures in the 2020/2021 Annual Plan are as follows.

Variances at the activity level are explained in more detail under each relevant 'group of activity' statement further in this section.

### Statement of comprehensive revenue and expense

The actual result is a deficit of \$7,769,000 as compared to the budgeted surplus of \$391,000. This negative variance of \$8,160,000 is attributable to several factors most notably the transfer of the floodwall to the West Coast Regional Council generating a loss of \$6,720,000.

**Subsidies and grants** are lower than budgeted by \$3,022,000 as New Zealand Transport Agency (NZTA) subsidies were less. In addition some other subsidies while received have not been shown as income as not all the conditions for recognising income have been met. This has largely been driven by supply chain issues bought on by Covid 19. This has impacted on Council's ability to complete some of its budgeted work.

**Interest revenue** is lower than budgeted by \$196,000 due interest rates being lower than anticipated as well as cash reserves being used in place of debt funding.

**Other revenue** is higher than budgeted by \$1,470,000 due to an increase in the value of sales by \$814,000 and \$317,000 gain on sale of property.

### Statement of financial position

Total assets are more than budgeted by \$6.8m as cash and cash equivalents were \$5.584m higher than anticipated due to delays in construction of major projects. This delay has meant that funding has been received but not yet spent. Conversely this means that Council's borrowings are also lower than anticipated.

The budget for the 20/21 financial year was prepared before the 30 June 2020 valuation of infrastructural assets. This means that the asset revaluation from June 2020 has increased the asset value higher than was planned when the 20/21 budget was prepared.

With some infrastructural work not being complete and additional capital funding being received special fund balances have increased significantly from what was planned when the 20/21 budget was prepared. These additional balances are expected to be drawn down over the next two financial years.

### Statement of cash flows

Cash flow variations from budget largely reflect the variations as detailed above, most notably the variation in financing activities associated with Council requirements for borrowing as an NZLGFA guarantor.

The sale of investments contained in the annual plan has not occurred meaning a reduction in expected cash. The sale of investments is now expected to be completed in the next financial year.

# Funding impact statement for whole of Council

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	11,122	10,952	10,900	10,636
Targeted rates	6,851	6,759	6,992	6,787
Subsidies and grants for operating purposes	1,536	2,020	5,954	3,828
Fees and charges	4,615	4,352	4,597	4,697
Interest and dividends from investments	571	278	6,734	59
Local authorities fuel tax, fines, infringement fees, & other receipts	407	347	599	371
<b>Total operating funding [A]</b>	<b>25,102</b>	<b>24,708</b>	<b>35,776</b>	<b>26,378</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	17,869	18,531	23,792	21,578
Finance costs	1,814	1,640	890	1,014
Other operating funding applications	-	153	6,411	195
<b>Total applications of operating funding [B]</b>	<b>19,683</b>	<b>20,324</b>	<b>31,092</b>	<b>22,787</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>5,419</b>	<b>4,384</b>	<b>4,684</b>	<b>3,591</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	2,827	6,161	4,955	4,060
Development and financial contributions	42	200	30	68
Increase (decrease) in debt	(1,212)	(718)	2,764	1,770
Gross proceeds from sale of assets	-	209	-	380
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>8,974</b>	<b>5,852</b>	<b>7,749</b>	<b>6,278</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	464	4,657	4,759	4,395
—to replace existing assets	6,326	5,098	9,522	5,930
Increase (decrease) in reserves	286	3,663	(1,848)	2,701
Increase (decrease) of investments	-	(3,146)	-	(3,157)
<b>Total applications of capital funding [D]</b>	<b>7,076</b>	<b>10,272</b>	<b>12,433</b>	<b>9,869</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(5,419)</b>	<b>(4,420)</b>	<b>(4,684)</b>	<b>(3,591)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>(36)</b>	<b>-</b>	<b>-</b>

## Reconciliation of Operating Funding to Statement of Comprehensive Revenue and Expense

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>Surplus (deficit) of operating funding</b>	<b>5,954</b>	<b>4,384</b>	<b>4,684</b>	<b>3,591</b>
<b>Add sources of capital funding recognised as revenue in Statement of Comprehensive Revenue and Expense</b>				
Subsidies and grants for capital expenditure	2,827	6,161	4,955	4,060
Development and financial contributions	42	200	30	68
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Adjust for other sources of non cash items excluded from the Funding Impact Statement</b>				
Depreciation and amortisation expense	( 10,399)	( 9,645)	( 9,333)	( 9,892)
Net gain (loss) of non current assets held for sale	-	-	-	-
Net gain (loss) on sale of property plant & equipment/investment property	55	111	55	( 7,043)
Vested assets revenue/Other dedicated capital funding/Derivatives	98	-	-	634
Fair value gain / (loss) on investment property	-	-	-	814
Gross profit on sale of land inventory	-	-	-	-
Other non operating revenue/(expense)	-	-	-	-
<b>Surplus/(deficit) after tax attributable to Grey District Council</b>	<b>( 1,958)</b>	<b>1,211</b>	<b>391</b>	<b>( 7,768)</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.

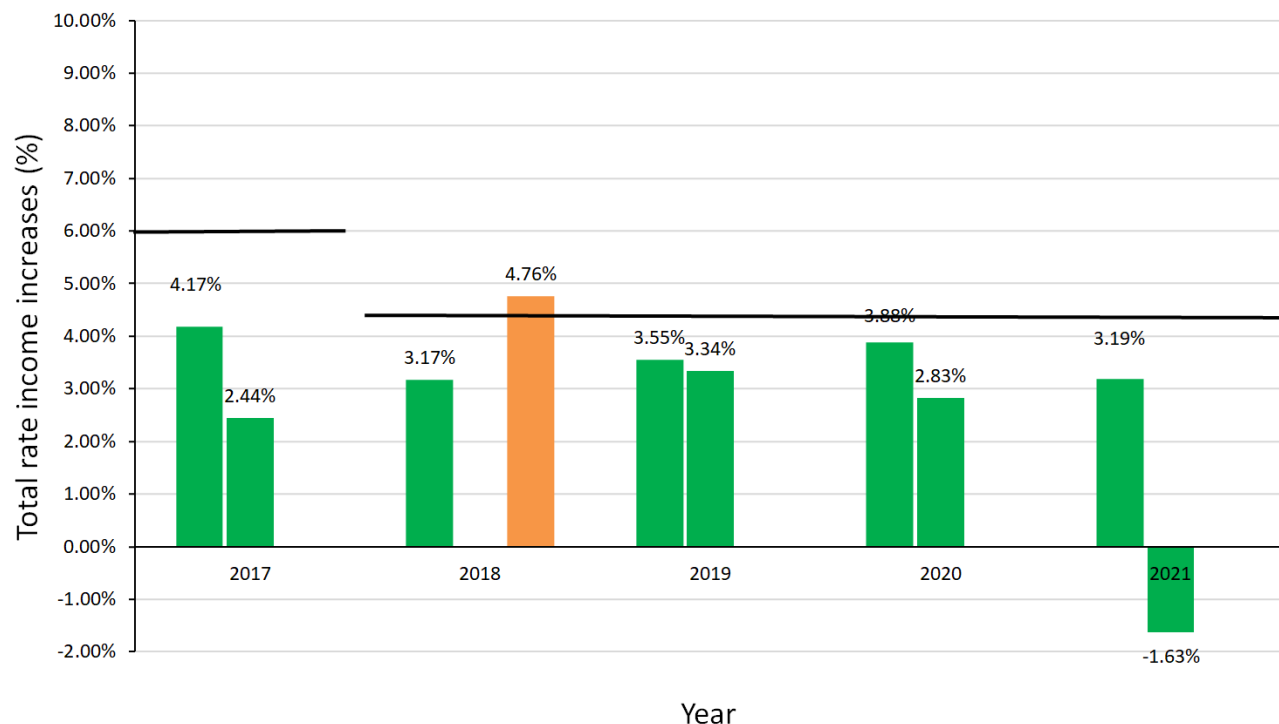
## 1. Rate affordability benchmarks

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 2017 and 2018, the limit as contained within Council's financial strategy (per the 2015 – 2025 Long Term Plan) is for the total rate increase in any year to be no more than 6.0% (6.0% being the benchmark).
- 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).

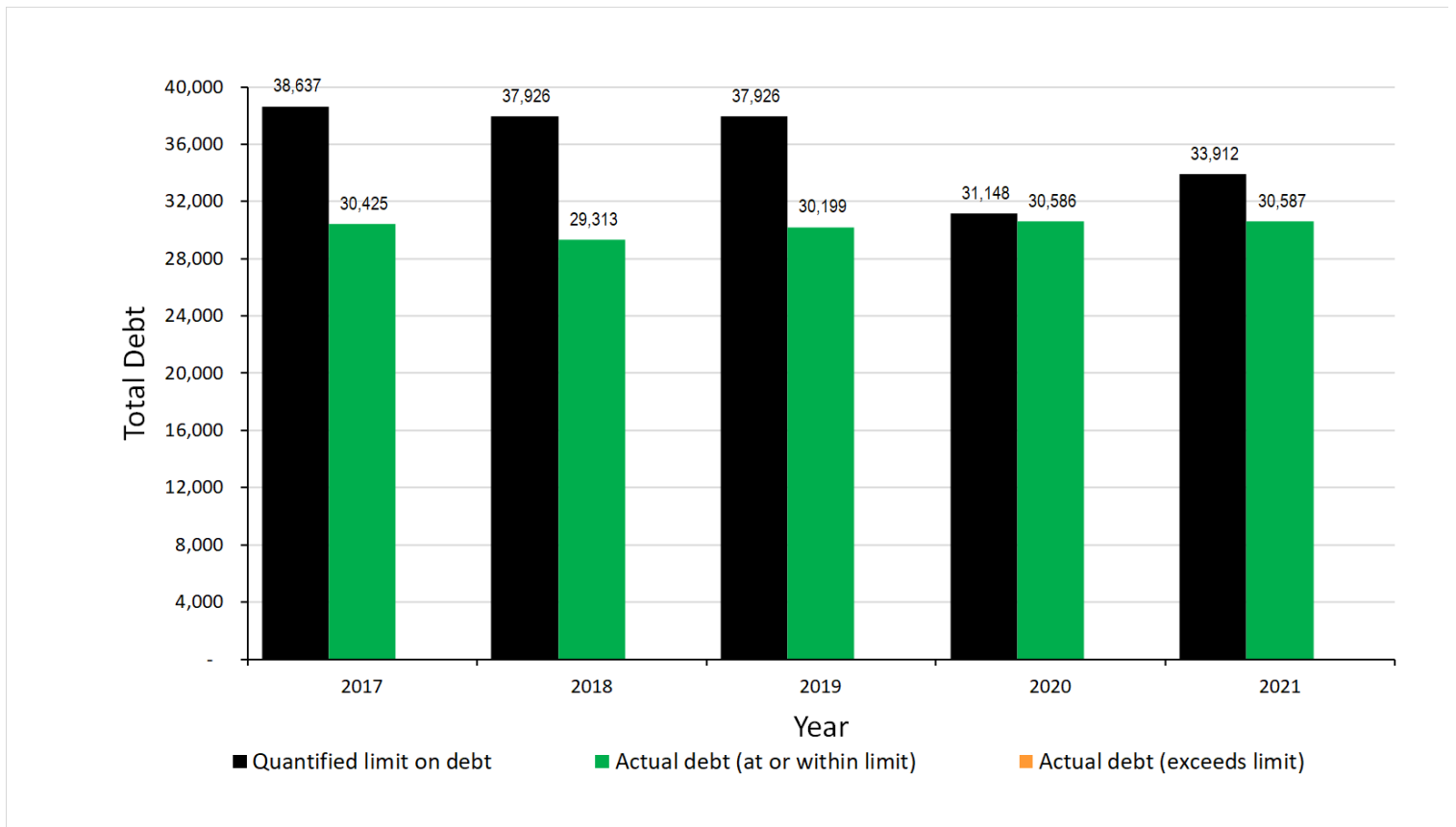


## 2. Debt affordability benchmarks

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

### Actual debt compared to forecast debt

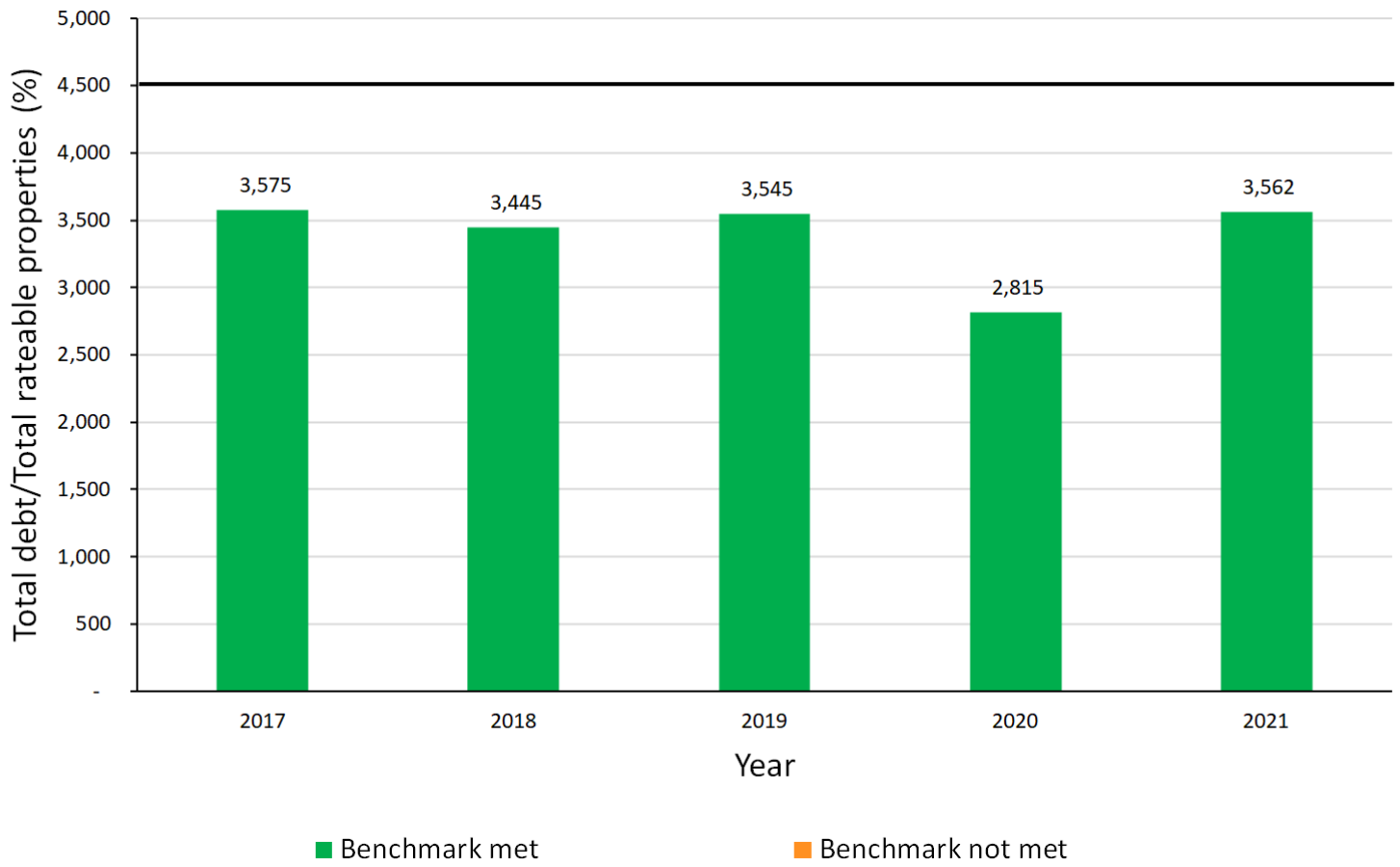
The following graph compares total actual debt as compared to what total budgeted was forecast to be (with the budgeted total debt being the benchmark). The benchmark is met if total actual debt is less than or equal to total budgeted debt.





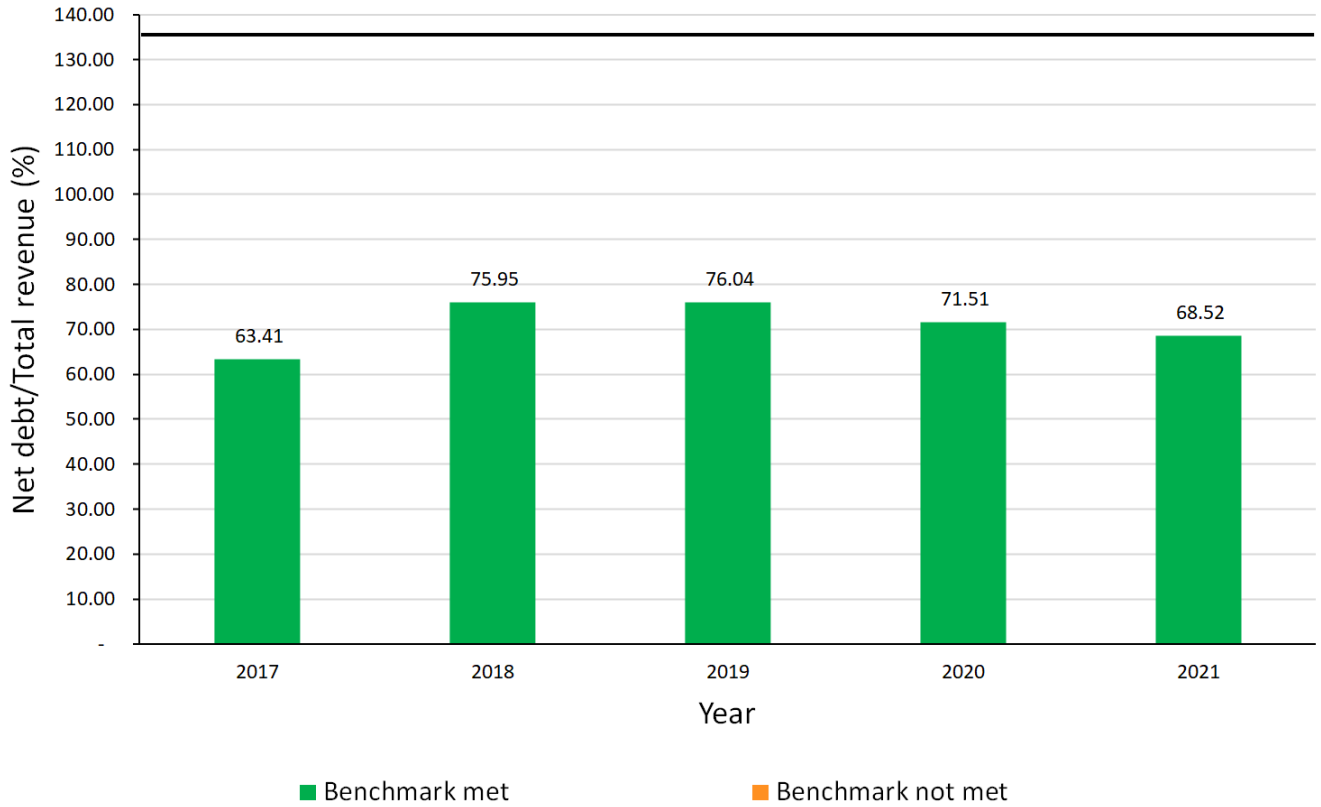
## Total actual debt per rateable property

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.



