



TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

Open Agenda

ŌTOROHANGA DISTRICT COUNCIL

9 October 2025

Notice is hereby given that an **extra-ordinary** meeting of the Ōtorohanga District Council will be held in Waikōwhitiwhiti (Council Chambers), Ōtorohanga District Council, 17 Maniapoto Street, Ōtorohanga on Thursday, 9 October 2025 commencing at 1.00pm.

Tanya Winter, Chief Executive

6 October 2025

OPEN TO THE PUBLIC AGENDA

Ōtorohanga District Council membership

Chairperson	His Worship the Mayor, Max Baxter
Deputy Chairperson/Kāwhia Tihiroa Councillor	Deputy Mayor, Annette Williams
Kāwhia Tihiroa Councillor	Kit Jeffries
Kio Kio Korakonui Councillor	Rodney Dow
Ōtorohanga Councillor	Katrina Christison
Ōtorohanga Councillor	Steve Hughes
Rangiātea Councillor	Jaimee Tamaki
Rangiātea Councillor	Roy Willison
Waipā Councillor	Roy Johnson
Wharepūhunga Councillor	Cathy Prendergast

All attendees at this meeting are advised that the meeting will be electronically recorded (audio and video) for the purpose of webcasting to the ŌDC's YouTube channel. Every care will be taken to maintain individuals' privacy however attendees are advised they may be recorded as part of the general meeting proceedings.

For use in both opening and closing meetings

A Member will provide the words of their preference or may choose to use the following:

Mā te whakapono	<i>By believing and trusting</i>
Mā te tūmanako	<i>By having faith and hope</i>
Mā te titiro	<i>By looking and searching</i>
Mā te whakarongo	<i>By listening and hearing</i>
Mā te mahi tahi	<i>By working and striving together</i>
Mā te manawanui	<i>By patience and perseverance</i>
Mā te aroha	<i>By all being done with compassion</i>
Ka taea e tātou	<i>We will succeed</i>

For use in blessing food

A Member will provide the words of their preference or may choose to use the following:

Nau mai e ngā hua o te wao	<i>I welcome the gifts of food from the forest</i>
O te ngakinga	<i>From the cultivated gardens</i>
O te wai tai	<i>From the sea</i>
O te wai māori	<i>From the fresh waters</i>
Hei oranga mō tātou	<i>For the goodness of us all</i>
Tūturu whakamaua	<i>Let this be my commitment to all!</i>
Kia tina! Tina! Hui e! Tāiki e!	<i>Drawn together and affirmed!</i>

Opening formalities	Ngā tikanga mihimihi	
Commencement of meeting	Te tīmatanga o te hui	6
Opening prayer/reflection/words of wisdom	Karakia/huitao/whakataukī	6
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Information only reports	Ngā pūrongo mōhiohio anake	
No reports		

Public excluded	Take matatapu	
No reports		

Closing formalities	Ngā tikanga whakakapi	
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Workshops

Hui awheawhe

No workshops

This Open Agenda was prepared by PA to Group Managers, Cathy Plowright and approved for distribution by Chief Executive, Tanya Winter on 6 October 2025.

Commencement of meeting**Te tīmatanga o te hui**

The Chairperson will confirm the livestream to YouTube is active then declare the meeting open.

Opening prayer/reflection/words of wisdom**Karakia/huitao/whakataukī**

The Chairperson will invite a member to provide opening words and/or prayer/karakia.

Apologies**Ngā hōnea**

A Member who does not have leave of absence may tender an apology should they be absent from all or part of a meeting. The meeting may accept or decline any apologies. For clarification, the acceptance of a Member's apology constitutes a grant of 'leave of absence' for that specific meeting(s).

Should an apology be received, the following is recommended: That Ōtorohanga District Council receive and accept the apology from ... for ... (non-attendance, early departure, late arrival).

Late items**Ngā take tōmuri**

Items not on the agenda for the meeting require a resolution under section 46A of the Local Government Official Information and Meetings Act 1987 stating the reasons why the item was not on the agenda and why it cannot be dealt with at a subsequent meeting on the basis of a full agenda item. It is important to note that late items can only be dealt with when special circumstances exist and not as a means of avoiding or frustrating the requirements in the Act relating to notice, agendas, agenda format and content.

Should a late item be raised, the following recommendation is made: *That Ōtorohanga District Council accept the late item due to to be heard*

Declaration of conflict of interest**Te whakapuakanga pānga taharua**

Members are reminded to stand aside from decision making when a conflict arises between their role as an elected member and any private or external interest they may have.

A conflict can exist where:

- The interest or relationship means you are biased; and/or
- Someone looking in from the outside could have reasonable grounds to think you might be biased.

Should any conflicts be declared, the following recommendation is made: *That Ōtorohanga District Council receive the declaration of a conflict of interest from for item ... and direct the conflict to be recorded in Ōtorohanga District Council's Conflicts of Interest Register.*

Decision reports**Ngā pūrongo whakatau**

DISCLAIMER: The reports attached to this Open Agenda set out recommendations and suggested resolutions only. Those recommendations and suggested resolutions DO NOT represent Ōtorohanga District Council policy until such time as they might be adopted by formal resolution. This Open Agenda may be subject to amendment either by the addition or withdrawal of items contained therein.

Item Annual Report 30 June 2025 Adoption

To Ōtorohanga District Council.

From Brendan O’Callaghan, Manager Finance.

Type **DECISION REPORT**

Date 9 October 2025



1. Purpose | Te kaupapa

1.1. To adopt the 2024/25 Annual Report.

2. Executive summary | Whakarāpopoto matua

2.1. The Annual Report 2024/25 audit by Deloitte has been completed. This report gives the Council the opportunity to adopt the Annual Report.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That the Council adopts the 30 June 2025 Annual Report and sign the associated Representation Letter.

4. Context | Horopaki

4.1. The audit has now been completed, subject to final clearance processes, and so Council is able to adopt the final 2024/25 Annual Report.

Annual Report Document

4.2. The Annual Report document attached is the latest draft document as at the time of sending the agenda, and there may be a few further changes that will be tabled at the meeting.

Fixed Asset Valuations

4.3. The roading assets were revalued as at 30 June 2025, and the result was an uptick in the optimised depreciated replacement cost value of these assets of \$29,653,040 over the 30 June 2022 valuation.

New Accounting Standards

4.4. During the year there were no new accounting standards that Council was required to apply to this Annual Report document.

Audit Opinion

4.5. From a discussion with Deloitte, there was only one issue that has been identified by the Office of the Auditor General as requiring an emphasis of matter within the audit report.

- 4.6. This relates to the uncertainty around costs of the decision to move to Waikato Waters under the Local Water Done Well work. This is due to the lack of a signed transfer agreement, so while Council has an idea of the likely costs, no finalised costs agreement exists.

Risk and Assurance Committee

- 4.7. The Risk and Assurance Committee reviewed the Annual Report at their earlier meeting, and the results of that meeting will be verbally updated with this report.

5. Considerations | Ngā whai whakaarotanga

Significance and engagement

- 5.1. This item has been assessed as of low significance in accordance with our significance and engagement policy, and so therefore no engagement is required. This is due to the fact that this is the adoption of a public report of what has happened in the past financial year, as opposed to planning which the public may have some influence on.

Impacts on Maori

- 5.2. Staff consider the matters set out in this report do not have a direct impact on cultural wellbeing, sites of significance or waterways.

Risk analysis

- 5.3. The risks associated with this decision is deemed to be low.

Policy and plans

- 5.4. Staff confirm that the recommendation in this report complies with Council's Policies and Plans.

Legal

- 5.5. There are no legal considerations around this matter, outside of the legislative requirements to produce and adopt an Annual Report each financial year.

Financial

- 5.6. As this is a financial decision, all the financial considerations are included in the discussion in the report.

6. Discussion | He kōrerorero

Option 1: Recommend that Council adopt the Annual Report

- 6.1. This decision means that the Committee is making a recommendation to the Council that they sign off and adopt the Annual Report, to comply with legislative requirement to adopt the Annual Report
- 6.2. This recommendation would provide a level of comfort to the Council that the Committee is happy with the results of the Annual Report and the audit process.

Option 2: Make no recommendation to Council

- 6.3. This will mean that the Council will not have anything from the Committee to support the Annual Report and will therefore have to undertake their own due diligence to ensure themselves they are comfortable to sign off the Annual Report.

Recommended option and rationale

- 6.4. To recommend that the Council adopt the Annual Report and approve the signing of the associated Representation Letter.
- 6.5. No significant issues have been identified as a part of the audit process, and the Annual Report presents a fair and accurate record of the actual results for the 2024/25 financial year.
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TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

DRAFT 2024/25 ANNUAL REPORT

ŌTOROHANGA DISTRICT COUNCIL
OCTOBER 2025





NGĀ RĀRANGI UPOKO

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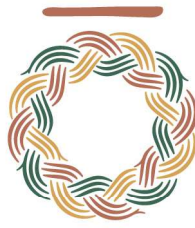


YOUR MAYOR AND COUNCILLORS
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INTRODUCTION

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- WHAT ELSE HAPPENED THAT WAS NOT IN THE PLAN?
- OPPORTUNITIES FOR MĀORI TO CONTRIBUTE TO DECISION MAKING



NGĀ KUPU WHAKATAKI

MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE

E ngā mana, e ngā reo, a ngā hapori a te rohe o Ōtorohanga, tēnā koutou katoa.

The 2024-25 year has been an extraordinary 12 months for Council - a year of significant achievement, momentous decision making and unique challenges. It is with pride that we reflect on the past 12 months and acknowledge the mahi of councillors, staff and the community without whom the progress we have made would simply not be possible.

A standout accomplishment for us this year was being given top marks by Local Government New Zealand's (LGNZ) Te Korowai programme. Testament to the work of both governance and staff to lift organisational performance from the CCC rating we were given in 2020, to the A equivalent Mauri Ora or 'Thriving' grade recognises Council's outstanding development across a range of measures. Addressing shortcomings in performance requires both honesty and hard work, and that is exactly what we have done to earn the accolade given by Te Korowai Chair Toby Stevenson of being "a shining example of how a small rural council can improve outcomes by embracing change."

An important benefit of participating in a programme like Te Korowai is that you learn about what you are doing right as well as identifying areas where you could do better. As an organisation we are committed to continuous improvement and we are already well advanced in applying the insights provided to us by the independent Te Korowai assessors to better serve our community.

One item that has dominated Council agendas over this past year has been decisions relating to what to do with the district's water services. Since the 2016 Havelock North campylobacter outbreak, central and local government have been working to improve drinking water safety across the country. Shortly after the start of the 2024/25 financial year the government passed legislation giving all councils 12 months to prepare a plan setting out how they were going to deliver financially sustainable water services to their communities capable of meeting the increased environmental, economic and human health regulations being introduced.

We had some tough decisions to make and, while we've invested heavily in our water services in recent years, we needed to think long term about what was best for the future especially when faced with the costs associated with ageing infrastructure, district growth and rising delivery costs. After carefully weighing the options and consulting with you, we decided in June 2025 to join with Matamata-Piako, Hauraki, Waipā, Waitomo, South Waikato and Taupō in forming Waikato Waters Limited – a council controlled organisation (CCO) for the delivery of water services on our behalf. We are so proud of how elected members 'stepped up to the plate' to make one of the biggest decisions for the district in recent times.

Another challenge we have had this year has been in land transport. After we had set our budgets, we were formally advised by the New Zealand Transport Agency (NZTA) in August 2024 that the subsidy we receive from them would be less than what we had anticipated for aspects of our land transport programme. This meant that our plans for footpaths, road safety promotion and new works (low risk/low cost) all had to be revised. However, our focus on reseals and other work to maintain and improve the resilience of the roading network was largely unaffected and we have been able to achieve what we set out in our long term plan (LTP) for these components of our land transport programme.

When we put together our 2024-34 LTP we were mindful of keeping things affordable and 'cutting our cloth' accordingly. This has not been easy as costs for all local authorities have been rising faster than





household inflation. In the budget for 2024/25, we decided to not fully apply depreciation to certain assets to help ease the burden on current ratepayers (i.e. we did not rate you for the money we would normally collect to set aside in various reserve accounts to help pay for replacing certain assets in the future). Effectively this meant a loss on our balance sheet of \$1.4 million. We're pleased to report that through careful management our loss at the end of the year is \$0.9 million. Many thanks to the team for making this possible.

For the local government sector 2024/25 has been a year of significant, complex changes and we expect that this will continue as we move into 2025/26. The government has already signalled further legislation it intends enacting before the end of the 2025 calendar year such as the System Improvements Bill and changes to rules and regulations relating to land use and construction. The investment we have made over the past five years in raising how we perform as an organisation gives us confidence that we are well placed to be able to meet any challenges put before us over the next 12 months.

Ehara taku toa i te toa takitahi, engari he toa takitini
Our strength is not from one warrior, but from many.

Ngā mihi nui, Max and Tanya

Max Baxter
MAYOR

Tanya Winter
CHIEF EXECUTIVE

A WORD FROM MAX

"This is my last annual report as I will be standing down as Mayor for Ōtorohanga at the end of this triennium. It has been an absolute privilege to serve this district, and I thank you for investing your trust in my leadership over the past 12 years.

Ngā mihi nui to my fellow elected members for all your support and hard work and best wishes to those who have put their hand up to stand again for the next three years. Special thanks to Deputy Mayor Annette Williams and former Deputy Mayor Councillor Roy Johnson who, like me, are also not seeking re-election in the coming term. It takes courage and dedication to be a good community representative, and you have both been exemplary.

Finally, I would like to thank Tanya, her leadership team and council staff. Our success as governance relies on you delivering on our promises and you have served us well."

Kia kaha, kia māia, kia manawanui
Be strong, be brave, be steadfast

MAYOR MAX BAXTER



NGĀ TAKE MATUA

STATEMENT OF COMPLIANCE

Statement of Compliance

The Council and Management of Ōtorohanga District Council confirm that all the statutory requirements of the Local Government Act 2002, regarding financial management and borrowing, have been complied with.

Statement of Responsibility

The Council and Management of Ōtorohanga District Council accept responsibility for the preparation of the annual Financial Statements and Statement of Service Performance and the judgements used in them.

The Council and Management of Ōtorohanga District Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and Management of Ōtorohanga District Council, the annual Financial Statements for the year ended 30 June 2025 fairly reflect the financial position and operations of Ōtorohanga District Council.

Max Baxter
MAYOR

Tanya Winter
CHIEF EXECUTIVE

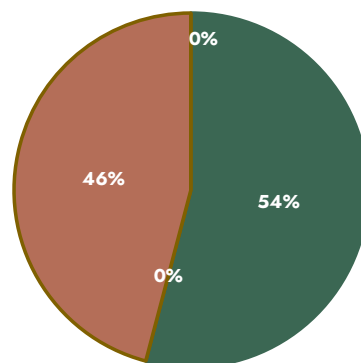
9 October 2025

HOW WELL DID WE DO?

We carry out a wide range of activities and services for the community. As we strive to deliver the best for the district, we test our performance against a set of measures.

These non-financial performance and 'level of service targets are identified in our Long Term Plan 2024/34 along with the measures we use to assess them.

We use a total of 61 measures for our six activity groups. Some of these measures (20) are set for us by the Department of Internal Affairs so that our results can be



■ Achieved ■ Partially Achieved ■ Not Achieved ■ Not Applicable





easily compared with other councils
delivering similar services or activities.



HIGHLIGHTS FOR THE YEAR

- Council received an 'A' rating in its most recent CouncilMARK Report which equals Mauri Ora (the highest grade under the Te Korowai Framework).
- The new on-line building control programme (Objective Build) went live on 12 February 2025.
- A regulatory shared services agreement was recently signed between ourselves, Waitomo and Waipā districts giving the partners the ability to call on one another for regulatory functions when additional capacity is needed or to offer spare capacity when available. In addition, a joint procurement arrangement with the Waitomo District Council for the delivery of kerbside refuse and recycling services is also to be explored.
- Council adopted the Urban Reserves Management Plans and Huipūtea Development Plan
- The Library Strategy - a community-driven roadmap that will shape the future of library services across our district was also adopted





WHAT ELSE HAPPENED THAT WAS NOT IN THE PLAN?

- Since the LTP was adopted in June 2024, the local government sector has undergone an inordinate amount of change due to the introduction of new or amended policies by central government. These changes have involved revisiting previous decisions made by Council, new legislative requirements and cuts in anticipated funding. New policy directions that directly impacted Council's work programmes have included the following:
 - Reinstatement of the ability to hold polls on Māori wards (30 July 2024)
 - A shortfall in the expected funding allocations from New Zealand Land Transport Agency (NZTA) - Waka Kotahi for the next three years (formal advice received August 2024). This shortfall has largely affected walking, cycling, road safety projects/services and low cost/low risk new works.
 - Enactment of the Local Government (Water Services Preliminary Arrangements) Act in September 2024 requiring all councils to have developed water services delivery plan (WSDP) by 3 September 2025 which outlines, amongst other matters, council's intended water services delivery and implementation arrangements for the district. Furthermore, council's must have consulted on their preferred arrangement prior to submitting their WSDP to the Minister of Local Government.
- The changes to date have placed councils and staff under an enormous amount of pressure and there is more to come with substantive legislative reform and changes expected in relation to resource management (RMA) and building control. Changes are also signalled for other areas such as bylaw legislation animal management (cat microchipping), alcohol trading, and emergency management.
- Staff continued to progress work programmes despite the additional load, although in the land transport area adjustments had to be made to the programme to because of funding being lower than anticipated. The main activities to be affected largely relate to the footpath programme and road safety.
- Waikeria Prison stage 1 building consents were finally approved, and stage 1 of the prison is fully operational, with stage 2 extension planning and building approvals underway.





OPPORTUNITIES FOR MĀORI TO CONTRIBUTE TO DECISION MAKING

The Local Government Act places a responsibility on local authorities to develop the capacity of Māori to contribute to the council's decision making. Here in Ōtorohanga District we recognise the importance of Te Tiriti o Waitangi as the founding document of Aotearoa/New Zealand, which establishes a relationship between the Treaty partners, these being iwi/Māori and the Crown. We also recognise that not only is there an obligation on Council to engage with iwi/Māori, but that it makes good sense to do so. By working in partnership with iwi/Māori we want to ensure that everything we do is aimed at supporting the wellbeing of everyone in our community.

In the past year we have undertaken a range initiatives to deliver on our commitment and progress our relationships with iwi/Māori and hapū. Examples of what we have done are outlined below:

MĀORI PARTNERSHIP

Council has made considerable strides toward building and strengthening Māori partnership across the district. This has involved formal delegations of Council elected members and staff attending events including: the tangihanga of the Late Kīngi Tūheitia Pōtatau Te Wherowhero VII, the third reading of the Ōrākau Remembrance Bill, and Poukai across a number of marae in the district.

Throughout the year, Council has met with post-settlement governance entities, rūnanga, Māori trusts and marae to discuss the strategic direction of Council, and to seek guidance on any alignments between the aspirations of Māori and Council plans. These have led to further opportunities where Council invited Māori to contribute to the development of key strategies and plans such as the Reserves Management Strategy, the Aotea & Kāwhia Concept Plans. In good faith to these relations, Council also hosted a number of hui to inform Māori about the water reforms prior to wider public consultation.

MĀORI ENGAGEMENT FRAMEWORK

The Māori Engagement Framework was created to guide the ways in which Council engages with Māori across the district. The framework was developed with direct input from Council elected members and staff, and Mana Whenua representatives to encompass the diverse perspectives and for practicality. The framework is currently being implemented across the organisation involving the review of internal processes and documents, stakeholder databases and the development of resources and engagement plans.

CULTURAL COMPETENCY

A number of events across the year have contributed to building cultural competency across Council. These include national events and celebrations such as Te Wiki o Te Reo Māori (Māori Language Week), Matariki and Waitangi Day. Celebrations have been marked with the sharing of kai, kōrero about the cultural significance of events, and opportunities to experience cultural practices through raranga (Māori traditional weaving), and an informal forum for learning te reo Māori (Kapa Kōrero).

Council has also implemented Mihi Whakatau (a cultural welcoming) for new staff members. This has been well attended and warmly received by participants, providing an opportunity to informally connect and welcome new staff.





TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

OUR SERVICES

WHAT OUR ACTIVITIES COST AT A GLANCE

- COMBINED COST OF SERVICE STATEMENT
- WHOLE OF COUNCIL FUNDING IMPACT STATEMENT

GUIDE TO THIS SECTION OF THE ANNUL REPORT GROUPS OF ACTIVITIES

- TRUSTED LEADERSHIP AND RELATIONSHIPS
- STRONG COMMUNITIES
- VIBRANT PLACES AND SPACES
- SUSTAINABLE DEVELOPMENT AND PUBLIC SAFETY
- RESILIENT INFRASTRUCTURE
- RESPONSIBLE WASTE MANAGEMENT



WHAT OUR ACTIVITIES COST AT A GLANCE

COMBINED COST OF SERVICE STATEMENT

2023/24 Actual (\$000)	COMBINED COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2025	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	OPERATING REVENUE		
10,263	Activity Revenue	10,140	10,172
8,072	Targeted Rates	8,928	8,728
243	Development Contributions	10	26
7,643	General Rates	8,571	8,523
10,396	Other General Sources	12,903	12,335
36,617	<i>Total Operating Revenue</i>	40,551	39,784
	Reconciling Items:		
(10,396)	Internal Recoveries	(12,903)	(12,335)
15	Gains/(losses) on asset disposal	-	(62)
7,075	Assets vested in Council	-	-
33,311	<i>Total Operating Revenue Per Statement of Comprehensive Income</i>	27,648	27,387
	OPERATING EXPENDITURE		
13,774	Trusted Leadership and Relationships	15,608	14,626
2,841	Strong Communities	2,174	2,340
2,946	Vibrant Places and Spaces	3,523	3,691
2,170	Sustainable Development and Public Safety	2,388	2,369
10,735	Resilient Infrastructure: Land Transport	11,971	10,977
2,867	Resilient Infrastructure: Water Supply	3,144	2,935
1,053	Resilient Infrastructure: Wastewater	1,424	1,471
387	Resilient Infrastructure: Stormwater	342	397
362	Resilient Infrastructure: Flood Protection	321	278
631	Responsible Waste Management	814	773
37,766	<i>Total Operating Expenditure</i>	41,710	39,856
	Reconciling Items:		
(10,396)	Internal Recoveries	(12,903)	(12,335)
70	Doubtful Debt Provision adjustment	-	(62)
798	Internal Interest on Balance	267	864
28,238	<i>Total Operating Expenditure Per Statement of Comprehensive Income</i>	29,074	28,323
5,073	<i>Net Profit/(Loss)</i>	(1,425)	(937)





WHOLE OF COUNCIL FUNDING IMPACT STATEMENT

WHOLE OF COUNCIL FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2025	2023/24 Annual Plan (\$000)	2023/24 Actual (\$000)	2024/25 Long Term Plan (\$000)	2024/25 Actual (\$000)
SOURCES OF OPERATING FUNDING				
General Rates, Uniform Annual General Charges, Rates Penalties	7,587	7,642	8,571	8,523
Targeted Rates (other than a targeted rate for water supply)	8,205	8,072	8,928	8,728
Subsidies and Grants for Operating Purposes	2,973	4,175	4,099	4,010
Fees and Charges	1,592	957	1,067	1,483
Interest and Dividends from Investments	19	403	25	155
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	590	656	701	673
TOTAL OPERATING FUNDING	20,966	21,905	23,390	23,572
APPLICATION OF OPERATING FUNDING				
Payments to Staff and Suppliers	17,591	18,623	20,698	18,797
Finance Costs	190	807	221	535
Other Operating Funding Applications	1,018	1,630	1,091	1,010
TOTAL APPLICATION OF OPERATING FUNDING	18,800	21,060	22,010	20,342
SURPLUS (DEFICIT) IN OPERATING FUNDING	2,166	845	1,381	3,230
SOURCES OF CAPITAL FUNDING				
Subsidies and Grants for Capital Expenditure	2,857	4,073	4,248	3,851
Development and Financial Contributions	10	98	10	18
Increase (Decrease) in Debt	626	3,725	4,033	4,984
Gross Proceeds from Sale of Assets	90	78	60	90
Lump Sum Contribution	-	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	3,582	7,973	8,351	8,944
APPLICATION OF CAPITAL FUNDING				
Capital Growth	150	19	425	186
Capital Level of Service	414	3,501	300	3,872
Capital Renewals	7,889	8,368	10,633	8,335
Increase (Decrease) in Reserves	(2,705)	(3,071)	(1,626)	(219)
Increase (Decrease) of Investment	-	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	5,748	8,818	9,732	12,174
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(2,166)	(845)	(1,381)	(3,230)
FUNDING BALANCE	-	-	-	-



GUIDE TO THIS SECTION OF THE ANNUAL REPORT

Councils provide a wide range of services - from roads and footpaths to take you to your destination to libraries giving you access to lifelong learning and leisure. These activities, some of which are prescribed by legislation, are the means by which we deliver outcomes for the community.

The services we provide are divided into the following activity groups.

