



Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Finance Committee will be held on:

Date: Tuesday 29 April 2025
Time: 9:30 am
Meeting Room: Council Chamber and Audio Visual Link
Venue: Municipal Building, Garden Place, Hamilton

Lance Vervoort
 Chief Executive

Finance and Monitoring Committee *Te Komiti Aroturuki me ngaa Puutea* OPEN AGENDA

Membership

Chairperson Cr Maxine van Oosten
Heamana

Deputy Chairperson Cr Moko Tauariki
Heamana Tuarua

Members	Mayor Paula Southgate	Cr Ewan Wilson
	Deputy Mayor Angela O’Leary	Cr Louise Hutt
	Cr Maria Huata	Cr Geoff Taylor
	Cr Emma Pike	Cr Andrew Bydder
	Cr Anna Casey-Cox	Cr Sarah Thomson
	Cr Tim Macindoe	Cr Kesh Naidoo-Rauf
		Vacancy

Quorum: A majority of members (including vacancies)

Meeting Frequency: Two monthly

Amy Viggers
Mana Whakahaere
 Governance Lead

16 April 2025

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Purpose:

The Finance and Monitoring Committee is responsible for:

1. Monitoring Council's current financial strategy, and financial performance against the Long Term Plan and Annual Plan.
2. Determining financial matters within its delegations and Terms of Reference and making recommendations to Council on financial matters outside its authority.

In addition to the common delegations on page 10, the Finance and Monitoring Committee is delegated the following Terms of Reference and powers:

Terms of Reference:

3. To provide direction on Council's financial strategy and monitor performance against that strategy.
4. To monitor Council's financial performance against the Council's Long Term Plan and the impact of the financial performance on services levels and rate payers' value.
5. To monitor Council's capital expenditure against the Council's Long Term Plan.
6. To monitor Council's service delivery performance as outlined in the Council's Long Term Plan.
7. To develop and monitor policy related to the following matters:
 - a) financial management;
 - b) revenue generation; and
 - c) procurement and tendering.
8. To monitor the probity of processes relating to policies developed by the Finance and Monitoring Committee.
9. To provide clear direction to the Local Government Funding Agency on Council's expectations, including feedback on the draft statements of intent.
10. To receive six-monthly reports from the Local Government Funding Agency.

The Committee is delegated the following powers to act:

- Approval of operating expenditure within the Long Term Plan or Annual Plan that exceeds the Chief Executive's delegation, excluding expenditure which:
 - i. contravenes the Council's Financial Strategy; or
 - ii. significantly alters any level of service outlined in the applicable Long Term Plan or Annual Plan; or
 - iii. impacts Council policy or practice, in which case the delegation is recommendatory only and the Committee may make a recommendation to the Council for approval.
- Approval of contractual and other arrangements for supply and services, and revenue generating contracts, which:
 - i. exceed the Chief Executive's delegations, but
 - ii. exclude contracts or arrangements that are reserved for the Council or another Committee's approval.
- Approval to write-off outstanding accounts that exceeds the Chief Executive's delegation.

The Committee is delegated the following recommendatory powers:

- To set the direction of Council's Financial Strategy.
- The Committee may make recommendations to Council.
- The Committee may make recommendations to other Committees.

Recommendatory Oversight of Strategies:

- Financial Strategy

Recommendatory Oversight of Policies and Bylaws:

- *Funding Needs Analysis Policy*
- *Investment and Liability Management Policy*
- *Rates Remissions and Postponements Policy*
- *Rating Policy*
- *Revenue and Financing Policy*

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1 Apologies – *Tono aroha*

2 Confirmation of Agenda – *Whakatau raarangi take*

The Committee to confirm the agenda.

3 Declaration of Interest – *Tauaakii whaipanga*

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

4 Public Forum – *Aatea koorero*

As per Hamilton City Council's Standing Orders, a period of up to 30 minutes has been set aside for a public forum. Each speaker during the public forum section of this meeting may speak for five minutes or longer at the discretion of the Chair.

Please note that the public forum is to be confined to those items falling within the terms of the reference of this meeting.

Speakers will be put on a Public Forum speaking list on a first come first served basis in the Council Chamber prior to the start of the Meeting. A member of the Council Governance Team will be available to co-ordinate this. As many speakers as possible will be heard within the allocated time.

If you have any questions regarding Public Forum please contact Governance by telephoning 07 838 6699.

Item 5

Council Report

Committee: Finance and Monitoring Committee
Date: 29 April 2025
Author: Ash Rawiri
Authoriser: Amy Viggers
Position: Governance Advisor
Position: Governance Lead
Report Name: Confirmation of the Finance and Monitoring Committee Open Minutes 27 February 2025

Report Status	Open
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Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Finance and Monitoring Committee confirm the Open Minutes of the Finance and Monitoring Committee Meeting held on 27 February 2025 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Finance and Monitoring Committee Open Unconfirmed Minutes 27 February 2025

Finance and Monitoring Committee 27 FEBRUARY 2025 - OPEN



Item 5

Finance and Monitoring Committee
Te Komiti Aroturuki me ngaa Puutea
OPEN MINUTES

Minutes of a meeting of the Finance and Monitoring Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton on Thursday 27 February 2025 at 9:30 am.

PRESENT

Chairperson	Cr Maxine van Oosten
Heamana	
Deputy Chairperson	Cr Moko Tauariki
Heamana Tuarua	
Members	Deputy Mayor Angela O’Leary
	Cr Emma Pike
	Cr Anna Casey-Cox
	Cr Tim Macindoe
	Cr Ewan Wilson
	Cr Louise Hutt
	Cr Geoff Taylor
	Cr Andrew Bydder
	Cr Sarah Thomson

Attachment 1

The Chair opened the meeting with a karakia.

- 1. Apologies – Tono aroha**
Resolved: (Cr van Oosten/Cr Pike)
That the Finance and Monitoring Committee accepts the apologies for partial attendance from Cr Naidoo-Rauf, and for full absence from Mayor Southgate (Council Business), Cr Huata and Cr Donovan.
- 2. Confirmation of Agenda – Whakatau raarangi take**
Resolved: (Cr van Oosten/Cr Tauariki)
That the Finance and Monitoring Committee confirms the agenda.
- 3. Declarations of Interest – Tauaakii whaipanga**
Cr Bydder declared an interest in Item C2 (Report on overdue debtors as at 31 December 2024 and Debt write-offs 2024/25). He took part in the discussion and voted on the matter.
- 4. Public Forum – Aatea koorero**
No members of the public wished to speak in the Public Forum.
- 5. Confirmation of the Finance and Monitoring Open Minutes 5 December 2024**
Resolved: (Cr van Oosten/Cr Tauariki)
That the Finance and Monitoring Committee confirm the Open Minutes of the Finance and Monitoring Meeting held on 5 December 2024 as a true and correct record.

Finance and Monitoring Committee 27 FEBRUARY 2025 - OPEN

6. Chair's Report

The Chair spoke to their report, highlighting that the report contained a link to the terms of reference for the committee and Key terms and definitions to aid in others understanding. Along with staff, the Chair responded to questions from Members concerning transparency to the community of Councils financial position, balancing the books measure, Debt to revenue ratio to enable the pay down of debts and the life expectancy of assets.

Staff Action: *Staff undertook to investigate a 20-year analysis of balancing the books and to provide this to Members via a executive update.*

Resolved: (Cr van Oosten/Cr Tauariki)
That the Finance and Monitoring Committee receives the report.

Deputy Mayor O'Leary joined at the meeting (09:36am) during the discussion of the above item. She was present when the matter was voted on.

7. Capital Portfolio Monitoring report

The Infrastructure & Analysis Contract Finance Manager and the Waters Infrastructure Information Team Leader spoke to the report, highlighting the face-fronting activities that were within the approved Long Term Plan. They responded to questions from Members concerning deferrals, Hillcrest water infrastructure management plan, capital program balancing measures, joint development contributions, renewals and compliance.

Staff Action : *Staff undertook to provide Members with an opportunity to review the capital works programme in particular prioritisation to inform future Long Term Plan and Annual Plans.*

Resolved: (Cr Thomson/Cr van Oosten)
That the Finance and Monitoring Committee receives the report;

The meeting was adjourned from 10.58am to 11.15am.

Cr Casey-Cox left the meeting (10:58am) during the above adjournment.

8. Financial Performance & Strategy Report to 31 December 2024 (Recommendation to the Council)

The Accountancy Manager spoke to the report, highlighting the positive balance in the budget deficits, key growth infrastructure savings in growth projections and the future of capital investment. Staff responded to questions from members concerning financial performance.

Resolved: (Cr van Oosten /Cr Tauariki)
That the Finance and Monitoring Committee:

- a) receives the report;
- b) recommends that the Council:
 - i. approves the capital movement as identified in the 31 December Capital Portfolio Monitoring Report dated 27 February 2025;
 - ii. approves the forecast adjustments as set out in paragraph 52 of the staff report;
 - iii. notes the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 53 to 55 of this staff report; and
- c) notes that there may be further adjustment in the preparation of the Annual Report.

Finance and Monitoring Committee 27 FEBRUARY 2025 - OPEN

9. Non-Financial Service Performance Measures - Six Monthly Update

The Strategic Planning and Advocacy Policy Advisor spoke to the report, highlighting that there were measures were being reported for the first time.

Resolved: (Cr Wilson /Cr Tauariki)
That the Finance and Monitoring Committee:

- a) receives the report; and
- b) notes that the next six-monthly update will be presented as part of the 2024-25 Annual Report.

10. Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Finance and Monitoring Public Excluded Minutes 5 December 2024) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Report on overdue debtors as at 31 December 2024 and Debt write-offs 2024/25)	

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to protect the privacy of natural persons to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (a) Section 7 (2) (j)

The meeting went into Public Excluded at 11:28am

The meeting was declared closed at 11.46am

Item 5

Attachment 1

Item 6

Council Report

Committee: Finance and Monitoring Committee
Date: 29 April 2025
Author: Ash Rawiri
Authoriser: Amy Viggers
Position: Governance Advisor
Position: Governance Lead
Report Name: Chair's Report

Report Status	<i>Open</i>
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Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Finance and Monitoring Committee receives the report.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Chairs Report



Chair's Report

Item 6

A time of change and uncertainty

The recent global financial turmoil sparked by the Trump tariff shock has sent ripples through international markets, and it's increasingly clear that no economy is fully insulated, including ours here in Hamilton. While the full extent of the impact is still unfolding, early indicators suggest mounting pressure on supply chains, construction costs, and broader inflation trends. All of which carry implications for our city's operations, infrastructure delivery, and household budgets.

Although Hamilton City Council borrows through the Local Government Funding Agency (LGFA), providing access to lower-cost financing, it's unknown at this time what effect the current volatility may have on their ability to raise funds at the same scale. A potential positive impact could see investors in the current economic environment recognising New Zealand as a "safe haven" for their investment. On the other hand, some investors could take a more conservative approach, centralising investments within their own or regional economies rather than investing within Australasian bonds. It is too early to know how these factors might manifest and what impact we may face as a result.

As a Council, we must consider the potential for tighter financial conditions and be disciplined in our spending decision-making. At the same time, we must remain focused on supporting our community through what could become a more challenging and uncertain economic environment.

Local Government New Zealand (LGNZ)

LGNZ is working hard to support member councils with the resources we need to engage effectively with our communities. In early April, they hosted a zoom session with Infometrics Chief Executive Brad Olsen, focusing on the new quarterly *Local Government Economic Insights* report.

One of the more interesting takeaways was a graph and commentary on the impact of rates on the rising cost of living. It presented a very different picture to what we often hear, showing that rising rent and insurance costs have been the biggest contributors, with rates playing a much smaller role than commonly assumed. View the report [here](#).

What's next for water?

Consultation closed on 27 April 2025. The consultation document itself serves as a valuable public record, clearly outlining the issues and proposed solutions. Even those who didn't make a submission have had the opportunity to understand what's needed to ensure a healthy waters future and the long-term financial benefits of acting now.

Next week, we'll begin hearing directly from submitters, ahead of deliberating this matter.

Thanks

A sincere thank you to the finance team for all your work in supporting this important kōrero. Your efforts are much appreciated.

Cr Maxine Van Oosten, Chair, Finance and Monitoring Committee

Cr Moko Tauariki, Deputy Chair, Finance and Monitoring Committee

Recommendation:

That the Finance and Monitoring Committee receives this report.

Attachment 1

Council Report

Committee: Finance and Monitoring Committee

Date: 29 April 2025

Author: Iain Anderson

Authoriser: Andrew Parsons

Position: Capital Financial Lead

Position: General Manager
Infrastructure and Assets

Report Name: Capital Portfolio Monitoring report

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Finance and Monitoring Committee on the delivery and financial performance of the 2024-25 Capital Portfolio for the eight months ended 28 February 2025. The financial performance is a measure against the revised budget position.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Finance and Monitoring Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

3. This report is to be read in conjunction with the Financial Performance and Strategy Report for the period ended 28 February 2025.
4. Financial figures are presented in billions (b), millions (m) and thousands (k).
5. The total capital expenditure budget that was approved in the 2024-34 Long-Term Plan budget is \$4.4b with associated capital revenue of \$592m.
6. In developing the 2024/34 Long-Term Plan the Council resolved:
 - i. that the capital programme can be managed as a three-year programme, consistent with the way the renewals and compliance are being undertaken. This was to reflect that a focus on capital deferrals was not always the best way to measure delivery of the capital programme given the many uncertainties that exist.
 - ii. that a key assumption for managing the financial strategy would be to, if necessary, review and reprioritise the planned capital programme.
 - iii. to recognise a level of deferrals within the financial modelling, this was primarily to ensure that the impacts on depreciation and borrowing costs were recognised. For the 2024-25 the approved deferral target for the year is \$50m.
7. The capital programme over the first 3 years of the 2024-34 Long-Term Plan is \$1.1b with associated revenue of \$205m.
8. The Long-Term Plan approved capital programme for the 2024-25 (current) financial year is \$344.4m with associated revenue of \$64.5m.

9. Since the adoption of the 2024-34 Long-Term Plan changes to the capital programme have been identified. These changes are grouped as follows.
 - i. deferrals from the previous financial year;
 - ii. current deferrals from the 2024-25 financial year;
 - iii. approved changes and savings; and
 - iv. impacts from the reduced New Zealand Transport Agency (NZTA) subsidy levels.
10. Deferrals from the previous financial year (2023/24) into 2024/25 are \$55.2m of expenditure with associated revenue of \$14.8m.
11. After adoption of the 2024/34 Long-Term Plan Council received confirmation of NZTA subsidy for the 2024-27 financial period. This amount is significantly lower than was assumed when preparing the 2024-34 Long-Term Plan.
12. In addition to the loss of NZ Transport Agency subsidy, there was uncertainty as Council waited to receive formal government decision to divert revenue under the Infrastructure Acceleration Fund (IAF) contract from the proposed active mode bridge to 3 waters infrastructure. This decision was not received until early 2025.
13. It took time to understand the impact of these revenue changes on Councils Financial Strategy. In keeping with its resolution to review and prioritise the capital programme and to manage the capital programme as a three-year programme, Council took a prudent approach to commencing any transport and other projects in order to keep within Councils adopted Financial Strategy.
14. The financial strategy elements of reduced subsidy are now understood but this prudent approach over the first six months of the 2024/25 financial year has resulted in a loss of momentum in delivery of the capital programme, leading to higher deferrals in year 1 than anticipated.
15. The higher levels of deferral are also attributable to a significant diversion of critical resource into getting prepared for water reform and into unplanned growth and fast track consent proposals.
16. As well as the reduced NZTA subsidy there are other matters that arise from time to time which are outside the control of the Chief Executive that impact on the level of deferrals and the revised Capital Programme Sheets look to identify these matters when they arise.
17. Council has requested that further work is put into reprioritising the capital programme to be included into the 2025/26 Annual Plan taking a realistic approach in the current operating context.
18. The focus on this reprioritisation, anticipating water reform, will be to;
 - I. continue to take a three-year approach to delivery of all the activities that would remain with Council should a waters CCO be established as part of water reform; and
 - II. be strategic and selective on a 3 waters capital programme that progresses all the critical City 3 waters needs and allows an incoming CCO flexibility on important investment and procurement decisions
19. The current year approved deferrals for both expenditure and revenue have remained largely unchanged since this previous report. The focus has been on providing an accurate year end forecast along with the consequential impact on year 2 and 3 of the 2024-34 Long-Term Plan.
20. In the previous report the year end forecast was stated as being between \$140m and \$170m. This range remains the best estimate using the actual data as at March 2025. Actual results up until 30 June may impact on this forecast.

Item 7

21. Capital expenditure savings for 2024-25 are currently forecast at \$20m.
22. Taking into account the forecast deferral along with the forecast savings, the year end revised capital budget is now expected to be \$207m.
23. For the eight months ended 28 February 2025, capital expenditure is \$127.8m while the associated capital revenue is \$35.6m.
24. Capital work in progress (WIP) is \$740.6m. Within this amount is \$394.0m of assets that are in service but have not yet been capitalised. To negate the impact on the operating result, an estimate of the depreciation amount has been made and is reflected in the operating result for the period ended 28 February 2025.
25. The value of assets capitalised for the eight months ended 28 February 2025 is \$176.0m.
26. Since the previous report there has been marked decrease in the outstanding WIP, this was largely the capitalisation of the Te Ara Pekapeka Bridge.
27. In addition, a further \$91.4m has been analysed and is with the asset data teams prior to being capitalised by the Finance Unit. Due to the current 3 waters revaluation the asset system updates and being held until the revaluation is completed. Once this has occurred then these will be processed, this will occur before the end of the financial year.
28. Two projects have been assessed as having an orange risk as noted on the activity sheets in **Attachment 1**.
29. This reports focus is against the approved Long-Term Plan capital programme, it does not reflect strategic infrastructure delivery capital work that is being delivered through innovative partnerships.
30. Using these partnerships are important insofar as they allow strategic infrastructure to be delivered earlier with the cost to Council being deferred until it is affordable within the financial strategy.
31. Going forward this report will look to incorporate these partnership agreements to ensure a complete capital delivery is presented.
32. Staff consider the matters to be of low significance and that the recommendations comply with Council's legal requirements.

Discussion - *Matapaki*

Definitions

33. To assist with understanding the attachments the following definitions apply:
 - i. Long-Term Plan 24/25 – Year 1 Approved Budget.
 - ii. Deferrals - Approved budgets from current year into a subsequent year.
 - iii. Bring Forwards - Approved Budget from a future year into a current year.
 - iv. Approved Changes – Changes that increase or decrease a capital budget, they require approval from Finance committee.
 - v. Savings - Changes that reduce a capital budget that require approval from the Finance and Monitoring Committee.
 - vi. Movements – Transfers between projects. These do not change the total budget.; and
 - vii. Revised Budget – the total budget reflecting the total changes described above.

Attachments

- 34. **Attachment 1** – Activity sheets. With the start of the 2024-34 Long-Term Plan, the previous programme sheets have been reviewed. While the content remains consistent with previous reporting, they are now presented under the activity groups rather than the portfolio groups used previously.
- 35. Council has 13 Activities, however not all have an associated Capital Programme.
- 36. Seven activities: Community Services, Parks and Recreation, Transportation, Venues Tourism and Major Events, Stormwater, Wastewater and Water Supply have their own sheets. Four activities: Growth, Regulatory and Safety, Rubbish and Recycling and Support Services have been consolidated into a single sheet.
- 37. While two activities - Governance, and Partnerships Communications and Māori, do not have capital programmes.
- 38. The front page has an Activity Overview, target achievements for the first 3 years of the current Long-Term Plan .
- 39. The back page is a summary financial table for the key projects being delivered within the activity, with the focus being on the performance against budget and programme for the 2024/27 three-year period. Also included is a status classification and an update for each key projects.
- 40. **Attachment 2** is a summary schedule of the budget changes throughout the year. It lists the type of budget change for both expenditure and revenue. The schedule tracks the changes from the approved budget through to the changes being reported to this committee meeting. A forecast column has been added to the summary statement to provide the year end forecast position.
- 41. **Attachment 3** contains a full schedule of the capital expenditure budgets. This schedule is presented using the external activities. This detail relates to the summary table in paragraph 50.
- 42. **Attachment 4** contains a full schedule of the capital revenue budgets. This schedule mirrors the project detail in **Attachment 3**. This detail relates to the summary table in paragraph 50.

