



kōrero mai  
now we're  
talking...



# Annual Report 2023-24

Pūrongo ā-tau

Year 3 of the Long Term Plan 2021-31

SECURING **TODAY**. SHAPING **TOMORROW**. STRONG **FUTURE**.

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## What you will find in this document

Every three years Council develops a Long Term Plan detailing budgets and work programmes for the following three years with a longer term view out to ten years. The current 2021-2031 Long Term Plan was adopted in 2021 and amended in 2022.

We produce an Annual Report every year, which we use to report back to the community the progress we have made and our performance on the Long Term Plan targets. This Annual Report document presents our key achievements for the 2023-2024 year (1 July 2023 to 30 June 2024) which is year three of the Long Term Plan. Additionally, an Annual Plan is produced in years two and three of the Long Term Plan to update the projects and budgets for those years.

What you'll find in this document:

- A message from the Mayor. Details of your 2023-2024 elected members, our community outcomes and more.
- Reports on our objectives and achievements, funding, and financial policies. Our financial statements and our notes to the financial statements.
- An overview of each service we provide (our activities) and how we are progressing, including:
  - ✓ What we do
  - ✓ Delivering on our Annual Plan 2023-2024
  - ✓ Capital projects
  - ✓ Key performance indicators
  - ✓ Funding impact statements
  - ✓ The effects each activity has had on the four well-beings, social, economic, environmental, and cultural within our community



The below diagram shows our planning cycle and where we are right now.







# Annual Report 2023-24

Pūrongo ā-tau

## PART 1

Introduction  
*He Kupu Whakataki*

SECURING **TODAY.** SHAPING **TOMORROW.** STRONG **FUTURE.**

## Message from the Mayor

2023-24 was a year of transition for the council, dominated by challenges and opportunity for all of us in the South Waikato District.

As councillors, we made some tough decisions for the future of our district when we considered the work for this plan, and I am pleased to say the council has made deliberate strides forward during this period.

Like many in our communities, the pressure is on, to do more and to do it better. Proof we are heading in the right direction comes through delivery and this council has successfully delivered its most significant capital works program for 5 years.

Simply put, we have put more pipes in the ground and the borrowing we are doing is paying for the future through intergenerational equity and ensuring most of that financial burden is carried by future users and residents.

Better project and financial management do not happen by accident, and I am pleased to confirm we are now seeing the efficiency gains being driven into the organisation by our chief executive Susan Law and her team coming through.

The financial result for 2023-24 has come in more than \$1.5m under budget and reflects the hard work and decisions, in reforming the way council does business.

Our financial strategy for the next 10 years laid its foundation during this reporting year. While I acknowledge the rates increase was considerable for our communities, it was a pain needed to reset and arrive better positioned into the 2024-34 Long-Term Plan setting and adoption.

I have said it many times and I will continue to do so, as we could not afford to just keep kicking the can down the road in the hope that we would get different results.

Financially we are now funding our operations appropriately and are proactively managing our way towards balanced budgets by 2028.

After a better than budgeted operating result and adoption of the 2024-34 Long Term Plan this year, Council is now boldly chasing a thriving community with a robust economy that out-paces the rest of New Zealand so we can advocate, support and shift the dials for our people and businesses.

As a region we are lagging behind the rest of New Zealand in economic growth and subsequently lacked the positive social drivers that come with a healthy economy. The political change of the Central Government has impacted the council in several ways with the earlier Three Waters program scrapped and Local Waters Done Well and other legislation working its way through parliament during this period.

South Waikato District Council is maintaining a working relationship with other councils in the region as we all consider what a regional Waikato Waters Done Well could be in the future.

While the council organisation is evolving internally, publicly there has been a disturbing rise in criticism and mentioning staff members names and titles in some forums and interactions in the community.

Staff are here to do the job for us all and many of them are community members and ratepayers who work diligently and loyally in their roles. As mayor, I acknowledge and thank the staff for their contribution to our district.

Finally, I want to thank my fellow elected members for their contribution to this year on behalf of our communities and district.

Being a leader is not always easy and at times we can all be challenged by our views and interactions around the table.

Different points of view help us make better overall decisions. However, once made these are the democratic decisions of the council and the directions set for the organisation to operationalise and councillors to lead and support.

I look forward to working on your behalf as mayor for the remainder of the triennium.



Gary Petley  
Mayor  
27 November 2024

~ 5 ~

## Message from the Mayor

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I look forward to working on your behalf as mayor for the remainder of the triennium.

Gary Petley  
Mayor  
27 November 2024

~ 5 ~

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF SOUTH WAIKATO DISTRICT COUNCIL'S ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

The Auditor-General is the auditor of South Waikato District Council (the District Council). The Auditor-General has appointed me, Bruno Dente, using the staff and resources of Deloitte Limited, to report on the information in the District Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

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

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

We completed our work on 27 November 2024. This is the date on which we give our report.

#### **Opinion on the audited information**

In our opinion:

- the financial statements on pages 76 to 79 and pages 81 to 120:
  - present fairly, in all material respects:
    - the District Council's financial position as at 30 June 2024;
    - the results of its operations and cash flows for the year ended on that date; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards';

- the funding impact statement on page 80, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's Long Term Plan.
- the statement of service provision (referred to as 'Our Services') on pages 24 to 59:
  - presents fairly, in all material respects, the District Council's levels of service for each group of activities for the year ended 30 June 2024, including:
    - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;
    - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
  - complies with generally accepted accounting practice in New Zealand; and
- the statement about capital expenditure for each group of activities within pages 24 to 59, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council's Long Term Plan; and
- the funding impact statement for each group of activities within pages 24 to 59, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's Long-term plan.

## **Report on the disclosure requirements**

We report that the District Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 68 to 75, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council's audited information and, where applicable, the District Council's long-term plan and annual plans.

The basis for our opinion is explained below and we draw attention to other matters. In addition, we outline the responsibilities of the Council and our responsibilities relating to the audited information, we comment on other information, and we explain our independence.



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Our responsibilities arise from the Public Audit Act 2001.

## Other Information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 3, 5, 11 to 22, 60 to 64, 66 to 67 and 121, but does not include the audited information and the disclosure requirements, and our auditor's report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information, and we do not express any form of audit opinion or assurance conclusion thereon.

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

## Independence

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

Other than the audit and trustee reporting and our report on the disclosure requirements, we have no relationship with, or interests in, the District Council.



**Bruno Dente**  
for Deloitte Limited  
On behalf of the Auditor-General  
Hamilton, New Zealand

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CONFIDENTIAL

## Statement of Compliance

The Council of the South Waikato District hereby confirms that all statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with.



Gary Petley  
Mayor  
27 November 2024



Susan Law  
Chief Executive  
27 November 2024





**Gary Petley**

**Mayor**

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**Councillor Hamish Daine**

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Ward**



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**Councillor Hans Nelis**

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**Councillor Sandra Wallace**

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**Tirau  
Ward**



**Councillor Kerry Purdy**

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**Gaby Bond**

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## Māori capacity to contribute to the decision-making process

South Waikato District Council's collaboration with Raukawa Charitable Trust, Māori and other Iwi groups is a testament to Council's commitment to Te Tiriti o Waitangi and our enduring relationships. These partnerships are key components to building a prosperous community.

The South Waikato District Council works with Raukawa and Iwi groups, guided by the:

- Local Government Act
- Memorandums of Understanding and
- Joint Management Agreements

Council recognises the importance of further developing and strengthening relationships with Iwi. Consistent engagement will lead to more informed and effective decision-making on matters governed by the Resource Management Act 1991 and other relevant legislations. Such partnerships are crucial in ensuring that the perspectives and interests of Iwi are considered in the decision-making process.

### The highlights for 2023-24 are:

- Ngā Waahi Tuturu protection of culturally significant sites and one landscape and a Maori purpose zone which accommodates papakāinga
- Partnership approach continued with Te Arawa River Iwi Trust (TARIT) in the context of the Joint Management Agreement in place.



## Our Strategic Direction and Community Outcomes

Our Vision, community outcomes and Strategies were adopted as part of the 2021-2031 Long Term plan and were in place for the 2023-2024 year. To put it simply, everything that Council does aligns with its strategies, outcomes and vision.

### Our Council Vision:

Healthy people thriving in a safe, vibrant and sustainable community.

Aligning with our community outcomes, a high-level set of goals that we aim to provide outputs and outcomes to provide a positive effect on our communities.

**Growth** - to implement activities that facilitate sustainable economic growth to guide the activities, investments and projects undertaken by Council.

**Relationships** - to continue building stronger relationships with Iwi, Māori, Pacifica, community and businesses to achieve growth, resilience and collaboration.

**Resilience** - to anticipate, resist, respond to and recover from significant change or events. This includes storm events, financial management, rates, affordability, asset replacement, environmental sustainability and climate change.

And aligning to our five key strategies of

- A vibrant culture
- A healthy, proud and connected community
- Environmental sustainability
- Economic development
- Durable infrastructure

In turn, providing outcomes contributing to the four Government Wellbeings.



The following Community Outcomes table described the activities Council has undertaken in 2023-2024 and the outcomes achieved.



Community outcomes	Inputs	Outputs – for activity specific outputs and KPI's please refer to each activity page	Outcomes / Impacts
GROWTH	WHO DOES IT INVOLVE	WHAT HAS BEEN UNDERTAKEN IN 2023- 2024	OUR VISION AND IMPACTS
<p><b>Housing supply</b> Facilitate the availability of safe, dry affordable housing solutions.</p> <p><b>Linked to our key strategic outcomes:</b></p> <ul style="list-style-type: none"> <li>✓ Vibrant culture</li> <li>✓ Healthy, proud and connected community</li> <li>✓ Economic development</li> </ul>	<ul style="list-style-type: none"> <li>• Council staff and Governance</li> <li>• Kāinga Ora</li> <li>• Ministry of Housing and Urban Development (MHUD)</li> <li>• Central Government</li> <li>• Waikato Regional Council</li> <li>• Raukawa Iwi Development Ltd</li> <li>• South Waikato Pacific Islands Community Services (SWIPICS)</li> <li>• Ministry of Social Development (MSD)</li> <li>• Private sector stakeholders</li> <li>• Community Housing Providers (CHIPS)</li> <li>• Momentum Waikato</li> </ul>	<ul style="list-style-type: none"> <li>• Council consulted on the partial reserve revocation for Stanley Park, which was approved by the Department of Conservation (DOC), to facilitate improved social housing outcomes.</li> <li>• Council planning the delivery of 20 new social and affordable homes for the site alongside a universal access playground, with construction expected to start in 2024-25.</li> <li>• Tokoroa Transitional Housing report refreshed and republished January 2024 Significant levels of advocacy occurring with Kāinga Ora and MHUD to increase public housing supply with 14 new homes commissioned for Tokoroa with construction to start in late 2024.</li> <li>• A significant amount of demand side marketing (digital, analogue and social) to promote the district.</li> <li>• Extensive engagement with property/developers and investors resulting in a significant pipeline of new housing developments planned, with over 270 new homes in pipeline for Tokoroa, construction commencing in early 2025.</li> </ul>	<p><b>Outcome</b> <i>Safe, dry and affordable housing solutions are available for all of the South Waikato District community.</i></p> <p><b>Impacts:</b></p> <ul style="list-style-type: none"> <li>✓ Improved health</li> <li>✓ Reduced homelessness</li> <li>✓ Social needs are met</li> <li>✓ Affordable housing</li> </ul>



Community outcomes	Inputs	Outputs – for activity specific outputs and KPI's please refer to each activity page	Outcomes / Impacts
GROWTH	WHO DOES IT INVOLVE	WHAT HAS BEEN UNDERTAKEN IN 2023- 2024	OUR VISION AND IMPACTS
<p><b><u>Economic Development Strategy</u></b>  <i>To focus on key demand, stimulating growth and working alongside key stakeholders to advocate for our District.</i></p> <p><b>Linked to our key strategic outcomes:</b></p> <ul style="list-style-type: none"> <li>✓ Economic development</li> <li>✓ Healthy, proud, and connected community</li> <li>✓ Environmental sustainability</li> <li>✓ Vibrant culture</li> </ul>	<ul style="list-style-type: none"> <li>• Council staff and Governance</li> <li>• South Waikato Investment Trust (SWIFT)</li> <li>• Waikato Regional Council</li> <li>• New Zealand Trade &amp; Enterprise</li> <li>• Te Waka</li> <li>• Raukawa Iwi Development Ltd</li> <li>• Central Government</li> <li>• Waikato councils (collaboration)</li> <li>• Education sector providers</li> <li>• Training providers</li> <li>• Labour market investors</li> <li>• Private sector developers</li> </ul>	<ul style="list-style-type: none"> <li>• Developed and adopted a 30 year Economic Development Plan for the district.</li> <li>• Expanded and refreshed the marketing platform for our Space to Grow brand.</li> <li>• The new \$14m Pukenga Rau, Trades Training Centre opened with Toi Ohomai welcoming students.</li> <li>• Significant collaboration on inbound investment attraction initiatives with SWIFT.</li> <li>• Construction commenced on a new Four Square in Putaruru.</li> <li>• Construction started on the new 9 hectare Maraetai Road Intermodal Business Park (MRIBP), providing 15 Industrial zoned lots with access to the existing Tokoroa Road Rail Terminal. Fourteen of the 15 lots were presold off plan and should create over 250 full time jobs once developed and operational.</li> </ul>	<p><b>Outcome</b>  <i>Our District is growing, stimulated and key stakeholders are engaged with advocacy providing economic results.</i></p> <p><b>Impacts:</b></p> <ul style="list-style-type: none"> <li>✓ Increased wellbeing</li> <li>✓ Stimulated business activity</li> <li>✓ Increased financial security</li> <li>✓ Increased equal opportunity</li> <li>✓ Economic benefits realised</li> <li>✓ A vibrant culture</li> </ul>

Community outcomes	Inputs	Outputs – for activity specific outputs and KPI's please refer to each activity page	Outcomes / Impacts
GROWTH	WHO DOES IT INVOLVE	WHAT HAS BEEN UNDERTAKEN IN 2023- 2024	OUR VISION AND IMPACTS
<p><b><u>Tokoroa Central Business District</u></b>  <i>Engaging with community to re- think the Tokoroa wider central business District.</i></p> <p><b>Linked to our key strategic outcomes:</b></p> <ul style="list-style-type: none"> <li>✓ Vibrant culture</li> <li>✓ Healthy, proud, and connected community</li> <li>✓ Environmental sustainability</li> <li>✓ Economic development</li> </ul>	<ul style="list-style-type: none"> <li>• Council staff and Governance</li> <li>• Community groups</li> <li>• Raukawa Charitable Trust</li> <li>• Business sector</li> <li>• Regional group collaboration</li> </ul>	<ul style="list-style-type: none"> <li>• Town concept plans prepared and consulted on for each Town Centre</li> </ul>	<p><b>Outcome</b>  <i>The South Waikato Community is actively engaged in designing the Tokoroa wider central business district.</i></p> <p><b>Impacts:</b></p> <ul style="list-style-type: none"> <li>✓ Increased wellbeing</li> <li>✓ Reduced crime</li> <li>✓ Stimulated business activity</li> <li>✓ New business growth</li> <li>✓ Increased employment</li> </ul>
<p><b><u>District plan review</u></b>  <i>Reviewing the current District plan to enable sustainable growth and managed land use.</i></p> <p><b>Linked to our key strategic outcomes:</b></p> <ul style="list-style-type: none"> <li>✓ A vibrant culture</li> <li>✓ Environmental sustainability</li> <li>✓ Economic development</li> <li>✓ Durable infrastructure</li> <li>✓ A healthy, proud, and connected community</li> </ul>	<ul style="list-style-type: none"> <li>• Council staff and Governance</li> <li>• Kāinga Ora</li> <li>• Ministry of Housing and Urban Development (MHUD)</li> <li>• Central Government</li> <li>• Waikato Regional Council</li> <li>• Raukawa Charitable Trust</li> <li>• Te Arawa River Iwi Trust (TARIT)</li> <li>• Ngāti Koroki Kahukura</li> <li>• Ngāti Haua</li> </ul>	<ul style="list-style-type: none"> <li>• Finalising proposed new chapter for the district plan for notification which recognises sites of significance to Raukawa and the Waikato river cultural landscape.</li> <li>• Drafting of a Māori Purpose zone for marae and Papakāinga. The extent of each zone yet to be finalised. Consultation is continuing with individual Marae.</li> <li>• Work continued on other new chapters relating to Natural Hazards and the Rural Zone.</li> <li>• Adoption of an urban growth strategy and commencing a draft proposed District Plan change to give effect to the strategy.</li> <li>• Continued to engage in mediation for Healthy Rivers Wai Ora Waikato Regional Plan change appeal.</li> </ul>	<p><b>Outcome</b>  <i>The South Waikato District Plan is reviewed and enables sustainable growth and fit for purpose land use.</i></p> <p><b>Impacts:</b></p> <ul style="list-style-type: none"> <li>✓ Increased wellbeing</li> <li>✓ Increased business growth</li> </ul>

Community outcomes	Inputs	Outputs – for activity specific outputs and KPI's please refer to each activity page	Outcomes / Impacts
GROWTH	WHO DOES IT INVOLVE	WHAT HAS BEEN UNDERTAKEN IN 2023- 2024	OUR VISION AND IMPACTS
<p><b><u>Leisure and recreational services</u></b>  <i>Make the District more attractive to live in and encourage people to be more active in quality recreation spaces.</i></p> <p><b>Linked to our key strategic outcomes:</b></p> <ul style="list-style-type: none"> <li>✓ Healthy, proud, and connected community</li> <li>✓ Vibrant culture</li> </ul>	<ul style="list-style-type: none"> <li>• Council Staff and Governance</li> <li>• Community groups</li> <li>• Schools</li> <li>• Sport Waikato</li> <li>• South Waikato Sport and Events Centre (SWSEC)</li> <li>• South Waikato District Pools</li> </ul>	<ul style="list-style-type: none"> <li>• All poolside staff qualified and working toward professional lifeguard qualification – 19 staff in total.</li> <li>• External funding secured for six apprenticeship schemes for two senior lifeguards, one learn-to-swim instructor, and three facility operations roles.</li> <li>• Learn to Swim programme extended to 9-week terms with over 45 learn to swim classes per week with over 200 participants each term.</li> <li>• Launched swimming lessons for babies' classes, over a 9-week term with 4 classes per week. We have had 583 participants.</li> <li>• Launched Skills for Life school swimming programme, providing the skills for life (Water Safety) Program (Keeping our children safe around water) to 14 community schools over 363 sessions with over 1,600 children and 85 teachers attending these sessions.</li> <li>• Launched sports taster and development courses at SWSEC to educate and encourage participation in recreation.</li> <li>• Launched beginner pilates and healthy hearts sessions at SWSEC.</li> </ul>	<p><b>Outcome</b>  <i>The South Waikato District is an attractive environment which encourages a high level of activity in quality recreational spaces.</i></p> <p><b>Impacts:</b></p> <ul style="list-style-type: none"> <li>✓ Achieving community outcomes</li> <li>✓ Improved community health</li> <li>✓ Active play and recreation needs are met</li> <li>✓ A Vibrant culture</li> </ul>

Community outcomes	Inputs	Outputs – for activity specific outputs and KPI's please refer to each activity page	Outcomes / Impacts
RELATIONSHIPS	WHO DOES IT INVOLVE	WHAT HAS BEEN UNDERTAKEN IN 2023- 2024	OUR VISION AND IMPACTS
<p><b><u>Iwi</u></b>  <i>A strengthened joint governance and engagement model for collaboration and a shared District view.</i></p> <p><b>Linked to our key strategic outcomes:</b></p> <ul style="list-style-type: none"> <li>✓ Vibrant culture</li> <li>✓ Healthy, proud and connected community</li> <li>✓ Environmental sustainability</li> <li>✓ Economic development</li> <li>✓ Durable infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Te Arawa River Iwi Trust (TARIT)</li> <li>• Raukawa Charitable Trust</li> <li>• Council staff and governance</li> <li>• Ngāti Koroki Kahukura</li> <li>• Ngāti Haua</li> </ul>	<ul style="list-style-type: none"> <li>• Continued partnership approach with Raukawa for the Growth Strategy and Economic Development Strategy within the ambit of the Joint Management Agreement.</li> <li>• Ngā Waahi Tuturu protection of culturally significant sites and one landscape and a Maori purpose zone which accommodates papakāinga.</li> <li>• Partnership approach continued with Te Arawa River Iwi Trust (TARIT) in the context of the Joint Management Agreement is in place.</li> <li>• The Kaitohutohu Matua – Matauranga Māori continues to provide a valuable resource to Council in its engagement with Iwi and Mana Whenua and raising cultural awareness among Council staff.</li> </ul>	<p><b><u>Outcome</u></b>  <i>Iwi and Council are working in close partnerships with a shared view of the future of the community and district.</i></p> <p><b>Impacts:</b></p> <ul style="list-style-type: none"> <li>✓ Achieving community outcomes</li> <li>✓ Growing community pride</li> <li>✓ Strengthened collaboration</li> <li>✓ Vibrant culture</li> <li>✓ Economic rewards</li> <li>✓ Environmental sustainability</li> <li>✓ Business investment growing</li> </ul>
<p><b><u>Pacific Peoples</u></b>  <i>Strengthening relationships with more formal agreements to create a planned clear pathway to work together.</i></p> <p><b>Linked to our key strategic outcomes:</b></p> <ul style="list-style-type: none"> <li>✓ Vibrant culture</li> <li>✓ Healthy, proud and connected community</li> <li>✓ Environmental sustainability</li> <li>✓ Economic development</li> <li>✓ Durable infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Pacific Peoples</li> <li>• Council staff and governance</li> <li>• Pacific Island community</li> <li>• South Waikato Pacific Islands Community Services (SWIPICS)</li> </ul>	<ul style="list-style-type: none"> <li>• Develop partnership approach with Pasifika for the Growth Strategy and Economic Development Strategy.</li> <li>• Consultation regarding Maraetai Business Intermodal Park with the Cook Island Society (CIS) and South Waikato Pacific Island Community Services Trust (SWIPICS).</li> </ul>	<p><b><u>Outcome</u></b>  <i>Pacifics and Council have achieved together a shared vision for the district and community.</i></p> <p><b>Impacts:</b></p> <ul style="list-style-type: none"> <li>✓ Community wellbeing</li> <li>✓ Growing community pride</li> <li>✓ Strengthened collaboration</li> <li>✓ Vibrant culture</li> </ul>



Community outcomes	Inputs	Outputs – for activity specific outputs and KPI’s please refer to each activity page	Outcomes / Impacts
RELATIONSHIPS	WHO DOES IT INVOLVE	WHAT HAS BEEN UNDERTAKEN IN 2023- 2024	OUR VISION AND IMPACTS
<p><b>Community and Business Partners</b>  <i>A high degree of collaboration to achieve openness and shared goals.</i></p> <p><b>Linked to our key strategic outcomes:</b></p> <ul style="list-style-type: none"> <li>✓ Vibrant culture</li> <li>✓ Healthy, proud and connected community</li> <li>✓ Environmental sustainability</li> <li>✓ Economic development</li> </ul>	<ul style="list-style-type: none"> <li>• Council Staff and Governance</li> <li>• Waikato Regional Council</li> <li>• Department of Conservation</li> <li>• New Zealand Trade &amp; Enterprise</li> <li>• South Waikato Investment Trust (SWIFT)</li> <li>• Raukawa Charitable Trust</li> <li>• Raukawa Iwi Development Ltd</li> <li>• Local Schools</li> <li>• Toi Ohomai</li> <li>• Te Wānanga o Aotearoa</li> <li>• Te Waka</li> <li>• Momentum Waikato</li> <li>• South Waikato Pacific Islands Community Services (SWIPICS)</li> <li>• WORKit (Mayors Taskforce for Jobs)</li> <li>• Tokoroa Council of Social Services (TCOSS)</li> <li>• Ministry of Primary Industries</li> </ul>	<ul style="list-style-type: none"> <li>• Staff continue building collaborative relationships with key local, regional and national stakeholders for the betterment of the district.</li> <li>• Collaboration with key stakeholders and community to manage the temporary closure of Te Waihou Walkway, obtaining consents for replacement trail and contracting works.</li> <li>• Community partnerships continued to develop around environmental initiatives.</li> <li>• Hosted an event to celebrate International Women’s Day event with over 120, year 10 female students from local high schools taking part.</li> <li>• WORKit supported a total of 79 young people in the 2023-24 financial year, with 57 moving into full time employment.</li> </ul>	<p><b>Outcome</b>  <i>Community and business partners are working collaboratively and productively increasing customer satisfaction and community growth.</i></p> <p><b>Impacts:</b></p> <ul style="list-style-type: none"> <li>✓ Achieving community outcomes</li> <li>✓ Growing community pride</li> <li>✓ Vibrant culture</li> <li>✓ Environmental sustainability</li> <li>✓ Economic rewards</li> <li>✓ Engaged communities</li> </ul>

Community outcomes	Inputs	Outputs – for activity specific outputs and KPI's please refer to each activity page	Outcomes / Impacts
RELATIONSHIPS	WHO DOES IT INVOLVE	WHAT HAS BEEN UNDERTAKEN IN 2023- 2024	OUR VISION AND IMPACTS
<p><b>Local Government</b> <i>Continuing to build collaboration and information sharing between networks within the sector.</i></p> <p><b>Linked to our key strategic outcomes:</b></p> <ul style="list-style-type: none"> <li>✓ Vibrant culture</li> <li>✓ Healthy, proud and connected community</li> <li>✓ Environmental sustainability</li> <li>✓ Economic development</li> <li>✓ Durable infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Co-Lab (Waikato LASS)</li> <li>• Lakes Coast Cluster</li> <li>• Waikato Regional Council (WRC)</li> <li>• Council staff and Governance</li> <li>• Taituarā</li> <li>• Local Government NZ</li> <li>• Neighbouring Councils</li> <li>• Te Waka</li> </ul>	<ul style="list-style-type: none"> <li>• Continued participation in Co-Lab offering including: the Co-Lab learning modules, the Co-Lab procurement support services and the action of the Structural Asset Management Services (SAMS).</li> <li>• Lakes Coast Cluster, building consent alignment continues.</li> <li>• Collaborating with Waikato Regional Council for land use, air quality and water quality sustainability.</li> <li>• Taituarā relationship building to utilise metrics.</li> </ul>	<p><b>Outcome</b> <i>Collaboration is functioning and thriving between parties in the local government sector.</i></p> <p><b>Impacts:</b></p> <ul style="list-style-type: none"> <li>✓ Increased wellbeing</li> <li>✓ Working collaboration</li> <li>✓ Stronger community outcomes</li> <li>✓ Environmental sustainability</li> <li>✓ Vibrant cultures</li> <li>✓ Long term visions achieved</li> </ul>
<p><b>Central Government sector</b> <i>Continuing to build relationships and partnering with government agencies.</i></p> <p><b>Linked to our key strategic outcomes:</b></p> <ul style="list-style-type: none"> <li>✓ Vibrant culture</li> <li>✓ Healthy, proud and connected community</li> <li>✓ Environmental sustainability</li> <li>✓ Economic development</li> <li>✓ Durable infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Council staff and Governance</li> <li>• Waka Kotahi</li> <li>• Kāinga Ora</li> <li>• Ministry of Housing and Urban Development (HUD)</li> <li>• Government Ministers</li> <li>• Other government departments</li> <li>• Three waters governance</li> <li>• Iwi departments</li> </ul>	<ul style="list-style-type: none"> <li>• Advocacy and engagement with local MP's continuing.</li> <li>• Several meetings with government Ministers took place to advocate for co-investment.</li> <li>• Council worked collaboratively with central government on changes to RMA reform, Waikato Water Done Well and understanding the coalition governments policy platform.</li> </ul>	<p><b>Outcome</b> <i>Relationships and advocacy are achieving results and our communities are benefitting from government funding initiatives and partnering programmes.</i></p> <p><b>Impacts:</b></p> <ul style="list-style-type: none"> <li>✓ Achieving community outcomes</li> <li>✓ Better quality of life</li> <li>✓ Environmental sustainability</li> <li>✓ Engaged communities</li> </ul>

Community outcomes	Inputs	Outputs – for activity specific outputs and KPI's please refer to each activity page	Outcomes / Impacts
RESILIENCE	WHO DOES IT INVOLVE	WHAT HAS BEEN UNDERTAKEN IN 2023- 2024	OUR VISION AND IMPACTS
<p><b><u>Strong infrastructure planning</u></b> Providing strong infrastructure planning for the long-term view utilising the 30 year infrastructure strategy.</p> <p><b>Linked to our key strategic outcomes:</b></p> <ul style="list-style-type: none"> <li>✓ Vibrant culture</li> <li>✓ Healthy, proud and connected community</li> <li>✓ Environmental sustainability</li> <li>✓ Economic development</li> <li>✓ Durable infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Council Staff and Governance</li> <li>• Waikato Regional Council</li> <li>• Central Government sector (reforms)</li> <li>• Waka Kotahi</li> <li>• Raukawa</li> <li>• Iwi</li> <li>• District wide businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Continuing upgrade of automatic control systems and telemetry on our water supply and wastewater systems.</li> <li>• Completion of a draft 30 Year Infrastructure strategy for inclusion in the 2024-34 Long Term Plan.</li> </ul>	<p><b>Outcome</b> Infrastructure is provided in an efficient and effective manner providing a sustainable agreed level of service for now and into the future.</p> <p><b>Impacts:</b></p> <ul style="list-style-type: none"> <li>✓ Reduced environmental impacts</li> <li>✓ Improved community wellbeing</li> <li>✓ Increased financial benefits</li> <li>✓ Infrastructure well planned for future generations</li> </ul>

## Financial Strategy Limits

Council recognises the financial constraints on our community. It is imperative that Council maintains and protects financial integrity.

Council has set limits on the amount of rates that it can collect and the amount of debt that it can accumulate. Whether we have achieved compliance with these limits is discussed below.

Financial Measure	Limit	Achieved?	Comment
Rates Increase	Rates revenue increases will not be larger than 9% for any year.	No	Average rates increase was 18.5% for the 2023-24 financial year
External debt	External loans not to exceed 175% of total revenue	Yes	External loans at 30 June 2024 were \$44m. 75% compared to total revenue for 2023-2024 of \$59m



# Annual Report 2023-24

Pūrongo ā-tau

## PART 2

An introduction to our services

*He whakatakinga ki tā mātou ratonga*

SECURING **TODAY**. SHAPING **TOMORROW**. STRONG **FUTURE**.