TRUSTED LEADERSHIP AND RELATIONSHIPS	STRONG COMMUNITIES	VIBRANT PLACES AND SPACES
• Governance • Iwi liaison • Corporate Planning/Projects • Support Services¹	• Community Development and Empowerment • Community Services Providers and Contestable Grants • Economic Development and Wellbeing • Libraries, Learning and Development • Civil Defence and Emergency Management	• Parks and Reserves and Council Owned Properties² • Cemeteries • Swimming Pools • Older Person's Housing
SUSTAINABLE DEVELOPMENT AND PUBLIC SAFETY	RESILIENT INFRASTRUCTURE ³	RESPONSIBLE WASTE MANAGEMENT
• Resource Management • Building Control • Animal Control • Environmental Health, Public Amenity and Safety	• Land Transport • Wastewater • Water Supply • Stormwater • Flood Protection	• Waste Management and Minimisation

In this section we report on how well the services we delivered in during the year met the targets and outcomes set for year one of our LTP 2024-34. Reporting on service performance is provided for each activity group and includes the following information.

OVERVIEW:

A high level explanation of the activity group is provided.

HIGHLIGHTS:

Highlights for the year are identified. This can include key initiatives undertaken, projects completed, and milestones achieved for the activity.

¹ Support Services include: customer experience, communications and engagement, financial management, people and capability, information services, business enablement and other services which assist with the delivery of activities across Council. The costs of these services are included as indirect costs in each activity.

² Includes public toilets, halls, dog pound and other property Council maintains not specifically listed in this activity.

³ Individually, each of these activities is its own group of activities and defined as mandatory under Schedule 10 of the Local Government Act 2002.



PERFORMANCE SUMMARY

Overall performance results for the activity group are summarised in a pie graph form. A second pie graph indicates the group's contribution to the measurement of our community outcomes for People, Place and Partnerships (refer Figure 1).

It should be noted that while most activities contribute in some way toward the achievement of all three community outcomes areas, this is not always reflected in the suite of performance measures we apply to specific groups of activities. For example, activities undertaken in the Trusted Leadership and Relationships Group has measures which focus on People and Partnerships while Resilient Infrastructure's measures focus on People and Place. However, both these groups of activities contribute in real terms all of the community outcomes – it is simply that the contribution is not formally measured.

SERVICE PERFORMANCE RESULTS:

Council's LTP identifies performance measures and targets to monitor our achievement of the agreed outcomes and levels of service. Results are reported on in this section and explanations are provided any significant variances between the target and the results.

In the statements of service performance there are references to an Annual Resident Survey. This survey was undertaken online and the sample included residents within the District with a sample size of 128 and margin of error of +/- 9%, with a confidence level of 95%

Where comparative data is available, a graph is included showing performance or satisfaction over time to show performance trends.

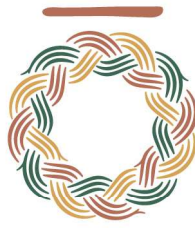
FINANCIAL INFORMATION

Financial information accompanying each activity group includes a cost of service statement and funding impact statement. Where relevant, internal borrowing and capital expenditure is also provided.

FIGURE 1: COMMUNITY OUTCOMES







TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

TRUSTED LEADERSHIP AND RELATIONSHIPS

- GOVERNANCE
- IWI LIAISON
- CORPORATE PLANNING/PROJECTS
- SUPPORT SERVICES



TRUSTED LEADERSHIP AND RELATIONSHIPS

OVERVIEW

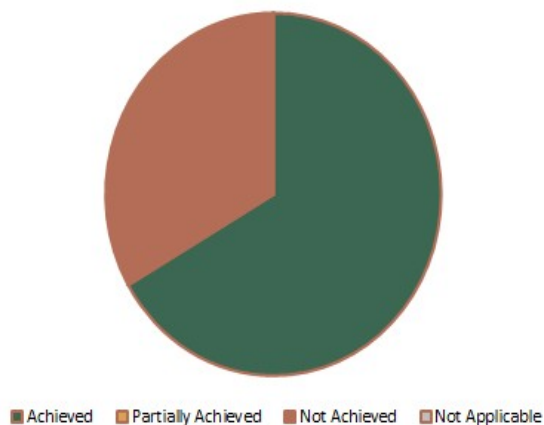
This group of activities focuses on Council's governance leadership and decision-making roles. It also encompasses the work that is done to honour and give effect to Te Tiriti-based partnerships and enhance meaningful and enduring partner relationships with iwi/Māori and stakeholders across Ōtorohanga district. Council's corporate planning activities and support services are also included in this group.

Together these activities are the face and voice of Council and essential for the smooth running of the Council and the district. We aim to be visible and accessible to the communities we serve and to be timely, democratic and transparent in our decision making. We see our role as providing and supporting aspirational, united, responsible leadership. Specific activities are discussed under the following headings:

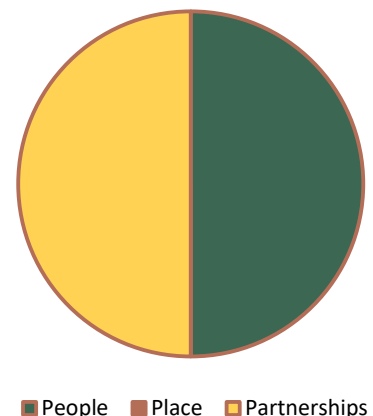
- Governance
- Iwi Liaison
- Corporate Planning/Projects
- Support Services

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED





GOVERNANCE

This activity covers the work of elected members (Council and two Community Boards) to make decisions and set Council's direction, work programmes and monitor and review organisational performance.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Visible, transparent trusted Council	Overall trust in Council ⁴	New measure ⁵	≥ 65% Average or better	77.8%	Achieved

IWI LIAISON

Our iwi liaison function provides support for Council to develop and enhance meaningful and enduring partnership relations with iwi/Māori across the district. The role also focuses on building the cultural competency of both elected members and staff, and advising culturally appropriate approaches to conducting Council business.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Work with Māori leaders ⁶ to build/maintain strong, productive relationships.	Māori leaders rate their relationship with Council as good or better ⁷ .	100% Good or better	≥ 70% Good or better	100%	Achieved

CORPORATE PLANNING/PROJECTS

Corporate planning covers development of our long term plan and annual plans including the analysis and strategy work involved to prepare these documents. This activity also includes any special, corporate-wide projects that Council may undertake.

This function is important for determining not only what we will do to achieve the community outcomes but also what we expect to spend and how we will pay for what we do.

There are no specific performance measures for this activity.

SUPPORT SERVICES

This activity covers the support skills essential for the delivery of quality services and includes:

- Customer experience
- Communications and engagement
- People and capability
- Information services
- Financial management

⁴ As measured by an annual resident's survey.

⁵ This measure replaces a former measure related to holding a specified number of meet the Council' sessions in Ōtorohanga and Kāwhia. The new measure is more reflective of the community outcomes.

⁶ Māori leaders includes, but is not limited to, iwi, hapū, marae and hapori Māori.

⁷ As measured by an annual iwi relationships survey.





Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
The Community have access to timely and accurate information.	Residents satisfied with Council communication ⁸ .	84.7% Good or better	≥ 80% Average or better	76.3%	Not achieved

⁸

As measured by an annual residents’ survey.





COST OF SERVICE STATEMENT

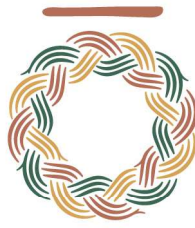
2023/24 Actual (\$000)	TRUSTED LEADERSHIP COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2025	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	OPERATING REVENUE		
443	Activity Revenue	70	210
-	- Targeted Rates	-	-
-	- Development Contributions	-	-
1,878	General Rates	2,616	2,853
10,386	Other General Sources	12,953	12,368
12,707	<i>Total Operating Revenue</i>	15,639	15,431
	OPERATING EXPENDITURE		
1,861	Governance	2,109	1,897
-	- Iwi Liaison	151	127
1,602	Corporate Planning/Projects	615	752
12,269	Support Services	13,087	12,732
15,732	<i>Total Operating Expenditure</i>	15,962	15,508
(3,024)	<i>Net Cost of Service</i>	(323)	(77)





FUNDING IMPACT STATEMENT

TRUSTED LEADERSHIP FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2025	2023/24 Long Term Plan (\$000)	2024/25 Long Term Plan (\$000)	2024/25 Actual (\$000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	2,716	2,616	2,853
Targeted Rates (other than a targeted rate for water supply)	-	-	-
Subsidies and Grants for Operating Purposes	-	-	-
Fees and Charges	30	40	45
Internal Charges and Overheads Recovered	10,079	12,428	11,939
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	23	30	165
TOTAL OPERATING FUNDING	12,848	15,114	15,002
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	8,588	9,125	8,478
Finance Costs	(80)	(229)	180
Internal Charges and Overheads Applied	4,393	5,770	5,475
Other Operating Funding Applications	139	166	228
TOTAL APPLICATION OF OPERATING FUNDING	13,039	14,831	14,362
SURPLUS (DEFICIT) IN OPERATING FUNDING	(191)	282	641
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	(92)	283	(92)
Gross Proceeds from Sale of Assets	90	60	90
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	(2)	342	(2)
APPLICATION OF CAPITAL FUNDING			
Capital Growth	-	-	-
Capital Level of Service	240	35	2
Capital Renewals	554	961	491
Increase (Decrease) in Reserves	(987)	(371)	146
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	(193)	625	638
SURPLUS (DEFICIT) OF CAPITAL FUNDING	191	(282)	(641)
FUNDING BALANCE	-	-	-



STRONG COMMUNITIES

- COMMUNITY DEVELOPMENT AND EMPOWERMENT
- COMMUNITY SERVICE PROVIDERS AND CONTESTABLE GRANTS
- ECONOMIC WELLBEING AND DEVELOPMENT
- LIBRARIES, LEARNING AND DEVELOPMENT
- CIVIL DEFENCE AND EMERGENCY MANAGEMENT (CDEM)



STRONG COMMUNITIES

OVERVIEW

We work with people, businesses and other organisations to find creative, future-focused solutions to fulfil local needs.

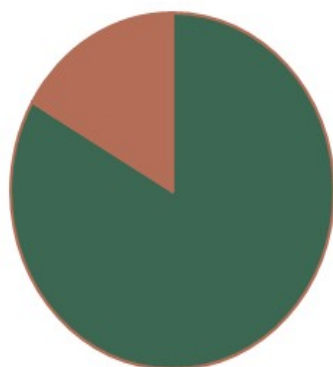
Strong communities covers the following five areas of activity:

- Community Development and Empowerment
- Community Service Providers and Contestable Grants
- Economic Development and Wellbeing
- Libraries, Learning and Development
- Civil Defence and Emergency Management

Creating opportunities and supporting people and groups to come together is an important way Council can help resolve local issues and celebrate who we are to create a stronger, united, resilient and more connected community.

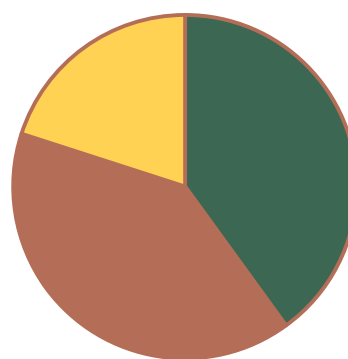
PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



■ Achieved ■ Partially Achieved ■ Not Achieved ■ Not Applicable

OUTCOMES MEASURED



■ People ■ Place ■ Partnerships

COMMUNITY DEVELOPMENT AND EMPOWERMENT

Community development is about finding local solutions to local needs. We work alongside groups and communities to understand what is needed and develop agreed action plans and projects. These are not our plans or projects – they belong to the community. Our role is facilitating opportunities for sharing, growing and creating together thereby empowering communities to take collective action.

There are no specific performance measures for this activity.

COMMUNITY SERVICE PROVIDERS AND CONTESTABLE GRANTS

This activity has three components. These are:

- Funding specific community service providers to deliver social, cultural, and other wellbeing services⁹.
- Managing and distributing contestable funding from Council (\$100k) and government sources totalling approximately \$126k for the following purposes:

⁹ Organisations funded by Council include Ōtorohanga Support House Whare Āwhina, Thrive Youth Trust Ōtorohanga and Sport Waikato.



- social (community focussed initiatives)¹⁰
- cultural (creative projects)¹¹
- recreational (travel for youth sport)¹²
- Providing advice and information to link people and groups to the resources needed to implement their projects.

The projects we fund and the grants distributed give colour to our community – it is what makes us vibrant, connected and united.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Improved community wellbeing through the provision of financial support for social, cultural and recreational purposes.	Community groups/organisation and individuals funded by Council fulfil their funding obligations ¹³ .	Obligations fulfilled	Obligations fulfilled	Obligations fulfilled	All Council funded organisations provided the reports required.

ECONOMIC WELLBEING AND DEVELOPMENT

Much of what Council does is about economic wellbeing to support a sustainable future. As well as providing and maintaining infrastructure and community facilities that underpin the local economy, we work to attract and grow businesses, and to promote our district as a welcoming, thriving place to live or visit. We also play our part in ensuring that there are opportunities available for our residents to realise their aspirations and their potential.

This activity focuses on the development component of economic wellbeing. One of the main ways Council does this is through partnerships and collaboration with local, regional and national organisations. This includes:

- Working with other organisations to support the implementation of a community-led Housing Plan and delivering on key actions assigned to Council
- Supporting businesses to progress development and help keep our community growing
- Delivering the Mayor's Task Force for Jobs employment programme
- Growing and strengthening relationships with other anchor institutions¹⁴ in our district.

Other ways that Council gets involved in economic wellbeing and development includes:

- Co-design (with our community) and implementation of concept plans that identify economic priorities
- Working with or supporting other organisations to address issues which affect the district's ability to thrive such as community safety and health
- Strategic property purchases.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
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¹⁰ Funded by Council via rates.

¹¹ Funded by Creative New Zealand.

¹² Funded by Sport Waikato.

¹³ As measured by group's/organisation's reports to Council.

¹⁴ 'Anchor institutions' is used to refer to organisations which: "Have an important presence in a place, usually through a combination of: being largescale employers, the largest purchasers of goods and services in the locality, controlling large areas of land and/or having relatively fixed assets". Source: Centre for Local Economic Strategies





Implementation of an economic wellbeing strategy	Economic wellbeing service providers funded by Council fulfil their funding obligations ¹⁵ .	Funding obligations fulfilled	Funding obligations fulfilled	Funding obligations fulfilled	Achieved
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LIBRARIES, LEARNING AND DEVELOPMENT

The district has two libraries – one in Ōtorohanga and the other in Kāwhia – providing access to a wide range of knowledge and information as well as opportunities for learning and a space to connect and engage.

Services include:

- Physical and digital collections and resources
- Programmes supporting literacy in all its forms, with an emphasis on children's¹⁶ programmes
- 24/7 wifi access, as well as access to devices, printing and scanning during opening hours.

Public libraries play a key role in wellbeing through improving individual and community outcomes in literacy (language, numeracy, digital). Literate communities are more empowered, resilient, tolerant, and better able to develop and participate in enterprise and growth opportunities and thrive.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Library services and activities meet community needs.	Users satisfied with library services ¹⁷ .	100% satisfaction	≥ 90% satisfaction	97.2% satisfaction	Achieved
	Increasing participation in Library programmes and activities, and service users.	36,035 participants – 8.8% decrease	≥ 40,000 participants	43,101 participants	Achieved

CIVIL DEFENCE AND EMERGENCY MANAGEMENT (CDEM)

This activity focuses on preparedness for emergencies, both internally by having sufficiently trained staff and externally by educating the wider community on the need for being prepared. It is also about responding during the emergency event, and getting our organisation back up and running, through the transition and recovery phases after the emergency.

Council is part of the Waikato CDEM Group, which is a collective approach to managing emergencies in the Waikato Region. The CDEM Group works closely with research institutions, utility operators and central government to reduce risks and improve community resilience. Council is also part of the Western Waikato Emergency Operations Area which provides CDEM services at the local level. This is a shared service arrangement, where we partner with Waipā and Waitomo district councils. Waipā is the “host” council in this arrangement and if an emergency happens in our district, we know that our neighbouring councils are well prepared to help us and vice versa. A new Civil Defence Act is also anticipated in 2026 which is widely expected to confirm and strengthen (increase) the roles and responsibilities of Councils around local emergency reduction, readiness, response and recovery.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
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¹⁵ As measured by their reporting to Council.

¹⁶ Programmes cater for children from newborns through to the end of primary school age.

¹⁷ As measured by annual customer survey.





Council and the community well prepared for a civil defence emergency.	Percentage scored in an emergency response annual evaluation exercise ¹⁸ .	Not achieved. Score same as previous year	> 60% (advancing	Late developing result	Not achieved
	Community response plans in place for Kāwhia and Ōtorohanga reviewed every 3 years.	Plans in place	Plans in place	Plans in place	A community response plan is in place for Kāwhia/Aotea, and an operational response plan in place for the entire district, including Ōtorohanga.

¹⁸ Council will be assessed on the capability shown during the exercise and scored a percentage based on the CDEM Capability Scoring Guide & Capability level: Unsatisfactory = 0-20%, Early Developing = 21-40%, Late Developing = 41-60%, Advancing = 61-80%, Mature = 81-100%





COST OF SERVICE STATEMENT

2023/24 Actual (\$000)	STRONG COMMUNITIES COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2025	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	OPERATING REVENUE		
1,069	Activity Revenue	313	738
94	Targeted Rates	95	95
-	Development Contributions	-	-
1,680	General Rates	1,784	1,494
14	Other General Sources	-	11
2,858	<i>Total Operating Revenue</i>	2,191	2,338
	OPERATING EXPENDITURE		
30	Community Development and Empowerment	568	529
891	Community Service Providers and Contestable Grants	225	579
1,175	Economic Wellbeing and Development	691	496
570	Libraries, Learning and Development	522	559
174	Civil Defence and Emergency Management	165	175
2,841	<i>Total Operating Expenditure</i>	2,173	2,339
17	<i>Net Cost of Service</i>	19	(1)





FUNDING IMPACT STATEMENT

STRONG COMMUNITIES FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2025	2023/24	2024/25	2024/25
	Long Term Plan (\$000)	Long Term Plan (\$000)	Actual (\$000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	1,515	1,784	1,494
Targeted Rates (other than a targeted rate for water supply)	95	95	95
Subsidies and Grants for Operating Purposes	34	294	712
Fees and Charges	20	19	25
Internal Charges and Overheads Recovered	-	-	11
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	-	-	1
TOTAL OPERATING FUNDING	1,665	2,191	2,338
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	572	1,025	1,411
Finance Costs	-	-	-
Internal Charges and Overheads Applied	417	562	479
Other Operating Funding Applications	606	567	387
TOTAL APPLICATION OF OPERATING FUNDING	1,595	2,154	2,276
SURPLUS (DEFICIT) IN OPERATING FUNDING	69	37	62
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	-	-	-
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	-	-	-
APPLICATION OF CAPITAL FUNDING			
Capital Growth	-	-	-
Capital Level of Service	-	-	-
Capital Renewals	167	64	60
Increase (Decrease) in Reserves	(97)	(27)	2
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	69	37	62
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(69)	(37)	(62)
FUNDING BALANCE	-	-	-



VIBRANT PLACES AND SPACES

- PARKS AND RESERVES AND COUNCIL OWNED PROPERTY
- CEMETERIES
- SWIMMING POOLS
- OLDER PERSON'S HOUSING



VIBRANT PLACES AND SPACES

OVERVIEW

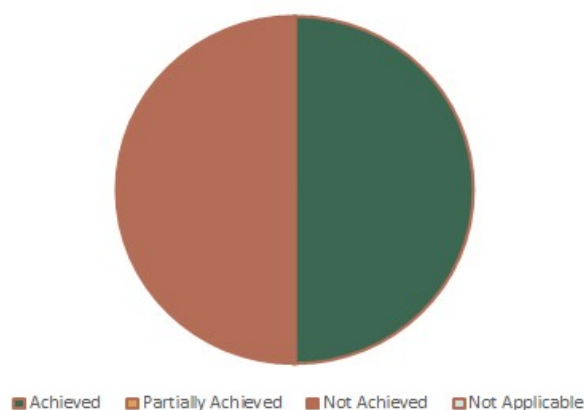
We operate and maintain a range of community facilities for residents and visitors to the district. Collectively valued at an estimated \$30 million, these assets help lay the foundation for creating vibrant, diverse, liveable communities.

The particular facilities we manage are divided into following activities:

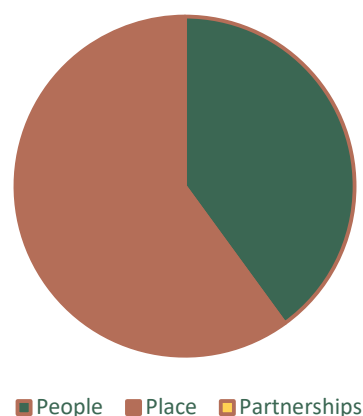
- Parks and Reserves and Council Owned Property¹⁹
- Cemeteries
- Swimming Pools
- Older Person's Housing

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



PARKS AND RESERVES AND COUNCIL OWNED PROPERTY

We manage 26 parks and reserves in the district totalling 45 hectares²⁰ spread between Ōtorohanga and Kāwhia/Aotea. Together these areas provide for the district's active and passive recreation needs while making a significant contribution to the vibrancy and liveability of our communities. Included in the mix are five playgrounds catering for people of all ages and abilities. We also have agreements in place with sporting groups regarding the care and maintenance of playing fields.

Other facilities included in this activity are:

- Public toilets (we have nine)
- The Girl Guide Hall (Ōtorohanga) and the Kāwhia Community Centre
- Library buildings
- Dog pound and other Council owned property not covered under other activities.

¹⁹ This activity also includes public toilets, maintenance of the Girl Guide Hall (Ōtorohanga) and Kāwhia Community Centre, maintenance of library buildings, dog pound and other Council owned property.

²⁰ These are reserves specifically maintained for active and passive recreation purposes. In total Council owns 178.839 hectares of reserves including flood protection and road reserves.





Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Parks and reserves meet resident's needs.	Residents satisfied with parks/reserves ²¹ : - Variety - Quality	92.8% Satisfaction combined average ²²	≥ 90% Satisfaction combined average	89.1% satisfaction combined average	Not achieved. Variety of parks and reserves was 90.9%, Quality of parks and reserves was 87.3%
Provision of clean, well maintained public toilets.	Number of complaints per annum in relation to cleanliness and maintenance ²³ .	16 complaints	<12 Complaints	11 complaints	Achieved

CEMETERIES

We manage public cemeteries at Ōtorohanga and Kāwhia, with a combined area of 7.8 ha. This involves:

- Provision of well-managed places for interment
- Online cemetery records

Our commitment is to maintain these cemeteries as respectful, attractive places for people to be able to connect with their loved ones.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Well maintained cemeteries.	Number of complaints per annum in relation to grounds maintenance ²⁴ .	1 complaint	<5 Complaints	6 Complaints	Not achieved

SWIMMING POOLS

The Ōtorohanga pool facility includes a 20 metre heated indoor pool, which operates year-round, a 33.5 metre outdoor pool and separate toddler's pool. This facility is managed by a contractor on Council's behalf and, although not required by the contract, a gym facility is provided at the contractor's discretion.

The provision of a community swimming pool is seen as an important recreational option for the community, and a key public safety initiative through learn to swim. Although aging, recent upgrades have improved the facility so that it complies with New Zealand Building Act and regulations, and Water Safety NZ – Swimming Pool Guidelines. A rigorous maintenance programme is also in place.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Provision of community swimming pool facilities, safe for users and staff.	Swimming pools maintain PoolSafe Accreditation and compliance with pool water quality standard ²⁵ .	90.75% compliance	≥ 95% Compliance	86.78% Compliance	Not achieved. Compliance is low due to reporting issues following internet problems because of the

²¹ As measured by annual residents' survey.

²² 94.8% variety; 90.8% quality

²³ As recorded in service request system.

²⁴ As recorded in service request system.

²⁵ NZ Standard 5862 (Swimming Pools). As reported in Pool Manager's monthly reports.





					disconnection of old copper lines. Pools were always balanced before opening.
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OLDER PERSON'S HOUSING

We have 28 residential units for older persons - 22 in Ōtorohanga and six in Kāwhia. A mix of studio and one-bedroom, the units are provided on a user pays basis. Rentals are set at 90% of the market for similar properties, on the basis of covering our costs rather than making a profit. There is strong demand for these properties, with waiting lists.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Housing units that are well maintained, safe and fully utilised.	Tenants satisfied with of their unit ²⁶ : - Comfort - Safety	93.4% comfort 100% safety	≥ 95% Satisfaction combined average	100%	Achieved
	Percentage occupancy rate for elder person's housing ²⁷ : - Ōtorohanga - Kāwhia	96.4% Combined average ²⁸	>95% Combined average	98% (96% for Ōtorohanga and 100% for Kāwhia)	Achieved

²⁶ As measured by the annual tenant satisfaction survey.

²⁷ Expressed as an annualised monthly average.