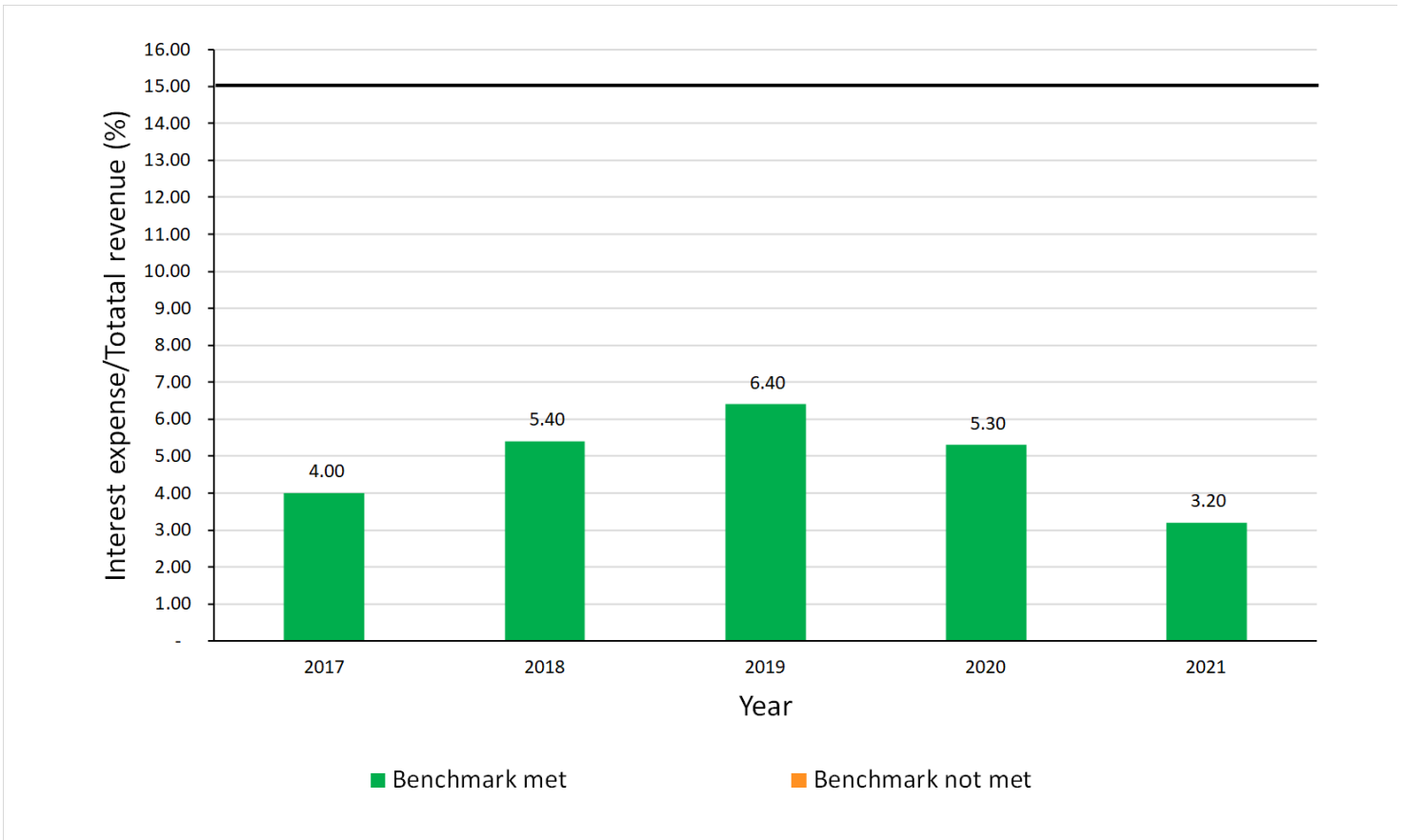
## Total net debt as a percentage of total actual revenue

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.



## Actual debt servicing (finance) costs as a percentage of total actual revenue

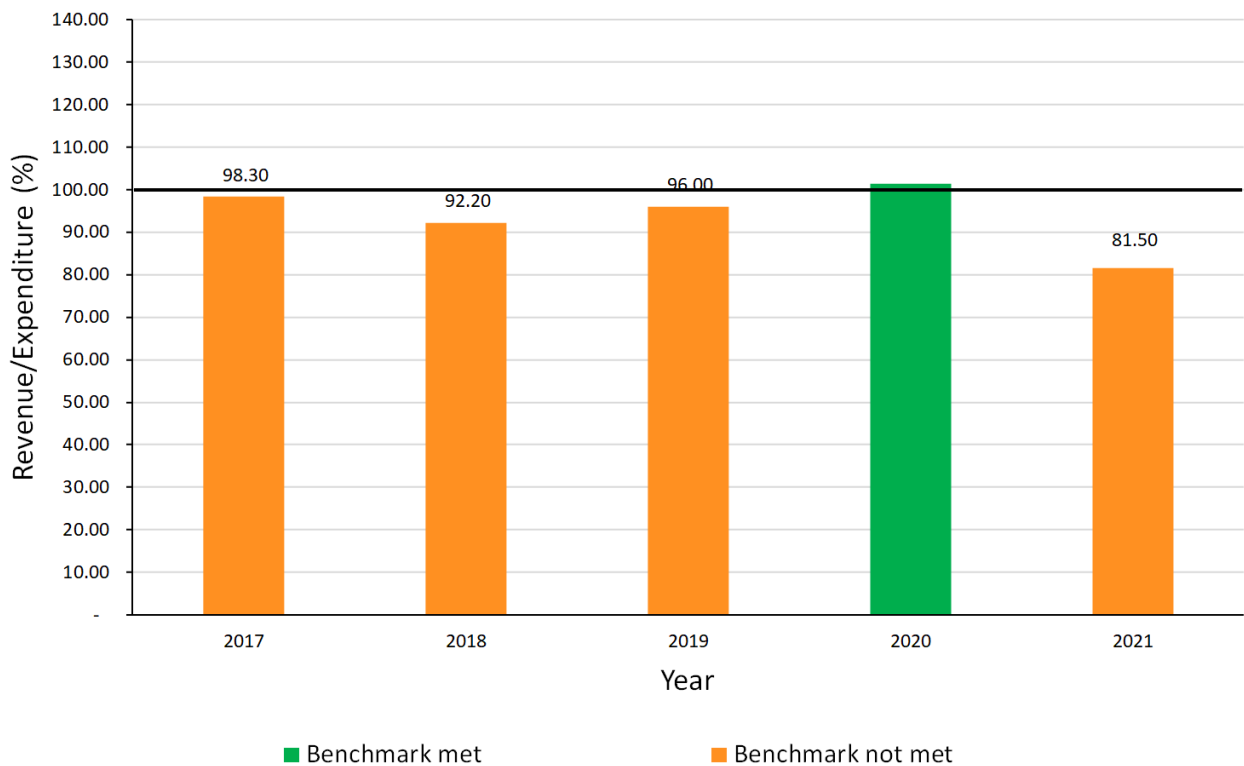
The following graph displays total actual interest expense as a percentage of total revenue. Council's benchmark is for total interest expenses to remain less than 15% of total revenue.



### 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). The Council meets this benchmark if its revenue equals or is greater than its operating expenses.

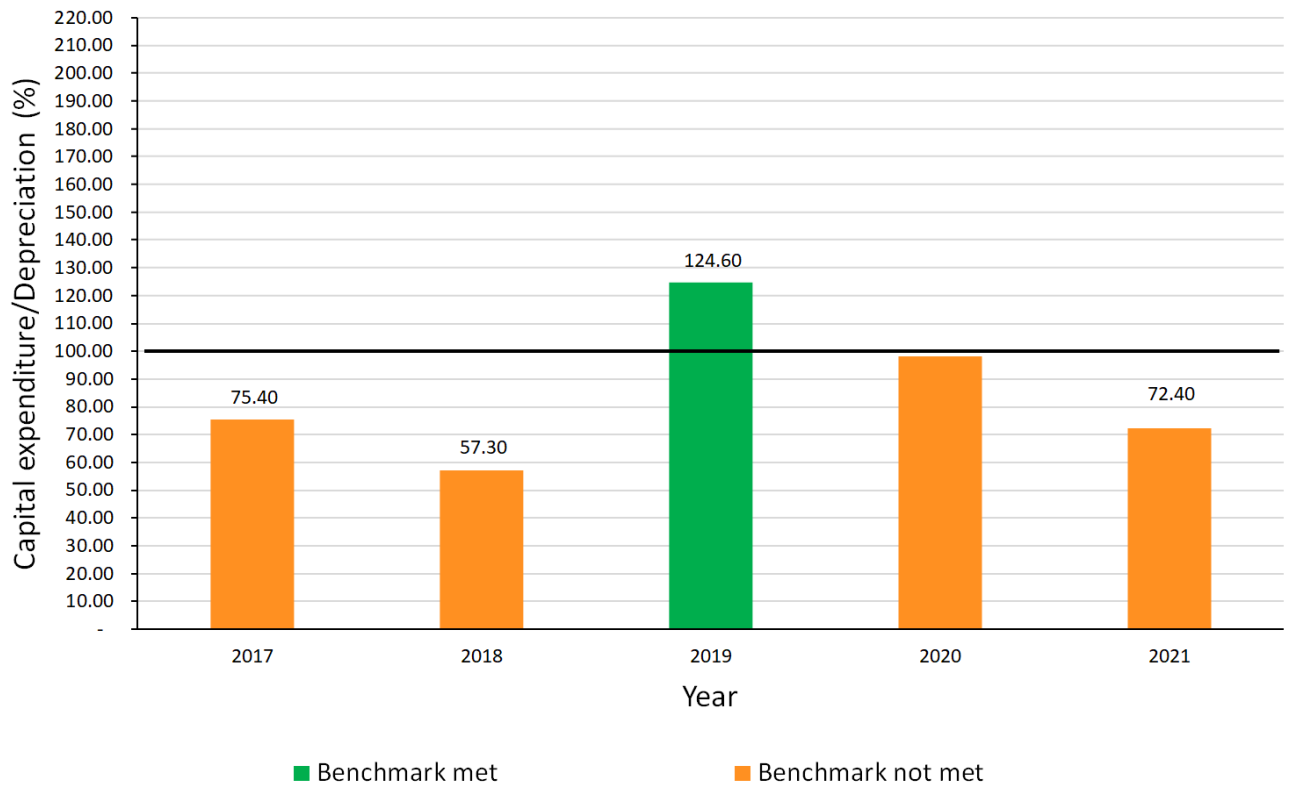
The 2021 year includes a one-off adjustment of \$6.72 million for the transfer of the Grey Flood wall asset to the West Coast Regional Council. If this had not occurred, the 2021 measure would have been 98.40.



## 4. Essential services benchmark

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

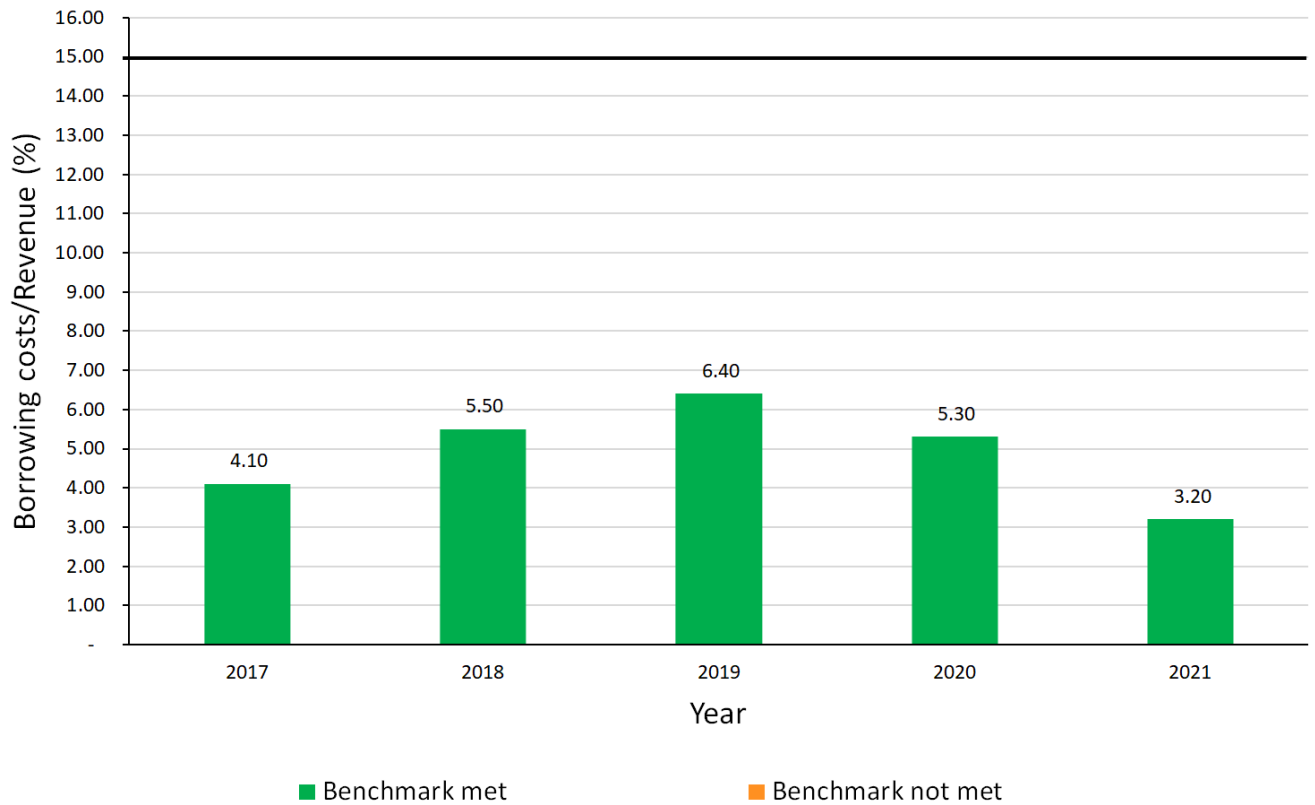
The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



## Debt servicing benchmark

The following graph displays the 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).

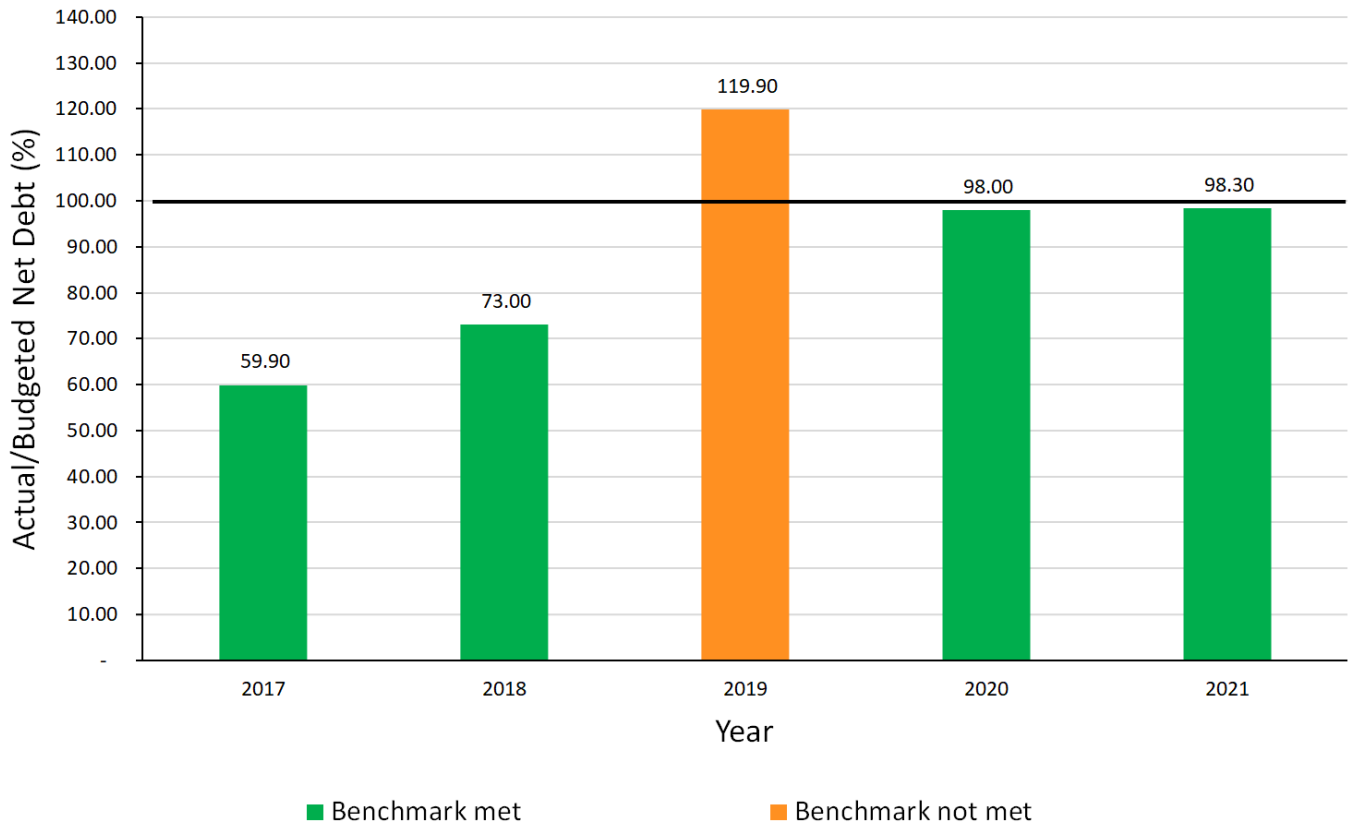
Because Statistics New Zealand projects the council's population will grow no faster than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 15% of its revenue.