The Governance and Corporate group of activities support all the other activities carried out by Council to ensure that they run smoothly by providing the necessary information systems and financial support to achieve community wellbeing. This includes our local democratic system which represents the residents of our District.

**What we do**

- Manage the corporate component of Council’s business (which includes information services, legal services, human resources, health and safety, revenue, finance, communications, executive support and strategic planning and projects, procurement, risk management, elections and business improvement).
- Provide governance advice, training and democratic services to Elected Members, the public and staff.
- Review our policies and processes.
- Collaborate authentically with our treaty partners for Māori to participate in decision making.
- Build our relationships with the Pacifica communities.
- Develop Long Term Plans, Annual Plans and Annual Reports

**What we delivered this year**

- Implemented live streaming of Council and Committee Meetings.
- Introduced new management software for leases, meetings and agendas.
- Developed a partnership with Pasifika for the Growth Strategy and Economic Development Strategy.
- Completed cloud migration across the network including domain controllers and file servers.
- Completed the CCTV programme for Tirau.

**Capital Projects**

Governance and Corporate	Actual Spend 2024 \$000s	Budget Spend 2024 \$000s	Actual Spend 2023 \$000s
IT Expenditure and GIS upgrades	1,484	205	549
Innovation fund	-	-	25
District business web directory	25	40	-
Vehicle replacements	460	300	366
Furniture renewals	9	10	39
<b>Total</b>	<b>1,978</b>	<b>555</b>	<b>979</b>



## Key Performance Indicators

GOVERNANCE AND CORPORATE			
Performance Measure	2022-2023 Outcome	2023-2024 Outcome	Commentary
<b>Communications:</b> That 90% of media queries are resolved within 5 working days.	Achieved	Achieved	27 media queries received. 29 were responded to within the required time frame.
<b>Communications:</b> That at least 60% of media statements submitted, feature in local media within 28 days of release.	Achieved	Not Achieved	Metrics not maintained for the full period due to staff changes
<b>Communications:</b> The level of community satisfaction with overall communication from Council is at least 75% satisfied.	Not Achieved	Not Achieved	Result from Resident Survey was 60%
<b>Privacy:</b> All official information requests are responded to within the statutory timeframe (20 or 40 working days).	Not Achieved	Not Achieved	87 LGOIMA requests received. 73 requests completed within the statutory timeframe. 14 requests not completed within the statutory timeframe (16%).
<b>Governance:</b> The level of community satisfaction with participation in decision-making is at least 70%.	Not Achieved	Not Achieved	Result from Resident Survey was 49%
<b>Strategic Planning and Projects:</b> Annual Plans and Long Term Plans will be adopted in compliance with the requirements and deadlines of the Local Government Act 2002.	Not Achieved	Achieved	The 2023-24 Annual Plan was adopted on 28 June 2023. The 2024-34 Long Term Plan had an extension of time for adoption to 30 September 2024 to cater for the Water Services Acts Repeal Act 2024 so we weren't required to adopt by 30 June 2024. The 2024-34 Long Term Plan was adopted on 2 September 2024.
<b>Democracy:</b> Council complies with all sections of the Local Government Act 2002 governing the functions of elected officials and consultation with our community on documents (including strategies, policies and bylaws).	Achieved	Achieved	Processes to follow legislation have been complied with.
<b>Elections:</b> Council will conduct error-free local government elections (the election process is defined in the Local Electoral Act 2001).	Achieved	Not applicable	2023-24 is not an election year. Next election scheduled for October 2025
<b>Finance:</b> To ensure Council only collects enough rates to meet funding requirements, the total amount of general and targeted rates revenue budgeted will not be more than \$500,000 more or \$500,000 less than the rateable expenditure on those general and targeted activities for that year.	Achieved	Not Achieved	The net funding surplus after carry over is \$543,000. This is not achieved as rateable expenditure was not at the level that was expected.
<b>Revenue/Rates:</b> The total amount of rate arrears is less than 7.5% of the current year's rates charged by Council.	Achieved	Achieved	The outstanding rate arrears was 5.2%.
<b>Information Services:</b> Council's information systems are available at least 99% of the time. System availability is defined as reliable access during business hours to supported applications. Availability is measured from offices over 24 hours 365 days of the year, excluding, planned and agreed maintenance downtime.	Achieved	Achieved	The Council successfully attained a 99% achievement rate over the course of the year.

## Funding Impact Statement

<b>Funding Impact Statement - Governance &amp; Corporate</b>	<b>LTP 2023 \$000s</b>	<b>LTP 2024 \$000s</b>	<b>Actual 2024 \$000s</b>
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charges, rates penalties	1,881	1,874	1,994
Targeted rates	21	21	39
Subsidies and grants for operating purposes	-	-	-
Fees and charges	50	51	(130)
Internal charges and overheads recovered	11,602	12,749	13,925
Local authorities fuel tax, fines, infringement fees, and other receipts	30	30	123
<b>TOTAL SOURCES OF OPERATING FUNDING (A)</b>	<b>13,584</b>	<b>14,725</b>	<b>15,951</b>
<b>APPLICATION OF OPERATING FUNDING</b>			
Payments to staff and suppliers	9,690	10,146	12,275
Finance costs	68	67	57
Internal charges and overheads applied	3,263	3,690	4,207
Other operating funding applications	46	47	-
<b>TOTAL APPLICATIONS OF OPERATING FUNDING (B)</b>	<b>13,067</b>	<b>13,950</b>	<b>16,539</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)</b>	<b>517</b>	<b>775</b>	<b>(588)</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(118)	(78)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>TOTAL SOURCES OF CAPITAL FUNDING (C)</b>	<b>(118)</b>	<b>(78)</b>	<b>-</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	-	-	819
- to improve the level of services	480	347	522
- to replace existing assets	514	313	637
Increase (decrease) in reserves	(595)	37	(155)
Increase (decrease) in investments	-	-	(2,411)
<b>TOTAL APPLICATIONS OF CAPITAL FUNDING (D)</b>	<b>399</b>	<b>697</b>	<b>(588)</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING (C-D)</b>	<b>(517)</b>	<b>(775)</b>	<b>588</b>
<b>FUNDING BALANCE ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



This activity works to foster growth and build our economic resilience for the future while supporting and maintaining quality relationships with our communities and partners. Economic development activities drive employment opportunities, business growth, housing solutions and long term sustainability for our District. Community development engages with community, to support Council’s planned outcomes and to increase the value of relationships with community and Māori.

**What we do**

- Facilitate economic development.
- Provide community grants.
- Support youth initiatives.
- Promote our central business districts
- Organise community events
- Promote the district to those who live and work outside the South Waikato
- Undertake joint ventures with government agencies.
- Undertake joint ventures with our key stakeholders.
- Support skills training and business development.
- Advocate for (and with) South Waikato communities.
- Advocate to Government

**What we delivered this year**

- Delivery of the WORKit programme, funded by the Mayor’s Taskforce for Jobs and the Ministry of Social Development, supporting 79 young people with 57 moving into full time employment.
- Continued advocacy with Kāinga Ora and MHUD to increase public housing supply, with 14 new homes commissioned for Tokoroa with construction in late 2024.
- Hosted an International Womens Day event attended by over 120, year 10 female students from local high schools.
- Expanded and refreshed the marketing platform for our Space to Grow brand.
- The development and adoption of a 30 year Economic Development Plan for the district.

<p>These activities contribute to the following community outcomes of: <u>Relationship</u> <u>Growth</u> <u>Resilience</u></p>	<p>And contribute to the <u>Social Economic</u> <u>Cultural</u> <u>And Environmental</u> <u>Wellbeings</u></p>
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## Capital Projects

Economy and Community	Actual Spend 2024 \$000s	Budget Spend 2024 \$000s	Actual Spend 2023 \$000s
District branding - signs	1	-	235
State Highway One (SH1) flags	-	-	10
CCTV/Security cameras	85	-	81
Tirau - Wi-Fi	11	-	32
Maraetai Road Intermodal Business Park	1,773	-	464
East School Development	-	213	-
Stanley Park housing Development	113	200	2
Strategic property projects	27	-	30
<b>Total</b>	<b>2,010</b>	<b>413</b>	<b>854</b>

## Key Performance Indicators

ECONOMY AND COMMUNITY			
Performance Measure	2022-2023 Outcome	2023-2024 Outcome	Commentary
<b>Community Development:</b> Lead five civic events and co-lead five public events, with no less than two key stakeholders.	Not Achieved	Not Achieved	Six (6) events occurred. Four (4) civic events. Two (2) co-led events. This was not achieved as Council did not have the staffing resource available to manage these events until the second half of the year.
<b>Community Development:</b> 90% of the key performance indicators within community contracts are satisfactorily met by individual contract holders annually.	Achieved	Achieved	11 community contracts were in effect. 10 contracts attained a 90% overall success rate.
<b>Community Development:</b> At least 80% of the customers, who engaged with our frontline customer services team, indicated that they received courteous and respectful service.	Not Achieved	Achieved	Result from Resident Survey was 96%
<b>Economic Development:</b> Click through rate for display advertisements (how many people engage with our advertising) is at 0.15% *Industry standard (display ads) is 0.08%.	Achieved	Achieved	The click through rate for display advertisements is 0.19%
<b>Economic Development:</b> Net media exposure score - number and reach of positive media exposures exceeds the number and reach of negative media exposures (print/radio/TV/digital).	Achieved	Achieved	The net media exposure score is 72.
<b>Economic Development:</b> Three new businesses that engaged with Council's Economic Development staff will open in the district each year.	Not Achieved	Not Achieved	There was one (1) new business opened. No additional business prospects approached Council during the year.

## Funding Impact Statement

<b>Funding Impact Statement - Economy and Community</b>	<b>LTP 2023 \$000s</b>	<b>LTP 2024 \$000s</b>	<b>Actual 2024 \$000s</b>
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charges, rates penalties	3,106	3,154	2,490
Targeted rates	300	301	171
Subsidies and grants for operating purposes	-	-	393
Fees and charges	6	6	23
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	121
<b>TOTAL SOURCES OF OPERATING FUNDING (A)</b>	<b>3,412</b>	<b>3,461</b>	<b>3,198</b>
<b>APPLICATION OF OPERATING FUNDING</b>			
Payments to staff and suppliers	1,337	1,134	2,350
Finance costs	116	147	44
Internal charges and overheads applied	487	516	580
Other operating funding applications	1,631	1,515	-
<b>TOTAL APPLICATIONS OF OPERATING FUNDING (B)</b>	<b>3,571</b>	<b>3,312</b>	<b>2,974</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)</b>	<b>(159)</b>	<b>149</b>	<b>224</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	1,313
Development and financial contributions	-	-	-
Increase (decrease) in debt	2,811	(4)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>TOTAL SOURCES OF CAPITAL FUNDING (C)</b>	<b>2,811</b>	<b>(4)</b>	<b>1,313</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	2,455	-	1,913
- to improve the level of services	307	314	96
- to replace existing assets	15	-	1
Increase (decrease) in reserves	(125)	(169)	(120)
Increase (decrease) in investments	-	-	(353)
<b>TOTAL APPLICATIONS OF CAPITAL FUNDING (D)</b>	<b>2,652</b>	<b>145</b>	<b>1,537</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING (C-D)</b>	<b>159</b>	<b>(149)</b>	<b>(224)</b>
<b>FUNDING BALANCE ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>





The community facilities activity operates and maintains facilities throughout the district to enhance its amenity value by providing facilities. that contribute to the wellbeing of our communities. Council provides libraries, swimming pools and venues for the community to enjoy, benefit from and provide events.

**What we do**

- Manage the South Waikato Sport and Events Centre.
- Manage the South Waikato Heated Indoor Pools in Tokoroa.
- Manage the outdoor pools in Putāruru and Tīrau.
- Provide and manage the Tokoroa and Putāruru Libraries.
- Provide and manage community halls.
- Provide and manage the Tīrau I-SITE
- Provide the South Waikato Performing Arts Centre (The Plaza)

These activities contribute to the following community outcomes of: <u>Relationship</u> <u>Growth</u> <u>Resilience</u>	And contribute to the <u>Social Economic</u> <u>Cultural</u> <u>And Environmental</u> <u>Wellbeings</u>
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**What we delivered this year**

- Organised and facilitated 31 holiday programme sessions across the pools and sports and event centre.

South Waikato Sports and Events Centre

- Ongoing delivery of indoor sports leagues.
- Provided 6 sports taster and development courses to educate and encourage participation in recreation providing an introduction to sports like cricket, basketball, pickle ball and tag rugby.
- Launched beginner pilates and healthy hearts sessions.
- Launched a social media page for targeted communication with communities and users of the event centre.

South Waikato Pools

- Putaruru pool relining, kiosk replacement and carpark and entrance fence upgrade were completed.
- Extended learn to swim programmes from four weeks to eight weeks.
- Launched swimming lessons for babies classes.
- Launched the skills for life school swimming programme.
- Launched a social media page for targeted communication with communities and users of the pools.

Libraries and Information Centres

- Provided library space to host 271 community meetings and JP services that supported 748 members of the community.
- Provided library space for JP services to support 748 members of the community.
- Organised and facilitated holiday, summer, toddler time, digital support, code club and lego programmes for the community.

## Capital Projects

Community Facilities	Actual Spend 2024 \$000s	Budget Spend 2024 \$000s	Actual Spend 2023 \$000s
Events Centre - plant replacement and exterior waterproofing	7	5	80
Kitchen Upgrade	9	80	-
Libraries	123	135	166
Tokoroa Library Building Renewal	3	-	-
Pole installation	-	-	5
Pools - plant replacement	821	275	391
Putaruru Pool Relining	156	175	-
<b>Total</b>	<b>1,119</b>	<b>670</b>	<b>642</b>

## Key Performance Indicators

COMMUNITY FACILITIES			
Performance Measure	2022-2023 Outcome	2023-2024 Outcome	Commentary
<b>South Waikato Sport and Events Centre:</b> South Waikato Sport and Events Centre users rate their overall satisfaction level at an average of 95% or above <u>annually</u> .	Not Achieved	Not Achieved	Result from Resident Survey was 90%
<b>South Waikato Sport and Events Centre:</b> Annual usage of the South Waikato Sport and Events Centre will equate to an average of at least twice the district's population.	Not Achieved	Not Achieved	50,538 visits to the South Waikato Sports and Events Centre. District population 25,900. Not achieved.
<b>Swimming Pools:</b> South Waikato pool facility users (Tokoroa, Putāruru, Tīrau) rate their overall satisfaction level at an average of at least 90% or above annually.	Not Achieved	Not Achieved	Result from Resident Survey was 82%
<b>Swimming Pools:</b> Annual usage of the South Waikato pool facilities will equate to an average of at least four times the district's population.	Not Achieved	Not Achieved	92,803 visits to the swimming pools. District population is 25,900. Not achieved.
<b>Swimming Pools:</b> At least 90% of South Waikato pool water tests (Tokoroa, Putāruru and Tīrau) comply with the New Zealand Standard Pool Water Quality annually.	Achieved	Achieved	12,328 tests were conducted. 11,917 tests were compliant. 96.67% achieved.
<b>Swimming Pools:</b> One water safety education campaign is undertaken (across the district) every year.	Achieved	Achieved	One water safety education campaign was held with participation by many schools and groups across the district.
<b>Libraries:</b> South Waikato Library services customers (Tokoroa, Putāruru and Tīrau) rate their overall satisfaction level at an average of 95% or above <u>annually</u> .	Not Achieved	Not Achieved	Result from Resident Survey was 90%
<b>Libraries:</b> South Waikato Libraries visitor and online user numbers will increase by at least 2% of the last five-year average.	Achieved	Not Achieved	114,644 visits for the year versus 122,436 for the 2021-2022 year. 6.36% decrease.
<b>Libraries:</b> Ten or more community groups engage with the district libraries each month.	Achieved	Achieved	The average monthly group interactions with community was 17.
<b>Libraries:</b> Ten library led community-based learning programmes are undertaken annually.	Not Achieved	Achieved	Ten community education programmes were led.

## Funding Impact Statement

<b>Funding Impact Statement - Community Facilities</b>	<b>LTP 2023 \$000s</b>	<b>LTP 2024 \$000s</b>	<b>Actual 2024 \$000s</b>
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charges, rates penalties	3,751	4,401	3,821
Targeted rates	-	-	-
Subsidies and grants for operating purposes	2	2	22
Fees and charges	388	396	469
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	27	33	72
<b>TOTAL SOURCES OF OPERATING FUNDING (A)</b>	<b>4,168</b>	<b>4,832</b>	<b>4,384</b>
<b>APPLICATION OF OPERATING FUNDING</b>			
Payments to staff and suppliers	2,155	2,221	2,577
Finance costs	138	243	206
Internal charges and overheads applied	1,030	1,137	1,336
Other operating funding applications	-	-	-
<b>TOTAL APPLICATIONS OF OPERATING FUNDING (B)</b>	<b>3,323</b>	<b>3,601</b>	<b>4,119</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)</b>	<b>845</b>	<b>1,231</b>	<b>265</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	3
Development and financial contributions	-	-	-
Increase (decrease) in debt	2,125	12,029	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>TOTAL SOURCES OF CAPITAL FUNDING (C)</b>	<b>2,125</b>	<b>12,029</b>	<b>3</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of services	283	4,280	-
- to replace existing assets	2,399	8,639	1,118
Increase (decrease) in reserves	288	341	123
Increase (decrease) in investments	-	-	(973)
<b>TOTAL APPLICATIONS OF CAPITAL FUNDING (D)</b>	<b>2,970</b>	<b>13,260</b>	<b>268</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING (C-D)</b>	<b>(845)</b>	<b>(1,231)</b>	<b>(265)</b>
<b>FUNDING BALANCE ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



Our team oversees the operation, maintenance and development of approximately 285 hectares of parks, sportsgrounds, reserves, playgrounds, cemeteries and gardens. It is important that these assets are maintained appropriately to prevent disrepair costs, so residents have access to parks, reserves and sportsgrounds for recreational and sporting activities.

**What we do**

- Administer contracts and undertake health and safety auditing.
- Issue interment warrants for cemeteries.
- Plan development of and manage reserves and facilities.
- Provide a contact for users and administers the bookings for parks and sportsgrounds.
- Manage trees located within reserves, urban road reserves and street berms.
- Manage approximately 285ha of urban and rural reserves, playgrounds, sportsgrounds and cemeteries.
- Maintain cycleways and walkways
- Management of public toilets within reserves.

**What we delivered this year**

- Fencing renewals undertaken at Duxfield Reserve, Tokoroa War Memorial Sportsground and Lancaster Reserve.
- New fences installed at Clyde Street Reserve, Jim Barnett Reserve, Totara Park Reserve and the Putaruru Skate Park.
- Signage renewals undertaken at James Higgins Park, Colsons Hill Lookout and Matarawa Park. New signs installed at Tirau Domain and Okoroire Reserve.
- Walkway construction undertaken at Tirau Domain and a new pathway, boardwalk and platform installed at David Foote Park.
- New cemetery berms installed at the Tokoroa Cemetery and Domain Road Cemetery.
- Re-metalling of reserve roads undertaken at Lake Whakamaru Reserve.
- Playground rubber surfacing undertaken at Barnett Street Reserve. Renewals like modular play items, timber edging and safety woodchip replenishment undertaken at Lake Moananui, Youth Park, Inman Reserve, Elizabeth Park Reserve, Galway Reserve and Glenkill Park.
- Full completion of the skatepark construction at the Putaruru Skate Park.

<p>These activities contribute to the following community outcomes of: <u>Relationship</u> <u>Growth</u> <u>Resilience</u></p>	<p>And contribute to the <u>Social Economic</u> <u>Cultural</u> <u>And Environmental</u> <u>Wellbeings</u></p>
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## Capital Projects

Parks and Reserves	Actual Spend 2024 \$000s	Budget Spend 2024 \$000s	Actual Spend 2023 \$000s
Glenshea Park Netball Courts Resurfacing	316	430	-
Cemeteries	13	12	65
Skatepark - upgrade	68	-	569
Reserves - walkway development	12	22	57
Reserves - new toilet at Lake Moananui Reserve playground area	-	-	182
Reserves - new toilet Pioneer Park Arapuni	-	-	3
Replacement fencing - replace fencing in Strathmore Park	-	-	79
Reserves - general - install pest bait stations within scenic reserves	-	-	25
Reserves - retaining walls - engineer assessment/report, Lake Moananui Reserve	48	175	20
Bollard Fencing - Totara Park	28	32	-
Barnett St Playground Resurfacing	84	110	-
Playground Resurfacing	101	100	-
Te Waihou Emergency Works	218	-	-
Playground - equipment renewals	-	-	93
Lake Moananui - infrastructure and silt removal	-	-	3
Tirau Domain - development	-	-	29
Reserves - BBQ installs - Tirau domain	-	-	18
Other - Parks and Reserves projects	108	43	192
<b>Total</b>	<b>996</b>	<b>924</b>	<b>1,335</b>

## Key Performance Indicators

PARKS, RESERVES & CEMETERIES			
Performance Measure	2022-2023 Outcome	2023-2024 Outcome	Commentary
<b>Parks &amp; Reserves:</b> 90% of non-urgent enquiries and service requests relating to parks and reserves are responded to within ten working days of notice.	Achieved	Achieved	561 enquiries and service requests were received. 546 requests received responses within the designated ten working days. 97% achieved
<b>Parks &amp; Reserves:</b> 90% of urgent enquiries and service requests relating to parks and reserves are responded to within two working days of notice.	Achieved	Achieved	54 urgent enquiries and service requests were received. 50 requests were responded to within the allocated time frame. 93% achieved.
<b>Parks &amp; Reserves:</b> Users of South Waikato Parks and Reserves rate their overall satisfaction level at an average of 90% or above annually.	Not Achieved	Not Achieved	Result from Resident Survey was 85%
<b>Cemeteries:</b> 90% of non-urgent enquiries and service requests relating to cemeteries are responded to within ten working days of notice.	Achieved	Achieved	120 non-urgent enquiries and service requests were received and responded to within the stipulated time frame. 100% achieved.
<b>Cemeteries:</b> 90% of urgent enquiries and service requests relating to cemeteries are responded to within two working days of notice.	Achieved	Achieved	Zero (0) urgent enquiries and service requests received. 100% achieved.



## Funding Impact Statement

<b>Funding Impact Statement - Parks and Reserves</b>	<b>LTP 2023 \$000s</b>	<b>LTP 2024 \$000s</b>	<b>Actual 2024 \$000s</b>
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charges, rates penalties	4,301	4,753	4,655
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	194	198	212
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	18	11	283
<b>TOTAL SOURCES OF OPERATING FUNDING (A)</b>	<b>4,513</b>	<b>4,962</b>	<b>5,150</b>
<b>APPLICATION OF OPERATING FUNDING</b>			
Payments to staff and suppliers	2,696	2,871	3,969
Finance costs	95	112	424
Internal charges and overheads applied	1,059	1,139	1,366
Other operating funding applications	-	-	-
<b>TOTAL APPLICATIONS OF OPERATING FUNDING (B)</b>	<b>3,850</b>	<b>4,122</b>	<b>5,759</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)</b>	<b>663</b>	<b>840</b>	<b>(609)</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	42	43	105
Increase (decrease) in debt	714	270	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>TOTAL SOURCES OF CAPITAL FUNDING (C)</b>	<b>756</b>	<b>313</b>	<b>105</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	6	6	-
- to improve the level of services	1,047	752	145
- to replace existing assets	142	710	854
Increase (decrease) in reserves	224	(315)	(3)
Increase (decrease) in investments	-	-	(1,500)
<b>TOTAL APPLICATIONS OF CAPITAL FUNDING (D)</b>	<b>1,419</b>	<b>1,153</b>	<b>(504)</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING (C-D)</b>	<b>(663)</b>	<b>(840)</b>	<b>609</b>
<b>FUNDING BALANCE ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



The Property activity maintains and manages all buildings owned and operated by Council. This involves day-to-day operations, the planning for and undertaking of major asset renewal work and the upkeep of Council's asset management system for the properties.

**What we do**

- Maintain Council office buildings, depots and vacant land owned by Council installing, cleaning and maintenance of the Tokoroa Talking Poles and other District artwork.
- Complete Tokoroa Airfield maintenance.
- Undertake graffiti removal and lease administration.
- Manage and maintain library buildings, public toilets (not on reserves), fleet vehicles and pensioner housing.

**What we delivered this year**

- Council continues to clean and maintain public toilet facilities to an acceptable standard.
- Council continues to be responsive to pensioner housing tenant queries.
- Two pensioner housing units were completely renovated when they became vacant. Only minor maintenance was able to be done while it was occupied.
- As pensioner housing units become vacant we returned gardens to grassed areas for easier maintenance for tenants.
- Council buildings are being provided with maintenance as required.
- Two council buildings in Tokoroa and two council buildings in Putaruru were demolished for the Maraetai Road development and for health and safety reasons respectively.
- A replacement fleet vehicle programme was implemented to optimise Council's use and value obtained.

These activities contribute to the following community outcomes of: <u>Relationship</u> <u>Growth</u> <u>Resilience</u>	And contribute to the <u>Social Economic</u> <u>Cultural</u> <u>And Environmental</u> <u>Wellbeings</u>
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## Capital Projects

Property	Actual Spend 2024 \$000s	Budget Spend 2024 \$000s	Actual Spend 2023 \$000s
Council administration buildings and depots	1,490	321	504
Community halls	34	-	77
The Plaza - seat replacement	-	10	-
Pensioner housing	27	80	266
<b>Total</b>	<b>1,551</b>	<b>411</b>	<b>847</b>

## Key Performance Indicators

PROPERTY			
Performance Measure	2022-2023 Outcome	2023-2024 Outcome	Commentary
<b>Public Toilets:</b> 90% of enquiries and service requests relating to public toilets are responded to within two working days of notice.	Achieved	Achieved	207 enquiries and service requests pertaining to public toilets were received and addressed within the stipulated timeframe. 100% achieved.
<b>Public Toilets:</b> 90% of enquiries and service requests relating to public toilets are resolved within three working days of notice.	Achieved	Achieved	206 enquiries and service requests concerning public toilets. 193 resolved within the designated timeframe. 94% achieved
<b>Pensioner Housing:</b> The occupancy of Council's pensioner housing units is at least 95% on an annual basis.	Not Achieved	Achieved	30,737 nights available for occupancy in the pensioner units. 29,087 actual occupied nights. 95% overall occupancy rate.

## Funding Impact Statement

<b>Funding Impact Statement - Property</b>	<b>LTP 2023 \$000s</b>	<b>LTP 2024 \$000s</b>	<b>Actual 2024 \$000s</b>
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charges, rates penalties	1,007	1,130	1,835
Targeted rates	55	56	56
Subsidies and grants for operating purposes	-	-	-
Fees and charges	707	800	790
Internal charges and overheads recovered	632	645	760
Local authorities fuel tax, fines, infringement fees, and other receipts	35	48	235
<b>TOTAL SOURCES OF OPERATING FUNDING (A)</b>	<b>2,436</b>	<b>2,679</b>	<b>3,676</b>
<b>APPLICATION OF OPERATING FUNDING</b>			
Payments to staff and suppliers	1,303	1,332	1,331
Finance costs	57	54	664
Internal charges and overheads applied	612	776	1,155
Other operating funding applications	1	1	-
<b>TOTAL APPLICATIONS OF OPERATING FUNDING (B)</b>	<b>1,973</b>	<b>2,163</b>	<b>3,150</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)</b>	<b>463</b>	<b>516</b>	<b>526</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	49
Development and financial contributions	-	-	-
Increase (decrease) in debt	(194)	(214)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>TOTAL SOURCES OF CAPITAL FUNDING (C)</b>	<b>(194)</b>	<b>(214)</b>	<b>49</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	-	-	1,382
- to improve the level of services	205	-	-
- to replace existing assets	280	237	168
Increase (decrease) in reserves	(216)	65	(139)
Increase (decrease) in investments	-	-	(836)
<b>TOTAL APPLICATIONS OF CAPITAL FUNDING (D)</b>	<b>269</b>	<b>302</b>	<b>575</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING (C-D)</b>	<b>(463)</b>	<b>(516)</b>	<b>(526)</b>
<b>FUNDING BALANCE ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



The focus of the regulatory activity is to make sure that our residents and the environment are safe. By supporting our communities in planning and operating in a safe manner, we can build on a sustainable culture that will ensure a strong future for our District.

**What we do**

- Planning guidance and compliance.
- Building guidance.
- Civil Defence.
- Animal Control.
- Sale and supply of alcohol licensing.
- Auditing food premises.
- Noise control.
- Parking and bylaw enforcement.

These activities contribute to the following community outcomes of: <u>Relationship</u> <u>Growth</u> <u>Resilience</u>	And contribute to the <u>Social Economic Cultural And Environmental Wellbeings</u>
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**What we delivered this year**

- Re-formatting of entire District Plan completed, to comply with the Government’s National Planning Standards
- District Growth Plan adopted in February, after SCP consultation under LGA 2002.
- Commenced work on drafting District Plan Change 4 to re-zone land and implement the Growth Plan.
- Continued with verification (ground-truthing) of around a dozen of the SNA sites in the District Plan.
- Obtained ecologist certification that the process used for selecting SNAs complies with the NPS on Indigenous Biodiversity.
- Maintaining our IANZ Building Consent Authority Accreditation to a high standard that ensures audits are only required to be conducted every two years.
- Partial issue of Code Compliance for major Building Consents allowing the operation of these facilities through Certificate of Public Use whilst some areas of construction are finished.