²⁸ 96.8% Ōtorohanga; 94.9% Kāwhia





COST OF SERVICE STATEMENT

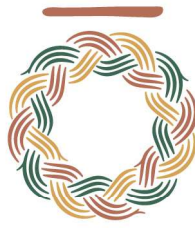
2023/24 Actual (\$000)	VIBRANT PLACES AND SPACES COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2025	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	OPERATING REVENUE		
466	Activity Revenue	479	518
30	Targeted Rates	26	30
98	Development Contributions	10	18
1,865	General Rates	2,277	2,494
-	Other General Sources	(50)	(44)
2,458	<i>Total Operating Revenue</i>	2,742	3,016
	OPERATING EXPENDITURE		
2,123	Parks and Reserves and Council Owned Property	2,498	2,676
436	Swimming Pools	554	570
129	Cemeteries	155	132
259	Older Person's Housing	318	312
2,947	<i>Total Operating Expenditure</i>	3,525	3,689
(489)	<i>Net Cost of Service</i>	(783)	(674)





FUNDING IMPACT STATEMENT

VIBRANT PLACES AND SPACES FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2025	2023/24 Long Term Plan (\$000)	2024/25 Long Term Plan (\$000)	2024/25 Actual (\$000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	1,692	2,279	2,495
Targeted Rates (other than a targeted rate for water supply)	26	26	30
Subsidies and Grants for Operating Purposes	-	-	29
Fees and Charges	41	41	49
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	335	438	440
TOTAL OPERATING FUNDING	2,094	2,784	3,043
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	1,629	1,617	1,511
Finance Costs	36	41	48
Internal Charges and Overheads Applied	590	1,118	1,031
Other Operating Funding Applications	143	207	227
TOTAL APPLICATION OF OPERATING FUNDING	2,398	2,982	2,817
SURPLUS (DEFICIT) IN OPERATING FUNDING	(305)	(198)	226
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	10	10	18
Increase (Decrease) in Debt	649	633	413
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	659	643	432
APPLICATION OF CAPITAL FUNDING			
Capital Growth	-	-	-
Capital Level of Service	322	115	26
Capital Renewals	164	382	213
Increase (Decrease) in Reserves	(131)	(51)	418
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	354	445	658
SURPLUS (DEFICIT) OF CAPITAL FUNDING	305	198	(226)
FUNDING BALANCE	-	-	-



TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

SUSTAINABLE DEVELOPMENT AND PUBLIC SAFETY

- RESOURCE MANAGEMENT
- BUILDING CONTROL
- ANIMAL CONTROL
- ENVIRONMENTAL HEALTH, PUBLIC AMENITY AND SAFETY



SUSTAINABLE DEVELOPMENT AND PUBLIC SAFETY

OVERVIEW

We provide planning and regulatory services to sustainably manage the district's natural and physical resources, and to promote and protect the health, safety and resilience of our communities.

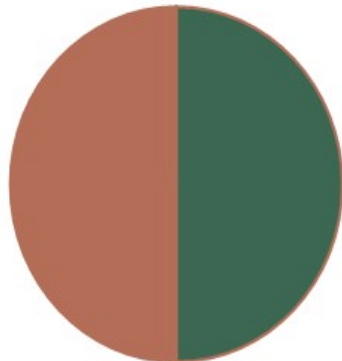
Activities covered include:

- Resource Management
- Building Control
- Animal Control
- Environmental Health, Public Amenity and Safety

The activities in this group are governed by national legislation and directives as well as regional and local policies and bylaws. Together these laws, rules and policies are intended to be both enabling while safeguarding and protecting people and the environment. Major change is signalled with new national directions for planning coming into force 2025/26, roll out of the “going for housing growth” agenda, and the replacements to the Resource Management Act (a new Planning Act and Natural Environment Act) anticipated to be in place 2027, along with anticipated reform of regulatory compliance and enforcement.

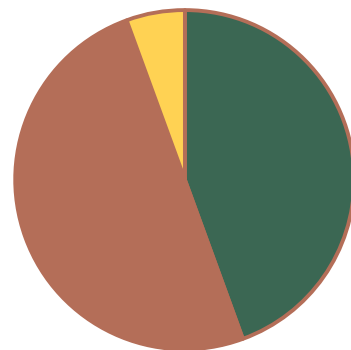
PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



■ Achieved ■ Partially Achieved ■ Not Achieved ■ Not Applicable

OUTCOMES MEASURED



■ People ■ Place ■ Partnerships

RESOURCE MANAGEMENT

This activity covers the planning functions we carry out under the Resource Management Act 1991 (RMA) and includes:

- Preparing and reviewing the District Plan
- Processing planning applications and issuing resource consents
- Processing of private plan changes and designation applications
- Providing development advice
- Compliance and enforcement around District Plan requirements and consent conditions.





Issuing LIMs²⁹ in relation to property transactions and development proposals and administering our Development and Financial Contributions Policy are also a part of this activity.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Maintained and updated District Plan.	Ōtorohanga District Plan is maintained, reviewed, and updated in accordance with legislation.	New measure	100% Compliance	N/A	Not achieved – legislation from September 2025 prohibits Council from changing or reviewing the district plan.
Processing of all applications within agreed timeframes.	Resource consent applications processed and decisions issued within statutory timeframes.	76.67% Compliance	100% Compliance	95% compliance	Not achieved

BUILDING CONTROL

Building control covers:

- Processing and monitoring of building consents
- Issuing of Code of Compliance Certificates, Compliance Schedules and Building Warrants of Fitness under the Building Act 2004
- Monitoring and enforcing earthquake-prone building requirements
- Building inspections
- Inspecting private swimming pools for compliance with safety regulations
- Issuing and monitoring of building warrants of fitness
- Investigating alleged breaches of building regulation.

Another important part of our work is advising builders and the community about what building work requires a consent and other requirements such as using licensed building practitioners.

As a Building Consent Authority (BCA) we are audited every two years by International Accreditation New Zealand (IANZ). To retain our BCA accreditation, it is important that staff knowledge and our systems and processes are up-to-date and accurate. This activity is also on Government's reform programme over the next 3 years, including changes around: remote inspections, accessory buildings, earthquake prone buildings, Council liability settings, removal of legal barriers to combined Building Control Authority, approved products, insulation standards, with further changes anticipated.

²⁹ Land Information Memorandum (LIMs) issued in accordance with the Local Government Official Information and Meetings Act 1987 (LGOIMA).





Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Buildings safe and fit for purpose.	Building consent applications processed within 20 working days ³⁰ .	98.73% Compliance	100% Compliance	94.77% Compliance	Not achieved
Required safety inspections of swimming pools and associated barriers completed.	All registered private swimming pools inspected at least every three years.	90% Inspected	> 33% Pools inspected ³¹	33% inspected	Achieved
Required standards for processing and issuing building consents met.	Retention of biennial BCA accreditation ³² .	Accreditation retained	n/a	Accreditation achieved	Achieved

ANIMAL CONTROL

Animal control is important for ensuring public safety. Our role involves dog registration, impounding wandering stock and roaming dogs, and implementing and enforcing our Dog Control Policy and Bylaw. Dog owner education and promoting animal welfare are also covered by this activity. We operate a successful shared service animal control agreement with Waitomo District Council, with Animal Control Officers effectively working across both districts.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Timely provision of animal control services supporting animal welfare and community safety.	Known dogs in the district are registered ³³ .	81% Registered	≥ 98% Registered	91.4% registered	Not achieved
	Complaints about dog attacks and wandering stock on public roads responded ³⁴ to within two hours ³⁵ .	100% Compliance	100% Compliance	100% Compliance	Achieved

ENVIRONMENTAL HEALTH, PUBLIC AMENITY AND SAFETY

This activity involves:

- Licensing and monitoring of food premises, alcohol sellers, hairdressers and camping grounds
- Control of health nuisances related to noise, littering and compliance with our bylaws and the freedom camping legislation.

³⁰ As measured by the Building Consent Tracking Database.

³¹ As an annual average over 3-year period.

³² Council's next audit is scheduled for 2025.

³³ As recorded in Council's dog registration database.

³⁴ 'Responded to' means acknowledged and investigated.

³⁵ As reported in contractor's monthly report.





By ensuring that the regulations and standards for these services are met we help protect public health and safeguard the liveability of our communities. Various changes are underway or signalled to the related legislation around noise, littering, hairdresser regulations, and alcohol.

Service delivery for Environmental Health is via a shared service arrangement with our partner Waipā District Council. Responding to noise is provided through the day-time by staff and after hours by a contracted service. Other nuisance complaints and bylaw breaches are investigated on a case-by-case basis.

Liquor licensing is governed by a joint district licensing committee covering Ōtorohanga, Waipā and Waitomo District Councils. While our staff issue and administer licences for the district, we also collaborate with our partner councils on aspects of local administration.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Public sale and supply of alcohol is undertaken safely and responsibly, and a high level of food safety is maintained by food premises.	All venues selling or supplying alcohol and all food premises monitored for compliance with statutory requirements ³⁶ .	100% Compliance	100% Compliance	100% Compliance	Achieved
Timely response to excessive noise complaints.	All excessive noise complaints investigated within two hours of the complaint being received ³⁷ .	100% Compliance	95% Compliance	90% Compliance	Not achieved
Respond to public nuisance complaints.	Investigate ³⁸ complaints within five working days of receiving a complaint ³⁹ .	New measure	90% Compliance	90% Compliance	Achieved

³⁶ As measured by inspection records.

³⁷ As recorded in the service request system and outcome reported in contractor's monthly report.

³⁸ "Investigate" means acknowledging the complaint, triaging and assessing if a response and any enforcement is required.

³⁹ Covers complaints made under the following by laws/legislation:

- Dangerous and Insanitary Building Policy 2022
- Keeping of Stock, Poultry and Bees Bylaw 2009
- Liquor Control Bylaw 2007
- Stock Movement Bylaw 2014
- Structures and Works in Public Places Bylaw 2015
- Trade Waste Bylaw 2000
- Freedom camping legislation





COST OF SERVICE STATEMENT

2023/24 Actual (\$000)	SUSTAINABLE DEVELOPMENT AND PUBLIC SAFETY COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2025	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	OPERATING REVENUE		
706	Activity Revenue	879	1,158
-	- Targeted Rates	-	-
-	- Development Contributions	-	-
1,427	General Rates	1,452	1,144
(4)	Other General Sources	-	-
2,129	<i>Total Operating Revenue</i>	2,331	2,302
	OPERATING EXPENDITURE		
536	Resource Management	464	617
1,147	Building Control	1,096	1,074
214	Environmental Health, Public Amenity and Safety	399	253
273	Animal Control	432	426
2,171	<i>Total Operating Expenditure</i>	2,391	2,371
(42)	<i>Net Cost of Service</i>	(60)	(69)





FUNDING IMPACT STATEMENT

SUSTAINABLE DEVELOPMENT AND PUBLIC SAFETY FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2025	2023/24	2024/25	2024/25
	Long Term Plan	Long Term Plan	Actual
	(\$000)	(\$000)	(\$000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	881	1,452	1,144
Targeted Rates (other than a targeted rate for water supply)	-	-	-
Subsidies and Grants for Operating Purposes	-	-	-
Fees and Charges	1,409	875	1,162
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	4	4	(4)
TOTAL OPERATING FUNDING	2,294	2,331	2,302
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	1,251	1,169	1,023
Finance Costs	-	-	-
Internal Charges and Overheads Applied	1,073	1,212	1,323
Other Operating Funding Applications	10	10	20
TOTAL APPLICATION OF OPERATING FUNDING	2,334	2,391	2,365
SURPLUS (DEFICIT) IN OPERATING FUNDING	(41)	(60)	(64)
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	-	-	-
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	-	-	-
APPLICATION OF CAPITAL FUNDING			
Capital Growth	-	-	-
Capital Level of Service	7	-	-
Capital Renewals	-	-	-
Increase (Decrease) in Reserves	(48)	(60)	(64)
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	(41)	(60)	(64)
SURPLUS (DEFICIT) OF CAPITAL FUNDING	41	60	64
FUNDING BALANCE	-	-	-



RESILIENT INFRASTRUCTURE

FIVE SEPARATE GROUPS OF ACTIVITIES ARE INCLUDED
UNDER THE BROAD HEADING OF RESILIENT
INFRASTRUCTURE:

- LAND TRANSPORT
- WASTEWATER
- WATER SUPPLY
- STORMWATER
- FLOOD PROTECTION



LAND TRANSPORT

OVERVIEW

Integral to everyday district life, land transport is our biggest area of spending. We look after 805 kilometres of roads⁴⁰ that link to the national state highway network connecting residents and visitors to their destination, businesses to customers and suppliers and local production to markets. As a rural district with a dispersed population, we are acutely aware of the importance of having a well maintained, resilient roading network – the backbone connecting people and enabling economic activity.

Our land transport work is not only about roads - we also maintain:

- 26.9 kilometres of footpaths
- 134 bridges
- 83 stock underpasses
- 5,918 culverts
- 3,290 signs.

Promoting road safety, kerb and channel management, roadmarking, safety barriers/works and roadside vegetation and litter management are also part of land transport.

CHANGES FROM THE 2024/34 LTP

Post the adoption of our 2024/34 LTP, NZTA advised that funding allocations for 2024/25 to 2026/27 would be below what was needed to deliver on our planned programme of works. Equating to an average annual shortfall of \$3.565M, some activities were allocated manageable reductions (e.g. pothole prevention) while others were reduced by two thirds (e.g. walking and cycling) or completely removed (ie. low cost/low risks new works).

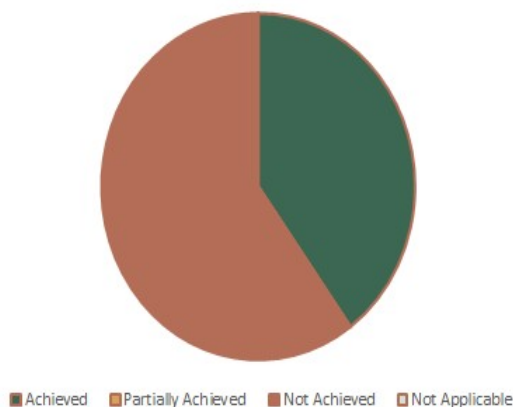
The reduced funding has affected our ability to deliver on aspects of our planned works, and we have adjusted our programmes accordingly, in particular footpaths, road safety promotion and new works (low risk/low cost).

⁴⁰ Comprised of 529 sealed (66%) and 276 unsealed (34%).

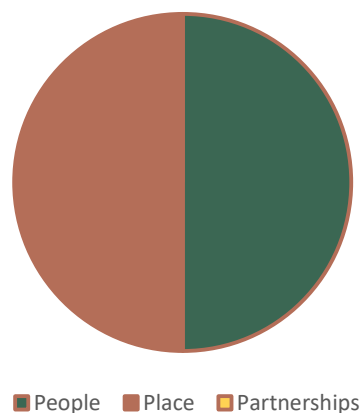


PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



LAND TRANSPORT

Our priorities for a cost effective, sustainable, resilient land transport programme are:

- Maintaining existing levels of services, with our road network continuing to be our largest spend area
- Understanding the likely impacts of climate change on district assets and reflecting this in our ongoing work programmes.

Maintenance of our roading network is undertaken under contract on our behalf and funding for the land transport programme is a mixture of district rates (local share) and subsidies from our roading partner NZTA.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Provision of a safe local transport network for users and the community.	Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network (M) ⁴¹ .	2	Fatalities/serious injuries ≤ previous year	6 severe (2 more than last year). No fatal crashes.	Not achieved
Road and footpath networks which support usability and user comfort.	Percentage of footpaths whose condition meets the standard of 3 or better (minor cracking only) (M) ⁴² .	61.84%	80%	91%	Achieved
	Average quality of ride on a sealed local road network, measured by	96%	97%	96%	Not achieved

⁴¹ (M) Expressed as a number.

⁴² (M) Full wording: The percentage of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (such as its annual plan, activity management plan, asset management plan, annual works program or long term plan). For Council this is based on a five-point scale (excellent, good, average, poor and very poor) the percentage will be the length of footpath recorded as average, good or excellent condition grade.

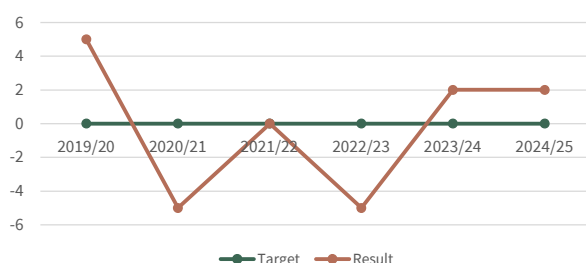


	smooth travel exposure value of 150 or better (M).				
	Percentage of the sealed local road network that is resurfaced annually (M).	7.8%	8%	7%	Not achieved
Customer service requests dealt with promptly and appropriately.	Percentage of customer service requests for roads and footpaths recorded in the request for service system and responded ⁴³ to within 5 working days or less (M) ⁴⁴ .	66.74%	90%	91%	Achieved

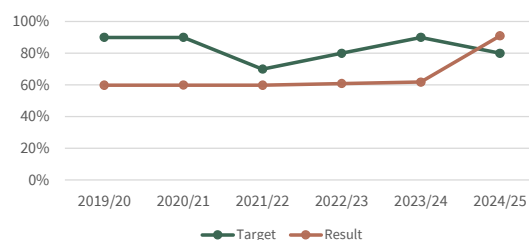
M = Mandatory measure

TREND

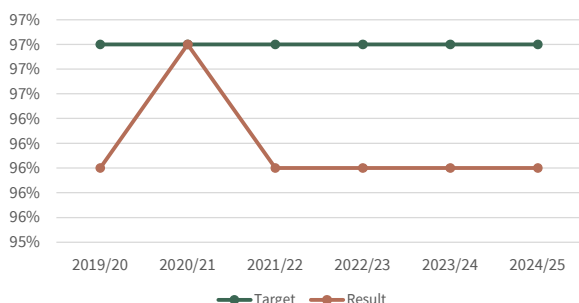
CHANGE IN NUMBER OF FATALITIES & SERIOUS INJURY CRASHES



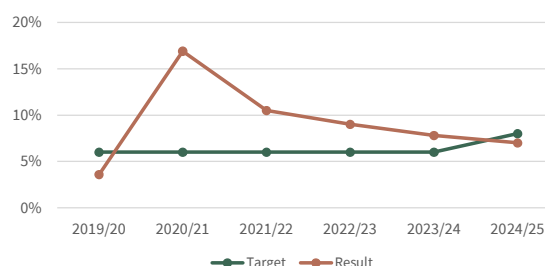
PERCENTAGE OF FOOTPATHS WITH CONDITION OF 3 OR BETTER



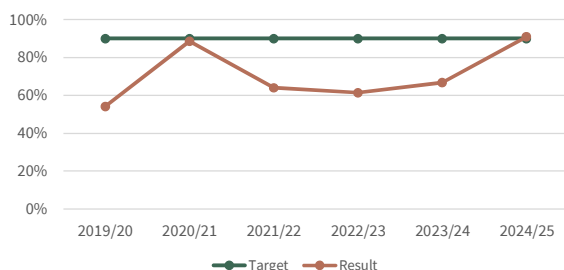
AVERAGE QUALITY OF RIDE ON SEALED ROADS



PERCENTAGE OF SEALED NETWORK RESURFACED ANNUALLY



SERVICE REQUESTS RESPONDED TO WITHIN 5 WORKING DAYS



⁴³ Responded to means acknowledgment by the Roding Team.

⁴⁴ (M) Full wording: The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the long term plan.





COST OF SERVICE STATEMENT

2023/24 Actual (\$000)	LAND TRANSPORT COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2025	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	OPERATING REVENUE		
6,880	Activity Revenue	7,999	7,025
4,624	Targeted Rates	4,794	4,791
143	Development Contributions	-	-
(2,406)	General Rates	0	(978)
-	Other General Sources	-	-
9,241	<i>Total Operating Revenue</i>	12,793	10,837
	OPERATING EXPENDITURE		
10,723	Land Transport	11,945	11,013
10,723	<i>Total Operating Expenditure</i>	11,945	11,013
(1,483)	<i>Net Cost of Service</i>	848	(176)





FUNDING IMPACT STATEMENT

LAND TRANSPORT FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2025	2023/24 Long Term Plan (\$000)	2024/25 Long Term Plan (\$000)	2024/25 Actual (\$000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	-	-	-
Targeted Rates (other than a targeted rate for water supply)	4,612	4,794	4,791
Subsidies and Grants for Operating Purposes	2,849	3,665	3,068
Fees and Charges	-	-	-
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	86	86	105
TOTAL OPERATING FUNDING	7,547	8,545	7,964
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	3,746	5,358	4,170
Finance Costs	33	45	58
Internal Charges and Overheads Applied	1,797	1,993	1,771
Other Operating Funding Applications	3	3	3
TOTAL APPLICATION OF OPERATING FUNDING	5,579	7,399	6,002
SURPLUS (DEFICIT) IN OPERATING FUNDING	1,967	1,146	1,962
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	2,819	4,248	3,851
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	(411)	(155)	(363)
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	2,408	4,093	3,488
APPLICATION OF CAPITAL FUNDING			
Capital Growth	-	250	160
Capital Level of Service	-	-	-
Capital Renewals	6,256	6,882	5,555
Increase (Decrease) in Reserves	(1,880)	(1,893)	(265)
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	4,375	5,238	5,450
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(1,967)	(1,146)	(1,962)
FUNDING BALANCE	-	-	-



CHANGES FROM THE 2024/34 LTP FOR WATER⁴⁵

In September 2024, the coalition government passed the first of two pieces of legislation for improving how water is managed across the country under its policy approach known as Local Water Done Well (LWDW). LWDW replaces the previous government's Three Waters Reform package.

The LWDW legislation requires all councils to create a Water Services Delivery Plan (WSDP) by September 2025, outlining how they will manage water infrastructure, investments, and finances while meeting regulatory requirements. A key part of developing a WSDP is community consultation on the service delivery model we think will work best for our district.

Of the available models, viable, realistic options for our district were largely limited to either continuing to deliver water services on our own or joining with our neighbours and setting up a regional council controlled organisation (CCO) to deliver services on our behalf.

In April 2025, we consulted with you on our preferred model which was establishing a CCO with six other councils under the banner of Waikato Water Done Well (WWDW) for the delivery of drinking water and wastewater services. Stormwater management and stock water- only schemes would continue to be managed in-house by Council staff in accordance with new legislation.

We have now confirmed our preferred model, signed the shareholders agreement for Waikato Waters Limited – the new company CCO - and, along with our partner councils, submitted our WSDP to the Minister of Local Government for approval. Once we have sign-off from the Minister our focus will shift to how we will transition to the new regime.

⁴⁵

Water supply, wastewater and stormwater



WASTEWATER

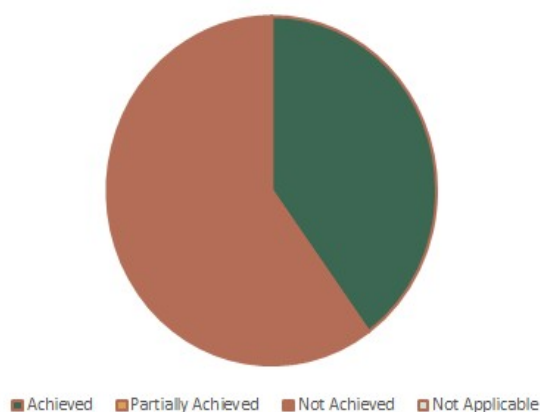
OVERVIEW

Wastewater treatment and disposal includes the network of pipes for the collection of sewage and trade waste and its safe treatment and disposal. We collect and treat wastewater from residential, business and other properties in the Ōtorohanga urban area to maintain public health and sustain and protect land and waterways from contamination.

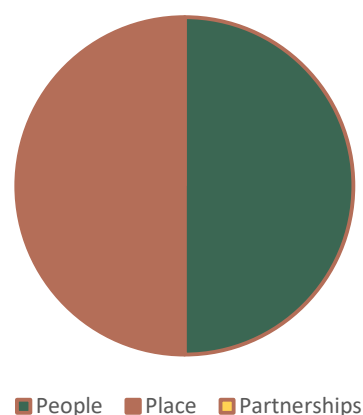
An asset management plan (covering stormwater and wastewater) is in place for this activity. The plan was substantially reviewed in 2020/21 and updated as part of the process for developing the 2024/34 LTP.

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



WASTEWATER TREATMENT AND DISPOSAL

Around 1600 properties connect to the Ōtorohanga Wastewater System. Fifty-three kilometres of pipeline and 15 pump stations (plus four private) transport wastewater to the treatment plant (aerated oxidation pond) at the northern end of the town, with the treated water being discharged into the Mangaorongo Stream via tertiary treatment including a wetland.

Commercial and industrial operations that generate larger and/or concentrated quantities of wastewater are subject to trade waste permits, with specific conditions on their wastewater discharges. As at May 2025 there were 48 trade waste permits issued. Provision is available at the treatment plant for taking and treating septic tank waste.





Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Safe, reliable wastewater treatment and disposal system which minimises public health risks and environmental impact. Road and footpath networks which support usability and user comfort. Customer service requests dealt with promptly and appropriately.	Number of dry weather sewerage overflows from the Ōtorohanga sewerage system, per 1000 connections (M) ⁴⁶	3 Overflows	0 Overflows	9 Overflows	Not achieved
	Compliance with consents for discharge from the Ōtorohanga sewerage system (M) ⁴⁷ : - Abatement Notices - Infringement Notices - Enforcement Orders - Convictions	1 Non-compliance actions	0 Non-compliance actions	1 Non-compliance action	Not achieved
	Median response time for sewerage overflow callouts due to a blockage or other fault in the Ōtorohanga sewerage system (M) ⁴⁸ . Time from notification until: - Service personnel arrive on site - Confirmation of resolution of the blockage or fault.	1hr 48 Mins 3hrs 30 Mins	< 50 Mins < 24 Hrs	4hrs 20mins 12hrs 36mins	Not achieved Achieved
	Number of complaints ⁴⁹ , per 1000 sewage connections, about (M) ⁵⁰ : - Odour - System faults - Blockages.	4 Complaints	<15 Complaints	9 complaints	Achieved

M = Mandatory measure

⁴⁶ (M) Full wording: The number of dry weather sewerage overflows from the territorial authority's sewerage system expressed per 1000 sewerage connections to that sewerage system.