## 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).

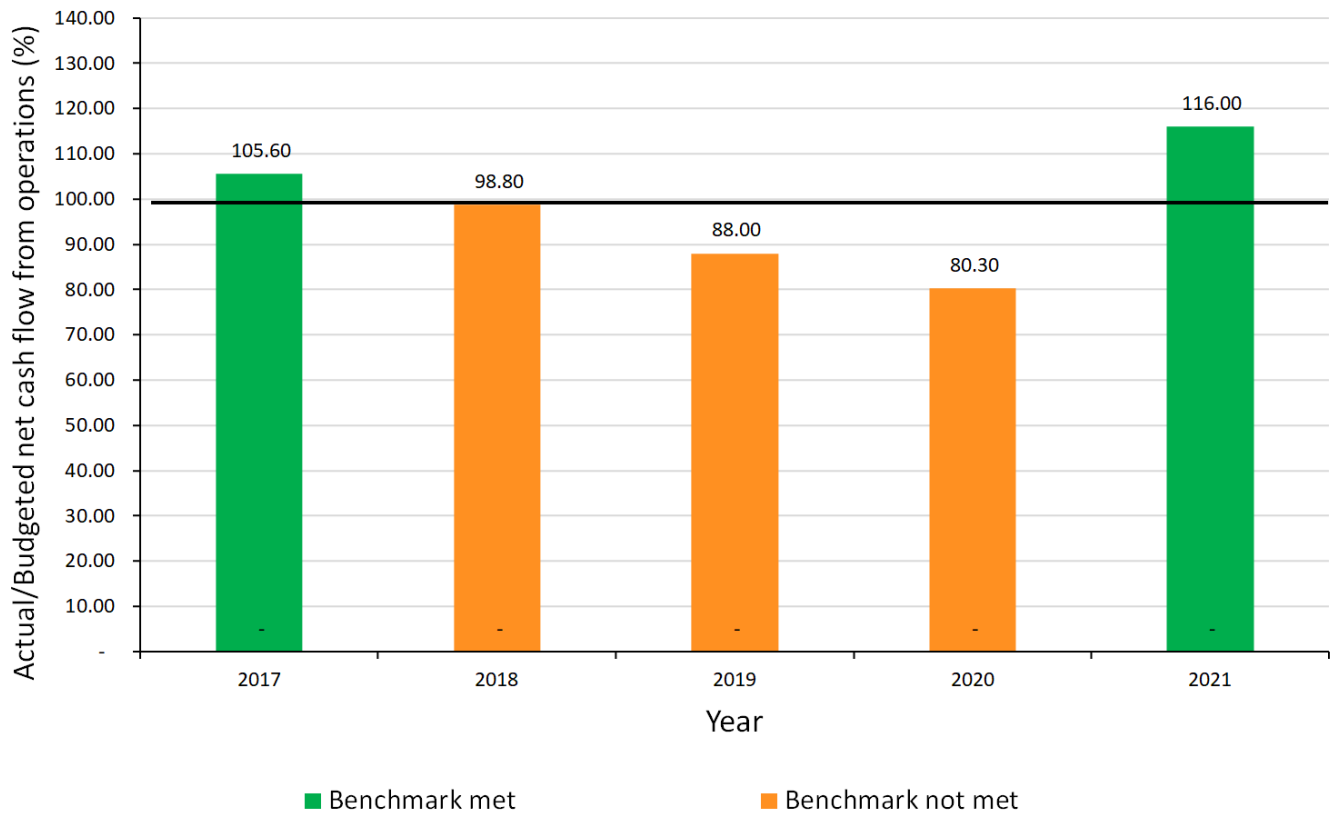
The council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



## 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.

The 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:

## Groups of Activity Statements

### Resident Satisfaction Survey

Council used an independent research company to carry out a resident satisfaction survey on Council's behalf. The interviews took place between the end of October and mid December 2020. Initial random sampling was combined with quota sampling to ensure a representative sample was achieved. Quotas were set for age, gender and area according to the 2013 Census.

The statistical margin of error for the total sample of 350 is plus/minus 5% at a 95% confidence level.

Results from the 2020 Resident Satisfaction Survey have been used for the measures of some non-financial performance.

# Activity Statements

# Land transport

## Activities included in this group

Land Transport includes the following key functions:

- Council roads including associated facilities such as street lights, cycle lanes and road signs (State Highways excluded as they are the responsibility of the 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 'Other Transport' section.

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

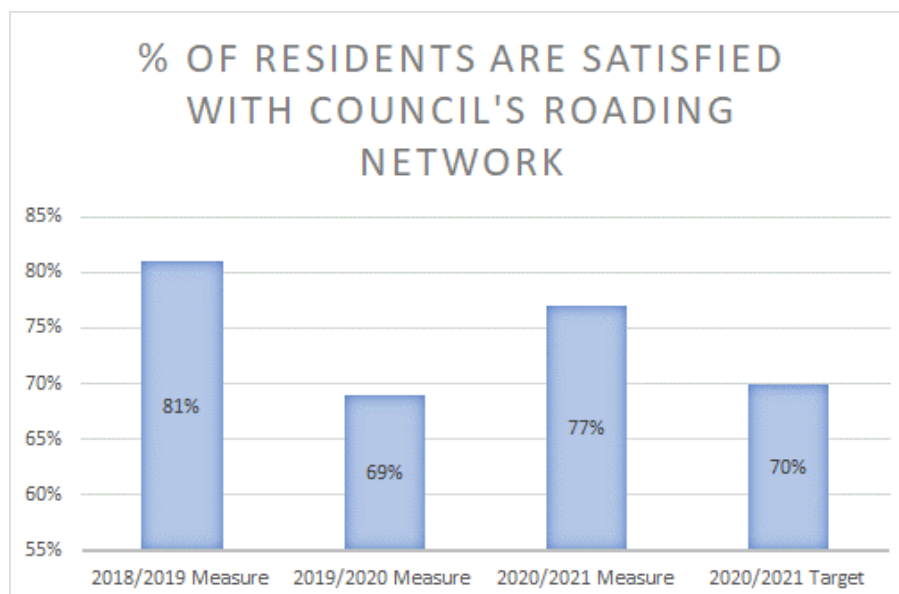
## Why we are involved in this activity/these activities

Council provides sealed roads (including bridges where necessary), footpaths, bus shelters and street lights 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.

## Performance measurement



What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Public satisfaction with our local roading network, including footpaths	% of residents are satisfied with Council's roading network	70%	69%	77%	<p>The Resident's Satisfaction Survey was conducted during October/November 2020. Full report available on Council's website.</p> <p>This is an increase from last year and Council's target met for 2020/2021.</p>
	% of residents are satisfied with the way local roads are maintained	60%	53%	63%	<p>The Resident's Satisfaction Survey was conducted during October/November 2020. Full report available on Council's website.</p> <p>This is an increase from last year and Council's target met for 2020/2021.</p>

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Public satisfaction with our local roading network, including footpaths	% of residents are satisfied with the way footpaths are maintained	52%	43%	53%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website.  This is an increase from last year and Council's target met for 2020/2021.
	Maximum number of reported local road closures due to surface flooding per year	15	0	3	Three roads closed due to flooding.
	% of customer requests responded to within 10 working days	85%	82%	80%	167 service requests out of 208 were responded to within 10 working days.
The condition of our roads and footpaths	% of roads which meet smooth roads standard	90%	91%	91%	Road roughness data was last collected in 2020/2021. The percentage of roads meeting the smooth roads standard remains above target.
	% of sealed road network resurfaced per year	7.04%	3.54%	4.48%	The target was not met as there was insufficient staff capacity to properly manage the sealed road resurfacing Contract, which caused delays. Once work on the Contract was in progress, COVID-19 Alert Level 4 restrictions caused cancellation of remaining resurfacing work.
	% of footpaths at service standard of "fair" or better (as measured against condition ratings set in GDC Land Transport AMP)	80%	78%	83%	Based an independent condition assessment 83% of footpaths by length or in a fair or better condition.

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
The safety of our roads	% of residents who agree that local roads are safe when using them	80%	73%	86%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website.  This is an increase from last year and Council's target met for 2020/2021.
	Maximum % of fatalities/serious injury crashes on local roads contributed to by road factors	<17%	16.67%	0%	In 2017/2018, two out of fifteen DSI crashes on local roads were attributable to road factors such as road condition, surface condition, or visibility. In 2018/2019, three of the six (50%) DSI crashes on local roads were due to road factors and in 2019/2020, only one of the five (20%) DSI crashes on local roads were attributable to road factors. In 2020/2021 zero out of two (0%) DSI crashes on local road were attributable to road factors
	Change in number of fatalities/serious injury crashes from previous year on local roads  <ul style="list-style-type: none"> <li>2019/2020: 6 fatal/serious crashes</li> <li>2018/2019: 7 fatal/serious crashes</li> <li>2017/2018: 5 fatal/serious crashes</li> </ul>	<i>Reduction &gt; 1</i>	-1	-3	Using the NZTA's upgraded Crash Analysis System, there was a total of five deaths or serious injury (DSI) crashes on local roads in 2019/2020. In 2020/2021 there were 2 DSI crashes on local roads. All other DSI crashes were on State Highways.

# Activity funding impact statement

	2020 LTP Year 3 \$000	2020 Actual \$000	2021 Annual Plan \$000	2021 Actual \$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	3,372	3,103	2,293	2,177
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	1,455	1,437	1,750	1,820
Fees and charges	18	75	31	39
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	187	153	156	144
<b>Total operating funding [A]</b>	<b>5,032</b>	<b>4,768</b>	<b>4,230</b>	<b>4,180</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	2,809	2,345	2,604	3,077
Finance costs	114	1	-	-
Internal charges and overheads applied	193	539	606	520
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>3,116</b>	<b>2,885</b>	<b>3,209</b>	<b>3,597</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>1,916</b>	<b>1,883</b>	<b>1,021</b>	<b>583</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	2,427	4,422	2,282	2,318
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(36)	(26)	390	390
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>2,391</b>	<b>4,396</b>	<b>2,672</b>	<b>2,708</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	332	2,935	988	1,019
—to replace existing assets	3,960	2,763	3,199	2,560
Increase (decrease) in reserves	15	1,861	(494)	(515)
Increase (decrease) of investments	-	(1,280)	-	227
<b>Total applications of capital funding [D]</b>	<b>4,307</b>	<b>6,279</b>	<b>3,693</b>	<b>3,291</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(1,916)</b>	<b>(1,883)</b>	<b>(1,021)</b>	<b>(583)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expense statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>REVENUE</b>				
General rates, uniform annual general charges, rates penalties	3,372	3,103	2,293	2,177
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	3,882	5,859	4,032	4,138
User charges & regulatory revenue (consent fees, infringements etc)	18	75	31	39
Internal charges and overheads recovered	-	-	-	-
Other revenue	236	153	156	144
<b>Total revenue</b>	<b>7,508</b>	<b>9,190</b>	<b>6,512</b>	<b>6,498</b>
<b>EXPENDITURE</b>				
Staff costs	-	-	-	-
Operating & maintenance costs	2,809	2,345	2,604	3,077
Finance costs	114	1	-	-
Internal charges and overheads applied	193	539	606	520
Other expenses	-	-	-	-
Depreciation	5,016	4,457	4,551	4,216
<b>Total expenditure</b>	<b>8,132</b>	<b>7,342</b>	<b>7,760</b>	<b>7,813</b>
<b>Surplus (deficit) of activities</b>	<b>(624)</b>	<b>1,848</b>	<b>(1,248)</b>	<b>(1,315)</b>



## Major asset acquisitions or replacements and variations from the Long-Term Plan

	Annual Plan	Actual	Annual Plan	Actual
	2020	2020	2021	2021
	\$000	\$000	\$000	\$000
General renewals and miscellaneous new capital	6,127	2,092	3,100	1,880
General Bridge component renewals	409	294	409	316
Replacement of assets after severe weather	156	-	156	-
Footpath Renewals	244	35	244	78
On-going minor safety improvements	312	552	312	284
Croesus Road upgrade	3,500	2,725	-	563
Moonlight Creek Bridge	-	-	-	169
Rough River Bridge	-	-	-	255
William Stewart Bridge	-	-	-	34
<b>Total capital expenditure</b>	<b>10,748</b>	<b>5,698</b>	<b>4,221</b>	<b>3,579</b>

## Variations from budget

- Payments to staff, suppliers, and operating and maintenance costs were larger than anticipated by \$450,000 due to additional under budgeted costs associated with William Stewart, Rough River and Moonlight Creek Bridge projects which were not part of the annual plan but funded by the Provincial Growth Fund.
- Capital expenditure to improve the level of service was \$639,000 lower than expected. This is due to the Waka Kotahi minor improvements low-cost low-risk programme being unable to be fully completed during the 2020/2021 year due to lack of resources and changes in key staff members through the year.
- Depreciation expense is \$335,000 lower than budgeted due to the decrease in the roading asset valuation in 2021 being completed after the Annual Plan calculations were made.

## 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

# 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.

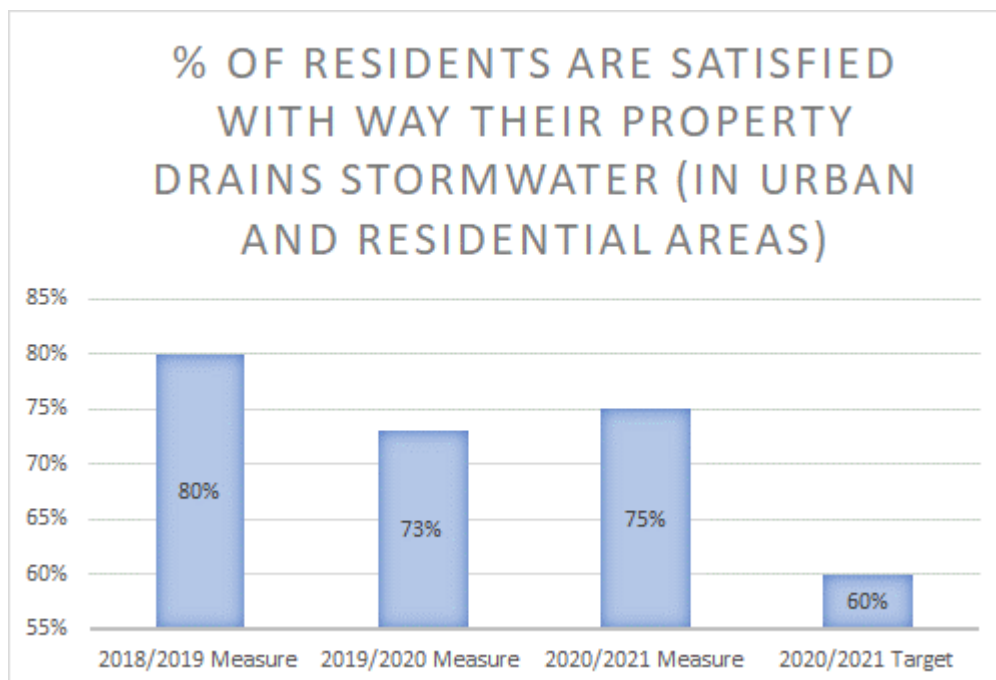
Note: Council has a minor Flood Protection responsibility in that it puts floodgates in place in specific locations when levels in the Grey River reach a specific height.

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.

## Performance measurement



What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Customer satisfaction	% of residents are satisfied with the overall stormwater service	65%	59%	65%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website.  This is an increase from last year and Council's target met for 2020/21.
	Number of complaints received about a Council stormwater scheme (per 1,000 properties connected to a Council scheme) Number of service connections: 6,199	<i>Total complaints: 30</i>  <i>Per 1,000 properties: 5.1</i>  <i>(5,852 connections)</i>	Total complaints:  28  Per 1,000 properties:  4.5  (6,199 connections)	Total complaints:  28  Per 1,000 properties:  4.5  (6,188 connections)	28 complaints were received and resolved regarding Council's stormwater services, which is the same as last year. It is noted that we deal with a number of complaints where sewage is still discharging to the stormwater system. New sewerage system will hopefully alleviate most of these. Storm events appear to be more frequent with higher rainfall intensities, resulting in more surface ponding and flood events.
The reliability and efficiency of the stormwater system	% of residents are satisfied with the way their property drains stormwater in urban and residential areas	60%	73%	75%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website.  This is an increase from last year and Council's target met for 2020/2021.
	Requirements of the Greymouth Flood Scheme Action Plan are met prior to and during significant storm events	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	No significant flood events within 2019/2020 that resulted in triggering the Greymouth Flood Action Plan, meaning no flood events resulting in a 5.0m level at the Dobson monitoring site on the Grey River.
	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.	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	No significant flood events as defined by a 1:50 return period for 2020/2021.