**Capital Projects**

Regulatory	Actual Spend 2024 \$000s	Budget Spend 2024 \$000s	Actual Spend 2023 \$000s
Emergency Management - equipment response trailer	-	50	10
Generator at Events Centre	-	38	-
<b>Total</b>	-	88	10



## Key Performance Indicators

REGULATORY			
Performance Measure	2022-2023 Outcome	2023-2024 Outcome	Commentary
<b>Animal Control:</b> 100% of urgent requests are attended to within one hour on 24/7 basis.	Achieved	Achieved	156 priority one requests received and completed within one (1) hour. 100% achieved
<b>Animal Control:</b> 95% of known dogs in the South Waikato District are registered annually or infringements issued.	Achieved	Achieved	All door-to-door visits were completed by 1 November 2023 and appropriate action was taken ensuring registration is complete or infringements issued.
<b>Compliance:</b> Not less than 200hrs per year spent on car parking patrols and complaints.	Achieved	Achieved	212.5 hours spent on car parking patrols and complaints during the year
<b>Building Control:</b> Council will retain accreditation as a Building Consent Authority.	Achieved	Achieved	Accreditation retained following assessment.
<b>Building Control:</b> The building team will meet with builders and designers at least twice per annum.	Achieved	Achieved	Two (2) meetings held with builders and designers.
<b>Building Control:</b> At least 100% of building consents are processed within statutory timelines (20 working days).	Not Achieved	Not Achieved	Only 93% of building consents processed within 20 workings days. This was not achieved due to the requirements of consents not being met within the timeframes.
<b>Building Control:</b> All swimming pools on the Council's pool register will be inspected at least once every three years (or 33% each year).	Achieved	Achieved	All registered residential swimming pools and their barriers have been inspected once over the three year period. 100% achieved.
<b>Civil Defence:</b> At least one Emergency Operations Centre or Managers exercise is run annually to measure the effectiveness of training delivery to meet the Group KPI.	Not Achieved	Achieved	One (1) Emergency Operations Centre exercise (Exercise Rua) occurred on 27 June 2024.
<b>Civil Defence:</b> Civil Defence staff will engage with high hazard facilities at least twice per year.	Not Achieved	Not Achieved	Only one (1) high hazard engagement occurred at the Kinleith Mill. Council did not have enough resource to undertake these engagements.
<b>Civil Defence:</b> Council staff will participate in 20 or more activities with local organisations; of those, four must be collaborative meetings with the local welfare committee and/or emergency services coordinating committee	Not Achieved	Not Achieved	Participated in three (3) Local Welfare committee meetings. A number of other activities with local organisations were also held. Council did not have enough resource to undertake these engagements and participate in activities.

## Key Performance Indicators

REGULATORY			
Performance Measure	2022-2023 Outcome	2023-2024 Outcome	Commentary
<b>Environmental Health:</b> 95% of premises registered pursuant to the Health Act 1956 will be inspected annually.	Achieved	Achieved	42 of 42 inspections were completed. 100% achieved.
<b>Environmental Health:</b> Of the premises registered under the Food Act 2014 that have selected South Waikato District Council as their Verification Agency, 90% will be verified in accordance with legislative requirements.	Achieved	Achieved	102 total verifications. 97% were verified in accordance with legislative requirements.
<b>Environmental Health:</b> Alcohol licences/renewals and general manager certificates are issued within three months of application, providing there are no objections or oppositions from agencies, the chair or a hearing requested by Alcohol Regulatory and Licencing Authority (ARLA).	Not Achieved	Not Achieved	115 of 128 (89.8%) applications processed in three months.
<b>Environmental Health:</b> 100% of urban complaints regarding excessive noise are responded to within one-hour.	Not Achieved	Not Achieved	98% responded to within one hour.
<b>Alcohol Licencing:</b> Three or more meetings per calendar year will be held with the South Waikato Alcohol Accord group.	Not Achieved	Not Achieved	Zero (0) meetings were held due to lack of online interest.
<b>Alcohol Licencing:</b> 100% of premises that hold either on, off or club licences will be inspected annually.	Achieved	Not Achieved	40 of 45 inspections were completed. 89% undertaken. Council did not have enough resource to carry out these inspections.
<b>Planning:</b> Planning input into Building Consent applications is completed within five working days of online registration.	Not Achieved	Achieved	307 applications that had planning input were completed within five working days of online registration. 100% achieved.
<b>Resource Management Policy and monitoring, including environmental protection and monitoring:</b> Not less than 80 hours per year is spent on monitoring land uses e.g. resource consents, certificates of compliance and existing situations.	Achieved	Achieved	Council Staff spent 250 hours monitoring land use.
<b>Business Case Management:</b> 90% of all potential business development projects that require an integrated regulatory approach (i.e. Business Case Management) are contacted within two working days.	Achieved	Achieved	38 business development projects required an integrated regulatory approach. 100% of these were contacted within 2 working days.
<b>Planning:</b> 100% of consents are processed within the Resource Management Act (RMA) 1991 timeframes.	Not Achieved	Not Achieved	89% completed within statutory timeframes. This was not achieved due to the requirements of consents not being met within the timeframes.
<b>Planning:</b> 100% of decisions permitting Boundary Activity Certificates (BAC) are issued within statutory timeframes.	Achieved	Achieved	No applications received so no decisions issued.

## Funding Impact Statement

<b>Funding Impact Statement - Regulatory</b>	<b>LTP 2023 \$000s</b>	<b>LTP 2024 \$000s</b>	<b>Actual 2024 \$000s</b>
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charges, rates penalties	2,876	2,937	3,185
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	1,482	1,527	1,641
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	71	72	77
<b>TOTAL SOURCES OF OPERATING FUNDING (A)</b>	<b>4,429</b>	<b>4,536</b>	<b>4,903</b>
<b>APPLICATION OF OPERATING FUNDING</b>			
Payments to staff and suppliers	2,714	2,710	3,649
Finance costs	4	6	8
Internal charges and overheads applied	1,648	1,740	1,763
Other operating funding applications	6	6	-
<b>TOTAL APPLICATIONS OF OPERATING FUNDING (B)</b>	<b>4,372</b>	<b>4,462</b>	<b>5,420</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)</b>	<b>57</b>	<b>74</b>	<b>(517)</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	101	110	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>TOTAL SOURCES OF CAPITAL FUNDING (C)</b>	<b>101</b>	<b>110</b>	<b>-</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of services	133	157	-
- to replace existing assets	37	38	-
Increase (decrease) in reserves	(12)	(11)	28
Increase (decrease) in investments	-	-	(545)
<b>TOTAL APPLICATIONS OF CAPITAL FUNDING (D)</b>	<b>158</b>	<b>184</b>	<b>(517)</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING (C-D)</b>	<b>(57)</b>	<b>(74)</b>	<b>517</b>
<b>FUNDING BALANCE ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



Council provides solid waste and recycling services to the District and delivers the service under the Waste Minimisation Act 2008. The purpose of the Act is to encourage waste minimisation and decrease waste disposal to landfill. The Council prepares and regularly reviews a Waste management and Minimisation Plan (WMMP).

**What we do**

- Weekly kerbside household rubbish collection and disposal.
- Fortnightly kerbside household recycling collection and processing.
- Greenwaste drop off and processing.
- Maintain rubbish transfer stations in Tokoroa and Putāruru.
- Maintain three recycling drop off centres.
- Maintenance and aftercare of three closed landfills.
- Behaviour change, community engagement and policy development for waste minimisation and reduction.

**What we delivered this year**

Waste Minimisation Initiatives

- Four well-attended Kate Meads community workshops – Food Lovers and Waste-Ed with Kate.
- Zero Waste education in 25 schools.
- Preparation for introduction of kerbside organics in 2026 for our urban areas.
- Circular economy intern employed via Waikato Regional Council initiative to investigate farm waste.
- Options were investigated for the future of Putaruru Transfer Station in light of decreasing tonnage and poor infrastructure.
- Final tyre removal from the Tokoroa closed landfill.
- Introduced free car seat recycling at the Tokoroa transfer station.

<p>These activities contribute to the following community outcomes of: <u>Relationship</u> <u>Growth</u> <u>Resilience</u></p>	<p>And contribute to the <u>Social Economic</u> <u>Cultural</u> <u>And Environmental</u> <u>Wellbeings</u></p>
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## Capital Projects

Solid Waste and Recycling	Actual Spend 2024 \$000s	Budget Spend 2024 \$000s	Actual Spend 2023 \$000s
Tokoroa - landfill projects	2	-	104
Tokoroa - transfer station upgrades	183	200	-
Putāruru - transfer station upgrades	16	-	82
<b>Total</b>	201	200	186

## Key Performance Indicators

SOLID WASTE AND RECYCLING			
Performance Measure	2022-2023 Outcome	2023-2024 Outcome	Commentary
90% of enquiries and service requests relating to recycling collection are responded to within 2 working days of notice.	Achieved	Achieved	33 service requests were received. 32 service requests were completed within 2 working days of notice. 97% achieved
90% of enquiries and service requests relating to refuse collection are responded to within 2 working days of notice.	Achieved	Achieved	155 service requests received. 153 service requests were completed within 2 working days. 99% achieved.
Recycling as a percentage of the waste disposed to landfill increase is greater than 12.5%.	Achieved	Achieved	5,882 tonnes of waste were sent to the landfill. 1,320 tonnes of waste were recycled. Recycling accounted for 22.47% of total waste collected.
There will be no 'Formal Enforcement Actions' from the consenting Authority in regard to Council's compliance with resource consent conditions.	Achieved	Achieved	There were zero (0) Formal Enforcement Actions. 100% achieved.
Two waste minimisation education campaigns are undertaken each year.	Achieved	Achieved	Two workshops held. 100% achieved.
South Waikato kerbside collection service users rate overall satisfaction of 75% or above annually.	Not Achieved	Achieved	Result from Resident Survey was 77%

## Funding Impact Statement

<b>Funding Impact Statement – Solid Waste and Recycling</b>	<b>LTP 2023 \$000s</b>	<b>LTP 2024 \$000s</b>	<b>Actual 2024 \$000s</b>
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charges, rates penalties	347	86	1,729
Targeted rates	2,149	2,133	1,883
Subsidies and grants for operating purposes	-	-	-
Fees and charges	2,640	2,975	1,174
Interest and dividends from investments	32	32	-
Local authorities fuel tax, fines, infringement fees, and other receipts	277	472	516
<b>TOTAL SOURCES OF OPERATING FUNDING (A)</b>	<b>5,445</b>	<b>5,698</b>	<b>5,302</b>
<b>APPLICATION OF OPERATING FUNDING</b>			
Payments to staff and suppliers	3,819	4,403	3,819
Finance costs	94	94	178
Internal charges and overheads applied	831	880	950
Other operating funding applications	-	-	-
<b>TOTAL APPLICATIONS OF OPERATING FUNDING (B)</b>	<b>4,744</b>	<b>5,377</b>	<b>4,947</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)</b>	<b>701</b>	<b>321</b>	<b>355</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	76
Development and financial contributions	-	-	-
Increase (decrease) in debt	(306)	(20)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>TOTAL SOURCES OF CAPITAL FUNDING (C)</b>	<b>(306)</b>	<b>(20)</b>	<b>76</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of services	44	340	37
- to replace existing assets	5	6	165
Increase (decrease) in reserves	346	(45)	305
Increase (decrease) in investments	-	-	(76)
<b>TOTAL APPLICATIONS OF CAPITAL FUNDING (D)</b>	<b>395</b>	<b>301</b>	<b>431</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING (C-D)</b>	<b>(701)</b>	<b>(321)</b>	<b>(355)</b>
<b>FUNDING BALANCE ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>





The transport and roading activity provide efficient, safe and secure transport links for our community operating and maintaining the land transport network (excluding State Highways). Through Council, local communities have representation for their transportation needs and the use of the regional road corridors.

**What we do**

The transport roading and footpaths activity delivers the following activities:

- Resealing of roads and cycleways.
- Road pavement rehabilitation.
- Seal widening and extensions.
- Road marking.
- Maintenance of signs and streetlighting designated to council.
- Maintenance of footpaths.
- Road maintenance which is carried out by contractors
- Road safety.
- Drainage from roads
- Public transport via the Urban Connector.

**What we delivered this year**

- Maintenance and management of 498 km of sealed roads and 31 km of unsealed roads and associated other roading assets (Bridges, Culverts and associate drainage, Footpath, Kerb & Channel, road signs and markings, streetlights).
- Resurfacing of 35.71 km of existing chipseal and AC roads to improve waterproofing to protect underlying pavement and improve skid resistance to prevent accidents.
- Strengthen & rehabilitate 2.05 km of roads (Maple Drive, Mossop Road and Old Taupo Road).
- Renewal of 662 m footpath to remove trip hazards and provide a smooth and secure pathway for pedestrians.
- Renewal of 784 m of kerb & channel to improve road drainage and prevent water from entering under the road's surface.
- Renewal of 55m culverts to replace broken and cracked culverts.

<p>These activities contribute to the following community outcomes of: <u>Relationship</u> <u>Growth</u> <u>Resilience</u></p>	<p>And contribute to the <u>Social Economic</u> <u>Cultural</u> <u>And Environmental</u> <u>Wellbeings</u></p>
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## Capital Projects

Transport and Roothing	Actual Spend 2024 \$000s	Budget Spend 2024 \$000s	Actual Spend 2023 \$000s
Formation widening	-	389	-
Seal widening	-	-	-
Pavement rehabilitation	1,888	1,639	1,332
Drainage kerb and channel	492	590	443
Maintenance chip seals and reseals	1,999	1,823	1,023
Traffic services renewals-signs	76	76	64
Traffic services renewals-street lights	238	200	128
Minor improvements	50	-	-
Footpath renewals	292	-	40
Leith Place	16	-	128
Dumfries Link road	446	-	228
Sundry other	-	-	113
<b>Total</b>	<b>5,497</b>	<b>4,717</b>	<b>3,499</b>

## Key Performance Indicators

TRANSPORT AND ROADING			
Performance Measure	2022-2023 Outcome	2023-2024 Outcome	Commentary
<b>Reseal:</b> The three-year rolling average of annual resurfacing completed is no less than 6% of the networks total sealed area.	Not Achieved	Not Achieved	6.0% in 2021 - 2022. 0.9% in 2022 - 2023. 7.2% in 2023 - 2024. A 3-year average of 4.7%. The underachievement in the year 2022 - 2023 due to the limited availability of the Contractor's resources and prevailing weather conditions during the resealing period will impact this measure for another two years.
<b>Rehab:</b> The percentage of vehicle kilometres travelled on smooth sealed local roads is at least 80%.	Achieved	Achieved	The percentage of travel on roads categorised as "Smooth" was calculated as 88% using the standard Waka Kotahi (NZTA) methodology.
<b>Road Safety:</b> There are no fatalities or serious injury crashes on the local transport network that are directly contributable to road conditions.	Achieved	Achieved	There were one (1) fatal and three (3) serious injury accidents on the local road network in 2023-2024 Zero (0) were directly attributable to road factors
<b>Capital Footpath Renewals:</b> 90% of the footpath network that was audited should have a displacement of less than 15mm.	Achieved	Achieved	A site audit of a selection of 10% of the footpath network was undertaken. 91% of the footpath network has a displacement of less than 15 mm out of the Annual audit of 10%. Achieved.
<b>Maintenance:</b> That Council will respond to 90% of all urgent service requests within 2 working days of notice.	Achieved	Achieved	30 service requests received. 29 were responded to on time. 97% achieved.
<b>Maintenance:</b> That Council will respond to 90% of all non-urgent service requests within 10 working days of notice.	Achieved	Achieved	994 non-urgent service requests received. 903 were responded to on time. 91% achieved
<b>Maintenance:</b> South Waikato Road users rate overall satisfaction with footpaths at 75% or above annually.	Not Achieved	Not Achieved	Result from Resident Survey was 57%
<b>Road Safety:</b> Two South Waikato District Council road safety education campaigns are undertaken each year.	Achieved	Achieved	Two road safety education campaigns occurred.

## Funding Impact Statement

Funding Impact Statement – Transport and Roothing	LTP	LTP	Actual
	2023	2024	2024
	\$000s	\$000s	\$000s
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charges, rates penalties	4,755	4,985	7,880
Targeted rates	-	-	-
Subsidies and grants for operating purposes	2,968	2,978	4,469
Fees and charges	79	81	109
Interest and dividends from investments	39	46	115
Internal charges and overheads recovered	62	66	(148)
Local authorities fuel tax, fines, infringement fees, and other receipts	159	162	239
<b>TOTAL SOURCES OF OPERATING FUNDING (A)</b>	<b>8,062</b>	<b>8,318</b>	<b>12,664</b>
<b>APPLICATION OF OPERATING FUNDING</b>			
Payments to staff and suppliers			
Finance costs	4,733	4,801	6,813
Internal charges and overheads applied	67	72	126
Other operating funding applications	976	1,037	857
<b>TOTAL APPLICATIONS OF OPERATING FUNDING (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)</b>	<b>5,776</b>	<b>5,910</b>	<b>7,796</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure			
Development and financial contributions	1,755	1,761	3,191
Increase (decrease) in debt	-	105	161
Gross proceeds from sale of assets	(85)	305	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>TOTAL SOURCES OF CAPITAL FUNDING (C)</b>	<b>1,670</b>	<b>2,171</b>	<b>3,352</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	901	206	738
- to improve the level of services	1,442	1,725	651
- to replace existing assets	2,250	2,584	4,107
Increase (decrease) in reserves	(637)	64	(168)
Increase (decrease) in investments	-	-	2,892
<b>TOTAL APPLICATIONS OF CAPITAL FUNDING (D)</b>	<b>3,956</b>	<b>4,579</b>	<b>8,220</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING (C-D)</b>	<b>(2,286)</b>	<b>(2,408)</b>	<b>(4,868)</b>
<b>FUNDING BALANCE ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



The water supply activity provides our District with a reliable supply of clean drinking water and the provision of adequate water supply to meet a minimum level of firefighting capability. The group provides a stable supply that is essential in supporting our District's growth and ensuring water supply is of high quality to meet statutory and environmental standards.

### What we do

The water supply activity delivers the following activities:

- Supply potable (drinkable) water to the urban areas of Tokoroa, Putāruru, Tīrau and Arapuni.
- Supply potable water to the rural communities of Athol and Lichfield.
- Operate and maintain water treatment plants in Tokoroa, Putāruru, Tīrau, Arapuni and Lichfield.
- Maintain ten reservoirs.
- Maintain ten bore water pumps.
- Maintain 228km of reticulation.

### What we delivered this year

- Replacement of the aged steel riser pipe inside the Billah Street Reservoir.
- Replacement of the vertical steel pipe inside the Billah Street Reservoir tower.
- Four base stations constructed as part of the district wide telemetry programme conversion from analogue to digital.

These activities contribute to the following community outcomes of: <u>Relationship</u> <u>Growth</u> <u>Resilience</u>	And contribute to the <u>Social Economic</u> <u>Cultural</u> <u>And Environmental</u> <u>Wellbeings</u>
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## Capital Projects

Water Supply	Actual Spend 2024 \$000s	Budget Spend 2024 \$000s	Actual Spend 2023 \$000s
Health and Safety	12	15	18
District - telemetry	389	1,157	107
Honowhenua Water Supply	49	200	40
Elizabeth Park Headworks Improvements	205	150	-
MRIBP Water	148	489	-
Tokoroa - reticulation replacements	897	600	716
Tokoroa - water plant and equipment replacement	9	15	14
Tokoroa - water supply - Billah Street headworks rising main replacement	70	-	67
Tokoroa - water supply - Manfield Street ridermain installation	9	-	29
Putāruru - reticulation replacements	161	150	153
Putāruru - capital component of maintenance	-	-	38
Putāruru - water - design water supply upgrades	-	-	3
Putāruru - minor works	11	10	20
Tīrau - capital component of maintenance	-	-	12
Tīrau - water plant and equipment replacement	-	15	35
Tīrau - reticulation replacements	42	42	203
Tīrau - resource consent renewal	3	-	2
Tīrau - minor new works	12	10	1
Water Meter Growth Project	4	-	-
Arapuni - water plant and equipment replacement	84	5	12
Arapuni - bore replacement	-	-	355
<b>Total</b>	<b>2,105</b>	<b>2,858</b>	<b>1,825</b>

## Key Performance Indicators

WATER SUPPLY			
Drinking water treatment and distribution			
Performance Measure	2022-2023 Outcome	2023-2024 Outcome	Commentary
All unsecure water sources, will have their water treated as prescribed in part 5 of the drinking-water standards to treat protozoa	Not Achieved	Not Achieved	All water supplies within the district are treated with Ultraviolet Light as prescribed in Part 5 of the drinking water standards (protozoal compliance criteria). The standard requires that there be less than one infectious (oo)cyst (cysts and oocysts) per 100 litres. The Drinking Water Expert engaged assessed compliance using the Quality Assurance Rules. The expert confirmed that SWDC did not achieve this target over the full period as they did not meet Rules T3.67, T3.86, T3.87 or G14 of the standards for the entire period across each site.
At least 97% of tests for E-coli (bacteria compliance) carried out on treated reticulated water will indicate a level of E-Coli in the reticulated Council systems of less than one per 100ml.	Partially Achieved	Achieved	804 samples conducted. All samples taken from reticulated water were less than one per 100ml and complies with (a) part 4 of the drinking water standards (bacteria compliance criteria). An expert was engaged as per the standards and confirmed that SWDC met the monitoring Rule D1.1 for the sample tested.
The median response times for callouts in response to a fault or interruption to the water reticulation system does not exceed one hour of notice.	Achieved	Not Achieved	Median response times for callouts exceeded one hour of notice. Median response time was 4.43 hours. The response often occurred when the fault was fixed rather than at the point of notification which is why the measure was not achieved.
Drinking Water Treatment and Distribution – Total complaints received by Council regarding water supply for the following issues: clarity, taste, odour, pressure or flow, continuity of supply and response times to any of the above issues with its water supply system, does not exceed one complaint per 1,000 connections.	Achieved	Achieved	There was one (1) complaint received for the Athol Water Supply that Council doesn't treat.
Council will ensure the water loss from Council's reticulation network will be no more than 20%.	Achieved	Achieved	The water loss from Council's water network was 20%. The calculation was undertaken by using the Water NZ Guidelines for water loss.
The average amount of water consumed per resident per day is 500 litres.	Achieved	Achieved	The consumption in litres per resident per day was 388 litres.
Where Council attends to water supply issues resulting from a fault or interruption in the Council's water supply system, the median resolve time measured: Resolve "urgent" callouts - 95% within 24 hours.	Not Achieved	Not Achieved	99 requests received. 73 requests responded to within the 24-hour period (73.73%). Council did not have enough resource to respond to these requests within the timeframe.



## Funding Impact Statement

	LTP	LTP	Actual
Funding Impact Statement – Water Supply	2023	2024	2024
	\$000s	\$000s	\$000s
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	3,460	3,697	3,680
Subsidies and grants for operating purposes	-	-	-
Fees and charges	331	339	519
Internal charges and overheads recovered	1,598	1,646	1,276
Local authorities fuel tax, fines, infringement fees, and other receipts	118	110	47
<b>TOTAL SOURCES OF OPERATING FUNDING (A)</b>	<b>5,507</b>	<b>5,792</b>	<b>5,522</b>
<b>APPLICATION OF OPERATING FUNDING</b>			
Payments to staff and suppliers	2,088	2,146	2,696
Finance costs	12	43	126
Internal charges and overheads applied	2,672	2,793	2,536
Other operating funding applications	-	-	-
<b>TOTAL APPLICATIONS OF OPERATING FUNDING (B)</b>	<b>4,772</b>	<b>4,982</b>	<b>5,358</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)</b>	<b>735</b>	<b>810</b>	<b>164</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	98	100	149
Increase (decrease) in debt	57	1,368	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>TOTAL SOURCES OF CAPITAL FUNDING (C)</b>	<b>155</b>	<b>1,468</b>	<b>149</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	-	799	151
- to improve the level of services	263	222	666
- to replace existing assets	1,096	1,459	1,288
Increase (decrease) in reserves	(469)	(202)	(1,915)
Increase (decrease) in investments	-	-	123
<b>TOTAL APPLICATIONS OF CAPITAL FUNDING (D)</b>	<b>890</b>	<b>2,278</b>	<b>313</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING (C-D)</b>	<b>(735)</b>	<b>(810)</b>	<b>(164)</b>
<b>FUNDING BALANCE ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



The wastewater activity provides and maintains the wastewater collection networks and treatment plants throughout our District providing safe, reliable efficient disposal of wastewater. It is a vital operation fundamental to the requirements for health and safety and controlled by resource consents issued by the Waikato Regional Council.

### What we do

The wastewater activity delivers the following activities:

- Operate wastewater networks in Tokoroa, Putāruru, Tīrau and Arapuni.
- Collect wastewater from homes and businesses via wastewater pipes and send it to the treatment plants, either by gravity or pumping.
- Treat wastewater to a high quality then discharge it to water or land.
- Manage trade waste (industrial, commercial business) discharges.
- Protects and enhances our physical environment.

### What we delivered this year

- Wastewater gravity mains replacement inside Lorraine Moller Reserve.
- A cultural wetland in Tīrau has been constructed.
- Removal, haulage and disposal of over 300 tonnes of sludge from the old digester tank at the Tokoroa Wastewater Treatment Plant.

These activities contribute to the following community outcomes of: <u>Relationship</u> <u>Growth</u> <u>Resilience</u>	And contribute to the <u>Social Economic</u> <u>Cultural</u> <u>And Environmental</u> <u>Wellbeings</u>
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## Capital Projects

Wastewater	Actual Spend 2024 \$000s	Budget Spend 2024 \$000s	Actual Spend 2023 \$000s
Health & Safety	17	15	28
District capacity upsizing project	-	15	-
District Wastewater Telemetry and Scada Upgrades	185	1,152	-
Mobile devices	-	-	1
Tokoroa - plant and equipment upgrade	287	315	152
Tokoroa - sludge upgrade including digester and sludge thickener	832	-	270
Tokoroa - Baird Road inlet screen	-	-	97
Tokoroa - Wastewater treatment plant - UV Lamps	-	-	16
Tokoroa - Wastewater treatment plant - De-nitrification	273	-	927
Tokoroa - Wastewater treatment plant - UV system duplication	-	-	220
Tokoroa - Wastewater treatment plant - Duplicate drum filter	280	210	115
MRIBP Wastewater	80	294	-
Wastewater Main Renewal Programme	-	115	-
Dairy Factory Upgrades	13	-	-
Tirau St - Putāruru wastewater main rehabilitation	-	-	150
Putāruru - Wastewater treatment plant - Plant and equipment upgrade	4	53	36
Putāruru - Wetlands	16	-	127
Putāruru - Grey PS flow upgrade	-	-	9
Putāruru - Arapuni, Tirau Street Wastewater pipe upgrade	84	250	121
Putaruru - WWTP Consent Upgrades	15	275	-
Putāruru - development contribution storage and flow upgrades	2	-	29
Putāruru - development contribution Arapuni Tirau Street WW pipe upgrade	12	-	62
Tirau - plant and equipment upgrade	23	25	28
Tirau - Depot Street pumpstation - stage one	1,245	925	101
Tirau - Wastewater treatment plant Membranes	3	-	-
Tirau - wetlands	-	-	24
Arapuni - Wastewater treatment plant -Secondary Treatment	742	-	354
<b>Total</b>	<b>4,113</b>	<b>3,644</b>	<b>2,867</b>

## Key Performance Indicators

WASTEWATER			
Performance Measure	2022-2023 Outcome	2023-2024 Outcome	Commentary
There will be no "Formal Enforcement Actions" from the consenting authority (Waikato Regional Council) in regard to Council's compliance with resource consent conditions relating to wastewater per financial year.	Achieved	Achieved	No formal enforcement actions were undertaken.
The total number of complaints received by Council about wastewater issues (including sewage odour, sewerage system faults, sewerage system blockages and response times to issues with its sewerage system) does not exceed one complaint per 1,000 connections.	Achieved	Achieved	There are 7,675 connections to the wastewater system Seven (7) overflows are allowed. There were zero (0) complaints.
The median time to clear blockages for faults to Council's wastewater reticulation network will not exceed 4 hours from notification.	Achieved	Achieved	The median time to clear blockages was 3 hours.
Where Council attends to wastewater overflow resulting from a blockage or other fault in the Council's wastewater system, the median resolve time measured: Resolved - 95% within 24 hours.	Achieved	Achieved	19 requests received and resolved within 24 hours. 100% achieved.
The median response times for callouts in response to a fault or interruption to Council's wastewater system, the median response time does not exceed one hour of notice.	Achieved	Achieved	19 requests received. 15 requests responded to within the one hour of notice. The median response time was 15 mins not exceeding the one hour of notice.
Where Council attends to wastewater overflow resulting from a blockage or other fault in the Council's wastewater system, the median response times are measured: Respond - 95% within one hour.	Not Achieved	Not Achieved	19 requests received. 15 requests responded to within the one hour of notice. The median response time was 15 mins not exceeding the one hour of notice. 79% responded to within one hour. Council did not have enough resource to respond to these requests within the timeframe.
The total number of dry weather overflows from the sewerage system shall not exceed three per 1,000 sewerage connections from the sewerage system. A dry weather overflow is when a blockage causes wastewater in the reticulated system to spill to the environment.	Achieved	Achieved	There are 7,675 connections to the wastewater system 21 overflows per year allowed. 19 overflows occurred.
Community satisfaction with South Waikato wastewater treatment and disposal of water is at 90% or above annually.	Not Achieved	Not Achieved	Result from Resident Survey was 87%

## Funding Impact Statement

<b>Funding Impact Statement – Wastewater</b>	<b>LTP 2023 \$000s</b>	<b>LTP 2024 \$000s</b>	<b>Actual 2024 \$000s</b>
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	5,088	5,671	6,948
Subsidies and grants for operating purposes	-	-	120
Fees and charges	81	82	195
Internal charges and overheads recovered	1,973	2,054	2,348
Local authorities fuel tax, fines, infringement fees, and other receipts	211	190	268
<b>TOTAL SOURCES OF OPERATING FUNDING (A)</b>	<b>7,353</b>	<b>7,997</b>	<b>9,879</b>
<b>APPLICATION OF OPERATING FUNDING</b>			
Payments to staff and suppliers	3,138	3,376	4,388
Finance costs	242	277	769
Internal charges and overheads applied	3,044	3,191	3,090
Other operating funding applications	-	-	-
<b>TOTAL APPLICATIONS OF OPERATING FUNDING (B)</b>	<b>6,424</b>	<b>6,844</b>	<b>8,247</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)</b>	<b>929</b>	<b>1,153</b>	<b>1,632</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	93	95	162
Increase (decrease) in debt	(163)	1,786	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>TOTAL SOURCES OF CAPITAL FUNDING (C)</b>	<b>(70)</b>	<b>1,881</b>	<b>162</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	15	311	80
- to improve the level of services	1,279	1,514	3,586
- to replace existing assets	464	1,876	445
Increase (decrease) in reserves	(899)	(667)	(2,411)
Increase (decrease) in investments	-	-	94
<b>TOTAL APPLICATIONS OF CAPITAL FUNDING (D)</b>	<b>859</b>	<b>3,034</b>	<b>1,794</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING (C-D)</b>	<b>(929)</b>	<b>(1,153)</b>	<b>(1,632)</b>
<b>FUNDING BALANCE ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



The stormwater activity maintains and operates our stormwater collection networks and disposal schemes throughout the district collecting stormwater via pipes, open drains and channels which discharge to surface water (streams and lakes).