⁴⁷ (M) Full wording: Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: (a) abatement notices, (b) infringement notices, (c) enforcement orders, (d) convictions received by the territorial authority in relation to those resource consents.

⁴⁸ (M) Full wording: Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: (a) Attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site, (b) Resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.

⁴⁹ As recorded in the request for service system.

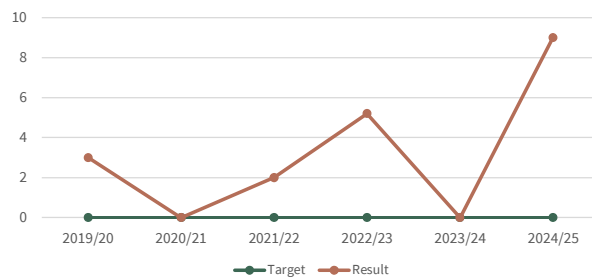
⁵⁰ (M) Full wording: The total number of complaints received by the territorial authority about any of the following (expressed per 1000 connections to the territorial authority's sewerage system): Sewerage odour, sewerage system faults, sewerage system blockages, territorial authority's response to issues with its sewerage system.



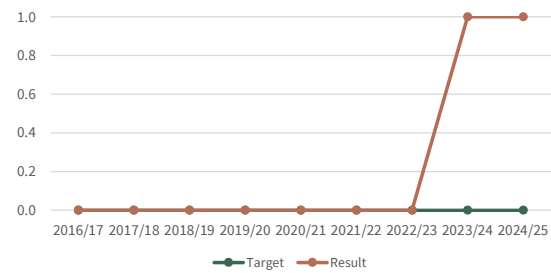


TREND

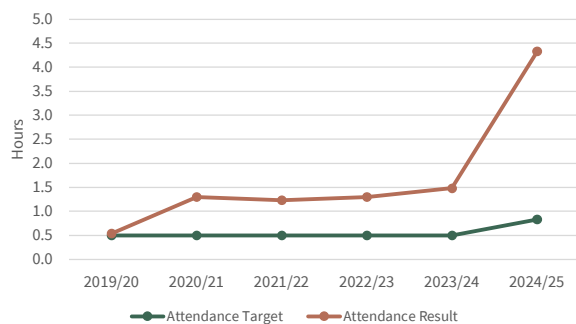
NUMBER OF DRY WEATHER OVERFLOWS PER 1000 CONNECTIONS



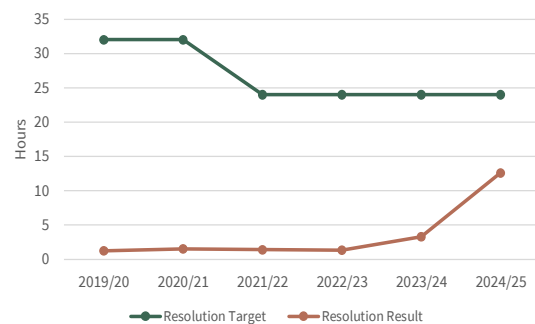
COMPLIANCE WITH RESOURCE CONSENTS FOR DISCHARGE



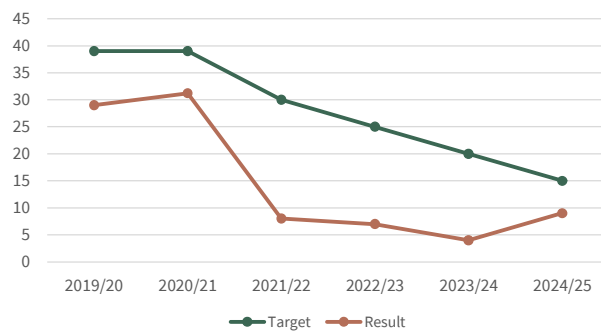
MEDIAN RESPONSE TIME - ATTENDANCE



MEDIAN RESPONSE TIME - RESOLUTION



COMPLAINTS PER 1000 CONNECTIONS





COST OF SERVICE STATEMENT

2023/24 Actual (\$000)	WASTEWATER COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2025	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	OPERATING REVENUE		
360	Activity Revenue	65	159
774	Targeted Rates	903	902
2	Development Contributions	-	4
95	General Rates	17	63
-	Other General Sources	-	-
1,231	<i>Total Operating Revenue</i>	985	1,128
	OPERATING EXPENDITURE		
1,147	Wastewater	1,441	1,496
1,147	<i>Total Operating Expenditure</i>	1,441	1,496
85	<i>Net Cost of Service</i>	(457)	(367)





FUNDING IMPACT STATEMENT

WASTEWATER FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2025	2023/24	2024/25	2024/25
	Long Term Plan (\$000)	Long Term Plan (\$000)	Actual (\$000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	37	17	63
Targeted Rates (other than a targeted rate for water supply)	775	903	902
Subsidies and Grants for Operating Purposes	-	-	-
Fees and Charges	65	65	159
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	-	-	-
TOTAL OPERATING FUNDING	877	985	1,125
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	302	659	648
Finance Costs	89	138	54
Internal Charges and Overheads Applied	218	278	329
Other Operating Funding Applications	26	31	31
TOTAL APPLICATION OF OPERATING FUNDING	635	1,107	1,062
SURPLUS (DEFICIT) IN OPERATING FUNDING	242	(122)	63
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	4	1,115	5,161
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	4	1,115	5,161
APPLICATION OF CAPITAL FUNDING			
Capital Growth	50	50	26
Capital Level of Service	5,038	-	3,768
Capital Renewals	249	749	1,592
Increase (Decrease) in Reserves	(5,090)	195	(162)
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	247	994	5,224
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(242)	122	(63)
FUNDING BALANCE	-	-	-



WATER SUPPLY

OVERVIEW

The supply of safe drinking water is fundamental for the health and wellbeing of residents. An available, reliable water supply is also vital for the health of stock and to support thriving businesses and the rural economy.

We own two urban water supply schemes – Ōtorohanga and Kāwhia – that provide treated water to households and businesses on demand. Four restricted Rural Water Supply (RWS) schemes also deliver treated water to scheme ratepayers, mainly for agricultural purposes. The RWS schemes cover the rural areas of Arohena, Ranginui⁵¹, Tihiroa and Waipā.

An asset management plan guides the management of all our schemes. This plan was substantially reviewed in 2020/21 and updated as part of the process of developing the 2024/34 LTP.

CHANGES FROM THE 2024/34 LTP

We signalled in the 2024/34 LTP that changes needed to be made to the Arohena RWS (Kahorekau, Huirimu and Taupaki) but details were still being worked through. Following discussions with users and further advice from the regulator - Taumata Arowai – we now have a way forward.

Currently operating as a mixed water supply, Arohena RWS is primarily used for stock watering and agricultural purposes (90 percent) but is also available for drinking water (10 percent) albeit with a permanent boil water notice. Under the Drinking Water Quality Assurance Rules (DWQAR) which came into effect in November 2022, Council must either put in place a protozoa barrier to reduce the possibility of contamination from bacteria or viruses or cease the drinking water component of the RWS.

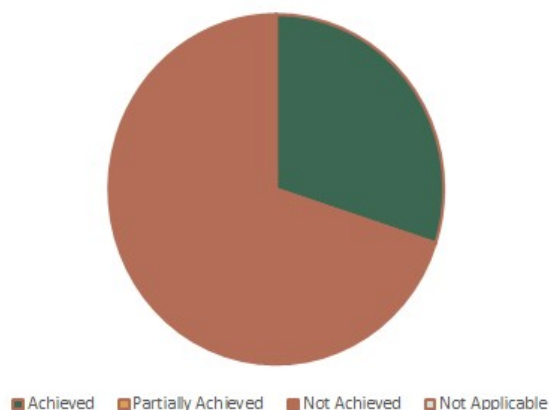
Instead of expensive upgrades (estimated at \$6M), we have decided to use the provisions of the Local Government Act 2002 to close the drinking water component of the RWS, as was done with Ranginui Rural Water Supply in 2016. There are various legislative processes that we must go through before that change can be affected with the last step being holding a referendum. The referendum to close the Arohena Drinking Water Scheme and enable the three supplies to continue as non-drinking water supplies is scheduled for August 2025.

⁵¹ Note: Ranginui RWS is a non-potable supply.

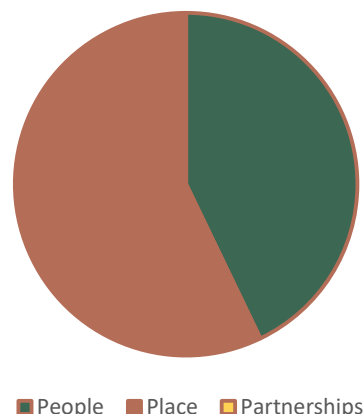


PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



WATER SUPPLY

There are around 1614 connections to the Ōtorohanga urban water supply and 443 in Kāwhia – a total of 75.8 km of pipeline and 9 reservoirs (capacity 4,250m³). The Ōtorohanga water supply is drawn from the Waipā River while Kāwhia draws from local springs. Both supplies are treated.

The four rural water schemes – Arohena (3 components)⁵², Ranginui, Tihiroa and Waipā - collectively supply 302 properties and are comprised of 129 km of pipeline and 13 reservoirs with a total capacity of 3150m³. Water is supplied on a controlled ('trickle-feed') basis, with on-farm storage required by the property owner. The Waipā Scheme is supplied via the Ōtorohanga town supply, with the other schemes drawing water from local rivers/streams. The schemes are managed by Council on behalf of the owners of properties connected to the schemes, and oversight of each scheme is provided by a local committee.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Provision of potable ⁵³ water within specified areas via a safe and reliable treatment and supply system.	The extent to which the Council's drinking water supply complies with ⁵⁴ (M): • Bacterial Compliance Criteria • Protozoal Compliance Criteria	Partially complies ⁵⁵	Complies	Partially complies	Not achieved – Ōtorohanga 99.95% compliance, Kāwhia 86.6% compliance
		Partially complies ⁵⁶	Complies	Partially complies	Not achieved – Ōtorohanga 99.7% compliance, Kāwhia 55.5% compliance

⁵² Refer to text box on page XX for changes to the Arohena scheme

⁵³ Note: Ranginui RWS is a non-potable supply.

⁵⁴ (M) Full wording: The extent to which the local authority's drinking water supply complies with: (a) part 4 of the drinking water standards (bacteria compliance criteria); and (b) part 5 of the drinking water standards (protozoal compliance criteria).

⁵⁵ Measured in accordance with the with Drinking Water Quality Assurance Rules 2022 which differ from the standard used to determine compliance in 2024/25. Refer to text box on page XX for further information.

⁵⁶ Ibid





	Number of complaints received, per 1000 connections, about (M) ⁵⁷ : • Water clarity • Water taste • Water odour • Water pressure or flow • Continuity of supply	? Complaints	<5 Complaints	14 complaints	Not achieved
	Median response times for call-outs in response to a fault or unplanned interruption the network (M) ⁵⁸ : Urgent Call-outs: • Attendance⁵⁹ • Resolution⁶⁰ Non-Urgent Call-outs: • Attendance⁶¹ • Resolution⁶²	2.2 hours 2.9 hours 19.65 hours ⁶³ 25.1 hours	< 1.5 Hours < 18 Hours < 1.5 Hours < 18 Hours	2hrs 59mins 15hrs 29mins 2hrs 28mins 10hrs 16mins	Not achieved Achieved Not achieved Achieved
Water supply and demand managed to ensure prudent use of water.	The percentage of real water loss from the Council's networked reticulation system (M) • Ōtorohanga	34% ⁶⁴	< 25%	27%	Not achieved
	• Kāwhia	11% ⁶⁵	< 25%	27%	Not achieved
	Average consumption of drinking water per day per resident within the Ōtorohanga District (M).	286 Litres/person/day	< 300 Litres/person/day	290 litres/person/day	Achieved

M = Mandatory measure

⁵⁷ As recorded in the request for service system.

⁵⁸ (M) Full wording: Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response time measured.

⁵⁹ (M) Full wording: Attendance for urgent call-outs: from the time the local authority receives notification to the time that service personnel reach the site.

⁶⁰ (M) Full wording: Resolution of urgent call-outs: from the time the local authority receives notification to the time service personnel confirm resolution of the fault or interruption.

⁶¹ (M) Full wording: Attendance for non-urgent call-outs: from the time the local authority receives notification to the time that service personnel reach the site.

⁶² (M) Full wording: Resolution of non-urgent call-outs: from the time the local authority receives notification to the time service personnel confirm resolution of the fault or interruption.

⁶³ Note: the target for non-urgent call-outs in 2023/24 was <36 hours for both attendance and resolution. This has subsequently been revised in the 2024/34 LTP to <1.5 hours and <18 hours respectively.

⁶⁴ Method 1 (Total water treated, less total consumed) 42%; Method 2 (Minimum night flow) 28%.

⁶⁵ Method 1 (Total water treated, less total consumed) 35%.





BACTERIAL AND PROTOZOAL COMPLIANCE

From 1 January 2023, new Drinking Water Quality Assurance Rules (DWQAR) introduced by Taumata Arowai took effect. These DWQAR replaced the existing water drinking standards, meaning that Council was unable to measure compliance with the Standards as per the performance measure above. The new rules cover additional items not previously monitored under the old standards.

Council currently measures compliance against the new DWQAR, and partially complies with these new rules. However, as these new rules do not align with the performance measures, we cannot state that we comply with the performance measures as written.

In August 2024, the Department of Internal Affairs adopted updated performance measures to align with the new DWQAR. However, these did not take effect until 21 August 2024, so do not apply to the 2023/24 financial year.





TREND





COST OF SERVICE STATEMENT

2023/24 Actual (\$000)	WATER SUPPLY COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2025	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	OPERATING REVENUE		
27	Activity Revenue	2	16
2,168	Targeted Rates	2,636	2,437
1	Development Contributions	-	3
156	General Rates	30	68
-	Other General Sources	-	-
2,352	<i>Total Operating Revenue</i>	2,669	2,524
	OPERATING EXPENDITURE		
1,820	On Demand Supply	1,985	1,931
1,076	Restricted Supply	1,230	1,090
2,896	<i>Total Operating Expenditure</i>	3,215	3,021
(544)	<i>Net Cost of Service</i>	(547)	(497)





FUNDING IMPACT STATEMENT

WATER SUPPLY FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2025	2023/24	2024/25	2024/25
	Long Term Plan (\$000)	Long Term Plan (\$000)	Actual (\$000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	149	30	68
Targeted Rates (other than a targeted rate for water supply)	2,315	2,636	2,437
Subsidies and Grants for Operating Purposes	-	-	-
Fees and Charges	2	2	16
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	-	-	-
TOTAL OPERATING FUNDING	2,467	2,669	2,521
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	773	958	786
Finance Costs	95	196	167
Internal Charges and Overheads Applied	980	1,246	1,114
Other Operating Funding Applications	56	67	70
TOTAL APPLICATION OF OPERATING FUNDING	1,904	2,467	2,137
SURPLUS (DEFICIT) IN OPERATING FUNDING	563	202	383
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	(776)	2,079	(117)
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	(776)	2,079	(117)
APPLICATION OF CAPITAL FUNDING			
Capital Growth	50	50	-
Capital Level of Service	2,217	90	66
Capital Renewals	1,420	1,401	302
Increase (Decrease) in Reserves	(3,900)	740	(101)
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	(213)	2,281	266
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(563)	(202)	(383)
FUNDING BALANCE	-	-	-



STORMWATER

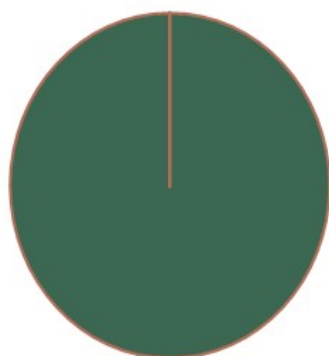
OVERVIEW

Hard surfaces, such as roofs, parking and paved areas, driveways, and roads, all contribute to generating stormwater runoff. In the Ōtorohanga and Kāwhia urban areas we collect and dispose of this runoff to prevent/minimise flooding from heavy or prolonged rainfall events. Effective management of stormwater supports community resilience and when damage from rainfall events is minimised communities can continue to thrive.

Stormwater management for the district is guided by an asset management plan (covering stormwater and wastewater). The plan was substantially reviewed in 2020/21 and updated as part of the process for developing the 2024/34 LTP.

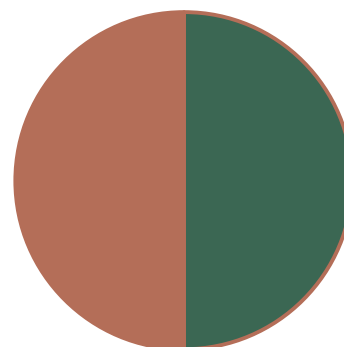
PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



■ Achieved ■ Partially Achieved ■ Not Achieved ■ Not Applicable

OUTCOMES MEASURED



■ People ■ Place ■ Partnerships

STORMWATER MANAGEMENT

The Ōtorohanga stormwater network is made up 22.7kms of pipes and 4.5kms of open drains which works in tandem with the Ōtorohanga Flood Protection Scheme's stopbanks and pump stations to protect property and prevent erosion. Recent subdivisions have contributed to an increase in the size of the network. While overall condition and performance of the system is generally good, capacity is limited and, for this reason, new developments are also required to provide for on-site stormwater management, such as retention and ground soakage.

The Kāwhia stormwater system consists of 3.8km of pipes, 0.5km of open drains and one small pump station located in a low-lying area. Network assets are relatively new and in good condition as a major upgrade was undertaken in 1999/00.

Aotea's stormwater assets consist mainly of soakage devices and overland flow soaking through the sand base. Roof water is captured by residents for drinking water.

Across the district, directing stormwater from/under roads is managed as a part of our land transport group of activities.

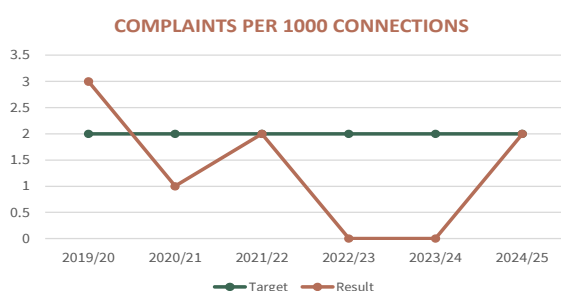




Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Provision of a safe and reliable stormwater system which minimises flooding and environmental impact.	Number of flooding events in the district and, for each flooding event, the number of habitable floors affected per 1000 properties connected (M) ⁶⁶ .	0 Habitable floors affected by flood events	0 Habitable floors affected by flood events	0 flooding events	Achieved
	Compliance with consents for discharge from the stormwater system (M) ⁶⁷ : - Abatement Notices - Infringement Notices - Enforcement Orders - Convictions	0 Non-compliance actions	0 Non-compliance actions	0 Non-compliance actions	Achieved
	Median response time ⁶⁸ to attend to a flooding event (M) ⁶⁹ .	0 Events	< 4 hours 30 minutes	1hr 30mins	Achieved
	Number of complaints received, per 1000 properties connected, about the performance of the stormwater system (M) ⁷⁰ .	0 Complaints	≤ 2 Complaints	2 Complaints	Achieved

M = Mandatory measure

TREND



COST OF SERVICE STATEMENT

⁶⁶ (M) Full wording: (a) The number of flooding events that occur in a territorial authority district. (b) For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.)

⁶⁷ (M) Full wording: Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: (a) abatement notices, (b) infringement notices, (c) enforcement orders, (d) convictions received by the territorial authority in relation to those resource consents.

⁶⁸ Measured from the time of notification until service personnel arrive on site.

⁶⁹ (M) Full wording: The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.

⁷⁰ As recorded in the request for service system





2023/24 Actual (\$000)	STORMWATER COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2025	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	OPERATING REVENUE		
	- Activity Revenue	-	-
	- Targeted Rates	-	-
	- Development Contributions	-	-
387	General Rates	250	281
	- Other General Sources	-	-
387	<i>Total Operating Revenue</i>	250	281
	OPERATING EXPENDITURE		
387	Stormwater	342	397
387	<i>Total Operating Expenditure</i>	342	397
	- <i>Net Cost of Service</i>	(91)	(116)





FUNDING IMPACT STATEMENT

STORMWATER FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2025	2023/24	2024/25	2024/25
	Long Term Plan (\$000)	Long Term Plan (\$000)	Actual (\$000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	315	250	281
Targeted Rates (other than a targeted rate for water supply)	-	-	-
Subsidies and Grants for Operating Purposes	-	-	-
Fees and Charges	-	-	-
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	-	-	-
TOTAL OPERATING FUNDING	315	250	281
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	34	36	38
Finance Costs	10	16	13
Internal Charges and Overheads Applied	64	75	81
Other Operating Funding Applications	21	31	29
TOTAL APPLICATION OF OPERATING FUNDING	128	157	162
SURPLUS (DEFICIT) IN OPERATING FUNDING	186	94	119
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	(63)	(5)	(49)
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	(63)	(5)	(49)
APPLICATION OF CAPITAL FUNDING			
Capital Growth	50	75	-
Capital Level of Service	-	40	-
Capital Renewals	450	61	6
Increase (Decrease) in Reserves	(376)	(87)	64
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	124	89	70
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(186)	(94)	(119)
FUNDING BALANCE	-	-	-



FLOOD PROTECTION

OVERVIEW

The increased frequency and intensity of storm events and rising sea levels expected to affect the district over the medium to long term due to climate change reinforces the importance of this group of activities for community resilience.

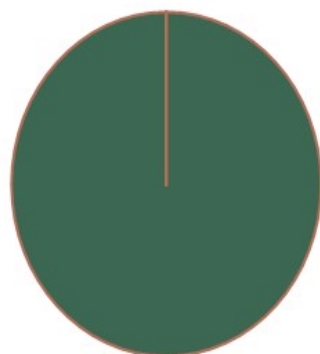
Infrastructure managed under this group of activities include:

- Flood Protection Works
- Coastal Structures

The structures we manage not only sustain and protect homes, businesses and properties, doubling as recreation spaces, they add to the vibrancy and liveability of our communities.

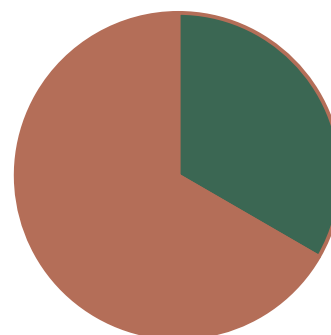
PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



■ Achieved ■ Partially Achieved ■ Not Achieved ■ Not Applicable

OUTCOMES MEASURED



■ People ■ Place ■ Partnerships

FLOOD PROTECTION WORKS

Commissioned in 1966, the Ōtorohanga Flood Protection Scheme (ŌFPS) is part of Project Watershed – a flood protection, soil conservation and river management scheme for the greater Waikato catchment.

ŌFPS assets include 4.6 kilometres of stopbanks⁷¹ to keep the Waipā River from flooding Ōtorohanga township and three large flood pumps stations to pump surface water back to the river in a flood event. The scheme design is for a 1 in 100-year event.

We own the stopbanks and all the assets that make up the ŌFPS. Maintenance and operation of the scheme is carried out by our staff under a service level agreement with our partner, Waikato Regional Council. This arrangement means we can coordinate this activity with our local stormwater drainage activities. All ŌFPS work is paid for with funding from Project Watershed⁷².

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
The ŌFPS well managed,	Maintenance, repairs and renewal undertaken to	Achieved	Achieved	Achieved	Achieved

⁷¹ www.waikatoregion.govt.nz/assets/WRC/Council/Policy-and-Plans/HR/S32/Part-A/WRC-Policy-Series-2011-07.pdf, pages 67 and 142.

⁷² Project Watershed rates are collected by Waikato Regional Council.



maintained and operated.	approved standards ⁷³ (M) ⁷⁴ .				
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M = Mandatory measure

COASTAL STRUCTURES

This activity focuses on the structures we manage and maintain in coastal areas. These structures are a mix of coastal defences (e.g. seawalls) protecting public and private property from coastal erosion and facilities that provide water access (e.g. boat ramps). In some instances, these assets are multi-functional, providing for protection and as well as for recreation needs.

Key assets are:

- Kāwhia Seawalls
- Kāwhia Wharf
- Kāwhia boat ramps (x3)

On behalf of the residents and ratepayers in Aotea, we also hold the resource consent and take overall responsibility for maintaining the Aotea Seawall.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
Coastal structures well managed, maintained and renewed.	Maintenance, repairs and renewals undertaken to approved standards ⁷⁵ (M) ⁷⁶ .	Achieved	Achieved	Achieved	Achieved

M = Mandatory measure

⁷³ As reported in annual scheme report to Waikato Regional Council.

⁷⁴ (M) Full wording: The major flood protection and control works that are maintained, repaired and renewed to the key standards defined in the local authority's relevant planning documents (such as its activity management plan, asset management plan, annual works program or long term plan).

⁷⁵ As reported to Waikato Regional Council.