What we're measuring	How we'll measure	2020/2021 target	2019/2020 measure	2020/2021 measure	Notes
	<p>For each flooding event, maximum number of habitable floors affected (per 1,000 properties connected to a Council scheme)</p> <p>Number of serviced urban properties: 6,199</p> <p>Note:</p> <ul style="list-style-type: none"> <li>Council is only measuring reported incidents in urban areas where the stormwater network is.</li> <li>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.</li> </ul>	<p>Total floors: 2</p> <p>Per 1,000 properties: 0.34</p> <p>(5,852 connections)</p>	<p>Total floors: 0</p> <p>Per 1,000 properties: 0</p> <p>(6,195 connections)</p>	Nil	Nil for 2020/2021.
	Maximum number of local road closures due to surface flooding per year (dependent on number of storm events per year)	15	0	3	Three road closures due to flooding in 2020/2021.
	Median response time to attend a flooding event	3 hours	Nil	Nil	Nil for 2020/2021.
Stormwater discharges are managed without adversely affecting the receiving environment	Number of abatement notices	2	Nil	Nil	Nil for 2020/2021.
	Number of infringement notice	1	Nil	Nil	Nil for 2020/2021.
	Number of enforcement orders	Nil	Nil	Nil	Nil for 2020/2021.
	Number of successful prosecutions	Nil	Nil	Nil	Nil for 2020/2021.
	Total for all enforcement actions	3	Nil	Nil	Nil for 2020/2021.

# Activity funding impact statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	1,226	1,158	1,361	1,295
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
<b>Total operating funding [A]</b>	<b>1,226</b>	<b>1,158</b>	<b>1,361</b>	<b>1,295</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	342	426	503	477
Finance costs	44	33	18	22
Internal charges and overheads applied	153	199	159	263
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>540</b>	<b>658</b>	<b>681</b>	<b>762</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>686</b>	<b>500</b>	<b>680</b>	<b>533</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	43	41	43	(21)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>43</b>	<b>41</b>	<b>43</b>	<b>(21)</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	72	86	226	23
—to replace existing assets	658	156	1,000	167
Increase (decrease) in reserves	-	393	(502)	314
Increase (decrease) of investments	-	(94)	-	8
<b>Total applications of capital funding [D]</b>	<b>729</b>	<b>541</b>	<b>723</b>	<b>512</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(686)</b>	<b>(500)</b>	<b>(680)</b>	<b>(533)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expense statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>REVENUE</b>				
General rates, uniform annual general charges, rates penalties	1,226	1,158	1,361	1,295
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	-
User charges & regulatory revenue (consent fees, infringements etc)	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Other revenue	20	-	-	14
<b>Total revenue</b>	<b>1,246</b>	<b>1,158</b>	<b>1,361</b>	<b>1,309</b>
<b>EXPENDITURE</b>				
Staff costs	-	-	-	-
Operating & maintenance costs	342	426	503	477
Finance costs	44	33	18	22
Internal charges and overheads applied	153	199	159	263
Other expenses	-	-	-	6,680
Depreciation	814	847	776	1,106
<b>Total expenditure</b>	<b>1,354</b>	<b>1,505</b>	<b>1,457</b>	<b>8,548</b>
<b>Surplus (deficit) of activities</b>	<b>(108)</b>	<b>(143)</b>	<b>(96)</b>	<b>(7,239)</b>

## Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2020	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000	\$000
General renewals (replacement of assets)	811	240	1,011	167
Miscellaneous new capital	4	2	4	-
Stormwater Upgrades - Tasman Street	-	-	79	19
Marsden Road Open Drain Culverting	-	-	131	4
<b>Total capital expenditure</b>	<b>815</b>	<b>242</b>	<b>1,225</b>	<b>190</b>

## Variations from budget

1. Internal changes and overheads were higher than anticipated by \$104,000 due to sewer separation project costs being allocated to stormwater and funded by the three water stimulus package.
2. Debt decreased by \$21,000 rather than a \$64,000 as anticipated loan funding for Tasman Street upgrades was not used in 2020/2021 due to construction delays on the project. This is expected to be completed in the 2021/22 year.
3. Capital funding to improve the level of service was \$203,000 lower than expected as Tasman Street and Marsden Road open-drain culvert was budgeted for but not completed in the year and income was used to cover over expenditure on operational budgets.
4. Capital expenditure to replace existing assets was \$833,000 under budget due to renewal works being delayed due to Covid-19 restrictions and staff time being redirected into three waters reform projects and information. This money has been carried forward via reserves to be spent in the 2021/22 year.
5. Reserves have increased \$314,000, a variance from the budget of \$816,000 as per the reasons stated above.
6. Other expenses vary from the budget by \$6,720. This is due to the disposal of the floodwall asset which was transferred to the West Coast Regional Council. This was planned in the 2021-2031 Long Term Plan but was brought forward to the 2020/21 financial year.

## 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:

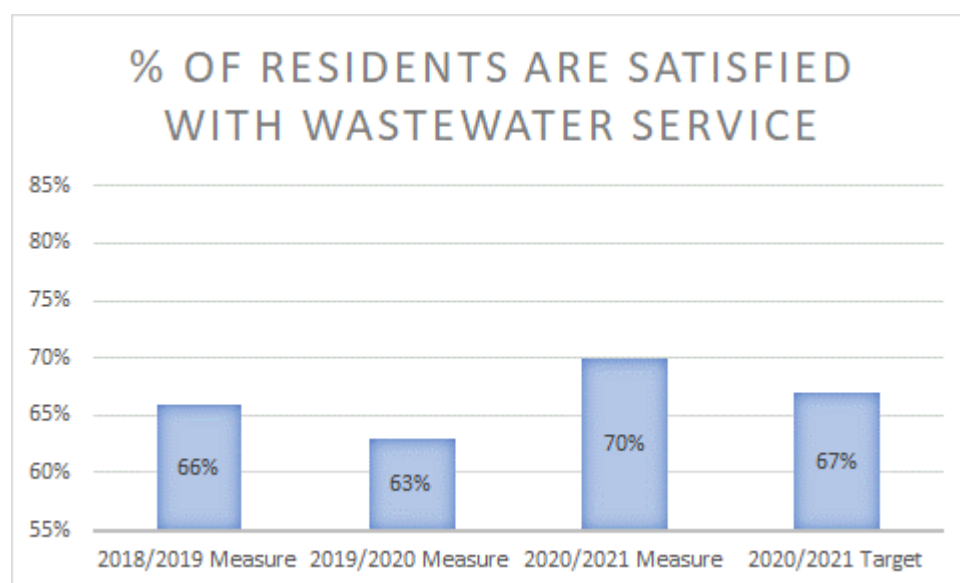
- Wider Greymouth area (Greymouth, Cobden, Blaketown, Boddytown, Dobson, Taylorville and Kaiata)
- Karoro, South Beach, Paroa
- Runanga/Dunollie
- Moana
- Blackball
- Iveagh Bay (Te Kinga)

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.

### Performance measurement



What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Customer satisfaction	% of residents are satisfied with wastewater service	67%	63%	70%	The Resident's Satisfaction Survey was conducted during October/November 2020. Full report available on Council's website. This is an increase from last year and Council's target met for 2020/2021.
	Number of complaints received, e.g. about odour, faults, blockages, response times (per 1,000 sewerage connections) Number of service connections: 5,047	<i>Total complaints: 50</i>  <i>Per 1,000 properties: 10.4</i>  <i>(4,826 connections)</i>	Total complaints: 65  Per 1,000 properties: 12.9  <i>(5,047 connections)</i>	Total complaints: 42  Per 1,000 properties: 8.3  <i>(5,181 connections)</i>	42 complaints were received and resolved in 2020/2021. This is a decrease from the 65 complaints received last year.  No odour complaints were received. The complaints were mainly to do with blocked sewers or sewer discharges onto properties.
The reliability and efficiency of the wastewater system	Number of wastewater overflows into houses due to faults in the public reticulation	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	No wastewater overflows into houses were reported in 2020/2021.
	Number of dry weather sewerage overflows (per 1,000 sewerage connections) Number of service connections: 5,047	<i>Total overflows: 1.5</i>  <i>Per 1,000 properties: 0.3</i>  <i>(4,826 connections)</i>	Total overflows: 9  Per 1,000 properties: 1.8  <i>(5,047 connections)</i>	Total overflows: 2  Per 1,000 properties: 0.4  <i>(5,181 connections)</i>	Two dry weather sewerage overflows were reported in 2020/2021.
	If deemed necessary by the West Coast Regional Council, any non-compliance is publicly advertised: <ul style="list-style-type: none"> <li>• Within ½ hour on the website</li> <li>• Same day on the local radio station</li> <li>• The next publication of the local daily newspaper</li> </ul>	<i>Achieved</i>	<i>Achieved</i>	2	Two overflows at Preston Road WWTP for 2020/2021 (these were not directed to be publicly advertised by the WCRC. WCRC were advised and follow up sampling and monitoring was undertaken).

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
	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)	<ul style="list-style-type: none"> <li>1 hour</li> <li>5 hours</li> </ul>	<ul style="list-style-type: none"> <li>39 minutes</li> <li>2.16 hours</li> </ul>	<ul style="list-style-type: none"> <li>50 minutes</li> <li>1.39 hours</li> </ul>	Contractor has met the required response timeframes under these performance measures. Our new maintenance contractor is working well to meet targets set.
	All planned shutdowns are notified at least 24 hours prior	<i>Achieved</i>	Achieved	Achieved	All repairs to the sewer network are completed live. The network had no planned shutdowns in the 2020/2021 year.
Treated wastewater discharges are managed without adversely affecting the receiving environment	Number of abatement notices	2	Nil	Nil	Nil for 2020/2021
	Number of infringement notices	1	Nil	1	One at Karoro WWTP.
	Number of enforcement orders	<i>Nil</i>	Nil	Nil	Nil for 2020/2021
	Number of successful prosecutions	<i>Nil</i>	Nil	Nil	Nil for 2020/2021
	<i>Total for all enforcement actions</i>	3	<i>Nil</i>	<i>Nil</i>	Nil for 2020/2021

# Activity funding impact statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	2,561	2,608	2,570	2,642
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	114	153	71	46
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
<b>Total operating funding [A]</b>	<b>2,675</b>	<b>2,761</b>	<b>2,641</b>	<b>2,688</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	1,075	1,348	1,240	1,171
Finance costs	719	706	352	449
Internal charges and overheads applied	236	241	226	281
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>2,030</b>	<b>2,295</b>	<b>1,818</b>	<b>1,901</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>645</b>	<b>466</b>	<b>823</b>	<b>787</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	7	-	-
Development and financial contributions	15	102	-	29
Increase (decrease) in debt	(332)	(93)	1,047	(358)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>(317)</b>	<b>16</b>	<b>1,047</b>	<b>(329)</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	-	248	1,553	102
—to replace existing assets	508	320	589	461
Increase (decrease) in reserves	(180)	103	(273)	216
Increase (decrease) of investments	-	(189)	-	(321)
<b>Total applications of capital funding [D]</b>	<b>328</b>	<b>482</b>	<b>1,870</b>	<b>458</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(645)</b>	<b>(466)</b>	<b>(823)</b>	<b>(787)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expense statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>REVENUE</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates (including targeted rates for water supply)	2,561	2,608	2,570	2,642
Subsidies and grants (operating and capital)	-	7	-	-
User charges & regulatory revenue (consent fees, infringements etc)	114	153	71	46
Internal charges and overheads recovered	-	-	-	-
Other revenue	30	102	-	312
<b>Total revenue</b>	<b>2,705</b>	<b>2,870</b>	<b>2,641</b>	<b>3,000</b>
<b>EXPENDITURE</b>				
Staff costs	-	-	-	-
Operating & maintenance costs	1,075	1,348	1,240	1,171
Finance costs	719	706	352	449
Internal charges and overheads applied	236	241	226	281
Other expenses	-	-	-	-
Depreciation	1,109	1,130	1,052	1,342
<b>Total expenditure</b>	<b>3,139</b>	<b>3,425</b>	<b>2,870</b>	<b>3,243</b>
<b>Surplus (deficit) of activities</b>	<b>(434)</b>	<b>(555)</b>	<b>(229)</b>	<b>(243)</b>

## Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2020	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000	\$000
General renewals & miscellaneous new capital	155	254	274	308
Runanga system replacement	340	80	462	159
Greymouth wastewater upgrade	-	229	1,366	95
Pond Effluent Upgrade	-	-	40	-
Dobson/Kaiata/Taylorville scheme	-	5	-	1
Blackball Scheme Construction	-	-	63	6
<b>Total capital expenditure</b>	<b>495</b>	<b>568</b>	<b>2,142</b>	<b>563</b>

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## Variations from budget

1. Fee and Charges were \$25,000 less than budgeted due to a correction of a prior year overcharge
2. Internal charges and overheads were \$55,000 more than anticipated due to staff time for three waters reform projects.
3. Debt levels decreased by \$358,000 a variance of \$1,405,000 due to the Greymouth Sewer Project not being completed and carried forward to the 2021/22 year.
4. Depreciation costs are \$290,000 more than anticipated due to a larger than anticipated asset valuation increase as of 30 June 2020.

## 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:

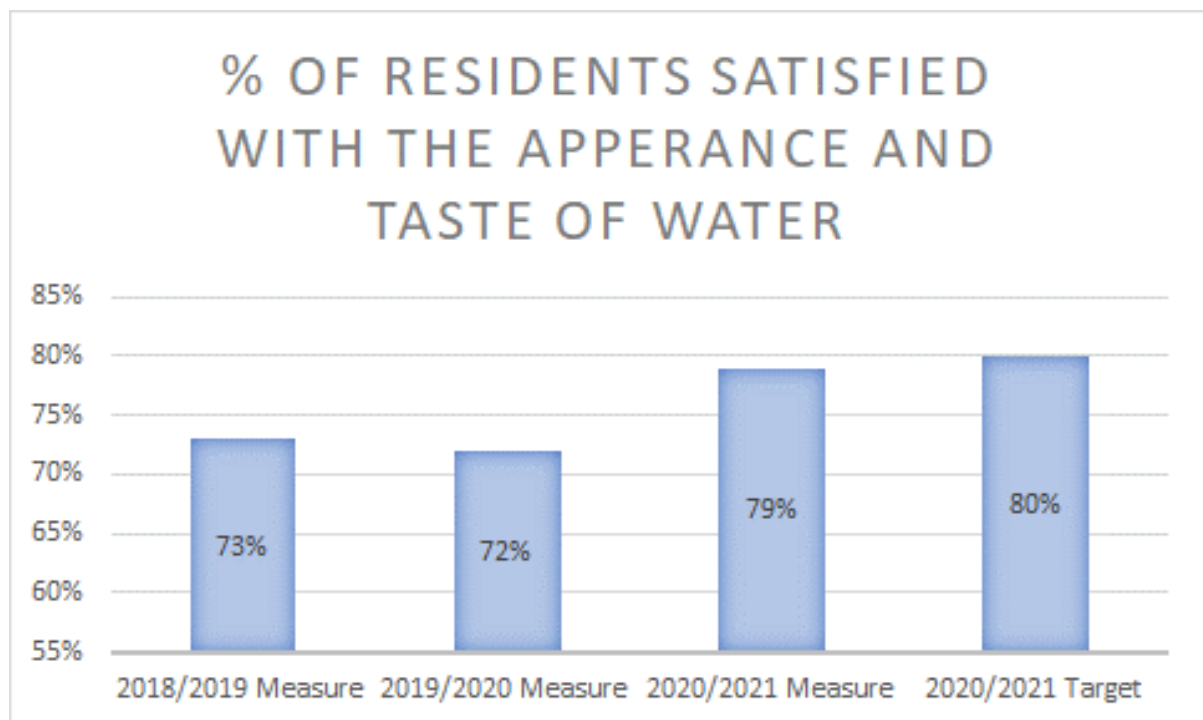
- Wider Greymouth (Greymouth, Cobden, Blaketown, Boddytown, Karoro, South Beach, Paroa, Taylorville, Dobson and Stillwater)
- Runanga/Dunollie/Rapahoe
- Blackball

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

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

## Performance measurement



What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Customer satisfaction	% of residents are satisfied with the appearance and taste of water	80%	72%	79%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website. This is an increase from last year.
	% of residents are satisfied with the pressure and flow of water	75%	85%	88%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website. This is an increase from last year and Council's target met for 2020/2021.
	% of residents are satisfied with overall water supply service	70%	57%	63%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website. This is an increase from last year.
	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) Number of rated properties: 4,718	<i>Total complaints:</i> 133  <i>Per 1,000 properties:</i> 28.3  (4,686 connections)	<i>Total complaints:</i> 217  <i>Per 1,000 properties:</i> 46  (4,718 connections)	<i>Total complaints:</i> 17  <i>Per 1,000 properties:</i> 3.3  (5,085 connections)	17 complaints were received and resolved in 2020/2021, which is under our target of 133 complaints.

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Council is providing a reliable, efficient and safe water supply	If deemed necessary by the Ministry of Health, any non-compliance is publicly notified as soon as practical, by advertising: <ul style="list-style-type: none"> <li>• Within ½ hour on the website</li> <li>• Same day on the local radio station</li> <li>• The next available publication of the local daily newspaper</li> </ul>	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	No requests from the Ministry of Health for 2020/2021.
	Maximum number of notifiable water supply transgressions with Drinking Water Standards per year:				
	• Greymouth (now includes Taylorville/Dobson/Stillwater)	<i>Nil</i>	<i>Nil</i>	<i>2</i>	Two transgressions in the Greymouth area. Both transgressions in the Greymouth supply were in isolated areas. Both of these were 1 MPN E.coli. Follow up monitoring results were clear.
	• Blackball	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	
	• Runanga/Rapahoe	<i>1</i>	<i>N/A</i>	<i>N/A</i>	Runanga Supply was connected to the Greymouth supply on a temporary basis on 26 April 2018 while new water treatment plant was under construction.
All planned shutdowns are notified at least 24 hours prior	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	There were 15 planned shutdowns during 2020/2021 and they were all notified 24 hours prior.	