**What we do**

- Maintain 123km of stormwater collection networks and disposal schemes in Arapuni, Tīrau, Putāruru and Tokoroa.
- Maintain a reticulated stormwater system of pipes and channels (primary network) sufficient to cope with frequent rainfall events.
- Manage stormwater from land.
- Ensure there are appropriate systems in place to deal with stormwater generated from future developments.
- Provide planning and building input controls to restrict building in high flood risk areas.
- Provide planning and policy initiatives to minimise stormwater quality and quantity effects at the source.
- Provide a secondary stormwater system comprising swales, road, kerb and channel.
- Maintain gross pollutant traps or similar treatment devices to reduce debris and contaminant levels in stormwater discharge.

**What we delivered this year**

- Started urban stormwater consent renewals.

<p>These activities contribute to the following community outcomes of: <u>Relationship</u> <u>Growth</u> <u>Resilience</u></p>	<p>And contribute to the <u>Social Economic</u> <u>Cultural</u> <u>And Environmental</u> <u>Wellbeings</u></p>
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## Capital Projects

Stormwater	Actual Spend 2024 \$000s	Budget Spend 2024 \$000s	Actual Spend 2023 \$000s
District - Urban stormwater consent renewals	482	650	13
Minor New Works	30	30	-
MRIBP Stormwater	106	1,175	-
Putaruru Stormwater Upgrades	93	600	-
Tokoroa - minor new works projects	-	-	15
Putāruru - minor new works projects	-	-	12
Putāruru - upgrades	-	-	29
Putāruru - Ruru Crescent stormwater drain	-	-	146
Tīrau - minor new works projects	-	-	5
Arapuni - minor new works projects	-	-	5
<b>Total</b>	<b>711</b>	<b>2,455</b>	<b>225</b>

## Key Performance Indicators

STORMWATER			
Performance Measure	2022-2023 Outcome	2023-2024 Outcome	Commentary
No more than two flood events per year resulting in stormwater from Council's stormwater system entering a habitable floor in an urban area.	Achieved	Achieved	Two flood events occurred. Zero (0) habitable floor areas flooded. 100% achieved
The total number of complaints received does not exceed one complaint per 1,000 connections to Council's stormwater system. Note: The total number of rateable properties within the stormwater area is 7686 which allows for a maximum of seven properties to be flooded before the KPI is exceeded. (KPI stormwater connections will be amended per year to account for changes in property numbers in the district).	Achieved	Achieved	There were zero (0) complaints received
The median response times for callouts in response to a fault or interruption to Council's stormwater reticulation system does not exceed four hours of notice during a flood event. A flood event is defined as an occasion where buildings that are compliant with the Building Code and are serviced by Council's reticulated stormwater system experience flooding.	Not Achieved	Achieved	The median response time for the 12 callouts was 1.41 hours
There will be no "Formal Enforcement Actions" from the consenting authority (Waikato Regional Council) in regard to Council's compliance with resource consent conditions relating to stormwater.	Achieved	Achieved	There were no formal enforcement actions undertaken.

## Funding Impact Statement

	LTP	LTP	Actual
Funding Impact Statement – Stormwater	2023	2024	2024
	\$000s	\$000s	\$000s
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	673	979	934
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	200	195	4
<b>TOTAL SOURCES OF OPERATING FUNDING (A)</b>	<b>873</b>	<b>1,174</b>	<b>938</b>
<b>APPLICATION OF OPERATING FUNDING</b>			
Payments to staff and suppliers	411	431	522
Finance costs	-	260	-
Internal charges and overheads applied	255	271	320
Other operating funding applications	-	-	-
<b>TOTAL APPLICATIONS OF OPERATING FUNDING (B)</b>	<b>666</b>	<b>962</b>	<b>842</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)</b>	<b>207</b>	<b>212</b>	<b>96</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(164)	11,646	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>TOTAL SOURCES OF CAPITAL FUNDING (C)</b>	<b>(164)</b>	<b>11,646</b>	<b>-</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	-	1,194	106
- to improve the level of services	33	10,828	30
- to replace existing assets	103	9	575
Increase (decrease) in reserves	(93)	(173)	(616)
Increase (decrease) in investments	-	-	1
<b>TOTAL APPLICATIONS OF CAPITAL FUNDING (D)</b>	<b>43</b>	<b>11,858</b>	<b>96</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING (C-D)</b>	<b>(207)</b>	<b>(212)</b>	<b>(96)</b>
<b>FUNDING BALANCE ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



*Co-Lab is the trading name of Waikato Local Authority Shared Services Ltd*

## CoLab Report

### **Council Controlled Organisations (CCOs)**

We are required under the Local Government Act 2002 to include information in our annual report on Council-Controlled Organisations (CCOs) in which we are a shareholder.

The Council is a shareholder in one CCO being CoLab which is the trading name of Waikato Local Authority Shared Services Limited (WLASS). CoLab was established in 2005-06 and is a legal entity to help foster and develop shared service initiatives throughout the Waikato region.

Co-Lab is jointly owned by the local authorities of the region: Waikato Regional Council, Hamilton City Council, Hauraki, Matamata-Piako, South Waikato, Thames-Coromandel, Taupo, Waikato District, Otorohanga, Waitomo, and Waipa and District Councils.

### **Company objective**

The objective of CoLab is to provide local authorities of the Waikato Region with a vehicle to procure shared services. The constitution of CoLab sets out the principles of which the company will be operated and governed. This includes shareholders' rights and the appointment of directors. The company's Annual Statement of Intent identifies its activities, intentions for the year and the objectives to which those activities will contribute.

### **Council policies and objectives relating to CCOs.**

South Waikato District Council's policy on Appointment of Directors to CCOs states that, where Council is but one of a group of councils jointly controlling a CCO, then Council shall provide representatives (as appropriate) to consider the appointment and remuneration. CoLab is governed by a board of directors made up of the chief executives of the local authority shareholders. Council's involvement in CoLab is consistent with its Appointment of Directors to CCO's Policy. Council's involvement in CoLab was confirmed, following public consultation through its Annual Plan 2005- 06. Council at present has no formal objectives other than to maintain its current shareholding.

### **Nature of Activities**

As improving Councils' experience with and perception of Co-Lab they have been building communications and a change framework. The framework exists so that they are consistent in the way they communicate and behave with councils.

## THE NUMBERS

Summary financial results for the year:

	2024 (000's)	2023 (000's)	Change
Total Income	9,845	9,101	8%
Net Surplus Before Tax	(720)	505	(243%)
Cash on Hand	3,202	2,313	39%

The net surplus before tax is high in comparison with the surplus projected in the budget. This principally reflects the lower than anticipated costs for CoLab Water Services.

## PERFORMANCE REPORTING

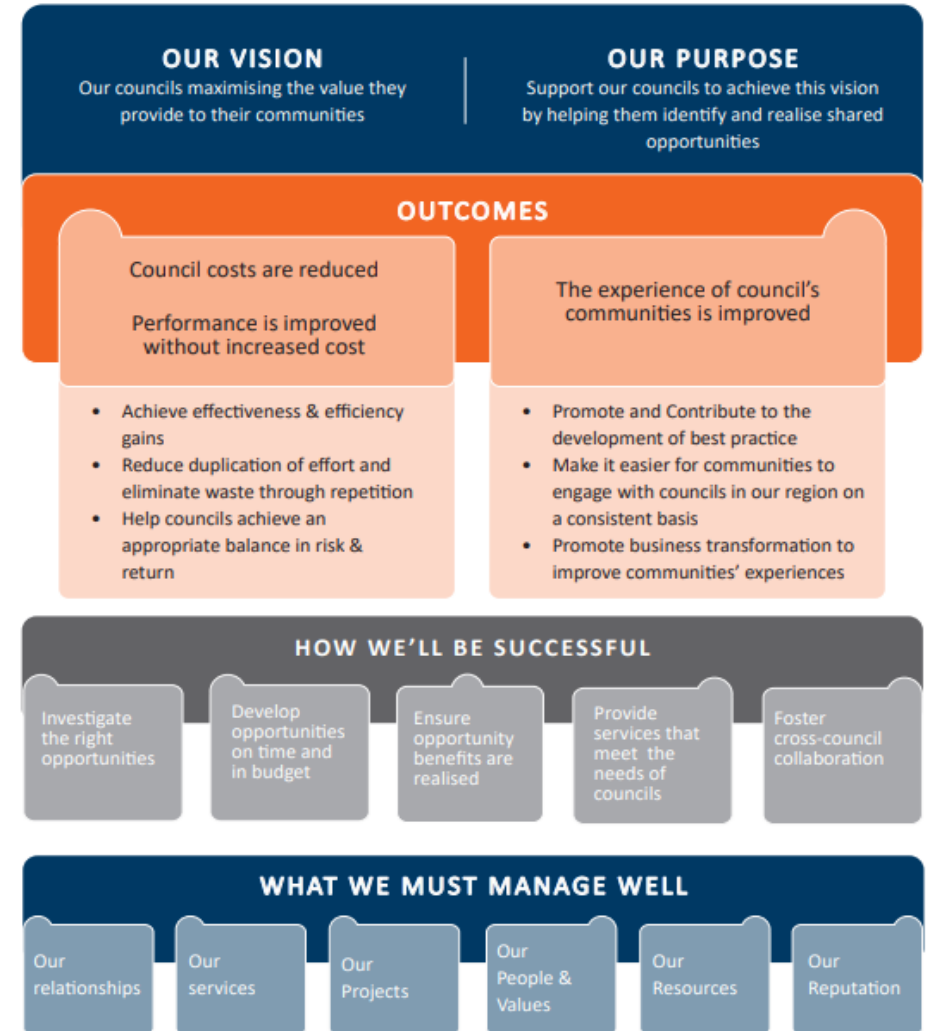
The performance measures noted in the table were included in the 2024 Statement of Intent.

The company has assessed whether each target has been achieved, and how these contribute to our outcomes as an organisation.

### KEY

- Achieved
- Unable to currently measure
- Partially achieved: Activity remains in progress
- Not achieved

## PERFORMANCE FRAMEWORK



## Performance Measures

PRIORITY	PERFORMANCE MEASURE	TARGET	FY2024 OUTCOME	FY2023 OUTCOME
<p>Prioritise and develop business cases for opportunities that, if implemented, add value to councils by achieving one or more of our objectives</p>	<p>Business cases will include measurable benefits linked to one or more of the outcomes sought</p>	<p>Projected savings to councils of \$300k+</p>	<p>Co-Lab advanced various opportunities during the period:  <b>Proposal delivered to councils:</b></p> <ul style="list-style-type: none"> <li>• RATA Spaces &amp; Places (<i>service subsequently established</i>)</li> <li>• Project Management shared service (<i>project closed with no service established</i>)</li> </ul> <p><b>Project closed before proposal or business case:</b></p> <ul style="list-style-type: none"> <li>• Parking enforcement shared service</li> </ul> <p><b>Ongoing at 30/6/24:</b></p> <ul style="list-style-type: none"> <li>• Right People Right Place</li> <li>• EV charging opportunity</li> <li>• Waikato Waters Done Well</li> <li>• Food &amp; Alcohol Licensing Shared Service</li> </ul> <p>No business cases were presented to The Board but there were various discovery reports, progress reports and the significant Right People, Right Place report.</p> <p>Opportunities only become services when participating councils are confident the service will deliver benefit. This has tended to mean that councils treat the opportunity as a procurement. Accordingly, Co-Lab has focused on delivering proposals rather than business cases. A business case assumes that the strategic decision has been made and then presents a range of options to the decision makers.</p> <p>Co-Lab's new benefits framework highlights that some of our opportunities will deliver value that is not specifically aligned with 'projected savings/increased revenue'. This is reflected in all communications with councils.</p>	<p>Seven significant projects monitored during the year. However, each of these projects – which were largely guided by feedback from councils – were principally focused on valuation creation (rather than cost savings) and/or are at an early stage where potential costs savings are yet to be quantified. The Customer Digital Enablement (CDE) project has the potential to save significant amounts by pooling council investment. For example, market feedback suggested a ten-fold increase in the number of councils involved only bore a 16% increase in investment. Unfortunately, as noted earlier, most councils did not support progressing to RFP and product build. For these reasons, the target has not been met.</p> <p>The Strategic Case for the 'Right People, Right Place' project (see page 9) was approved by The Board in June 2023.</p> <p>• A paper covering the 'People Post 3 Waters' project was presented to council Chief Executives in November 2022, with an update to The Board in March 2023. While we await feedback from councils on what resource might become available to redeploy, we are investigating a project management shared service to address one area where many councils are resource constrained.</p> <p>Neither of these investigations can yet claim to give projected savings to councils, although both have the potential to reduce costs and create value in the future.</p>
	<p>Opportunity assessments are supported by councils (evidenced by Board minutes)</p>	<p>75% of councils</p>	<p>Average (across 2 initiatives) is 30%</p> <p>5 (45%) councils (out of 11 possible councils) have agreed to participate in the RATA Spaces &amp; Places collaboration.</p> <p>2 (17%) councils (out of 12 possible councils) indicated willingness to participate in the Project Management Shared Service pilot. Ultimately the pilot did not proceed.</p>	<p>• We can't reasonably measure performance against this target because no opportunity assessments have been presented to The Board during the period. Having said that, as noted above, CDE is not expected to progress to this point, because of the lack of support to progress the opportunity. To that extent, it is an opportunity that, while initially supported by councils, has not ultimately been.</p> <p>• Last year we reported that 9 of 12 councils agreed to participate in Co-Lab Learning. A 10th confirmed their involvement in the current period.</p> <p>• Some opportunities have been capitalised on without a formal business case. An example of this in the current period is Co-Lab Procurement Support. That shared service came about from discussions with councils who had a need for procurement skills, but only on a part-time basis, or only as and when required to supplement their current resources.</p> <p>In July 2023 and August 2023, councils were presented with proposals to participate in a Building Consent Cadetship and in the RATA Spaces and Places Rōpū. Decisions are pending in early FY24.</p>





## Performance Measures

PRIORITY	PERFORMANCE MEASURE	TARGET	FY2024 OUTCOME	FY2023 OUTCOME	
Develop opportunities and deliver projects within agreed budgets and timelines	Opportunities / projects are developed / delivered within agreed timelines	80%	<p>44% (4/9) for the 12 months to 30/6/24</p> <p><b>Within timeline</b></p> <ol style="list-style-type: none"> <li>Future Proof Data Analytics</li> <li>Right People, Right Place</li> <li>Project Ohu Round</li> <li>Waikato Waters Done Well Modelling</li> </ol> <p><b>Not completed as per plan were:</b></p> <ol style="list-style-type: none"> <li>AMCE (Now RATA Spaces &amp; Places) Opportunity Assessment (slow council response)</li> <li>Project Wakanda Round 1 (delayed to allocate effort to another project)</li> <li>WRTM restructure</li> <li>Wakanda Round 2 (reports 2 weeks late to Steering Group)</li> <li>Voltage – No timeline set</li> </ol>	<p>14%: (1/7 projects)</p> <p>The low proportion of projects delivered within agreed timelines is disappointing. However, this should be considered in the context that most Co-Lab investigations commence with significant uncertainty, including council staff's capacity to get involved in the projects, which makes reliably estimating the time to complete challenging. While capacity is the most prominent unknown when setting timelines, the LiDAR project has been delayed by vendor performance issues.</p> <p>We acknowledge that we must be more realistic when estimating timelines.</p> <p>It is important to note that none of the delays have caused costs to escalate (i.e., the anticipated work is simply spread over a longer period, or the contract protects against cost escalation).</p>	●
	Opportunities / projects are developed / delivered, within approved budget	90%	<p>80% (8/10) for the 12 months to 30/6/24</p> <p>80%: Eight of the Ten projects were completed within budget. The exceptions were 1) Future Proof Data project where actual cost was \$2k over the plan. 2) Wakanda Round 2 which continued over the stage estimate (but was still well within the funds The Board allocated to the initiative)</p>	<p>80%: Four of the five projects were completed within budget. The exception was the Co-Lab Learning Implementation where the cost of the project team went over project budget. The remaining of two projects have not started in the current year.</p>	●
	Overall, Company Management / Support functions will be undertaken within budget, unless additional expenditure has The Board pre-approval		<p>Company Management &amp; Support expenditure was less than budget largely due to the LAPP insurance costs, which is recovered from councils, included in the budget no longer being required by councils.</p>	<p>Actual Company Management &amp; Support expenditure exceeded budget, mainly because the LAPP insurance cost, which is recovered from councils, was not included in the budget.</p>	●



## Performance Measures

PRIORITY	PERFORMANCE MEASURE	TARGET	FY2024 OUTCOME	FY2023 OUTCOME	
Ensure projects realise their expected benefits	Measurable benefits are actively monitored and reported against	Six-monthly	Management presented one "Project Benefit Assessment" to the Audit & Risk Committee (ARC) in FY24. The assessment covered Waikato OneView. Following the completion of the Waikato OneView benefits assessment, this practise was discontinued with approval from the Audit and Risk Committee. The Co-Lab Benefits framework is now being used as the vehicle to report project and service benefits.	<p>During the financial year, management reported to the Audit &amp; Risk Committee on:</p> <p>Shared Valuation Data Service (SVDS): All benefits in the business case have been met.</p> <p>Co-Lab Water Services: The assessment considered benefits realised since the services inception. Of the 10 KPIs in the business case, only 1 (relating to service expectations) was determined to be 'not met' and action is already underway to remedy that.</p>	●
	Audit & Risk Committee undertake an assessment of projects following implementation (which will include an assessment of whether projected benefits have been realised)	For \$200k+ Projects (based on cost of opportunity development and ongoing investment) Within 15 months	No "Project Benefit Assessments" for \$200k Projects were undertaken. (The Waikato OneView project did not require an investment of over \$200k)		●
		90% of projected quantifiable benefits are realised			●
Ensure existing services are meeting the needs of councils	The services we provide are considered by councils who use that service to meet or exceed their expectations (evidenced by an annual survey).	80% of councils	84% of survey respondents for shared services said we met or exceeded their expectations. Based on our annual survey of councils, the target of 80% has been met. 84% of Shared Service survey respondents said that the services met or exceeded expectations. The survey response rate was 41% (310 were invited to participate with 128 responses received).	<p>Based on our annual survey of councils, the target of 80% has not been met. 79.8% of respondents (0.2% less than the target) said that the services met or exceeded expectations. The survey response rate was 45% (200 were surveys with 91 responses received).</p>	●
Foster and promote cross-council collaboration and networking to share ideas on improving efficiencies and best practice	Across these groups, ideas for future consideration and/or initiatives are identified each year	Four per annum	<p>No ideas were received through our website in the 12 months to 30/06/24.</p> <p>Project Wakanda is a Board directive to search for ideas by looking for shared-service success stories (internationally and in other sectors).</p> <p>The investigation report in December 2023 listed 55 shared service examples which provided Co-Lab with ideas for further consideration.</p>	<p><b>Ideas received and triaged in FY23:</b></p> <ul style="list-style-type: none"> <li>• One digital library book database</li> <li>• Common LGOIMA manager tool</li> <li>• Councillor Induction Programme</li> <li>• Common staff induction content</li> <li>• Shared resources for election years</li> <li>• Parking enforcement app</li> <li>• Joint Procurement for contracted resources</li> </ul>	●





# Annual Report 2023-24

Pūrongo ā-tau

## PART 3

Financial Information  
*Ngā mōhiohio pūtea*

SECURING **TODAY**. SHAPING **TOMORROW**. STRONG **FUTURE**.

# Reports on achievement of objectives in funding and financial policies

## Rates Remission and postponement policies report

Council has adopted policies in relation to the remission and postponement of rates. There are a number of circumstances in which applications are considered.

Remissions include:

- Community, sporting and other organisations
- Rates on land protected for natural, historical or cultural conservation purposes.
- Uniform annual general charges and targeted rates on non- contiguous rural rating units in common ownership.
- Penalties.
- Māori freehold land.
- Uncollectable rates.
- Multiple dwellings with a common use on one rating unit.
- Water rates due to leaks.

### Rating Information

As at 30 June 2024, the number and value of the rating units in the South Waikato District were:

#### Number of rating units

Number of rating units	10,435
The total capital value of the rating units	8,920,978,800
The total land value of the rating units	4,801,345,300

REMISSION GRANTED	2023-24		2022-23	
	Number	Amount (\$) Including GST	Number	Amount (\$) Including GST
Community, sporting and other organisations	59	204,667	58	161,553
Rates on land protected for natural, historical or cultural conservation purposes	3	131	2	54
Uniform annual general charges and targeted rates on non-contiguous rural rating units in common ownership	26	13,367	26	10,901
Penalties	601	96,032	482	62,208
Māori freehold land	2	2,204	1	1,220
Uncollectable rates	0	0	0	0
Multiple dwellings with a common use on one rating unit	4	6,480	3	4,760
Water rates due to leaks	12	18,132	14	23,276

# Revenue and Financing Policy Report

Background – The Revenue and Financing Policy describes where Council will receive its funding from including what sort of rating model it will use.

Significant Activity	General Rates Target	General Rates Actual	Targeted Rates Target	Targeted Rates Actual	User Fees Target	User Fees Actual
Animal Control	55%	56%			45%	44%
Building Consents and Inspections	50%	44%			50%	56%
Business and CBD Promotion - Tokoroa and Putāruru	8%	14%	92%	67%		20%
Cemeteries	78%	77%			22%	23%
Community Advocacy, Grants and Support (including Visitor Centres)	100%	53%				47%
Community Governance (Tīrau Community Board)			100%	95%		5%
Community Halls		2%	95%	89%	5%	10%
Compliance	95%	44%			5%	56%
District Governance	100%	99%				1%
District Promotion	100%	98%				2%
Economic Development	100%	42%				58%
Emergency management	100%	99%				1%
Health	80%	77%			20%	23%
Libraries	92%	96%			8%	4%
Parks and Reserves (including Sportsgrounds)	95%	93%			5%	7%
Pensioner Housing					100%	100%
Property Management	90%	73%			10%	27%
Public toilets	100%	97%				3%
Resource Management (consent processing)	45%	43%			55%	57%
Resource Management (policy and monitoring, including environmental protection and monitoring)	100%	100%				0%
Roading (general roading activities)	100% (after subsidies)	93%				7%
Roading (CBD upgrade loan)	100%	100%				
South Waikato Performing Arts Centre (The Plaza and Tīrau Hall)	100% (after hireage income)	93%				7%
South Waikato Sports and Events Centre	80%	76%			20%	24%
Stormwater			100%	100%		
Swimming Pools - Indoor (Tokoroa)	90%	84%			10%	16%
Swimming Pools - Seasonal (Putāruru and Tīrau)	90%	85%			10%	15%
Talking Poles	100%	100%				
Tokoroa Airfield	50%	22%			50%	78%
Tokoroa Council of Social Services	93%	100%			7%	
Waste - Landfills and Refuse Disposal	20%	44%			80%	56%
Waste - Litter Collection	100%	100%				
Waste - Refuse Collection			100%	99%		1%
Waste - Recycling			100%	97%		3%
Wastewater			100%	92%		8%
Water Supply			100%	84%		16%

# Annual report disclosure statement for the year ending 30 June 2024

## What is the purpose of this statement?

The purpose of this statement is to disclose the council's financial performance in relation to various benchmarks to enable the assessment of whether the 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.

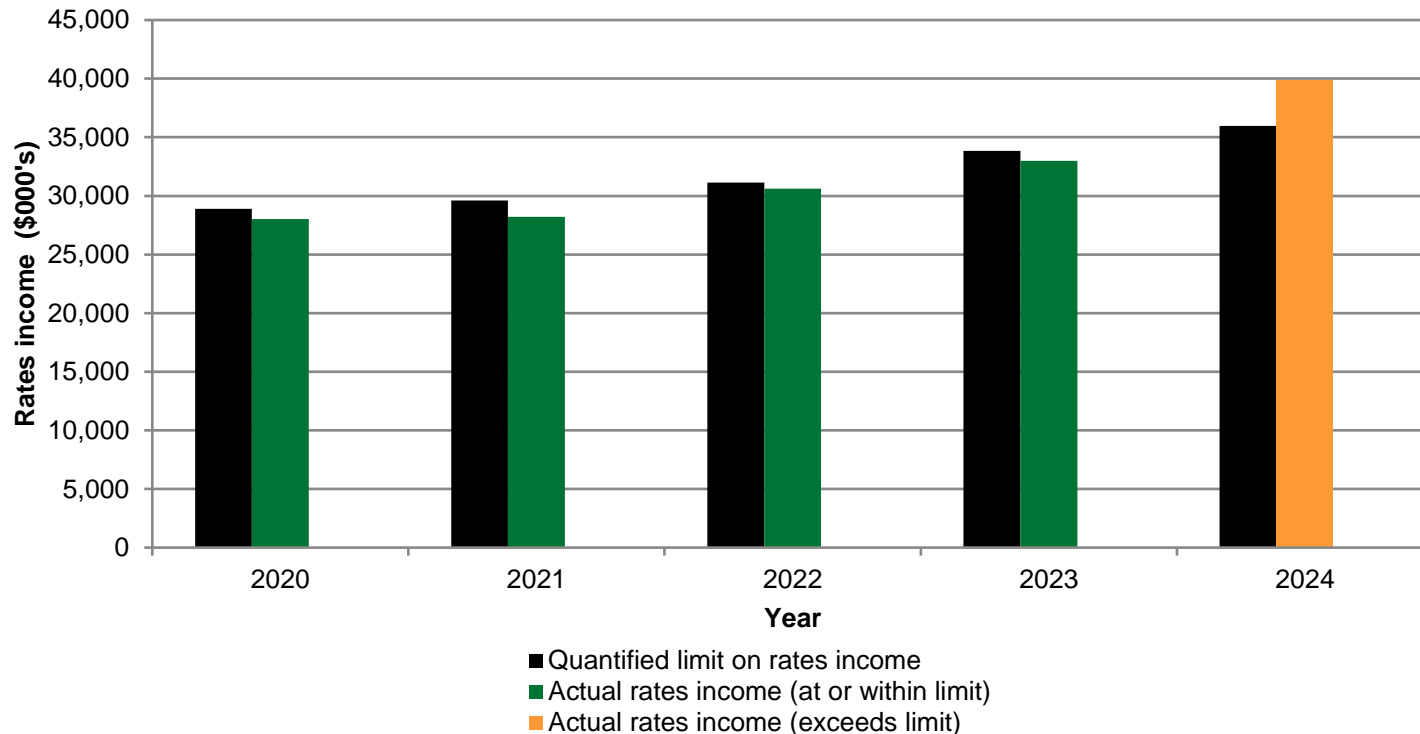
## Rates affordability benchmark

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

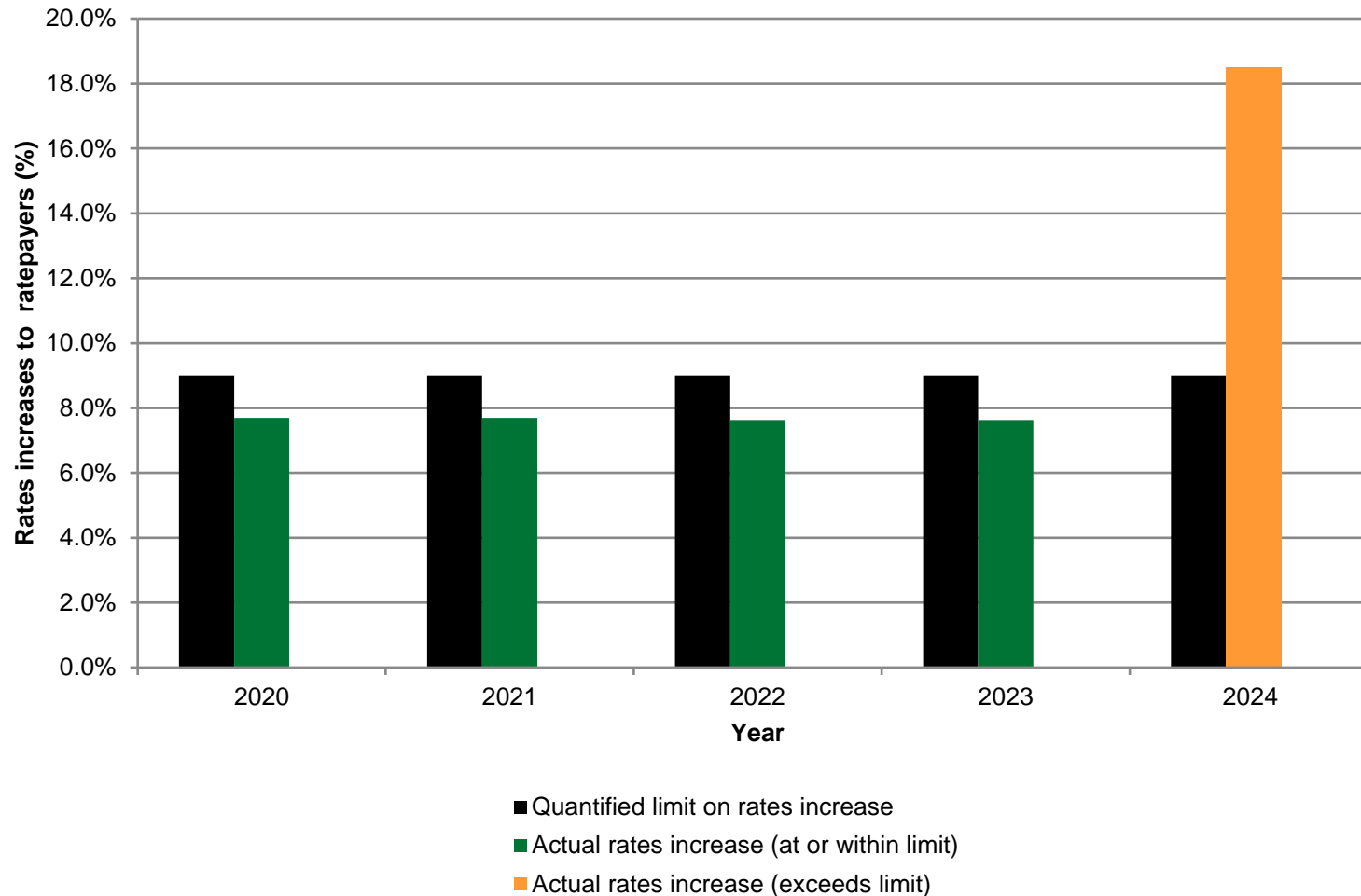
The following graph compares the council's actual rates income with a quantified limit on rates contained in the financial strategy included in the council's long-term plan. The quantified limit is rates increases will be no more than 9.0%.





## 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 included in the council's long-term plan. The quantified limit is rates increases will be no more than 9.0%.

