



**WEST COAST REGIONAL COUNCIL
MEETING OF THE VINE CREEK RATING DISTRICT
ON
Tuesday, 21 January 2025
1:00 PM
At the Kowhitirangi Hall**

AGENDA

- 1. Welcome**
- 2. Apologies**
- 3. Minutes of last meeting**
- 4. Matters Arising**
- 5. Election of the Committee**
- 6. Signing of the Rating District Agreement**
- 7. Reports**
 - a. Insurance report
 - b. Asset Management system update
 - c. Finance Report
 - d. Annual Works Report
- 8. General Business**

Please let WCRC know if there is anything you would like discussed at this meeting that is not on the agenda by Friday, 17 January 2025

Please contact Lillian Crozier (lillian.crozier@wrc.govt.nz) or Shanti Morgan (shanti.morgan@wrc.govt.nz) with your queries.



Vine Creek Rating District Agreement

Proposed – April 2024

DOCUMENT CONTROL

Reason for Submission	Revision Number	Revision Date	Approval
New Document		02 April 2024	
Version 2	2	11 July 2024	D.L (revision of use of funds outside of scheduled maintenance works)
Version 3	3	21 October 2024	

Rating District Committee Agreement

BACKGROUND

- A. The WCRC is empowered by Section 126 of the Soil Conservation and Rivers Control Act 1941 to take such steps as are necessary for the prevention of damage by floods; and
- B. Is empowered by the Local Government (Rating) Act 2002 to raise the funds necessary to carry out their respective function.
- C. Any flood protection structure built because of this agreement is owned by the WCRC. The land the flood defense assets are on is under various ownership.

STRUCTURE AND OPERATION OF THE RATING DISTRICT (RD) COMMITTEE

1. Once each triennium immediately following the election of the West Coast Regional Council councilors the RD Committee shall be formed including the appointment of a spokesperson/chairperson, by the ratepayers within the district. The number of committee members representing the rating district shall be decided by the ratepayers within the district.
2. The quorum of the Committee members required for decision making and meetings shall be decided by the RD committee and confirmed during its formation triennially.
3. Meetings shall be held annually or as otherwise agreed by the Rating District Committee.
4. Notification of meetings and the publication of agendas and reports shall be conducted in accordance with the requirements of Part 7 of the Local Government Official Information and Meetings Act 1987 and will be undertaken by the secretariat who is employed by the WCRC.
5. Minutes of all RD Committee meetings shall be provided to the next meeting of the RD.

TERMS OF REFERENCE & DELEGATIONS

6. Each year the RD committee shall consider any staff and/or expert reports and ascertain what work and budget requirements will be for the coming financial year to inform the WCRCs Annual Plan and Long-Term Plans.
7. The RD Committee shall not have any funding or rate-setting authority. But advises the wrc on this matter at annual meetings.
8. WCRC as the Rating Body for the Rating District is the final decision maker on the annual work plan and setting the appropriate rate to fund the agreed works.
9. The RD committee must formally decide on whether they are a maintenance scheme, a capital scheme or both. This can be changed at any time with written consent of both parties.

10. The RD committee shall have the Spokesperson or Deputy and 2 committee members, endorse the use of RD funds.
11. For significant decisions such as major scheme capital upgrades or maintenance and associated expenditure, dissolving the scheme, rating classification reviews etc., the spokesperson, committee or WCRC can call for a full voting procedure of all scheme ratepayers. A majority vote is set at a minimum of 75% of scheme ratepayers that have voted.
12. <Note 75% can be altered to a different majority percentage by each scheme but must be documented in the terms of reference>.
13. The WCRC shall administer an asset management system for all assets in the scheme and take this to the committee annually starting the 2025/2026 FY.
14. Any resource consents required for the scheme will be applied for, held and maintained by the WCRC, including adhering to conditions.
15. The RD committee's role is to review the annual work plan provided to it by the WCRC, receive and consider any independent expert advice, and make informed recommendations to WCRC for the final decision. The Committee may also make recommendations to the WCRC regarding:
 - Commissioning independent expert reports; and
 - Undertaking public consultation on rating classification classes, major capital works and other areas of significant public interest.

WCRC will consider any recommendations of the RD committee in making any decisions on the above.

16. The WCRC has constituted a "Rating District" for the scheme and reserves the right to raise such funds as it may need to carry out its functions.