⁷⁶ (M) Full wording: The major flood protection and control works that are maintained, repaired and renewed to the key standards defined in the local authority's relevant planning documents (such as its activity management plan, asset management plan, annual works programme, long term plan or resource consent).





COST OF SERVICE STATEMENT

2023/24 Actual (\$000)	FLOOD PROTECTION COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2025	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	OPERATING REVENUE		
127	Activity Revenue	188	138
43	Targeted Rates	45	45
-	Development Contributions	-	-
51	General Rates	60	46
-	Other General Sources	-	-
221	<i>Total Operating Revenue</i>	293	229
	OPERATING EXPENDITURE		
164	Flood Protection	182	162
198	Coastal Structures	137	115
361	<i>Total Operating Expenditure</i>	318	278
(140)	<i>Net Cost of Service</i>	(25)	(49)





FUNDING IMPACT STATEMENT

FLOOD PROTECTION FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2025	2023/24 Long Term Plan (\$000)	2024/25 Long Term Plan (\$000)	2024/25 Actual (\$000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	68	60	46
Targeted Rates (other than a targeted rate for water supply)	43	45	45
Subsidies and Grants for Operating Purposes	-	-	-
Fees and Charges	20	20	18
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	161	169	120
TOTAL OPERATING FUNDING	291	293	229
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	83	113	74
Finance Costs	5	8	12
Internal Charges and Overheads Applied	103	121	75
Other Operating Funding Applications	9	9	14
TOTAL APPLICATION OF OPERATING FUNDING	201	251	175
SURPLUS (DEFICIT) IN OPERATING FUNDING	90	43	54
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	(21)	71	45
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	(21)	71	45
APPLICATION OF CAPITAL FUNDING			
Capital Growth	-	-	-
Capital Level of Service	-	-	-
Capital Renewals	63	118	106
Increase (Decrease) in Reserves	7	(4)	(8)
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	70	114	99
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(90)	(43)	(54)
FUNDING BALANCE	-	-	-



TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

RESPONSIBLE WASTE MANAGEMENT

- WASTE MANAGEMENT AND MINIMISATION



RESPONSIBLE WASTE MANAGEMENT

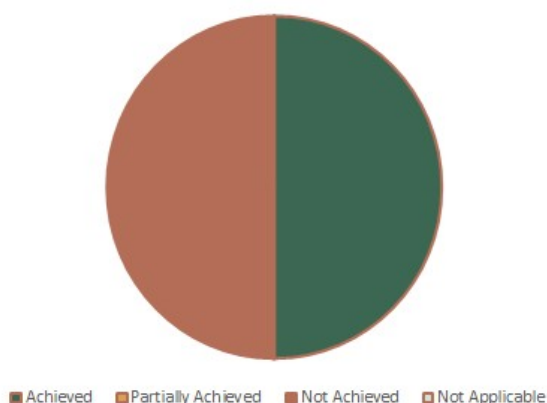
OVERVIEW

In 2024/25 our contractors collected 331m³ tonnes of refuse and 6,595 m³ of recycling. As it is for the rest of New Zealand, minimising waste volumes is essential for the long term sustainability of the district and liveable communities. The annual tonnage of waste to landfill in the Waikato Region is continuing to climb and this is despite household recycling reportedly increasing⁷⁷.

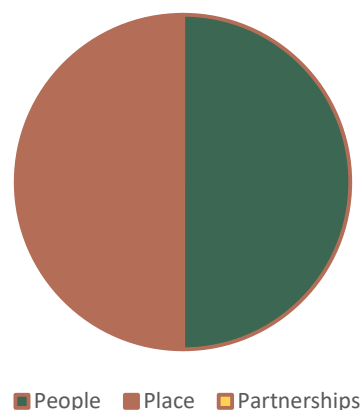
Our waste management responsibilities are to effectively manage waste, reduce waste volumes and minimise the environmental impact of old landfills. We also support waste minimisation education and initiatives such as EnviroSchools⁷⁸ and Para Kore⁷⁹.

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



WASTE MANAGEMENT AND MINIMISATION

The services we deliver under this activity are:

- Kerbside rubbish and recycling services in Aotea, Kāwhia and Ōtorohanga
- Operation of transfer stations in Kāwhia and Ōtorohanga, and the provision of four rural recycling depots
- Management of closed council landfills
- Waste minimisation education.

Our urban rubbish and recycling collection services, the operation of our transfer stations and the servicing of rural recycling depots are carried out under contract by Envirowaste. Contractors⁸⁰ also monitor the closed landfills on our behalf so that we can report on compliance with resource consents issued by Waikato Regional Council.

The waste minimisation activities we undertake are outlined in our Waste Management and Minimisation Plan (WMMP) and funded from revenue raised by the national landfill waste levy, administered by the

⁷⁷ www.waikatoregion.govt.nz/assets/WRC/WPI/WPIIndicatorScorecard.pdf

⁷⁸ An environmental action based programme empowering young people to design and lead sustainability projects in their schools, neighbourhoods and country.

⁷⁹ A te ao Māori based, zero-waste education programme which aims to design out waste and strengthen the connection to Papatūānuku (earth) and Ranginui (sky).

⁸⁰ Co-Lab undertakes monitoring/sampling and AECOM compliance reporting.

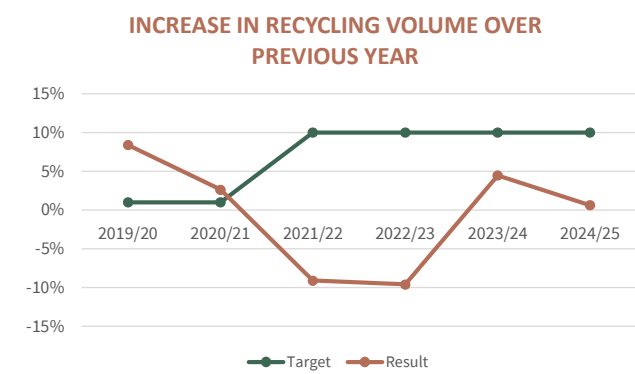




Ministry for the Environment (MfE). These activities are important for reducing waste to landfill and are delivered in a range of ways depending on the project.

Level of service	How we measure success	Result for 2023/24	Target 2024/25	Result	Narrative
A reliable weekly household kerbside rubbish and recycling collection service in Aotea, Kāwhia and Ōtorohanga.	Kerbside collection services comply with National Waste Strategy ⁸¹ .	New measure	Achieved	Achieved	Achieved
Waste minimisation to be actively promoted.	Increase in recycling volumes over previous year ⁸² .	0 Non-compliance actions	10% Increase	0.64% increase	Not achieved

TREND



⁸¹ As measured through contractor’s monthly report.
⁸² Ibid.



COST OF SERVICE STATEMENT

2023/24 Actual (\$000)	RESPONSIBLE WASTE MANAGEMENT COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2025	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	OPERATING REVENUE		
178	Activity Revenue	145	209
339	Targeted Rates	430	429
-	Development Contributions	-	-
62	General Rates	82	79
-	Other General Sources	-	-
578	<i>Total Operating Revenue</i>	656	717
	OPERATING EXPENDITURE		
627	Rubbish & Recycling Services	807	767
627	<i>Total Operating Expenditure</i>	807	767
(49)	<i>Net Cost of Service</i>	(151)	(50)





FUNDING IMPACT STATEMENT

RESPONSIBLE WASTE MANAGEMENT FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2025	2023/24	2024/25	2024/25
	Long Term Plan (\$000)	Long Term Plan (\$000)	Actual (\$000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	170	82	79
Targeted Rates (other than a targeted rate for water supply)	339	430	429
Subsidies and Grants for Operating Purposes	90	140	201
Fees and Charges	5	5	8
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	-	-	-
TOTAL OPERATING FUNDING	604	656	717
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	587	638	634
Finance Costs	2	5	3
Internal Charges and Overheads Applied	74	152	104
Other Operating Funding Applications	1	1	1
TOTAL APPLICATION OF OPERATING FUNDING	664	797	741
SURPLUS (DEFICIT) IN OPERATING FUNDING	(60)	(141)	(24)
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	38	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	(16)	12	(14)
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	22	12	(14)
APPLICATION OF CAPITAL FUNDING			
Capital Growth	-	-	-
Capital Level of Service	75	-	0
Capital Renewals	16	36	20
Increase (Decrease) in Reserves	(129)	(165)	(57)
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	(38)	(129)	(38)
SURPLUS (DEFICIT) OF CAPITAL FUNDING	60	141	24
FUNDING BALANCE	-	-	-



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DISTRICT COUNCIL

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FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

SUPPORTING INFORMATION



TE KAUNIHERA Ā-ROHE O
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DISTRICT COUNCIL

FINANCIAL STATEMENTS

- COMPREHENSIVE REVENUE AND EXPENSES
- BALANCE SHEET
- CHANGES IN EQUITY
- CASH FLOWS



STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

2023/24 Actual (\$000)	STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES FOR YEAR ENDED 30 JUNE 2025	NOTE	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	REVENUE			
13,867	Rates Revenue	2	15,260	15,211
243	Contributions		10	26
1,847	Water by volume rates	2	2,238	2,040
8,248	Subsidies	2	8,347	7,833
381	Interest income	2	15	147
8,710	Other income	2	1,778	2,192
16	Other gains/(losses) on asset disposal		-	(62)
33,312	<i>Total Revenue</i>		27,648	27,387
	Expenses			
5,825	Employee benefit expenses	3	7,193	6,618
7,380	Depreciation and amortisation	11	7,069	8,157
14,225	Other expenses	4	14,591	13,014
807	Finance costs		221	535
28,238	<i>Total Expenses</i>		29,074	28,324
5,074	<i>Surplus/(deficit) for the year</i>		(1,425)	(937)
	OTHER COMPREHENSIVE REVENUE AND EXPENSES			
	<i>Items that will not be reclassified to surplus/(deficit)</i>			
4,622	Gain/(loss) on property revaluation		10,308	24,114
(124)	Fair value movement of unlisted shares		7,216	1,245
4,497	<i>Total other comprehensive revenue and expenses</i>		17,524	25,359
9,572	Total Comprehensive Revenue and Expenses for the Year		16,098	24,422
	Total Comprehensive Revenue and Expenses Attributable to:			
9,572	ŌTOROHANGA DISTRICT COUNCIL		16,098	24,422

The accompanying notes on pages **XX-XX** form part of these financial statements.



BALANCE SHEET

2023/24 Actual (\$000)	BALANCE SHEET AS AT 30 JUNE 2025	NOTE	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	ASSETS			
	Current Assets			
2,272	Cash and cash equivalents	5	3,170	1,217
4,829	Receivables from non-exchange transactions	6	2,295	4,137
97	Receivables from exchange transactions	6	-	284
-	Loan Receivable	7	250	-
171	Prepayments		-	173
31	Inventory		31	46
7,401	<i>Total Current Assets</i>		5,746	5,857
	Non-Current Assets			
7,675	Investments	8	7,847	9,020
411,335	Property, plant and equipment	9	405,132	437,393
1,468	Loan Receivable	7	1,500	1,501
109	Intangible assets	10	157	136
420,587	<i>Total Non-Current Assets</i>		414,636	448,050
427,987	TOTAL ASSETS		420,382	453,907
	LIABILITIES			
	Current Liabilities			
4,958	Payables under exchange transactions	12	2,715	3,651
1	Provisions	13	1	1
585	Employee benefit liabilities	14	401	381
567	Development and financial contributions in advance	16	541	586
1,126	Income in Advance	15	741	1,104
9,000	Borrowings	17	-	12,000
16,237	<i>Total Current Liabilities</i>		4,399	17,722
	Non-Current Liabilities			
12	Provisions	13	16	11
34	Employee benefit liabilities	14	46	48
448	Borrowings	17	6,223	448
494	<i>Total Non-Current Liabilities</i>		6,285	506
16,730	TOTAL LIABILITIES		10,683	18,228
411,257	Net Assets		409,699	435,679
	EQUITY			
173,529	Accumulated Comprehensive Revenue and Expenses	18	164,002	165,960
(2,429)	Council Controlled Reserves	18	-	4,102
3,104	Reserve Funds	18	3,023	3,204
237,053	Revaluation Reserves	18	242,673	262,412
411,257	TOTAL EQUITY		409,699	435,679

The accompanying notes on pages **XX-XX** form part of these financial statements.





STATEMENT OF CHANGES IN EQUITY

2023/24 Actual (\$000)	STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025	NOTE	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
401,684	Balance at 1 July		393,600	406,183
-	Adjustments on adoption of PBE IPSAS 41	22	-	-
401,684	Adjusted balance at 1 July		393,600	406,183
9,572	Total comprehensive revenue and expense for the year		16,098	24,422
411,256	BALANCE AT 30 JUNE		409,699	430,605
	<i>Total Comprehensive Revenue and Expenses Attributable to:</i>			
9,572	Ōtorohanga District Council		16,098	24,422
9,572	TOTAL COMPREHENSIVE REVENUE AND EXPENSES		16,098	24,422

The accompanying notes on pages **XX-XX** form part of these financial statements.





PROSPECTIVE STATEMENT OF CASH FLOW

2023/24 Actual (\$000)	STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025	NOTE	2024/25 AP Estimate (\$000)	2024/25 Actual (\$000)
	Current Flows From Operating Activities			
15,224	Receipts from rates revenue		17,481	17,158
10,075	Receipts from other revenue		10,098	10,619
380	Interest received		15	147
23	Dividends received		10	7
(19,472)	Payments to suppliers and employees		(21,710)	(21,127)
(807)	Interest paid		(221)	(535)
5,423	Net Cash Provided By Operating Activities		5,674	6,269
	Current Flows From Investing Activities			
(12,552)	Proceeds from Sale of Property, Plant and Equipment		(13,155)	(10,249)
(122)	Purchase of property, plant and equipment		37	(31)
4,238	Purchase of investments		250	(133)
78	Purchase of intangible assets		60	90
(8,358)	Net Cash (Used In) Investing Activities		(12,808)	(10,323)
	Current Flows from Financing Activities			
3,000	Proceeds from borrowings		5,775	3,000
-	Repayment of borrowings		-	-
3,000	Net Cash Provided By/(Used In) Financing Activities		5,775	3,000
65	Net (Decrease)/Increase In Cash, Cash Equivalents and Bank Overdrafts		(1,359)	(1,054)
2,207	Cash, cash equivalents and bank overdrafts at the beginning of the year		4,529	2,272
2,272	Cash, Cash Equivalents at the End of the Year		3,170	1,219

The accompanying notes on pages **XX-XX** form part of these financial statements.





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NOTES TO THE FINANCIAL STATEMENTS



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1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

REPORTING ENTITY

Ōtorohanga District Council (ŌDC) is a territorial local authority governed by the Local Government Act 2002.

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

The financial statements of ŌDC are for the year ended 30 June 2025. The financial statements were authorised for issue by Council on 9 October 2025.

BASIS OF PREPARATION

These financial statements comply with the PBE standards for tier 2 entities. The measurement base applied is historical cost adjusted for revaluations of certain assets.

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

STATEMENT OF COMPLIANCE

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

The financial statements have been prepared in accordance with PBE standards Reduced Disclosure Regime (Tier 2). This classification has been determined as the council does not have public accountability and is not large as total expenses are less than \$33 million.

PRESENTATION CURRENCY AND ROUNDING

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars. The functional and reporting currency of ŌDC is New Zealand dollars.

BORROWING COSTS

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

GOODS AND SERVICES 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.

Commitment and contingencies are disclosed exclusive of GST.

ACCOUNTING POLICY – JUDGEMENT

The New Zealand Government is implementing a water services reform programme (called Local Water Done Well) that is intended to ensure all New Zealanders have safe, clean and affordable water services. It recognises the importance of local decision making and flexibility for communities and councils to determine how their water services will be delivered in the future.

It will do this while ensuring a strong emphasis on meeting economic, environmental and water quality regulatory requirements. The reform is being enacted in three phases.

- The repeal of previous water services legislation, which was done in February 2024 with the Water Services Acts Repeal Act. This remove the legislation related to the previous governments 3 Waters reform programme.
- Establish the framework and preliminary arrangement for the new system. This was enacted in September 2024 with the Local Government (Water Services Preliminary Arrangements) Act 2024.
- Establish the enduring settings through a third Local Water Done Well Bill in December 2024.



Part of the framework and preliminary arrangements requires councils to prepare a Water Services Delivery Plan (WSDP). WSDP are a way for councils to demonstrate their commitment to deliver water services that meet regulatory requirements, support growth and urban development, and that are financially sustainable. Through the development of WSDP, councils will provide an assessment of their water infrastructure, how much they need to invest, and how they plan to finance and deliver it through their preferred water service delivery model. These WSDP are a one-off, transitional requirement. Councils are required to prepare these WSDP, either individually or with other councils, by 3 September 2025 (unless an extension is granted).

ŌDC are currently investigating alternative water deliver options, both stand alone and in conjunction with other Councils, and these options will be consulted on once they have been developed.

Council continues to recognise its three waters assets at 30 June 2024 in accordance with the accounting policies set out on pages 95 to 100~~102~~. There has been no adjustment in these financial statements to reflect the expected future transfer of assets to any new water entity.

BUDGET FIGURES

The budget figures are those approved by the 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 ŌDC for the preparation of the financial statements.

COST ALLOCATION

The cost of service for each significant activity of ŌDC has been derived 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.

CHANGES IN ACCOUNTING POLICIES

There were no new standards and amendments issued and effective for this financial year.





2. REVENUE

ACCOUNTING POLICY

Revenue is measured at the fair value of consideration received or receivable.

The specific accounting policies for significant revenue items are explained below:

REVENUE FROM NON-EXCHANGE TRANSACTIONS

RATES REVENUE

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage.
- Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

NZ TRANSPORT AGENCY ROADING SUBSIDIES

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

OTHER GRANTS RECEIVED

Other grants 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.

DEVELOPMENT AND FINANCIAL CONTRIBUTIONS

Development and financial contributions are recognised as revenue when 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 Council provides, or is able to provide, the service.

VESTED OR DONATED PHYSICAL ASSETS

Where a physical asset is acquired for nil or nominal consideration, the asset is recognised at its fair value when Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

DIRECT CHARGES – SUBSIDISED

(I) Rendering of Services - Subsidised

Rendering of services at a price that is not approximately equal to the value of the service provided by Council is considered a non-exchange transaction. This includes rendering of services where the price does not allow Council to fully recover the cost of providing the service (such as building consents, water connections, dog licencing, etc.) and where the shortfall is subsidised by income from other activities, such as rates. Generally, there are no conditions attached to such revenue.

Revenue from such subsidised services is recognised when Council issues the invoice or bill for the service. Revenue is recognised at the amount of the invoice or bill, which is the fair value of the cash



received or receivable for the service. Revenue is recognised by reference to the stage of completion of the service to the extent that Council has an obligation to refund the cash received for the service (or the extent that the customer has the right to withhold the payment from Council for the service) if the service is not completed.

(ii) Sale of Goods – Subsidised

A sale of goods at a price that is not approximately equal to the value of the goods provided by Council is considered a non-exchange transaction.

This includes sales of goods where the price does not allow Council to fully recover the cost of producing the goods and where the shortfall is subsidised by income from other activities such as rates.

Revenue from the sale of such subsidised goods is recognised when Council issues the invoice or bill for the goods. Revenue is recognised at the amount of the invoice or bill, which is the fair value of the cash received or receivable for the goods.

REVENUE FROM EXCHANGE TRANSACTIONS

DIRECT CHARGES – FULL COST RECOVERY

(i) Rendering of Services - Full Cost Recovery

Revenue from the rendering of services (such as resource consents, etc.) is recognised by reference to the stage of completion of the service. Stage of completion is measured by reference to the labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

(ii) Sale of Goods – Full Cost Recovery

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to Council.

INTEREST AND DIVIDENDS

Interest income is recognised using the effective interest method.

Dividends are recognised as income when the rights to receive payment have been established.



BREAKDOWN OF RATES AND FURTHER INFORMATION	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
General Rates	7,465	8,353
Targeted rates attributable to activities		
Water	320	397
Sewerage	774	902
Refuse	339	429
Land Transport	4,624	4,791
Security	94	95
Erosion Protection	43	44
Halls	30	30
Rates penalties	178	170
Total revenue from rates	13,867	15,211
Metered Water Charges	1,847	2,040
Total water by volume rates	1,847	2,040

BREAKDOWN OF SUBSIDIES AND GRANTS	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Subsidies		
NZTA government grants	6,771	6,919
Other Subsidies	1,477	914
Total subsidies	8,248	7,833

Other subsidies include Better Off funding, waste minimisation subsidies, Ministry of Social Development subsidies for youth employment initiatives, Sport NZ and Creative Communities funding.

BREAKDOWN OF OTHER INCOME	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Other income		
User charges	820	939
Regulatory revenue	704	1,156
Petrol tax	89	90
Vested assets revenue	7,075	-
Dividend income	22	7
Total other income	8,710	2,192

The vested assets income in 2023/24 was due to a large subdivision with Ōtorohanga township. This included, roading, water supply, wastewater and stormwater assets that were vested in Council at the completion of the project.





BREAKDOWN OF INTEREST INCOME	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Interest income		
Interest income for financial assets not at fair value through profit and loss:		
• Cash and cash equivalents	165	114
• Loan receivable interest earned	152	-
• Loan receivable accruals	64	33
	381	147

EXCHANGE AND NON-EXCHANGE REVENUE

Total revenue from non-exchange transactions includes the revenue from rates, government grants, fines and other revenue. Total non-exchange revenue for the 2024/25 financial year is \$26,083,791 (2023/24: 32,306,879).

Total revenue from exchange transactions includes the revenue from interest, rental, royalties and other revenue. Total exchange revenue for the 2024/25 financial year is \$1,365,055 (2023/24: \$989,186).

EXCHANGE AND NON-EXCHANGE REVENUE	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Non-exchange revenue	32,307	26,084
Exchange revenue	989	1,365
Total revenue	33,296	27,449
Total revenue per statement of comprehensive revenue and expenses	33,311	27,387
Add back: Other gains/(losses) on asset disposal	(15)	62
Classified revenue per statement of comprehensive revenue and expenses	33,296	27,449

OPERATING LEASES AS LESSOR

ŌDC leases some property under operating leases. The majority of these leases have non-cancellable terms of 5 years, with lease terms ranging from 2 years up to 50 years in selected cases. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

BREAKDOWN OF OPERATING LEASES AS LESSOR	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Non-cancellable operating leases as lessor:		
• Not later than one year	13	13
• Later than one year and not later than five years	49	48
• Later than five years	217	205
Total non-cancellable operating leases	279	266



3. PERSONNEL COSTS

ACCOUNTING POLICY

DEFINED CONTRIBUTION PLANS

Obligations for contributions to Kiwisaver are recognised as defined contribution plans and are recognised as an expense in the surplus or deficit when incurred.

BREAKDOWN OF PERSONNEL COSTS AND FURTHER INFORMATION	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Salaries and wages	5,611	6,657
Employer contributions to defined contribution plans	139	152
Increase/(decrease) in employee benefit liabilities	75	(191)
Total employee benefit expenses	5,825	6,618

Severance payments as identified later in this note are included in the salaries and wages figure in the above table.

Employer contributions to defined contribution plans include contributions to Kiwisaver and other contribution plans. No additional liability exists to ŌDC related to the defined contribution plans.

KEY MANAGEMENT PERSONNEL COMPENSATION	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Councillors		
Full-time equivalent members	10	10
Remuneration	409	411
Senior Management Team, including Chief Executive		
Full-time equivalent members	5	6
Remuneration	975	1,110
Total full-time equivalent personnel	15	16
Total key management personnel remuneration	1,384	1,521

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

CHIEF EXECUTIVE	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Salary	270	274
Motor Vehicle	10	10
Fringe Benefit Tax	10	12
Total Chief Executive's remuneration	290	296



ELECTED REPRESENTATIVES	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Max Baxter, Mayor	107	110
Roy Johnson	28	27
Annette Williams	40	40
Katrina Christison	33	33
Christopher Jeffries	40	38
Rodney Dow	29	29
Cathy Prendergast	40	33
Steve Hughes	34	33
Jaimee Tamaki	29	29
Roy Willison	29	29

COUNCIL EMPLOYEES	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Total remuneration by band for employees as at 30 June		
< \$60,000	26	16
\$60,000 – \$79,999	12	15
\$80,000 – \$99,999	9	12
\$100,000 – \$139,999	15	16
\$140,000 – \$279,999	6	7
Total employees	68	66

Total remuneration includes non-financial benefits provided to employees.

At balance date, the Council employed 49 (2024: 51) full-time employees, with the balance of 15 part time employees representing 7.5 (2024: 6.9) full-time equivalent employees. A full-time employee is determined on the basis of a 40 hour working week.

Severance payments

For the year ended 30 June 2025 ŌDC made no severance payments to employee (2024: \$24,111 to one employee).

4. OTHER EXPENSES

ACCOUNTING POLICY

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 the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.





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.

OTHER EXPENSES	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Fees for financial statement audit - current year	215	224
Fees for financial statement audit – 2022 scope variation	-	-
Fees for long term plan audit	105	-
Fees for other assurance services	8	9
Minimum lease payments under operating leases	24	25
Activity operation	1,762	1,858
Asset maintenance	778	747
Road maintenance	4,555	4,115
Grants and Subsidies	492	315
Insurance	234	256
Youth Initiatives	508	348
Regional Initiatives	148	126
Other expenses	5,397	5,220
Total other expenses	14,226	13,242

ŌDC is exempt from tax under the Income Tax Act 2007.