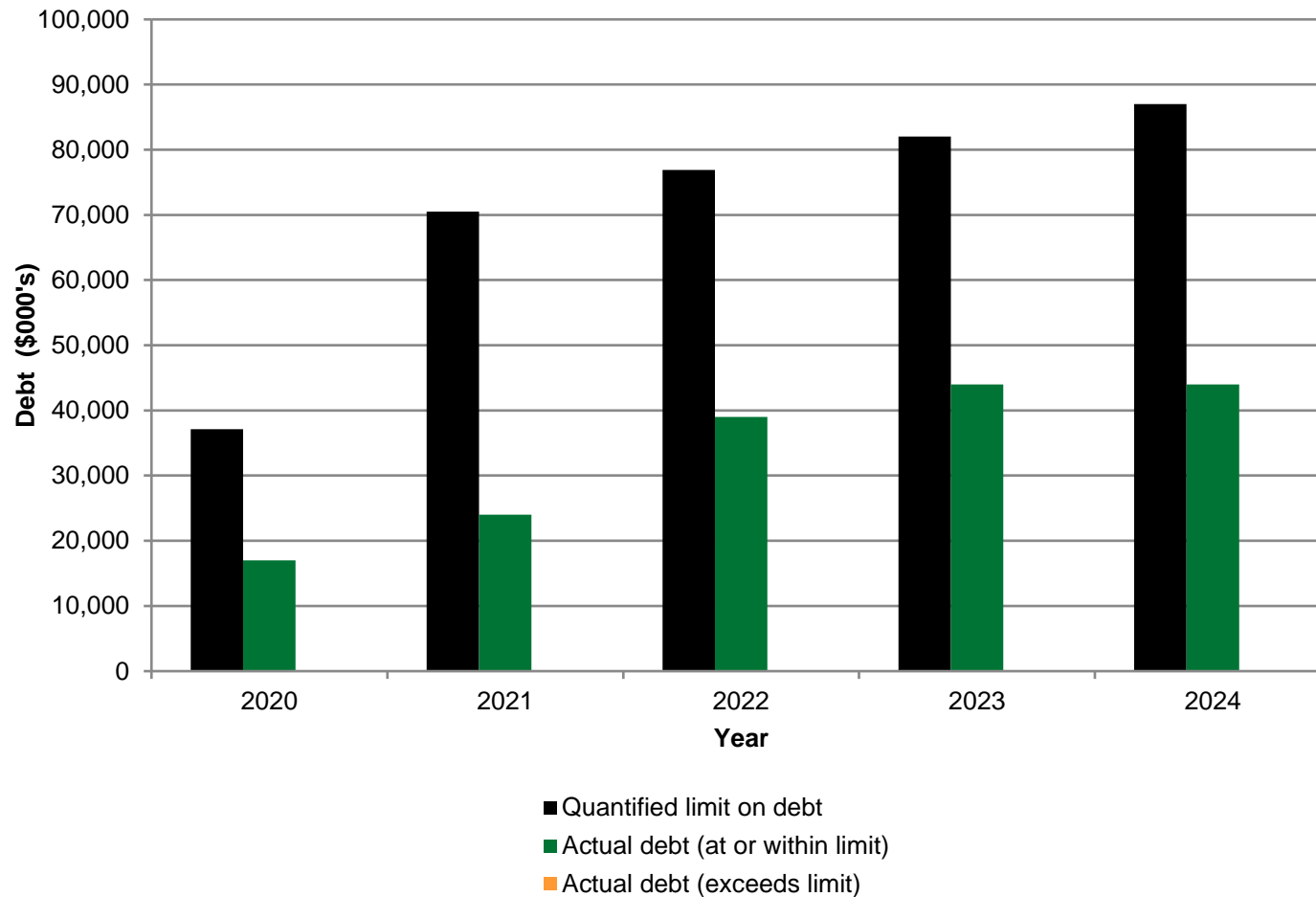


Council made a conscious decision to budget for an 18.5% rates increase in the 2023-24 Annual Plan which was outside the quantified limit of 9.0%. This was to deal with increasing costs that had not been previously budgeted in the 2021-31 Long Term Plan but had been identified as part of the review of operations in 2022-23.



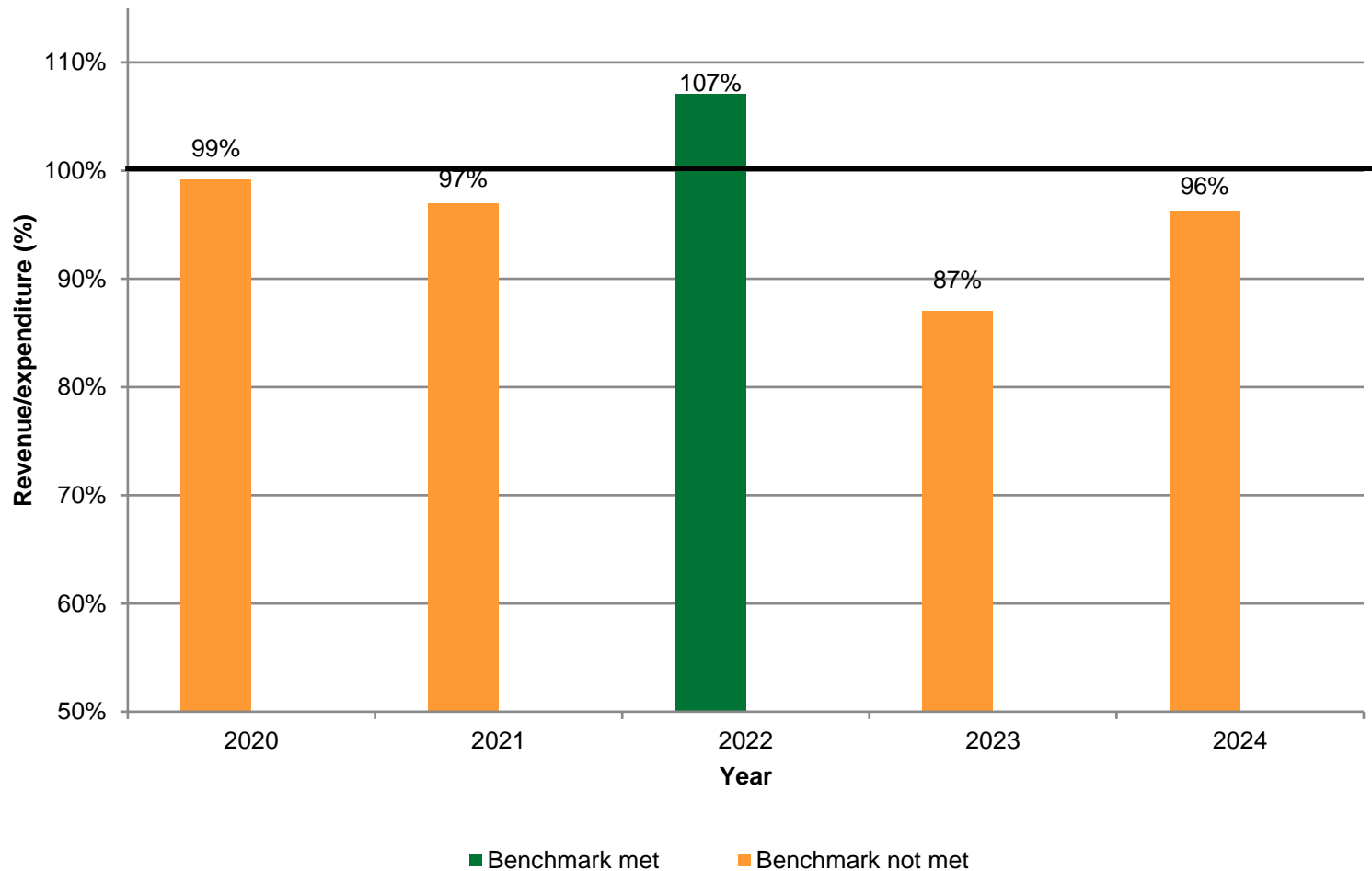
## Debt affordability benchmark

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 net debt will not exceed 175% of revenue, as per the Local Government Funding Agency agreement.



## Balanced budget benchmark

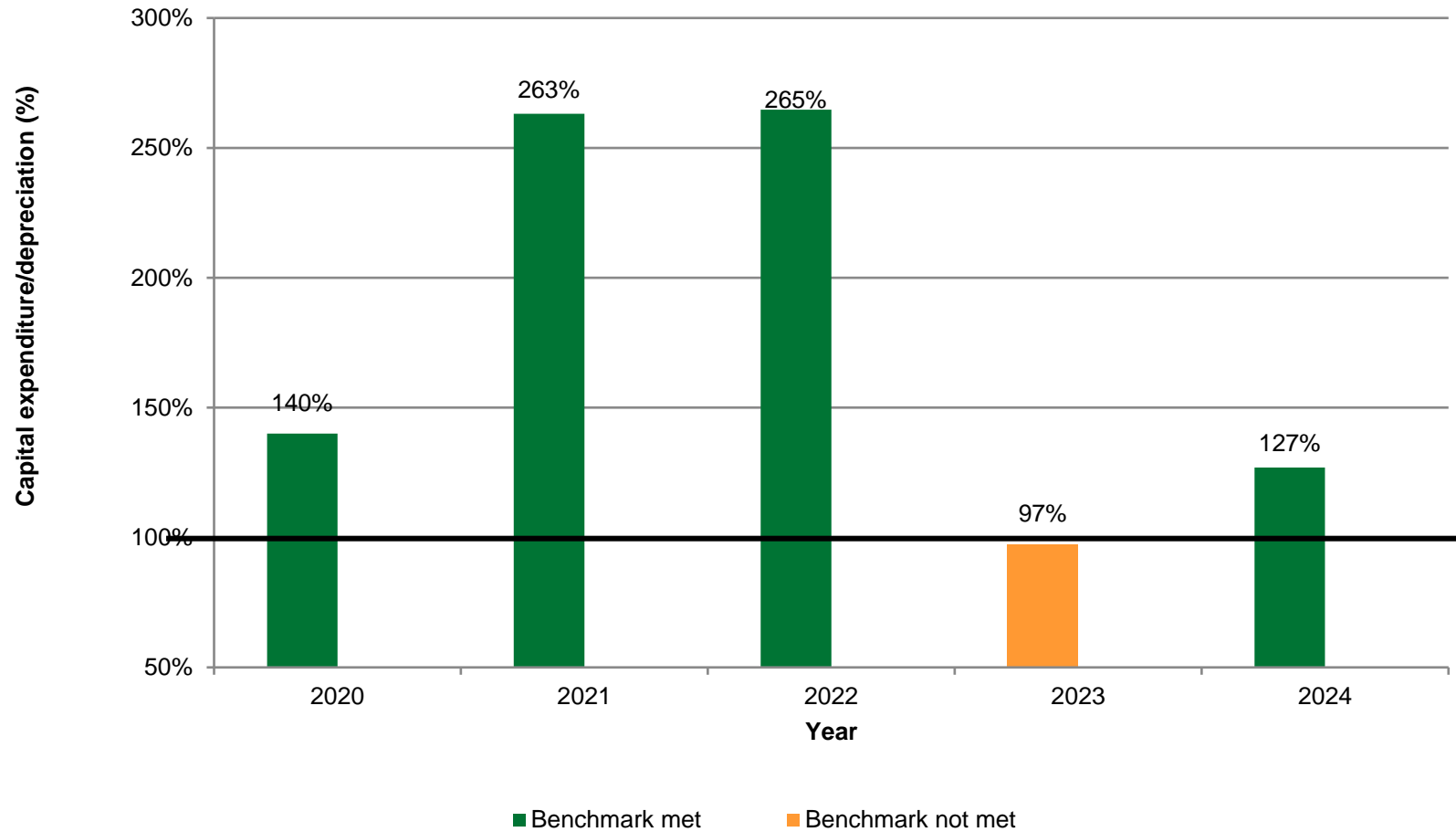
The following graph displays the council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial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



Council did not meet this benchmark as their operating revenue was less than their operating expenses for the year. This was expected as it was identified that increasing costs that had not been previously budgeted in the 2021-31 Long Term Plan needed to be dealt with in the 2023-24 Annual Plan and ratepayers couldn't afford all the increased costs through rates.

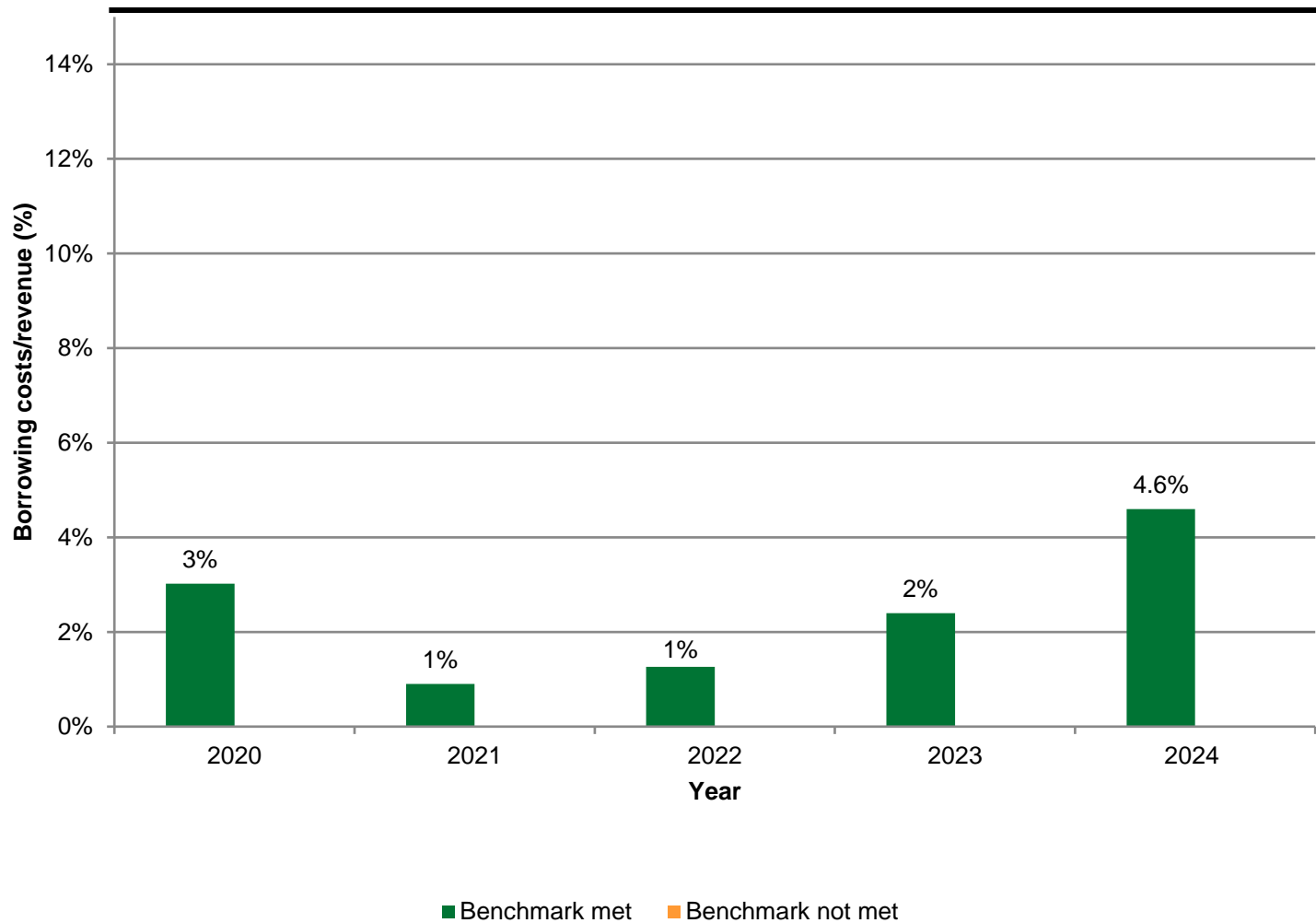
## Essential services benchmark

The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services. The council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



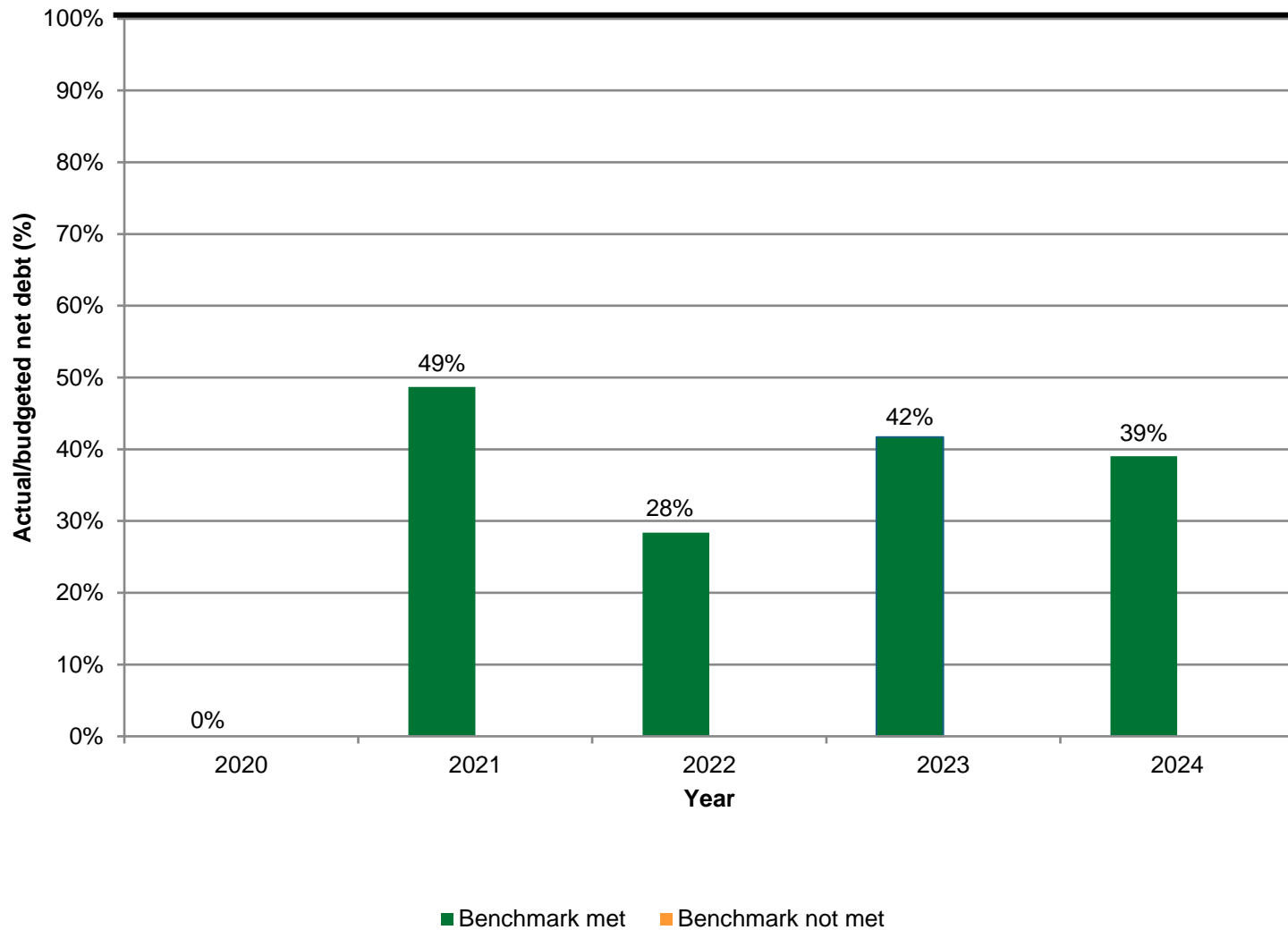
## Debt servicing benchmark

The following graph displays the council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment). Because Statistics New Zealand projects the council's population will grow 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.



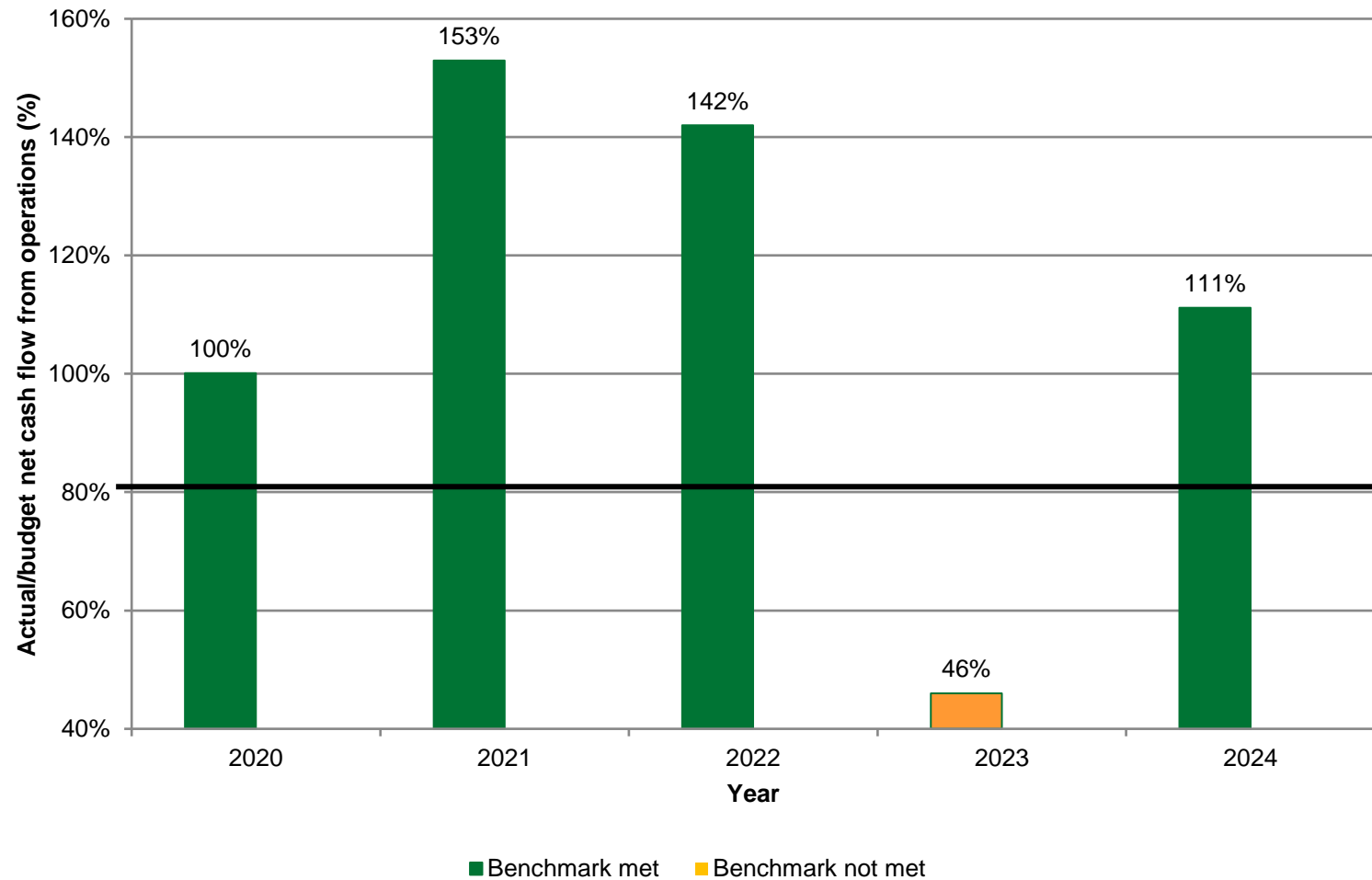
## Debt control benchmark

The following graph displays the council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables). The council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



## Operations control benchmark

This graph displays the council's actual net cash flow from operations as a proportion of its planned net cash flow from operations. The council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.





# Financial Statements

## Statement of Comprehensive Revenue and Expense

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE For the year ended 30 June 2024		Actual 2024 \$000s	Budget 2024 \$000s	Actual 2023 \$000s
	Note No.			
<b>Revenue</b>				
Rates, excluding targeted water supply rates	4	39,895	40,468	32,987
Fees, charges, and targeted rates for water supply		4,597	4,397	4,537
Development and financial contributions		579	437	793
Subsidies and grants	5	10,090	5,168	7,819
Finance income	6	836	431	899
Other revenue	7	3,171	889	2,410
<b>Total revenue</b>	<b>3</b>	<b>59,168</b>	<b>51,790</b>	<b>49,445</b>
<b>Expenditure</b>				
Employee benefits expense	8	15,161	12,944	13,828
Depreciation and amortisation expense	15/15b/16	12,467	10,422	11,726
Finance costs	6	2,604	1,727	1,773
Other expenses	9	28,566	27,871	28,612
<b>Total expenditure</b>		<b>58,798</b>	<b>52,964</b>	<b>55,939</b>
<b>Surplus/(Deficit)</b>		<b>370</b>	<b>(1,174)</b>	<b>(6,494)</b>
<b>Other comprehensive revenue and expense</b>				
Gain/loss in Asset Revaluation Reserve	21	9,145	40,000	6,288
Gain/loss in Investment Revaluation Reserve	21	1,131	-	1,602
<b>Total other comprehensive revenue and expense</b>		<b>10,276</b>	<b>40,000</b>	<b>7,890</b>
<b>Total comprehensive revenue and expense</b>		<b>10,646</b>	<b>38,826</b>	<b>1,396</b>

## Statement of Changes in Equity

STATEMENT OF CHANGES IN EQUITY							
For the year ended 30 June 2024							
	Note	Restricted	Council	Property	Investment	Retained	Total
	No.	Reserves	Created	Revaluation	Revaluation	Earnings	
		\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Balance at 30 June 2022</b>		<b>16,914</b>	<b>(959)</b>	<b>392,308</b>	<b>3,325</b>	<b>161,135</b>	<b>572,723</b>
Net profit/(deficit) for the year	21	-	-	-	-	(6,494)	(6,494)
Transfers to retained earnings on disposal		-	-	63	-	(63)	-
Transfers to General Equity		3,172	(266)	-	-	(2,906)	-
Transfers from General Equity		(6,906)	(383)	-	-	7,289	-
<b>Other comprehensive revenue and expense</b>							
Gain/(loss) in Asset Revaluation Reserve	21	-	-	6,288	-	-	6,288
Gain/(loss) in Investment Revaluation Reserve	21	-	-	-	1,602	-	1,602
<b>Total comprehensive revenue and expense</b>		<b>(3,734)</b>	<b>(649)</b>	<b>6,351</b>	<b>1,602</b>	<b>(2,174)</b>	<b>1,396</b>
<b>Balance at 30 June 2023</b>		<b>13,180</b>	<b>(1,608)</b>	<b>398,659</b>	<b>4,927</b>	<b>158,961</b>	<b>574,119</b>
Net profit/(deficit) for the year	21	-	-	-	-	370	370
Transfers to retained earnings on disposal		-	-	(21)	-	21	-
Transfers to General Equity		7,155	6,245	-	-	(13,400)	-
Transfers from General Equity		(20,335)	(3,773)	-	-	24,108	-
<b>Other comprehensive revenue and expense</b>							
Gain/loss in Asset Revaluation Reserve	21	-	-	9,145	-	-	9,145
Gain/loss in Investment Revaluation Reserve	21	-	-	-	1,131	-	1,131
<b>Total comprehensive revenue and expense</b>		<b>(13,180)</b>	<b>2,472</b>	<b>9,124</b>	<b>1,131</b>	<b>11,099</b>	<b>10,646</b>
<b>Balance at 30 June 2024</b>		<b>-</b>	<b>864</b>	<b>407,783</b>	<b>6,058</b>	<b>170,060</b>	<b>584,765</b>

**Statement of Financial Position**

STATEMENT OF FINANCIAL POSITION For the year ended 30 June 2024		Note No.	Actual 2024 \$000s	Budget 2024 \$000s	Actual 2023 \$000s
<b>Equity</b>					
Retained earnings	21	170,060	162,798	158,961	
Other reserves	21	414,705	497,340	415,158	
<b>Total equity</b>		<b>584,765</b>	<b>660,138</b>	<b>574,119</b>	
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	10	9,174	1,435	8,392	
Receivables from non-exchange transactions	11	4,512	3,680	3,839	
Receivables from exchange transactions	11	1,218	-	1,428	
Inventories	12	104	171	106	
Other financial assets	13	218	-	266	
Non-current assets held for sale	14	5,792	-	1,905	
Derivative Financial Instruments	28	665	-	868	
<b>Total current assets</b>		<b>21,683</b>	<b>5,286</b>	<b>16,804</b>	
<b>Non-current assets</b>					
Property, plant and equipment	15	602,704	699,827	590,156	
Other financial assets	13	15,189	16,575	20,829	
Derivative Financial Instruments	28	509	-	1,048	
Intangible assets	16	577	328	6	
<b>Total non-current assets</b>		<b>618,979</b>	<b>716,730</b>	<b>612,039</b>	
<b>Total assets</b>		<b>640,662</b>	<b>722,016</b>	<b>628,843</b>	
<b>Liabilities</b>					
<b>Current liabilities</b>					
Payables and deferred revenue from non-exchange transactions	17	2,192	7,085	2,197	
Payables and deferred revenue from exchange transactions	17	7,169	-	6,293	
Employee benefit obligations	19	1,632	893	1,391	
Borrowings	20	6,000	6,000	6,000	
Provision for landfill closure	18	38	50	37	
<b>Total current liabilities</b>		<b>17,031</b>	<b>14,028</b>	<b>15,918</b>	
<b>Non-current liabilities</b>					
Provision for landfill closure	18	563	600	573	
Borrowings	20	38,000	47,000	38,000	
Derivative Financial Instruments	28	-	-	-	
Employee benefit obligations	19	303	250	233	
<b>Total non-current liabilities</b>		<b>38,866</b>	<b>47,850</b>	<b>38,806</b>	
<b>Total liabilities</b>		<b>55,897</b>	<b>61,878</b>	<b>54,724</b>	
<b>Net assets</b>		<b>584,765</b>	<b>660,138</b>	<b>574,119</b>	

## Statement of Cashflows

STATEMENT OF CASH FLOWS For the year ended 30 June 2024		Note No.	Actual 2024 \$000s	Budget 2024 \$000s	Actual 2023 \$000s
Cash flow from operating activities					
<i>Cash was provided from:</i>					
	Rates		39,450	40,468	32,588
	Subsidies and grants		10,480	5,168	7,697
	Fees and charges		5,061	5,286	5,447
	Other income		1,204	437	2,407
	Interest received		836	30	899
			<u>57,031</u>	<u>51,389</u>	<u>49,038</u>
<i>Cash was applied to:</i>					
	Interest paid		2,604	1,727	1,772
	Payment to suppliers and employees		42,640	40,815	43,026
			<u>45,244</u>	<u>42,542</u>	<u>44,798</u>
<b>Net cash inflows/(outflows) from operating activities</b>		<b>22a</b>	<b>11,787</b>	<b>8,847</b>	<b>4,240</b>
Cash flow from investing activities					
<i>Cash provided from:</i>					
	Proceeds from investments		7,561	401	1,684
			<u>7,561</u>	<u>401</u>	<u>1,684</u>
<i>Cash was applied to:</i>					
	Purchase of investments		-	131	-
	Purchase of property, plant and equipment		18,566	27,617	11,244
			<u>18,566</u>	<u>27,748</u>	<u>11,244</u>
<b>Net cash inflows/(outflows) from investing activities</b>			<b>(11,005)</b>	<b>(27,347)</b>	<b>(9,560)</b>
Cash flow from financing activities					
<i>Cash was provided from:</i>					
	Loans raised		6,000	24,500	5,000
			<u>6,000</u>	<u>24,500</u>	<u>5,000</u>
<i>Cash was applied to:</i>					
	Loans repaid		6,000	6,000	-
<b>Net cash inflows/(outflows) from financing activities</b>		<b>22b</b>	<b>-</b>	<b>18,500</b>	<b>5,000</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>			<b>782</b>	<b>-</b>	<b>(320)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		10	8,392	1,435	8,712
<b>Cash and cash equivalents at the end of the year</b>		10	<b>9,174</b>	<b>1,435</b>	<b>8,392</b>

Funding Impact Statement - Whole of Council	Annual Plan	Actual	Annual Plan	Actual
	2023	2023	2024	2024
	\$000s	\$000s	\$000s	\$000s
<b>SOURCES OF OPERATING FUNDING</b>				
General rates, uniform annual general charges, rates penalties	22,024	23,067	26,667	27,589
Targeted rates	11,026	11,107	13,446	13,711
Subsidies and grants for operating purposes	2,970	5,517	3,053	5,004
Fees and charges	5,957	5,018	4,752	5,002
Interest and dividends from investments	711	847	431	473
Local authorities fuel tax, fines, infringement fees, and other receipts	507	245	889	1,627
<b>TOTAL SOURCES OF OPERATING FUNDING (A)</b>	<b>43,195</b>	<b>45,801</b>	<b>49,238</b>	<b>53,406</b>
<b>APPLICATION OF OPERATING FUNDING</b>				
Payments to staff and suppliers	33,374	40,785	40,396	44,389
Finance costs	893	1,774	1,727	2,602
Other operating funding applications	1,684	1,194	990	-
<b>TOTAL APPLICATIONS OF OPERATING FUNDING (B)</b>	<b>35,951</b>	<b>43,753</b>	<b>43,113</b>	<b>46,991</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING (A-B)</b>	<b>7,244</b>	<b>2,048</b>	<b>6,125</b>	<b>6,415</b>
<b>SOURCES OF CAPITAL FUNDING</b>				
Subsidies and grants for capital expenditure	1,755	2,304	2,115	4,632
Development and financial contributions	233	793	437	578
Increase (decrease) in debt	4,943	3,880	18,500	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>TOTAL SOURCES OF CAPITAL FUNDING (C)</b>	<b>6,931</b>	<b>6,977</b>	<b>21,052</b>	<b>5,210</b>
<b>APPLICATION OF CAPITAL FUNDING</b>				
Capital expenditure:				
- to meet additional demand	3,377	1,029	6,936	5,190
- to improve the level of services	5,680	7,176	7,999	5,732
- to replace existing assets	7,305	5,067	12,683	9,359
Increase (decrease) in reserves	(2,187)	(4,247)	(441)	(5,072)
Increase (decrease) in investments	-	-	-	(3,584)
<b>TOTAL APPLICATIONS OF CAPITAL FUNDING (D)</b>	<b>14,175</b>	<b>9,025</b>	<b>27,177</b>	<b>11,625</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING (C-D)</b>	<b>(7,244)</b>	<b>(2,048)</b>	<b>(6,125)</b>	<b>(6,415)</b>
<b>FUNDING BALANCE ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 1: STATEMENT OF ACCOUNTING POLICIES REPORTING ENTITY

#### REPORTING ENTITY

The South Waikato District Council (the Council) is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing Council's operations includes the LGA and the Local Government (Rating) Act 2002. The Council provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

The reporting date of the Council is 30 June.