Variation of this Agreement

17. This agreement may be amended at any time, at the request of either the WCRC or the rating district committee, but such amendment will only take effect once both have formally received and adopted those changes sought.



SIGNATURES

SIGNED by

RATING DISTRICT SPOKESPERSON

In the presence of:

by its authorised signatory

Witness signature

Witness name

Witness Occupation

Witness Town of Residence

SIGNED by

**WEST COAST REGIONAL COUNCIL
CHAIRPERSON**

In the presence of:

by its authorised signatory

Witness signature

Witness name

Witness Occupation

Witness Town of Residence



WEST COAST
REGIONAL COUNCIL

THE WEST COAST REGIONAL COUNCIL

MINUTES OF THE ANNUAL MEETING OF THE VINE CREEK RATING DISTRICT HELD AT THE KOWHITIRANGI HALL ON 1st MAY 2024, COMMENCING AT 11:00AM

PRESENT (Rating District Members)

A Godfry, N. Monk, M. Hyde, T. Burden, P. Cook, T. Goodall.

IN ATTENDANCE (Staff)

Cr A. Campbell (Chair), Cr P. Haddock, Cr B. Cummings, S. Morgan, K. Jacobsen, L. Crozier (Staff).

APOLOGIES

T. Matheson.

WELCOME AND MINUTES OF THE LAST MEETING

Cr A. Campbell opened the meeting and welcomed those present. He introduced himself and the Council staff.

Noted: To amend 12th April 2023 minutes to record an apology for Cr P. Haddock and that rock work above Malcom Hydes was at Tim Mathesons place before minutes to be moved/carried.

Moved: ***“That the minutes of the previous Annual Meeting held on 12th April 2023, be adopted as a true and correct record of that meeting.***

Moved-T. Burden/M. Hyde-Carried.

MATTERS ARISING

M. Hyde advised that the rock spurs recorded in the last minutes were on T. Mathewson’s property not his, they were above his property. K. Jacobsen asked M. Hyde to draw on the map.

S. Morgan advised change of quarry manager and can give his details to everyone, Inchbonnie and Camel Back are both operating, \$27.00 (rock), \$2.00 (rubble) excluding GST, looking at reviewing prices.



A discussion took place as to why WCRC are to change the price, to support the Rating District or sell to external to keep quarries sustainable for the Rating District

FINANCIAL REPORT

S. Morgan spoke to the finance report, period 1st July 2022 to 30th June 2023, she advised that the Vine Creek Rating District had an opening balance of \$113,110.71 with a total revenue of \$53,748.71, less expenses of \$7,863.86 for a closing balance of \$158,995.56.

Pro rata for engineering time, across different Rating Districts was consulted on a few years ago, we did consider time sheeting but harder to set a consistent rate for the Rating District, less certainty for you when we do rates strike, doesn't factor how much time the engineer uses so you would still get the same bill if the engineer didn't do any work but S. Morgan said we would be unable to strike a rates strike every year so if you got a deluge it would still work out the same everywhere.

T. Little commented that normally work would get done without discussing it with the engineer.

S. Morgan advised at this point we just need a mover for the finance report.

Moved-N. Monk/T. Little-carried.

ANNUAL WORKS REPORT

K. Jacobsen spoke to this, presented in seven sections, discussed with M. Hyde clean out has worked out quite well, spurs above farm, all in good condition following recent rain, no capital works for the 2022/23 period. Administration, insurance, rates and staff time costs were included.

Future works have had discussion about further clean out around the bend, if not spent this year will carry over, discussed **section 6**. should have been aligned with the LTP, but none of last years has been spent should have been around \$55,000 would you like it to be the \$6,648.00 or same amount that was stuck last year.

N. Monk recommended it needs dug out K. Jacobsen said he could go out and get two quotes for approval.

K. Jacobsen recommends we go back to the **\$51,648** rates strike figure.

S. Morgan discussed one excess for insurance.

Option to keep same rate as last year.

RATES 2024/2025

K. Jacobsen advised that the balance of the rating district account at the beginning of the 2024-2025 financial year was likely to be approximately \$200,000.

He proposed a rates strike of \$51,648.00 which included \$45,000 of rates, \$2,724.00 of infrastructure insurance and \$3,924.00 of engineering cost recovery.

Moved:***"The rate strike for Vine Creek Rating District is \$51,6648.00 excl GST for the 2024-2025 financial year.***

Moved- N. Monk/M. Hyde-carried.