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes	
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):				A desktop analysis was completed through the Greater Greymouth including Runanga area Water Supply Master Plan report in late 2021. This suggests that leakage is significantly higher than previously known. Council is moving forward with splitting the scheme reticulation within the respective schemes to enable better monitoring and identification of leakage.	
	<ul style="list-style-type: none"> <li>• Greymouth (now includes Taylorville/Dobson/Stillwater and Runanga/Rapahoe)</li> </ul>	20%	Not measured	Not achieved 70% <sup>1</sup>		
	<ul style="list-style-type: none"> <li>• Blackball</li> </ul>	5%	Not measured	Not achieved 56% <sup>1</sup>		
	<ul style="list-style-type: none"> <li>• Runanga/Rapahoe</li> </ul>	15%	Not measured	N/A		
	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.					
	<ul style="list-style-type: none"> <li>• Greymouth (now includes Taylorville/Dobson/Stillwater)</li> </ul>	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	Compliance achieved for 2020/2021.	
	<ul style="list-style-type: none"> <li>• Blackball</li> </ul>	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	Compliance achieved for 2020/2021.	
	<ul style="list-style-type: none"> <li>• Runanga/Rapahoe</li> </ul>	<i>Achieved</i>	<i>Achieved*</i>	<i>N/A</i>	Runanga Supply was connected to the Greymouth supply on a temporary basis on 26 April 2018 while new water treatment plant was under construction	
	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)</li> </ul>	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	Compliance achieved for 2020/2021.	
	<ul style="list-style-type: none"> <li>• Blackball</li> </ul>	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	Compliance achieved for 2020/2021.	
	<ul style="list-style-type: none"> <li>• Runanga/Rapahoe</li> </ul>	<i>Achieved</i>	<i>N/A</i>	<i>N/A</i>	Runanga Supply was connected to the Greymouth supply on a temporary basis on 26 April 2018 while new water treatment plant was under construction.	

<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.

What we're measuring	How we'll measure	2020/2021 target	2019/2020 measure	2020/2021 measure	Notes
Average consumption of drinking water per day per resident	Figures below are from July 2019 to June 2020 Breakdown –	< 640 liters per person per day	636 liters per person per day	662 liters per person per day	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.

Scheme	Litres supplied per year <sup>1</sup>	Population serviced <sup>2</sup>	Consumption <sup>3</sup>
Greymouth (includes Dobson/Taylorville/Stillwater)	2,407,365,000	8,360	789
Runanga/Rapahoe*	261,063,000	1,090	656
Blackball	848,229,000	280	471
Totals	2,716,657,000	9,730	639

<sup>1</sup> Supply and consumption includes industrial/commercial use

<sup>2</sup> Normal resident population ex 2013 Census

<sup>3</sup> Consumption expressed as litres per person per day.

\* Runanga/Rapahoe currently connected to Greymouth scheme.

What we're measuring	How we'll measure	2020/2021 target	2019/2020 measure	2020/2021 measure	Notes
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	45 minutes	53 minutes	Contractor has met the required response timeframes under the maintenance contract.
	• Resolution time for urgent call-outs (from notification)	5 hours	1.48 hours	1.58 hours	Contractor has met the required response timeframes under the maintenance contract.
	• Attendance time for non-urgent call-out	1.5 working days	1.45 hours	1.11 hours	Contractor has met the required response timeframes under the maintenance contract.
	• Resolution time for non-urgent call-outs	5 working days	2.12 hours	2.15 hours	Contractor has met the required response timeframes under the maintenance contract

Water is sourced from a sustainable resource	Maximum number of resource consent infringements	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	None received for 2021/2021.
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# Activity funding impact statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	2,493	2,300	2,820	2,563
Subsidies and grants for operating purposes	-	-	-	459
Fees and charges	-	1	-	2
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	23
<b>Total operating funding [A]</b>	<b>2,493</b>	<b>2,301</b>	<b>2,820</b>	<b>3,047</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	1,108	891	1,116	884
Finance costs	346	335	193	217
Internal charges and overheads applied	162	390	290	357
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>1,616</b>	<b>1,616</b>	<b>1,598</b>	<b>1,458</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>877</b>	<b>685</b>	<b>1,222</b>	<b>1,589</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	100	1,973	609
Development and financial contributions	-	32	-	6
Increase (decrease) in debt	(160)	(146)	922	1,607
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>(160)</b>	<b>(14)</b>	<b>2,895</b>	<b>2,222</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	4	198	1,477	2,958
—to replace existing assets	695	382	3,142	687
Increase (decrease) in reserves	17	453	(502)	1,884
Increase (decrease) of investments	-	(362)	-	(1,718)
<b>Total applications of capital funding [D]</b>	<b>717</b>	<b>671</b>	<b>4,117</b>	<b>3,811</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(877)</b>	<b>(685)</b>	<b>(1,222)</b>	<b>(1,589)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expense statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>REVENUE</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates (including targeted rates for water supply)	2,493	2,300	2,820	2,563
Subsidies and grants (operating and capital)	-	100	1,973	1,068
User charges & regulatory revenue (consent fees, infringements etc)	-	1	-	2
Internal charges and overheads recovered	-	-	-	-
Other revenue	15	32	-	166
<b>Total revenue</b>	<b>2,508</b>	<b>2,433</b>	<b>4,793</b>	<b>3,799</b>
<b>EXPENDITURE</b>				
Staff costs	-	-	-	-
Operating & maintenance costs	1,108	891	1,116	884
Finance costs	346	335	193	217
Internal charges and overheads applied	162	390	290	357
Other expenses	-	-	-	-
Depreciation	578	569	549	997
<b>Total expenditure</b>	<b>2,195</b>	<b>2,185</b>	<b>2,147</b>	<b>2,455</b>
<b>Surplus (deficit) of activities</b>	<b>313</b>	<b>248</b>	<b>2,646</b>	<b>1,344</b>

## Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2020	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000	\$000
General renewals & miscellaneous new capital	1,081	361	1,016	312
GGWS DMA and Flow Meters	-	-	84	97
Runanga Water Supply - Plant upgrade	-	183	97	30
New Water Supply Kaiata	1,245	1	1,326	2,860
Cobden Reservoir	-	-	1,096	106
Arnotts Heights Reservoir	-	-	520	142
Tasman View Reservoir	-	-	480	98
Replacement reservoir - Greymouth supply	-	35	-	-
<b>Total capital expenditure</b>	<b>2,326</b>	<b>580</b>	<b>4,619</b>	<b>3,645</b>



## Variations from budget

1. Subsidies and Grants for operational and capital expenditure are higher than anticipated by \$459,000 due to additional funding received from the three waters stimulus package. Not all these subsidies have been recognised as income in the 2021 year as not all the conditions for income recognition were met
2. Payments to staff and supplier is lower and anticipated by \$232,000 due to delays in work being completed due to Covid-19 restrictions and staff time being reallocated to the three waters reform projects.
3. Debt increases are \$685,000 more than anticipated due to an additional loan for Kaiata water supply of \$1.6m being approved by Council outside of the annual plan and the carry forward of loan funding for the Cobden reservoir of \$950,000 for the 2021/22 year,
4. Capital costs to improve the level of service are \$1,481,000 more than expected due to a substantial increase in costs for the Kaiata water supply which was funded by additional bans approved by Council at an extra-ordinary meeting in March 2021.
5. Capital expenditure to replace existing assets is \$2,455,000 below budget due to delays in the Cobden, Tasman View, Arnott Heights and Puketahi Street Reservoirs.
6. Reserve transfers are \$2,386,000 different from budget due to the first payment of the Three Waters Stimulus package being made in the 2020/2021 year, with the majority of this to be spent in the 2021/2022 year.
7. Depreciation expense is \$224,000 higher than expected due to a larger than anticipated increase in the valuation of water assets as at 30 June 2020.

## Identified effects of these activities on the community

- There have been on-going problems associated with the protection of the Runanga water supply. The risk of contamination is increased after flood events, and contamination has previously occurred. The community has expressed a clear preference to remain on a non-chlorinated supply. Council has worked with the community in explaining the on-going risks of having a non-chlorinated supply, including there is no residual protection in the network from the chlorine being present. Council is upgrading the water source and treatment plant to protect and treat the water at the source, however per the above there will be no network protection. In the event of any transgression being identified the water will immediately be chlorinated and various methods used to communicate the risk to the community.

# Solid Waste



## Solid waste (refuse and recycling)

### Activities included in this group

Waste management involves:

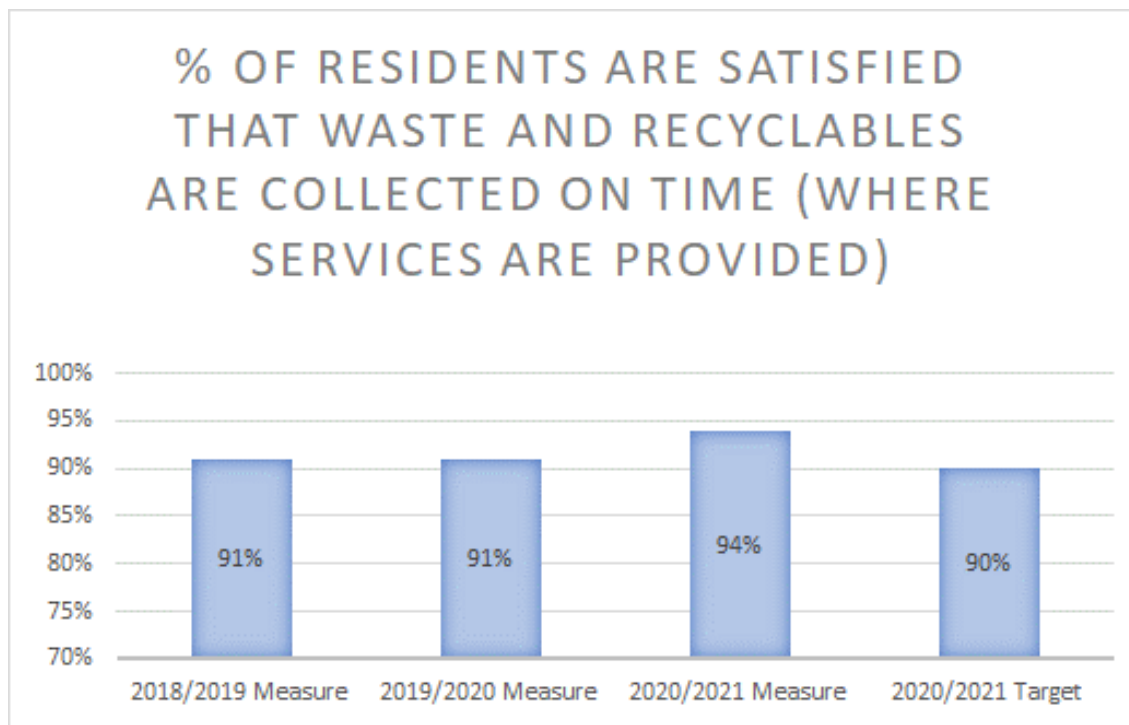
- Refuse collection
- Recovery of recyclable materials
- Management of Landfill and Clean fill- Resource Recovery Centres
- Management of minor quantities of hazardous waste
- Litter Bin management
- Waste minimisation
- Environmental monitoring, also of closed refuse facilities

Litter control is a Regulatory function and is covered under a separate Activity Management Plan.

### 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.

### Performance measurement



What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
The provision of a reliable, efficient and convenient service	% of residents are satisfied facilities (litter bins, recycling stations, recycling centre) are kept clean and tidy	75%	73%	77%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website. This is an increase from last year and Council's target met for 2020/2021.
	% of residents are satisfied with overall service	92%	80%	77%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website.
	% of waste collected is recycled	20%	17%	15%	During the COVID-19 pandemic and due to a fire at the recycling centre, all recyclable products collected were directed to the landfill. This has resulted in lower percentages of waste being recycled in the 2020/2021 year.
	% of residents are satisfied that waste and recyclables are collected on time (where services are provided)	90%	91%	94%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website. This is an increase from last year and Council's target met for 2020/2021.
Facilities and services are managed without adversely affecting the receiving environment	% capacity remaining in landfill cell (100% - annual volume of waste to landfill divided by actual built capacity) NOTE: Construction of Cell 3, completed June 2019, has an estimated life of seven years. * Estimate only.	80.5%	76%	58%	During the COVID-19 pandemic, all collected recyclable products were directed to the landfill. This is the reason for the higher than expected decrease in available Cell 3A capacity.
	Maximum number of resource consent infringements	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	None received for 2020/2021.

# Activity funding impact statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	215	240	34	213
Targeted rates	1,432	1,448	1,400	1,389
Subsidies and grants for operating purposes	49	49	48	48
Fees and charges	594	724	740	957
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-
<b>Total operating funding [A]</b>	<b>2,290</b>	<b>2,461</b>	<b>2,222</b>	<b>2,607</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	1,671	1,665	1,805	1,741
Finance costs	115	91	39	43
Internal charges and overheads applied	112	134	128	131
Other operating funding applications	-	193	-	122
<b>Total applications of operating funding [B]</b>	<b>1,898</b>	<b>2,083</b>	<b>1,973</b>	<b>2,037</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>392</b>	<b>378</b>	<b>249</b>	<b>570</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	65	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(323)	(375)	(181)	(181)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>(323)</b>	<b>(375)</b>	<b>(116)</b>	<b>(181)</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	29	89	28	28
—to replace existing assets	30	74	95	136
Increase (decrease) in reserves	10	239	10	33
Increase (decrease) of investments	-	(399)	-	192
<b>Total applications of capital funding [D]</b>	<b>69</b>	<b>3</b>	<b>133</b>	<b>389</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(392)</b>	<b>(378)</b>	<b>(249)</b>	<b>(570)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expense statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>REVENUE</b>				
General rates, uniform annual general charges, rates penalties	215	240	34	213
Targeted rates (including targeted rates for water supply)	1,432	1,448	1,400	1,389
Subsidies and grants (operating and capital)	49	49	113	48
User charges & regulatory revenue (consent fees, infringements etc)	594	724	740	957
Internal charges and overheads recovered	-	-	-	-
Other revenue	-	-	-	26
<b>Total revenue</b>	<b>2,290</b>	<b>2,461</b>	<b>2,287</b>	<b>2,633</b>
<b>EXPENDITURE</b>				
Staff costs	-	-	-	-
Operating & maintenance costs	1,671	1,665	1,805	1,741
Finance costs	115	91	39	43
Internal charges and overheads applied	112	134	128	131
Other expenses	-	193	-	414
Depreciation	159	91	159	90
<b>Total expenditure</b>	<b>2,058</b>	<b>2,174</b>	<b>2,132</b>	<b>2,419</b>
<b>Surplus (deficit) of activities</b>	<b>232</b>	<b>475</b>	<b>155</b>	<b>214</b>

## Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2020	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000	\$000
Miscellaneous renewals & new capital	8	73	74	137
New landfill cell design and construction (cell 3)	-	79	-	24
Cobden Sea Wall Protection	20	-	20	-
Old Cobden landfill - reinstatement of area	29	11	29	3
<b>Total capital expenditure</b>	<b>57</b>	<b>163</b>	<b>123</b>	<b>164</b>

## Variations from budget

1. Fees and charges are \$217,000 higher than anticipated due to higher than usual patronage at McLeans Landfill.
2. Other operating funding applications is \$103,000 over budget due to the increase in the landfill after care provision being greater due to an increase in the level of waste being dumped in Cell 3. This increase is due to the damage to the recycling shed meaning recycling is going into the landfill, which is reducing the expected life of the current cell.
3. Depreciation expense is \$69,000 higher than expected due to the destruction of the recycling shed by fire in November 2020.

## Identified effects of these activities on the community

- The introduction of kerbside recycling to the 'greater Greymouth' area has resulted in a reduction in the volume of waste being dumped in the landfill. This has a long term positive impact as the landfill facility can offer a longer useful life.
- The 'bring to' recycling facility at McLeans landfill has also been successful in providing a service for those who do not have the kerbside recycling service.
- 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.

# Emergency Management





## Emergency management

### Activities included in this group

Emergency management includes:

- 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.

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

It is most important to 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 tornadoes 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, recovery”.