The Council has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice. The financial statements of the Council are for the year ended 30 June 2024. The financial statements were authorised for issue by Council on 27 November 2024.

#### BASIS OF PREPARATION

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

#### Statement of compliance

The financial statements of the Council have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014, which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The financial statements have been prepared in accordance with and comply with PBE Standards.

#### Presentation currency and rounding

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

#### Changes in accounting policies

In the current year, the Council has applied the following amendments to PBE Standards and Interpretations issued by the IASB that are effective for an annual period that begins on or after 1 January 2023. The following standards have been adopted as at 30 June 2024.

#### Standards issued and effective:

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

Disclosure of Fees for Audit Firms' Services (the amending Standard) was issued in May 2023. This amending standard updates the required disclosures for fees relating to services provided by the entity's audit or review firm. The fees must be disaggregated into specified categories and there is guidance to assist entities in determining the types of services to include in each category. This amending standard is effective for reporting periods beginning on or after 1 January 2024 with early adoption permitted. The council has early adopted the amendment (refer to Note 9), and the adoption did not result in a significant impact on the financial statements.

In March 2019, the External Reporting Board (XRB) issued PBE IPSAS 41 Financial Instruments. The Council has adopted PBE IPSAS 41 Financial Instruments.

#### Standards issued but not yet effective:

The council will adopt the following accounting standard in the reporting period after the effective date. PBE IFRS 17 Insurance Contracts PBE IFRS 17 Insurance Contracts for public sector entities was issued in June 2023. This standard establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts. It is effective for reporting periods beginning on or after 1 January 2026 with early adoption permitted. The council has not assessed the effect of the new standard in detail.



## MATERIAL ACCOUNTING POLICIES

### Foreign currency transactions

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

### Goods and services tax (GST)

Items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to the IRD is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows. Commitments and contingencies are disclosed exclusive of GST.

### Budget figures

The budget figures are those approved by the Council in its 2023-2024 annual plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Council in preparing these financial statements.

### Critical accounting estimates and assumptions

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Estimating the fair value of interest rate swap yield curves.
- Estimating the fair value of land, buildings and infrastructure assets.
- Estimating retiring gratuity and long service leave obligations.
- Estimating the landfill aftercare provision.
- Estimating the provision for collectability of receivables.

### Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to Council and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods or services in the normal course of business, net of discounts and sales related taxes. The specific accounting policies for significant revenue items are explained below:

### Rates

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable. Rates charged to Council properties are excluded from rates income in the profit or loss. Revenue from metered water rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

### Government grants

Government grants are recognised when claimed for work completed on previously approved programmes or when eligibility has been established by the grantor. Council receives government grants from the New Zealand Transport Agency, which subsidises part of the costs of maintaining the local roading infrastructure. These subsidies are recognised upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

### Provision of services

Revenue from the provision of services (fees and charges) are recognised as income when the obligation to pay, by reference to the stage of completion of the transaction at balance date, arises.

### **Interest and dividends**

Interest income is recognised as it accrues using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial instrument.

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

### **Vested or donated assets**

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as income. Assets vested in the Council are recognised as income when control over the asset is obtained.

### **Financial contributions**

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

### **Receivables**

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). The Council apply the simplified ECL model of recognising lifetime ECL for short-term receivables.

In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

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.

In the previous year, the allowance for credit losses was based on the incurred credit loss model. An allowance for credit losses was recognised only when there was objective evidence that the amount due would not be fully collected.

### **Expenditure**

#### **Finance Costs**

Costs of borrowing are recognised as an expense in the financial year in which they are incurred.

#### **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.

#### **Cost allocation**

Direct costs are those that are directly attributable, and charged, to a specific significant activity. Indirect costs are all other costs and are charged to significant activities based on cost drivers and related activity/usage information.

#### **Non-current assets held for sale**

Non-current assets are classified as held for sale if the carrying amount will be recovered through a sale rather than continuing use. This condition is met only when the sale is highly probable and the asset is available for sale in its present condition. Council must be committed to the sale, and a completed sale is expected within one year from the date of classification. Non-current assets classified as held for sale are measured at the lower of the asset’s carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in profit or loss.

Any increase in fair value, less costs to sell, are recognised in profit or loss up to the level of any impairment losses that have been previously recognised.

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

## **Property, plant and equipment**

### **Critical accounting estimates and assumptions**

#### **Operational assets**

These are tangible assets and include land, buildings and improvements, motor vehicles, the South Waikato Indoor Pools and associated equipment, and the library collection.

#### **Infrastructural assets**

These are fixed utility systems that provide a continuing service to the community and are not generally regarded as tradeable.

They include:

- all property, plant and equipment associated with water supply, wastewater, stormwater and waste disposal, including the land that they are located upon.
- all roads, service lanes, footpaths, streetlights, car parks and associated street furniture.
- all public toilets and restrooms, public halls and the land they are situated on.

#### **Restricted assets**

These assets cannot be disposed of because of legal or other restrictions and provide a benefit or service to the community. They include:

- all property (excluding South Waikato Indoor Pools) associated with recreation, scenic, historic purposes, esplanade and local purpose reserves, including the reserve land.
- all cemeteries.
- all land contained within road reserves.

#### **Measurement at recognition**

All items of property, plant and equipment that qualify for recognition as assets are initially measured at cost. An item of property, plant and equipment is recognised as an asset only if it is probable that any future economic benefits or service potential associated with them will flow to Council and the cost of the item can be measured reliably. 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.

#### **Measurement after recognition**

Property, plant and equipment are shown at cost or revalued amount, less accumulated depreciation and impairment losses. Those asset classes that are revalued are generally valued on a three-year rotational basis, or sooner, to ensure revalued assets are carried at a value that is not materially different from fair value. All revaluations are either performed by independent and qualified valuers, or in-house and peer-reviewed by independent and qualified valuers. All other asset classes are carried at depreciated historical cost.

#### **Library collection**

Valuation is at cost less accumulated depreciation and any accumulated impairment losses.

#### **Motor vehicles, plant and equipment, furniture and fittings**

Valuation is at cost less accumulated depreciation and any accumulated impairment losses.

#### **Land and buildings**

Land and buildings including land underneath roads were revalued effective 30 June 2024 by Kendall Russ of CBRE Limited, Registered Valuers and Property Consultants, Rotorua, at current market value.

#### **Land**

Land has been valued based on its current zoning, making allowance for any recent changes and designations effective from the new Operative Plan effective from 2015. Comparable sales have been analysed from a wide range of land sales and applied dependent on the location, use and zoning of the property. Adjustments have been made for contour, size and other factors. Where a property is designated, adjustment for the lifting of the designation has been made.

Where a property is zoned Reserve, these assets have been valued on an underlying zoning basis. From this has been deducted the base valued as Rural, and to the difference applied, a change which is added back to the base value to arrive at the Reserve value. This is the normally accepted method of the valuation of Reserve land.

### **Specialised buildings**

Where there is no reliable market data available for such specialised buildings, the valuations have been prepared on an optimised depreciated replacement cost approach. The replacement cost of the assets is adjusted, where required, for optimisation due to over-design or surplus capacity. The replacement cost is derived from analysis of costing information held on the valuer's files, costing information derived from the marketplace, and costing information provided by Quantity Surveyors and other building experts. Construction costs vary dramatically dependent on the building.

### **Non-Specialised buildings**

Non-specialised buildings are those where there are known and active markets e.g. residential houses, office buildings, industrial workshops, warehouses and residential flats. These have been valued at fair value using market-based sales evidence.

### **Parks and reserves**

Parks and reserves assets were revalued effective 30 June 2024 at optimised depreciated replacement value. The revaluation was completed internally with a peer review undertaken using an external consultant, Robert Berghuis, Senior Valuer from Beca Limited, to validate the revaluation. The external consultant has an extensive knowledge base and background in parks and reserves asset management.

The external consultant reviewed the useful lives and replacement cost unit values on Council's fixed assets register.

The replacement cost unit values were updated to current market values by using either:

- available current contract-supplier unit rates for equivalent asset types (giving the highest level of confidence) or

- the 2021 asset values/purchase cost adjusted for industry-specific inflation indices to represent estimated replacement costs for modern equivalent asset (MEA) components as at 30 June 2024 (giving a high level of confidence).

As part of the revaluation process, where assets that continue to be in commission are found to have a remaining life of nil (on Council's fixed assets register), an adjusted remaining useful life of 2.5% of the original base life has been made.

### **Land under roads**

The valuation methodology used for land underneath roads is the assessment of the value based upon an indicated value of the land adjoining the roads. Rural and urban roads have been separated and the average land value for adjoining land for each separate division applies. In some cases, a discount has been applied to the land value.

### **Landfill**

Landfill cell development, pipes and pumps are valued at cost less accumulated depreciation and any impairment costs.

### **Street furniture**

Street furniture is valued at cost less accumulated depreciation and any impairment costs.

### **Roads, footpaths, streetlights, large culverts and bridges**

Roads, footpaths, streetlights, large culverts and bridges were revalued effective 30 June 2023 by Beca Projects NZ Limited, Auckland at optimised depreciated replacement value. Each asset component was valued considering its remaining useful life.

The valuation was performed in accordance with the International Accountancy Standard (IAS 16) modified to New Zealand requirements (IPSAS 17), and with New Zealand Local Authority Asset Management Practice, New Zealand Infrastructure Asset Management Manual (NZIAMM) and Valuations/Depreciation Guidelines. The RAMM valuation module has been used to complete the valuation.

Replacement cost is the cost of building the existing infrastructure using present day technology, but maintaining the originally designed level of service, assuming current technology ensures that no value results from the additional cost of outdated and expensive methods of construction. Maintaining the original level of service ensures that the existing asset with all its faults is valued, not the currently desirable alternative.

Replacement cost was calculated by multiplying asset quantities by unit cost rates factored to allow for other direct costs such as professional fees. Unit rates are obtained from a variety of sources, including the following:

- Recent maintenance contracts for SWDC
- Recent capital works undertaken for SWDC

Costs have been used which reflect the increased difficulties and constraints of undertaking construction, maintenance and renewal work simultaneously with continued operation of the infrastructure networks. Operational constraints include access, delivery, safety, security, material handling and storage, traffic control and hours available for construction work. The unit cost rates used for valuing the SWDC assets reflect an average cost rate for local construction. Paper roads with a total length of 151.378km are recorded at land value.

### **Wastewater, stormwater and water supply**

Wastewater, stormwater disposal and water supply property, plant and equipment were revalued on 30 June 2022 by professionally qualified in-house staff, and peer reviewed by Beca Projects NZ Limited at optimised depreciated replacement value.

The underground reticulation pipework was also revalued on 30 June 2022 by professionally qualified in-house staff, and peer reviewed by Beca Projects NZ Limited, at optimised depreciated replacement value.

These assets have been valued by the optimised depreciated replacement cost approach reflecting factors such as technical obsolescence, over engineering and surplus capacity where these have been specifically identified by the asset manager. Assets that have reached the end of their base life (design life) have been inspected, a

condition-based assessment carried out and a decision to replace an asset or defer replacement made based on the condition assessment. Allowance has been made for the costs of bringing the asset into working condition for its intended use and these costs include engineering fees and resource consent costs.

These assets were revalued in the Assetfinda database using replacement unit costs based on actual costs from recent contracts and where required an inflation adjustment has been applied. Costs incurred in obtaining any resource consents are capitalised as part of the asset to which they relate. If a resource consent application is declined all capitalised costs are written off.

### **Accounting for revaluations**

Council accounts for revaluations on property, plant and equipment on a class of asset basis.

The results of revaluing are recognised in other comprehensive income and accumulated as a separate component of equity in the asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve it is expensed through profit or loss. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in profit or loss will be recognised first in profit or loss up to the amount previously expensed and then credited to other comprehensive income.

### **Depreciation**

Property, plant and equipment are depreciated on a straight-line basis at rates that reflect their estimated useful lives.

Depreciation is charged to write off the cost or valuation of assets, other than land and properties under construction and road formation cost, over their estimated useful lives. The depreciation rates are applied at a component level and are dependent on the remaining useful life of each component. The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

**Operational and restricted assets**

Heritage assets	Not depreciated
Land	Not depreciated
Buildings	40-100 years
Plant and equipment	5-30 years
Swimming pools	40-100 years
Motor vehicles	5 years
Computer equipment and furniture	3-10 years
Library equipment	5-10 years

**Infrastructural assets****Roading Network**

Top surface – rural	1-18 years
Top surface – urban	1-22 years
Pavement – rural	40-70 years
Pavement – urban	40-99 years
Culverts	25-80 years
Footpaths	10-80 years
Kerbs	80 years
Signs	6-9 years
Streetlights and poles	25-70 years
Bridges	78-118 years
Land (including land under roads)	Not depreciated

**Waste**

Landfills, pipes and pumps	7-100 years
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**Wastewater systems**

Manholes	80 years
Treatment plant	5-80 years

**Stormwater systems**

Reticulated pipework	50-90 years
Manholes and cesspits	90 years
Detention dams	60 years

**Water supply**

Reticulated pipework	55-95 years
Valves and hydrants	80 years
Pump stations	Up to 100 years (dependent on componentry)
Storage tanks	25-80 years

**Other**

Infrastructural buildings	40-100 years
Street furniture	3-10 years

**Impairment**

All assets, current and non-current, are tested annually for indicators of impairment and whenever events or changes in circumstances indicate the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is the depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where an entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised in other comprehensive income. Where that results in a debit balance in other comprehensive income, the balance is recognised in profit or loss.

For assets not carried at a revalued amount, the total impairment loss is recognised in profit or loss.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for the class of asset was previously recognised in profit or loss, a reversal of the impairment loss is also recognised in profit or loss.

For assets not carried at a revalued amount the reversal of an impairment loss is recognised in profit or loss.



## **Disposals**

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in profit or loss. When revalued assets are sold, the amounts included in the asset revaluation reserves in respect of those assets are transferred to general equity.

## **Subsequent cost**

Costs incurred after 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 can be measured reliably.

## **Assets under construction**

Capital works under construction are valued at cost. The total cost of the project is transferred to the relevant asset class on its completion and then depreciated.

## **Vested assets**

Certain infrastructure assets have been vested in Council and are recognised in profit or loss at fair value. These assets have been valued based on the actual quantities of infrastructure components vested and the current 'in the ground' cost of providing identical services. On initial recognition the fair value of vested assets is recognised in profit or loss. Subsequently vested assets are revalued together with other property, plant and equipment, and surpluses or deficits arising on revaluation are treated in the same way as other property, plant and equipment.

## **Rental Property**

Rental property is included in property, plant and equipment as the rental property is held to provide a social service rather than for rental income, capital appreciation or both.

## **Intangible Assets**

### **Computer software**

Acquired computer software is capitalised on the basis of the cost incurred to acquire and bring to use the specific software. Costs

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

### **Carbon credits**

Purchased carbon credits are recognised at cost on acquisition. They are not amortised but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

### **Easements**

No value is attached to easements due to the difficulty in establishing their original cost or fair value.

### **Amortisation of intangible assets**

The carrying amount 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 profit or loss. The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

- Computer software 3-7 years

### **Financial assets at fair value**

The accounting policies for the year ended 30 June 2024 comply with PBE IPSAS 41.

### **Derivative financial instruments**

Derivative financial instruments are used to manage exposure to foreign exchange risks arising from the Council's operational activities and interest rate risks arising from the Council's financing activities. In accordance with its Treasury Management Policy, the Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date.

The associated gains or losses on derivatives that are not hedge accounted are recognised in surplus or deficit.

The full fair value of a non-hedge accounted foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date; otherwise, foreign exchange derivatives are classified as non-current.

The portion of the fair value of a non-hedge accounted interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as non-current.

The use of financial derivatives is governed by Council's policies as approved by Council resolution and provide written principles on the use of financial derivatives consistent with Council's risk management strategy.

#### **Other financial assets**

Other 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 expense (FVTOCRE); and
- fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset at initial recognition unless the it has been designated at 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 at 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, community loans, and loans to subsidiaries and associates.

#### **Subsequent measurement of financial assets at FVTOCRE**

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except ECL and foreign exchange gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus and deficit. Debt instruments in this category are the Council listed bonds.

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 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.

#### **Subsequent measurement of financial assets at FVTSD**

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit. Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

These include bonds and shares, the investment in Waikato Local Authority Shared Services Limited and Local Government Civic Assurance. If these assets are traded in an active market, they are measured at their fair value using quoted market prices at the balance sheet date. The quoted market price used is the current bid price. If the financial assets are not traded in an active market, their fair value is determined using valuation techniques. Council uses a variety of valuation methods and makes assumptions based on market conditions existing at each balance date. Of the remaining financial assets, if quoted market prices of similar financial assets in the market are not available, other techniques such as discounted expected cash flows are utilized to determine their fair value, or otherwise cost is used.

### **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 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 obligations in full.

Council measure ECLs on loan commitments at the date the commitment becomes irrevocable. If the ECL measured exceeds the gross carrying amount of the financial asset.

### **Financial liabilities**

Financial liabilities including debt instruments issued by Council are classified according to the substance of the contractual arrangements entered into.

The accounting policies adopted for specific financial liabilities are as follows:

#### **Bank borrowings**

- Interest bearing bank loans are initially measured at fair value net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

#### **Debt instruments**

- Council issues bonds from time to time to raise funds. These are initially measured at fair value net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

#### **Trade payables**

- Trade payables are initially measured at fair value and are subsequently measured at amortised cost.

#### **Investments in Council controlled organisations**

Council has an interest (2.17%) in (CoLab) Waikato Local Authority Shared Services Limited. Council has no significant influence on operational or financial policies.

This investment is not traded on an active market and quoted market prices of similar financial assets are not available. The investment is therefore measured at cost as the fair value cannot be measured reliably.

#### **Inventories**

Inventories held for distribution or consumption in the provision of services are measured at the lower cost or current replacement cost. The cost to these

inventories is assigned by using the weighted average cost formula. The write down from cost to current replacement cost is recognised in profit or loss.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less from the date of acquisition.

### **Employee benefits**

#### **Short term employee benefits**

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

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

A liability for sick leave is recognised to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlement 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 that it will be used by staff to cover those future absences.

#### **Long-term entitlements**

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave have been calculated on an actuarial basis using the service of professional actuaries. The actuarial calculations are based on an assumed salary increase of 3% (2023: 4.3%) per annum and a discount rate between 4.25% and 5.30% (2023: 4.19% and 5.34%) per annum. The discount rate is derived from the forward rates on NZ Government Bonds over recent periods. It's also assumed that all employees will retire at the age of 65 and will resign in accordance with the withdrawal rate assumption taken from the Treasury Circular 1998/15. Any actuarial gain or loss resulting from re-

measurement of these liabilities is recognised in profit or loss. Employees appointed to staff prior to 31 December 1989 who retire from Council with not less than ten years continuous service are eligible for retirement leave. Employees appointed to staff prior to 1 April 1992 are eligible for long service leave unless excluded under individual employment contracts.

#### **Presentation of employee entitlements**

Sick leave, annual leave, vested long service leave and non-vested long service leave, and retirement gratuities 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.

#### **Defined contribution scheme**

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in profit or loss.

#### **Public equity**

Public equity is the community's interest in the Council, as measured by the value of total assets less total liabilities. Public equity is disaggregated and classified into several reserves to enable clearer identification of the specific uses Council makes of its accumulated surpluses.

The components of equity are:

- General equity (retained earnings)
- Restricted reserves
- Council created reserves
- Property revaluation reserves
- Investment revaluation reserve

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned.

#### **General equity (retained earnings)**

General equity refers to reserves that do not fall into any of the four categories below.

#### **Restricted reserves**

Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council and which may not be revised by Council without reference to the Courts or a third party. Transfers from these reserves may be

made only for certain specific purposes or if certain specified conditions are met. The reserves represent balances held from the collection of targeted rates and charges on activities that are funded from targeted rating or those same activities funding depreciation.

#### **Council created reserves**

Council-created reserves are a part of the accumulated balance and are established at the will of Council. Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of Council.

#### **Property revaluation reserves**

Revaluation reserves arise from certain asset classes being revalued.

#### **Investment revaluation reserve**

The investment revaluation reserve contains cumulative unrealised gains and losses in investments.

#### **Finance leases**

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

At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item and the present value of the minimum lease payments.

The finance charge is charged to surplus or deficit over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability.

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

#### **Operating leases**

##### **Council as lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

##### **Council as lessor**

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

#### **Provisions**

Council recognises a provision for future expenditure of uncertain amount when there is a present obligation (legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are 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 the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

#### **Landfill closure and post-closure provision**

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

A calculation of these future costs has been discounted and 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 Council. Amounts provided for landfill closure and post-closure are capitalised in the landfill asset where they give rise to future economic benefit to be obtained. Components of the capitalised landfill asset are depreciated over their useful lives.

Assumptions about the future have been made in the calculation of the landfill closure and post closure cost provisions. These are disclosed in the notes to the financial report.

### **Financial guarantee contracts**

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

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract 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 at initial recognition, a liability is recognised at the amount of the loss allowance determined in accordance with the expected credit loss (ECL) model.

Financial guarantees are subsequently measured at the higher of:

- the amount determined in accordance with the ECL model described in the expected credit allowance policy.
- the amount initially recognised less, when appropriate, cumulative amortisation as revenue.

Financial guarantee contracts are disclosed as contingent liabilities. The amount of these contingent liabilities is equal to the loan balances guaranteed.

## 2. Cost of Services

Cost of Services	Actual 2024 \$000s	Budget 2024 \$000s	Actual 2023 \$000s
<b>REVENUE</b>			
<b>Revenue From Significant Activities</b>			
Community Facilities	4,375	4,265	4,015
Economic & community development	4,514	2,768	3,528
Governance & Corporate	3,454	2,052	3,994
Parks and Reserves	5,148	4,806	4,803
Property	2,577	2,404	1,496
Regulatory	4,904	5,025	4,830
Solid Waste & Recycling	5,368	5,169	4,344
Stormwater	868	1,111	610
Transport & Roothing	16,146	12,901	11,665
Wastewater	7,584	7,152	6,392
Water Supply	4,230	4,137	3,768
<b>Total Service Statement Revenue</b>	<b>59,168</b>	<b>51,790</b>	<b>49,445</b>
<b>EXPENDITURE</b>			
<b>Expenditure From Significant Activities</b>			
Community Facilities	4,491	4,257	4,239
Economic & community development	2,778	2,889	3,036
Governance & Corporate	3,672	2,310	3,728
Parks and Reserves	5,745	5,007	5,086
Property	3,125	2,728	2,891
Regulatory	5,654	5,278	5,293
Solid Waste & Recycling	5,140	5,161	4,498
Stormwater	1,699	1,356	1,540
Transport & Roothing	13,610	12,443	13,346
Wastewater	7,825	7,220	7,725
Water Supply	5,059	4,315	4,557
<b>Total Service Statement Expenditure</b>	<b>58,798</b>	<b>52,964</b>	<b>55,939</b>
<b>NET SURPLUS/ (DEFICIT) BEFORE TAX</b>	<b>370</b>	<b>(1,174)</b>	<b>(6,494)</b>

## 3. Exchange/non exchange revenue

Revenue reclassified as exchange or non-exchange transactions	Actual 2024 \$000s	Budget 2024 \$000s	Actual 2023 \$000s
<b>Revenue from exchange transactions</b>			
Fees and user charges including targeted rates for water supply	4,597	4,397	4,537
<b>Total revenue from exchange transactions</b>	<b>4,597</b>	<b>4,397</b>	<b>4,537</b>
<b>Revenue from non-exchange transactions</b>			
Development contributions	579	437	793
Subsidies and grants	10,090	5,168	7,819
Interest revenue	836	431	899
Other revenue	1,204	889	2,407
Rates	39,895	40,468	32,987
Vested assets	1,967	-	3
<b>Total revenue from non-exchange transactions</b>	<b>54,571</b>	<b>47,393</b>	<b>44,908</b>
<b>Total revenue</b>	<b>59,168</b>	<b>51,790</b>	<b>49,445</b>



#### 4. Rates revenue

	Actual 2024 \$000s	Actual 2023 \$000s
<b>4. Rates Revenue</b>		
<b>General Rates</b>	<b>27,062</b>	<b>22,608</b>
<b>Targeted rates attributable to activities</b>		
Water	3,679	3,212
Wastewater	6,948	5,287
Stormwater	934	667
Solid waste	1,883	1,683
Business Promotion	171	187
Public Halls	55	51
District Governance	39	21
Less rates charged to Council Properties	(876)	(729)
<b>Total rates, excluding targeted water supply rates</b>	<b>39,895</b>	<b>32,987</b>

Councils' rates policy allows Council to remit rates on churches, marae, play centres, schools and other community or sporting organisations. There are also remissions on protected land or in certain cases where land is being commercial developed.

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

The amount of rates written off for the financial year ending 30 June 2024 was \$4,962.

#### 5. Grants and subsidies

	Actual 2024 \$000s	Actual 2023 \$000s
<b>5 - GRANTS AND SUBSIDIES</b>		
New Zealand Transport Agency Rooding subsidies	7,660	6,225
National Waste Levy	455	267
Sundry other	1,975	1,327
<b>Total subsidies and grants</b>	<b>10,090</b>	<b>7,819</b>

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

#### 6. Finance income and finance costs

	Actual 2024 \$000s	Actual 2023 \$000s
<b>6 - FINANCE INCOME AND FINANCE COSTS</b>		
Finance Income		
Interest Income		
- Call account	473	243
- Gain/(loss) on interest rate swap	157	656
- Realised gain/(loss) on investment	206	-
<b>Total Finance Income</b>	<b>836</b>	<b>899</b>
Finance Cost		
- Interest on bank borrowings	2,604	1,773
<b>Total Finance Costs</b>	<b>2,604</b>	<b>1,773</b>

#### 7. Other revenue

	Actual 2024 \$000s	Actual 2023 \$000s
<b>7 - OTHER REVENUE</b>		
Petrol tax	195	174
Vested assets	1,967	3
Rates penalties	527	458
Other	482	1,775
<b>Total other revenue</b>	<b>3,171</b>	<b>2,410</b>

## 8. Employee benefit expenses

### Defined benefit retirement leave provision

At the time of retirement from the Council, including early retirement on medical grounds, every employee who has completed not less than ten years current continuous service will be entitled to retirement leave.

