

Waimakariri District Council

Agenda

Tuesday 7 October 2025

1.00pm

Council Chamber
215 High Street
Rangiora

Members:

Mayor Dan Gordon

Cr Neville Atkinson

Cr Al Blackie

Cr Robbie Brine

Cr Brent Cairns

Cr Tim Fulton

Cr Jason Goldsworthy

Cr Niki Mealings

Cr Philip Redmond

Cr Joan Ward

Cr Paul Williams



WAIMAKARIRI
DISTRICT COUNCIL

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Staff Reports		
4.1	Adoption of the Annual Report for the Year Ended 30 June 2025	5 – 10



The Mayor and Councillors

WAIMAKARIRI DISTRICT COUNCIL

AN EXTRAORDINARY MEETING OF THE WAIMAKARIRI DISTRICT COUNCIL WILL BE HELD IN THE COUNCIL CHAMBERS, RANGIORA SERVICE CENTRE, 215 HIGH STREET, RANGIORA, ON TUESDAY 7 OCTOBER 2025 COMMENCING AT 1PM

Sarah Nichols
GOVERNANCE MANAGER

Recommendations in reports are not to be construed as Council policy until adopted by the Council

BUSINESS

Page No

1. APOLOGIES

2. CONFLICTS OF INTEREST

Conflicts of interest (if any) to be reported for minuting.

3. CONFIRMATION OF MINUTES

3.1 Minutes of a meeting of the Waimakariri District Council held on Tuesday 30 September 2025

Circulated separately

RECOMMENDATION

THAT the Council:

- (a) **Confirms**, as a true and correct record, the circulated Minutes of the Waimakariri District Council meeting held on Tuesday, 30 September 2025.

4. REPORT

4.1. Adoption of the Annual Report for the Year Ended 30 June 2025 – Chris Genet (General Manager Finance and Business Support) and Paul Christensen (Finance Manager)

RECOMMENDATION

THAT the Council:

- (a) **Receives** report No. 250929184653
- (b) **Adopts** the Annual Report for the year ended 30 June 2025 (TRIM 250717131244).
- (c) **Approves** the Annual Report Summary for the year ended 30 June 2025 (TRIM 251001186607).
- (d) **Notes** the Net Surplus for the year is \$4 million, compared with budget of \$27 million. This is primarily because of development contribution revenue \$13 million lower than budget and subsidy revenue \$6 million lower than budget, primarily due to a revised roading programme.

5 - 10

- (e) **Receives and notes** the Auditor’s report on the Annual Report and Annual Report Summary will be incorporated into the reports;
- (f) **Authorises** the Chief Executive and Acting General Manager Finance and Business Support to make necessary minor edits and corrections to the Annual Report that may occur prior to printing.

5. VALADICTORY SPEECH

- 5.1. Councillor Al Blackie
- 5.2. Deputy Mayor Neville Atkinson

6. MATTERS TO BE CONSIDERED WITH THE PUBLIC EXCLUDED

Item No	Subject	Reason for excluding the public	Grounds for excluding the public.
MINUTES			
6.1	Confirmation of Public Excluded Minutes of Council meeting of 30 September 2025	Good reason to withhold exists under Section 7	To protect the privacy of a natural person, including that of deceased natural persons, and to carry on without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). LGOIMA Sections 7(2) (a) and (i).
REPORT			
6.2	Chief Executive Review	Good reason to withhold exists under Section 7	To protect the privacy of natural persons. To maintain the effective conduct of public affairs through the protection of such members, officers, employees and persons from improper pressure or harassment, LGOIMA Section 7 (2)(a) and (f)(ii).

7. NEXT MEETING

The new Council will be sworn into office late October 2025, with ordinary Council meetings resuming from early November 2025. Further information will be advertised and listed on the Council’s website.