Capital Programme Delivery Workshop

- 43. The Finance and Monitoring Committee on 27 February 2025 requested a review the capital work programme in particular prioritisation to inform future Long-Term Plan and Annual Plans. In undertaking the review there needed to be realistic assessment of what Council can deliver given the context of the current environment.
- 44. This workshop took place on April 9. This report was being prepared at the same time and we have endeavoured to ensure consistency. However, the workshop approach chose to split the Capital programme between Residual Council and 3 Waters. This report has not, and the programme is presented as was included in the 2024-34 Long-Term Plan.

Capital Expenditure Actual

- 45. The actual capital expenditure for the eight months ended 28 February 2025 is \$127.8m. The comparative amount from the same period last financial year is \$217.8m.

Capital Revenue Actual

- 46. Capital revenue provides a significant revenue stream for Council. The 2024/25 approved budget is \$64.5m.

Item 7

47. Capital revenue is broadly categorised into two sources – New Zealand Transport Agency (NZTA) subsidies, and other Capital Contributions. Examples of others are contributions received towards network connections, Government Grants and Multi-Party funding agreements.
48. The actual capital revenue for the eight months ended 28 February 2025 is \$35.6m. The comparative amount from the previous year is \$37.5m. Note that capital revenue is project specific and can vary significantly between years.
49. Capital revenue is also reported through the Financial Performance and Strategy Report.
50. The following table provides a high-level breakdown between NZTA Subsidy and Contributions and Grants

**Capital Revenue
as at 28 February 2025**

	Actual	Approved Budget	Annual Forecast
NZTA Subsidy*	17,970	33,532	20,065
NZTA Renewal Subsidy	6,675	12,698	9,194
Contributions and Grants*	10,929	18,315	22,516
	35,575	64,545	51,775

* excluded from Balancing the Books

Current Year Changes

51. The current year's changes have been incorporated into the Financial Strategy results through the Financial Performance and Strategy Reports to the Committee, to allow the impact to be understood.
52. Table 1 below summarises the budget changes (\$000's). It starts with the approved 2024/25 Long-Term Plan and the opening deferrals and brought forwards, and then shows the reported changes along with the value of deferrals and brought forwards. A full summary table can be found in **Attachment 2**.

Table 1. Current Year Budget Changes (\$000's)

Summary Table	Expenditure	Revenue	Net Position
Opening Budget as at 1 July 2024	344,384	(64,545)	279,838
Opening Deferrals & b/fwds	55,289	(14,801)	40,488
Current Year Changes			
+/- 24-25 Forecast Deferrals & b/fwds	(159,850)	8,944	(150,906)
+/- Approved Changes and Savings	(32,760)	18,627	(14,133)
Revised Budget as at 28 Feb 2024	207,063	(51,775)	155,288

53. A detailed schedule of the capital expenditure and capital revenue can be found in **Attachments 3 and 4**.

Capital Deferrals and Brought Forwards for 2024/25

54. Deferrals and brought forwards are changes to the timing of when a project is undertaken. They do not alter the value of the project.

55. During the 2024-34 Long-Term Plan the Council considered the level of deferrals on the capital programme. The Council resolved that for the 2024-25 and 2025-26 financial years deferrals be set at \$50m per year and all years beyond were set at \$80m. These amounts were reflected in the 2024-34 Long-Term Plan financial strategy modelling.
56. For the eight months ended 28 February 2025 the current year's deferrals have remained largely unchanged at \$116m. **Attachment 3** contains full details.
57. The year end forecast is now estimated to be \$160.0m, which is within the range on \$140m and \$170m that was previously reported. This estimate has been made using actual progress to date, current forecasting and known factors such as the reduction on the Transportation Programme due to the reduced subsidy levels.
58. The year end forecast for deferrals will continue to be reviewed monthly, and any material changes will be reported through to the next Finance and Monitoring Committee in June 2025.
59. The year end deferrals forecast is higher that had been anticipated due in part to the prudent approach to delivery of year one of the 2024-25 Long-Term Plan adopted by Council to remain within an acceptable debt/revenue ratio.
60. While the year-end forecast is not reflected in the financial strategy graphs in the Financial Performance and Strategy Report to 28 February 2025, having awareness of the likely total is important when the modelling is done for the 2025-26 Annual Plan, and the modelling for the Local Water Done Well options.
61. As part of developing the 2024-34 Long-Term Plan, the Council passed the following resolution at its 28 November 2023 meeting:
- "approves the management of the capital programme as a three-year programme, consistent with how renewals and compliance are currently undertaken"*
62. The impact of the year 1 deferrals and the year 2 forecast is likely to impact on the level of delivery in year 3.
63. The following table summarises the 3-year period, to give awareness to impact of the deferrals on the capital delivery.

Capital Expenditure Revised Programme**2024-27** (000's)

	2024-25	2025-26	2026-27	Total
Approved LTP	344,384	317,054	432,820	1,094,258
Opening Deferral from 2023/24	55,289			55,289
+/- Deferrals*	-115,983	105,730	5,277	-4,976
Forecast Deferrals	-42,122	-155,910	122,918	-75,114
+/- Changes	-12,760	-17,874	-12,015	-42,649
Forecast Changes	-21,687			-21,687
Revised Programme	207,121	249,000	549,000	1,005,121

* the balance of \$4.976m is forecast to move into 2027-28 (Year 4)

Capital Changes

64. Capital changes affect both expenditure and revenue. Changes modify the budget amount either as a request for additional budget or reductions in budgets due to savings.
65. In determining the year end forecast for capital expenditure savings of \$20m have been estimated across the portfolio.
66. This amount of the savings will be confirmed for the next Finance Committee meeting in June.

Item 7

67. The budget changes due to the reduced NZTA Subsidy were reported and reflected in the financial modelling in August 2024. At the time the financial quantum was known but Council was still to decide on the reprioritisation of the “local share” budget. Since that time Council approved the “Green” list of projects on 28 November 2024 and on 11 March 2025 they approved the “Yellow” list.
68. A full list can be found in **Attachment 3** for Capital Expenditure and in **Attachment 4** for Capital Revenue.

Renewals and Compliance

69. This section deals specifically with the financial performance of Renewal and Compliance programme, with the change in reporting from Programmes to Activities the Renewal and Compliance programme is not as visible as before.
70. Given this programme deals with the critical issue of looking after the city’s existing assets by ensuring the assets remain fit for purpose and deliver the required level of service to the community, this section deals specific with the full Renewals and Compliance programme.
71. Council has previously approved the ability to manage the renewals and compliance programme as a 3-year programme.
72. The total R&C programme approval for the first 3 years of the 2024-34 Long-Term Plan is \$394.3m. This total has increased by \$3.1m due to a \$1.1m deferral from the previous Long-Term Plan for Artur Porter Drive and the reclassification \$2.0m from a level of service budget to renewal for the Museum project. The following table summarises the 3-year Renewal and Compliance Programme.

Renewals and Compliance Programme

2024-27 000's

As at 28 February 2025

	2024-25	2025-26	2026-27	Total
Approved LTP	112,667	121,351	160,326	394,344
+/- Approved Deferrals	-12,572	12,621	-49	0
+/- Changes	3,114	0	0	3,114
Revised Programme	103,209	133,972	160,277	397,458

73. Actual expenditure on renewals and compliance as at 28 February 2025 is \$46.3m.

Work in Progress (WIP)

74. The total value of WIP for the period ended 28 February 2025 is \$740.6m, inclusive of vested assets.
75. \$394.0m is classified as outstanding, this means assets that are in use but have not yet been capitalised. This value represents a decrease from the previous report. This was largely due to the capitalisation of the Te Ara Pekapeka Bridge.
76. The impact on the financial statements while the assets remain in WIP is they are not being depreciated, therefore, operating expenditure is being understated. To counter this the Finance Unit, assess the depreciation value and reflect this in the financial position.
77. The total value of capitalisations as at 28 February 2025 (8 months) is \$176.0m.
78. Since February a further \$91.4m of outstanding WIP has been analysed and is with the relative asset teams for loading.

79. Audit New Zealand raised the value of WIP and the capitalisation of assets in their most recent management letter. The capitalisation process remains a high staff priority and work continues towards getting the value to acceptable levels by 30 June 2025.

Projects Risks

80. Two projects have been assessed as having an orange risk profile (meaning that senior executives are monitoring and managing risks, and that a future decision of the Council may be required). All projects in this section will continue to be reported until the risk has been resolved. No projects are identified as Red.

Wastewater Bulk Storage

81. This relates to the Collins Road site which is the first major bulk wastewater storage installation. The project has experienced delays due to significant unexpected ground water conditions.
82. The contract is programmed to recommence in April 2025 with completion prior to the end of the 2025 calendar year.

Embassy Theatre Open Spaces

83. Upgrading of open spaces including Sapper Moore Jones place is being undertaken by the Theatre Trust to ensure integration with the Theatre works. Obtaining distinction of responsibility and agreement at the interface of the theatre works and the open spaces work to allow design completion has been challenging. Agreement has now been reached with detailed design nearing completion and physical works expected to begin this financial year.
84. Agreement ensures that for Councils open spaces funding contribution the theatre will meet all of the resource consent requirements fundamental to the integration and deliver all elements that reflect the design briefs previously approved by Council.
85. The project is highlighted as a risk because of the need to reach agreement on detailed design and the consequent pressure put on the programme to align completion of the open spaces work with the opening of the Theatre. At this stage the two timelines will converge.

Portfolio Risks

Capital Expenditure reclassification.

86. With confirmation of the reduced NZTA subsidy there is the possibility that Council will decide not to proceed with the existing projects that have been in progress with business case and design work complete. If this happens then staff would need to identify and report costs incurred to date, these costs will need to be transferred to the Operating statement.
87. The significant project under this category is the School Link Project. As at 28 February 2025 total cost incurred is \$5.8m, comprising the comprehensive Business Case \$2.2m and \$3.6m in design and pre-implementation works.
88. If expensed, these costs would impact on the both the Balancing the Books metric and the overall operating result for the 2024/25 financial year.

Establishment of a Waters CCO

89. Should Council resolve to establish a waters CCO, then responsibility for delivery of the 3 waters capital programme will transfer to that entity on 1 July 2026.
90. The CCO will initially be established as a “minimum viable product” and any disruption from a transition process to the entity may impact delivery of the capital programme.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

91. Staff confirm that matters and recommendations within this report comply with Council's legal and policy requirements.
92. Staff have also considered the key considerations under the Climate Change Policy and have determined that an adaptation assessment and emissions assessment is not required for the matter(s) in this report.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

93. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future ('the 4 well-beings').
94. The subject matter of this report has been evaluated in terms of the 4 well-beings during the process of developing this report as outlined below.
95. The recommendations set out in this report are consistent with that purpose.

Social

96. Work is currently underway to understand social procurement opportunities across our portfolio, which involves enhanced recognition and valuing of social benefits through particularly our selection of contractors.

Economic

97. Delivery of our capital works portfolio delivers significant economic benefits to Hamilton and the surrounding districts. In the past year over \$250m have been injected in the Hamilton economy. While no hard data is available there is acceptance that a substantial portion of this amount has been invested in local community thereby supporting business and employment.
98. Given the Capital programme approved in the 2024-34 Long-Term Plan totals \$2.5b, staff will undertake more detail economic modelling to understand better the economic benefits and report back to this Finance Committee.

Environmental

99. Across the capital portfolio, environmental consideration is integrated throughout the project life cycle, including design, procurement, and construction.
100. In the procurement phase all physical works contracts include a component to incorporate environmental and sustainability considerations into tender evaluation, where contractor initiatives such as materials reuse, energy requirements, electric vehicle utilisation, carbon offsets etc, can be valued.
101. Across the portfolio several works projects and programmes are specifically focussed on enhancing Hamilton's natural environment or ensuring effects of city development are not at the detriment of the natural environment.

Cultural

102. Across the portfolio, engagement and partnership with iwi is continuing at a project level, and work is underway to further align and partner at programme and portfolio levels to identify opportunities for enhanced partnership and shared outcomes. This is particularly regarding alignment with objectives of the Waikato Tainui Environmental Plan – Tai Tumu Tai Pari Tai Ao.

Risks - *Tuuraru*

103. There are no known risks associated with the recommendations in this report.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

104. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed the matters and recommendations in this report have a low level of significance.
105. Community views and preference are already known to the Council through the 2024-34 Long-Term Plan.
106. Given the low level of significance determined, the engagement level is low, and no further engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Activity Sheets

Attachment 2 - Budget Summary

Attachment 3 - Capital Expenditure Detail

Attachment 4 - Capital Revenue Detail

February 2025

WATER SUPPLY

WATER TREATMENT AND STORAGE - WATER DISTRIBUTION

ACTIVITY OVERVIEW

He taaone tiaki taiao

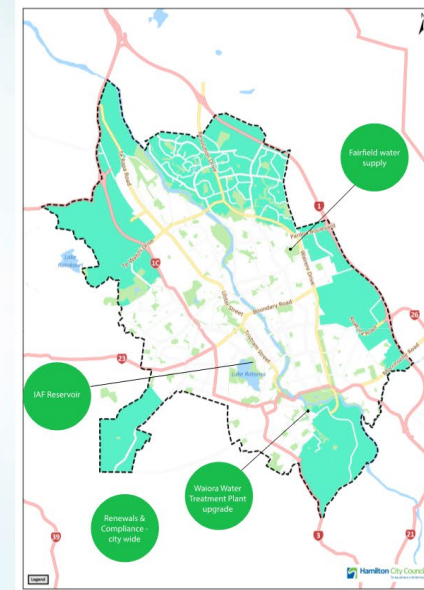
A green city

Our water projects provide Hamilton residents and businesses with a reliable, high-quality, and safe, treated water supply. We will continue to meet our legislative requirements to deliver water supply services that are safe, healthy and sustainable.

TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Design and procure early contractors' involvement for new reservoir, pump station and bulk water reticulation to supply water into the central city.
- Capacity and compliance improvements at Waioara Water Treatment Plant, including wash water upgrade.
- To increase network resilience, optimise expenditure and simplify operations across the network to ensure a consistent level of service.
- To help quantify the amount of water used more accurately, establishing a framework for water-loss identification and subsequent reduction.
- Complete the planned network replacement projects to minimise the risk of asset failure.
- Water network upgrade to allow new development and resilience.

MAP



Hydrocyclones
& Raw Water Tank

Membrane
Filters

Hamilton
City Council
Te kaunihera o Kirikiriroa

February 2025

WATER SUPPLY - PAGE 2

KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of Feb 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Infrastructure Acceleration Fund (IAF) Programme*	Detailed design commenced	\$2,045	\$9,975	-\$6,705	\$3,270	\$10,060	\$36,430	Delay in obtaining variation approval from Kainga Ora	Public engagement has been completed with insights being compiled to assist with the design and mitigation for the new reservoir and pump station.
	Waiora Water Treatment Plant Upgrade *	Project closed out	\$2,600	\$3,045	\$3,015	\$6,060	\$0	\$0	NA	Construction completed and new filtration plant commissioned. Final project close out to be completed Dec-26.
	Hillcrest Area DMA Design	Finish concept design and engage detailed design	\$25	\$265	-\$15	\$250	\$1,105	\$14,680	Rephasing	Scope received and project team being established to start the planning. After the planning phase the procurement of design will start. Concept design to be completed next financial year.
	Fairfield Water Supply Pump Station Upgrade	Scope developed and handed over to the delivery team	\$0	\$0	\$0	\$0	\$545	\$3,175	Scope being completed	The Waters team is developing the best solution to procure the concept design in FY25/26. After this, the project will be progressing to construction.
	Renewals and Compliance Programme**	Maximise the amount of renewals delivered within the available funding allocation	\$5,235	\$9,245	\$180	\$9,425	\$10,275	\$16,090	N/A	Majority of projects are on track and either in construction or programmed for construction this financial year. Will reach target within 3 Year programme.

* CE KPI

** 3 year programme

PROJECT STATUS - LEGEND



Project is on track



Project has significant risks that are being monitored and managed



Project has significant risks that will require Council decision



Membrane Plant
Filter Racks



**Hamilton
City Council**
Te kaunihera o Kirikiriroa

Item 7

Attachment 1

February 2025

WASTEWATER

WASTEWATER COLLECTION - WASTEWATER TREATMENT AND DISPOSAL

ACTIVITY OVERVIEW

He taaone tiaki taiao

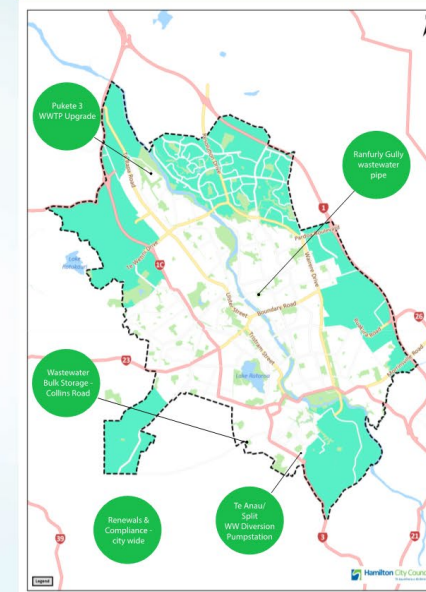
A green city

Wastewater activities provide our city with reliable and sustainable wastewater services to protect both the health of our people and our waterways. We want to continue to provide a service to collect, treat, and dispose of wastewater in a safe, healthy and sustainable way.

TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Pukete - Complete the new inlet works facility, bioreactor retrofits, site masterplan, site redevelopment, administration/maintenance buildings, primary sedimentation tank and solids management upgrade.
- Designate three wastewater bulk storage sites, complete construction of one and commence construction of a second storage facility.
- Complete Collins Rd Bulk Waste Water storage tank construction by end of 24/25.
- Upgrade Fitzroy pump station and install new rising main to divert flow from western catchment to Peacockes Transfer System.
- Ranfurly Gully to wastewater pipeline realignment.
- Complete the planned networks replacement projects to minimise the risk of asset failure.

MAP



Pukete Bioreactor Retrofit

Pukete Bioreactor Retrofit

Hamilton City Council
Te kaunihera o Kirikiriroa

February 2024

WASTEWATER - PAGE 2

KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of Feb 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Pukete 3 Wastewater Treatment Plant Upgrade	Inlet construction Bioreactor 2 design	\$2,485	\$0	\$8,065	\$8,065	\$14,115	\$0	Rephasing	Procurement process for the Inlet work is completed. Construction contract negotiation is underway and it is expected that construction starts in July. The bioreactor 2 design is delayed and expected to be finish next FY.
	Wastewater Bulk Storage *	Collins Rd designation and construction complete Fairfield NOR submission for designation complete	\$2,940	\$1,120	\$6,085	\$7,205	\$7,690	\$29,110	Rephasing	Amber due to Collins Rd dewatering methodology confirmation. Currently waiting for the resource consent outcome. Fairfield designation on track to submit the NOR this financial year. The designations for other sites are on track.
	Wastewater Network Capacity Upgrade Sub-Programme	Te Anau construction ROI going to market this financial year.	\$260	\$5,720	-\$3,785	\$1,935	\$14,125	\$16,575	Rephasing	Planning stage is completed and the ROI s being prepared to go to the market before June.
	Ranfurlly Gully Wastewater Pipe realignment	Construction commenced	\$1,460	\$5,670	\$0	\$5,670	\$3,385	\$5,670	NA	Project construction started Jan-25. Community informed and project progressing as per plan.
	Renewals & Compliance Programme**	Maximise the amount of renewals delivered within the available funding allocation	\$6,575	\$18,985	-\$2,350	\$16,635	\$18,945	\$31,820	Contractor availability for relining of wastewater sewer	Majority of projects are on track and either in construction or programmed for construction this financial year. Will reach target within 3 Year programme.