OPERATING LEASES AS LESSEE

ŌDC leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 60 months. These leases are for photocopying equipment and meeting room technology used within the day-to-day running of the council. ŌDC does not have the option to purchase the leased asset at the expiry of the lease period. The future aggregate minimum lease payments to be made under non-cancellable operating leases are as follows.

BREAKDOWN OF OPERATING LEASES AS LESSEE	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Non-cancellable operating leases as lessee:		
• Not later than one year	25	25
• Later than one year and not later than five years	60	35
• Later than five years	-	
Total non-cancellable operating leases	85	60



5. CASH AND CASH EQUIVALENTS

ACCOUNTING POLICY

CASH AND CASH EQUIVALENTS

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

Bank overdrafts are shown within borrowing in current liabilities in the balance sheet.

For the purpose of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments and net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cashflow statement are reconciled to the related items in the balance sheet as follows.

CASH AND CASH EQUIVALENTS	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Cash and cash equivalents	2,272	1,217
Total Cash and cash equivalents	2,272	1,217

6. RECEIVABLES

ACCOUNTING POLICY

RECEIVABLES

Short term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

Council has reviewed individual debtor balances to determine the ECL to recognise for short-term receivables.

Rates are “written-off”:

- When remitted in accordance with the Council’s rates remission policy; and
- In accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or the receivable being more than one year overdue.



RECEIVABLES	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Rates receivables	993	1,134
Other receivables	1,277	1,139
Sundry debtors	2,777	2,331
	5,047	4,604
Less provision for impairment of receivables	(121)	(183)
	4,926	4,421
Represented by:		
Receivables from non-exchange transactions	4,829	4,137
Receivables from exchange transactions	97	284
	4,926	4,421

Rates are struck on the 1st of July each year, and are charged in two instalments. In the year ended 30 June 2025 these instalments were due on 30th August 2024 and 28th February 2025. A charge of 10% is added to all rates levied and due for the 2024/25 year that remains unpaid after 30th August 2024 and 28th February 2025. A further 10% charge is added to all rates that have been levied in any financial year previous to 1st July 2024 which remained unpaid as at that 1st July 2024.

All other receivables have standard terms of 30 days from the date of the invoice. No interest is charged for other receivables that remain unpaid after the completion of the term. There are no impairment issues with other receivables.

Impairment

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

IMPAIRMENT OF RECEIVABLES	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Balance at beginning of the year	(191)	(121)
Amounts remitted	-	-
(Increase)/decrease in provision	70	(62)
Balance at end of the year	(121)	(183)

The impairment relates to rates receivables and sundry debtors.

The impairment provision has been calculated based on a review of specific overdue receivables and a collective assessment. The collective impairment is based on an analysis of past collection history and debt write-offs.





7. LOANS RECEIVABLE

ACCOUNTING POLICY

LOANS RECEIVABLE

Loans made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flow, discounted for the current market rate of return for a similar financial instrument.

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less and expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance. Instruments in this category include loans to community groups.

LOANS RECEIVABLE	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Current portion Loan receivable	-	-
Total current portion	-	-
Non-current portion Balance at end of the year	1,706	1,501
Total non-current portion	1,706	1,501

The face value of loans receivable is \$2,000,000 (2023/24: \$2,000,000). The term of this loan is 20 years (2023/24: 20 years), and the interest rates range from 2.95%-5.4% (2023/24: 2.95%-5.4%). The loan has an interest free period of 6 years (2023/24: 6 years interest free).

Council has assessed the credit risk of the likelihood of the remaining loan not being repaid. Based on Council's assessment, there is not any significant credit risk for this loan to be repaid. The security Council has on the loan is sufficient to offset any risk of non-payment.

Council loans have been provided to help not-for-profit organisations in the community to develop or improve new or existing facilities and other major projects. Only organisations with the ability to repay are granted loans.

Fair value has been determined using cash flows discounted at a rate based on the loan recipient's financial risk factors of between 2.95% and 5.4% (2023/24: 2.95% and 5.4%).



Movements in the carrying value of loans are as follows.

MOVEMENTS IN CARRYING VALUE OF LOANS	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
At 30 July:		
• Current portion	4,000	1,468
• Non-current portion	1,706	-
Total at 1 July	5,706	1,468
Amount of new loans granted during the year	-	-
Fair value adjustment on initial recognition	(301)	-
Loans repaid during the year (principal and interest)	(4,000)	-
Unwind of discount and interest charged	63	33
At 30 June:		
• Current portion	-	-
• Non-current portion	1,468	1,501
Total at 30 June	1,468	1,501

8. INVESTMENTS

ACCOUNTING POLICY

OTHER FINANCIAL ASSETS

Financial assets are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories:

- Amortised cost;
- Fair value through other comprehensive revenue and expenses (FVTOCRE); and
- Fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset at initial recognition unless it has been designated as FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council management model for managing them.

A financial asset is classified and subsequently measured as amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal outstanding and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.



SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS AT AMORTISED COST

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits and community loans.

SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS AT FVTOCRE

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity. The Council and group designate into this category all equity investments that are not held for trading as they are strategic investments that are intended to be held for the medium to long-term.

EXPECTED CREDIT LOSS ALLOWANCE (ECL)

The Council recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to Council in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are recognised in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Council's historical experience and informed credit assessment and including forward-looking information.

The Council consider a financial asset to be in default when the financial asset is more than 90 days past due. The Council may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligation in full.

INVESTMENT IN OTHER ENTITIES	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Unlisted shares – Waikato Regional Airport Ltd	7,150	8,359
Unlisted shares – Ballance Agri-nutrients	18	15
Unlisted shares – Local Government Funding Agency	502	541
Unlisted shares – Civic Financial Services	5	5
Borrower Note – Local Government Funding Agency	-	100
Total equity investments	7,675	9,020

Unlisted shares

The fair value of unlisted shares of Ballance Agri-nutrients, Waikato Regional Airport Limited, the Civic Financial Services Ltd and the Local Government Funding Agency are carried at fair value. Fair value is based on Council's share of the assets less liabilities of each of the companies and changes in value are taken to fair value through other comprehensive revenue.





The details are:

UNLISTED SHARES	SHARE OF NET ASSETS
Waikato Regional Airport Ltd	3.125%
Ballance Agri-nutrients	0.003%
Local Government Funding Agency	0.444%
Civic Financial Services	0.044%

9. PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICY

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of:

- *Operational Assets* – These include land, buildings, landfill post closure, library books, plant and equipment, and motor vehicles.
- *Restricted Assets* – Restricted assets are mainly parks and reserves and related buildings owned by Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.
- *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.

Land (operational and restricted) is measured at fair value, and buildings (operational and restricted), and infrastructural assets (except land under roads) are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

REVALUATION

Land and buildings (operational and restricted), and infrastructural assets are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expenses.

ADDITIONS

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

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





In most instances, an item of property, plant and equipment is recognised at cost. Where an asset is acquired 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 disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated comprehensive revenue and expenses.

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 or diminishing value 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 CLASSES	USEFUL LIFE (YEARS)	DEPRECIATION RATE
Buildings		
• Internal Fitout	5-31	3.2-20%
• Structure	5-58	1.7-20%
• Roof	5-55	1.8-20%
• Plant	5-10	10-20%
• Services	5-35	2.8-20%
• Other Site Improvements	80	1.5%
Improvements	20	5%
Vehicles	6.6	15%
Computers	3-4	25-33.33%
Office Equipment	4-10	10-25% DV
Furniture/ Fixture	10	10% DV
Library Books	6.6	15% DV
Plant and Machinery	2.5-3	33.33-40%
WATER TREATMENT		
Piping	20-100	1-5%
Equipment	5-100	1-20%
Other	2-100	1-50%
WASTEWATER		
Piping	50-90	1.11-2%
Equipment	10-81	1.23-10%
Other	20-80	1.25-5%
STORMWATER		
Piping	40-100	1-2.5%
Equipment	15-80	1.25-6.66%
Other	20-100	1-5%
ROADING		
<i>Pavement (Basecourse)</i>		
• Sealed	7-79	1.26-14.3%
• Unsealed	9-80	1.25-11.1%
<i>Pavement (Sub-Base)</i>		
• Sealed	7-74	1.35-14.3%
• Unsealed	2-73	1.37-50%
Seal	1-16	6.25-100%
Culverts	1-90	1.11-100%



ASSET CLASSES	USEFUL LIFE (YEARS)	DEPRECIATION RATE
Bridges	37-76	1.31-2.7%
Kerb & Channel/ Catchpits	2-55	1.81-50%
Footpaths	2-74	1.35-50%
Streetlights	1-57	1.75-100%
Signposting	1-14	7.14-100%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end. Items that are fully depreciated are recorded as having a useful life of 1 year.

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment subsequently measured at cost that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment.

Property, plant and equipment subsequently measured at cost 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 cost to sell and value in use.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing its financial statements ŌDC 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 material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

INFRASTRUCTURAL ASSETS

There are a number of assumptions and estimates used when performing depreciated replacement cost (DRC) valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example, the 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. Council minimises this risk by performing a combination of physical inspections and condition modelling assessments of underground assets
- Estimating an obsolescence or surplus capacity of an asset
- 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 ŌDC could be over or under estimating the annual depreciation charge recognised as an expense in the profit or loss. To minimise this risk ŌDC'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 the ŌDC's asset management planning activities, which gives ŌDC further assurance over its useful life estimates.

USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT

The useful lives of property, plant and equipment have been determined based on the asset management plans used during the creation of the LTP. For infrastructural assets this has been based on the information provided by the National Asset Management Steering Group (NAMS) regarding the useful life



of infrastructural assets. For all other property, plant and equipment, the depreciation schedules included in the Income Tax Act have been used as a basis for setting the useful lives.

CRITICAL JUDGEMENTS IN APPLYING ŌDC'S ACCOUNTING POLICIES

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

1. Classification of property

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

2. Classification of non-financial assets as cash generating assets or non-cash-generating assets

For the purpose of assessing impairment indicators and impairment testing, ŌDC classifies non-financial assets as either cash-generating or non-cash-generating assets. The Council classifies non-financial assets as cash-generating assets if the primary objective of the asset is to generate commercial return. All other assets are classified as non-cash-generating assets.

All property, plant and equipment and intangible assets held by ŌDC are classified as non-cash-generating assets. This includes assets that generate fee revenue or other cash flows for the Council, as the cash flows generated are generally not sufficient to represent commercial return on the assets.

3. Fair value versus carrying value assessment

Council assessed the carrying value versus fair value of assets during the year, none of the assets apart from those being revalued were found to be materially different from fair value. A fair value market assessment of 3 Waters assets was undertaken by Council staff. A fair value assessment of Roding assets was undertaken by Council staff. From these assessments the Council concluded that carrying value is not materially different from its fair value.





COUNCIL ASSETS 2025	/revaluation 1 July 2024 (\$000)	Accumulated depreciation (\$000)	Carrying amount (\$000)	Additions (\$000)	Disposals (cost) (\$000)	(accumulated depreciation) (\$000)	Transfers out of Fixed Assets (\$000)	Revaluation Movement (\$000)	Depreciation (\$000)	/revaluation 1 July 2025 (\$000)	Accumulated depreciation (\$000)	Carrying amount (\$000)
OPERATIONAL												
Land	11,443	-	11	1,395	-	-	-	-	-	12,838	-	12,838
Buildings	10,536	-	10,536	178	-	-	-	-	622	10,714	622	10,093
Plant & machinery/ motor vehicles	2,108	1,013	1,095	287	187	141	-	-	250	2,208	1,121	1,087
Furniture & equipment/ library books	1,995	1,093	902	180	51	51	-	-	217	2,123	1,258	865
Heritage assets	257	-	257	-	-	-	-	-	-	257	-	257
Total operational assets	26,339	2,106	24,233	2,040	238	193	-	-	1,088	28,141	3,001	25,140
INFRASTRUCTURAL												
Sewerage system	12,165	356	11,809	3,925	8	0	-	-	414	16,082	770	15,313
Water system	12,452	443	12,009	121	-	-	-	-	410	12,573	853	11,720
Rural water supply	15,798	390	15,408	269	0	0	-	-	406	16,067	796	15,270
Drainage network	15,635	273	15,362	90	-	-	-	-	268	15,725	541	15,184
Stopbanks	3,617	-	3,617	-	-	-	-	-	-	3,617	-	3,617
Roading, bridges & culverts	317,182	9,091	308,091	5,715	198	198	-	10,112	5,011	332,812	-	332,812
Work in progress	2,849	-	2,849	238	2,443	-	-	-	-	644	-	644
Total infrastructural assets	379,698	10,553	369,145	10,359	2,649	198	-	10,112	6,510	397,520	2,960	394,560
RESTRICTED												
Land	9,255	-	9,255	-	-	-	-	-	-	9,255	-	9,255
Buildings	8,645	-	8,645	151	-	-	-	-	505	8,796	505	8,291
Work in progress	57	-	57	133	43	-	-	-	-	147	-	147
Total restricted assets	17,957	-	17,957	284	43	-	-	-	505	18,198	505	17,693
Total ŌDC property, plant and equipment	423,994	12,659	411,335	12,684	2,930	391	-	10,112	8,103	443,859	6,467	437,393
Land under roads included in Roothing, Bridges and Culverts totals \$58,503,774.												



COUNCIL ASSETS 2024	/revaluation 1 July 2023 (\$000)	Accumulated depreciation (\$000)	Carrying amount (\$000)	/revaluation 1 July 2024 (\$000)	Accumulated depreciation (\$000)	Carrying amount (\$000)
OPERATIONAL						
Land	11,052	-	11	11,443	-	11
Buildings	9,121	885	8,236	10,536	-	10,536
Plant & machinery/ motor vehicles	1,946	894	1,052	2,108	1,013	1,095
Furniture & equipment/ library books	1,428	684	744	1,995	1,093	902
Heritage assets	257	-	257	257	-	257
Total operational assets	23,804	2,463	21,341	26,339	2,106	24,233
INFRASTRUCTURAL						
Sewerage system	10,036	-	10,036	12,165	356	11,809
Water system	10,263	-	10,263	12,452	443	12,009
Rural water supply	13,585	-	13,585	15,798	390	15,408
Drainage network	11,560	-	11,560	15,635	273	15,362
Stopbanks	3,617	-	3,617	3,617	-	3,617
Roading, bridges & culverts	310,060	4,552	305,508	317,182	9,091	308,091
Work in progress	1,933	-	1,933	2,849	-	2,849
Total infrastructural assets	361,054	4,552	356,502	379,698	10,553	369,145
RESTRICTED						
Land	10,210	-	10,210	9,255	-	9,255
Buildings	6,736	468	6,268	8,645	-	8,645
Work in progress	189	-	189	57	-	57
Total restricted assets	17,135	468	16,667	17,957	-	17,957
Total ŌDC property, plant and equipment	401,993	7,483	394,510	423,994	12,659	411,335
Land under roads included in Roothing, Bridges and Culverts totals \$53,709,700.						

An independent valuation of the entity's buildings was performed in 30 June 2024 by Quotable Value, independent registered valuers not related to the entity, to determine the fair value of the buildings. Where possible market values were obtained, and where these couldn't be obtained, depreciated replacement cost was used. The valuation was effective as at 30 June 2024 in which the total fair value of buildings valued by Quotable Value was \$19,181,600.

An independent valuation of the entity's land was performed in 30 June 2024 by Quotable Value, independent registered valuers not related to the entity, to determine the fair value of the land. Where possible market values were obtained and then discounted or adjusted using knowledge of the specific properties being valued. The valuation was effective as at 30 June 2024 in which the total fair value of land valued by Quotable Value was \$20,698,100.

In June 2023, the water, wastewater and stormwater asset valuations were completed by Council staff and peer reviewed by Beca Projects NZ Limited. The total fair value of the 3 waters infrastructural assets at 30 June 2023 was \$45,444,546.

In June 2025, the roading asset valuations were completed by Council staff and peer reviewed by AON Limited. Where possible market values were obtained, and where these couldn't be obtained, depreciated replacement cost was used. The valuation was effective as at 30 June 2025 in which the total fair value of the roading infrastructural assets was \$332,808,968.

As at balance date no items of property, plant and equipment were temporarily idle. No items of property, plant and equipment were retired from active use and not classified as held for sale.





Rental property held by the Council is held to provide housing for the elderly, and the carrying amount as at 30 June 2025 is \$3,888,178 (2024: \$4,045,100).

INFRASTRUCTURAL ASSETS	Closing book value (\$000)	Additions		Estimated replacement cost (\$000)	Date of estimate (\$000)
		Constructed by Council (\$000)	Assets transferred to Council (\$000)		
2025					
Water treatment plants & facilities	3,451	269	-	8,163	30 June 25
Other water assets	23,539	121	-	32,467	30 June 25
Wastewater treatment plants & facilities	2,448	133	-	4,321	30 June 25
Other wastewater assets	12,865	3,792	-	16,809	30 June 25
Stormwater drainage	14,733	15	-	16,651	30 June 25
Flood protection and control works	4,069	75	-	5,615	30 June 25
Roads & footpaths	332,812	5,715	-		30 June 25
Total infrastructural assets 2025	393,917	10,120	-	84,026	
2024					
Water treatment plants & facilities	3,433	394	-	8,163	30 June 24
Other water assets	23,984	3,125	894	32,467	30 June 24
Wastewater treatment plants & facilities	2,338	41	-	4,321	30 June 24
Other wastewater assets	9,471	957	1,148	16,809	30 June 24
Stormwater drainage	11,311	310	3,765	16,651	30 June 24
Flood protection and control works	4,051	-	-	5,615	30 June 24
Roads & footpaths	308,095	6,042	1,268	408,271	30 June 24
Total infrastructural assets 2024	362,683	10,869	7,075	492,297	

CAPITAL COMMITMENTS	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Capital commitments		
Capital expenditure contracted for at balance date but not yet incurred for property, plant and equipment	1,643	4,469
Other expenditure commitments		
Maintenance contracts	4,529	5,874





10. INTANGIBLE ASSETS - COMPUTER SOFTWARE

ACCOUNTING POLICY

INTANGIBLE ASSETS

Software acquisition

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the profit or loss.

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

Computer software (finite life)	3 years	33.3%
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IMPAIRMENT OF INTANGIBLE ASSETS

Intangible assets subsequently measured at cost that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment.

Intangible assets subsequently measured at cost 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 cost to sell and value in use.

INTANGIBLE ASSETS - COMPUTER SOFTWARE	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Balance as at 30 July:		
• Cost	482	520
• Accumulated amortisation	(477)	(411)
Opening carrying amounts	5	109
Year ended 30 June	-	
Additions	122	81
Disposals – cost	(84)	-
Disposals – accumulated amortisation	84	-
Amortisation charge	(18)	(54)
Movement		
Balance as at 30 June:		
• Cost	520	601
• Accumulated amortisation	(411)	(465)
Closing carrying amounts	109	136



Amortisation of intangibles is included in the depreciation and amortisation line within the Statement of Comprehensive Revenue & Expenses. Refer to note 11 for a breakdown of this item.

Some items of software have been fully amortised but are still in use by the council. These items include operating systems and other key software used in the day-to-day running of council.

Other intangibles

ŌDC has a number of easements over properties, giving Council access to inspect and maintain items of infrastructural importance. These easements hold no commercial value, and therefore no amount has been recorded for these easements.

11. DEPRECIATION AND AMORTISATION

DEPRECIATION AND AMORTISATION	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Depreciation	7,362	8,103
Amortisation	18	54
Total depreciation and amortisation	7,380	8,157

DEPRECIATION BY GROUP OF ACTIVITY	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Trusted Leadership and Relationships	604	488
Strong Communities	75	57
Vibrant Places and Spaces	451	914
Sustainable Development and Public Safety	2	5
Resilient Infrastructure:		
• Land Transport	4,728	5,010
• Wastewater	361	434
• Water Supply	844	884
• Stormwater	235	236
• Flood Protection	72	103
Responsible Waste Management	8	26
Total depreciation	7,380	8,157

12. PAYABLES UNDER EXCHANGE TRANSACTIONS

ACCOUNTING POLICY

PAYABLES UNDER EXCHANGE TRANSACTIONS

Payables under exchange transactions are recognised when ŌDC becomes obliged to make future payments resulting from the purchase of goods and services. Subsequent to initial recognition, payables under exchange transactions are recorded at amortised cost.

DEPOSITS AND BONDS

Deposits and bonds are recognised at their face value at the time they are received. The refund of deposits and bonds is recognised at the time that all conditions related to that bond are met.





PAYABLES UNDER EXCHANGE TRANSACTIONS	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Trade payables	3,887	2,888
Deposits and bonds	784	433
Accrued expenses	287	330
Total payables under exchange transactions	4,958	3,651

Payables under exchange transactions are non-interest bearing and are normally settled on 30 day terms, therefore the carrying value of trade and other payables approximates their fair value. The entity has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

13. PROVISIONS

ACCOUNTING POLICY

PROVISIONS

A provision is recognised 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 an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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 and is included in “finance costs”.

Landfill post-closure costs

ŌDC, as operator of the Ōtorohanga and Kāwhia closed landfills, has a legal obligation under the resource consents to provide ongoing maintenance and monitoring services at the landfill. An allowance for post-closure costs is recognised as a provision within the balance sheet.

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 discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Financial guarantee contract liabilities

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 contract liabilities are measured initially at their fair value. If a financial guarantee was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, the fair value of the liability is initially measured using a valuation technique, such as considering the credit enhancement arising from the guarantee or the probability that the Council will be required to reimburse a holder for a loss incurred





discounted to present value. If the fair value of a guarantee cannot be reliably determined, a liability is only recognised when it is practicable there will be an outflow under the guarantee.

Financial guarantees are subsequently measured at the higher of:

- The present value of the estimated amount to settle the guarantee obligation if it is probable there will be an outflow to settle the guarantee; and
- The amount initially recognised less, when appropriate, cumulative amortisation as revenue.

PROVISIONS	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Opening Balance	14	13
Maintenance and Monitoring Costs	(1)	(1)
Closing balance	13	12
Represented by:		
• Current portion	1	1
• Non-current portion	12	11
	13	12

LANDFILL AFTERCARE PROVISION

ŌDC gained resource consents to operate its Ōtorohanga and Kāwhia landfills. ŌDC has responsibility under the resource consent to provide ongoing maintenance and monitoring of the landfill after the sites are closed.

Both landfills are closed. There are closure and post-closure responsibilities such as the following:

Closure responsibilities

- Final cover application and vegetation
- Incremental drainage control features
- Completing facilities for leachate collection and monitoring
- Completing facilities for water quality monitoring
- Completing facilities for monitoring and recovery of gas.

Post-closure responsibilities

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

Capacity of the Site

The Ōtorohanga and Kāwhia landfills have been capped.

The cash outflows for landfill post-closure responsibilities are expected to occur between 2011 and 2033. 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 discount rate of 7.00% (2023: 7.00%).





14. EMPLOYEE BENEFIT LIABILITIES

ACCOUNTING POLICY

EMPLOYEE ENTITLEMENTS

Short-term employee entitlements

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured 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, and sick leave.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent it will be used by staff to cover those future absences.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service 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.

Presentation of employee entitlements

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

EMPLOYEE BENEFIT LIABILITIES	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Accrued pay	233	26
Annual leave	352	355
Long service leave	24	32
Sick leave	10	15
Total employee benefit liabilities	619	428
Comprising:		
• Current portion	585	381
• Non-current	34	47
Total employee benefit liabilities	619	428

15. INCOME IN ADVANCE

ACCOUNTING POLICY

Income in advance is recognised as a current liability until such time as the invoicing for the particular revenue is undertaken, at which time they are recognised as revenue.





INCOME IN ADVANCE	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Rates	624	661
Metered Water Charges	47	48
Debtors	195	191
Government Subsidies	188	115
Dog Registrations	60	73
Trade Waste	7	7
Health Licences	5	9
Total income in advance	1,126	1,104

16. DEVELOPMENT AND FINANCIAL CONTRIBUTIONS IN ADVANCE

ACCOUNTING POLICY

Development and financial contributions are recognised as a current liability until such time as the project they are collected for is undertaken, at which time they are recognised as non-exchange revenue.

DEVELOPMENT AND FINANCIAL CONTRIBUTIONS IN ADVANCE	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Road Safety Improvements	368	387
Thomson/Harper Water Main	1	1
Ōtorohanga Stormwater Capacity Upgrade	47	47
Ōtorohanga Community Water Treatment	9	9
Ōtorohanga Community Wastewater	84	84
Ōtorohanga Community Reservoir	58	58
Total development and financial contributions in advance	567	586

17. BORROWINGS

ACCOUNTING POLICY

BORROWINGS

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

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





BORROWINGS	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Current: Secured loans	9,000	12,000
Total current borrowings	9,000	12,000
Non-current: Concessionary loan	448	448
Total non-current borrowings	448	448

Fixed-rate debt

ŌDC's secured debt of \$12,000,000 (2024: \$9,000,000) is issued at a fixed rate of 3.62%-4.52% (2024:5.80%). The effective net interest rate charged after discount is 3.62%-4.52% (2024: 5.80%).

Total borrowing from the Local Government Funding Agency (LGFA) as at 30 June 2025 is \$12,000,000 (2024: \$9,000,000).

SECURITY

The overdraft is unsecured. The maximum amount that can be drawn down against the overdraft facility is \$200,000 (2024: \$200,000). There are no restrictions on the use of this facility.