WAIMAKARIRI DISTRICT COUNCIL

REPORT FOR DECISION

FILE NO: FIN-01 / FIN-12-21 / 250929184653

REPORT TO: COUNCIL

DATE OF MEETING: 7 October 2025

FROM: Paul Christensen, Finance Manager
Chris Genet, General Manager, Finance and Business Support

SUBJECT: Adoption of the Annual Report for the Year Ended 30 June 2025

ENDORSED BY:

(for Reports to Council or
Committees)

Department Manager



Chief Executive

1. SUMMARY

- 1.1. The purpose of this report is to present the Annual Report for the year ended 30 June 2025 to the Council for adoption.
- 1.2. Overall, the annual accounts show a net surplus for the year of \$4 million compared with budgeted surplus of \$27 million. Revenue for the year, was \$172 million, which was \$18 million less than the budget of \$190 million. This was primarily because development contributions revenue was \$13 million less than budget and subsidy revenue \$6 million lower than budget, primarily due to a revised roading programme. Expenditure for the year was \$170 million, which is \$8 million above budget and due to a number of factors provided in section 4.2.
- 1.3. Net assets as at 30 June 2025 total \$2,657 million. This is \$30 million higher than 30 June 2024, due to the surplus for the year and the revaluation of infrastructure assets.
- 1.4. Borrowing for the year increased by \$20 million to \$220 million as at 30 June 2025, \$16 million below budget. The borrowing was used to help fund the capital expenditure programme.
- 1.5. Capital expenditure for the year was \$55.5 million, which is \$31.7 million below budget.
- 1.6. The Council achieved 77% of its performance measures for the year, compared with 68% in 2024. A further 6% were almost met (assessed as having been achieved to within 5% of the intended target).
- 1.7. The message from the Mayor and Chief Executive is provided at the front of the Annual Report and provides a general overview of activity throughout the year. Within each significant activity is a summary of the year's key achievements, with the intention of providing the reader a better understanding of the scope of the work and achievements throughout the year for that activity. Each Activity area also has the financial results and a set of non-financial reporting measures that are reported against targets and work plans.
- 1.8. The Annual Report also contains the financial reporting benchmarks section, as required by the Local Government (Financial Reporting Prudence) Regulations 2014. This is the first year (of three years) of reporting against the 2024-2034 Long Term Plan forecasts. The previous financial period trends are also shown.

- 1.9. A Summary Annual Report has also been completed in conjunction with section 98 (4) b of the Local Government Act. The Summary Annual Report has also been audited by Audit New Zealand and provides the reader with a snapshot of the key information provided within the Annual Report. Both reports together with the Auditors report are placed on the Council's website, once they are adopted by the Council.
- 1.10. A detailed financial report for the period ended 30 June 2025 was presented to the Audit & Risk Committee on 9 September 2025 (TRIM 250825157021) and provided detailed information on the financial results for the year. There have been no material changes to the financial results reported in the formal audited Annual Report.
- 1.11. At the time of preparing this report, it is expected that the Auditor's report will be unmodified (a clean opinion, with no qualifications).

Attachments:

- i. Annual Report for the year ended 30 June 2025 (TRIM 250717131244) (separately circulated)
- ii. Annual Report Summary for the year ended 30 June 2025 (TRIM 251001186607) (separately circulated)
- ii. The audit opinion for the year ended 30 June 2025 (is to be tabled)

2. RECOMMENDATION

THAT the Council:

- (a) **Receives** report No. 250929184653
- (b) **Adopts** the Annual Report for the year ended 30 June 2025 (TRIM 250717131244);
- (c) **Approves** the Annual Report Summary for the year ended 30 June 2025 (TRIM 251001186607);
- (d) **Notes** the Net Surplus for the year is \$4 million, compared with budget of \$27 million. This is primarily because of development contribution revenue \$13 million lower than budget and subsidy revenue \$6 million lower than budget, primarily due to a revised roading programme.
- (e) **Receives and notes** the Auditor's report on the Annual Report and Annual Report Summary will be incorporated into the reports;
- (f) **Authorises** the Chief Executive and Acting General Manager Finance and Business Support to make necessary minor edits and corrections to the Annual Report that may occur prior to printing.