* CE KPI

** 3 year programme

PROJECT STATUS - LEGEND



Project is on track



Project has significant risks that are being monitored and managed



Project has significant risks that will require Council decision



Wastewater
Pipeline
Realignment



Hamilton
City Council
Te kaunihera o Kirikiriroa

Item 7

Attachment 1

February 2024

STORMWATER

STORMWATER NETWORK (INCLUDES COLLECTION, CONVEYANCE, TREATMENT AND DISCHARGE SERVICES)

ACTIVITY OVERVIEW

He taaone tiaki taiao

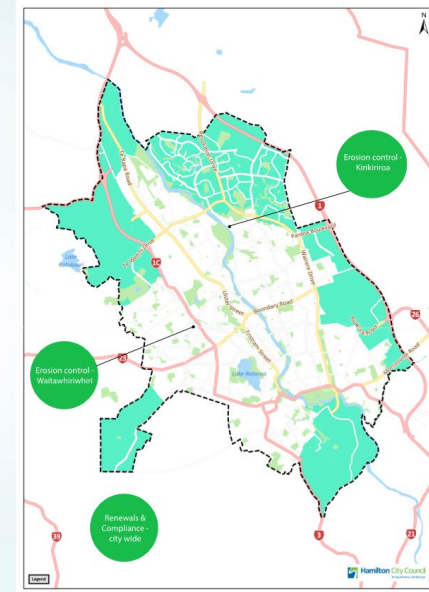
A green city

Our stormwater activities are about providing our city with services that protect people and properties from flooding, and manage the quality of our stormwater. We want to continue to maintain stormwater services that improve, promote, and protect public health, including protecting and enhancing the Waikato River.

TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Address small to medium scale flood hazard issues based on 100-year flood hazard data within Waitawhiriwhiri & St Andrews catchments.
- Stormwater Network Improvement programme for erosion remediation in Chartwell, Kirikiriroa, Mangakotukutuku and Waitawhiriwhiri catchment areas.
- Programme to complete the city's Integrated Catchment Management Plans.
- Complete the planned pipes and outlets structure replacement projects.

MAP



Waitawhiriwhiri
Erosion

Kirikiriroa
Erosion



February 2025

STORMWATER - PAGE 2

KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of Feb 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Waitawhiriwhiri Flood Management	Project definition and design complete	\$15	\$525	-\$465	\$60	\$2,635	\$4,330	Stages of project have been rephased.	Design will be completed by this financial year, with constructions scheduled over following years.
	Erosion Control Programme	Construction complete at Kirikiriroa catchment.	\$235	\$1,430	-\$240	\$1,190	\$3,115	\$2,000	Project rephased	Physical works commenced at Kirikiriroa catchment, with reinstatement forecast to be completed in winter.
	Integrated Catchment Management Plan (ICMP) Sub-Programme	Waitawhiriwhiri - Completion of technical modelling reports for approval and Draft ICMP delivered.	\$440	\$1,760	-\$825	\$935	\$2,630	\$1,620	Stages of project have been rephased.	ICMP is under review by external and internal stakeholders. On track to be approved this financial year.
	Renewals and Compliance Programme**	Maximise the amount of renewals delivered within the available funding allocation	\$220	\$3,090	\$50	\$3,140	\$3,035	\$10,210	NA	Projects behind schedule due to internal resourcing constraints. Will reach target within 3 Year Programme.

** 3 year programme

PROJECT STATUS - LEGEND

■	Project is on track	■	Project has significant risks that are being monitored and managed	■	Project has significant risks that will require Council decision
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Item 7

Attachment 1

February 2025

TRANSPORT

TRANSPORT NETWORK - PARKING MANAGEMENT

ACTIVITY OVERVIEW

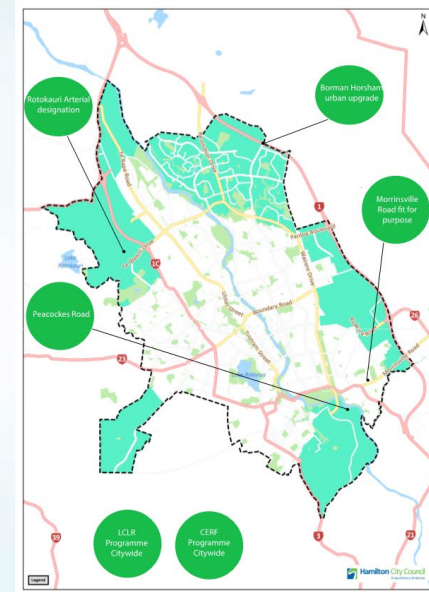
He taaone e ngaawari noa iho ana te noho
A city that's easy to live in

We want Hamilton Kirikiriroa to be a city that is easy to get around. We want to have a safe, reliable, and sustainable transport system that is accessible to everyone. It is essential we meet our legislative obligations relating to the way we manage the road corridor and transport network within our boundaries.

TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Complete the urbanisation of Borman/Horsham Urban Upgrade.
- Complete construction of Peacocke Road Urban Upgrade and Whatukooruru Drive, to enable residential development.
- Effectively deliver the Low Cost Low Risk works programme to significantly improve safety of our intersections and networks across the city.
- Deliver SH26 Morrinsville Road Fit for Purpose revocation.
- Close out CERF.
- Complete the Rotokauri Arterial Designation process & Hearing.

MAP



February 2025

TRANSPORT - PAGE 2

KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	Key Project Name in Psoda	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
				Actuals YTD to the end of Feb 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Borman/Horsham Urban Upgrade *	Borman/Horsham Urban Upgrade *	Road open and project close out	\$6,605	\$5,105	\$3,690	\$8,795	\$60	\$0	NA	The project is under the defect and liability period.
	Peacocke Road Urban Upgrade and Whatukooruru Drive	Peacocke Road Urban Upgrade and Whatukooruru Drive	Stage 2 Peacockes Road to Hall Road construction complete.	\$22,185	\$38,025	-\$2,845	\$35,180	\$36,155	\$455	NA	Project on track for completion in June, with surfacing nearing completion, and traffic services and landscaping under way. Stage 3 (Hall Road to Ohaupo Road) under way, completion due June 2026.
	LC/LR - Local Road Improvements **	LC/LR - Local Road Improvements	List of projects confirmed by council. Design commenced	\$315	\$1,575	-\$575	\$1,000	\$2,925	\$200	NA	List of green and pink projects confirmed by Council in March 2025. Project designs commenced.
	Morrinsville Road Fit for Purpose (SH26 Revocation)	Morrinsville Road Fit for Purpose	Roundabout design complete	\$310	\$8,000	-\$6,230	\$1,770	\$3,415	\$6,000	NA	Roundabout detail design procurement on track. The detail design is forecasted to be finished by June-25
	CERF Transport Choices Programme	CERF Transport Choices Programme	Heaphy Tce Pedestrian Crossing construction. Projects/Programme close out	\$1,965	\$0	\$2,840	\$2,840	\$0	\$0	NA	Heaphy Tce Pedestrian Crossing construction underway.
	Rotokauri - Roading & Strategic Infrastructure	Rotokauri - Roading & Strategic Infrastructure	Lodge Notice of Requirement	\$310	\$3,150	-\$1,540	\$1,610	\$2,230	\$0	Rephase	Project is on track to go to the hearing in October.

* CE KPI

** 3 year programme

PROJECT STATUS - LEGEND



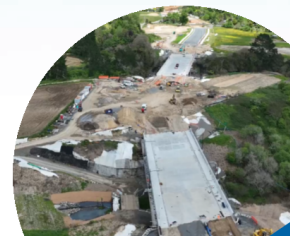
Project is on track



Project has significant risks that are being monitored and managed



Project has significant risks that will require Council decision



Whatukooruru
Drive



**Hamilton
City Council**
Te kaunihera o Kirikiriroa

Item 7

Attachment 1

February 2025

VENUES TOURISM AND EVENTS

CLAUDELANDS, FMG STADIUM WAIKATO, SEDDON PARK - THEATRES, TOURISM AND EVENT FUNDING - HAMILTON GARDENS - TE KAARORO NATURE PRECINCT - WAIKATO MUSEUM

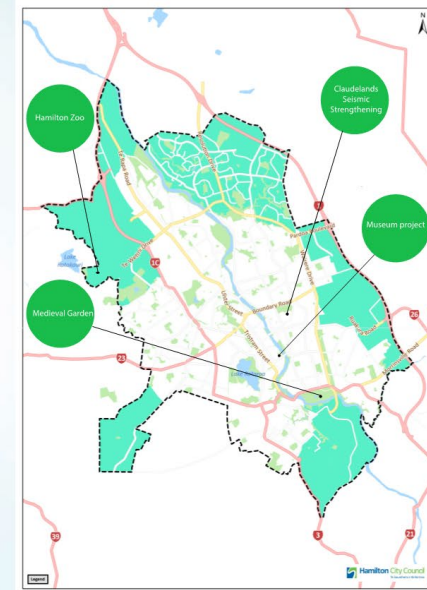
ACTIVITY OVERVIEW

He taaone hangareka, aa, he nui ngaa mahi paarekareka

A fun city with lots to do

Our city's venues, events and visitor destinations provide all kinds of opportunities for memorable experiences and entertainment. We want to continue to deliver events that support our local business, stimulate our economy, and promote our city.

MAP



TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Complete the Museum refresh project.
- Complete the delivery of the Hamilton Gardens Medieval Garden.
- Strengthen the Claudelands Grandstand building to earthquake resilience standards and complete remedial work on borer damage for re-opening.
- Complete the Giraffe barn replacement, rhino barn relocation and utility corridor - adding services to the north of the Zoo.

Medieval Garden

Museum



February 2025

VENUES TOURISM AND EVENTS - PAGE 2

KEY PROJECTS FOR 24/25 - 26-27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of Feb 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Museum Project	Building reopened 12 December 2024	\$7,350	\$4,045	\$4,105	\$8,150	\$0	\$0	NA	Project is now open and operational. Close out to be completed.
	Hamilton Gardens, Medieval Garden	Construction underway	\$340	\$0	\$1,075	\$1,075	\$625	\$0	This project relied on external funding which is now confirmed	Slightly behind schedule as this project relied on external funding which is now confirmed. As a result construction is underway and forecast for completion by end of 2025.
	Claudlands Grandstand Seismic and Strengthening	Building reopened March 2025	\$515	\$0	\$1,600	\$1,600	\$0	\$0	NA	Timing one month behind schedule due to additional heritage status requirements. This project is due for completion April 2025.
	Hamilton Zoo building renewals**	Completion of Utility Corridor Detailed Design complete for Giraffe and Rhino barns	\$1,820	\$1,405	\$520	\$1,925	\$2,755	\$3,635	NA	Utility Corridor is 95% complete and on track for completion in this financial year. Giraffe and Rhino barns in developed design phase.

**3 year programme

PROJECT STATUS - LEGEND



Project is on track



Project has significant risks that are being monitored and managed



Project has significant risks that will require Council decision



Museum



Hamilton City Council
Te kaunihera o Kirikiriroa

Item 7

Attachment 1

February 2025

PARKS AND RECREATION

PARKS - INDOOR RECREATION - CEMETERIES AND CREMATORIUM - COMMUNITY FACILITIES

ACTIVITY OVERVIEW

He taaone hangareka, aa, he nui ngaa mahi paarekareka

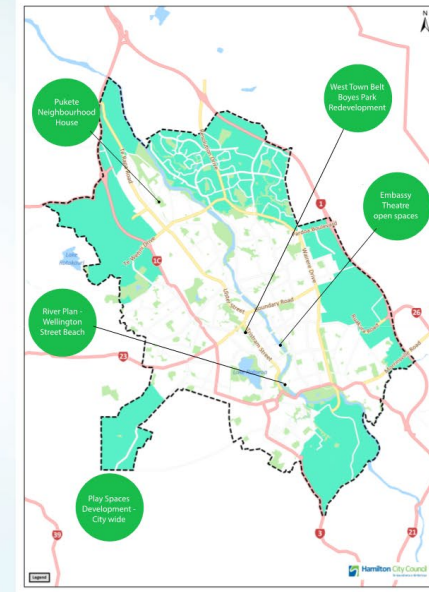
A fun city with lots to do

We will provide a wide range of attractive outdoor spaces, recreational and leisure activities for all Hamiltonians to enjoy. We want to provide activities and spaces that enhance the quality of life for our residents and visitors, and contribute to keeping Hamilton beautiful.

TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Redevelopment of Embassy Park aligned with Regional Theatre.
- Improvements to Wellington Street Beach including renewed toilets, paths and shade.
- Construction of a community facility, Pukete Neighbourhood House, next to Te Rapa Sportsdrome to operate outreach programmes for the north-west of the city.
- Construction of a central city play space and increased provision for shade.
- Redevelopment of Boyes Park (site of the former Founders Theatre).

MAP



Donny
Park

Fairfield
Skatepark

 **Hamilton
City Council**
Te kaunihera o Kirikiriroa

February 2025

PARKS AND RECREATION - PAGE 2

KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of Feb 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Embassy Theatre Open Spaces	Completion of detailed design and construction underway	\$290	\$4,990	-\$825	\$4,165	\$1,000	\$0	The construction of the Public Realm is contingent on the Theatre's timelines. This is under a PDA and Fosters are undertaking both the build and the realm elements to ensure a seamless finish.	Detail design is nearing completion, construction plans have been submitted to the Hamilton City Council consenting team.
	River Plan - Wellington Street Beach	Project complete	\$220	\$0	\$1,070	\$1,070	\$0	\$0	Plan Change 9 required additional consultation step with community.	Construction to begin at the end of May with completion due November 2025.
	Pukete Neighbourhood House	Physical works underway	\$475	\$3,180	-\$530	\$2,650	\$4,525	\$0	Funding to be moved to year two as a result of moving location.	Physical works have started and going well.
	Play Spaces Development	Shade improvements at six playgrounds and Fairfield Skate completed	\$635	\$735	\$460	\$1,195	\$2,300	\$340	N/A	Shade improvements were endorsed by the Playgrounds Working Group in November and delivery is underway. Neighbourhood playground at Boyes Park planning underway.
	West Town Belt Implementation - Boyes Park Redevelopment	Restoration of Dame Hilda Ross fountain	\$630	\$1,365	-\$700	\$665	\$1,355	\$0	Council decision on Play Spaces programme.	Phase 1 demolition complete October 2024. Planning underway for Phase 2 for delivery in conjunction with the play spaces programme.

PROJECT STATUS - LEGEND

■	Project is on track	■	Project has significant risks that are being monitored and managed	■	Project has significant risks that will require Council decision
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Item 7

Attachment 1

February 2025

COMMUNITY SERVICES

AQUATIC FACILITIES - LIBRARIES - CUSTOMER SERVICES

ACTIVITY OVERVIEW

He taaone e ngaawari noa iho ana te noho

A city that's easy to live in

Through delivering the Community Services activities, we will provide libraries and aquatic facilities for people to visit and enjoy. These facilities and services promote the social and cultural wellbeing of Hamiltonians. Our customer services provide an easy point of contact for information.

TARGET ACHIEVEMENTS FOR 24/25 - 26/27

- Delivery of weathertight façade for Central Library and HVAC improvements.
- Delivery of renewed changing rooms and sauna and steam facilities at Waterworld.

MAP





Waterworld
Spa Area



Waterworld
Changing
Rooms



Hamilton
City Council

Te kaunihera o Kirikiriroa

February 2025

COMMUNITY SERVICES - PAGE 2

KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of Feb 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Central Library façade and HVAC	Detailed design complete and construction started	\$80	\$0	\$925	\$925	\$410	\$2,370	NA	Project on track and in design phase. Construction scheduled for commencement June 2025
	Aquatics - steam sauna changing rooms renewal and HVAC	Detailed design complete and construction started	\$30	\$0	\$250	\$250	\$5,445	\$0	Work phased over June/July to minimise disruption to Waterworld.	Detailed design phase starting February, and on track to commence construction June 2025.

PROJECT STATUS - LEGEND

■	Project is on track	■	Project has significant risks that are being monitored and managed	■	Project has significant risks that will require Council decision
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February 2025

OTHER CAPITAL ACTIVITIES

GROWTH

Growth is about the planning that supports the growth of the city and the wider region in a boundaryless way, while ensuring Hamilton's unique environment is protected.

REGULATORY AND SAFETY

Regulatory and Safety is about ensuring Hamilton is a place where people feel safe and are protected from risks to their health and wellbeing. We want to make sure our public places are safe for the people that use them, and that legal standards are met.

- Target Achievement: Expansion of the Animal Control kennel to meet growing demand.

RUBBISH AND RECYCLING

Rubbish and Recycling activities protect the health of Hamiltonians and the environment by providing a reliable kerbside collection service, and promote waste minimisation and resource recovery.

SUPPORT SERVICES

Support services are the internal-facing functions of the organisation that underpin the delivery of Council's services.

Target Achievement:

- A safety required customer service upgrades is to be completed. Achieve fire compliance for the building. Fire alarm upgrades and pacifier remediation (fire stopping).
- Roof replacement - Municipal Building main tower block. Lift replaced in Municipal Building.

Kennel Block
Extension



February 2025

OTHER CAPITAL ACTIVITIES - PAGE 2

KEY PROJECTS FOR 24/25 - 26/27

Status	Project Name	2024/25 Milestone	2024/25 CURRENT POSITION (\$000)				YEAR 2 AND 3 (\$000)		Deferral Reason (if applicable)	Status Update
			Actuals YTD to the end of Feb 25	Year 1 LTP Approved	Budget Changes	Revised Budget	25/26 Revised Budget	26/27 Revised Budget		
	Animal Control - Kennel Block Extension	Construction complete of kennel expansion	\$40	\$410	\$285	\$695	\$0	\$0	Procurement delays	Finalising a commercial agreement and on track to begin construction Q4 24/25.
	Municipal Building**	Achieve fire compliance for the building Place order for long lead time lift equipment	\$965	\$5,710	-\$2,570	\$3,140	\$7,550	\$4,015	Project planning and design underway for delivery in 25/26 FY Long lead times on equipment eg Municipal building lifts.	Fire stopping construction underway and on track for completion end of April. Physical works underway for fire alarm upgrades to be completed by end April. Lift replacement contract to go to open market May 2025.