ŌDC's loans are secured over either separate or general rates of the district.

REFINANCING

ŌDC manages its borrowings in accordance with its funding and financial policies, which includes a Liability Management policy. Council also has the ability to refinance through the Local Government Funding Agency, with the ability to borrow money over both short and long terms as required.

CONCESSIONARY LOAN

This concessionary loan was advanced to the Council by the Government in order to fund repairs on Council social housing in Ōtorohanga. This loan was advanced in two amounts, \$165,000 on 29th June 2007, and \$283,000 on 14th March 2008. The interest rate on this loan is 0% (2024: 0%). This loan is a suspensory loan with a 20 year term. Should ŌDC meet the conditions of the loan, including retaining ownership of the pensioner housing units, the loan will not be required to be repaid at the end of the term.





18. EQUITY

ACCOUNTING POLICY

EQUITY

Equity is the community's interest in the 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:

- Accumulated funds
- Restricted reserves
- Asset revaluation reserves
- Fair value through other comprehensive revenue and expense reserve.

Restricted reserves

Restricted 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 the Council.

Restricted reserves include those subject to specific conditions accepted as binding by ŌDC and which may not be revised by ŌDC without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Asset revaluation reserve

The asset revaluation reserve arises on the revaluation of land, buildings and infrastructural assets to fair value.

Fair value through other comprehensive revenue and expense reserve

This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.





EQUITY	2023/24 Actual (\$000)	2024/25 Actual (\$000)
Accumulated Funds		
Balance at 1 July	165,960	171,098
Transfers to restricted reserves	(150)	(101)
Transfers from property revaluation reserves on disposal	7	-
Transfers to fixed assets	208	-
Transfers from restricted reserves	-	-
Surplus/(deficit) for the year	5,073	(937)
Total Accumulated Funds at 30 June	171,098	170,060
<i>Represented by:</i>		
Accumulated comprehensive revenue and expenses	173,319	165,960
Council controlled reserves	(2,429)	4,102
	171,098	170,062
Restricted Reserves		
Balance at 1 July	2,954	3,104
Transfers to accumulated funds	-	-
Transfers from accumulated funds	150	101
Total Restricted Reserves at 30 June	3,104	3,205
Asset Revaluation Reserves		
Balance at 1 July	232,770	237,053
Adjustments on adoption of PBE IPSAS 41	-	-
Net revaluation gains	4,290	-
Transfer to accumulated funds on disposal of property	(7)	-
Balance at 30 June	237,053	237,053
Asset revaluation reserves consist of:		
<i>Operational assets</i>		
Land	8,892	8,892
Buildings	6,181	6,181
<i>Infrastructural assets</i>		
Sewerage system	6,815	6,815
Water system	5,309	5,309
Drainage network	9,220	9,219
Rural Water Supply	9,961	9,961
Roading network	167,580	191,694
Floodbank	2,443	2,443
<i>Restricted assets</i>		
Land	5,606	5,606
Buildings	7,954	7,954
Total Asset Revaluation Reserves	229,961	254,075
Fair Value Through Other Comprehensive Revenue and Expense Reserve		
Balance at 1 July	7,217	7,092
Adjustment on adoption of PBE IPSAS 41	-	-
Net change in fair value	(125)	1,245
Balance at 30 June	7,092	8,337
Total Asset Revaluation Reserves at 30 June	237,053	262,412



Restricted reserves relate to:

- Subdivision reserves, which are used to record financial contributions on subdivisions. These financial contributions are accepted in lieu of the developer creating a reserve, and the money is used by Council for work on reserves within the area.
- General funds reserve, which is used for specific purposes that Council elects to use it for. Any use of money from this reserve must be designated within the LTP or Annual Plan. This reserve is typically used for one-off non-operational items.

Information about Council controlled reserves is provided below.

COUNCIL CONTROLLED RESERVES	Balance 1 July (\$000)	Transfer into fund (\$000)	Transfer out of fund (\$000)	Balance 30 June (\$000)
2025				
Trusted Leadership & Partnerships	(28)	11,430	(11,241)	160
Strong Communities	34	129	(123)	39
Vibrant Places and Spaces	102	501	(377)	226
Sustainable Development and Public Safety	(57)	305	(374)	(126)
Resilient Infrastructure: Land Transport	(1,008)	17,086	(17,056)	(978)
Resilient Infrastructure: Water Supply	(2,467)	3,349	(3,538)	(2,656)
Resilient Infrastructure: Wastewater	(712)	6,817	(6,975)	(870)
Resilient Infrastructure: Flood Protection	0	307	(318)	(10)
Responsible Waste Management	171	749	(807)	114
Total Council controlled reserves - 2025	(3,966)	40,674	(40,810)	(4,102)
2024				
Roads & footpaths	(389)	15,272	(17,289)	(2,406)
Water supply	(1,962)	5,995	(4,572)	(539)
Sewerage	(569)	2,054	(2,144)	(659)
Flood protection	34	122	(178)	(22)
Waste management	247	590	(666)	171
Regulatory services	(32)	228	(253)	(57)
Community facilities & services	36	454	(418)	72
Governance & leadership	538	318	(912)	(56)
District development	16	127	(109)	34
General funds	2,579	7,681	(9,227)	1,033
Total Council controlled reserves - 2024	498	32,841	(35,768)	(2,429)

PURPOSE OF EACH COUNCIL CONTROLLED RESERVE FUND

All Council Controlled Reserves arise from situations where the income generated from an activity is larger than the expenditure, or expenditure has been higher than income, and these savings or deficits are ring-fenced to the related activity. The reserves are grouped by Group of Activities and can only be spent for those purposes they were collected for.

The overall debit balance is a result of more activities having deficit balances than surplus balances at 30 June 2025.





19. CONTINGENCIES

CONTINGENT LIABILITIES	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
Guarantees	70	70
Uncalled Capital – Local Government Funding Agency	100	100
Uncalled Capital – Waikato Local Authority Shared Services	6	6
	176	176

Guarantees

The value of guarantees disclosed as contingent liabilities reflects ŌDC's assessment of the undiscounted portion of financial guarantees that are not recognised in the Balance Sheet. At the year-end it was not probable that the counterparty to the financial guarantees contract will claim under the contract.

New Zealand Local Government Funding Agency

Ōtorohanga 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. NZLGFA has a local currency rating from S&P Global Ratings of AAA and a foreign currency rating of AA+ and a local currency rating and foreign currency rating of AA+ from Fitch.

GUARANTEES

Accounting Standards require the Council to initially recognise the guarantee liability by applying the 12-month expected credit loss model (as fair value could not be reliably measured) and subsequently at the higher of the provision for impairment at balance date determined by the expected credit loss model and the amount initially recognised. At the end of financial year, the council have assessed the 12-month expected credit losses of the guarantee liability, based on market information of the underlying assets held by the NZLGFA. The estimated 12-month expected credit losses are immaterial due to the extremely low probability of default by the NZLGFA in the next 12 months, and therefore, the Council have not recognised a liability.

UNCALLED CAPITAL

As at 30 June 2025, the Council is one of 31 local authority shareholders and 69 local authority guarantors of the NZLGFA. In that regard it has uncalled capital of \$100,000. When aggregated with the uncalled capital of other shareholders, \$20m 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 2025, NZLGFA had borrowings totalling \$22,657m (2024: \$20,549m).

The Council considers the risk of NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

- We are not aware of any local authority debt default events in New Zealand; and
- Local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

Uncalled Capital

The uncalled share capital for Waikato Local Authority Shared Services amounts to \$5,717 as at 30 June 2025 (2024: \$5,717). At present ŌDC is not aware of any plan to call the capital soon.





20. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

KEY MANAGEMENT PERSONNEL

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

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the Council would have adopted in dealing with the party at arm's length in the same circumstances.

No provision has been required, nor any expense recognised for impairment of receivables to related parties (2024: \$nil).

21. EVENTS AFTER BALANCE SHEET DATE

There have been no subsequent events that would impact on these financial statements.

22. FINANCIAL INSTRUMENTS

FINANCIAL INSTRUMENTS CATEGORIES

The following tables are comparisons of carrying amounts of the Council's financial assets and liabilities in each of the financial instrument categories.

FINANCIAL INSTRUMENTS	ACTUAL 2023/24 (\$000)	ACTUAL 2024/25 (\$000)
FINANCIAL ASSETS		
<i>Amortised cost</i>		
Cash and cash equivalents	2,272	1,217
Receivables from non-exchange transactions	4,829	4,137
Receivables from exchange transactions	97	284
Borrower Notes	-	100
Loan receivable	1,467	1,507
Total amortised cost	8,665	7,245
<i>Fair value through other comprehensive revenue (FVTOCRE)</i>		
Listed shares	-	-
Unlisted shares	7,675	8,020
Total FVTOCRE	7,675	8,020
FINANCIAL LIABILITIES		
<i>Financial liabilities at amortised cost</i>		
Payables under exchange transactions	4,958	3,651
Borrowings:		
• secured loans	9,448	12,448
Total financial liabilities at amortised cost	14,406	16,099



ADDITIONAL INFORMATION IN RELATION TO SUBSEQUENT MEASUREMENT CLASSIFICATION ASSESSMENT

PBE IPSAS 41 requires equity instruments to be classified at FVTSD. However, it permits entities to make an irrevocable election on transition to PBE IPSAS 41 to subsequently measure at FVTOCRE if the shares are not held for trading. The Council has elected to subsequently measure all of its shares at FVTOCRE.

Ōtorohanga District Council has a series of policies to manage the risks associated with financial instruments. ŌDC is risk averse and seeks to minimise exposure from its treasury activities. ŌDC 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.

Credit risk

The Council is exposed to credit risk as a guarantor of all of NZLGFA's borrowings. Information about this exposure is explained in note 19.

Liquidity risk

The Council is exposed to liquidity risk as a guarantor of all of NZLGFA's borrowings. This guarantee becomes callable in the event of the NZLGFA failing to pay its borrowings when they fall due. Information about this exposure is explained in note 19.

23. EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET

Explanations for major variations from the Council estimate figures in the 2024/34 Long Term Plan are as follows:

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

Subsidies were \$X,XXX,XXX over budget. This is due to the carry over of subsidies from previous year that was completed in the 2024/25 financial year. This particularly relate to roading projects, as this was the final year of the three year National Land transport Programme (NLTP) and the last year for using the associated subsidy.

Other income is over budget by \$X,XXX,XXX. This is due to vested assets of \$X,XXX,XXX recorded during the year from the large subdivision at Westridge in Ōtorohanga.

Other expenses is above budget by \$X,XXX,XXX. This is related to road maintenance carried over from the previous year, as well as increases in other expenses due to contract increases.

Employee benefit expenses was down on budget by \$XXX,XXX. This related to some jobs being budgeted for which were not filled for the entire year, as well as some vacancies that took some time to fill.

Depreciation and amortisation was \$XXX,XXX above budget. This reflects both additional depreciation for new assets acquired in the 2023/24 financial year after the budgets were finalised and 2024/25 financial year additions. There was also additional depreciation due to the revaluation of the 3 waters assets in 2022/23, which was not reflected in the budgets.

Other expenses were \$X,XXX,XXX above budget. This relates to carried over roading projects from the prior year, which has led to the subsidies being carried over into the 2023/24 financial year.

Other Comprehensive Revenue and Expenses is below budget by \$X,XXX,XXX. This is due to the budgeted revaluation of 3 waters assets not happening as it was revalued in the 2022/23 year, and the value held at year end being a fair value for those assets.

BALANCE SHEET

Receivables are \$X,XXX,XXX over budget due to the timing of invoicing and payments of some larger debtors, including subsidy claims for NZTA subsidy, as well as the receipt of GST refunds.

Investments are \$X,XXX,XXX above budget due to an increase in unlisted shares due to the adoption of PBE IPSAS 41. The bulk of this increase is in the value of the Waikato Regional Airport Limited shares.



Loan receivable is \$XXX,XXX below budget due to the recognition of the fair value of the loan to the Ōtorohanga Kiwi House.

Property, plant and equipment is above budget by \$X,XXX,XXX due to the revaluation of 3 waters assets in the prior year, which was not included in the budget at the level of increase that occurred. There is also the increase for the vested assets from the Westridge subdivision.

Payables under exchange transactions is \$X,XXX,XXX above budget. This is due to the timing of payments at year end, particularly as there were some significant capital projects that were beginning towards year end.

Borrowings is up on budget by \$X,XXX,XXX due to the loans being taken during the year being for a larger amount than was budgeted. This was done to cover the significant capital expenditure during the year.

Revaluation reserves were above budget by \$XX,XXX,XXX due to the revaluation of all 3 waters assets in the prior year being completed after the budgets were done, plus the revaluation of land and buildings in the current year.

STATEMENT OF CASH FLOWS

Cash flows from operating activities was below budget by \$X,XXX,XXX, mostly as a result of decreased receipts from rates revenue of \$X,XXX,XXX, offset with an increase in payments to suppliers and employees of \$X,XXX,XXX.

Cash flows from investing activities is above budget by \$X,XXX,XXX, mostly due to the timing of capital projects and the increased amount carried over as work in progress from the prior year. This has been offset by a decrease in investments, as a result of the loan receivable from the 2022/23 year being repaid during the 2023/24 year.

Cash flows from financing activities is \$X,XXX,XXX over budget. This is due borrowings that was not budgeted during the year that was taken for cashflow purposes.





TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

SUPPORTING INFORMATION

- FINANCIAL INVOLVEMENT IN COUNCIL CONTROLLED ORGANISATIONS (CCO'S)
- ANNUAL REPORT DISCLOSURE STATEMENT
- LOCAL GOVERNMENT ACT DISCLOSURES
- AUDIT REPORT



FINANCIAL INVOLVEMENT IN

COUNCIL CONTROLLED ORGANISATIONS (CCO'S)

WAIKATO REGIONAL AIRPORT LIMITED

Established in 1989, Waikato Regional Airport Limited (WRAL) operates the Airport situated at Rukuhia within Waipā District. The local authority part owners negotiated the purchase of the Crown's former shareholding to secure the retention of the airport as a major infrastructural facility important to the economy of the Waikato.

The objective of the airport company is to operate a successful commercial business, providing safe, appropriate and efficient services for the transportation of people and freight in and out of the airport of Hamilton.

Council holds 3.125% of the airport company's shares. The remaining shares are owned by Hamilton City Council, Matamata-Piako, Waipa and Waikato District Councils.

Waikato Regional Airport Ltd Group reported total comprehensive revenue and expenses of \$29,614,000 surplus for the year ended 30 June 2025 (2024: \$3,488,000 deficit).

No dividend was paid in 2024/25 (2023/24: \$500,000).

Council intends to maintain its current shareholding for the foreseeable future. There are no formal policies or objectives relating to ownership and control of Waikato Regional Airport.

A comparison of the company's unaudited financial and performance measures for the year ended 30 June 2025 is summarised below:

KEY PERFORMANCE TARGETS - FINANCIAL	ACTUAL 30 JUNE 25	STATEMENT OF CORPORATE INTENT
CONSOLIDATED COMPANY FORECAST:		
Earnings before interest, taxation & depreciation (EBITDA) excluding land sales	\$5.955M	\$6M
EBITDA including land sales	\$10.541M	\$9M
Net profit before tax (no less than)	\$4.057M	\$2.6M
Net operating cash flow excluding land sales	\$3.736M	\$4M
Total debt excluding Design Buildings (max)	\$31.450M	\$39M
PARENT COMPANY OPERATIONS ONLY:		
Percentage of non- landing charges revenue	65%	60%
Land sales	\$5.710M	\$4M

For non-financial performance measures results for this year please refer to the Annual Report on the WRAL website.



WAIKATO LOCAL AUTHORITIES SHARED SERVICES⁸³

Incorporated in December 2005, Waikato Local Authority Shared Service Ltd (WLASS) was developed as a joint initiative between the 13 councils of the Waikato region. Its evolution can be traced from a range of projects that were implemented between local councils. These projects highlighted the benefits of a jointly owned governance structure to provide an opportunity for collaborative management and development. Central government devolution, closer working relationships between councils and a desire to benefit from cost saving opportunities offered by jointly progressing shared initiatives have fostered more efficient services.

The objective of WLASS is to provide Waikato local authorities with a vehicle to develop shared services that demonstrate a benefit to the ratepayers and provide those services to local authorities. Council has a 0.26% ownership interest in WLASS.

WLASS provides an effective structure that can promote such developments to the benefit of those councils that choose to be actively involved in a particular joint service. Each council owns an equal number of shares in WLASS and as such has an equal say in its development.

The WLASS governance structure enables the directors appointed by the shareholders to decide on the future direction of those services that will be promoted under its auspices. Any such services will be operated as a stand-alone business unit with an advisory group appointed by the shareholders participating in that service to provide direction but answerable to the directors.

A comparison of the company's audited financial and performance measures for the year ended 30 June 2025 is summarised below:

KEY PERFORMANCE TARGETS - FINANCIAL	ACTUAL 30 JUNE 25	STATEMENT OF CORPORATE INTENT
Earnings before interest, taxation & depreciation (EBITDA)	(\$0.075M)	(\$0.953M)
Net operating cash flow	(\$3.367M)	(\$1.013M)

The contingent liability arising from ŌDC's interest **is disclosed in note 19**. There are no capital commitments arising from ŌDC's interest in the WLASS.

For non-financial performance measures results for this year please refer to the Annual Report on the WLASS website.

NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY

New Zealand Local Government Funding Agency Limited (LGFA) was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand and it has a current rating from Standard and Poor's of AA+.

Council became a shareholder in the LGFA along with 29 other local authorities and the New Zealand Government. Council contributed \$100,000 for its shareholding in LGFA.

⁸³

Known as Co-LAB.



Five performance targets are specified for LGFA in the Statement of Intent. Performance against each of these targets for 30 June 2025 is presented below⁸⁴.

PERFORMANCE TARGETS	2024-2025 TARGET	PERFORMANCE TO 30 JUNE 2025
Comply with the Shareholder Foundation Policies and the Board approved Treasury Policy at all times.	No breaches.	Not achieved. There was a breach of the Foundation Policy where the nominal amount of loans to a non-guarantor exceeded the \$20 million limit by \$186k.
Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency.	LGFA credit ratings equivalent to NZ Sovereign.	Achieved. Our ratings remain equivalent to the New Zealand Government for both S&P Global Ratings and Fitch Ratings. Fitch Ratings affirmed LGFA Foreign Currency Rating at AA+ in December 2024. S&P Global Ratings affirmed our domestic currency credit rating at AAA in March 2025.
A succession plan be put in place for the Board and staff and be reviewed annually.		Achieved.
LGFA's total operating income for the year to 30 June 2025.	>\$31.4 million.	Achieved. \$36.3 million at June 2025, excluding unrealised gains/losses on hedged foreign currency issuance.
LGFA's total operating expenses for the year to 30 June 2025.	>\$11.5 million.	Achieved. \$11.2 million at June 2025, excluding AIL.

For further financial and non-financial performance results for this year please refer to the LGFA' Annual Report on its website.

⁸⁴

Source: <https://api.nzx.com/public/announcement/457720/attachment/450796/457720-450796.pdf> page 39.





ANNUAL REPORT DISCLOSURE STATEMENT

FOR THE YEAR ENDING 30 JUNE 2025

PURPOSE

The purpose of this statement is to disclose council's financial performance in relation to various benchmarks to enable the assessment of whether council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

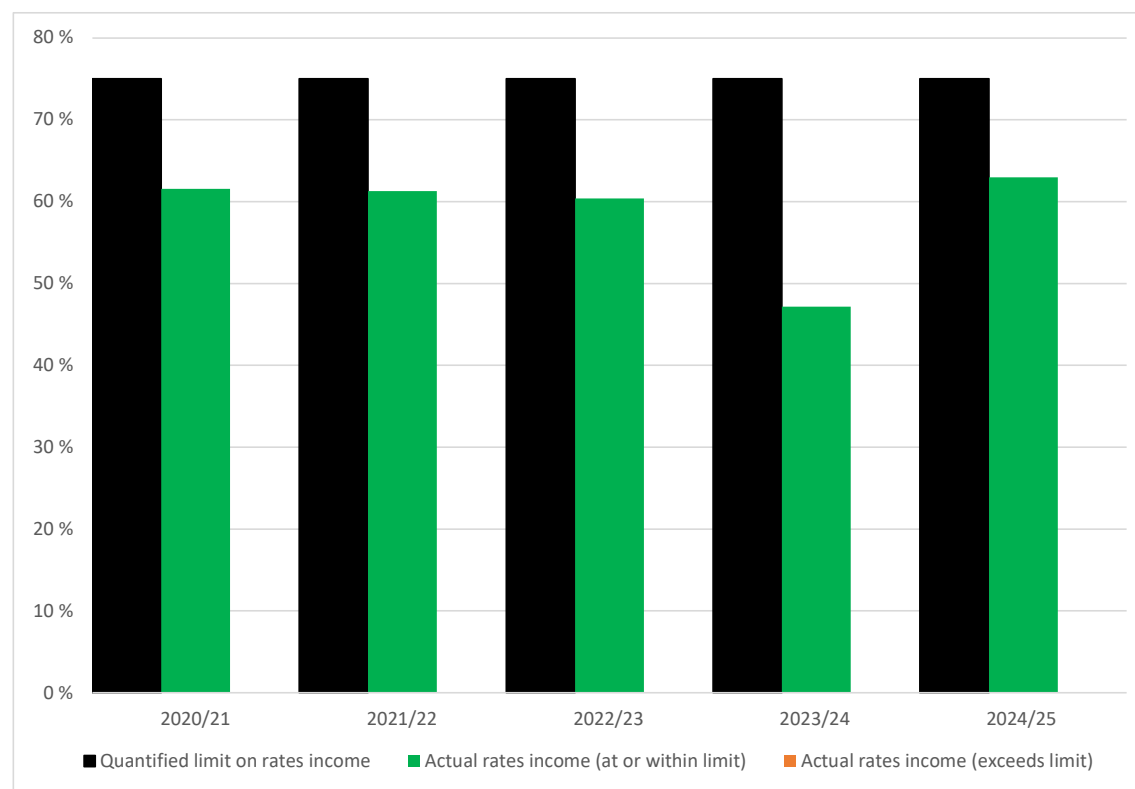
RATES AFFORDABILITY BENCHMARK

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.

RATES (INCOME) AFFORDABILITY

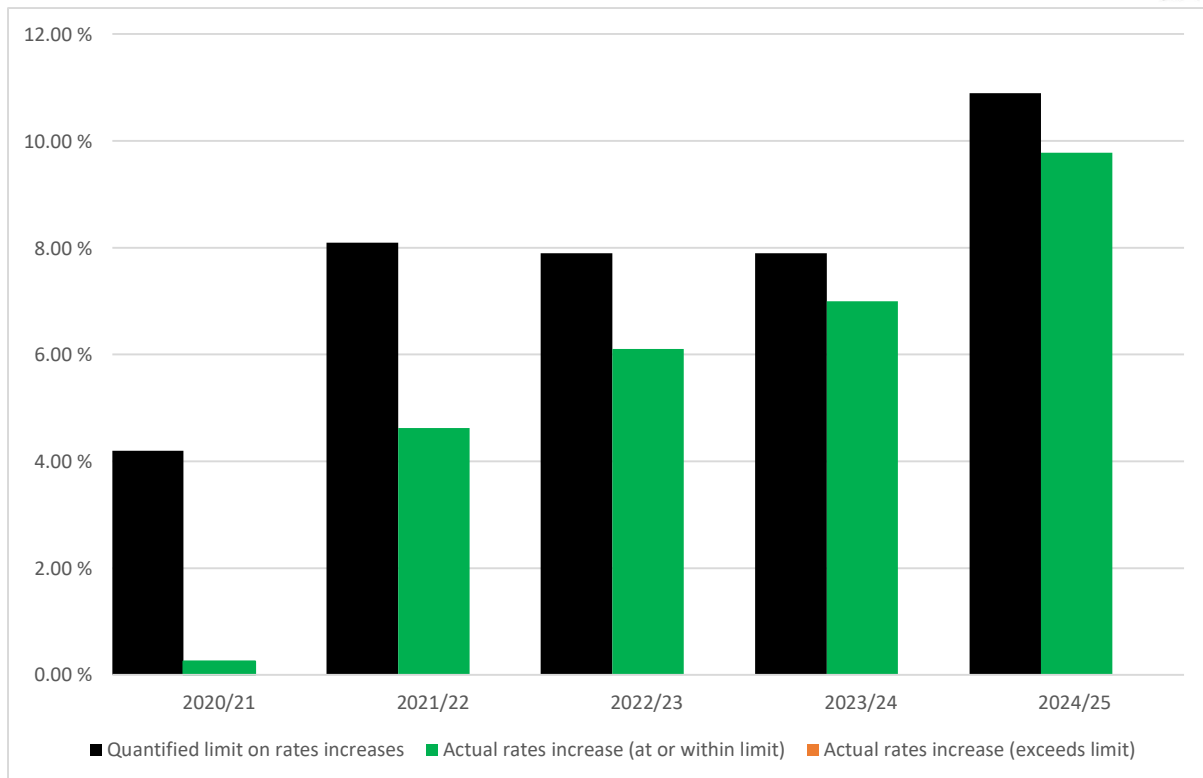
The following graph compares the council's actual rates income with a quantified limit on rates contained in the financial strategy included in the council's long-term plan. The quantified limit is 75% of total council revenue.