GENERAL BUSINESS

Use of drone – K. Jacobson advised within the catchment team we can do this at cost for you but if you have anyone who has a drone and wants to pick up some footage – please let us know.

Capacity within your drains, drones would pick this up.

Cross section survey lidar picks up full area and from that we can do cross section analysis but LiDAR can't see through the river so still need surveyors to do that, will come with a quote to do that surveying after we know the accuracy of the LiDAR, new LiDAR being developed now to do with frequency of the laser, technology not quite abundant in NZ yet but LiDAR we can do is more cost effective than surveys, explained doing this in Franz Josef, would of cost \$26,000 for a surveyor, LiDAR more benefit as no cost to scheme.

Vegetation – K. Jacobsen has had a discussion with M. Hyde, he can come out and have a chat to landowners close to the scheme, discussed helicopter operations three times dearer than ground control, West Coast AG or Vectra Control Unit are an option. N. Monk expressed he is happy to just get it sorted, K. Jacobsen will send out an email in next coming months will come out with GPS and get two quotes and get that scheduled in.

Discussion took place about Health and Safety risks of people spraying the assets themselves.

ELECTION OF OFFICERS

Moved:***"That the committee for the 2024/2025 financial year now consists***

of:

M. Hyde

T. Burden

N. Monk

T. Little

Moved: ***“That M. Hyde is re-elected as Spokesperson, and N. Monk to be deputy for the 2024/2025 financial year.***

Moved-P. Cook/T. Burden-carried.

MANAGERS UPDATE

S. Morgan spoke to this discussed name change from infrastructure or operations team to catchment, update of financial system, new manager for catchment Tom Hopkins starting May 20th,

No depreciation assets in this scheme, communication protocols, please leave your details with email on the register to opt out of mail costs, AMP available on website.

TERMS OF REFERENCE

The WCRC is empowered by Section 126 of the Soil Conservation and Rivers Control Act 1941 to take such steps as are necessary for the prevention of damage by floods.

Discussed who will decide if we exceed the prudent reserve, two committee members plus spokesperson.

Decided to have a deputy spokesperson, Neville Monk to be deputy.

Three committee members one to be Spokesperson or Deputy.

Moved-P. Cook/M. Hyde-carried.

Cr P. Haddock advised how we have the whole team back in place, full engineering team plus Westport scheme in-house. Discussed price of consultants, meetings to be annually after end of financial year, October perfect for Vine Creek, not August or December with calving.

IMPAIRMENT



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Impairment is unexpected damage to the asset; S. Morgan spoke to this; she discussed the consequences of doing work without engineers and our WCRC responsibility. S. Morgan spoke to the Vine Creek AMP, fifty-year flood then would be different now impact wise e.g. climate change.

To ensure a reliable level of service need to do cross section surveys, flood flow analysis, WCRC responsibility to maintain the scheme to this standard, e.g. slumping, very important we maintain the asset as per the asset management plan this is why engineers need to be involved in maintenance.

K. Jacobsen recommends that they get a flood flow analysis, assurance in an event, strong recommendation for flood flow analysis, M. Hyde advised it never gets to flood flow capacity, now it is up at the bridge, as soon as it stops raining it turns to nothing, it was decided K. Jacobsen is to action this, at a guess \$10,000.

CLASSIFICATION REVIEW

S. Morgan spoke to this, more rates more benefits, opportunities to reclass your schemes, more schemes that do it is a lower cost, there is a cost, think about for next meeting we can bring back as a cost benefit, you have five classifications at the moment we will take as an action, to bring the figure amount of what each zone contributes, would only add it if new capital asset.

GENERAL BUSINESS

BYLAWS

S. Morgan spoke to this, these bylaws are being reviewed by our planners will go up for consultation in July, will have a new set of bylaws by next meeting.

Meeting closed 11:50

ACTIONS

Flood flow analysis.

Dollar amount of what each zone contributes, bring back to next meeting.

Insurance Update

Author	Shanti Morgan, Group Manager Environmental Science and Chantel Mills, Project Accountant
Authorizer	Darryl Lew, Chief Executive

Report Purpose

The purpose of this report is to provide the Rating Districts with an update on Councils insurances including:

1. Clarification of WCRC's deductibles (i.e. excesses) under the infrastructure insurance policy
2. An **indication** of the 2024/25 insurance premium split across rating districts, and **estimated** 2025/26 insurance premium including **estimated** premium split across rating districts for budgeting purposes.