# Performance measurement

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Training and preparation of our emergency management personnel in the event of an emergency	Minimum number of in-house/ national training exercises participated in annually	2	6	2	COVID-19 interrupted the normal training year but two courses completed, including AF8 and Tsunami.
	Minimum % of personnel trained in the operations of an emergency operations centre (EOC)	80%	30%	29%	30 of 102 staff employed by Grey District Council are enrolled in the Emergency Management Training platform. COVID-19 interrupted planned courses but GDC management have prioritised staff training going forward and staff have been scheduled in to the planned training programme.
Greater public awareness and participation from the public to be better prepared for emergency situations	Minimum % of schools and pre-school organisations visited annually to deliver Civil Defence messages	90%	78%	80%	80% of schools visited (does not include pre-schools). This is less than target due to a large focus on the COVID-19 response but an increase on the result from last year.  Schools regularly conduct alternate communication's checks with the Emergency Management Officer.  Schools are also encouraged to participate in this year's Shakeout and Tsunami Hiko.
	Relevant details are posted on Council's website, including Civil Defence notifications, preparedness reminders etc.	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	Civil Defence notifications and preparedness reminders are posted to the Council website and Facebook page

# Activity funding impact statement

	2020 LTP Year 3 \$000	2020 Actual \$000	2020 Annual Plan \$000	2021 Actual \$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	95	99	144	140
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	100	-
Fees and charges	-	20	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	2
<b>Total operating funding [A]</b>	<b>95</b>	<b>119</b>	<b>244</b>	<b>142</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	12	45	51	27
Finance costs	14	5	5	-
Internal charges and overheads applied	64	47	50	56
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>90</b>	<b>97</b>	<b>107</b>	<b>83</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>5</b>	<b>22</b>	<b>137</b>	<b>59</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	(5)	-	-	-
Increase (decrease) in debt	-	(5)	(5)	(5)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	(5)	-	-	-
<b>Total sources of capital funding [C]</b>		<b>(5)</b>	<b>(5)</b>	<b>(5)</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure	-	-	-	-
—to meet additional demand	-	-	-	-
—to improve the level of service	-	23	132	13
—to replace existing assets	-	28	-	24
Increase (decrease) in reserves	-	(72)	-	-
Increase (decrease) of investments	-	38	-	17
<b>Total applications of capital funding [D]</b>	<b>(5)</b>	<b>17</b>	<b>132</b>	<b>54</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(5)</b>	<b>(22)</b>	<b>(137)</b>	<b>(59)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expense statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>REVENUE</b>				
General rates, uniform annual general charges, rates penalties	95	99		140
Targeted rates (including targeted rates for water supply)	-	-	144	-
Subsidies and grants (operating and capital)	-	-	-	-
User charges & regulatory revenue (consent fees, infringements etc)	-	20	100	-
Internal charges and overheads recovered	-	-	-	-
Other revenue	-	-	-	2
<b>Total revenue</b>	<b>95</b>	<b>119</b>	<b>244</b>	<b>142</b>
<b>EXPENDITURE</b>				
Staff costs	-	-	-	-
Operating & maintenance costs	12	45	51	27
Finance costs	14	5	5	-
Internal charges and overheads applied	64	47	50	56
Other expenses	-	-	-	-
Depreciation	5	4	5	4
<b>Total expenditure</b>	<b>95</b>	<b>101</b>	<b>111</b>	<b>87</b>
<b>Surplus (deficit) of activities</b>	<b>0</b>	<b>18</b>	<b>133</b>	<b>55</b>

## Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2020 \$000	Actual 2020 \$000	Annual Plan 2021 \$000	Actual 2021 \$000
Miscellaneous renewals & new capital	-	51	132	37
New rural fire equipment	-	-	-	-
<b>Total capital expenditure</b>	<b>-</b>	<b>51</b>	<b>132</b>	<b>37</b>

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## Variations from budget

1. Subsidies and grants are \$100,000 less than budgeted as a grant allowed for the purchase of a generator for the Civil Defence Emergency Operations Centre was not received and therefore generator was not purchased in the 2020/2021 year.
2. Capital expenditure to improve levels of service is \$119,000 less than budgeted as per the above explanation.

## Identified effects of these activities on the community

- The ongoing pro-active measures undertaken serve to build a community more resilient and prepared for emergencies.

# 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, 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

## 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.
- 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.

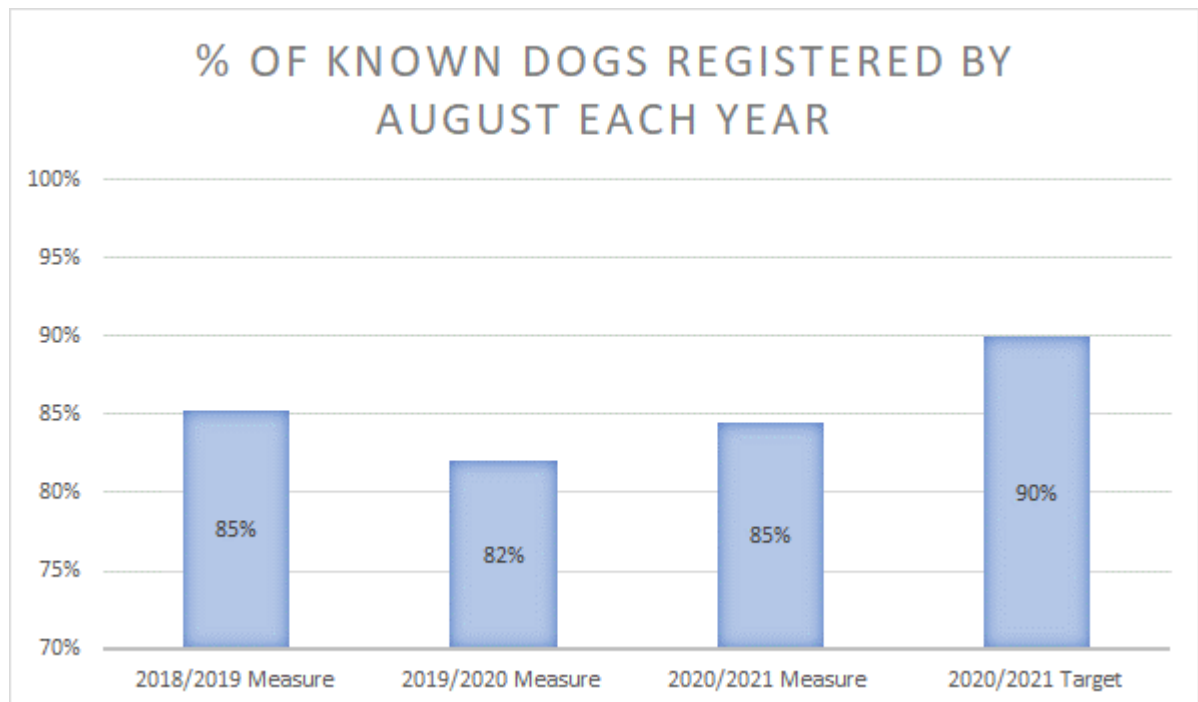
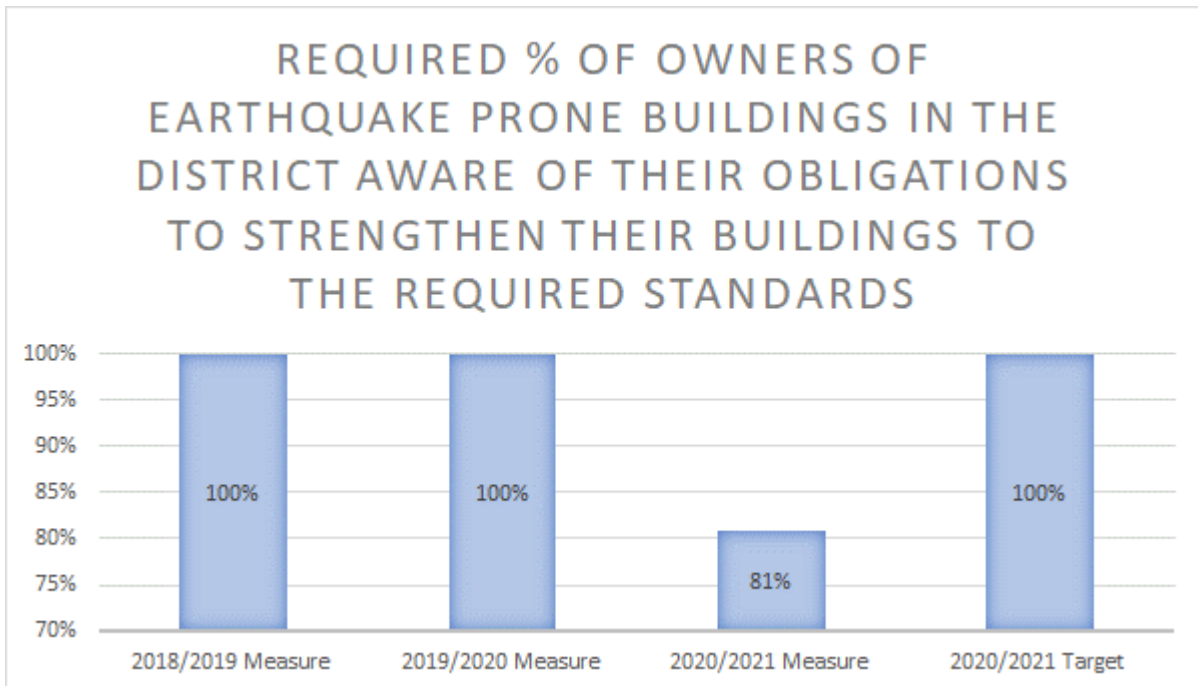


## Performance measurement

What we're measuring	How we'll measure	2020/2021 target	2019/2020 measure	2020/2021 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%	94%	89%	357 OF 402 LIMs were issued within 10 working days in 2020/2021.  45 LIM's were outside the statutory timeframe due to COVID-19 Lockdown delays and staff changes
	% of non-notified land use consents processed within 20 working days	100%	89%	78%	35 of 45 non-notified consents were processed within 20 days in 2020/2021.  Ten consents took over 20 days to process.
	% of building consent applications issued with statutory time limits	100%	99%	98.77%	403 of 408 building consent applications issued within statutory time frame. These figures are affected by COVID-19 lockdown.
	% of Code of Compliance Certificates (CCC) issued with statutory time limits	100%	99.6%	93.55%	296 of 316 CCC issued within statutory timeframes.  20 CCC's were outside the statutory timeframe due to COVID-19 Lockdown delays and staff changes.
	% of building inspection undertaken at agreed times	95%	100%	100%	Staff are confident that all appointments were undertaken at agreed times during 2020/2021. No complaints were reported regarding missed appointments. Better communications with consent holders have enabled bookings to be kept. A diary process is being used and is proving successful. Greater knowledge of the process by builders enabled the 100% result.
We are ensuring that buildings within the District are safe and meet national quality standards	Required % of owners of earthquake prone buildings in the District aware of their obligations to strengthen their buildings to the required standard	100%	100%	80.9%	All building owners remaining on list have been issued EPB Notices and MBIE Register has been updated.
	Grey District Council maintains accreditation as a building consent authority	Achieved	Achieved	Achieved	BCA Accreditation has been maintained; IANZ assessment undertaken in Feb 2020. Next assessment was September 2021.

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
A safer District is being provided for by promoting responsible dog ownership and monitoring food and liquor premises	% of known dogs registered by August each year	90%	82%	84.5%	2,314 of 2,738 dogs registered by August.  This is an increase from last year and it is believed the offer of a pooch pack prize has a positive effect.
	Time taken to respond to food premises complaints	5 days	100%	100%	All complaints are responded to within one working day.
	% of premises requesting new and renewed liquor licenses that are inspected	100%	100%	100%	The number of premises fluctuates during the year. The current total is 63. During 2020/2021, all premises requesting new or renewal of their licences were visited as part of that process.
We are responding to service requests in a timely manner	% of after-hours noise complaints responded to within two hours	95%	98%	99%	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	95%	100%	100%	Council contracts a security company to provide this service. Reports of complaints are monitored and checked by our staff daily.
	% of complaints about breaches of bylaws and District Plan rules are responded to within five working days	95%	100%	97%	Only a small number of complaints were received, and these were dealt with within the required timeframe except one which was forwarded to John whilst he was on annual leave.
Our District Plan is effective in developing and maintaining sustainable development and a satisfactory environment	% of land use consents issued since 2005 are monitored for compliance with conditions	50%	5.7%	14.9%	168 of 1,126 Land Use Consents were monitored in the 2020-2021 period.
	% of residents satisfied with Council's regulation of land use throughout the District	60%	40%	48%	The Resident's Satisfaction Survey was conducted during October/ November 2020.
Iwi are consulted on all new policies, bylaws, District Plan changes and notified resource consents	New policies, bylaws, DP changes and notified resource consents have involved Iwi consultation as required	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	For all publicly notified consents, notice is served on both Ngai Tahu and Ngati Waewae (note: there were no publicly notified consents in the monitoring period therefore there was no consultation).

## Performance Measures



# Activity funding impact statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	975	1,043	1,055	1,002
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	40
Fees and charges	1,038	1,052	1,111	1,174
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	126	85	120	86
<b>Total operating funding [A]</b>	<b>2,139</b>	<b>2,180</b>	<b>2,286</b>	<b>2,302</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	417	579	457	724
Finance costs	-	-	-	-
Internal charges and overheads applied	1,703	1,771	1,811	1,863
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>2,119</b>	<b>2,350</b>	<b>2,269</b>	<b>2,587</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>20</b>	<b>(170)</b>	<b>17</b>	<b>(285)</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	27	66	30	33
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>26</b>	<b>66</b>	<b>30</b>	<b>33</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	15	-	-	-
—to replace existing assets	4	-	21	1
Increase (decrease) in reserves	26	82	26	58
Increase (decrease) of investments	-	(186)	-	(311)
<b>Total applications of capital funding [D]</b>	<b>46</b>	<b>(104)</b>	<b>47</b>	<b>(252)</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(19)</b>	<b>170</b>	<b>(17)</b>	<b>285</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expense statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>REVENUE</b>				
General rates, uniform annual general charges, rates penalties	1,019	1,043	1,055	1,002
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	40
User charges & regulatory revenue (consent fees, infringements etc)	1,082	1,052	1,111	1,174
Internal charges and overheads recovered	-	-	-	-
Other revenue	158	157	150	119
<b>Total revenue</b>	<b>2,259</b>	<b>2,252</b>	<b>2,316</b>	<b>2,335</b>
<b>EXPENDITURE</b>				
Staff costs	22	12	26	10
Operating & maintenance costs	413	567	431	714
Finance costs	-	-	-	-
Internal charges and overheads applied	1,779	1,771	1,811	1,863
Other expenses	-	-	-	-
Depreciation	3	3	3	3
<b>Total expenditure</b>	<b>2,216</b>	<b>2,353</b>	<b>2,272</b>	<b>2,590</b>
<b>Surplus (deficit) of activities</b>	<b>43</b>	<b>(101)</b>	<b>44</b>	<b>(255)</b>

## Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2020	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000	\$000
Replacement of operational vehicles	-	-	-	-
Miscellaneous renewals & new capital	19	-	21	1
<b>Total capital expenditure</b>	<b>19</b>	<b>-</b>	<b>21</b>	<b>1</b>

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## Variations from budget

1. Subsidies and grants are \$40,000 higher than budgeted due to an unbudgeted grant received from the Three Waters Stimulus package for enforcement of sewer and stormwater separations.
2. Local authority fuel tax, fines, infringement fees and other receipts are \$34,000 less than anticipated due to a reduction in enforcement activities because of Covid-19 restrictions.
3. Payments to staff and suppliers are higher than anticipated by \$311,000 due to increased consultant's costs to cover staff and knowledge shortages caused by staff turnover within the functional area.

## 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.

# Other Transport



## Other Transport

### Activities included in this group

Other transport includes:

#### **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.

### 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.



# Performance measurement

## Aerodrome

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
The provision of a safe service	Meet Civil Aviation Authority requirements for the aerodrome	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	The Aerodrome meets the requirements set out by Civil Aviation Rule Part 139 Aerodrome - Certification, Operation and Use. Greymouth Aerodrome (GM) A-PAPI 01 & 19 and ADL 01 & 19 flight, and lighting system inspection was completed as per CAA and passed all the requirements as per the legislation. In addition to this, Council's Corporate team and Infrastructure Services Technical Admin team has been looking into the Aerodrome landing/lease fees, Aimm data coordination/management and NOTAM processing. Greymouth Aero Club has a base at the aerodrome, and they act as a control centre for incoming and departing aircraft, both commercial and recreational flights. They have been following the standard CAA rules and regulations too.
Customer satisfaction	% of residents satisfied that the aerodrome provides essential emergency air services	70%	70%	74%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website. This is an increase from last year and Council's target met for 2020/2021.

## Parking

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
The maintenance, safety, convenience & accessibility of parking in the CBD	Off road car parks are inspected regularly for deterioration in surface seal, markings and signage Information on remedial action will be made publicly available via the monthly meeting agenda	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	Inspections are undertaken weekly by the Parking Enforcement Officer and on request. Any matters for attention are brought to the attention of the Department Manager.

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Customer satisfaction	% of residents are satisfied with the availability of public parking	80%	67%	72%	The Resident's Satisfaction Survey was conducted October- December 2020. Draft report available on Council's website.  This result is a considerable improvement on last year.
Sustainability of the service for the future	Implementation of a parking strategy for the CBD and environs with key stakeholders – Strategy to be reviewed every three years	<i>Pending</i>	Ongoing	Pending	Council will shortly be commissioning a Parking and Traffic Study and Strategy as part of the CBD Redevelopment Plan to be draw traffic into town and ensure appropriate traffic flow and parking availability once in town.