** 3 year programme

PROJECT STATUS - LEGEND



Project is on track



Project has significant risks that are being monitored and managed



Project has significant risks that will require Council decision



Item 7

Attachment 1

Summary of Changes to the Capital Budget
for the 2024-25 Financial Year

Finance Committee Meeting Date	Long Term Plan 24/25	As at 1 Jul 2024	As at 30 Aug 2024	As at 31 Oct 2024	As at 31 Dec 2024	As at 28 Feb 2025	Forecast	2024/25
Expenditure in 000's								Total
Approved Budget	344,384	344,384	399,672	378,914	363,806	268,706	270,763	344,384
23/24 Deferrals & brought forwards		55,289						55,289
Current Year Deferrals & brought forwards			(5,775)	(15,108)	(95,100)	(167)	(43,700)	(159,850)
Approved Changes and Savings			(225)	0	0	2,224	(20,000)	(18,002)
NZTA adjustment (only local share retained)			(14,758)					(14,758)
Closing Revised Expenditure Budget	344,384	399,672	378,914	363,806	268,706	270,763	207,063	207,063
Revenue in 000's								Total
Approved Budget	(64,545)	(64,545)	(79,346)	(58,042)	(53,696)	(52,181)	(51,775)	(64,545)
Deferrals & b/fwds		(14,801)	2,676	4,347	1,515	406		(5,857)
Approved Changes and Savings			115	0	0	0		115
Remove NZTA Subsidy			18,512					18,512
Closing Revised Revenue Budget	(64,545)	(79,346)	(58,042)	(53,696)	(52,181)	(51,775)	(51,775)	(51,775)

Capital Expenditure

As at 28 February 2025

CE Code	Type	Long Term Plan 24/25	Revised Budget as at 1 July 2024	Revised Budget as at 31 August 2024	Revised Budget as at 31 October 2024	Revised Budget as at 31 December 2024	Deferrals		Approved Changes	Savings	Movements	Revised Budget as at 28 February 2025	Actuals as at 28 February
							Current year to Future Year	Future Year to Current Year					
Community Services													
CE10001 - Aquatic facilities building renewals	R	\$417,076	\$417,076	\$417,076	\$417,076	\$417,076	\$0	\$0	\$0	\$0	\$0	\$417,076	\$90,198
CE10005 - Libraries collection purchases	R	\$1,575,726	\$1,575,726	\$1,575,726	\$1,575,726	\$1,575,726	\$0	\$0	\$0	\$0	\$0	\$1,575,726	\$1,112,361
CE10006 - Library operational renewals	R	\$384,171	\$384,171	\$384,171	\$384,171	\$384,171	\$0	\$0	\$0	\$0	\$0	\$384,171	\$95,909
CE10007 - Library building renewals	R	\$1,490,627	\$1,490,627	\$1,490,627	\$1,490,627	\$1,620,627	\$0	\$0	\$0	\$0	\$0	\$1,620,627	\$98,892
CE19017 - Rototuna community facilities	G	\$0	\$150,000	\$150,000	\$150,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$100,000	\$47,495
CE21005 - Aquatic facilities renewals	R	\$3,455,375	\$3,455,375	\$3,455,375	\$3,171,455	\$1,286,000	\$0	\$0	\$0	\$0	\$0	\$1,286,000	\$71,272
CE21044 - Libraries development	LOS	\$0	\$155,000	\$155,000	\$155,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21046 - Aquatic facilities development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,275	\$32,275	\$32,275
Total Community Services		\$7,322,976	\$7,627,976	\$7,627,976	\$7,344,056	\$5,383,601	\$0	\$0	\$0	\$0	\$32,275	\$5,415,876	\$1,548,404
Growth													
CE24008 - Strategic Property Renewals	R	\$1,225,981	\$1,225,981	\$1,225,981	\$1,225,981	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24024 - Strategic Land Acquisition Fund	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Growth		\$1,225,981	\$1,225,981	\$1,225,981	\$1,225,981	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Parks and Recreation													
CE10021 - Cemetery and crematorium building renewals	R	\$23,379	\$23,379	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10030 - Parks and recreation building renewals	R	\$4,949,930	\$4,949,930	\$4,973,309	\$4,973,309	\$3,476,322	\$0	\$0	\$0	\$0	\$0	\$3,476,322	\$520,014
CE17004 - River plan	LOS	\$4,987,500	\$6,233,836	\$6,233,836	\$6,233,836	\$5,233,836	\$0	\$0	\$0	\$0	\$0	\$5,233,836	\$508,490
CE19007 - Peacocke parks development	G	\$330,330	\$1,193,441	\$1,193,441	\$1,193,441	\$324,185	\$0	\$0	\$0	\$0	\$0	\$324,185	\$10,764
CE19009 - Rototuna parks development	G	\$0	\$2,190,998	\$2,190,998	\$2,190,998	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19070 - Community facilities building renewals	R	\$2,628,143	\$2,628,143	\$2,628,143	\$2,628,143	\$2,628,143	\$0	\$0	\$0	\$0	\$0	\$2,628,143	(\$6,411)
CE21001 - Nursery Renewals	R	\$672,934	\$672,934	\$672,934	\$672,934	\$718,891	\$0	\$0	\$0	\$0	\$0	\$718,891	\$391,703
CE21003 - Parks and recreation renewals	R	\$6,793,857	\$6,793,857	\$6,883,631	\$6,883,631	\$6,883,631	\$0	\$0	\$0	\$0	\$0	\$6,883,631	\$2,483,371
CE21004 - Cemeteries and crematorium renewals	R	\$89,774	\$89,774	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21006 - Nature in the city gully restoration and development	LOS	\$0	\$176,257	\$176,257	\$176,257	\$176,257	\$0	\$0	\$0	\$0	\$0	\$176,257	\$65,230
CE21007 - Cemeteries and crematorium development	G	\$1,357,650	\$1,357,650	\$1,357,650	\$1,357,650	\$1,924,965	\$0	\$0	\$0	\$0	\$472,167	\$2,397,132	\$50,617
CE21008 - Indoor recreation development	LOS	\$3,181,815	\$7,175,902	\$7,175,902	\$7,175,902	\$2,649,536	\$0	\$0	\$0	\$0	\$0	\$2,649,536	\$469,580
CE21010 - Parks and recreation development	LOS	\$3,465,210	\$6,805,759	\$6,805,759	\$6,805,759	\$4,137,724	\$0	\$0	\$0	\$0	(\$504,442)	\$3,633,282	\$2,289,542
CE24026 - Rotokauri Parks Development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Parks and Recreation		\$28,480,521	\$40,291,859	\$40,291,859	\$40,291,859	\$28,153,490	\$0	\$0	\$0	\$0	(\$32,275)	\$28,121,215	\$6,782,900
Regulatory And Safety													
CE21013 - Animal Control Building Renewals	R	\$14,027	\$14,027	\$14,027	\$14,027	\$14,027	\$0	\$0	\$0	\$0	\$0	\$14,027	\$0
CE21015 - City Safe Renewals	R	\$234,536	\$234,536	\$234,536	\$234,536	\$234,536	\$0	\$0	\$0	\$0	\$0	\$234,536	\$9,373
CE21016 - City Safe Upgrades	LOS	\$13,650	\$13,650	\$13,650	\$13,650	\$13,650	\$0	\$0	\$0	\$0	\$0	\$13,650	\$613
CE24029 - Animal Control Development	G	\$409,500	\$409,500	\$409,500	\$693,420	\$693,420	\$0	\$0	\$0	\$0	\$0	\$693,420	\$38,442
CE24031 - Animal Control Development	R	\$31,141	\$31,141	\$31,141	\$31,141	\$31,141	\$0	\$0	\$0	\$0	\$0	\$31,141	\$15,497
Total Regulatory And Safety		\$702,854	\$702,854	\$702,854	\$986,774	\$986,774	\$0	\$0	\$0	\$0	\$0	\$986,774	\$63,925
Rubbish and Recycling													
CE10054 - Closed landfill assets renewals	R	\$1,317,625	\$1,317,625	\$1,317,625	\$1,317,625	\$630,408	\$0	\$0	\$0	\$0	\$0	\$630,408	\$198,023
Total Rubbish and Recycling		\$1,317,625	\$1,317,625	\$1,317,625	\$1,317,625	\$630,408	\$0	\$0	\$0	\$0	\$0	\$630,408	\$198,023
Stormwater													
CE10058 - Stormwater asset renewals	R	\$2,615,611	\$2,615,611	\$2,615,611	\$2,615,611	\$2,704,661	\$0	\$0	\$0	\$0	\$0	\$2,704,661	\$120,218
CE15059 - Rototuna stormwater infrastructure	G	\$525,525	\$2,067,171	\$2,067,171	\$2,067,171	\$226,033	\$0	\$0	\$0	\$0	\$0	\$226,033	\$1,803
CE15060 - Rotokauri stormwater infrastructure stage 1	G	\$4,984,350	\$4,430,811	\$4,430,811	\$4,430,811	\$2,235,367	\$0	\$0	\$0	\$0	\$0	\$2,235,367	\$716,131
CE15062 - Peacocke stormwater infrastructure stage 1	G	\$2,088,245	\$3,670,370	\$3,670,370	\$3,670,370	\$3,212,821	\$0	\$0	\$0	\$0	\$0	\$3,212,821	\$669,479
CE15063 - Peacocke stormwater infrastructure stage 2	G	\$3,918,254	\$5,916,557	\$5,916,557	\$5,916,557	\$5,916,557	\$0	\$0	\$0	\$0	\$0	\$5,916,557	\$3,307,642
CE15067 - Comprehensive stormwater consent implementation	LOS	\$174,873	\$174,873	\$174,873	\$174,873	\$135,000	\$0	\$0	\$0	\$0	\$0	\$135,000	\$3,192
CE15068 - Stormwater customer connections	G	\$26,250	\$26,250	\$26,250	\$26,250	\$26,250	\$0	\$0	\$0	\$0	\$0	\$26,250	\$613,798
CE15137 - Water demand management - Newcastle reservoir zone	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15162 - Integrated Catchment Management Plan	G	\$2,286,102	\$2,412,117	\$2,412,117	\$2,412,117	\$1,010,066	\$0	\$0	\$0	\$0	\$0	\$1,010,066	\$437,943
CE19026 - Erosion control works	LOS	\$2,318,703	\$3,603,018	\$3,603,018	\$3,603,018	\$1,822,275	\$0	\$0	\$0	\$0	\$0	\$1,822,275	\$658,433
CE21031 - Flood management	LOS	\$525,000	\$540,019	\$540,019	\$540,019	\$60,000	\$0	\$100,000	\$0	\$0	\$0	\$160,000	\$16,239
CE21032 - Stormwater infrastructure upgrades	G	\$890,313	\$1,267,376	\$1,267,376	\$1,267,376	\$633,688	\$0	\$0	\$0	\$0	\$0	\$633,688	\$260
CE21062 - Stormwater asset upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21066 - Ruakura stormwater infrastructure	G	\$0	\$11,110	\$11,110	\$11,110	\$11,110	\$0	\$0	\$0	\$0	\$0	\$11,110	\$21,462
CE21068 - Water Stimulus – Stormwater	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23003 - IAF Stormwater	G	\$598,711	\$510,781	\$510,781	\$464,070	\$464,070	\$0	\$0	\$0	\$0	\$0	\$464,070	\$318,107
Total Stormwater		\$20,951,936	\$27,246,063	\$27,246,063	\$27,199,353	\$18,457,899	\$0	\$100,000	\$0	\$0	\$0	\$18,557,899	\$6,884,707
Support Services													
CE24001 - Fleet Vehicles Renewals	R	\$3,912,660	\$3,912,660	\$3,912,660	\$3,912,660	\$3,912,660	\$0	\$0	\$0	\$0	\$0	\$3,912,660	\$1,531,936
CE24002 - Corporate Building Renewals	R	\$5,710,019	\$5,710,019	\$5,710,019	\$5,710,019	\$3,141,885	\$0	\$0	\$0	\$0	\$0	\$3,141,885	\$967,211
CE24006 - Information Services Renewals	R	\$2,407,802	\$2,407,802	\$2,097,904	\$2,097,904	\$2,097,904	\$0	\$0	\$0	\$0	(\$714,965)	\$1,382,939	\$813,493

Item 7

Attachment 3

Capital Expenditure

As at 28 February 2025

CE Code	Type	Long Term Plan 24/25	Revised Budget as at 1 July 2024	Revised Budget as at 31 August 2024	Revised Budget as at 31 October 2024	Revised Budget as at 31 December 2024	Deferrals		Approved Changes	Savings	Movements	Revised Budget as at 28 February 2025	Actuals as at 28 February
							Current year to Future Year	Future Year to Current Year					
CE24007 - Information Services Upgrades	LOS	\$1,600,185	\$1,600,185	\$1,910,083	\$1,910,083	\$1,910,083	\$0	\$0	\$0	\$0	\$714,965	\$2,625,048	\$179,014
Total Support Services		\$13,630,666	\$13,630,666	\$13,630,666	\$13,630,666	\$11,062,532	\$0	\$0	\$0	\$0	\$0	\$11,062,532	\$3,491,653
Transport													
CE10070 - Parking enforcement renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10072 - Footpath and street furniture renewals	R	\$7,712,549	\$7,712,549	\$7,712,549	\$7,712,549	\$7,712,549	\$0	\$0	\$0	\$0	\$0	\$7,712,549	\$4,519,216
CE10074 - Drainage (kerb and channel) renewals	R	\$1,031,092	\$1,031,092	\$1,031,092	\$1,031,092	\$1,031,092	\$0	\$0	\$0	\$0	\$0	\$1,031,092	\$374,895
CE10075 - Road base Renewals	R	\$9,654,580	\$10,771,112	\$10,771,112	\$10,771,112	\$10,771,112	\$0	\$0	\$0	\$0	\$0	\$10,771,112	\$3,594,705
CE10076 - Road resurfacing	R	\$5,863,309	\$5,863,309	\$5,863,309	\$5,863,309	\$5,863,309	\$0	\$0	\$0	\$0	\$0	\$5,863,309	\$7,031,453
CE10077 - Bridge and structures renewals	R	\$215,084	\$215,084	\$215,084	\$215,084	\$215,084	\$0	\$0	\$0	\$0	\$0	\$215,084	\$43,043
CE10078 - Retaining wall and structures renewals	R	\$158,208	\$158,208	\$158,208	\$158,208	\$158,208	\$0	\$0	\$0	\$0	\$0	\$158,208	\$32,713
CE10080 - Street lighting renewals	R	\$2,362,032	\$2,362,032	\$2,362,032	\$2,362,032	\$2,362,032	\$0	\$0	\$0	\$0	\$0	\$2,362,032	\$899,295
CE10081 - Traffic equipment renewals	R	\$795,146	\$795,146	\$795,146	\$795,146	\$795,146	\$0	\$0	\$0	\$0	\$0	\$795,146	\$654,247
CE15087 - Transportation upgrades to allow for development	G	\$1,189,125	\$1,589,125	\$930,350	\$930,350	\$930,350	\$0	\$0	\$0	\$0	\$0	\$930,350	\$1,801
CE15088 - Peacocke transport upgrades and development stage 1	G	\$49,553,070	\$33,590,589	\$33,590,589	\$33,590,589	\$26,238,365	\$0	\$0	\$0	\$0	\$0	\$26,238,365	\$1,658,559
CE15089 - Peacocke transport upgrades and development stage 2	G	\$19,439,850	\$19,316,095	\$19,316,095	\$19,316,095	\$13,205,419	\$0	\$0	\$0	\$0	\$0	\$13,205,419	\$23,707,368
CE15090 - Rotokauri transport upgrades and development	G	\$3,152,275	\$3,123,368	\$3,123,368	\$3,123,368	\$1,711,880	\$0	\$0	\$0	\$0	\$0	\$1,711,880	\$410,633
CE15092 - Rototuna transport upgrades and development	G	\$5,103,000	\$9,304,642	\$9,304,642	\$9,304,642	\$8,946,753	\$0	\$0	\$0	\$0	\$0	\$8,946,753	\$6,750,022
CE15093 - Ruakura transport upgrades and development	G	\$2,100,420	\$5,160,877	\$5,160,877	\$5,160,877	\$3,273,457	\$0	\$0	\$0	\$0	\$0	\$3,273,457	\$883,869
CE15096 - Cross city connector	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15097 - Northern city crossing	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19036 - Ring Road	G	\$0	\$654,000	\$654,000	\$654,000	\$554,000	\$0	\$0	\$0	\$0	\$0	\$554,000	\$203,235
CE19037 - Hamilton transport model	G	\$806,400	\$1,975,509	\$1,975,509	\$1,975,509	\$505,804	\$0	\$0	\$0	\$0	\$0	\$505,804	\$181,939
CE19052 - Intersection upgrades	LOS	\$0	\$156,560	\$156,560	\$156,560	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19057 - Billing plan implementation	G	\$17,850,000	\$18,540,966	\$9,364,277	\$9,364,277	\$1,467,777	\$0	\$520,000	\$0	\$0	\$0	\$1,137,777	\$258,701
CE19058 - Public Transport Mode Shift	G	\$4,400,025	\$4,410,705	\$2,362,602	\$2,362,602	\$204,602	\$0	\$455,000	\$0	\$0	\$0	\$659,602	\$120,958
CE19064 - Transport Centre rejuvenation	LOS	\$0	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$0	\$0	\$0	\$0	\$0	\$3,500,000	\$2,871,074
CE21012 - Transport building renewals	R	\$37,406	\$37,406	\$37,406	\$37,406	\$37,406	\$0	\$0	\$0	\$0	\$0	\$37,406	(\$5,218)
CE21052 - Peacocke transportation land	G	\$0	\$3,651,786	\$3,651,786	\$3,651,786	\$1,189,193	\$0	\$0	\$0	\$0	\$0	\$1,189,193	\$0
CE21053 - Central city transportation improvements	LOS	\$945,000	\$959,627	\$959,627	\$959,627	\$759,627	\$0	\$0	\$0	\$0	\$0	\$759,627	\$70,113
CE21055 - Te Rapa transportation upgrades and development	G	\$313,950	\$1,251,948	\$1,251,948	\$1,251,948	\$632,496	\$0	\$0	\$0	\$0	\$0	\$632,496	\$43,167
CE21058 - Transportation safety improvements	LOS	\$14,825,000	\$15,057,237	\$6,604,737	\$6,604,737	\$5,438,762	\$0	\$4,307,000	(\$2,422,500)	\$0	\$0	\$7,323,262	\$857,396
CE21060 - Public transport improvement	LOS	\$787,500	\$787,500	\$385,875	\$385,875	\$285,875	\$0	\$0	\$500,000	(\$285,875)	\$0	\$500,000	\$102,056
CE23001 - CBRF	LOS	\$0	\$2,747,226	\$2,826,518	\$2,826,518	\$2,826,518	\$0	\$0	\$0	\$0	\$0	\$2,826,518	\$1,938,949
CE23005 - IAF Transport	G	\$606,778	\$532,463	\$532,463	\$532,463	\$532,463	\$0	\$0	\$0	\$0	\$0	\$532,463	\$433,875
CE24032 - Transportation Land	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,636
Total Transport		\$145,901,797	\$155,256,160	\$134,497,760	\$134,497,760	\$101,149,279	\$0	\$0	\$5,782,000	(\$3,558,375)	\$0	\$103,372,904	\$57,654,699
Venues Tourism and Major Events													
CE24009 - VTME Building Renewals	R	\$4,317,582	\$4,317,582	\$4,317,582	\$4,317,582	\$3,116,220	\$0	\$0	\$0	\$0	\$0	\$3,116,220	\$846,173
CE24010 - VTME Security And Health And Safety Programmes	LOS	\$541,800	\$541,800	\$541,800	\$541,800	\$200,000	\$0	\$0	\$0	\$0	\$0	\$200,000	\$108,853
CE24011 - VTME Operational Renewals	R	\$2,651,988	\$2,651,988	\$2,651,988	\$2,651,988	\$2,381,812	\$0	\$0	\$0	\$0	\$0	\$2,381,812	\$616,522
CE24012 - Hamilton Garden Renewals	R	\$691,649	\$691,649	\$691,649	\$691,649	\$691,649	\$0	\$0	\$0	\$0	\$0	\$691,649	\$514,715
CE24013 - Hamilton Garden Building Renewals	R	\$947,306	\$947,306	\$947,306	\$947,306	\$501,306	\$0	\$0	\$0	\$0	\$0	\$501,306	\$359,049
CE24014 - Hamilton Gardens Development	LOS	\$2,058,000	\$3,397,753	\$3,397,753	\$3,397,753	\$2,775,251	\$0	\$0	\$0	\$0	\$0	\$2,775,251	\$2,599,583
CE24016 - Hamilton Zoo Building Renewals	R	\$1,402,723	\$1,402,723	\$1,402,723	\$1,402,723	\$1,729,723	\$0	\$0	\$0	\$0	\$0	\$1,729,723	\$1,747,336
CE24017 - Hamilton Zoo Operational Renewals	R	\$1,128,070	\$1,128,070	\$1,128,070	\$1,128,070	\$778,638	\$0	\$0	\$0	\$0	\$0	\$778,638	\$360,300
CE24018 - Hamilton Zoo And Waiwhakareke Development	LOS	\$3,068,405	\$6,265,322	\$6,265,322	\$6,265,322	\$3,105,115	\$0	\$0	\$0	\$0	\$0	\$3,105,115	\$2,424,969
CE24019 - Museum Operational Renewals	R	\$238,073	\$238,073	\$238,073	\$238,073	\$238,073	\$0	\$0	\$0	\$0	\$0	\$238,073	\$82,783
CE24020 - Museum Building Renewals	R	\$2,393,981	\$2,393,981	\$3,586,981	\$3,586,981	\$4,391,444	\$0	\$0	\$0	\$0	\$0	\$4,391,444	\$3,897,217
CE24021 - Collection Acquisition Fund	LOS	\$87,239	\$180,291	\$180,291	\$180,291	\$180,291	\$0	\$0	\$0	\$0	\$0	\$180,291	\$61,361
CE24022 - Museum Development	LOS	\$4,043,130	\$6,111,041	\$4,918,041	\$4,918,041	\$4,113,578	\$0	\$0	\$0	\$0	\$0	\$4,113,578	\$3,532,098
Total Venues Tourism and Major Events		\$23,569,947	\$30,267,580	\$30,267,580	\$30,267,580	\$24,203,101	\$0	\$0	\$0	\$0	\$0	\$24,203,101	\$17,150,959
Wastewater													
CE10100 - Wastewater pump station asset renewals	R	\$935,149	\$935,149	\$935,149	\$935,149	\$1,262,965	\$0	\$0	\$0	\$0	\$0	\$1,262,965	\$1,075,043
CE10101 - Wastewater asset renewals	R	\$5,769,869	\$5,769,869	\$5,769,869	\$5,769,869	\$6,318,404	\$0	\$0	\$0	\$0	\$0	\$6,318,404	\$2,015,647
CE10115 - Wastewater treatment plant asset renewals	R	\$5,374,301	\$5,374,301	\$5,374,301	\$5,374,301	\$5,182,498	\$0	\$0	\$0	\$0	\$0	\$5,182,498	\$1,773,180
CE15103 - Wastewater network improvements	LOS	\$9,468,575	\$9,468,575	\$9,468,575	\$9,468,575	\$6,293,046	\$0	\$0	\$0	\$0	\$0	\$6,293,046	\$1,651,081
CE15104 - Wastewater pipe upgrades	G	\$892,500	\$892,500	\$892,500	\$892,500	\$446,250	\$0	\$0	\$0	\$0	\$0	\$446,250	\$0
CE15105 - Rototuna wastewater infrastructure	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15106 - Wastewater network upgrades to allow development	G	\$0	\$113,510	\$113,510	\$113,510	\$56,755	\$0	\$0	\$0	\$0	\$0	\$56,755	\$2,443
CE15107 - Rotokauri wastewater infrastructure	G	\$0	\$139,732	\$139,732	\$139,732	\$139,732	\$0	\$0	\$0	\$0	\$0	\$139,732	\$0
CE15109 - Peacocke wastewater infrastructure stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15111 - Increase capacity of wastewater network	G	\$0	\$1,222,025	\$1,222,025	\$1,222,025	\$689,725	\$0	\$0	\$0	\$0	\$0	\$689,725	\$39,212
CE15117 - Upgrade wastewater treatment plant	G	\$22,355,713	\$30,290,982	\$30,290,982	\$19,281,073	\$9,266,570	\$0	\$0	\$0	\$0	\$0	\$9,266,570	\$2,485,256
CE15120 - Wastewater treatment plant compliance	LOS	\$2,855,945	\$2,855,945	\$2,855,945	\$2,855,945	\$2,855,945	\$0	\$0	\$0	\$0	\$0	\$2,855,945	\$1,325,017
CE15121 - Wastewater customer connections to network	G	\$115,500	\$115,500	\$115,500	\$115,500	\$115,500	\$0	\$0	\$0	\$0	\$0	\$115,500	\$1,944,940
CE15160 - Wastewater model	R	\$252,490	\$252,490	\$252,490	\$252,490	\$252,490	\$0	\$139,510	\$0	\$0	\$0	\$392,000	\$196,887
CE15161 - Wastewater master plan	G	\$153,731	\$196,547	\$196,547	\$196,547	\$196,547	\$0	\$0	\$0	\$0	\$0	\$196,547	\$11,730
CE19040 - Peacocke wastewater infrastructure stage 2	G	\$1,478,138	\$4,743,321	\$4,743,321	\$4,743,321	\$4,743,321	\$0	\$0	\$0	\$0	\$0	\$4,743,321	\$1,872,874