Recommendations

It is recommended that the Committee resolves to:

1. *Receive the report and note the attachment.*
2. *Provide feedback on insurance premiums and excesses as related to the Rating District scheme.*

Issues and Discussion

Background

Council has a range of insurance policies covering operational risks. AON is Council's insurance broker. Council is part of a shared insurance procurement collective with other South Island Councils called the South Island Council Collective (SICC).

Current situation

1. WCRC's **2024/25 Infrastructure Insurance was renewed** at 4pm on 1 November 2024 for a further one-year term (expiring 4pm 1 November 2025).

A summary of 2024/25 Infrastructure Assets Listing is provided in **attachment 1**.

2. The writer would like to take this opportunity to clarify Council's **Deductibles under the infrastructure insurance policy**. WCRC have two possible deductibles (i.e. excesses) under the policy pertaining to direct physical loss suffered and depending on the peril that caused the damage / loss.
 - i. Where the damage / loss is suffered due to Earthquake, Natural Landslip, Tsunami, Tornado, Volcanic Eruption, Hydrothermal & Geothermal activity, and Subterranean Fire, WCRC's deductible (i.e. excess) is **NZD\$250,000 for each and every loss (eel), or**
 - ii. Where the damage / loss is suffered due to Flood and Windstorm (including Storm Surge), WCRC's deductible (i.e. excess) is **NZD\$1,000,000 eel**.

Any deductible under the infrastructure policy applies to 100% of the loss or damage arising out of any one event to the property or asset.

3. Council is asking for feedback from Rating Districts on the current insurance excesses, which are being clarified in this paper for the Rating Districts. The Council will receive and consider Rating District feedback when undertaking the 2025/26 insurance renewal cycle.

Considerations

Implications/Risks

1. Deductibles and the Financial Impact on Rating Scheme Coverage

Current Deductibles (excesses):

- \$250,000 per event for damages / losses caused by events like earthquakes, volcanic eruptions, and subterranean fires.
- \$1,000,000 per event for damages / losses due to flood, windstorm, and storm surge.

Implications:

- WCRC has 23 Rating Districts Schemes, two of which have declared asset values which are less than both deductibles (*i.e. 2024/25 Neils Beach \$36,894, and Matainui Creek \$116,560*). Several Rating schemes also have damage exposure values that are less than both deductibles
- Rating Schemes with lower-value assets and lower-damage exposure values are highly unlikely to ever make damage or loss claims for isolated events due to the level of the deductible(s).
- Rating Schemes with lower value assets and/or lower damage exposure values would be more likely to make an insurance claim if assets were damaged / lost in an event affecting multiple rating districts and multiple assets as a result of a single catastrophic event.
- For a summary of the declared asset values for the 2024/25 renewal sorted by value from highest to lowest please see **attachment 1**.
- The trade-off between lowering the deductible(s) is higher premiums across all 23 rating districts.
- Parts of the Coast experienced notable weather events in April 2024 and October / November 2024. These events have not resulted in any insurance claims as yet. WCRC staff have been assessing damage and the general view at this stage is that any damage suffered in the event were estimated to be well below the \$1,000,000 flooding event deductible for each event.
- Therefore, any damage from the April 2024 and October / November 2024 events to date are being repaired by Council on behalf of the Rating Districts as repairs & maintenance or through funds within each rating district prudent reserve.

2. **Financial Risk of Not Insuring**

- **Potential Cost of Damage:** When infrastructure assets suffer damage or loss the repair and replacement costs can escalate quickly. For example, If we consider an event affecting (5-20% of asset value) the reinstatement costs across the infrastructure assets could range between \$2,000 (Neils Beach) and \$7,925,863 (Wanganui).
- **Ratepayer Responsibility:** Without infrastructure insurance, all repair and replacement costs would need to be covered by respective Rating District reserves or through increased rates to service a loan, particularly for high-cost events.

- **Risk Tolerance:** Each Rating District will have a different risk tolerance and will need to carefully consider their respective financial capacities to finance major repairs / asset replacements independently should an event occur. How would the Rating District fund repair / replacement costs if no insurance is in place? Is Rating District willing to take the risk of not insuring it's community's flood protection assets?