RATES (INCREASES) AFFORDABILITY

The following graph compares the council's actual rates increases with a quantified limit on rates increases included in the financial strategy in the council's long-term plan. The quantified limit is LGCI plus 2%. For the actual figures used refer to the council's long-term plan.

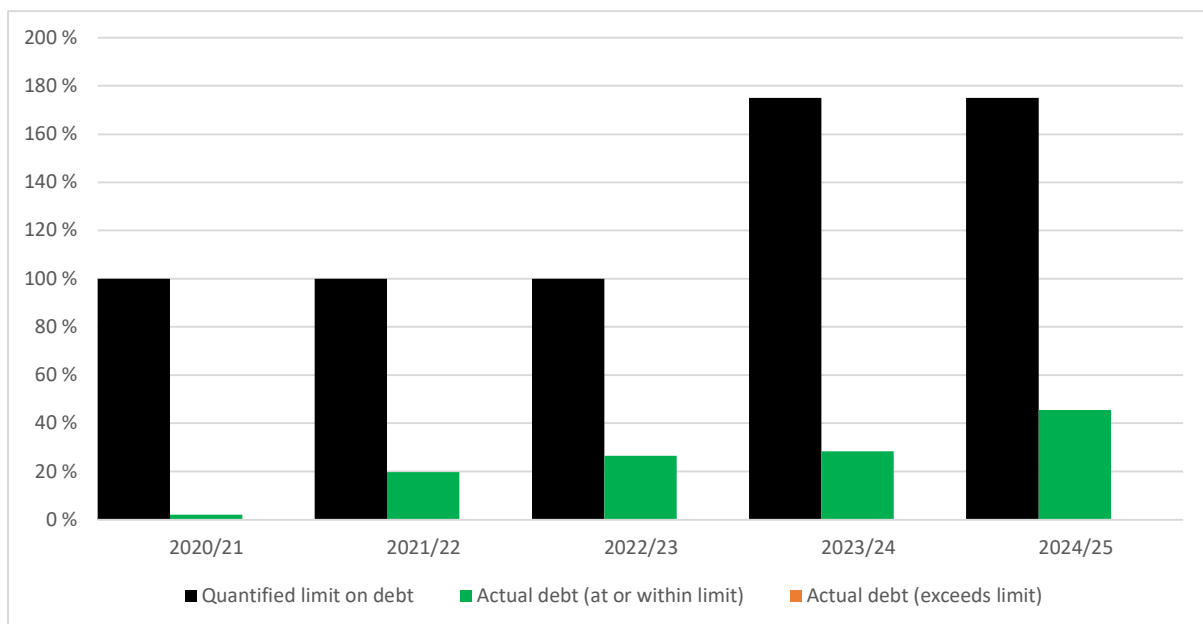




DEBT AFFORDABILITY BENCHMARK

The council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

The following graph compares the council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is borrowing cannot exceed 175% of total revenue.



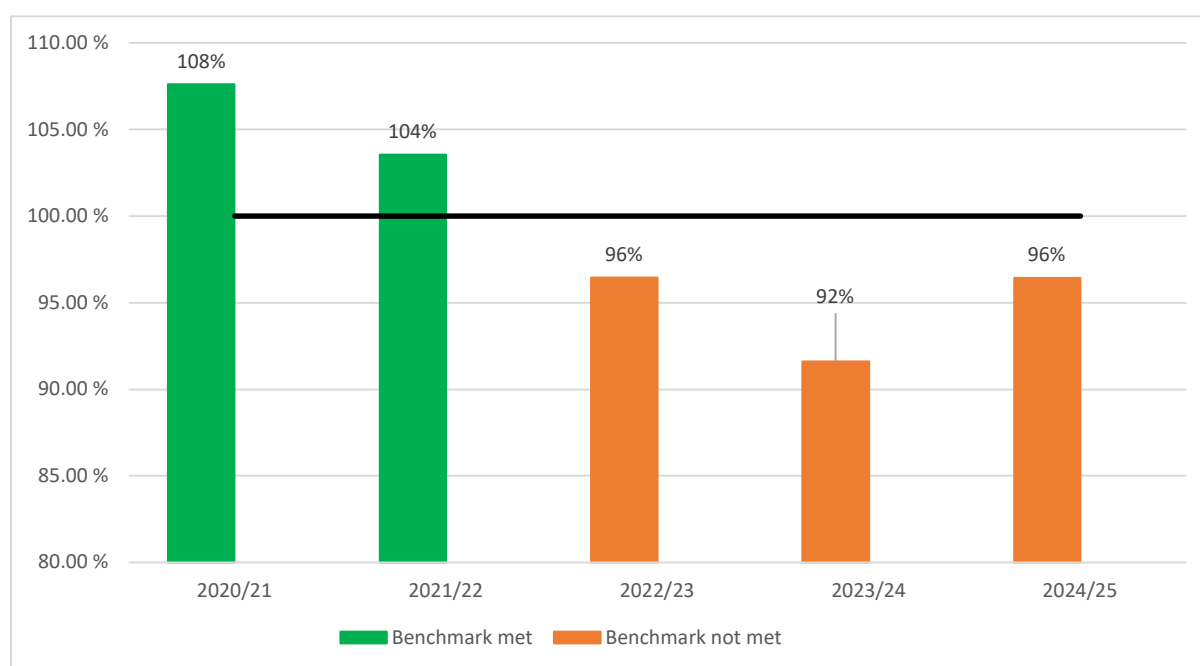


BALANCED BUDGET BENCHMARK

The following graph displays Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant and equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant and equipment).

The decrease in the 2022/23 year relates to increased depreciation due to the revaluation of the 3 waters and roading assets in the 2021/22 year, which impacted on the 2022/23 year after the budget was set for the year. The decrease in the 2023/24 year again relates to increased depreciation from the revaluation of 3 waters assets in the 2022/23 year after the budgets were set.

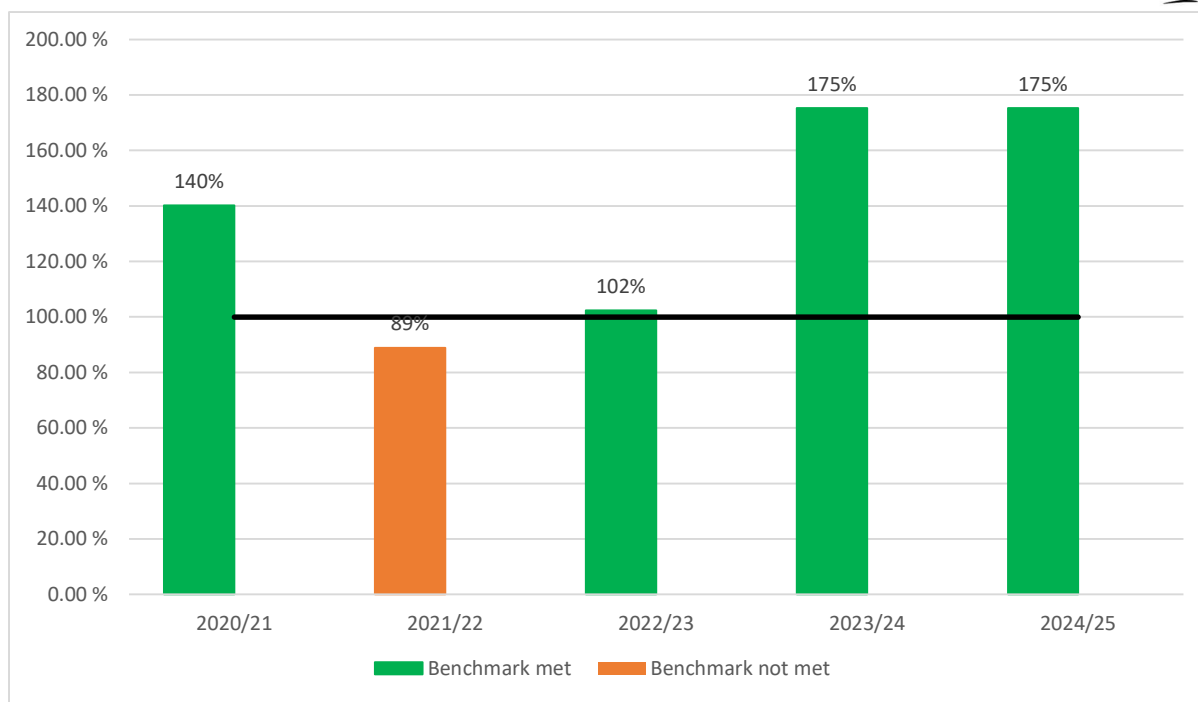
The decrease in the 2024/25 year relates in large part to the reduction in the subsidy funding received from NZTA as part of the new National Land Transport Programme. This reduced funding means that less capital work could be done, compared to the planned works.



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.





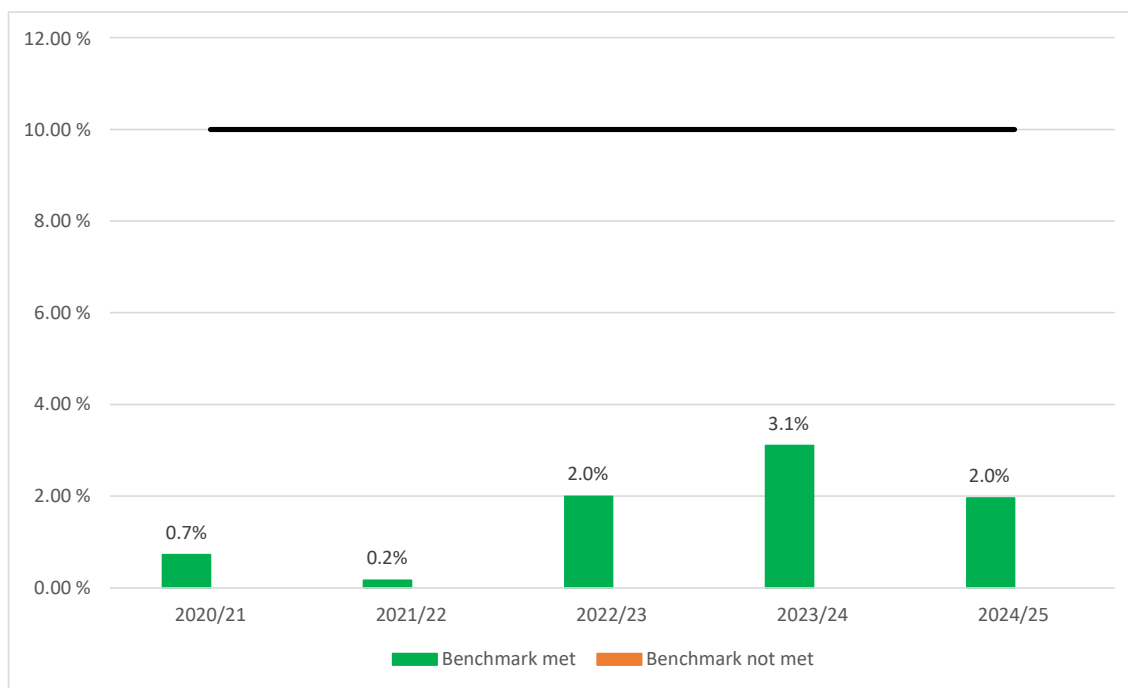
Due to the nature of capital expenditure, these movements relate to the timing of work being completed or carried over as work in progress. On average for the last 5 years the capital expenditure against depreciation for essential services has been 136.4%.

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 more slowly than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.

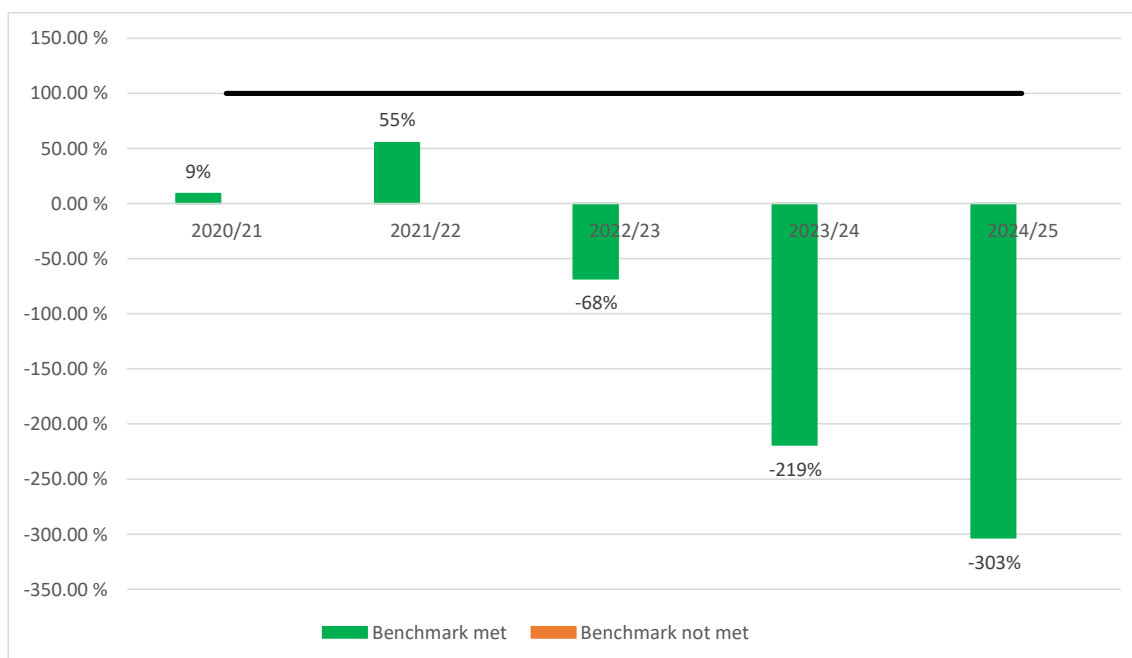




DEBT CONTROL BENCHMARK

The following graph displays 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.



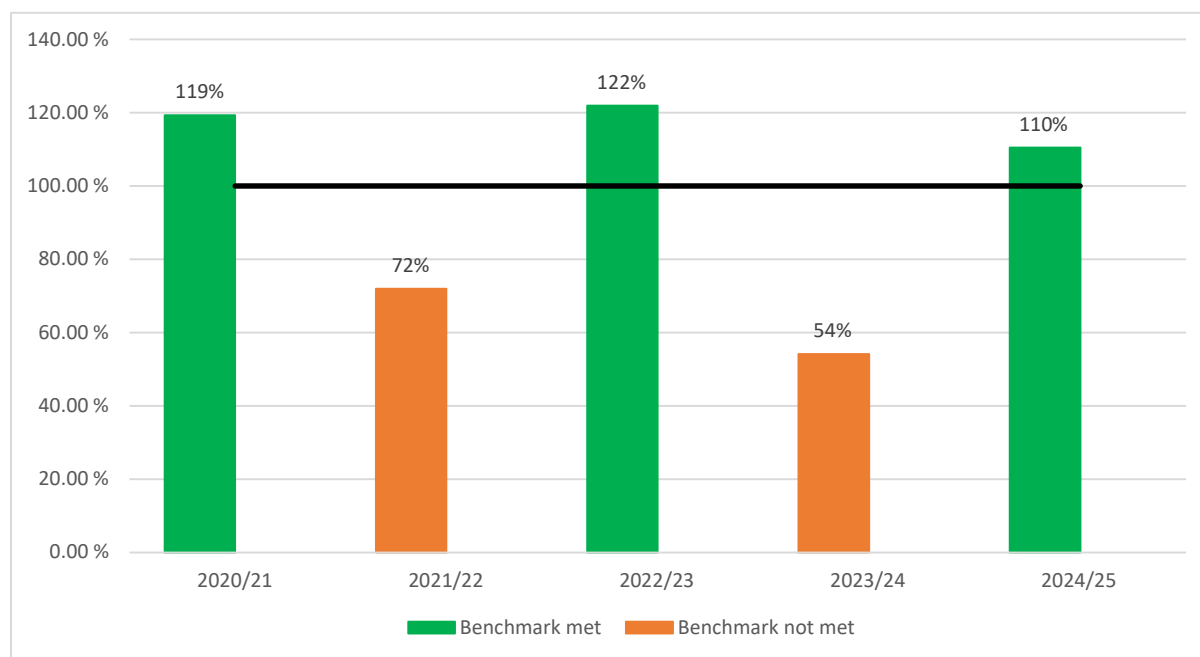
OPERATIONS CONTROL BENCHMARK

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



The operations control benchmark was not achieved in the 2021/22 related to reduced income from other receipts. This related to roading work being carried over into the 2022/23 year, and the associated reduction in subsidies received as they are also carried over into the 2022/23 year.

The operations control benchmark was not achieved in 2023/24 due to reduced income from rates receipts, offset by increased payments to suppliers and staff.





LOCAL GOVERNMENT ACT DISCLOSURES

RATING BASE INFORMATION

Under the Local Government Act 2002, Council is required to disclose the following information:

RATING BASE INFORMATION	2024/25
Number of rating units	5,619
Total Capital value of rating units	\$6,757,590,400
Total Land value of rating units	\$4,455,125,250

INSURANCE

CONTINGENT LIABILITIES	CARRYING VALUE 30 JUNE 2025 (\$000)	COVERED BY INSURANCE CONTRACTS (\$000)	COVERED BY FINANCIAL RISK SHARING ARRANGEMENT (\$000)	COVERED BY SELF INSURANCE (\$000)
Total assets covered	78,080	85,689	-	-

Please note for motor vehicles the cover is up to \$400,000 for any one vehicle, and \$20,000,000 for Third Party Liability in any one accident. The covered by insurance contracts figure above includes \$400,000, not the \$20,000,000.

INTERNAL BORROWINGS

Under the Local Government Act 2002, Council is required to disclose the following information:

INTERNAL BORROWINGS	OPENING BALANCE 2024/25	BORROWED 2024/25	REPAID 2024/25	CLOSING BALANCE 2024/25	INTEREST 2024/25
Trusted Leadership and Relationships	2,128	-	93	2,035	74
Vibrant Places and Spaces	1,377	512	99	1,790	48
Resilient Infrastructure:					
• Land Transport	1,661	-	364	1,297	58
• Wastewater	1,552	5,280	119	6,713	54
• Water Supply	4,782	119	236	4,665	167
• Stormwater	362	-	49	313	13
• Flood Protection	330	69	24	375	12
Responsible Waste Management	72	-	14	58	3



AUDIT REPORT







TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

OTHER INFORMATION

- ABOUT US
- MAYOR AND COUNCILLORS
- COUNCIL DIRECTORY





ABOUT US

Small in size but rich in history, Ōtorohanga District stretches 90 kilometres from the Tasman Sea in the west to the Waikato River in the east – an area of 1,976 square kilometres. Our near neighbours are the districts of Waipā to the North, Waitomo to the South and Taupō and South Waikato in the East.

Our high value natural habitats, landscapes and ecosystems and erosion prone hill country need particular care.

Historically significant, Kāwhia was the final landing place of the Tainui waka.

Roads are our backbone and disruption affects resilience.

We're one of the most youthful populations in the Waikato.

Greater understanding between ŌDC and iwi, hapū and marae open future opportunities.

We're growing but it's gradual.

Agriculture, forestry and fishing dominate the local economy.

GEOGRAPHY

Around 30 kilometres wide, the district is relatively narrow with two distinct landscapes:

- In the west⁸⁵ rugged hill country and harbours dominate
- In the east the district's rolling lowlands are part of the Waipā river catchment - the single largest tributary of the Waikato River.

SETTLEMENT

Ōtorohanga District falls within the rohe of a number of iwi – Maniapoto, Raukawa and Ngāti Hikairo. There are also prominent iwi and hapū including Ngāti Apakura, Ngāti Mahuta, Ngāti Wehi and Te Patupō, with approximately 17 marae located in different parts of the district

Today the district population is largely rurally based (69.9%⁸⁶), supported by the two main urban areas - Ōtorohanga township and the Aotea/Kāwhia community.

POPULATION

District population in 2023 was estimated to be 10,900, up 0.9% from a year earlier⁸⁷. Figures for that same year show that the district's dependency ratio was 60.7% - higher than the New Zealand ratio (54%). This elevated ratio reflects both the slightly higher proportion of residents aged 65 years and older (17%; cf. New Zealand 16.5%) and higher proportion of young people aged under 15 years (20.6%; cf New Zealand 18.5%)⁸⁸.

Nearly 30% of the district population identify as of Māori decent (cf. New Zealand – 16.5%) and 11.3% of residents were born overseas⁸⁹.

Population growth is expected to continue albeit gradually. By 2048, resident population is projected to be 12,656⁹⁰

ECONOMY

Primary industries account for almost 50% of district's GDP⁹¹. Rental, hiring and real estate is the next largest sector making up just under 22%.

⁸⁵ Waikato Regional Council, West Coast Zone Plan, 2016, pages 11 - 13
⁸⁶ WSP, Ōtorohanga Town Concept Plan (Final), October 2022, page 52.

⁸⁷ Source: Infometrics

⁸⁸ Ibid

⁸⁹ Ibid

⁹⁰ Under a medium variant scenario. Refer: Waikato Regional Council Technical Report 2021/22, 2018-base Population, Family and Household, and Labour Force Projections for the Waikato Region, 2018-2068.

⁹¹ According to Infometrics, 45.9% in 2022 (Cf New Zealand 10.7%).



Ongoing support/
promotion is wanted for
businesses.

In 2023, there were 2,019 businesses operating in the district up 0.9% from the previous year (cf. New Zealand 1.7%). The average number of employees was 2.3 per business in 2023 (cf. 2.6 in 2013).

The Māori economy is growing and iwi and post settlement governance entities are expected to play a major role in New Zealand's financial future. While local data is limited, anecdotally it is thought Māori businesses have an important contribution to make to district growth.

People's worries include
money, jobs, food, petrol,
technology and housing

In the year to March 2023, mean annual earnings in Ōtorohanga District were \$64,186 (cf. New Zealand \$74,754). The district's dependency ratio (discussed above) may in part contribute to the lower-than-average earnings.

Demand for public and
emergency housing has
grown dramatically in
since 2018 but supply
has remained static.

HOUSING⁹²

Like other New Zealand communities, the availability, affordability and quality of housing is an issue for Ōtorohanga District. With almost 60% of houses built prior to 1980, over a quarter of the population are living in damp and/or mouldy dwellings. Other uncomfortable trends are:

- The cost of housing relative to income which is rising at a much higher rate than median incomes
- The current shortfall in the availability of houses. Looking ahead, in line with district growth, an additional 281 homes are estimated to be needed by 2043.

Extreme weather events
(wet and dry) are likely to
become regular.

CLIMATE CHANGE

Over the medium to long-term the district can expect⁹³:

- An increase in the frequency and intensity of storm events
- Higher temperatures
- Rising sea level (1.0 metre rise for Kāwhia/Aotea over the next 100 years)
- A change in rainfall patterns, with a 5% increase in rainfall intensity, producing more extreme weather events and increased drought events.

The west coast is
vulnerable to increased
flooding and coastal
inundation due to
predicted sea level rise.

Maintenance of the
Waipā stopbanks are
important.

Residents value their
environment and have
urged Council to keep
supporting actions that
care for te taiao
(environment).

WELLBEING

While generally satisfied with their local environment (72%), a 2019 study of Waikato residents reported that just under half of respondents felt that its state had declined in recent years⁹⁴. Water pollution from towns and cities and the spread urban areas across farmland were issues of particular concern for Ōtorohanga respondents. This finding is reinforced in our recent engagement with district residents. Caring for the moana (sea) and the awa (rivers) were frequently mentioned themes.

Bring Waiwaia
(wellbeing) back to the
Waipā awa (river).

Overall people are satisfied with the network of green, open spaces throughout the district. However, needs are changing and community facilities - venues, sports grounds and open spaces - need to be flexible to cater for the new and emerging demands.

The need for a
multipurpose facility was
often mentioned. Young
people also thought an
age-appropriate park
suitable for older
teenagers was needed.

Art, culture and heritage are important components of wellbeing. People we talked to were keen to see support for events that create colour and social cohesion. Ongoing adult learning was also valued along with supporting our international community members.

⁹² Source: Ōtorohanga Housing Group, Homes for our Community, Draft Ōtorohanga District Housing Plan, Dec 2022.

⁹³ Envirostrat & AECOM, 2020, Report prepared for Waikato Regional Council, Waikato Region Greenhouse Gas Emissions Inventory for the period July 2018 to June 2019, page 6.

⁹⁴ Versus Research for Waikato Regional Council, Your Environment-What Matters: A Survey of Residents of the Waikato Region, May 2019, page 2.



TŌ TĀTOU KOROMATUA ME NGĀ KAİKAUNIHERA

YOUR MAYOR AND COUNCILLORS

HIS WORSHIP THE MAYOR MAX BAXTER

MAYOR | KAHIKA

027 229 1430

mayor@otodc.govt.nz

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Email:	Info@otodc.govt.nz
Bankers:	Bank of New Zealand
Auditors:	Matt Laing for Deloitte Limited On behalf of the Office of the Auditor General
Solicitors:	Gallie Miles, Te Awamutu Tompkins Wake, Hamilton



**Closing prayer/reflection/words of
wisdom**

Karakia/huritao/whakataukī

The Chairperson will invite a Member to provide the closing words and/or prayer/karakia.

Meeting closure

Katinga o te hui

The Chairperson will declare the meeting closed.