The amount of the leave entitlement payable will be calculated at the rate of one weeks leave for each year of current continuous service, with a maximum of 26 weeks.

Any employee who was appointed to the staff of Council after December 31, 1989, will not be entitled to any retirement leave.

If any eligible employee dies whilst in the service of the Council, the Council will pay in lieu to his or her estate.

No retirement leave entitlement will accrue to an employee who resigns, is dismissed or made redundant.

8 - EMPLOYEE BENEFIT EXPENSES	Actual 2024 \$000s	Actual 2023 \$000s
The principal assumptions used for the purpose of the actuarial valuations were as follows:		
Discount rate	4.25%-5.30%	4.19%-5.43%
Expected rate of salary increase	3.0%	4.3%
Retirement age for all employees	65	65
Amounts recognised in the balance sheet in respect of the defined benefit retirement plan are as follows:		
Present value of unfunded obligation	53	51
<b>Net liability recognised in the balance sheet</b>	<b>53</b>	<b>51</b>
Comprising:		
Current	4	4
Non-current	49	47
<b>Total employee benefit obligations</b>	<b>53</b>	<b>51</b>
Amounts recognised in the income statement in respect of the defined benefit retirement plan are as follows:		
Current service cost	4	(2)
Interest cost	3	6
Actuarial gains/(losses)	(7)	(4)
<b>Total</b>	<b>-</b>	<b>-</b>
The charge for the year is included in the employee benefits expense in the income statement.		
Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	(51)	(131)
Current service cost	4	(2)
Interest cost	3	6
Actuarial gains/(losses )	(7)	(4)
Less: benefits paid	(2)	80
<b>Closing defined benefit obligation</b>	<b>(53)</b>	<b>(51)</b>

### Long service compensated leave.

Every employee who has completed a period of 15, 20, and 25 years current continuous service who was employed prior to 1 April 1992 is entitled to a special holiday of two weeks, three weeks and four weeks respectively.

Every employee who was employed on or after 1 July 2003 who is under coverage of the Officers (Public Service Association) Collective Employment Agreement and who has completed a period of 10, 15 and 20 years current continuous service will be entitled to a special holiday of one week at each of those anniversaries. This clause will not apply to employees who have, or will, become entitled in terms of the previous clause.

### Severance payments

During the year to 30 June 2024 there were three severance payments totalling \$62,000 made to employees of the South Waikato District Council. In addition, there were five payments made totalling \$39,000 relating to previous years which were settled in the current year. Total severance payments made of \$101,000 (2023: \$77,000).

	Actual 2024 \$000s	Actual 2023 \$000s
<b>8 - EMPLOYEE BENEFIT EXPENSES</b>		
<b>Defined Benefit Long Service Leave Provision</b>		
The present value of long service compensated leave	35	35
Comprising:		
Current	4	3
Non-current	31	32
<b>Total employee benefit obligations</b>	<b>35</b>	<b>35</b>
Amounts recognised in the profit or loss in respect of Council's long service compensated leave and salaries are as follows:		
Salaries	15,161	13,828
Current service cost	2	2
Interest cost	1	1
Actuarial (gains)/ losses	(3)	(3)
Past service cost	-	-
<b>Total</b>	<b>15,161</b>	<b>13,828</b>
The charge for the year is included in the employee benefits expense in the profit or loss.		
Changes in the present value of long service compensated leave are as follows:		
<b>Opening long service compensated leave obligation</b>	<b>(35)</b>	<b>(35)</b>
Current service cost	2	2
Interest cost	1	1
Past service cost	-	-
Less: benefits paid	-	-
Actuarial (gains)/losses	(3)	(3)
<b>Closing long service compensated leave obligation</b>	<b>(35)</b>	<b>(35)</b>
<b>Total employee benefits expense recognised in the profit or loss</b>	15,161	13,828
<b>Current portion of employee benefit obligations recognised in the balance sheet.</b>	1,632	1,391
<b>Non-current portion of employee benefit obligations recognised in the balance sheet.</b>	303	233

## 9. Other expenses

<b>9 -OTHER EXPENSES</b>	<b>Actual 2024 \$000s</b>	<b>Actual 2023 \$000s</b>
Audit Fees-audit of financial statements	227	203
Audit Fees - Trustee reporting	8	8
Audit Fees - LTP	107	-
Audit Fees - LTP Amendment	-	54
Impairment of receivables	-	17
Rates Remissions	197	157
Councillors Remuneration (including meeting allowances)	615	574
Insurance	756	577
Subscriptions, fees and contribution to other organisations	280	302
Legal and settlement fees	173	165
Donations and grants	132	255
Economic and Community fund grants	858	874
Community contracts	-	-
Inventories consumed	(1)	(1)
Losses on disposal of property, plant and equipment	196	(133)
Repairs and maintenance	7,655	7,705
Energy	1,665	1,719
Other operating expenses	15,698	16,136
<b>Total other expenses</b>	<b>28,566</b>	<b>28,612</b>

## 10. Cash and cash equivalents

The carrying amount of short-term deposits with maturity dates of three months or less approximates their fair value. The weighted average effective interest rate for cash and cash equivalents is 5.3% (2023: 1%).

Cash investments in restricted reserves represents the cash portion of the value of the Asset Replacement Reserves invested by the BNZ Private Bank.

<b>10 - CASH AND CASH EQUIVALENTS</b>	<b>Actual 2024 \$000s</b>	<b>Actual 2023 \$000s</b>
Cash at bank and in hand	4	2
Cash investments in Restricted reserves	819	1,098
Call account balances	8,351	7,292
<b>Total cash and cash equivalents</b>	<b>9,174</b>	<b>8,392</b>

## 11. Trade and other receivables

### Rates receivable

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

Ratepayers can apply for payment plan options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value of future payments if the effect of discounting is material. The carrying amount of trade and other receivables approximates their fair value.

The Chief Executive approved the write-off of rates receivable during the year under the LG(R)A 2002 as follows:

- Section 90A: \$Nil (2023: Nil)
- Section 90B: \$Nil (2023: Nil)

### Other receivables

The ECL rates for other receivables at 30 June 2024 are based on the payment profile of revenue on credit over the prior two years at the measurement date and the corresponding historical credit losses experienced for that period. The historical loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the expected recoverability of receivables. Given the short period of credit risk exposure, the effects of macroeconomic factors are not considered significant.

11- TRADE AND OTHER RECEIVABLES	Actual 2024 \$000s	Actual 2023 \$000s
Rates receivable	3,590	2,926
Metered water	47	98
Sundry debtors	1,707	1,541
Prepayments	186	92
Accrued revenue	399	789
	<b>5,929</b>	<b>5,446</b>
Less: allowance for expected credit losses	199	179
<b>Total trade and other receivables</b>	<b>5,730</b>	<b>5,267</b>
Receivables from non-exchange transactions include outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates	4,512	3,839
Receivables from exchange transactions include outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates	1,218	1,428
	<b>Actual</b>	<b>Actual</b>
The age of rates receivables overdue but not impaired are as follows:	<b>2024</b>	<b>2023</b>
	<b>\$000s</b>	<b>\$000s</b>
Arrears (> 1 year)	1,522	1,380
Current (< 1 year)	1,683	1,209
Penalties	385	337
<b>Carrying amount</b>	<b>3,590</b>	<b>2,926</b>
Movements in the allowance for expected credit losses are as follows:		
At 1 July	179	149
Increase/(decrease) in provisions made during the year	20	30
Receivables written off during the year	-	-
<b>At 30 June</b>	<b>199</b>	<b>179</b>

## 12. Inventories

12 - INVENTORIES	Actual 2024 \$000s	Actual 2023 \$000s
Reticulation repairs stock	104	106
<b>Total</b>	<b>104</b>	<b>106</b>

## 13. Other financial assets

13 - OTHER FINANCIAL ASSETS	Actual 2024 \$000s	Actual 2023 \$000s
<b>Current portion</b>		
<i>Financial assets at amortised cost</i>		
Heat Swap paying providers	218	266
<b>Total current portion</b>	<b>218</b>	<b>266</b>
<b>Non-Current portion</b>		
<i>Financial assets at FVTOCRE</i>		
Corporate bonds, deposits and other fixed interests	5,794	7,845
Overseas share portfolio	8,449	11,817
Shared Valuation Database Systems	43	43
Civic Financial Services Limited	39	42
<i>Financial assets at amortised cost</i>		
Heat Swap paying providers	864	1,082
<b>Total non-current portion</b>	<b>15,189</b>	<b>20,829</b>

### Fair value

The fair value of financial assets at amortised cost has been determined using cash flows discounted at a rate based on the South Waikato District Council's borrowing rates 2024 Nil (2023: Nil). The fair value approximates the carry amount stated above.

The shares in Civic Financial Services Limited, and Shared Valuation Database Systems are unlisted. The fair value of these unlisted shares has not been disclosed for these instruments because their fair value cannot be measured reliably. It cannot be reliably measured due to a lack of an active market and a lack of appropriate cashflow projection information for Civic Financial Services Limited. Shared Valuation Database Systems shares cannot be reliably measured due to the lack of an active market and reliable revenue stream information. Council does not intend to dispose of the unlisted shares. If they were disposed they would be converted to cash.

### Impairment

No impairment provisions were made for other financial assets.

## 14. Non-Current assets held for sale

Council has approved the sale of these properties and they are currently available for sale and being actively marketed. The completion date of the properties listed under current is expected to be 30 June 2025.

The accumulated property revaluation reserve recognised in equity for these properties at 30 June 2024 is \$1,864,335 (2023: \$91,425).

14 - Non-Current assets held for sale	Actual 2024 \$000s	Actual 2023 \$000s
<b>Non-current</b>		
42-52 Logan Street Tokoroa	913	914
15 - 19 Maraetai Road, Tokoroa	2,689	968
21 Maraetai Road, Tokoroa	63	23
15-19 Braeside Avenue Tokoroa	1,923	-
Lots 1-11 Pukerimu Place Tokoroa	204	-
<b>Total assets held for sale</b>	<b>5,792</b>	<b>1,905</b>

## 15a. Property, plant and equipment

15a. PROPERTY, PLANT AND EQUIPMENT	Cost/Revaluation 1 July 2023	Accumulated Depreciation and Impairment Charges	Carrying Amount 1 July 2023	Current Year Additions	Vested Assets	Current Year Disposals	Revaluation Surplus	Current Year Depreciation	Depreciation Write offs on Disposals	Cost/Revaluation 30 June 2024	Accumulated Depreciation and Impairment Charges 30 June 2024	Carrying Amount 30 June 2024
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Asset Class</b>												
<b>Operational assets</b>												
<i>Heritage assets</i>	145	-	145	-	-	-	-	-	-	145	-	145
Library collection	842	(440)	402	114	-	(195)	-	(113)	190	761	(363)	398
Buildings	28,276	(2,140)	26,136	174	-	-	4,738	(412)	1,415	33,188	(1,137)	32,051
Furniture & fittings	3,070	(1,994)	1,076	484	-	-	-	(256)	-	3,554	(2,250)	1,304
Equipment	6,519	(6,000)	519	363	-	(74)	-	(335)	74	6,808	(6,261)	547
Land	8,033	(6)	8,027	-	-	(22)	536	-	-	8,547	(6)	8,541
Motor vehicles	1,720	(895)	825	488	-	(173)	-	(190)	118	2,035	(967)	1,068
Other major plant	1,522	(629)	893	112	-	-	-	(164)	-	1,634	(793)	841
<b>Total operational assets</b>	<b>50,127</b>	<b>(12,104)</b>	<b>38,023</b>	<b>1,735</b>	<b>-</b>	<b>(464)</b>	<b>5,274</b>	<b>(1,470)</b>	<b>1,797</b>	<b>56,672</b>	<b>(11,777)</b>	<b>44,895</b>
<b>Infrastructural assets</b>												
Bridges	9,982	(1,296)	8,686	-	-	-	-	(262)	-	9,982	(1,558)	8,424
Culverts	14,368	(1,067)	13,301	207	-	-	-	(359)	-	14,575	(1,426)	13,149
Buildings	4,968	(453)	4,515	2,568	-	-	679	(110)	257	8,215	(306)	7,909
Land	6,682	-	6,682	-	-	(86)	(267)	-	-	6,329	-	6,329
Landfill	7,380	(2,941)	4,439	-	-	-	(1,167)	(121)	94	6,213	(2,968)	3,245
Pipes	13	(3)	10	-	-	-	-	-	-	13	(3)	10
Pumps	267	(267)	-	-	-	-	-	-	-	267	(267)	-
Roads and footpaths	326,855	(16,217)	310,638	2,882	-	(1,995)	-	(4,780)	1,674	327,742	(19,323)	308,419
Sewerage Treatment plant and facilities	27,464	(4,007)	23,457	78	-	(27)	-	(910)	20	27,515	(4,897)	22,618
Sewerage Other (includes reticulation)	31,176	(4,521)	26,655	-	-	-	-	(1,106)	-	31,176	(5,627)	25,549
Street furniture	751	(614)	137	-	-	-	-	(12)	-	751	(626)	125
Streetlights	6,251	(1,262)	4,989	241	-	-	-	(273)	-	6,492	(1,535)	4,957
Stormwater system	42,871	(3,905)	38,966	316	-	(41)	-	(927)	25	43,146	(4,807)	38,339
Water Treatment plant and facilities	8,480	(2,148)	6,332	-	-	(16)	-	(273)	9	8,464	(2,412)	6,052
Water Other (includes reticulation)	30,769	(4,629)	26,140	630	-	(125)	-	(871)	102	31,274	(5,398)	25,876
<b>Total infrastructural assets</b>	<b>518,277</b>	<b>(43,330)</b>	<b>474,947</b>	<b>6,922</b>	<b>-</b>	<b>(2,290)</b>	<b>(755)</b>	<b>(10,004)</b>	<b>2,181</b>	<b>522,154</b>	<b>(51,153)</b>	<b>471,001</b>
<b>Restricted assets</b>												
Parks & reserves	8,405	(1,785)	6,620	1,362	44	(567)	2,008	(544)	1,329	11,252	(1,000)	10,252
Restricted buildings	3,490	(297)	3,193	-	-	-	662	(45)	167	4,152	(175)	3,977
Restricted land	38,816	(5)	38,811	-	-	(204)	(2,481)	-	-	36,131	(5)	36,126
<b>Total restricted assets</b>	<b>50,711</b>	<b>(2,087)</b>	<b>48,624</b>	<b>1,362</b>	<b>44</b>	<b>(771)</b>	<b>189</b>	<b>(589)</b>	<b>1,496</b>	<b>51,535</b>	<b>(1,180)</b>	<b>50,355</b>
Capital work in progress	28,562	-	28,562	15,391	-	(7,500)	-	-	-	36,453	-	36,453
<b>Total All Assets</b>	<b>647,677</b>	<b>(57,521)</b>	<b>590,156</b>	<b>25,410</b>	<b>44</b>	<b>(11,025)</b>	<b>4,708</b>	<b>(12,063)</b>	<b>5,474</b>	<b>666,814</b>	<b>(64,110)</b>	<b>602,704</b>



15a. Property, plant and equipment continued

15a. PROPERTY, PLANT AND EQUIPMENT	Cost/Revaluation 1 July 2022	Accumulated Depreciation and Impairment Charges	Carrying Amount 1 July 2022	Current Year Additions	Vested Assets	Current Year Disposals	Revaluation Surplus	Current Year Depreciation	Depreciation Write offs on Disposals	Cost/Revaluation 30 June 2023	Accumulated Depreciation and Impairment Charges 30 June 2023	Carrying Amount 30 June 2023
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Asset Class</b>												
<b>Operational assets</b>												
<i>Heritage assets</i>	145	-	145	-	-	-	-	-	-	145	-	145
Library collection	732	(336)	396	118	-	(8)	-	(111)	7	842	(440)	402
Buildings	28,276	(1,621)	26,655	-	-	-	-	(519)	-	28,276	(2,140)	26,136
Furniture & fittings	3,062	(1,788)	1,274	8	-	-	-	(206)	-	3,070	(1,994)	1,076
Equipment	6,234	(5,676)	558	285	-	-	-	(324)	-	6,519	(6,000)	519
Land	9,024	(6)	9,018	-	-	(991)	-	-	-	8,033	(6)	8,027
Motor vehicles	1,581	(900)	681	366	-	(227)	-	(142)	147	1,720	(895)	825
Other major plant	1,522	(500)	1,022	-	-	-	-	(129)	-	1,522	(629)	893
<b>Total operational assets</b>	<b>50,576</b>	<b>(10,827)</b>	<b>39,749</b>	<b>777</b>	<b>-</b>	<b>(1,226)</b>	<b>-</b>	<b>(1,431)</b>	<b>154</b>	<b>50,127</b>	<b>(12,104)</b>	<b>38,023</b>
<b>Infrastructural assets</b>												
Bridges	10,492	(1,049)	9,443	-	-	-	(510)	(247)	-	9,982	(1,296)	8,686
Culverts	13,970	(848)	13,122	412	-	-	(14)	(219)	-	14,368	(1,067)	13,301
Buildings	4,656	(355)	4,301	312	-	-	-	(98)	-	4,968	(453)	4,515
Land	6,682	-	6,682	-	-	-	-	-	-	6,682	-	6,682
Landfill	4,238	(2,811)	1,427	3,141	-	1	-	(129)	(1)	7,380	(2,941)	4,439
Pipes	13	(3)	10	-	-	-	-	-	-	13	(3)	10
Pumps	267	(267)	-	-	-	-	-	-	-	267	(267)	-
Roads and footpaths	316,563	(12,054)	304,509	4,156	-	(482)	6,618	(4,566)	403	326,855	(16,217)	310,638
Sewerage Treatment plant and facilities	27,181	(3,072)	24,109	283	-	-	-	(935)	-	27,464	(4,007)	23,457
Sewerage Other (includes reticulation)	31,094	(3,414)	27,680	90	-	(8)	-	(1,107)	-	31,176	(4,521)	26,655
Street furniture	654	(588)	66	26	-	-	71	(26)	-	751	(614)	137
Streetlights	5,914	(995)	4,919	135	-	-	202	(267)	-	6,251	(1,262)	4,989
Stormwater system	42,853	(2,981)	39,872	27	-	(9)	-	(924)	-	42,871	(3,905)	38,966
Water Treatment plant and facilities	8,394	(1,781)	6,613	86	-	-	-	(367)	-	8,480	(2,148)	6,332
Water Other (includes reticulation)	30,220	(3,757)	26,463	700	-	(151)	-	(872)	-	30,769	(4,629)	26,140
<b>Total infrastructural assets</b>	<b>503,191</b>	<b>(33,975)</b>	<b>469,216</b>	<b>9,368</b>	<b>-</b>	<b>(649)</b>	<b>6,367</b>	<b>(9,757)</b>	<b>402</b>	<b>518,277</b>	<b>(43,330)</b>	<b>474,947</b>
<b>Restricted assets</b>												
Parks & reserves	7,037	(1,438)	5,599	1,503	-	(135)	-	(448)	101	8,405	(1,785)	6,620
Restricted buildings	3,480	(236)	3,244	13	-	(3)	-	(61)	-	3,490	(297)	3,193
Restricted land	38,816	(5)	38,811	-	-	-	-	-	-	38,816	(5)	38,811
<b>Total restricted assets</b>	<b>49,333</b>	<b>(1,679)</b>	<b>47,654</b>	<b>1,516</b>	<b>-</b>	<b>(138)</b>	<b>-</b>	<b>(509)</b>	<b>101</b>	<b>50,711</b>	<b>(2,087)</b>	<b>48,624</b>
Capital work in progress	27,805	-	27,805	9,274	-	(8,517)	-	-	-	28,562	-	28,562
<b>Total All Assets</b>	<b>630,905</b>	<b>(46,481)</b>	<b>584,424</b>	<b>20,935</b>	<b>-</b>	<b>(10,530)</b>	<b>6,367</b>	<b>(11,697)</b>	<b>657</b>	<b>647,677</b>	<b>(57,521)</b>	<b>590,156</b>

## 15b. Depreciation and amortisation by group of activity

The net carrying amount of property, plant and equipment held under a finance lease is \$Nil; (2023 \$Nil). No impairment losses have been recognised in infrastructural assets due to damage or rapid wear and tear. No compensation has been received from insurance claims for damage to motor vehicles and equipment (2023 \$Nil).

The closing balance of the revaluation reserve is \$407,783,000 (2023 \$398,659,000).

15b - DEPRECIATION AND AMORTISATION BY GROUP OF ACTIVITY	Actual	Actual
	2024	2023
	\$000s	\$000s
Transport and roading	5,681	5,320
Recreation and facilities	1,790	1,682
Water supply	1,144	1,241
Stormwater	927	924
Wastewater	2,030	2,055
Solid waste and recycling	203	216
Regulatory	5	5
Environment - emergency management	34	35
Governance and corporate	653	248
<b>Total</b>	<b>12,467</b>	<b>11,726</b>

## Depreciation expense by group of activity

15b - Network infrastructure Depreciation expense by group of activity	Most recent estimate of replacement cost \$000s	Date of estimate
Roads and Footpaths	493,234	30/06/2023
Wastewater - Treatment plant and facilities	37,863	30/06/2022
Wastewater - Other	87,104	30/06/2022
Water Systems - Treatment plant and facilities	14,981	30/06/2022
Water Systems - Other	74,542	30/06/2022
Stormwater system	83,242	30/06/2022

## 16. Intangible assets

The intangible assets included above have finite useful lives of between 2- 4 years, over which the assets are amortised. These assets are amortised on a straight-line basis. The amortisation charge for the year is included in the depreciation and amortisation expense line of the Statement of Comprehensive Revenue and Expense.

16 - INTANGIBLE ASSETS	Actual 2024 \$000s	Actual 2023 \$000s
<b>Computer Software</b>		
Cost	2,645	2,645
Accumulated amortisation and impairment	(2,639)	(2,628)
Opening carrying amount	6	17
Additions/(disposals)	962	-
Additional assets classified as intangible assets	-	-
Accumulated amortisation charge on additional assets	-	-
Amortisation charge	(391)	(11)
<b>Closing carrying amount</b>	<b>577</b>	<b>6</b>

## 17. Trade and other payables

Trade and other payables are non-interest bearing and are normally settled on the 20th of the following month basis. Therefore, the carrying amount of trade and other payables approximates their fair value. Furthermore, the carrying amount of trust accounts approximates their fair value.

<b>17 - TRADE AND OTHER PAYABLES</b>	<b>Actual 2024 \$000s</b>	<b>Actual 2023 \$000s</b>
Sundry Creditors	3,890	5,359
Accrued expenses	3,079	938
Income received in advance	2,392	2,193
<b>Total</b>	<b>9,361</b>	<b>8,490</b>
Payables and deferred revenue under non-exchange transactions	2,192	2,197
Payables and deferred revenue under exchange transactions	7,169	6,293

## 18. Landfill provisions

Council is responsible for three closed landfill sites – Tīrau, Putāruru and Tokoroa.

The cash outflows for landfill post-closure costs are expected to occur until 2050. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred.

The future cash outflows have been estimated, taking into account, existing technology and known changes to legal requirements.

An annual inflation factor ranging from 2.00% to 2.32% (2023: 1.93% to 3.36%) has been applied in estimating the future cash outflows. Discount rates ranging from 4.25% to 5.36% (2023: 4.19% to 5.43%) have been used to discount the estimated future cash outflows.

The pre discounting and pre inflation provision is \$829,000 (2023: \$833,000)

<b>18 LANDFILL PROVISIONS</b>	<b>Actual 2024 \$000s</b>	<b>Actual 2023 \$000s</b>
Opening balance	610	687
Additional provision made during the year	33	(19)
Amounts used during the year	(43)	(34)
Unused amount reversed during the year	-	(4)
Discount unwinding	1	(20)
<b>Total landfill provision</b>	<b>601</b>	<b>610</b>
Presented by:		
Current provision	38	37
Non-current provision	563	573
<b>Total landfill provision</b>	<b>601</b>	<b>610</b>

## 19. Employee benefit liabilities

<b>19 EMPLOYEE BENEFIT LIABILITIES</b>	<b>Actual 2024 \$000s</b>	<b>Actual 2023 \$000s</b>
Accrued pay	586	513
Annual Leave	1,110	925
Long service leave	35	35
Retirement gratuities	53	51
Sick leave	151	100
<b>Total employee benefit liabilities</b>	<b>1,935</b>	<b>1,624</b>
Comprising		
Current	1,632	1,391
Non-current	303	233
<b>Total employee benefit liabilities</b>	<b>1,935</b>	<b>1,624</b>

## 20. Borrowings

### Interest terms for secured loans

Council has \$10 million of its total debt of \$44 million issued at fixed rates of interest (2023 \$10 million of \$44 million). The remainder of Council's secured loans are issued at floating rates of interest. For floating rate "debt, the interest rate is reset quarterly based on the 90-day bank bill rate plus a margin for credit risk."

### Security

Council's secured loans have been issued in accordance with the Local Government Act 2002. The loans are secured through the debenture trust deed over all rates.

### Fair values

The carrying amounts of borrowings repayable within one year approximate their fair value as the effect of discounting is not significant. Due to interest rates on debt resetting to the market rate every three months, the carrying amounts of the majority of secured loans approximates their fair value.

<b>20 BORROWINGS</b>	<b>Actual 2024 \$000s</b>	<b>Actual 2023 \$000s</b>
Current portion	6,000	6,000
Non-current portion	38,000	38,000
<b>Total borrowings</b>	<b>44,000</b>	<b>44,000</b>

## 21. Equity

<b>21 - EQUITY</b>	<b>Actual 2024 \$000s</b>	<b>Actual 2023 \$000s</b>
<b>Retained earnings</b>		
Opening Balance	158,961	161,135
Net surplus/(deficit) for the year	370	(6,494)
<i>Transfers (to)/from:</i>	-	-
Property Revaluation Reserves	21	(63)
Restricted Reserves	13,180	3,734
Council Created Reserves	(2,472)	649
<b>Closing balance</b>	<b>170,060</b>	<b>158,961</b>
<b>Other Reserves</b>		
<b>Asset Replacement and Restricted Reserves</b>		
Opening Balance	13,180	16,914
Transfers to General Equity	7,155	3,172
Transfers from General Equity	(20,335)	(6,906)
<b>Closing balance</b>	<b>-</b>	<b>13,180</b>
<b>Council Created Reserves</b>		
Opening Balance	(1,608)	(959)
Transfers to General Equity	6,245	(266)
Transfers from General Equity	(3,773)	(383)
<b>Closing balance</b>	<b>864</b>	<b>(1,608)</b>
<b>Property Revaluation Reserves</b>		
Opening Balance as previously reported	398,659	392,308
Increase/(decrease) in revaluation	9,145	6,288
Transfers to retained earnings on disposal	(21)	63
<b>Closing balance</b>	<b>407,783</b>	<b>398,659</b>
<i>Represented by:</i>		
Land ( Restricted)	27,226	30,026
Land ( Operational)	8,076	5,658
Buildings (Infrastructural)	887	1,025
Buildings (Operational)	19,550	13,523
Building (Restricted)	1,717	889
Parks and Reserves	5,804	3,014
Roading	260,828	260,828
Sewerage	28,560	28,560
Stormwater	28,463	28,463
Water	26,672	26,673
	<b>407,783</b>	<b>398,659</b>
<b>Investment Revaluation Reserve</b>		
Opening Balance	4,927	3,325
Valuation gains/(losses) taken to equity	1,131	1,602
<b>Closing balance</b>	<b>6,058</b>	<b>4,927</b>
<b>Total other reserves</b>	<b>414,705</b>	<b>415,158</b>

## 21a. Reserve movements

21a - RESERVE MOVEMENTS	Actual	Transfers in \$000s	Transfers out \$000s	Actual
	1 July			30 June
	2023			2024
	\$000s			\$000s
<b>Council Created Reserves</b>				
Pensioner Housing	(1,167)	1,450	(283)	-
South Waikato Economic Development Fund	172	26	(198)	-
Roading reserve extra NZTA subsidy	400	-	(400)	-
SW Economic Develop Trust	-	-	-	-
Riverside access	475	72	-	547
Financial contributions - reserves	165	30	(195)	-
Financial contributions - roading	681	275	(956)	-
National waste levy	129	347	(159)	317
Financial contributions - stormwater	2	-	(2)	-
Financial contributions - water	4	27	(31)	-
Financial contributions - wastewater	38	43	(81)	-
Mayoral grants reserve	51	-	(51)	-
Forestry/Airport reserve	699	106	(805)	-
Land purchase reserve	(2,902)	3,348	(446)	-
Whakamaru Forestry Reseve	47	-	(47)	-
Solidwaste ringfencing	(519)	519	-	-
Murray Kivell Scholarship	9	-	(9)	-
Digital Hub Reserve	32	-	(32)	-
Cougar Park Grants	63	-	(63)	-
Ex South Waikato Music Society	13	2	(15)	-
<b>Total Council Created Reserves</b>	<b>(1,608)</b>	<b>6,245</b>	<b>(3,773)</b>	<b>864</b>

### Purpose of reserves

- Pensioner housing: Manage the surpluses and deficits from the pensioner housing activity, when more or less rental is collected than is required to fund the annual expenditure of the pensioner houses.
- SWDC asset purchase: Hold the proceeds from the sale of assets until they are applied to purchase other assets.

- South Waikato Economic Development Fund: Council expressed in its Long Term Plan 2006-2016 that Council would take a leadership decision to establish a South Waikato Development Fund of \$4.5 million. The fund would support developments that the community considered are needed across the district. It was specifically established to develop facilities and amenities of strategic value to the district that would otherwise require financing through rate funding; enhance local employment opportunities and economic growth; and attract and retain residents by making the district a more desirable place to live.
- Roothing reserve extra NZTA Subsidy: This reserve was created from additional subsidy provided from NZTA as a result of the change in the subsidy rates. The reserve will be used to fund part of the roading programme in future years.
- SW Economic Development Trust: This reserve is committed to fund trade training initiatives.
- Riverside access: Manage sale of proceeds from certain stopped roads. This is to be used for opening up areas to public access in the South Waikato district.
- Financial contributions: To manage financial contributions levied from the development of subdivisions until this funding is used for the development of related activities.
- National waste levy: Manage the funds received from government relating to the national waste levy levied.
- Mayoral grants reserve: If the mayoral and community development grants are not spent, they will be transferred to this reserve to be available in the following year at the mayor's discretion.
- Forestry / Airport reserve: To ring fence the proceeds of the sale of harvested logs near the airport to be used in the future to fund the replacement of the runway and maintenance of the planted forest.