3. BACKGROUND

- 3.1 Under section 98 of the Local Government Act 2002 the Council must adopt its annual report within 4 months of the end of the financial year to which it relates (i.e. by 31 October).
- 3.2 The purpose of the annual report is to compare the actual performance of the Council with its planned performance as set out in the annual plan and long-term plan. It covers both financial and non-financial performance information.
- 3.3 Audit New Zealand has been appointed as the Council's auditor and is responsible for undertaking the annual audit. The independent audit report prepared by the Auditor reports on whether the annual report presents fairly the Council's financial and non-financial performance for the year.

4. ISSUES AND OPTIONS

Statement of Financial performance

- 4.1 Overall, the annual accounts show a net surplus for the year of \$4 million compared with budgeted surplus of \$27 million. Revenue for the year, was \$172 million, which was \$18 million less than the budget of \$190 million. This was primarily because development contributions revenue was \$13 million less than budget. Expenditure for the year was \$170

million, which is \$8 million above budget. The variances to budget are shown in section 4.2

4.2 The key variances compared with budget were as follows:

		\$ million
Unfavourable variances		
Subsidies and grants – NZTA programme reduced so subsidies reduced, timing of Better off funding programme		(3.4)
Accounting for assets disposed of as part of renewals work	Non-cash	(6.8)
Expenditure which was budgeted as capital, but must be accounted for as operating expenditure		(3.6)
Interest rate swaps accounting valuation adjustment – the value of our swaps have decreased because interest rates decreased, the OCR fell 225 points in the year. Actual \$4.2 million Budget \$1.4 million	Non-cash	(2.9)
Vested assets under budget	Non-cash	(2.6)
Development contributions under budget. Capital expenditure on growth projects was \$22.3 million less than budget which offset cash requirements.		(13.4)
Subtotal		(32.7)
Favourable variances		
Interest revenue over budget due to interest paid on interest rate swaps		2.0
Interest expense under budget		0.7
Gain on sale of surplus properties and motor vehicles		1.0
Gain on revaluation of forestry assets and investment properties	Non-cash	0.8
Rangiora Mainpower Stadium fit-out contribution from North Canterbury Sports		0.7
Revenue from forestry more than forecasted. Areas affected by fire were harvested earlier than planned. This is offset by forestry costs of sales.		0.5
Building Services Lower demand in building services led to deferment in filling staff vacancies until demand increases		0.6
Council Enterprise System project will continue into the 2025/26 year. The project spending is under budget, and it is expected that the remaining budget will be carried over to complete the project.		1.2
Other favourable variances		1.4
TOTAL VARIANCE FROM BUDGET		(23.8)

4.3 Detailed explanations of budget variance for each of the Council's activities is provided in the Cost of Activity Statements starting on page 180 of the annual report.

Capital Expenditure

- 4.4 Capital expenditure for the year was \$56 million, which is \$32 million below budget. Some of the reasons for the lower than predicted delivery includes projects being dependent on developers or landowners, some projects having greater complexity, and time commitments that have caused delays. Other impacts have been due to procurement delays and resource constraints.

Balance Sheet

- 4.5 Net assets as at 30 June 2025 total \$2,657 million. This is \$31 million higher than 30 June 2024, due to the surplus for the year and the revaluation of infrastructure assets.
- 4.6 Borrowing for the year increased by \$20m to \$220m as at 30 June 2025 and was used to help fund the capital expenditure programme.

Financial Limits

- 4.7 As at 30 June 2025, the Council complies with its Treasury Policy Limits as set out in the table below.

Measure	Limit	Actual 2025	Actual 2024
Gross interest paid on term debt will not exceed 15% of gross operating revenue	15.0%	7.6%	8.4%
Net debt as percentage of operating revenue shall not exceed 250%	250%	135%	138%
Net cash inflow from operating activities exceeds gross annual interest expense by two times	2.0 times	3.2 times	2.6 times
Net interest is a maximum of 25% of rates revenue	25.0%	7.8%	8.2%
Net debt as a percentage of total assets will not exceed 15%	15%	6.5%	6.4%
Liquidity ratio of greater than 110%	110%	164%	149%

Non-financial performance measures and levels of service

- 4.8 The Council achieved 77% of its performance measures for the year, compared with 68% in 2024. A further 6% were almost met (assessed as having been achieved to within 5% of the intended target).