## Port of Greymouth

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Confidence of users	Annual survey of Port users completed in August, measuring satisfaction	65%	100%	Not measured	Annual survey of Port users was not carried out in 2020/2021 due to disruption to Port service during this time, including lack of wharf space.
Provision of a safe and reliable service	Number of incidents recorded per year in Incident Register	< 2	5	3	<p>Three incidents were recorded during the 2020/2021 year:</p> <ul style="list-style-type: none"> <li>• One vessel (not a Port vessel) sunk at its berth</li> <li>• One minor injury to staff</li> <li>• One vehicle collision in carpark</li> </ul> <p>The Port of Greymouth has no Harbourmaster and so is unable to require vessel owners to ensure their vessels are safe or to require owners to remove vessels.</p>
Communication with users	At least four (4) informal discussions with Westfleet and Talley's management and two minuted meetings per year	2 meetings	2 meetings minuted and informal meetings 4 minimum with Westfleet and Talleys	1 minuted meeting and seven informal meetings	<p>One minuted meeting was held on 7 July 2020.</p> <p>Regular informal meetings with Westfleet (4) &amp; Talley's (3) were held, making a total seven informal meetings held.</p>

# Activity funding impact statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	415	444	492	468
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	4,000	-
Fees and charges	435	461	427	491
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	56	66	62	42
<b>Total operating funding [A]</b>	<b>906</b>	<b>971</b>	<b>4,981</b>	<b>1,001</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	811	500	4,773	601
Finance costs	114	161	111	104
Internal charges and overheads applied	244	291	273	383
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>1,168</b>	<b>952</b>	<b>5,158</b>	<b>1,088</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>(262)</b>	<b>19</b>	<b>(177)</b>	<b>(87)</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	637	-	315
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	327	(65)	242	243
Gross proceeds from sale of assets	-	10	-	317
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>327</b>	<b>582</b>	<b>242</b>	<b>875</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	-	-	-	25
—to replace existing assets	3	738	3	730
Increase (decrease) in reserves	62	161	62	389
Increase (decrease) of investments	-	(298)	-	(356)
<b>Total applications of capital funding [D]</b>	<b>65</b>	<b>601</b>	<b>65</b>	<b>788</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>262</b>	<b>735</b>	<b>177</b>	<b>87</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expense statement

	2020 LTP Year 3	2020 Actual	2019 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>REVENUE</b>				
General rates, uniform annual general charges, rates penalties	515	444	492	468
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	637	4,000	315
User charges & regulatory revenue (consent fees, infringements etc)	507	461	427	491
Internal charges and overheads recovered	-	-	-	-
Other revenue	58	66	62	108
<b>Total revenue</b>	<b>1,080</b>	<b>1,608</b>	<b>4,981</b>	<b>1,382</b>
<b>EXPENDITURE</b>				
Staff costs	294	223	248	255
Operating & maintenance costs	551	277	4,525	346
Finance costs	156	161	111	104
Internal charges and overheads applied	256	291	273	383
Other expenses	-	-	-	-
Depreciation	469	256	187	276
<b>Total expenditure</b>	<b>1,726</b>	<b>1,208</b>	<b>5,345</b>	<b>1,364</b>
<b>Surplus (deficit) of activities</b>	<b>( 646)</b>	<b>400</b>	<b>( 364)</b>	<b>18</b>

## Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2020	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000	\$000
Miscellaneous renewals & new capital	107	9	3	39
Dredging - Port of Greymouth	-	698	-	386
Breakwater repairs	-	31	-	44
Slipway Construction - PGF	-	-	-	286
<b>Total capital expenditure</b>	<b>107</b>	<b>738</b>	<b>3</b>	<b>755</b>

## Variations from budget

1. Subsidies and grants are \$4,000,000 lower than budgeted as the grant from the Provincial Growth Fund for the Port pontoon and Blaketown pens was administered by Buller District Council. \$500,000 in grants were received for the completion of the new bottom dumper barge.
2. Fees and charges are higher than anticipated due to the sale of the Launceston dredge during the 2020/2021 year.
3. Local authority fuel tax, fines, infringement fees and other receipts are lower than budgeted due to Covid-19 restrictions on parking enforcement.
4. Payments to staff and suppliers is lower than anticipated as per the reason given for subsidies and grants.
5. Internal charges and overheads are \$110,000 over budget due to higher than anticipated overheads for consultants impacting the Port function.
6. Gross proceeds from the sale of assets are higher than budget due to the sale of land by the Port.
7. Capital expenditure to replace existing assets is \$730,000 more than budget due to expenditure to complete the bottom dumper barge. This expenditure is offset by Provincial Growth Fund funding.

## 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 the West Coast District Health Board functions.
- With the district economy taking a down turn 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.

# Property & Housing



# Property & Housing

## Activities included in this group

This includes:

### Retirement Housing

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

### Property

- A land leasehold portfolio consisting of 54 residential leases and 35 commercial leases.
- 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, History House, Women's Centre and Left Bank Art Gallery.
- Unused Council land consisting of various titles across the District.
- Management of leases with Mawhera Incorporation regarding land leased by Council.

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

Council is proud of its provision of quality pensioner housing. Council is also committed to managing its property portfolio responsibly so as to maximize revenue for the benefit of all residents.



# Performance measurement

## Retirement Housing

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
An affordable, well maintained and efficient retirement housing service is provided	Achievement of minimum percentage of occupancy rates	95%	96%	98.86%	All units are effectively let. Council takes the opportunity between tenants to undertake any necessary renewal works
	Retention of the 0800 24 hours contact service for emergency repairs and maintenance (e.g. water breaks etc.)	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	Council continues to provide the 0800 number which is directed to a call centre and is available 24/7. All residents are advised of this service.
	Rent levels set annually below market rates	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	Rent levels are set to 25% of gross NZ Superannuation as per our Retirement Housing Policy. These are significantly lower than market rentals.
	Flats are inspected at least once per year	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	The Property Officer carried out interior flat inspections during April – May 2021.
Customer satisfaction	% tenants satisfied with the service (annual survey of tenants)	90%	Not measured	100%	In May 2021, 118 surveys were sent out to our tenants, 17 responses were received. 100% of those responses were satisfied or very satisfied with the Retirement Housing.  The next survey will be carried out before the end of June 2022.

# Activity funding impact statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	7
Fees and charges	846	785	837	802
Internal charges and overheads recovered	469	247	438	256
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	3
<b>Total operating funding [A]</b>	<b>1,315</b>	<b>1,032</b>	<b>1,275</b>	<b>1,068</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	829	702	697	670
Finance costs	86	56	28	30
Internal charges and overheads applied	184	199	214	234
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>1,098</b>	<b>957</b>	<b>939</b>	<b>934</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>217</b>	<b>75</b>	<b>336</b>	<b>134</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(64)	(54)	830	663
Gross proceeds from sale of assets	-	193	-	63
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>(64)</b>	<b>139</b>	<b>830</b>	<b>726</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	-	98	30	-
—to replace existing assets	91	82	1,051	888
Increase (decrease) in reserves	62	189	85	178
Increase (decrease) of investments	-	(155)	-	(206)
<b>Total applications of capital funding [D]</b>	<b>153</b>	<b>214</b>	<b>1,166</b>	<b>860</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(217)</b>	<b>(75)</b>	<b>(336)</b>	<b>(134)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expense statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>REVENUE</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates (including targeted rates for water supply)	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	7
User charges & regulatory revenue (consent fees, infringements etc)	846	785	837	802
Internal charges and overheads recovered	469	247	438	256
Other revenue	55	106	55	64
<b>Total revenue</b>	<b>1,370</b>	<b>1,138</b>	<b>1,330</b>	<b>1,129</b>
<b>EXPENDITURE</b>				
Staff costs	-	-	-	65
Operating & maintenance costs	829	702	697	605
Finance costs	86	56	28	30
Internal charges and overheads applied	184	199	214	234
Other expenses	-	-	-	114
Depreciation	428	423	406	414
<b>Total expenditure</b>	<b>1,525</b>	<b>1,380</b>	<b>1,345</b>	<b>1,462</b>
<b>Surplus (deficit) of activities</b>	<b>(155)</b>	<b>(242)</b>	<b>(15)</b>	<b>(333)</b>

## Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2020	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000	\$000
Miscellaneous renewals & new capital	77	138	151	55
Council main offices - waterproofing and miscellaneous renewal	-	-	30	-
Retirement Housing renewals	-	42	900	833
<b>Total capital expenditure</b>	<b>77</b>	<b>180</b>	<b>1,081</b>	<b>888</b>

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## Variations from budget

1. Increase in debt is lower than anticipated by \$167,000 and capital expenditure to replace existing assets is \$163,000 less than budgeted as the rebricking of Blaketown flats, which was budgeted for in the 2020/2021 year, was unable to be completed due to weather delays and therefore will be finished in the 2021/2022 year.
2. Staff costs are \$65,000 more than budget due to a staff member directly related to the property function being employed and has been offset by a reduction in operating and maintenance costs.
3. Other expenses are \$114,000 over budget due to a loss on sale of property in Rotomanu.

## Identified effects of these activities on the community

- Council continues to offer quality retirement housing at below market rental rates. This has a positive impact on those in need, as evidenced by the continuing popularity.

# Community Facilities & Events



# Community Facilities & Events

## 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

### Museum

- History House Museum

### Heritage, Arts & Culture

- Financial support to other Arts, Culture and Heritage bodies

### Indoor Sport Centres

- Westland Recreation Centre

### 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)

### Parks and Tracks

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

## 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.

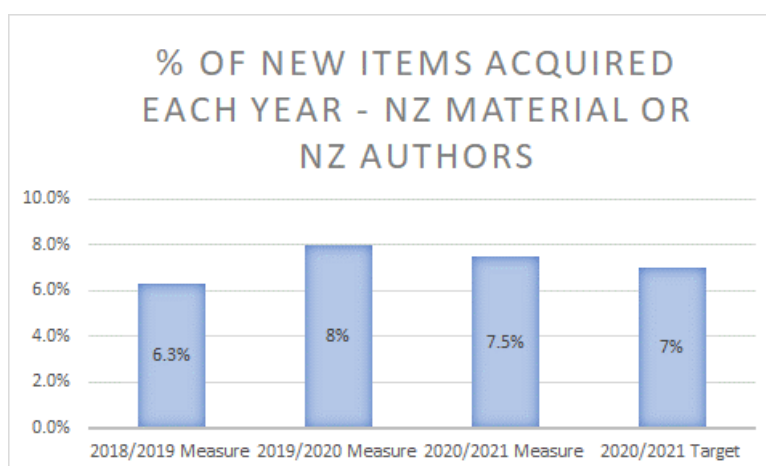
## Performance measurement

### Libraries

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Customer satisfaction	% of residents are satisfied with service	80%	72%	86.5%	<p>The Resident's Satisfaction Survey was conducted during October/December 2020. Full report available on Council's website.</p> <p>In addition as part of Council's survey of customer services, the Library conducted a survey during January 2021.</p> <p>The combined average satisfaction resulting from both surveys came to 86.5%.</p>
Community participation and engagement with the service	Number of outreach literacy learning and educational programmes delivered annually e.g. story-time, Summer Reading Challenge, housebound deliveries, adult education programmes	240	200	262	262 events were held during 2020/2021, providing a range of activities to all sectors of the Grey District community. The New Zealand Libraries Partnership has funded three full-time librarians enabling the Library to extend the range and number of events available.
	% of residents who are members of the Library	78%	81%	83.5%	11,491 enrolled borrowers as a percentage of 13,750 population.
Availability, accessibility and quality of the library service	The Grey District Library is open at least one late night per week and on Saturday mornings	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	The Library in Greymouth is open every Saturday morning except at Easter and is open every Wednesday evening except on public holidays and the week between Christmas and New Year.
	An on-line service is provided to allow members to browse the library catalogue (both printed and electronic) and make collection reservations	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	Access to the online service is available via Council's website or directly via the URL <a href="https://ent.kotui.org.nz/client/en_AU/grey">https://ent.kotui.org.nz/client/en_AU/grey</a>

## Libraries

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Availability, accessibility and quality of the library service	% of material less than ten years old (note: excludes the Pioneer Library)	85%	67%	63%	21,123 of 33,536 items in the collection are less than 10 years old as at 30 June 2021. Our collection is updated as budgets allow.
	Retain free public internet access for New Zealand citizens	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	The Library continues to provide free public internet access via membership of the Aotearoa People's Network Kahoroa (APNK).
	Increased number of WIFI connections annually within Grey District Library and vicinity	24,200	24,063	19,791	Usage data for 2020/2021.  Available from:  <a href="https://support.apnk.nz/library/wifi-stats">https://support.apnk.nz/library/wifi-stats</a>  Data from December 2020 and January, February, March, and April 2021 is incomplete. When 2degrees made a configuration change, they didn't realise that the settings for the collection of Statistics had been changed
	Increased Facebook likes and reach	410	619	714	As at 30 June 2021, the Library Facebook page had 714 likes Staff continually update the Facebook page to engage users and grow the audience.
Developing the library collection and building our local identity	% of new items acquired each year – New Zealand material or written by New Zealand authors	7%	8%	7.5%	186 of the 2,494 new items added to the library collection were New Zealand material or written by New Zealand authors in 2020/2021.





## Swimming Pools

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
A safe service is provided	% compliance with the NZ Water Quality Standards	100%	100%	100%	External water tests are completed monthly. Internal tests are done three hourly. Pool Safe accreditation received 2021.
	Lifeguards are trained to the NZ national standard	<i>Achieved</i>	Achieved	Achieved	Only certified lifeguards are on duty. Uncertified lifeguards are identified as trainees until certified. Meeting all national standards as per Poolsafe regulations.
Customer satisfaction	% of residents are satisfied with service	75%	75%	71%	<p>The Resident's Satisfaction Survey was conducted during Oct/Dec 2020. Only 41% of respondents visited the facility. Full report available on Council's website.</p> <p>Westland Recreation Centre conducted a survey in Dec2020 from users which resulted in a 90% satisfaction with service rate.</p> <p>Note: The pool reopened on 27 July 2021 after remedial works have been completed. Several Covid 19 Level 2 disruptions were experienced.</p>
Availability, accessibility and quality of the service	Number of users annually – Greymouth	90,000	74,869	84,980	<p>The pool was reopened at the end of July 2020 once remedial works have been completed. Several restrictions under Covid 19 level 2 caused disruptions for users, however user numbers have increased from the previous year, which is very pleasing.</p> <p>Note: At present the number of users counted includes gym, pool and swim school member visits at the Westland Recreation Centre. The number of pool users has been estimated using a percentage of the total number of membership card swipes and over the counter payments. We are looking to make changes to our data collection to more accurately report this number in the future.</p>

## Swimming Pools

	Number of users annually – Runanga	1,000	1,994	973	Spring Creek Pool was reopened for the summer season. The hours were reduced in February 2021 due to lack of support from the community.
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## Swimming Pools

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
	Service availability: <ul style="list-style-type: none"> <li>Greymouth: seven days a week</li> <li>Runanga: seven days a week during the swim season</li> </ul>	<i>Achieved</i>	Achieved	Achieved	<p>The Westland Recreation Centre pool is open seven days a week and most public holidays.</p> <p>The Spring Creek Pool in Runanga was open seven days a week during the summer season but opening hours were reduced due to lack of support from the community.</p>
	Number of Swim School registrations per term	380	524	435	<p>This includes pre-school numbers and private lessons.</p> <p>There is a slight decrease from the previous year, which is due to the impact of Covid-19 level 2 restrictions. Swim School registrations still exceeded the target.</p>
	Minimum total swims per capita (national per capita swim averages are 5.5)	6.5	5.6	6.3	<p>Calculated by adding users at the WRC and Spring Creek pools (85,593) and dividing by population (13,750).</p> <p>A better result than last year, despite impacts from closures under Covid-19 alert levels.</p>
Management of potential adverse effects on the environment	No Resource Consent infringements for the coal fired boiler	<i>Achieved</i>	Achieved	Achieved	Emissions reports showed no infringements on our Resource Consent conditions.

## History House Museum

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Customer satisfaction	% of users that are satisfied with the service	70%	Not measured	Not measured	Given the closure of the Museum building, this measure was not included in the last customer satisfaction survey.
Availability, accessibility and quality of the service	Increased social media (i.e. Facebook and Instagram) likes and reach	20	114	174	Although the number of likes has increased, the History House Museum Facebook page and Instagram accounts were only re-activated in May 2021 when the Pop-up Museum was launched.
	New displays prepared each year	3	0	1	A Pop-up Museum exhibition was launch in May 2021.
	Informative rack cards and flyers are provided and distributed to tourist locations annually as required	<i>Achieved</i>	Not Achieved	Not Achieved	No promotion carried out due to the Museum being closed until the Pop-up launched in May 2021.
	Contribute relevant material to external authors of publications and/or promotion articles, locally or nationally (Clarified that Museum staff provide material for externally written articles/publications)	<i>4 articles per year</i>	Not Achieved	Not Achieved	Due to the museum being closed.
	Increased number of visitors (per annum)	3,000	0	239	A Pop-up exhibition was launched on 5 May 2021.

## Westland Recreation Centre

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Customer satisfaction	% of residents satisfied with the service	75%	67%	90%	<p>The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website.</p> <p>41% of survey respondents had visited the Westland Recreation Centre in the last 12 months. Visits were higher by those who lived in the Greater Greymouth area.</p> <p>The result is significantly higher than last year and the target. Some feedback mentioned the great facility and a recommendation that staff training will be beneficial</p>
	% of residents satisfied with sports stadiums	75%	63%	61%	<p>The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website.</p> <p>Survey respondents are mostly from greater Greymouth and Karoro, Cameron area. The Westland Recreation Centre survey completed by members scored this significantly higher.</p>
	% of residents satisfied with fitness centres/gyms	70%	51%	55%	<p>The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website.</p> <p>Westland Recreation Centre members scored much higher and are overall completely satisfied with gym services as per evidence.</p>
Availability, accessibility and quality of the service	The Westland Recreation Centre will be available for use seven days a week	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	The Westland Recreation Centre pool is open seven days a week and most public holidays.

## Cemeteries

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Customer satisfaction	% of residents satisfied with the standard of cemetery facilities (New measure from 2018/2019)	90%	77%	75%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website. The result from the resident satisfaction survey is disappointing given the high standard within the cemeteries are kept. Further more Council does not particularly have many complaints and generally has positive feedback about our cemeteries.
Availability of on-line cemetery records	On-line register updated with each new interment	All sites available	Not achieved	Not achieved	Data is nearing completion and discussions with the consultant to migrate the information to onlineservice has commenced.
Environmental effects	Maximum number of resource consent breaches to show the facilities are managed without adversely affecting the receiving environment	Nil	Nil	Nil	None received for 2020/2021

## Parks and Tracks

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Customer satisfaction	% of residents are satisfied with the service	85%	85%	82%	The Resident's Satisfaction Survey was conducted during October/ November 2019. Full report available on Council's website.

## Public Toilets

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Customer satisfaction	% of residents are satisfied with the service	70%	71%	71%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website.