3. **Benefits and Limitations of Insuring**

Advantages of Insurance:

- **Catastrophic Event Protection:** Insurance can protect against significant financial losses in large-scale events that exceed the deductible amount.
- **Risk Management:** Insurance may reduce the financial burden on the district in severe events which are predicted to increase with climate change.

Limitations:

- **High Deductible Costs:** Understandably, no insurance claims are made when the repair / replacement costs are under the \$250,000 or \$1,000,000 excesses. This results in a burden of cost to rating district to fund necessary repair / replacement works on damaged or lost assets up to the deductible amounts.
- **Cost-Effectiveness:** For assets with lower damage exposure or value, the insurance premium may outweigh the potential benefits due to the deductible threshold.

4. **Considerations for Providing Feedback**

- **Risk and Financial Impact:** Consider the likelihood and potential cost of damage for your scheme and whether your Rating District can feasibly cover these costs without insurance.
- **Priorities and Preferences:** Feedback should reflect your district's priorities—whether you value protection against catastrophic loss or prefer to self-manage smaller damages and risks.
- **Alternative Preparedness:** If opting out of insurance, think about alternative strategies (like building reserves or implementing preventive measures) to address future damage or loss.

We welcome your feedback to help Councillors decide the best approach for insurance of scheme assets for the upcoming 2025/26 financial year.

Other Funding Risks to consider

National Emergency Management Agency (NEMA) funding may be accessed for up to 60% of eligible rebuild costs **provided key criteria are met.**

Government assistance will not normally be available for assets which receive a subsidy from any other source, unless:

- *the local authority has adequately protected itself through asset and risk management including mitigation, where appropriate, and the proper maintenance of infrastructure assets, or*
- *the local authority has made sound financial provisions (such as the provision of reserve funds, effective insurance or participation in a mutual assistance scheme with other local authorities) to a level sufficient to ensure that the local authority could reasonably be expected to meet its obligation to provide for its own recovery.*

Significance and Engagement Policy Assessment

There are no issues within this report which trigger matters in this policy.

Tangata whenua views

Staff are not aware of any issues within this report which would impact tangata whenua.

Views of affected parties

Views of affected parties are being collated during rating district meetings and will be presented back to council on insurance needs for each scheme with an associated risk profile.

Attachments

Attachment 1: Summary of 2024/25 Infrastructure Insurance renewal declared values, 2024/25 Insurance premium rating district indicative split, and 2025/26 Estimated insurance including rating scheme premium split.

Summary of 2024/25 Infrastructure Insurance renewal declared values, 2024/25 Insurance premium rating district **indicative split**, and **2025/26 Estimated** insurance including rating scheme premium split.

Infrastructure Assets	Declared Value (2024/25)	2024/25 Premium Indication	Estimated 2025/26 Premium
Wanganui	39,629,315	35,770	37,630
Greymouth Floodwall	24,561,725	22,170	23,323
Franz Josef Combined	24,254,514	21,893	23,031
Taramakau	23,910,670	21,582	22,704
Karamea	11,414,646	10,303	10,839
Kowhitirangi	10,372,605	9,363	9,849
Hokitka Seawall Combined	8,554,347	7,721	8,123
Inchbonnie	7,802,261	7,042	7,409
Waitangi-Taona	7,391,652	6,672	7,019
Nelson Creek	6,938,935	6,263	6,589
Punakaiki	5,422,853	4,895	5,149
Vine Creek	5,159,546	4,657	4,899
Mokihinui	3,202,472	2,891	3,041
Westport	2,406,483	2,172	2,285
Kongahu *	2,214,694	-	-
Redjacks Creek	1,805,336	1,630	1,714
Okuru	1,404,921	1,268	1,334
Whataroa	1,360,799	1,228	1,292
Raft Creek	1,262,372	1,139	1,199
Hokitka Southside	1,165,987	1,052	1,107
Matainui Creek	116,560	105	111
Neils Beach **	36,894	-	-
Rating District Administration ***		73,650	77,479
General Rate - Kongahu *		1,999	2,103
General Rate - Neils Beach **		33	35
Grand Total	190,389,588	245,499	258,265

* Per 2021-31 LTP Kongahu is a drainage scheme and should be excluded from the insurance policy.

** Neils Beach is a 'sacrificial bund'. The insurance premium is under \$40 per year and covered by General Rate.

*** Per 2021-31 LTP 70% of infrastructure insurance premium is paid by the Target Rate to respective Rating District(s) and 30% is funded by General Rate.