Annual Report Summary

- 4.9 Under sections 98 & 99 of the Local Government Act 2002, the Council is required to make publicly available a summary of its Annual Report. The summary is required to be audited. A copy of the draft summary is attached. It comprises:
- The Mayor's report
 - A summary of the Financial Statements
 - Key performance measures from the LTP
 - Summary of Activity.

Audit

- 4.10 As at the time of preparing this report, the audit is approaching completion. It is anticipated that the audit will have been completed and clearance from the Auditor to issue the Auditor report and the Council to adopt by the time Council meets on 7 October 2025. The Audit report is expected to be an unmodified opinion.
- 4.11 There is no disclosure required to be made for "events after balance date" to the Annual Report.
- 4.12 It is standard practice for the Mayor and the Chief Executive to sign a letter of representation relating to the audit.

- 4.13 The letter covers a large number of matters, but the essence is that the Mayor and Chief Executive believe the financial statements are fairly stated and that they are not aware of any financial irregularities. The letter also states that Management consider the organisation to be a going concern.

Options

- 4.14 The Council could:
- adopt the Annual Report for the Year Ended 30 June 2025; or
 - request that modifications be made to the Annual Report for the year ended 30 June 2025; or
 - hold a further meeting for the purpose of adopting the Annual Report. If the meeting is not held prior to the 31 October 2025 this would not meet the statutory timeframes as set out in the Local Government Act 2002.

Implications for Community Wellbeing

- 4.15 The Annual Reports provides extensive information on the activities that the Council undertakes to support community wellbeing and is part of the accountability framework through which the community can assess the Council's performance.
- 4.16 The Management Team have reviewed this report and support the recommendations.

5. COMMUNITY VIEWS

5.1 Mana whenua

Te Ngāi Tūāhuriri hapū are consulted through various forums and their views were taken into consideration during the annual plan. Joint meetings are held throughout the year and contribute to the outcomes provided in the Annual Report.

5.2 Groups and Organisations

Audit New Zealand have conducted interim audits and audited the Annual Report.

5.3 Wider Community

Readers and stakeholders of Council have an interest in the Annual Report, including the Auditor's Report.

6. FINANCIAL IMPLICATIONS AND RISKS

6.1 Financial Implications

The Annual Report contains extensive financial information about the Council but the adoption on the Annual Report does not have direct financial implications.

6.2 Sustainability and Climate Change Impacts

The recommendations in this report do not have sustainability and/or climate change impacts, however the information included in the Annual Report is relevant to these matters.

6.3 Risk Management

The audit work carried out by Audit New Zealand provides added assurance regarding the accuracy of the Council's financial statements. At the time of preparing the report, the audit was not finalised. There have been no significant matters arising from the audit and therefore it is expected an unmodified opinion will be issued by Audit New Zealand, who are the auditors appointed by the Office of the Auditor General to audit the Council's Annual Report.

6.4 Health and Safety

Not applicable to adopting the Annual Report.

7. **CONTEXT**

7.1 **Consistent with Policy**

These issues are not matters of significance in terms of the Council's Significance and Engagement Policy.

7.2 **Authorising Legislation**

Section 98(1) of the Local Government Act 2002 requires that "a local authority must prepare and adopt in respect of each financial year an annual report".

Section 98(3) of the Local Government Act 2002 requires that "The annual report must be completed and adopted by resolution within 4 months of the end of the financial year to which it relates".

Section 98(4) provides that "A local authority must, within 1 month after the adoption of its annual report, make publicly available – (a) its annual report; and (b) a summary of the information contained in its annual report".

The Local Government (Financial Reporting and Prudence) Regulations 2014 requires Council to disclose performance in relation to benchmarks in the annual plan, annual report and long-term plan.

7.3 **Consistent with Community Outcomes**

The publication of the Annual Report supports the achievement of community outcomes by reporting on the Council's performance and the delivery of its work programmes.

7.4 **Authorising Delegations**

The Council must adopt its Annual Report including the Auditor's report by 31 October 2025.