# Activity funding impact statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	3,274	3,369	3,888	3,740
Targeted rates	-	-	73	70
Subsidies and grants for operating purposes	32	346	55	753
Fees and charges	1,374	964	1,319	1,091
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	5	-	20
<b>Total operating funding [A]</b>	<b>4,680</b>	<b>4,684</b>	<b>5,335</b>	<b>5,674</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	3,477	3,972	4,069	4,924
Finance costs	218	252	142	149
Internal charges and overheads applied	648	542	691	634
Other operating funding applications	-	(40)	-	73
<b>Total applications of operating funding [B]</b>	<b>4,343</b>	<b>4,726</b>	<b>4,902</b>	<b>5,780</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>337</b>	<b>(42)</b>	<b>433</b>	<b>(106)</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	400	995	635	818
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(574)	8	(524)	(568)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>(174)</b>	<b>1,003</b>	<b>111</b>	<b>250</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	7	819	325	160
—to replace existing assets	151	451	318	130
Increase (decrease) in reserves	5	20	(100)	79
Increase (decrease) of investments	-	(329)	-	(225)
<b>Total applications of capital funding [D]</b>	<b>163</b>	<b>961</b>	<b>544</b>	<b>144</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(337)</b>	<b>42</b>	<b>(433)</b>	<b>106</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Activity revenue and expense statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>REVENUE</b>				
General rates, uniform annual general charges, rates penalties	3,274	3,369	3,888	3,740
Targeted rates (including targeted rates for water supply)	-	-	73	70
Subsidies and grants (operating and capital)	432	1,341	690	1,571
User charges & regulatory revenue (consent fees, infringements etc)	1,374	964	1,319	1,091
Internal charges and overheads recovered	-	-	-	-
Other revenue	-	5	-	110
<b>Total revenue</b>	<b>5,080</b>	<b>5,679</b>	<b>5,970</b>	<b>6,582</b>
<b>EXPENDITURE</b>				
Staff costs	1,397	1,763	1,741	1,911
Operating & maintenance costs	2,080	2,209	2,328	3,013
Finance costs	218	252	142	149
Internal charges and overheads applied	648	542	691	634
Other expenses	-	(40)	-	73
Depreciation	1,556	1,646	1,383	1,253
<b>Total expenditure</b>	<b>5,900</b>	<b>6,372</b>	<b>6,286</b>	<b>7,033</b>
<b>Surplus (deficit) of activities</b>	<b>(820)</b>	<b>(693)</b>	<b>(316)</b>	<b>(451)</b>

## Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2020	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000	\$000
Miscellaneous renewals & new capital	139	545	223	76
New Toilet - Blackball	-	275	285	140
Library collection purchases	62	60	65	65
Grey Aquatic Centre - roof remediation	-	353	-	-
CBD Renewal Projects	-	37	-	9
History House upgrade	70	-	70	-
<b>Total capital expenditure</b>	<b>271</b>	<b>1,270</b>	<b>643</b>	<b>290</b>

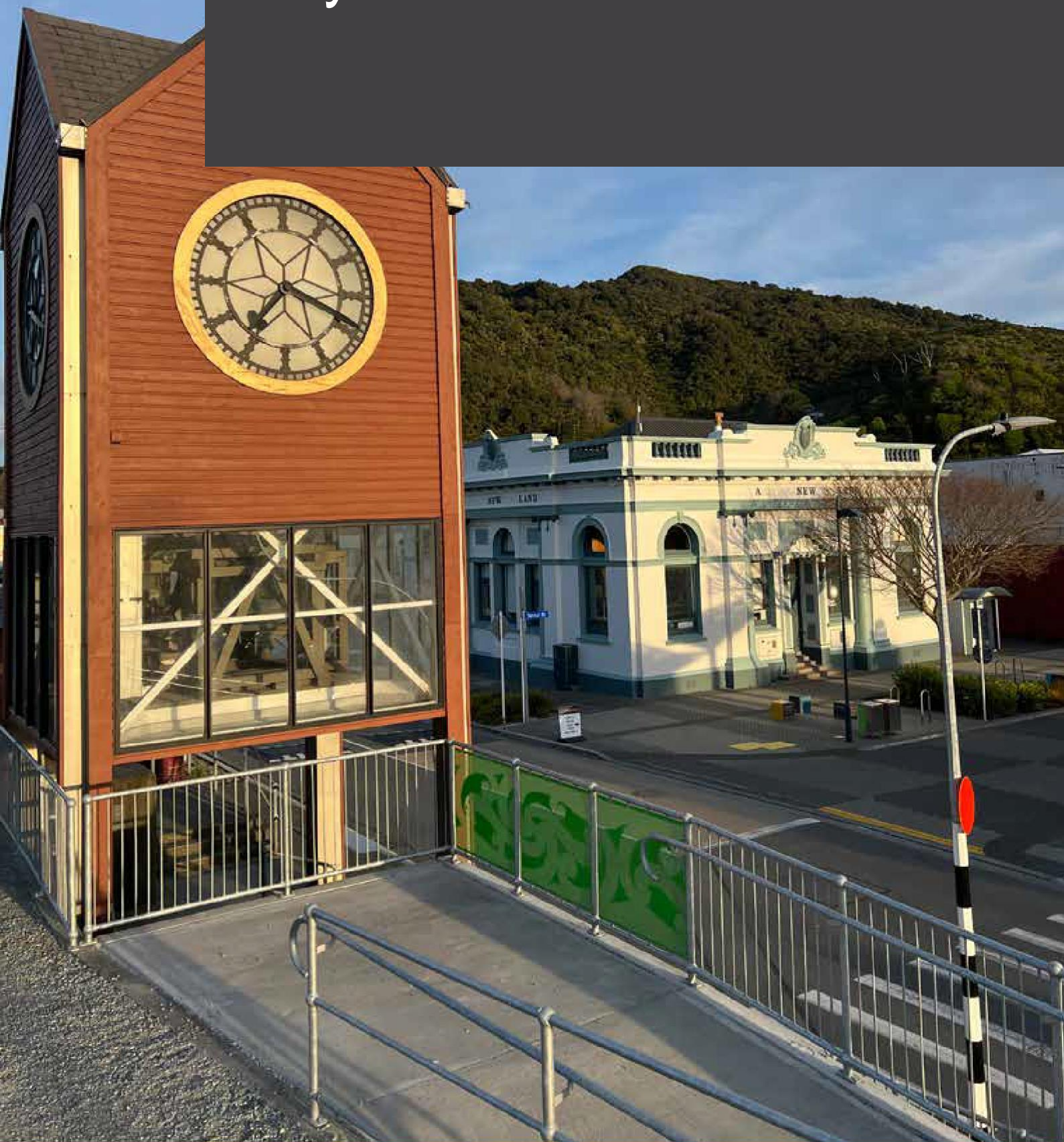
## Variations from budget

1. Subsidies and grants are \$698,000 higher than budgeted as an additional unbudgeted grant of \$1,000,000 was received from the Provincial Growth Fund for community hall and war memorial works.
2. Fees and charges are \$228,000 lower than budgeted due to the Westland Recreation Centre fees and charges being lower than anticipated due to ongoing impact from Covid-19 restrictions.
3. Other receipts is \$20,000 more than anticipated due to reimbursements for electricity costs.
4. Payments to staff and suppliers is \$855,000 more than budgeted due to the expenditure related to the PGF community hall and war memorial works project.
5. Other expenses is \$73,000 over budget due to a movement in the liability provision for the West Coast Theatre Trust.
6. Capital expenditure is \$353,000 lower than budgets due to the Anzac Park toilet renewal being moved to the 2021/2022 year and carryovers of work to be completed at the new Blackball toilet.

## 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



# Democracy & Administration

## Activities included in this group

Democracy and Administration includes:

- Council
- Public consultation
- Council's Administration
- Economic development (Council's involvement)

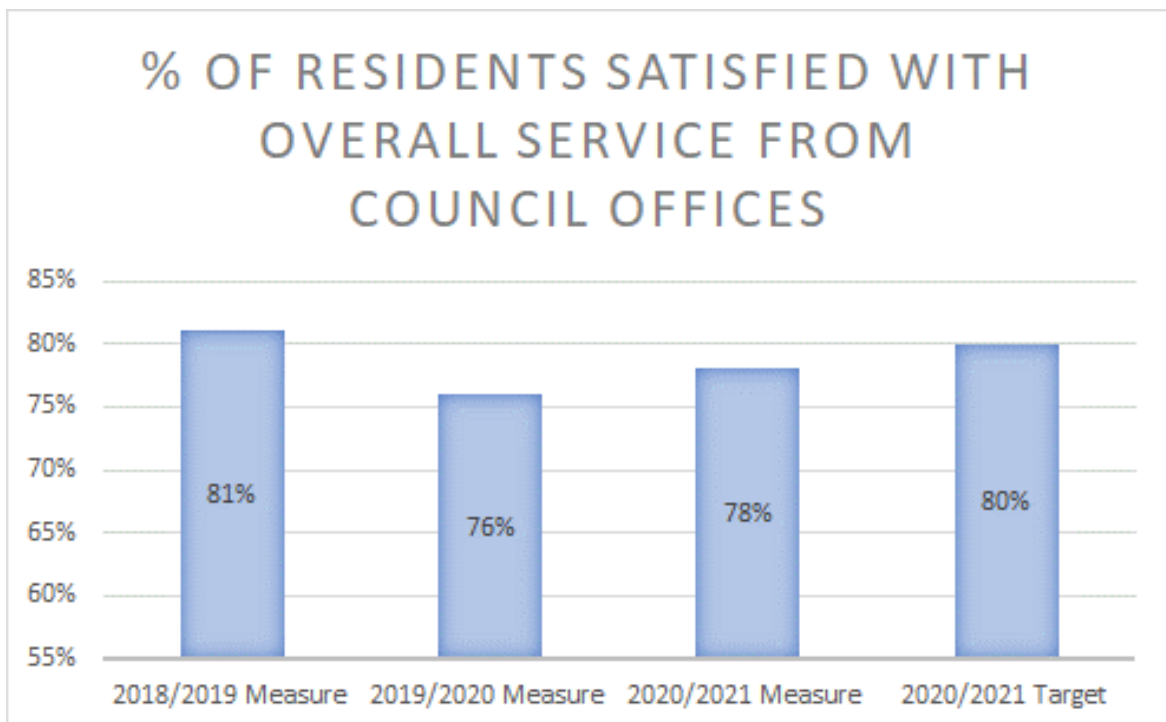
A healthy community requires its elected Council to show strong leadership, but, at the same time, to conduct its business in an open, transparent manner. An important part of this is for it to actively and constructively seek the involvement of the community in matters that affect them or are dear to them. A vital component of this 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 economic development to ensure a strategic and grassroots approach has been developed to increase the number of businesses and create jobs, by increasing our population and visitors to the District.

The Community Economic Development Strategy focuses on the idea that 'jobs follow people' and has projects and actions that are aimed at improving the quality of life in the District. The Strategy has goals related to visitor numbers, new jobs and business units, but also measures population, pride of place and if the Grey District is a great place to live.

The Strategy allows Council to focus on the issues of concern that the community can control, while keeping a watchful eye on those issues of concern which are not within its control. It also provides opportunities for the elected representatives and members of the wider community to take the lead and use their skills and talents to make difference within a strategic context, and not work in isolation.

## Performance measurement



What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
Customer satisfaction	% of residents are satisfied with the service they received when they have contacted Council offices	80%	76%	78%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website.
	% of residents are satisfied with the information they receive from Council	75%	77%	78%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website.
	% of residents are satisfied with the performance of Mayor and Councillors	75%	59%	82%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website
	% of residents are satisfied with overall performance of Grey District Council	75%	63%	81%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website.
Transparency, accountability and accessibility to the public	Full opportunity for public participation in Council meetings through availability of speaking rights and the public forum	<i>Achieved</i>	<i>Achieved</i>	<i>Achieved</i>	A public forum has been available before every ordinary meeting of Council.
	Minimum % of Council business conducted in open	>80%	86%	92%	Those items not included in the open agenda relate mainly to commercially sensitive issues.

What we're measuring	How we'll measure	2020/ 2021 target	2019/ 2020 measure	2020/ 2021 measure	Notes
	% of residents are satisfied that Council consults with them residents on important issues	75%	52%	64%	The Resident's Satisfaction Survey was conducted during October/ November 2020. Full report available on Council's website.
Co-operation with other agencies	Full participation in West Coast Mayors/Chairs and CEO meetings	100%	100%	100%	The Mayor and CEO attended all mayors and chairs meetings in the 2020/2021 year.
	Full participation in Grey DC/ DOC liaison quarterly meetings	100%	100%	100%	Grey attended and participated in all the GDC/ DOC Liaison meetings held in 2020/2021
Engagement with our partners and the wider community	Review the Community Economic Development Strategy on an annual basis	<i>Achieved</i>	Not Achieved	Not Achieved	The Community Economic Development Strategy was not reviewed in 2020/2021 due to other priorities. A review needs to be undertaken of the strategy to ensure it remains relevant and is aligned to other Council strategies and plans. It is hoped this can be achieved in 2021/2022 with the new leadership structure
	Monitor the goals outlined in the Community Economic Development Strategy on an annual basis	<i>Achieved</i>	Not Achieved	Not Achieved	The Community Economic Development Strategy was not reviewed in 2020/2021 due to other priorities. A review needs to be undertaken of the strategy to ensure it remains relevant and is aligned to other Council strategies and plans. It is hoped this can be achieved in 2021/2022 with the new leadership structure.
Availability of service	Increase in number of online payments (percentage)	>5%	5.4%	6.9%	On-line payments increased from 37,507 in 2019/2020 to 40,109 in 2020/2021.

# Activity funding impact statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>[A] SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	1,406	1,496	1,633	1,601
Targeted rates	365	403	129	123
Subsidies and grants for operating purposes	-	188	1	701
Fees and charges	80	117	61	95
Internal charges and overheads recovered	6,328	5,968	6,296	6,684
Local authorities fuel tax, fines, infringement fees, & other receipts	602	316	261	110
<b>Total operating funding [A]</b>	<b>8,781</b>	<b>8,488</b>	<b>8,381</b>	<b>9,314</b>
<b>[B] APPLICATIONS OF OPERATING FUNDING</b>				
Payments to staff and suppliers	6,162	6,161	6,476	7,386
Finance costs	2	-	-	-
Internal charges and overheads applied	2,115	1,723	1,961	2,114
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>8,278</b>	<b>7,884</b>	<b>8,437</b>	<b>9,500</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>503</b>	<b>604</b>	<b>(56)</b>	<b>(186)</b>
<b>[C] SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(3)	(3)	-	-
Gross proceeds from sale of assets	-	6	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>(3)</b>	<b>3</b>	<b>-</b>	<b>-</b>
<b>[D] APPLICATIONS OF CAPITAL FUNDING</b>				
Capital expenditure				
—to meet additional demand	-	-	-	-
—to improve the level of service	5	161	-	67
—to replace existing assets	227	104	104	146
Increase (decrease) in reserves	268	234	(161)	65
Increase (decrease) of investments	-	108	-	(464)
<b>Total applications of capital funding [D]</b>	<b>500</b>	<b>607</b>	<b>(56)</b>	<b>(186)</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(503)</b>	<b>(604)</b>	<b>56</b>	<b>186</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Activity revenue and expense statement

	2020 LTP Year 3	2020 Actual	2021 Annual Plan	2021 Actual
	\$000	\$000	\$000	\$000
<b>REVENUE</b>				
General rates, uniform annual general charges, rates penalties	1,406	1,496	1,633	1,601
Targeted rates (including targeted rates for water supply)	365	403	129	123
Subsidies and grants (operating and capital)	-	188	1	701
User charges & regulatory revenue (consent fees, infringements etc)	80	117	61	95
Internal charges and overheads recovered	6,328	5,968	6,296	6,684
Other revenue	602	316	261	110
<b>Total revenue</b>	<b>8,781</b>	<b>8,488</b>	<b>8,381</b>	<b>9,314</b>
<b>EXPENDITURE</b>				
Staff costs	4,008	3,959	4,032	4,184
Operating & maintenance costs	2,154	2,202	2,444	3,202
Finance costs	2	-	-	-
Internal charges and overheads applied	2,115	1,723	1,961	2,114
Other expenses	-	-	-	-
Depreciation	262	219	262	191
<b>Total expenditure</b>	<b>8,540</b>	<b>8,103</b>	<b>8,700</b>	<b>9,691</b>
<b>Surplus (deficit) of activities</b>	<b>241</b>	<b>385</b>	<b>( 319)</b>	<b>( 377)</b>

## Major asset acquisitions or replacements and variations from the Long Term Plan

	Annual Plan 2020	Actual 2020	Annual Plan 2021	Actual 2021
	\$000	\$000	\$000	\$000
Miscellaneous renewals & new capital	273	248	99	134
Vehicle and plant item replacements	-	-	-	-
New events area establishment	-	-	-	-
Office equipment (including IT)	120	17	5	79
<b>Total capital expenditure</b>	<b>393</b>	<b>265</b>	<b>104</b>	<b>213</b>



## Variations from budget

1. Subsidies and grants are \$700,000 higher than budgeted due to grants received for the Mayors Taskforce for Jobs programme.
2. Other revenue is \$151,000 lower than budgeted due to continual low interest rates throughout the year, reducing investment income.
3. Payment to staff and suppliers is \$910,000 greater than budget due to additional costs associated with the Mayors Taskforce for Jobs programme, which is offset by the additional grant income.

## 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 E: 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 F: Council Controlled Organisation

## **West Coast Amateur Sports Trust**

The above organisation is a Council Controlled Organisation by virtue of the fact that the Mayors of the three West Coastlocal authorities have nominated the respective District representatives on the Trust. This has happened ‘informally’ and there has been no formal Council involvement and no set policies. Steps are in place to change the Trust Deed to remove the right of local authorities to control the votes on the Trust.