Capital Expenditure

As at 28 February 2025

CE Code	Type	Long Term Plan	Revised Budget as at	Revised Budget as at	Revised Budget as at	Revised Budget as at	Deferrals		Approved Changes	Savings	Movements	Revised Budget as at 28 February 2025	Actuals as at 28 February
		24/25	1 July 2024	31 August 2024	31 October 2024	31 December 2024	Current year to Future Year	Future Year to Current Year					
CE19042 - Peacocke wastewater south network	G	\$15,449,807	\$9,569,176	\$9,569,176	\$9,569,176	\$6,943,853	\$0	\$0	\$0	\$0	\$0	\$6,943,853	\$4,564,495
CE19043 - Increase capacity wastewater west network	G	\$5,637,240	\$14,358,862	\$14,358,862	\$14,358,862	\$7,709,464	\$0	\$0	\$0	\$0	\$0	\$7,709,464	\$2,814,489
CE19044 - Increase capacity wastewater east network	G	\$1,050,000	\$1,974,489	\$1,974,489	\$1,974,489	\$1,174,489	\$0	\$0	\$0	\$0	\$0	\$1,174,489	\$353,392
CE21073 - Subregional wastewater treatment plant	G	\$3,150,000	\$4,374,264	\$4,374,264	\$4,374,264	\$2,324,264	\$0	\$0	\$0	\$0	\$0	\$2,324,264	\$495,027
CE23004 - IAF Wastewater	G	\$864,119	\$877,884	\$877,884	\$830,247	\$830,247	(\$180,247)	\$0	\$0	\$0	\$0	\$650,000	\$529,616
Total Wastewater		\$75,803,076	\$93,525,122	\$93,525,122	\$82,467,576	\$56,802,065	(\$180,247)	\$139,510	\$0	\$0	\$0	\$56,761,328	\$22,550,308
Water Supply													
CE10123 - Watermain renewals	R	\$5,470,621	\$5,470,621	\$5,470,621	\$5,470,621	\$6,857,644	\$0	\$0	\$0	\$0	\$0	\$6,857,644	\$3,913,364
CE10124 - Watermain valves and hydrants renewals	R	\$802,358	\$802,358	\$802,358	\$802,358	\$644,849	\$0	\$0	\$0	\$0	\$0	\$644,849	\$467,063
CE10138 - Treatment plant and reservoir renewals	R	\$1,483,146	\$1,483,146	\$1,483,146	\$1,483,146	\$1,776,000	\$0	\$0	\$0	\$0	\$0	\$1,776,000	\$713,965
CE15126 - Rototuna upgrade or new watermain	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15127 - Water pipe upgrades	G	\$767,813	\$767,813	\$767,813	\$767,813	\$383,906	\$0	\$0	\$0	\$0	\$0	\$383,906	\$0
CE15128 - Rotokauri upgrade and new watermain stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15130 - Peacocke watermain stage 1	G	\$0	\$7,141	\$7,141	\$7,141	\$7,141	\$0	\$0	\$0	\$0	\$0	\$7,141	\$0
CE15132 - Water network upgrades to allow new development	G	\$210,210	\$910,210	\$910,210	\$910,210	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15133 - Water network improvements	LOS	\$230,046	\$230,046	\$230,046	\$230,046	\$17,334	\$0	\$0	\$0	\$0	\$0	\$17,334	\$107,589
CE15134 - Water demand management - Pukete reservoir zone	G	\$0	\$270,900	\$270,900	\$270,900	\$270,900	\$0	\$0	\$0	\$0	\$0	\$270,900	\$0
CE15135 - Peacocke water distribution mains stage 1	G	\$0	\$99,227	\$99,227	\$99,227	\$99,227	\$0	\$0	\$0	\$0	\$0	\$99,227	\$19,926
CE15139 - Water Treatment Plant Compliance Minor Upgrades	LOS	\$1,098,800	\$1,098,800	\$1,098,800	\$1,098,800	\$1,821	\$0	\$0	\$0	\$0	\$0	\$1,821	\$1,821
CE15141 - Water Demand Management Hillcrest Reservoir Zone	G	\$262,500	\$262,500	\$262,500	\$262,500	\$250,000	\$0	\$0	\$0	\$0	\$0	\$250,000	\$27,040
CE15144 - Upgrade water treatment plant	G	\$4,095,000	\$7,548,924	\$7,548,924	\$7,056,731	\$6,998,924	\$0	\$0	\$0	\$0	\$0	\$6,998,924	\$2,950,823
CE15146 - Water customer connections	G	\$52,500	\$52,500	\$52,500	\$52,500	\$52,500	\$0	\$0	\$0	\$0	\$0	\$52,500	\$826,298
CE15148 - Ruakura upgrade and new watermain	G	\$0	\$412,180	\$412,180	\$412,180	\$412,180	\$0	\$0	\$0	\$0	\$0	\$412,180	\$0
CE15158 - Water model	R	\$158,975	\$158,975	\$158,975	\$158,975	\$125,150	\$0	\$0	\$0	\$0	\$0	\$125,150	\$32,260
CE15159 - Water master plan	G	\$157,500	\$173,640	\$173,640	\$173,640	\$173,640	\$0	\$0	\$0	\$0	\$0	\$173,640	\$12,000
CE19045 - Ruakura reservoir and associate bulk mains	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19046 - Peacocke watermain stage 2	G	\$711,900	\$309,573	\$309,573	\$309,573	\$309,573	\$0	\$0	\$0	\$0	\$0	\$309,573	\$402,871
CE21036 - Rotokauri upgrade and new watermain stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23002 - IAF Water Supply	G	\$7,634,083	\$6,181,319	\$6,181,319	\$2,670,158	\$2,670,158	\$0	\$0	\$0	\$0	\$0	\$2,670,158	\$1,937,389
CE24030 - IAF Water Supply	LOS	\$2,340,674	\$2,340,674	\$2,340,674	\$2,340,674	\$826,000	(\$226,000)	\$0	\$0	\$0	\$0	\$600,000	\$107,264
Total Water Supply		\$25,476,126	\$28,580,547	\$28,580,547	\$24,577,194	\$21,876,948	(\$226,000)	\$0	\$0	\$0	\$0	\$21,650,948	\$11,519,673
Grand Total - Capital Program		\$344,383,506	\$399,672,434	\$378,914,034	\$363,806,423	\$268,706,097	(\$406,247)	\$239,510	\$5,782,000	(\$3,558,375)	\$0	\$270,762,985	\$127,845,251

Item 7

Attachment 3

Capital Revenue

As at 28 February 2025

CE Code	Type	Long Term Plan	Revised Budget as at	Revised Budget as at	Revised Budget as at	Revised Budget as at 31	Deferrals		Approved Changes	Savings	Movements	Revised Budget as at 28 February 2025	Actuals as at 28 February 2025
		24/25	1 July 2024	31 August 2024	31 October 2024	December 2024	Current year to Future Year	Future Year to Current Year					
Community Services													
CE10001 - Aquatic facilities building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10005 - Libraries collection purchases	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10006 - Library operational renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10007 - Library building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19017 - Rototuna community facilities	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21005 - Aquatic facilities renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21044 - Libraries development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21046 - Aquatic facilities development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Community Services		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Growth													
CE24008 - Strategic Property Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24024 - Strategic Land Acquisition Fund	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total CE24024 - Strategic Land Acquisition Fund		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Parks and Recreation													
CE10021 - Cemetery and crematorium building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10030 - Parks and recreation building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE17004 - River plan	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19007 - Peacocke parks development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19009 - Rototuna parks development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19070 - Community facilities building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21001 - Nursery renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21003 - Parks and recreation renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,703)
CE21004 - Cemeteries and crematorium renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21006 - Nature in the city gully restoration and development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21007 - Cemeteries and crematorium development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21008 - Indoor recreation development	LOS	\$0	(\$1,400,000)	(\$1,400,000)	(\$1,400,000)	(\$1,400,000)	\$0	\$0	\$0	\$0	\$0	(\$1,400,000)	\$0
CE21010 - Parks and recreation development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24026 - Rotokauri Parks Development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Parks and Recreation		\$0	(\$1,400,000)	(\$1,400,000)	(\$1,400,000)	(\$1,400,000)	\$0	\$0	\$0	\$0	\$0	(\$1,400,000)	(\$2,703)
Regulatory And Safety													
CE21013 - Animal Control Building Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21015 - City Safe Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21016 - City Safe Upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24029 - Animal Control Development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24031 - Animal Control Development	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Regulatory And Safety		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rubbish and Recycling													
CE10054 - Closed landfill assets renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Rubbish and Recycling		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Stormwater													
CE10058 - Stormwater asset renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15059 - Rototuna stormwater infrastructure	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15060 - Rotokauri stormwater infrastructure stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15062 - Peacocke stormwater infrastructure stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15063 - Peacocke stormwater infrastructure stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15067 - Comprehensive stormwater consent implementation	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15068 - Stormwater customer connections	G	(\$26,250)	(\$26,250)	(\$26,250)	(\$26,250)	(\$26,250)	\$0	\$0	\$0	\$0	\$0	(\$26,250)	(\$612,935)
CE15162 - Integrated Catchment Management Plan	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19026 - Erosion control works	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$45,578)
CE21031 - Flood management	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21032 - Stormwater infrastructure upgrades	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21062 - Stormwater asset upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21066 - Ruakura stormwater infrastructure	G	\$0	(\$1,951,723)	(\$1,951,723)	(\$1,951,723)	(\$1,951,723)	\$0	\$0	\$0	\$0	\$0	(\$1,951,723)	(\$2,312,655)
CE21068 - Water Stimulus – Stormwater	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23003 - IAF Stormwater	G	(\$1,107,887)	(\$1,107,887)	(\$1,107,887)	(\$887,999)	(\$887,999)	\$0	\$0	\$0	\$0	\$0	(\$887,999)	(\$590,500)
Total Stormwater		(\$1,134,137)	(\$3,085,860)	(\$3,085,860)	(\$2,865,972)	(\$2,865,972)	\$0	\$0	\$0	\$0	\$0	(\$2,865,972)	(\$3,561,668)
Support Services													
CE24001 - Fleet Vehicles Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$83)
CE24002 - Corporate Building Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Capital Revenue

As at 28 February 2025

CE Code	Type	Long Term Plan 24/25	Revised Budget as at 1 July 2024	Revised Budget as at 31 August 2024	Revised Budget as at 31 October 2024	Revised Budget as at December 2024	Deferrals		Approved Changes	Savings	Movements	Revised Budget as at 28 February 2025	Actuals as at 28 February 2025
							Current year to Future Year	Future Year to Current Year					
CE24006 - Information Services Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24007 - Information Services Upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$83)
Transport													
CE10072 - Footpath and street furniture renewals	R	(\$3,503,738)	(\$3,503,738)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10074 - Drainage (kerb and channel) renewals	R	(\$474,668)	(\$474,668)	(\$474,668)	(\$474,668)	(\$474,668)	\$0	\$0	\$0	\$0	\$0	(\$474,668)	(\$197,850)
CE10075 - Road base Renewals	R	(\$4,435,919)	(\$4,435,919)	(\$4,435,919)	(\$4,435,919)	(\$4,435,919)	\$0	\$0	\$0	\$0	\$0	(\$4,435,919)	(\$1,910,863)
CE10076 - Road resurfacing	R	(\$2,688,438)	(\$2,688,438)	(\$2,688,438)	(\$2,688,438)	(\$2,688,438)	\$0	\$0	\$0	\$0	\$0	(\$2,688,438)	(\$3,710,835)
CE10077 - Bridge and structures renewals	R	(\$99,015)	(\$99,015)	(\$99,015)	(\$99,015)	(\$99,015)	\$0	\$0	\$0	\$0	\$0	(\$99,015)	(\$22,716)
CE10078 - Retaining wall and structures renewals	R	(\$72,831)	(\$72,831)	(\$72,831)	(\$72,831)	(\$72,831)	\$0	\$0	\$0	\$0	\$0	(\$72,831)	(\$17,264)
CE10080 - Street lighting renewals	R	(\$1,078,762)	(\$1,078,762)	(\$1,078,762)	(\$1,078,762)	(\$1,078,762)	\$0	\$0	\$0	\$0	\$0	(\$1,078,762)	(\$470,458)
CE10081 - Traffic equipment renewals	R	(\$344,524)	(\$344,524)	(\$344,524)	(\$344,524)	(\$344,524)	\$0	\$0	\$0	\$0	\$0	(\$344,524)	(\$345,231)
CE15087 - Transportation upgrades to allow for development	G	(\$956,057)	(\$956,057)	(\$297,281)	(\$297,281)	(\$297,281)	\$0	\$0	\$0	\$0	\$0	(\$297,281)	\$0
CE15088 - Peacocke transport upgrades and development stage 1	G	(\$4,738,334)	(\$4,738,334)	(\$6,342,797)	(\$6,342,797)	(\$6,342,797)	\$0	\$0	\$0	\$0	\$0	(\$6,342,797)	(\$197,580)
CE15089 - Peacocke transport upgrades and development stage 2	G	(\$4,738,334)	(\$4,738,334)	(\$6,342,797)	(\$6,342,797)	(\$6,342,797)	\$0	\$0	\$0	\$0	\$0	(\$6,342,797)	(\$14,263,534)
CE15090 - Rotokauri transport upgrades and development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15092 - Rototuna transport upgrades and development	G	\$0	(\$1,783,014)	(\$1,783,014)	(\$1,783,014)	(\$1,783,014)	\$0	\$0	\$0	\$0	\$0	(\$1,783,014)	(\$2,908,646)
CE15093 - Ruakura transport upgrades and development	G	\$0	(\$5,169,108)	(\$5,169,108)	(\$5,169,108)	(\$5,169,108)	\$0	\$0	\$0	\$0	\$0	(\$5,169,108)	(\$330,286)
CE15096 - Cross city connector	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15097 - Northern city crossing	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19036 - Ring Road	G	\$0	(\$186,019)	(\$186,019)	(\$186,019)	(\$186,019)	\$0	\$0	\$0	\$0	\$0	(\$186,019)	(\$140,973)
CE19037 - Hamilton transport model	G	(\$321,300)	(\$169,711)	(\$169,711)	(\$169,711)	(\$169,711)	\$0	\$0	\$0	\$0	\$0	(\$169,711)	(\$129,833)
CE19052 - Intersection upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19057 - Biking plan implementation	G	(\$9,103,500)	(\$9,551,476)	(\$307,970)	(\$307,970)	(\$307,970)	\$0	\$0	\$0	\$0	\$0	(\$307,970)	(\$205,717)
CE19058 - Public Transport Mode Shift	G	(\$2,142,000)	(\$2,151,468)	(\$9,468)	(\$9,468)	(\$9,468)	\$0	\$0	\$0	\$0	\$0	(\$9,468)	(\$17,331)
CE19064 - Transport Centre rejuvenation	LOS	\$0	(\$1,275,000)	(\$1,275,000)	(\$1,275,000)	(\$1,275,000)	\$0	\$0	\$0	\$0	\$0	(\$1,275,000)	(\$1,372,099)
CE21012 - Transport building renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21052 - Peacocke transportation land	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21053 - Central city transportation improvements	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21055 - Te Rapa transportation upgrades and development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21058 - Transportation safety improvements	LOS	(\$11,480,750)	(\$11,480,750)	(\$2,918,000)	(\$2,918,000)	(\$2,918,000)	\$0	\$0	\$0	\$0	\$0	(\$2,918,000)	(\$345,083)
CE21060 - Public transport improvement	LOS	(\$401,625)	(\$401,625)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23001 - CERF	LOS	\$0	(\$2,729,788)	(\$2,729,788)	(\$2,729,788)	(\$2,729,788)	\$0	\$0	\$0	\$0	\$0	(\$2,729,788)	(\$1,531,613)
CE23005 - IAT Transport	G	(\$738,778)	(\$738,778)	(\$630,001)	(\$630,001)	(\$630,001)	\$0	\$0	\$0	\$0	\$0	(\$630,001)	(\$200,000)
CE24032 - Transportation Land	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Transport		(\$47,318,572)	(\$58,767,357)	(\$37,463,890)	(\$37,355,113)	(\$37,355,113)	\$0	\$0	\$0	\$0	\$0	(\$37,355,113)	(\$28,317,911)
Venues Tourism and Major Events													
CE24009 - VTME Building Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24010 - VTME Security And Health And Safety Programmes	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24011 - VTME Operational Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24012 - Hamilton Garden Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24013 - Hamilton Garden Building Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24014 - Hamilton Gardens Development	LOS	(\$1,785,000)	(\$1,785,000)	(\$1,785,000)	(\$1,785,000)	(\$1,785,000)	\$0	\$0	\$0	\$0	\$0	(\$1,785,000)	\$0
CE24016 - Hamilton Zoo Building Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24017 - Hamilton Zoo Operational Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24018 - Hamilton Zoo And Waiwhakareke Development	LOS	(\$2,310,000)	(\$2,310,000)	(\$2,310,000)	(\$2,310,000)	(\$2,310,000)	\$0	\$0	\$0	\$0	\$0	(\$2,310,000)	(\$42,611)
CE24019 - Museum Operational Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24020 - Museum Building Renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24021 - Collection Acquisition Fund	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE24022 - Museum Development	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total CE24010 - VTME Security And Health And Safety Programmes		(\$4,095,000)	(\$4,095,000)	(\$4,095,000)	(\$4,095,000)	(\$4,095,000)	\$0	\$0	\$0	\$0	\$0	(\$4,095,000)	(\$42,611)
Wastewater													
CE10100 - Wastewater pump station asset renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10101 - Wastewater asset renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10115 - Wastewater treatment plant asset renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15103 - Wastewater network improvements	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15104 - Wastewater pipe upgrades	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15105 - Rototuna wastewater infrastructure	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15106 - Wastewater network upgrades to allow development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15107 - Rotokauri wastewater infrastructure	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15109 - Peacocke wastewater infrastructure stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15111 - Increase capacity of wastewater network	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15117 - Upgrade wastewater treatment plant	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15120 - Wastewater treatment plant compliance	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15121 - Wastewater customer connections to network	G	(\$105,000)	(\$105,000)	(\$105,000)	(\$105,000)	(\$105,000)	\$0	\$0	\$0	\$0	\$0	(\$105,000)	(\$1,618,992)
CE15160 - Wastewater model	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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Attachment 4