## 21a. Reserve movements continued

21a - RESERVE MOVEMENTS	Actual	Transfers in \$000s	Transfers out \$000s	Actual
	1 July			30 June
	2023			2024
	\$000s			\$000s
<b>Restricted Reserves</b>				
Water	460	823	(1,283)	-
Wastewater	214	593	(807)	-
Stormwater	(359)	496	(137)	-
Refuse collection	(398)	487	(89)	-
Upper Atiamuri Hall	(26)	27	(1)	-
Puketurua Hall	8	1	(9)	-
Waotu Hall	(6)	7	(1)	-
Lichfield Hall	8	2	(10)	-
Arapuni Hall	(4)	8	(4)	-
Tapapa Hall	19	3	(22)	-
Piarere Hall	1	-	(1)	-
Tirau Community Board	8	18	(26)	-
Tokoroa CBD	146	27	(173)	-
Putāruru Promotion (CCTV)	70	23	(93)	-
Putāruru CBD	20	5	(25)	-
District Recycling	(355)	355	-	-
Tirau CCTV	19	96	(115)	-
<b>Total Restricted Reserves</b>	<b>(175)</b>	<b>2,971</b>	<b>(2,796)</b>	<b>-</b>

### Purpose of reserves

- Land purchase reserve: To ring fence the loan costs from the purchase of strategic land. When this land is sold, the proceeds will be applied against this reserve.
- Whakamaru Forestry reserve: To ring fence the proceeds of the sale of trees from the Whakamaru reserve to be used in the future at the reserve.

- Solid Waste ringfencing: The Tokoroa landfill was closed in October 2020. The increased fees which were applied from 1 March 2019 were to fund additional operating costs from 1 March to its closure. This reserve is being used to ring fence the costs associated with the costs and revenues of the closed Tokoroa landfill and Tokoroa Transfer Station over the next 3 financial years.
- Murray Kivell scholarship: This reserve is to recognise the gift of \$10,000 from Murray Kivell, who was a nationally respected and sought after resource management planner that worked with the South Waikato District Council for over 25 years. This reserve will be used for staff training purposes to further environmental sustainability knowledge, sustainable management practices and environmental management in the South Waikato.
- Digital Hub reserve: This reserve is as a result of funds received from the South Waikato Investment Funds Trust as their contribution towards the Digital Hub project. This reserve will be used to co-fund the project that the South Waikato District Council is managing.
- Restricted (targeted rate) reserves: Targeted rate reserves are used to manage the surpluses and deficits of specific targeted activities such as water, stormwater, wastewater and halls that arise when more or less rates revenue is collected to fund the annual expenditure of that activity. This ensures that rates collected from a certain group of targeted rate payers can only be used for the benefit of that group.
- Asset replacement reserves: These accumulate funds from rates and are used for the future capital funding for the replacement of assets. Each major activity group e.g., water, roading, wastewater, storm water, solid waste, has their own depreciation reserve so that the funds from each can be applied to the appropriate activity's capital expenditure.
- Asset replacement reserve – general rating activities: This reserve accumulates funded depreciation and is used to fund replacement capital expenditure for general rated activities.

## 21a. Reserve movements continued

21a - RESERVE MOVEMENTS	Actual	Transfers in	Transfers out	Actual
	1 July 2023 \$000s			30 June 2024 \$000s
<b>Asset Replacement Reserves</b>				
General	34	105	(139)	-
Water	2,372	632	(3,004)	-
Wastewater	3,788	1,123	(4,911)	-
Stormwater	5,862	4	(5,866)	-
Refuse disposal	(86)	86	-	-
The Plaza	(12)	12	-	-
Vehicles	54	406	(460)	-
Toilets	(77)	77	-	-
Sport and events centre	779	62	(841)	-
Sportsgrounds	(120)	530	(410)	-
Parks and reserves	(215)	583	(368)	-
Cemeteries	(36)	91	(55)	-
Libraries	(42)	42	-	-
Pools	(70)	74	(4)	-
Bridges	487	-	(487)	-
General properties	(129)	357	(228)	-
Trade training centre	-	-	-	-
Putāruru CCTV	46	-	(46)	-
Tokoroa CCTV	25	-	(25)	-
Information Services	520	-	(520)	-
District Recycling	175	-	(175)	-
<b>Total Asset Replacement Reserves</b>	<b>13,355</b>	<b>4,184</b>	<b>(17,539)</b>	<b>-</b>
<b>Total Asset Replacement and Restricted Reserves</b>	<b>13,180</b>	<b>7,155</b>	<b>(20,335)</b>	<b>-</b>

## 22. Reconciliation of net cashflows from operating activities to net surplus

22a Reconciliation of net cash flows from operating activities to net surplus	Actual	Actual
	2024 \$000s	2023 \$000s
<b>Net surplus / (deficit)</b>	<b>370</b>	<b>(6,494)</b>
<i>Add /(deduct) non-cash items</i>		
Depreciation and amortisation of plant, property and equipment	12,467	11,726
Assets vested in Council	(1,967)	(3)
Loss on sale of property, plant and equipment	196	(133)
<i>Add /(deduct) movements in working capital items</i>		
Trade and other receivables	(463)	(573)
Trade and other payables	871	(250)
Inventories	2	(2)
Trust accounts	-	-
Employee benefits	311	(31)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>11,787</b>	<b>4,240</b>



## 22b. Reconciliation of liabilities arising from financing activities

22b Reconciliation of liabilities arising from financing activities	Actual \$000s
<b>2023</b>	
<b>Opening balance</b>	
Current borrowings	5,000
Non-current borrowings	34,000
<b>Total opening balance</b>	<b>39,000</b>
<b>Cashflow movements - current</b>	
Repayment of borrowings - current	(5,000)
New borrowings	10,000
Cashflow movements – non-current	-
New borrowings	-
<b>Total cash movements</b>	<b>5,000</b>
Non cashflow movements	-
<b>Total movements</b>	<b>5,000</b>
<b>Closing balance</b>	
Current borrowings	6,000
Non-current borrowings	38,000
<b>Total closing balance</b>	<b>44,000</b>
<b>2024</b>	
<b>Opening balance</b>	
Current borrowings	6,000
Non-current borrowings	38,000
<b>Total opening balance</b>	<b>44,000</b>
<b>Cashflow movements - current</b>	
Repayment of borrowings - current	(6,000)
New borrowings	6,000
Cashflow movements – non-current	-
New borrowings	-
<b>Total cash movements</b>	<b>-</b>
Non cashflow movements	-
<b>Total movements</b>	<b>-</b>
<b>Closing balance</b>	
Current borrowings	6,000
Non-current borrowings	38,000
<b>Total closing balance</b>	<b>44,000</b>

### **23. Capital commitments and contingencies**

Capital commitment represents capital expenditure contracted for at balance date but not yet spent. There is \$11.095m of capital commitments as at 30 June 2024 (2023: \$3.6m). This relates to numerous projects across the district with the majority of the work relates to District Telemetry, Wastewater Treatment Plants and the Maraetai Road Intermodal Business Park. This work is currently contracted as at 30 June 2024 for the acquisition of property, plant and equipment.

#### **Ongoing obligation relating to New Zealand Mutual Liability Riskpool scheme**

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

#### **Moeke vs South Waikato District Council – Dumfries Road legal disclosure**

In 2018, South Waikato District Council purchased 10 Dumfries Road, Tokoroa from Raukawa Iwi Development Limited (RIDL) before settlement with Mr Moeke could happen even though there was an unconditional contract in place between RIDL and Moeke. Council acted illegally and Mr Moeke is seeking compensation for the last-minute purchase. Council is undergoing legal proceedings to determine the level of liability. At this point any potential liability is unable to be quantified.

#### **CIV 2022-419-280 Ranger v Macpherson Architecture Limited and Others**

Mr and Mrs Ranger and Mackrell Murcott Trustees 2011 Limited, as plaintiffs and registered proprietors of a property at Waotu Road, Putaruru, are seeking compensation for structural defaults on the property as noted. As part of that claim, South Waikato District Council, as the territorial authority, has been listed as a defendant on the basis that the Council is the local authority responsible for administering building controls under the Building Act 2004 in the area where the property is located. Mediation is currently underway. At this point any potential liability is unable to be quantified.

#### **New Zealand Local Government Funding Agency Limited (LGFA)**

South Waikato 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 2024, the Council is one of 31 local authority shareholders and 71 local authority guarantors of the NZLGFA. In that regard it has uncalled capital of \$20m. 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 2024, NZLGFA had borrowings totalling \$23,841m (2023: \$17,684m).

PBE Accounting Standards require the Council to initially recognise the guaranteed liability by applying the 12-month expected credit loss (ECL) model (as fair value could not be reliably measured at initial recognition), and subsequently at the higher of the provision for impairment at balance date determined by the ECL model and the amount initially recognised.

The Council has assessed the 12-month ECL of the guaranteed liability, based on market information of the underlying assets held by the LGFA. The estimated 12-month expected credit losses are immaterial due to the very low probability of default by the LGFA in the next 12 months. Therefore, the Council has not recognised a liability.

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

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

### Credit risk

The Council is exposed to credit risk as a guarantor of all NZLGFA's borrowings. Information about this exposure is explained in note 27.

### 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 27.

## 24. Remuneration

### Chief Executive

During the year ended 30 June 2024 the Council's Chief Executive was remunerated as follows:

<b>CHIEF EXECUTIVE</b>	<b>Actual 2024 \$000s</b>	<b>Actual 2023 \$000s</b>
<b>Susan Law (1 July 2023 - 30 June 2024)</b>		
Base Salary	294	285
Vehicle (market value plus FBT)	9	9
Kiwisaver Employer's Contribution	12	11
<b>Total</b>	<b>315</b>	<b>305</b>

For the year ended 30 June 2024, the total annual cost including fringe benefit tax to the South Waikato District Council of the remuneration package being received by the Chief Executive is calculated at \$315,000 (2023: \$305,000)

### Key management personnel

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

<b>KEY MANAGEMENT PERSONNEL</b>	<b>Actual 2024 \$000s</b>	<b>Actual 2023 \$000s</b>
Salaries and other short term employee benefits	973	1,787
Post employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
<b>Total</b>	<b>973</b>	<b>1,787</b>

## Council employees

Total annual remuneration by band for employees as at 30 June 2024:

COUNCIL EMPLOYEES	Actual 2024 \$000s	Actual 2023 \$000s
<\$60,000	81	103
\$60,000 - \$79,999	43	36
\$80,000 - \$99,999	34	21
\$100,000 - \$119,999	19	16
\$120,000 - \$239,000	15	10
\$240,000+	1	1
<b>Total employees</b>	<b>193</b>	<b>187</b>

Total remuneration includes non-financial benefits provided to employees. At balance date, the Council employed 121 fulltime employees (2023: 119), with the balance of staff representing 33.34 (2023: 26.39) fulltime equivalent employees. A fulltime employee is determined on the basis of a 37.5 or 40 hour working week (depending on their start date).

## 25. Elected members remuneration

### Elected representatives

The following monetary and non-monetary remuneration was paid to Councillors and Community Board representatives during the year. Monetary remuneration excludes payment of non-taxable allowances which are considered reimbursement of actual expenses incurred.

25 ELECTED MEMBERS REMUNERATION	Actual 2024 \$000s	Actual 2023 \$000s
<b>Mayor and Councillors</b>		
Jenny Shattock (Mayor)	-	39
Stephen Petley (Mayor)	134	104
William Machen (Deputy Mayor)	52	50
Hamish Daine	51	46
Marie Farrell	48	33
Rebekah Garner	43	29
Marin Glucina	-	11
Alex Jansen	-	11
Thomas Lee	49	44
Johannes Nelis	45	40
Arama Ngapo- Lipscombe	-	14
Kerry Purdy	43	31
Peter Schulte	-	11
Maria Te Kanawa	43	29
Josiah Teokotai	43	29
Sandra Wallace	43	40
<b>Total Councillors</b>	<b>594</b>	<b>561</b>
<b>Community Board Members</b>		
Gaby Bond	4	2
Christine Brasell	-	1
Sharon Burling - Claridge	-	1
Kerry Purdy	-	1
Graham Singers	4	2
Kevin Slater	4	4
Jessica Wanden	7	5
<b>Total Community Board members</b>	<b>19</b>	<b>16</b>

## 26. Related parties

Related party transactions should be disclosed when they are other than that which would occur within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the entity would have adopted if dealing with that individual or entity at arm's length in the same circumstances. There are no related party transactions as at 30 June 2024 (2023: nil)

## 27. Financial Instruments

**Table A**

	Note	Actual 2024 \$000s	Actual 2023 \$000s
<b>Financial assets</b>			
<b>Fair value through surplus or deficit</b>			
Derivative financial instrument assets	28	1,174	1,916
<b>Total fair value through surplus or deficit</b>		<b>1,174</b>	<b>1,916</b>
<b>Financial assets at amortised cost</b>			
Cash and cash equivalents	10	9,174	8,392
Trade and other receivables	11	5,145	4,386
Other financial assets:			
Sundry loans	13	1,082	1,348
<b>Total financial assets at amortised cost</b>		<b>15,401</b>	<b>14,126</b>
<b>Financial assets at FVTOCRE</b>			
Other financial assets:			
Bonds, deposits and other fixed interests	13	5,794	7,845
Unlisted shares	13	82	85
Listed shares	13	8,449	11,817
<b>Total financial assets at FVTOCRE</b>		<b>14,325</b>	<b>19,747</b>
<b>Financial liabilities</b>			
<b>Fair value through surplus or deficit</b>			
Derivative financial instrument liabilities	28	-	-
<b>Total fair value through surplus or deficit</b>		<b>-</b>	<b>-</b>
<b>Financial liabilities at amortised cost</b>			
Trade and other payables	17	3,890	5,359
Trust Accounts	17	-	-
Secured loans	20	44,000	44,000
<b>Total financial liabilities at amortised cost</b>		<b>47,890</b>	<b>49,359</b>

### Fair values hierarchy disclosures

For those instruments recognised at fair value in the balance sheet, fair values are determined according to the following hierarchy.

Quoted market price (level 1) – financial instruments with quoted prices for identical instruments in active markets.

Valuation technique using observable inputs (level 2) – financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in active markets and financial instruments valued using models where all significant inputs are observable.

Valuation techniques with significant non-observable inputs (level 3) – financial instruments valued using models where one or more significant inputs are not observables. The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position.

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

**Table B**

	Total \$000s	Quoted Market Price \$000s Level 1	Observable inputs \$000s Level 2	Significant non- observable inputs \$000s Level 3
<b>30 June 2024</b>				
<i>Financial assets</i>				
<b>General Funds</b>				
Bank security bonds (AA-)	160	160	-	-
Corporate bonds (BBB+ to AA-)	2,837	2,837	-	-
Local Government bonds (A to AA)	82	82	-	-
NZ Government Bonds (AA+)	623	623	-	-
International bonds (not rated)	9,441	9,441	-	-
<b>30 June 2023</b>				
<i>Financial assets</i>				
<b>General Funds</b>				
Bank security bonds (AA-)	326	326	-	-
Corporate bonds (BBB+ to AA-)	4,000	4,000	-	-
Local Government bonds (A to AA)	93	93	-	-
NZ Government Bonds (AA+)	977	977	-	-
International bonds (not rated)	13,167	13,167	-	-

There were no transfers between the different levels of the fair value hierarchy.

### **Financial instruments risks**

The Council's activities expose it to a variety of financial instrument risks, including market risk, credit risk, and liquidity risk.

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

### **Price risk**

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. Council is exposed to price risk on its equity and bond investments, which are classified as available for-sale- financial assets.

The price risk is managed by diversification of Council investment portfolio in accordance with the limits set out in Council Investment policy.

### **Currency risk**

Currency risk is the risk that cash flows relating to certain forecast transactions or firm commitments will fluctuate. Council is managing this risk through forward foreign exchange contracts.

### **Fair value interest rate risk**

Fair value interest rate risk is the risk that the value of financial instruments will fluctuate because of changes in market interest rates. Borrowing and investment at fixed interest rates expose Council to fair value interest rate risk. Council can also use interest rate derivatives such as interest rate swaps and options to manage interest rate risks when the need arises. Interest rates on borrowings are subject to quarterly repricing.

### **Cash flow interest rate risk**

Cash flow interest rate risk is the risk that the future cash flows of financial instruments will fluctuate because of changes in floating interest rates and borrowings. Council is exposed to cash flow interest rate risk on cash and cash equivalents.

Generally, the Council raises long-term borrowings at floating rates. The Council uses interest rate swaps. Interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rates that are generally lower than those available if the Council borrowed at fixed rates directly. Under the interest rate swaps, the Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

### **Sensitivity analysis**

The table below illustrates the potential profit or loss and equity (excluding retained earnings) impact for reasonably possible market movement, with all other variables held constant, based on Council's financial instruments exposures at the balance date. The particular sensitivities chosen for the analysis reflect the actual movements that occurred in the relevant immediately preceding financial year.

Table C

Sensitivity analysis	Note	2024 \$000s			2023 \$000s			
		Profit	Other Equity	Profit	Other Equity	Profit	Other Equity	
<b>Interest Rate Risk</b>								
<b>Financial assets</b>			0.5%		-0.5%		0.5%	-0.5%
NZ fixed interest bonds	a		6		(6)		9	(9)
<b>Financial liabilities</b>		0.3%		-0.3%		0.3%		-0.3%
Borrowings	b	132		(132)		132		(132)
<b>Foreign Exchange Risk</b>								
<b>Financial assets</b>		0.5%		-0.5%		0.5%		-0.5%
International fixed interest bonds	c	17		(17)		18		(18)
International equity	d	29		(29)		41		(41)
Australian equity	e	13		(13)		19		(19)
<b>International Cash</b>		10.0%		-10.0%		10.0%		-10.0%
US dollar denominated cash	f	-		-		-		-
<b>Equity Price Risk</b>								
<b>Financial assets</b>			5%		-5%		5.0%	-5.0%
NZ Equity investments	g							
NZ Property investments	h							
International Equity investments	i		295		(295)		408	(408)
Australian Equity investments	j		128		(128)		182	(182)

#### Explanation of sensitivity analysis

- Financial liabilities +/- 0.25%

#### Explanation of interest rate risk sensitivity

The interest rate sensitivity is based on a reasonably possible movement in interest rates, with all other variables held constant, measured as a percentage movement in interest rate. We have used the following sensitivity measures for the categories exposed to this risk:

- Financial assets +/- 0.50%

#### Explanation of foreign exchange risk sensitivity

The foreign exchange rate sensitivity is based on a reasonably possible movement in foreign exchange rates, with all other variables held constant, measured as a percentage movement in foreign exchange rate. We have used the following sensitivity measures for the categories exposed to this risk:

- Financial assets +/- 0.50%



### Explanation of equity price risk sensitivity

The equity price sensitivity is based on a reasonably possible movement in listed equity prices, with all other variables held constant, measured as a percentage movement in listed equity prices. We have used the following sensitivity measures for the categories exposed to this risk:

- Financial assets +/- 5.00%

### Credit Risk

Credit risk is the risk that a third party will default on its obligations to Council, causing Council to incur a loss. Council has no significant concentration of credit risk, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers. Investments are also well diversified across a wide range of companies and industries. Accordingly, Council does not require any collateral or security. The maximum exposure to credit risk is equal to the carrying amount of all financial assets subject to credit risk.

### Credit quality financial assets

The credit quality of financial assets that are neither past due nor impaired are assessed by reference to Standard and Poor's or other recognised credit ratings, or historical information about counterparty default rates:

**Table D**

	Actual 2024 \$000s	Actual 2023 \$000s
<b>Cash and cash equivalents:</b>		
Cash and short-term deposits (AA to BBB)	9,174	8,392
<b>Total cash and cash equivalents</b>	<b>9,174</b>	<b>8,392</b>
<b>General Funds:</b>		
Sundry corporate and government securities (AA- to AA)	2,837	4,000
Bank security bonds (AA+ to AAA)	160	326
Local Government Bonds (A to AA)	82	93
NZ Government Bonds (AA+)	623	977
International Bonds (Not rated)	9,441	13,167
<b>Total general fund bonds</b>	<b>13,143</b>	<b>18,563</b>

Trade and other receivables mainly arise from Council's statutory functions, therefore there are no procedures in place to monitor or report the credit quality of trade and other receivables with reference to internal or external credit ratings.

### Liquidity risk

#### Management of liquidity risk

Liquidity risk is the risk that Council will encounter difficulty raising funds to meet commitments as they fall due. Prudent liquidity management implies maintaining sufficient cash, the ability to close out market positions and having committed credit facilities.

The Council measures its liquidity requirements in accordance with its Liability Management Policy and Treasury Management Policy. In meeting its liquidity requirements, Council maintains access to sufficient cash reserves to meet the minimum policy covenants and also is able to close out equity investments if required. The Local Government Funding Agency also provides ready access to funding.

## Fair value

### Contractual maturity analysis of financial liabilities:

The table below analyses financial liabilities (excluding derivatives) into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest rates on floating rate debt are based on the floating rate on the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest payments.

**Table E**

	Carrying amount	Contractual cash flows	Less than 1 year	2-5 years	>5 years
	\$000s	\$000s	\$000s	\$000s	\$000s
<b>30 June 2024</b>					
Trade and other payables	3,890	3,890	3,890	-	-
Borrowings	44,000	51,087	8,665	29,958	12,464
<b>Total</b>	<b>47,890</b>	<b>54,977</b>	<b>12,555</b>	<b>29,958</b>	<b>12,464</b>
<b>30 June 2023</b>					
Trade and other payables	5,359	5,359	5,359	-	-
Borrowings	44,000	51,087	8,665	29,958	12,464
<b>Total</b>	<b>49,359</b>	<b>56,446</b>	<b>14,024</b>	<b>29,958</b>	<b>12,464</b>

### Contractual maturity analysis of financial assets

The table below analyses financial assets into relevant maturity groupings based on the remaining period at balance date to the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

**Table F**

	Contractual cash flows \$000s	Less than 1 year \$000s	2 - 5 years \$000s	More than 5 years \$000s
<b>30 June 2024</b>				
Cash and cash equivalents	9,174	9,174	-	-
Trade and other receivables	5,145	5,145	-	-
Net settled derivative assets	1,174	665	509	-
Sundry loans	1,082	1,082	-	-
Bonds, deposits and other fixed interest	5,794	5,794	-	-
Unlisted shares	82	-	-	82
Listed shares	8,449	-	-	8,449
<b>Total</b>	<b>30,900</b>	<b>21,860</b>	<b>509</b>	<b>8,531</b>
<b>30 June 2023</b>				
Cash and cash equivalents	8,392	8,392	-	-
Trade and other receivables	4,750	4,750	-	-
Net settled derivative assets	1,916	109	1,807	-
Sundry loans	1,348	1,348	-	-
Bonds, deposits and other fixed interest	7,845	7,845	-	-
Unlisted shares	85	-	-	85
Listed shares	11,817	-	-	11,817
<b>Total</b>	<b>36,153</b>	<b>22,444</b>	<b>1,807</b>	<b>11,902</b>

## 28. Derivative financial instruments

The notional principal amounts of the outstanding interest rate swap contracts for the Council were \$21million (2023 \$21 million).

At 30 June 2024 the fixed interest rates of fair value interest rate swaps ranged from 0.83% to 1.58% (2023 0.83% to 1.58%).

The Council has no fair value hedges.

28 DERIVATIVE FINANCIAL INSTRUMENTS	Actual 2024 \$000s	Actual 2023 \$000s
<b>Current asset portion</b>		
Interest rate swaps	665	868
<b>Total Current asset portion</b>	<b>665</b>	<b>868</b>
<b>Non current asset portion</b>		
Interest rate swaps	509	1,048
<b>Total non-current asset portion</b>	<b>509</b>	<b>1,048</b>
<b>Total derivative financial instrument assets</b>	<b>1,174</b>	<b>1,916</b>

## 29. Operating lease as lessor

Council leases its operational properties under operating leases. The great majority of these leases have a non-cancellable term that ranges between one and thirty years. The future aggregate minimum lease payments to be collected under non-cancellable leases are as follows: No contingent rents have been recognised in the profit and loss during the period (2023: \$nil).

29 OPERATING LEASE AS LESSOR	Actual 2024 \$000s	Actual 2023 \$000s
Not later than one year	60	79
Later than one year and not later than five years	147	173
Later than five years	271	305
<b>Total non-cancellable operating leases</b>	<b>478</b>	<b>557</b>

## 30. Insurance contracts

South Waikato District Council is part of a regional collective of local authorities for insurance purposes. Through the collective economies of scale Council has access to the best process and cover.

As at the end of the financial year, Council had the following insurance cover in place:

- Material damage excluding fire - \$150,000,000.
- Material damage fire only - \$125,000,000.

Council's Material Damage cover is based on a Maximum Probable Loss model (MPL) which means that its assets are insured for the value of the largest probable loss that could result from a disaster in the South Waikato. Council is insured within a \$150 million primary layer which is shared between the regional collective. A separate policy is in place which is shared by the regional collective which provides cover for damage that is caused by fire, or fire following a natural disaster, with SWDC limit being \$30 million.

### Commercial motor vehicles

Motor insurance up to the market value of each individual vehicle.

### Infrastructure

Based on risk engineering and loss modelling for the Waikato hazard scape a \$300 million shared loss limit is in place with the regional collective. Each council then has its own sublimit in place based on their individual exposures. SWDC loss limit is \$25 million. Insurance is to the level of 40% in anticipation of 60% contribution from central government in the event of a disaster.

### Business interruption

A shared \$10 million Additional Increased Cost of Working limit with the regional collective and provides cover for consequential loss through the physical damage to any property used by Council. There is also an additional \$2.5 million claim preparation costs cover associated with this contract.

### Professional indemnity

Primary layer individual to Council and an \$145,000,000 excess layer obtained through London shared across 45 councils.

## Public liability

Primary layer individual to Council and an \$145,000,000 excess layer obtained through London share across 45 councils.

### Other cover included:

- Employers' liability
- Statutory liability
- Crime
- Cyber
- Airport owners and operators

## 31. Major budget variations

### Statement of comprehensive revenue and expense

Subsidies and grants received for the year include unbudgeted funding from the New Zealand Transport Agency (NZTA) of over \$3m for both capital and operational work, Kanoa funding for the Maraetai Road Intermodal Business Park of \$1.2m and for the Mayoral Task Force for Jobs (MTFJ) programme initiative of \$270k.

The depreciation and amortisation expenses are higher than budgeted by \$2m due to the revaluation of the roading and footpath assets in the 2022-23 year that would not have been catered for as part of the 2023-24 annual plan budgets due to the timing of the revaluation and the legislative requirement of the adoption of the 2023-24 annual plan.

Other expenses are higher than budget by \$700k due to increased energy costs to operate service facilities and higher insurance costs as a result of global and national weather and political events.

### Statement of financial position

Total equity is \$75m less than budget mainly due to the smaller than expected movement in property revaluation reserves after the revaluations that took place during 2023-24. The budget movement anticipated a revaluation in the transport and roading space but the indices movements during 2023-24 didn't justify a need for the revaluation of this asset class.

Property, plant and equipment shows the effect of the lower revaluation outcome noted above along with the capital expenditure programme lagging behind expected budgeted spend. This is also reflected in lower-than-expected borrowings.

### Statement of cashflows

Subsidies and grants income is higher than budgeted due to the timing of transport, roading and footpath maintenance and unbudgeted funding received as noted above in the Statement of Comprehensive Revenue and Expense commentary.

Purchase of property, plant and equipment is lower than budget due to capital programme delivery capabilities by contractors. In saying that, 2023-24 has been a better year for programme delivery as can be seen in the variance between 2023-24 and 2022-23 of over \$7m.

## 32. Capital management

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

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

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

The Act requires Council to make adequate and effective provision in its Long Term Plan (LTP) and in its Annual Plan (where applicable) to meet the

expenditure needs identified in those plans. The Act sets out the factors that Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in Council's LTP.

The South Waikato District Council has the following reserves:

- reserves for different areas of benefit
- self-insurance reserves
- trust reserves
- other reserves

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

Trust reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust reserves where applicable, and deductions are made where funds have been used for the purpose they were donated. Other reserves are created to set aside funding from general rates for future expenditure on specific projects or activities as approved by Council. Council categorises self-insurance reserves and other reserves as "Council Created Reserves", while the others are categorised as "Restricted Reserves" (refer Note 21).

### **33. Events after balance date**

There are no events after balance date to disclose.

### **34. Water services reform programme**

The Government's Local Water Done Well policy means councils across New Zealand will need to assess whether their water services delivery arrangements are, and will continue to be, financially sustainable over the medium to longer-term.

The Local Government (Water Services Preliminary Arrangements) Act 2024 requires the development of water service delivery plans (WSDP) describing how territorial authorities propose to ensure that the delivery of water services will be financially sustainable by 30 June 2028.

Councils will also need to consider whether existing service delivery arrangements will continue to meet community expectations regarding levels of service and affordability.

The Local Government (Water services Preliminary Arrangements) Act 2024 requires territorial authorities to submit WSDPs by 3 September 2025. The plans are to provide detailed information on the current state of each council's water service delivery arrangements (water supply, wastewater and stormwater) and set out a strategy for how they will achieve financial sustainability. This will include a high-level assessment of network performance, level of service, asset condition, regulatory compliance (including future consent requirements), investment needs, financial projections and affordability of water rates and charges.

Other considerations include inflationary pressures, population changes, impacts of climate change, the council's financial position and borrowing capacity, and the potential for additional costs or efficiencies associated with alternative delivery models.

Assessing the viability and sustainability of standalone service delivery for South Waikato District Council will be a precursor to the development of the WSDP. This information will also inform the Council's determination of the appropriate model to deliver water services into the future, such as a stand-alone or joint Council Controlled Organisation.

The reforms to date have had no effect on the 2024 financial statements or performance information.

## How to obtain a copy of the 2023-24 Annual Report

The full Annual Report is Council's key accountability document.

Full copies of the Annual Report can be obtained by:

- Visiting our website: [www.southwaikato.govt.nz](http://www.southwaikato.govt.nz) to download a copy
- Calling our customer services staff on (07) 885 0340 during normal business hours
- Emailing us at: [info@southwaikato.govt.nz](mailto:info@southwaikato.govt.nz)
- Writing to us at: South Waikato District Council, Private Bag 7, Tokoroa 3444
- Viewing a hard copy at our Council offices and library sites (located in Tokoroa, Putāruru, Tīrau)