Report on Riverbed Level Survey Programme

Author	Max Dickens, Policy Manager, Paulette Birchfield, Area Engineer Catchment Management, Jordan Mandery, Construction Engineer.
Authoriser	Shanti Morgan, Group Manager Environmental Science

Report Purpose

To update rating districts on the proposed West Coast Regional Council 10-Year River and Coastal Survey Strategy.

Report Summary

The WCRC has had a ten-year strategy in place for riverbed survey since 2014. This strategy is due for renewal and a new strategy has been proposed for adoption by the regional council (Attachment 1).

This report outlines the importance of riverbed and coastal surveys for the purpose of flood and coastal hazard protection.

Council have also been put forward a proposal to change the current funding model of survey work which is currently 50% funded by the relevant rating district, and 50% by the General Rate, to a 100% funding through the income council receives as a result of gravel royalties. The outcome of this proposal will be provided verbally to RDs during meetings.

Recommendations

It is recommended that the Committee resolve to:

1. *Receive this report.*
2. *Notes the 10-year river and coastal survey strategy*

Issues and Discussion

Background

Rating District Survey update

The WCRC have had a 10-year river cross-section survey strategy in place since 2014. Historically these surveys have been funded 50% by the relevant rating district, and 50% by the General Rate. Out of the 23 West Coast Regional Council rating districts, 16 have regular cross-section surveys. The absence of regular surveys has resulted in a variation in the understanding of each scheme and the protection they provide. With some schemes having a well understood level of service where surveys have been undertaken and others a general understanding relating to historic flood levels which do not account for changing climatic conditions or changes in the physical environment.

Current situation

The current 10-year strategy concludes this year. The Catchment Management group have drafted a new 10-year strategy (ref. Attachment 1) to conduct surveys across selected schemes to support and maintain the understanding of the level of service provided by the schemes maintained by the WCRC. This work will include, but is not limited to:

- bed and crest level surveys, with an increase in frequency/scope and scale in areas where gravel extraction is taking place,
- areas where additional monitoring or surveys may be needed depending on the nature of the gravel extraction application.
- other areas where surveying is considered necessary.

The new program aims to ensure compliance with regulatory consent conditions, improve infrastructure management, enhance flood prevention efforts, and provide valuable data for long-term planning and informed decision-making with regards to the effects of gravel extraction on the region's rivers and coastlines. This strategy provided a schedule for surveys of the rating districts where surveys were required.

This programme will build on the regular program of established surveys with additional cross section surveys and Mean Bed Level (MBL) analysis funded via the use of gravel royalties. This will provide high level data for flooding and infrastructure needs, as well as ensuring that an appropriate amount of gravel is being taken.

The new bed level survey programme will vary from 6 monthly to a 5-year return period¹ depending on the river in question. The programme will be developed considering what is achievable from both a budgetary and practical perspective. It may also include measuring coastal data if this is considered relevant.

¹ Please note that following major events officers will likely need to re-survey affected schemes over and above the regular programme.

Rating District Survey update

The programme will be designed specifically to ensure that it will be covered by a varying percentage of the gravel royalties. It will be flexible to ensure capacity for adjustments based on priority, funding availability, and emergent needs.

A proposal to fund this work program has been put forward to the WCRC which would result in a change to the current 50% by the relevant rating district, and 50% by the General Rate to a 100% funding through the income council receives as a result of gravel royalties. The outcome of this proposal will be provided verbally to RDs during meetings.

Considerations

Implications/Risks

There are safety and infrastructure management risks associated with not improving our data around rivers.


Significance and Engagement Policy Assessment

This policy does not trigger the significance and engagement policy.

Attachments

Attachment 1: West Coast Regional Council 10-Year River and Coastal Survey Strategy (to be supplied at the meeting)