Capital Revenue

As at 28 February 2025

CE Code	Type	Long Term Plan 24/25	Revised Budget as at 1 July 2024	Revised Budget as at 31 August 2024	Revised Budget as at 31 October 2024	Revised Budget as at 31 December 2024	Deferrals		Approved Changes	Savings	Movements	Revised Budget as at 28 February 2025	Actuals as at 28 February 2025
							Current year to Future Year	Future Year to Current Year					
CE15161 - Wastewater master plan	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19040 - Peacocke wastewater infrastructure stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19042 - Peacocke wastewater south network	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19043 - Increase capacity wastewater west network	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19044 - Increase capacity wastewater east network	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21073 - Subregional wastewater treatment plant	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23004 - IAF Wastewater	G	(\$1,165,379)	(\$1,165,379)	(\$1,165,379)	(\$620,000)	(\$620,000)	\$180,247	\$0	\$0	\$0	\$0	(\$439,753)	(\$50,000)
Total Wastewater		(\$1,270,379)	(\$1,270,379)	(\$1,270,379)	(\$725,000)	(\$725,000)	\$180,247	\$0	\$0	\$0	\$0	(\$544,753)	(\$1,668,992)
Water Supply													
CE10123 - Watermain renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$193,772)
CE10124 - Watermain valves and hydrants renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE10138 - Treatment plant and reservoir renewals	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15126 - Rototuna upgrade or new watermain	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15127 - Water pipe upgrades	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15128 - Rotokauri upgrade and new watermain stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15130 - Peacocke watermain stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15132 - Water network upgrades to allow new development	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15133 - Water network improvements	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15134 - Water demand management - Pukete reservoir zone	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15135 - Peacocke water distribution mains stage 1	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15139 - Water Treatment Plant Compliance Minor Upgrades	LOS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15141 - Water Demand Management Hillcrest Reservoir Zone	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15144 - Upgrade water treatment plant	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15146 - Water customer connections	G	(\$52,500)	(\$52,500)	(\$52,500)	(\$52,500)	(\$52,500)	\$0	\$0	\$0	\$0	\$0	(\$52,500)	(\$1,786,783)
CE15148 - Ruakura upgrade and new watermain	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15158 - Water model	R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE15159 - Water master plan	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19045 - Ruakura reservoir and associate bulk mains	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE19046 - Peacocke watermain stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE21036 - Rotokauri upgrade and new watermain stage 2	G	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CE23002 - IAF Water Supply	G	(\$8,333,980)	(\$8,333,980)	(\$8,333,980)	(\$4,861,278)	(\$4,861,278)	\$0	\$0	\$0	\$0	\$0	(\$4,861,278)	\$0
CE24030 - IAF Water Supply	LOS	(\$2,340,674)	(\$2,340,674)	(\$2,340,674)	(\$2,340,674)	(\$826,000)	\$226,000	\$0	\$0	\$0	\$0	(\$600,000)	\$0
Total Water Supply		(\$10,727,153)	(\$10,727,153)	(\$10,727,153)	(\$7,254,452)	(\$5,739,778)	\$226,000	\$0	\$0	\$0	\$0	(\$5,513,778)	(\$1,980,555)
Grand Total - Capital Program		(\$64,945,242)	(\$79,345,750)	(\$58,042,283)	(\$53,695,537)	(\$52,180,863)	\$406,247	\$0	\$0	\$0	\$0	(\$51,774,617)	(\$35,574,523)

Council Report

Item 8

Committee: Finance and Monitoring Committee

Date: 29 April 2025

Author: Sarah Vaz

Authoriser: Gary Connolly

Position: Accounting Manager

Position: Chief Financial Officer

Report Name: Financial Performance & Strategy Report to 28 February 2025

Report Status	Open
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Purpose - Take

- 1. To inform the Finance and Monitoring Committee on Council’s financial performance and strategy for the eight months ended 28 February 2025.
- 2. To seek a recommendation from the Finance and Monitoring Committee that the Council approves the capital movement as set out in Item 1 the Capital Portfolio Monitoring Report.

Staff Recommendation - *Tuutohu-aa-kaimahi* (Recommendation to the Council)

- 3. That the Finance and Monitoring Committee:
 - a) receives the report;
 - b) recommends that the Council:
 - i. approves the capital movement as identified in the 28 February Capital Portfolio Monitoring Report dated 29 April 2025;
 - ii. approves the forecast adjustments as set out in paragraph 55 of the staff report;
 - iii. notes the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 56 to 58 of this staff report; and
 - c) notes that there may be further adjustment in the preparation of the Annual Report.

Executive Summary - *Whakaraapopototanga matua*

- 4. This report is to be read in conjunction with the 28 February 2025 Capital Portfolio Monitoring Report.
- 5. Financial figures are presented in billions (b), millions (m) and thousands (k). To simplify the presentation of the report, values referenced may be rounded based on materiality, such as to the nearest ten thousand.

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6. The Year-to-Date 28 February 2025 financial results are as follows:

Surplus/(Deficit) Result	Actual	Budget	Variance
Accounting Surplus/(Deficit)	\$30.1m	\$42.5m	(\$12.4m) ✖
Balancing the books	(\$6.8m)	(\$20.3m)	\$13.5m ✔

7. The key impacts on the **Year-to-Date Accounting result** are the losses on interest rate swaps and losses on disposal of property plant and equipment which represent a timing variance on accounting required valuation rather than an underlying cash loss.
8. **Balancing the books result:** year to date operating revenue gains have largely offset capital revenue shortfalls. Tightly controlled operating expenses are offsetting expected depreciation impacts following the finalisation of the building and waters assets revaluations.
9. **Operating revenue \$5.9m (excluding interest and other revenue) ✔** - \$3.2m favourable fees and charges from event activity in Destinations, consent applications and recoveries of costs. The increased waste levy on class 1 landfills resulted in a favourable variance to budget of \$1.3m. This amount has been allocated to a reserve for specific Waste Minimisation spending.
10. **Capital revenue (\$4.7m) ✖** - \$10.8m of NZTA subsidies relating to Peacocke's capital work programme deferred from 2023-24. This is offset by unfavourable 2024-25 NZTA capital and renewal subsidies revenue and capital contributions as a result of the deliberate slowdown in capital spend following the confirmed reduction of the NZTA subsidies.
11. **Other revenue \$1.3m ✔** - driven by insurance claims resolved, higher rental income and the non-cash revaluation of the interest free Housing Infrastructure Fund (HIF) loan which was budgeted in June 2024, but only received in August 2024.
12. **Net interest costs \$1.4m ✔** - higher interest rates to date have resulted in an unfavourable movement in finance costs. This is offset by the increase in interest revenue, resulting in a net favourable position of \$1.4m.
13. **Operating expenditure, excluding interest and depreciation \$6.1m ✔** - Favourability due to the high level of staff vacancies at the start of the year as Future Fit changes were embedded and cost efficiencies achieved across rubbish and digital contracts.
14. The forecast financial results for the year to 30 June 2025 are:

Measure	Forecast	Budget	Variance
Accounting Surplus/(Deficit)	\$27.6m	\$42.7m	(\$15.1m) ✖
Balancing the books	(\$49.8m)	(\$56.3m)	\$6.5m ✔

15. The key forecast impacts causing the unfavourable movement in the accounting result in contrast to the balancing the books result are the losses on interest swaps and property, plant and equipment disposals.
16. The key forecast movements for the balancing the books result include (\$3.5m) of reduced NZTA renewal subsidies offset by additional operating revenue, supported by reduced operational costs but with an expected upswing in depreciation in the second half of the year as revaluations and capitalisations are finalised. Given the nature of high inflation and improved infrastructure data available since the 2022 valuation round, additional focus is being placed on data validation, modelling, benchmarking and peer review. Reflecting the significance of material valuation shifts on financial strategy, the outcomes of draft valuation and analysis will be presented in workshop with Council prior to reflecting any potential impact, if any, on final draft of the 2026 Annual Plan for adoption in June 2025.

17. The comparison between the 2024-34 Long-Term Plan and the **full year** forecast position for key ratios is:
 - i. debt to revenue projected at 260% and favourable against a budget of 276%; and
 - ii. net debt projected at \$1.161b and favourable against a budget of \$1.236b; and
 - iii. balancing the books of (\$49.8m) projected favourable against a budget of (\$56.3m).
18. The impacts on the Financial Strategy are outlined in paragraph 55 to 57.
19. As at 28 February 2025 Council is compliant with counterparty credit limits. Council remains compliant with all other treasury policy measures (**Attachment 3**).
20. Council's Investment and Liability Management policy sets out counterparty credit limits. This is the maximum value Council may invest with any approved counterparty. These limits have been reviewed through the 2024-34 Long-Term Plan process and therefore mitigate any instances of non-compliance in the future.
21. Council's fixed rate hedging at 28 February 2025 is 77%, within the policy parameters of 40-95%. Council's external treasury advisors Price Waterhouse Cooper (PWC) review the swap strategy monthly and provide advice to guide Council's hedging activities.
22. Council saw a loss of (\$16m) on the revaluation of swaps as at 28 February 2025. Falling market floating interest rates are driving losses on the Council's fixed rate borrowing instruments.
23. Staff consider the matters in this report have low significance and that the recommendations comply with Council's legal requirements.

Discussion - *Matapaki*

Operating Results Year to Date

24. The Statement of Comprehensive Revenue and Expense discloses the accounting result in accordance with accounting standards. The surplus of \$30.1m is (\$12.4m) unfavourable compared to the budget surplus of \$42.5m.
25. The Balancing the Books result for the year to 28 February 2025 is (\$6.8m). This is \$13.5m favourable to the budgeted deficit of (\$20.4m).

Measure	Actual	Budget	Variance
Accounting Surplus/(Deficit)	\$30.1m	\$42.5m	(\$12.4m) ✖
Balancing the books	(\$6.8m)	(\$20.3m)	\$13.5m ✔

26. The forecast Balancing the Books result for the year to 30 June 2025 is (\$49.9m) deficit. This is \$6.4m favourable to the budgeted deficit of (\$56.3m).

Measure	Forecast	Budget	Variance
Accounting Surplus/(Deficit)	\$27.6m	\$42.7m	(\$15.1m) ✖
Balancing the books	(\$49.8m)	(\$56.3m)	\$6.5m ✔

Refer to the Activity statements for details on forecast movements.

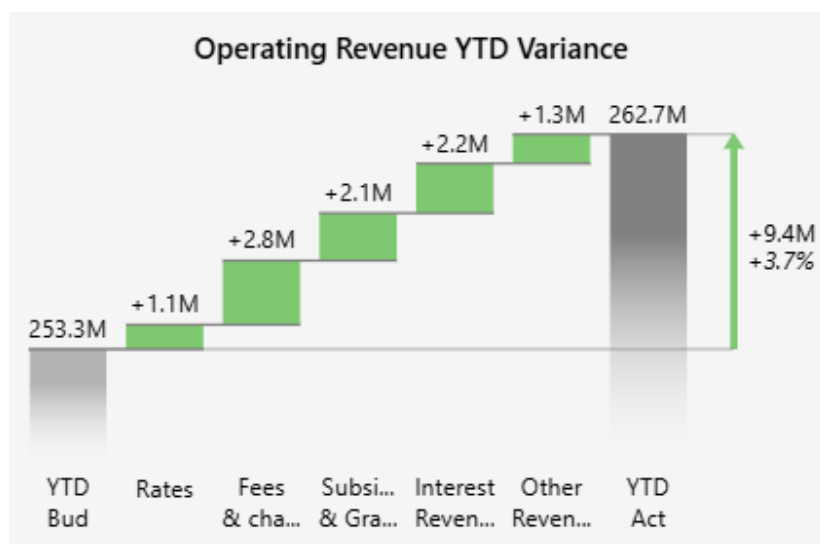
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Understanding material variances

27. The Statement of Comprehensive Revenue and Expense is in **Attachment 1**. This statement compares the result against the 2024-34 Long-Term Plan.
28. Individual Everyday Revenue and Expense statements for each of Council's activities are in **Attachment 2**.
29. Variances presented as a positive number impact the result in a favourable manner. Variances presented in brackets (\$x.xm) impact the result in an unfavourable manner.

Operating Revenue Year to Date

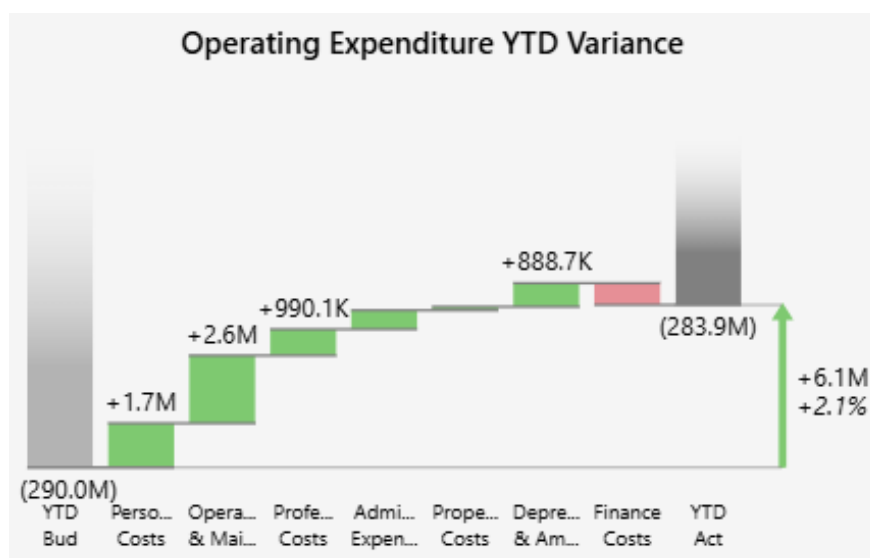
30. **Total Operating Revenue \$9.4m** ✓



31. **Fees & charges \$2.8m** ✓ - The Destination group reported favourable variances driven by higher-than-anticipated event activity at Claudelands and increased visitor numbers at Hamilton Zoo and Gardens. Increased building consent activity in the first half of the financial year has also contributed to the favourable variance.
32. **Subsidies & Grants \$2.1m** ✓ - Waste levy revenue budgets were set prior to the expansion of proposed waste levy rates. It was unknown at the time of setting budgets what revenue would be received. The Local Waters Done Well programme is partially funded from the remaining Better-Off Grant funding in this financial year.
33. **Interest revenue \$2.2m** ✓ - year to date higher market interest rates are generating slightly higher returns on prefunding term deposits as part of strategic treasury management.
34. **Other revenue \$1.3m** ✓ - Insurance Claims offset expenditures amounting to \$0.36m have been received to date. Rental income from Council properties has exceeded expectations due to the delay in demolishing properties that are currently still leased. The final Housing Infrastructure Fund (HIF) drawdown was budgeted to occur before 30 June 2024 but was received in August 2024 resulting in the recognition of \$0.6m non-cash fair value gain. This recognises the value of the interest free loan. The change in value of the HIF loan is excluded from the balancing the books result.
35. Material variance explanations at the activity level can be found in the activity statements **Attachment 2**.

Capital Revenue Year to Date

36. **Total Capital Revenue (\$8.3m)** ✖
37. **Development Contributions (\$0.6m)** ✖ - Development contributions are tracking slightly below budget. Current revenue received is largely concentrated in infills and Rototuna.
38. **Capital revenue (\$4.7m)** ✖ - \$10.8m of NZ Transport Agency Waka Kotahi (NZTA) subsidies relating to Peacocke's deferred from 2023-24 have been received. This somewhat offsets the reduction in NZTA subsidies resulting in a YTD unfavourable variance of (\$6.1m), of which (\$1.8m YTD) relates to renewals that sits within balancing the books. Capital spend has been reduced in line with the reduced revenue to have a nil cash impact on borrowings.
39. **Vested assets (\$2.9m)** ✖ – Timing and valuation of vested assets is difficult to estimate. Significant assets vested to Council relate to \$6.5m of land and infrastructure assets for Ruakura Road and 5.7m for Kawariki Drive. Vested assets are a non-cash inflow however the addition of vested assets increases operating, maintenance, and depreciation costs for Council.

Operating Expenditure Year to Date**Total Operating Expenditure \$6.1m** ✔

40. **Personnel costs \$1.7m** ✔ – Staff remuneration is \$4.6m less than budget due to staff vacancies. This is partially offset by increased casual staff and externally contracted staff costs of (\$0.4m), and (\$4.0m) reduction in capital labour recoveries due to vacancies held and delays in the transportation capital programme delivery.
41. **Operating & Maintenance costs \$2.6m** ✔ – Contributors towards the favourable result include the Rubbish & Recycling Contract where lower than projected costs are materialising for the rubbish and recycling collection and initiatives targeting efficiencies in data storage have generated higher than anticipated savings.
42. **Professional Costs \$0.9m** ✔ - Favourable results due to lower activity during the first six months while waiting for budget confirmation from NZTA.
43. **Administration Expenses \$0.7m** ✔ - Favourable results were achieved in fleet related costs \$0.3, along with reduced spending on travel and accommodation. Additionally, there were minor favourable variances in other administrative expense categories.

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44. **Finance costs (\$0.8m) ✖** - higher interest rates to date have resulted in the unfavourable movement in finance costs. This is offset by the increase in interest revenue, resulting in a net favourable position of \$1.4m.
45. **Depreciation \$0.9m ✔** – The favourability of depreciation is due to the timing of capitalisations, with increased depreciation expected on the capitalisation of significant Peacocke's assets expected by the end of the calendar year as well expected revaluations in respect of the buildings and waters assets.
46. Valuation on Waters assets and infrastructure, due for three-year review in accordance with Councils accounting policy, is currently being modelled prior to final assessment for incorporation into the 2025 Annual Report. Given the nature of high inflation and improved infrastructure data available since the 2022 valuation round, additional focus is being placed on data validation, modelling, review and benchmarking. Outside of any emerging or unknown “black swan” events, this accounting valuation process and any resulting significant shift in the depreciation renewal funding it attempts to project, provides additional uncertainty on performance in balancing the books through the Long -Term Plan 2024-34 year two 2026 Annual Plan, and year three and beyond. The valuation of two waters assets is a fundamental aspect of the Water CCO draft Record of Agreement which provides for an additional valuation of both HCC and WDC infrastructure being undertaken in 2025-26 prior to any transfer of assets. The outcomes of draft valuation and analysis will be presented in workshop with Council prior to reflecting any potential additional impact on draft 2026 Annual Plans for adoption in June 2025.
47. Please refer to the activity statements **Attachment 2** for material variance explanations.

Gains and Losses (\$19.7m) ✖

48. **Financial Instrument revaluations (\$16.0m) ✖** – market interest rate falls are driving losses on the Council's fixed rate borrowing instruments - see **Attachment 3** for swap interest rate movement. Gains of \$6.4m are projected for the remainder of the financial year as our swap profiles change with the 30 June 2025 forecast mark-to-market value of Council's Interest Rate Swaps being a loss of (\$9.6m).
49. **Loss on disposal of assets (\$3.9m) ✖** - Key losses to-date relate to the following works being undertaken resulting in the disposal of existing assets: Stormwater upgrades to Ruakura Road (\$267k), other waters infrastructure renewals and upgrades (\$2.2m) including water connections and those impacted through new developer lead upgrades, new drainage and irrigation across multiple sports parks (\$239k), fleet renewals (\$233k) and multiple building asset components (\$472k).