West Coast Regional Council			
Vine Creek Rating District Financial Accounts			
For the 12 Months to 30 June 2024			
	2023/24 ACTUAL	2023/24 BUDGET	2022/23 ACTUAL
RESERVES OPENING BALANCE 1 JULY 2023	158,995.56		113,110.71
REVENUE			
Internal Interest Earned	4,196.70		2,396.30
Other Income	-		
Rates	49,944.49	51,648.00	51,352.41
TOTAL REVENUE	54,141.19	51,648.00	53,748.71
EXPENDITURE			
Advertising	-		81.20
Contractors	23,586.53	45,000.00	
Consultants	-		
Insurance	3,316.90	2,724.00	2,663.00
Infrastructure Depreciation	-		
Other Expenditure	-		
Rates	1,372.49		1,283.66
Resource Consents	-		
Staff Time	3,924.00	3,924.00	3,836.00
Surveyors	-		
Venue Hire	-		
TOTAL EXPENDITURE	32,199.92	51,648.00	7,863.86
NET SURPLUS/(DEFICIT)	21,941.27	-	45,884.85
Capital Expenditure			
RESERVE CLOSING BALANCE 30 JUNE 2024	180,936.83		158,995.56

R. A. Miller

 5/12/2024

West Coast Regional Council –Vine Creek Rating District

Annual Works Report on Rating District Assets

1. Executive summary

This report outlines a summary of work undertaken as part of the Vine creek Rating Districts annual works program for the 2023/2024 financial year including any maintenance, capital works and surveys undertaken. Additionally, this report details scheduled work for the 2024/2025 FY and proposes work required for the 2025/2026 Financial year which includes consultation of the 2025/2026 maintenance rate, insurance premiums and engineer cost recovery.

2. Maintenance works summary 2023/2024 FY

A series of work was undertaken to repair damage to assets as identified through engineer inspections (Image 1). This was repaired as follows:

- Site 1 - Repair approximately 120m of bank on true right
- Site 1 - Supply cart and place rock into a series of spurs, 50Tonne of rock per spur, 6 spurs in total, 20m spacing
- Site 2 – Removal of silt material from true left stopbank, repair and raise approx 20m of bank using material from creek bed
- Site 3 - Repair 40m of erosion scour in stopbank and raise by 1000mm using material from the creek bed
- Site 3 - Construct one 50T spur at upstream end of erosion



Figure 1: Map indicating sites where repair occurred

Expenditure summary

Total:	\$23,586.53

3. Administration (other expenditure)

Rates	\$1,372.00
Total:	\$1,372.00

4. Scheduled maintenance 2024/2025 FY

Total:	\$120,000.00

**Note: A \$45,000 maintenance rate strike was made for the 24/25 FY. The committee are required to confirm their endorsement of the \$120,000 clean out costs as per the RD Terms of Reference. This will result in a reduction of the RDs prudent reserve.*

5. Vine Creek Rating District financial balance

The balance in the rating district account at the beginning of the 2025 / 2026 financial year is likely to be approximately \$106,000 (assuming drain clean out is completed to budget)

This target balance for the 'prudent reserve' for this rating district is \$150,000 and based on the projected balance this would not be available.

This prudent reserve is immediately accessible for urgent emergency works that may be required following a major flood event.

It is likely the current reserve may only cover a portion of the actual cost of the potential damage that could occur.

6. Proposed rates for the 2025 / 2026 financial year

Rates Maintenance	\$45,000
Engineers Cost Recovery*	\$6,600
Infrastructure Insurance	\$ 3,862
Total:	\$55,462

Council recommends a total rate strike of \$55,462 excluding GST.

**The Engineer cost recovery budget has been calculated based on expected engineering contribution to the Rating district of 36 hours*

7. General Business.

Survey

It is recommended that trigger levels be set as the target baseline for excavation of the sediment build-up in the channel.

Insurance

Below are the key criteria that needs to be met to access the NEMA funding, which can cover up to 60% of eligible rebuild costs

The provisions for government financial support to local authorities apply whether or not a state of emergency is, or has been, in force

Government assistance will not normally be available for assets which receive a subsidy from any other source, unless:

- *the local authority has adequately protected itself through asset and risk management including mitigation, where appropriate, and the proper maintenance of infrastructure assets, or*
- *the local authority has made sound financial provisions (such as the provision of reserve funds, effective insurance or participation in a mutual assistance scheme with other local authorities) to a level sufficient to ensure that the local authority could reasonably be expected to meet its obligation to provide for its own recovery*

Threshold

Threshold for reimbursement; As with other response claims, Government policy is to reimburse 60 percent of the combined eligible costs (response and essential infrastructure costs), above the following thresholds:

- *0.0075 percent of the net capital value of the city council, district council or unitary authority involved*
- *0.002 percent of the net capital value of unitary authorities where the assets in question are of a type that ordinarily are managed by regional councils, or*
- *0.002 percent of net capital value in the case of regional councils*