Treasury Management

50. The table below sets out Council's compliance with the Investment and Liability Management Policy (Council Policy) as at 28 February 2025.

Investment and Liability Management		
Measure	Compliance	Required by
Fixed Rate Debt Maturity	✔	Council Policy
Funding Maturity	✔	Council Policy
Counterparty Credit Risk	✔	Council Policy
Liquidity	✔	Local Government Funding Agency (LGFA)
Debt/ Revenue	✔	LGFA
Interest Cost/ Rates Revenue	✔	LGFA
Interest Cost/ Total Revenue	✔	LGFA

Interest Rate Risk Management

51. The movement on interest rate swaps relates to valuations completed at a point in time. These are based on Council's total external debt and the difference between current market interest rates and the fixed rates that Council has locked in. They are unrealised because, on maturity of each interest rate swap contract, no interest gain or loss eventuates. The general principle of swaps is that over the lifetime of the swap, the value of losses and gains occurred over the lifetime will equal nil.
52. As at 28 February 2025 Council's fixed rate hedging is 77%. This falls within our debt interest rate policy parameters which requires a minimum fixed rate of 40% and a maximum fixed rate of 95%.
53. Council's gross cost of funds over a 12-month rolling average is 4.46% compared to the Year 1 LTP budget of 4.67%.

Financial Strategy

54. Any changes in significant forecasting assumptions will result in changes to the Financial Strategy outcomes. These assumptions will be considered and, if necessary, adjusted in each Annual Plan or amended Long-Term Plan.

Financial Strategy Graphs

55. The following graphs show the 2024-34 Long-Term Plan budgets and actual result as set out earlier in this report.

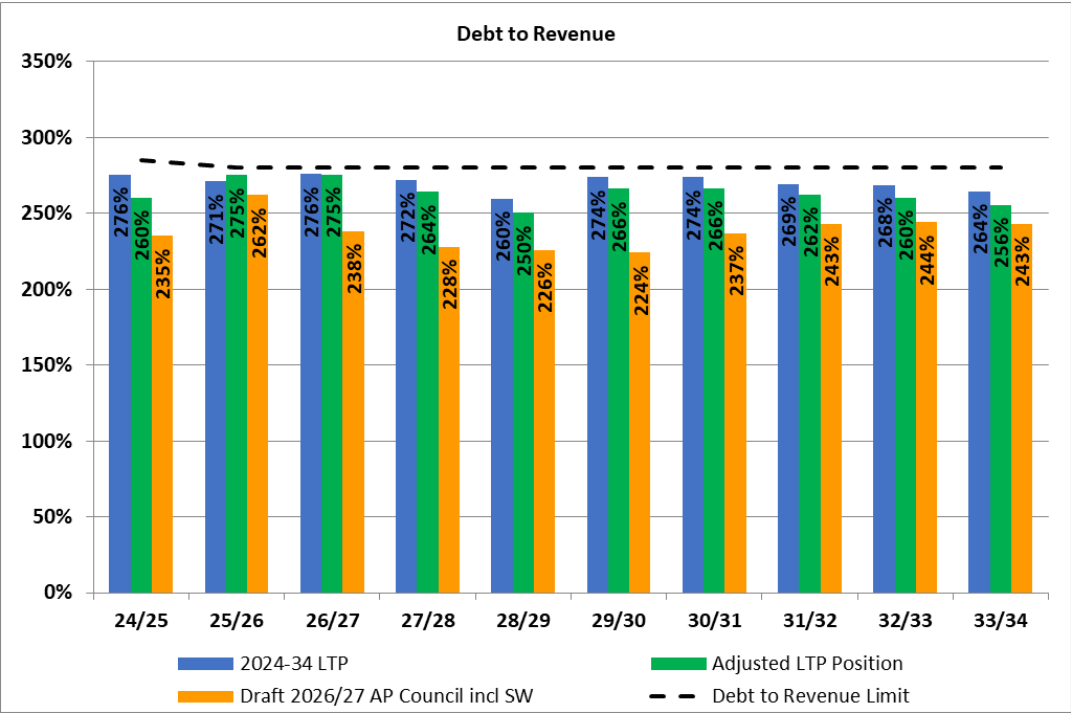
The projected movement in debt to revenue and net debt in 2024-25 is a result of:

- i. The favourable opening position for the 2024-25 financial year, as a result of increased cash on hand, capital deferrals and a favourable balance sheet payables position; and
- ii. The 2024-25 balancing the books result; and
- iii. Capital revenue, capital savings, re-phasing, and delay deferrals from 2024-25 to and from future years as detailed in the Capital Portfolio Monitoring Report; and
- iv. The loss of NZTA subsidy revenue in years 2024-25 to 2026-27, as detailed in the Infrastructure and Transport Committee on 26 September 2024; and
- v. A reduction in Council's Transport capital spend equivalent to the assumed NZTA subsidy revenue loss in years 2024-25 to 2026-27 (effectively retaining local share only).

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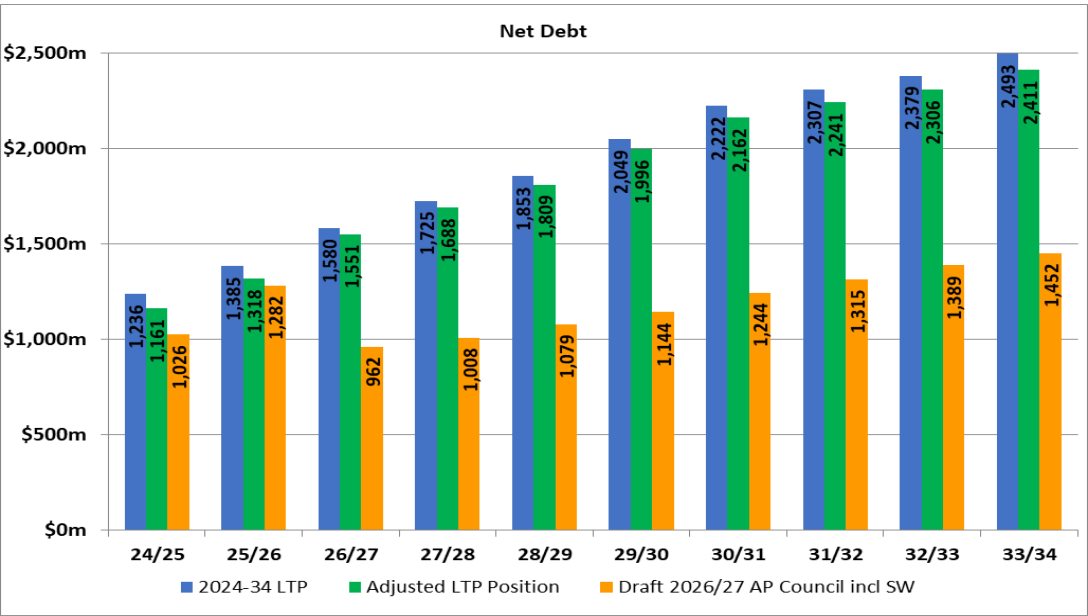
Debt to Revenue

56. The adjusted L2024-34 Long-Term Plan Debt to Revenue ratio of 260% is favourable against a budget of 276%.



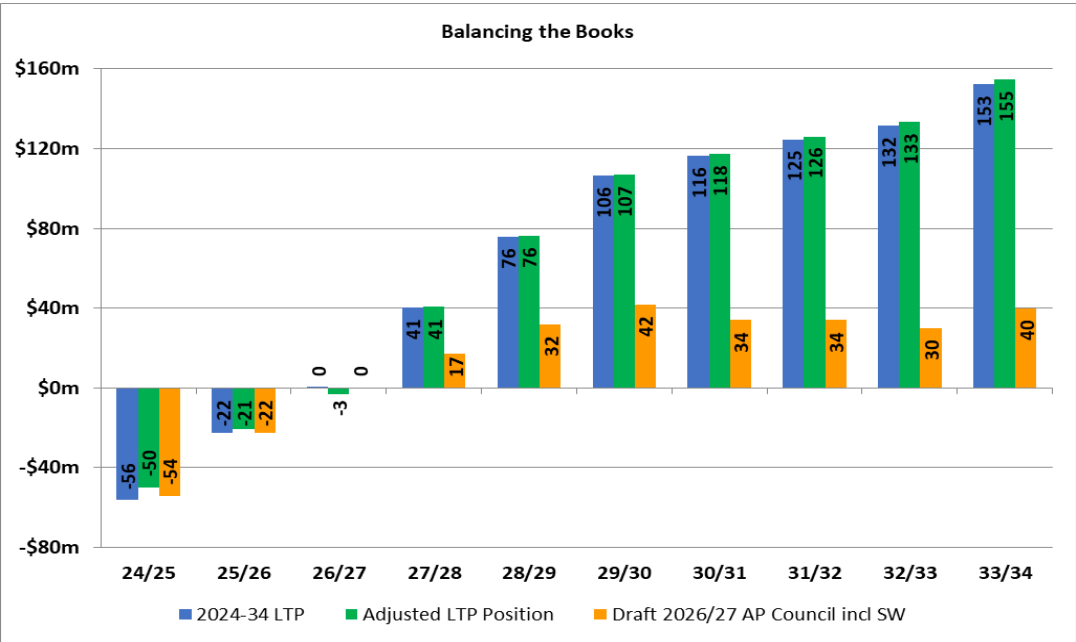
Net Debt

57. The adjusted 2024-34 Long-Term Plan net debt for 2024-25 of \$1.161b is favourable against a budget of \$1.236b.



Balancing the Books

58. The forecast 2024-34 Long-Term Plan balancing the books deficit is (\$50m), \$6m favourable against a budget of (\$56m).



Legal and Policy Considerations - Whaiwhakaaro-aa-ture

- 59. Staff confirm that matters in this report complies with Council’s legal and policy requirements.
- 60. Staff have also considered the key considerations under the Climate Change Policy and have determined that an adaptation assessment and emissions assessment is not required for the matters in this report.

Wellbeing Considerations - Whaiwhakaaro-aa-oranga tonutanga

- 61. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future (‘the 4 wellbeings’).
- 62. The subject matter of this report has been evaluated in terms of ‘the 4 wellbeings’ during the process of developing this report.
- 63. The recommendations set out in this report are consistent with that purpose.
- 64. Economic wellbeing is managed through the efficient monitoring of Council’s financial results. Diligent management of Council’s budget and regular review of forecasts is required to ensure Council is operating effectively and policy compliance is met.
- 65. The environmental, social, and cultural wellbeings are not directly impacted by the annual monitoring report. However, the efficient review and management of Council’s financial position supports the wider business in their delivery of key objectives that enhance these wellbeings.

Risks - Tuuraru

- 66. There are no known risks associated with the decisions of this report.

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Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

67. Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report have low significance. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Statement of Comprehensive Revenue and Expense 28 February 2025

Attachment 2 - Activity Statements 28 February 2025

Attachment 3 - Treasury Position 28 February 2025

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

FOR THE PERIOD ENDED 28 FEBRUARY 2025

Attachment 1

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue								
167,421	Rates	199,154	198,084	1,069	302,672	66%	303,379	707
33,935	Fees & Charges	35,072	32,267	2,805	50,052	70%	52,963	2,911
17,021	Subsidies & Grants	11,298	9,224	2,074	12,316	92%	14,736	2,420
10,864	Interest Revenue	10,278	8,109	2,168	12,163	84%	13,143	975
22,209	Other Revenue	6,883	5,607	1,275	8,173	84%	10,091	1,918
251,450	TOTAL OPERATING REVENUE	262,684	253,292	9,392	385,375	68%	394,311	8,936
Capital Revenue								
23,068	Development Contributions	13,534	14,117	(583)	21,174	64%	21,174	-
37,543	Capital Revenue	35,575	40,302	(4,728)	64,545	55%	51,780	(12,765)
28,668	Vested Assets	21,541	24,501	(2,961)	36,750	59%	36,750	-
89,280	TOTAL CAPITAL REVENUE	70,649	78,920	(8,271)	122,469	58%	109,704	(12,765)
340,730	TOTAL REVENUE	333,334	332,212	1,121	507,845	66%	504,015	(3,829)
Expenditure								
77,872	Personnel Costs	82,890	84,557	1,666	132,631	62%	132,150	481
54,036	Operating & Maintenance Costs	53,004	55,555	2,551	100,644	53%	97,927	2,717
7,041	Professional Costs	5,922	6,913	990	16,906	35%	17,031	(125)
19,028	Administration Expenses	16,575	17,299	724	25,726	64%	24,712	1,015
10,877	Property Costs	12,494	12,628	134	16,812	74%	16,959	(147)
36,497	Finance Costs	41,112	40,295	(816)	61,248	67%	59,999	1,245
70,787	Depreciation & Amortisation Expense	71,868	72,757	889	112,104	64%	115,031	(2,927)
276,139	TOTAL EXPENDITURE	283,865	290,003	6,139	466,072	61%	463,809	2,263
64,591	OPERATING SURPLUS/(DEFICIT)	49,469	42,209	7,260	41,773	118%	40,206	(1,566)
Gains and Losses								
(3,418)	Gain/(Loss) on revaluation of interest rate swaps	(16,000)	-	(16,000)	-	-	(9,600)	(9,600)
(2,689)	Gain/(Loss) on fair value of investment properties	-	270	(270)	-	-	-	-
(6,106)	Gain/(Loss) on property, plant and equipment	(3,418)	-	(3,418)	915	(374%)	(2,964)	(3,879)
	TOTAL GAINS AND LOSSES	(19,418)	270	(19,688)	915	(2122%)	(12,564)	(13,479)
58,485	TOTAL SURPLUS/(DEFICIT)	30,050	42,479	(12,429)	42,688	70%	27,642	(15,045)

Refer to Activity Statements for variances against budget.

BALANCING THE BOOKS RESULT

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
58,485	Surplus/(Deficit)	30,050	42,479	(12,429)	42,688	70%	27,642	(15,045)
Remove capital revenue								
(28,668)	Vested assets	(21,541)	(24,501)	2,961	(36,750)	59%	(36,750)	-
(14,994)	Part of Development and Financial contributions	(9,474)	(9,882)	408	(14,822)	64%	(14,822)	-
(20,069)	Capital Subsidy (excluding subsidy on transport renewals)	(17,970)	(22,356)	4,386	(33,532)	54%	(20,065)	13,468
(9,191)	Other Capital Contributions & Grants	(10,929)	(9,481)	(1,449)	(18,315)	60%	(22,516)	(4,201)
(16,168)	Other items not considered everyday operating revenue	(713)	(713)	(713)	(104)	686%	(3,243)	(3,139)
Remove (gains)/losses								
6,106	All Gains/(Losses)	19,418	(270)	19,688	(915)	(2122%)	12,564	13,479
Remove other expenses								
8,982	Other items not considered everyday operating expenses	4,352	3,669	683	5,503	79%	7,416	1,913
(15,517)	EVERYDAY SURPLUS/(DEFICIT)	(6,806)	(20,342)	13,536	(56,248)	12%	(49,773)	6,475

Attachment 2

Item 8

Attachment 2

COUNCIL

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD	YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue							
167,421 Rates**	199,154	198,084	1,069	302,672	66%	303,379	707
33,935 Fees & Charges	35,072	32,267	2,805	50,052	70%	52,963	2,911
17,021 Subsidies & Grants	11,298	9,224	2,074	12,316	92%	14,736	2,420
10,864 Interest Revenue	10,278	8,109	2,168	12,163	84%	13,143	979
22,209 Other Revenue	6,883	5,607	1,275	8,173	84%	10,091	1,918
251,450 Total Operating Revenue	262,684	253,292	9,392	385,375	68%	394,311	8,936
Operating Expenditure							
77,872 Personnel Costs	82,890	84,557	1,666	132,631	62%	132,150	481
54,036 Operating & Maintenance Costs	53,004	55,555	2,551	100,644	53%	97,927	2,717
7,041 Professional Costs	5,922	6,913	990	16,906	35%	17,031	(125)
19,028 Administration Expenses	16,575	17,299	724	25,726	64%	24,712	1,015
10,877 Property Costs	12,494	12,628	134	16,812	74%	16,959	(147)
36,497 Finance Costs**	41,112	40,295	(816)	61,248	67%	59,999	1,249
70,787 Depreciation & Amortisation Expense**	71,868	72,757	889	112,104	64%	115,031	(2,927)
5,106 Gains & Losses	19,418	(270)	(19,688)	(915)	(212%)	12,564	(13,479)
282,245 Total Operating Expenditure	303,283	289,733	(13,550)	465,157	65%	476,373	(11,216)
(30,795) Operating Surplus/(Deficit)*	(40,599)	(36,441)	(4,158)	(79,782)	51%	(82,062)	(2,280)
Capital Revenue							
23,068 Development Contributions**	13,534	14,117	(583)	21,174	64%	21,174	-
37,543 Capital Revenue**	35,575	40,302	(4,728)	64,545	55%	51,780	(12,765)
28,668 Vested Assets**	21,541	24,501	(2,961)	36,750	59%	36,750	-
89,280 Total Capital Revenue	70,649	78,920	(8,271)	122,469	58%	109,704	(12,765)
58,485 Total Surplus/(Deficit)	30,050	42,479	(12,429)	42,688	70%	27,642	(15,045)

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:

Rates:** \$1,069k favourable.

The favourability is due to capital value growth, mainly due to subdivision, building work and commercial growth, that was higher than forecast.

Interest Revenue: \$2,168k favourable.

Higher market interest rates are generating slightly higher returns on prefunding term deposits as part of strategic treasury management.

Finance Costs:** (\$816k) unfavourable.

Higher interest rates to date have resulted in the unfavourable movement in finance costs. This is offset by the increase in interest revenue, resulting in a net favourable position of \$1,352k.

Depreciation & Amortisation Expense:** \$889k favourable.

The favourability of depreciation is due to the timing of capitalisations, with increased depreciation expected on the capitalisation of significant Peacocke's assets expected by the end of the calendar year as well expected revaluations in respect of the buildings and waters assets.

Gains & Losses: (\$19,688k) unfavourable.

Financial Instrument revaluations (\$16.0m). Falling market floating interest rates are driving losses on the Council's fixed rate borrowing instruments.

Losses on disposal of assets (\$3.9m). Key losses to-date relate to the following works being undertaken resulting in the disposal of existing assets: Stormwater upgrades to Ruakura Road (\$267k), other waters infrastructure renewals and upgrades (\$2.2m) including water connections and those impacted through new developer lead upgrades, new drainage and irrigation across multiple sports parks (\$239k), fleet renewals (\$233k) and multiple building asset components (\$472k).

Development Contributions:** (\$583k) unfavourable.

Development contributions are tracking above budget. Current revenue received is largely concentrated in infills and Rototuna.

Capital Revenue:** (\$4,728k) unfavourable.

\$10.8m of NZTA subsidies relating to Peacocke's capital work programme deferred from 2023-24 have been received. This has been offset by the expected reduction in NZTA capital revenue as reflected in the forecast.

Vested Assets:** (\$2,961k) unfavourable.

Timing and valuation of vested assets is difficult to estimate. Significant assets vested to Council relate to land with respect to Cumberland Drive \$5.9m and Kawariki Drive \$2.3m as well as transportation infrastructure of \$2m in Kawariki Drive.

Material variances between Annual Budget and Forecast explained below:

Rates:** \$707k favourable.

Refer to comment above.

Interest Revenue: \$979k favourable.

This favourability has been generated through strategic treasury management, including entering into favourable Term Deposit agreements before the reduction of the OCR rate.

Finance Costs:** \$1,249k favourable.

Finance costs are forecast to be favourable to budget at year end as a result of Council's lower debt position, and the maturing of some of the higher value swaps later on in the year.

Depreciation & Amortisation Expense:** (\$2,927k) unfavourable.

The unfavourability of the forecast is attributable to the higher than anticipated revaluation movements on the waters assets.

Gains & Losses: (\$13,479k) unfavourable.

Financial Instrument revaluations are currently generating a loss of (\$16.0m) as interest rate falls drive losses on the Council's fixed rate borrowing instruments. However, gains of \$6.4m are projected for the remainder of the financial year as higher fixed rate swaps fall off with the 30 June 2025 forecast mark-to-market value of Council's Interest Rate Swaps being a loss of (\$9.6m). The forecast also takes into account the key losses-to-date for renewal works as mentioned above.

Capital Revenue:** (\$12,765k) unfavourable.

The unfavourability of the forecast largely relates to the confirmed reduction in NZTA subsidies, refer to the capital monitoring report.

Attachment 2

COMMUNITY SERVICES

Libraries | Customer | Aquatics

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue								
12,215	Rates**	18,455	18,391	64	27,596	67%	27,732	137
2,977	Fees & Charges	3,608	3,401	207	5,219	69%	5,220	1
87	Subsidies & Grants	3	1	2	2	160%	3	1
374	Interest Revenue**	413	326	87	489	84%	525	36
45	Other Revenue	42	37	5	56	76%	56	
15,699	Total Operating Revenue	22,522	22,157	365	33,362	68%	33,537	175
Operating Expenditure								
8,050	Personnel Costs	9,743	9,792	49	14,190	69%	14,387	(197)
1,691	Operating & Maintenance Costs	1,639	1,664	26	3,036	54%	3,046	(10)
80	Professional Costs	80	88	8	192	42%	150	42
603	Administration Expenses	596	601	5	995	60%	1,006	(11)
896	Property Costs	1,094	956	(138)	1,346	81%	1,694	(349)
1,222	Finance Costs**	1,561	1,490	(70)	2,235	70%	2,248	(13)
4,126	Depreciation & Amortisation Expense**	4,210	4,248	37	6,371	66%	6,836	(465)
263	Gains & Losses	4	-	(4)	-	-	1	(1)
16,931	Total Operating Expenditure	18,927	18,841	(87)	28,365	67%	29,368	(1,003)
(1,232)	Operating Surplus/(Deficit)*	3,595	3,316	279	4,997	72%	4,169	(828)
Capital Revenue								
	Capital Revenue**	-	-	-	-	-	-	-
	Total Capital Revenue							
(1,232)	Total Surplus/(Deficit)	3,595	3,316	279	4,997	72%	4,169	(828)

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:**Fees & Charges: \$207k favourable.**

The activity has had strong performance against revenue targets YTD. This was driven by an increase in printing at Libraries \$75k and higher than budgeted LIM requests \$132k.

Property Costs: (\$138k) unfavourable.

As a result of natural gas shortages nationally, contracted rates have increased resulting in additional gas charges (\$137k). A project to minimise the impact of these increases and improve energy efficiency will be completed in Q4 this financial year.

Material variances between Annual Budget and Forecast explained below:**Personnel Costs: (\$197k) unfavourable.**

Personnel costs are forecasted as higher than budgeted due to high staff retention rates, and the safety critical nature of pools roles. As a result savings from vacancies will not be realised.

Property Costs: (\$349k) unfavourable.

Refer to comment above - Forecasts have been updated to reflect the increase in costs.

Attachment 2

Item 8

Attachment 2

DESTINATIONS

Hamilton Gardens | Waikato Museum | Te Kaaroro | H3 | Stadia | Claudelands

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue								
25,943	Rates**	31,069	30,823	246	46,441	67%	46,680	239
10,217	Fees & Charges	10,067	8,392	1,675	12,269	82%	14,286	2,017
398	Subsidies & Grants	88	80	8	98	90%	98	-
755	Interest Revenue**	782	617	165	926	84%	1,031	106
770	Other Revenue	880	775	105	1,220	72%	1,228	8
38,083	Total Operating Revenue	42,886	40,688	2,199	60,953	70%	63,323	2,370
Operating Expenditure								
12,249	Personnel Costs	12,559	12,735	177	19,418	65%	19,806	(388)
8,239	Operating & Maintenance Costs	6,682	7,000	318	10,919	61%	11,539	(620)
231	Professional Costs	144	230	86	357	40%	383	(26)
8,293	Administration Expenses	2,062	2,077	15	4,341	47%	3,120	1,221
1,766	Property Costs	2,164	2,221	57	2,786	78%	2,885	(99)
2,467	Finance Costs**	2,954	2,821	(133)	4,232	70%	4,256	(25)
7,202	Depreciation & Amortisation Expense**	7,350	7,972	622	11,957	61%	11,691	266
179	Gains & Losses	114	-	(114)	-	-	114	(114)
40,626	Total Operating Expenditure	34,029	35,057	1,028	54,010	63%	53,795	215
(2,543)	Operating Surplus/(Deficit)*	8,857	5,631	3,226	6,944	128%	9,528	2,585
Capital Revenue								
499	Capital Revenue**	43	-	43	4,095	1%	4,100	5
499	Total Capital Revenue	43	-	43	4,095	1%	4,100	5
(2,044)	Total Surplus/(Deficit)	8,900	5,631	3,269	11,039	81%	13,628	2,590

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:**Fees & Charges: \$1,675k favourable.**

Increased event activity at the H3 venues, and Gardens and Zoo paid admission tracking slightly above budget, has led to a favourable variance.

Other Revenue: \$105k favourable.

Other revenue is favourable due to insurance claim funds received for the damaged Ripples sculpture, along with unbudgeted donations received for the Zoo.

Personnel Costs: \$177k favourable.

Personnel costs are favourable, partially due to vacancies held for the year to date, along with recruitment, training and other staff related cost savings.

Operating & Maintenance Costs: \$318k favourable.

This favourability consists of two key aspects: the scheduling of the maintenance program, notably painting activities planned for the second half of the year and also the effective implementation of PPM's reducing reactive maintenance. However, this is partially offset by higher costs of sales, which directly correlate with the increased revenue position.

Gains & Losses: (\$114k) unfavourable.

The loss on disposal of assets relates to works undertaken as part of the renewals programme. This included renewals at the Zoo for the Spider monkey boardwalk, Tuatara exhibit mesh, and fridge/freezers. These losses were unbudgeted.

Material variances between Annual Budget and Forecast explained below:**Fees & Charges: \$2,017k favourable.**

Refer to comment above.

Personnel Costs: (\$388k) unfavourable.

Whilst personnel costs are favourable for the YTD (as above) this favourability is forecast to disappear, with other staff related costs incurred along with casual staff demands with increased event and visitor activity across the destinations.

Operating & Maintenance Costs: (\$620k) unfavourable.

Increased event revenue (in Fees & Charges above) has created increased event costs, resulting in a forecast higher than budget. This is partially offset by maintenance underspend.

Administration Expenses: \$1,221k favourable.

Waikato Regional Theatre opening date has now been confirmed, resulting in a change to timing of the start of grant payments. The \$1.3M budgeted for FY25 is now a total savings.

Gains & Losses: (\$114k) unfavourable.

Refer to comment above.

Attachment 2

Democracy Services | Mayor's Office | Mayoral Support Services

FOR THE PERIOD ENDED 28 FEBRUARY 2025

GOVERNANCE

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue								
1,983	Rates**	2,247	2,235	12	3,352	67%	3,370	17
-	Fees & Charges	-	-	-	-	-	-	-
-	Subsidies & Grants	-	-	-	-	-	-	-
-	Interest Revenue**	-	-	-	-	-	-	-
2	Other Revenue	-	-	-	-	-	-	-
1,984	Total Operating Revenue	2,247	2,235	12	3,352	67%	3,370	18
Operating Expenditure								
328	Personnel Costs	256	297	41	460	56%	460	()
8	Operating & Maintenance Costs	7	2	(5)	14	51%	26	(12)
244	Professional Costs	220	182	(39)	392	56%	432	(40)
1,054	Administration Expenses	1,120	1,153	33	1,855	60%	1,832	23
-	Property Costs	-	-	-	-	-	-	-
-	Finance Costs**	-	-	-	-	-	-	-
-	Depreciation & Amortisation Expense**	-	-	-	-	-	-	-
-	Gains & Losses	-	-	-	-	-	-	-
1,634	Total Operating Expenditure	1,604	1,634	30	2,721	59%	2,750	(29)
351	Operating Surplus/(Deficit)*	643	601	42	631	102%	620	(11)
351	Total Surplus/(Deficit)	643	601	42	631	102%	620	(11)

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:

No material variances to report.

Material variances between Annual Budget and Forecast explained below:

No material variances to report.

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Urban & Spatial Planning | Planning Guidance | Strategic Planning & Advocacy | Commercial & Analytics | Sustainable Communities

GROWTH

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD	YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue							
8,356	8,386	8,339	47	12,515	67%	12,565	50
2,118	2,362	1,743	619	2,617	90%	3,528	910
134	35	-	35	-	-	35	35
72	35	28	7	41	84%	44	3
1,633	1,671	1,355	316	2,035	82%	2,345	309
12,314	12,489	11,464	1,025	17,209	73%	18,517	1,308
Operating Expenditure							
6,618	6,852	7,414	562	11,313	61%	10,858	456
694	764	765	1	971	79%	968	4
2,744	1,751	1,680	(71)	3,189	55%	3,667	(477)
463	355	424	70	1,112	32%	1,031	81
200	217	221	4	249	87%	252	(3)
(717)	(804)	126	930	189	(425%)	(1,372)	1,561
15	9	15	6	22	39%	13	9
(302)	(521)	(270)	251	(915)	57%	(915)	(1)
9,714	8,624	10,376	1,753	16,132	53%	14,501	1,630
2,600	3,865	1,088	2,777	1,077	359%	4,016	2,938
Capital Revenue							
Capital Revenue**	-	-	-	-	-	-	-
Total Capital Revenue	-	-	-	-	-	-	-
2,600	3,865	1,088	2,777	1,077	359%	4,016	2,938

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:

Fees & Charges: \$619k favourable.

A new fee charge for simple or complex notice of requirements and plan changes was introduced, as well as receiving contributions to Council's growth planning costs from developers. Remaining favourability coming from recoveries from private plan changes and charges as well as extra planning fees beyond deposit (refer to Professional Costs below).

Other Revenue: \$316k favourable.

Variance mostly relates to rental income from properties for which budget was removed based on uncertainty of future revenue due to potential demolition.

Personnel Costs: \$562k favourable.

Variance relates to vacancies held across the group, which is partially offset by externally contracted staff expenses.

Material variances between Annual Budget and Forecast explained below:

Fees & Charges: \$910k favourable.

Refer to comment above.

Other Revenue: \$309k favourable.

Refer to comment above.

Personnel Costs: \$456k favourable.

Refer to comment above.

Professional Costs: (\$477k) unfavourable.

Variance in professional costs relates to additional costs from private plan changes and planning fees, recovered as fees and charges.

Attachment 2

PARKS AND RECREATION

Parks | Cemeteries and Crematorium | Nursery | Community Facilities

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue								
18,944	Rates**	23,136	23,046	90	34,575	67%	34,711	137
3,664	Fees & Charges	3,807	3,685	122	5,964	64%	6,081	117
940	Subsidies & Grants	20		20	-	-	18	18
817	Interest Revenue**	1,044	824	220	1,236	84%	1,326	90
167	Other Revenue	198	118	79	177	112%	205	28
24,533	Total Operating Revenue	28,204	27,673	531	41,952	67%	42,341	390
Operating Expenditure								
7,786	Personnel Costs	7,928	8,223	295	12,578	63%	12,470	108
4,665	Operating & Maintenance Costs	4,441	4,354	(87)	8,480	52%	8,562	(82)
346	Professional Costs	203	254	51	1,574	13%	1,475	99
346	Administration Expenses	304	360	56	642	47%	656	(14)
414	Property Costs	529	528	(2)	698	76%	700	(2)
2,669	Finance Costs**	3,944	3,767	(177)	5,650	70%	5,683	(33)
4,796	Depreciation & Amortisation Expense**	5,316	5,279	(37)	7,917	67%	7,912	6
1,550	Gains & Losses	582	-	(582)	-	-	525	(525)
22,571	Total Operating Expenditure	23,247	22,763	(484)	37,540	62%	37,983	(444)
1,962	Operating Surplus/(Deficit)*	4,957	4,910	47	4,412	112%	4,358	(54)
Capital Revenue								
769	Development Contributions**	385	436	(51)	654	59%	654	-
44	Capital Revenue**	3	-	3	-	-	1,400	1,400
9,115	Vested Assets**	861	-	861	-	-	-	-
9,928	Total Capital Revenue	1,248	436	813	654	191%	2,054	1,400
11,890	Total Surplus/(Deficit)	6,206	5,346	860	5,066	123%	6,412	1,346

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:**Fees & Charges: \$122k favourable.**

The activity as a whole has been contributing to the favourability in fees & charges, including increased summer demand for sports parks and increased nursery bedding and tree sales

Personnel Costs: \$295k favourable.

Favourable variance due to vacancies and staff secondment opportunities, recruitment is underway.

Gains & Losses: (\$582k) unfavourable.

Upgrades have been made across 15 parks resulting in losses of (\$386k).

Disposal of Elliot Park Toilets & Changing Rooms (\$139k) - the vesting of the old changing rooms and public toilets to Western Community Centre was approved at the 12 November 2024, Community and Natural Environment Committee meeting.

Material variances between Annual Budget and Forecast explained below:**Fees & Charges: \$117k favourable.**

Refer to comment above.

Personnel Costs: \$108k favourable.

Refer to comment above.

Gains & Losses: (\$525k) unfavourable.

Refer to comment above.

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PARTNERSHIPS, COMMUNICATION & MAAORI

Amorangi Maaori | Communication & Engagement | Community Partnerships, Funding & Events

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue								
2,905	Rates**	7,250	7,213	37	10,819	67%	10,875	56
81	Fees & Charges	52	55	(3)	60	87%	65	5
1,770	Subsidies & Grants	10	16	(6)	16	64%	16	-
-	Interest Revenue**	-	-	-	-	-	56	56
-	Other Revenue	3	-	3	-	-	3	3
4,755	Total Operating Revenue	7,316	7,283	32	10,894	67%	11,015	121
Operating Expenditure								
3,825	Personnel Costs	3,958	3,975	18	6,135	65%	6,260	(125)
318	Operating & Maintenance Costs	147	177	30	658	22%	575	83
199	Professional Costs	89	125	35	584	15%	582	2
1,822	Administration Expenses	1,719	1,771	52	2,825	61%	2,717	108
412	Property Costs	67	67	()	131	52%	130	-
-	Finance Costs**	-	-	-	-	-	-	-
-	Depreciation & Amortisation Expense**	-	-	-	1	0%	-	-
-	Gains & Losses	-	-	-	-	-	-	-
6,575	Total Operating Expenditure	5,980	6,114	134	10,334	58%	10,266	68
(1,820)	Operating Surplus/(Deficit)*	1,336	1,169	166	560	238%	749	189
Capital Revenue								
-	Capital Revenue**	-	-	-	-	-	-	-
-	Total Capital Revenue	-	-	-	-	-	-	-
(1,820)	Total Surplus/(Deficit)	1,336	1,169	166	560	238%	749	189

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:

No material variances to report.

Material variances between Annual Budget and Forecast explained below:**Personnel Costs: (\$125k) unfavourable.**

Personnel costs are forecasted as higher than budgeted due to nearly all positions being filled, with no significant personnel departures anticipated within the PCM group for the remainder of the financial year. This means the vacancy factor savings will be unmet.

Administration Expenses: \$108k favourable.

To help offset the unfavourable personnel costs forecast, the PCM group have identified budget savings in non-critical programmes of work.

Attachment 2

REGULATORY & SAFETY

Building Control | Animal Education and Control | Environmental Health | Liquor Licensing | City Safety | Civil Defence

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue								
3,532	Rates**	5,512	5,487	25	8,249	67%	8,289	40
6,922	Fees & Charges	6,601	6,015	587	8,585	77%	9,228	642
2,177	Subsidies & Grants	39	48	(9)	65	60%	65	-
	Interest Revenue**	48	38	10	57	84%	61	4
110	Other Revenue	66	40	26	60	110%	75	15
12,741	Total Operating Revenue	12,267	11,628	639	17,017	72%	17,718	701
Operating Expenditure								
6,979	Personnel Costs	6,807	6,883	77	10,669	64%	10,794	(124)
903	Operating & Maintenance Costs	1,012	925	(87)	1,721	59%	1,792	(71)
223	Professional Costs	372	457	85	936	40%	936	
246	Administration Expenses	212	287	75	663	32%	591	72
33	Property Costs	304	305	1	310	98%	310	(1)
	Finance Costs**	182	174	(8)	261	70%	263	(2)
58	Depreciation & Amortisation Expense**	199	66	(132)	100	200%	296	(197)
	Gains & Losses	-	-	(1)	-	-	-	-
8,442	Total Operating Expenditure	9,087	9,097	10	14,660	62%	14,982	(322)
4,299	Operating Surplus/(Deficit)*	3,180	2,531	650	2,357	135%	2,736	380
Capital Revenue								
	Capital Revenue**	-	-	-	-	-	-	-
	Total Capital Revenue	-	-	-	-	-	-	-
4,299	Total Surplus/(Deficit)	3,180	2,531	650	2,357	135%	2,736	380

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:**Fees & Charges: \$587k favourable.**

Consent numbers are slightly lower compared to the same period last year, which aligns with industry predictions. The construction sector is anticipated to remain turbulent for the remainder of the financial year. However, year-to-date revenue has surpassed budget expectations, driven by the submission of larger commercial projects.

A cost recovery process regarding enforcement action by Council relating to an industrial noise issue. This resulted in a dispute being heard by the Environment Court, in which the Court found in Council's favour and ordered the company to pay \$134k of Council's costs.

Material variances between Annual Budget and Forecast explained below:**Fees & Charges: \$642k favourable.**

Refer to comment above.

Personnel Costs: (\$124k) unfavourable.

Unfavourability is due to vacancy factor and low staff turnover, with no vacancies anticipated in the future.

Attachment 2

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Attachment 2

RESOURCE RECOVERY

Refuse Collection | Waste Minimisation | Landfill Site Management

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD	YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue							
6,262 Rates**	8,892	8,901	(10)	13,354	67%	13,422	68
(88) Fees & Charges	(74)	(174)	99	(265)	28%	(265)	-
1,894 Subsidies & Grants	2,494	1,216	1,278	1,534	163%	3,327	1,794
25 Interest Revenue**	21	16	4	24	84%	26	2
316 Other Revenue	328	339	(11)	509	64%	509	-
8,408 Total Operating Revenue	11,660	10,299	1,361	15,156	77%	17,019	1,864
Operating Expenditure							
862 Personnel Costs	733	1,106	373	1,694	43%	1,232	462
5,739 Operating & Maintenance Costs	6,134	7,323	1,190	11,056	55%	10,232	824
290 Professional Costs	273	257	(16)	385	71%	385	-
7 Administration Expenses ***	18	117	99	(1,727)	(1%)	(1,727)	-
45 Property Costs	60	63	3	73	82%	73	-
82 Finance Costs**	78	74	(3)	919	8%	920	(1)
371 Depreciation & Amortisation Expense**	352	365	13	548	64%	557	(9)
Gains & Losses	-	-	-	-	-	-	-
7,397 Total Operating Expenditure	7,647	9,306	1,659	12,948	59%	11,671	1,276
1,011 Operating Surplus/(Deficit)*	4,013	994	3,019	2,208	182%	5,348	3,140
Capital Revenue							
Capital Revenue**	-	-	-	-	-	-	-
Total Capital Revenue	-	-	-	-	-	-	-
1,011 Total Surplus/(Deficit)	4,013	994	3,019	2,208	182%	5,348	3,140

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

Material variances between YTD Actual and YTD Budget explained below:

Subsidies & Grants: \$1,278k favourable.

Existing budgets for waste levy revenue were set prior to the expansion of waste levy rates. It was unknown at the time of setting budgets what revenue Council would receive. Any excess funds must be ring-fenced for activities within the Waste Minimisation activity.

Personnel Costs: \$373k favourable.

Favourability due to the vacancies within the Resource Recovery activity.

Operating & Maintenance Costs: \$1,190k favourable.

Initial budget projections were based on high growth in new builds, which would lead to increased households requiring a kerbside collection service.

Material variances between Annual Budget and Forecast explained below:

Subsidies & Grants: \$1,794k favourable.

Refer to comment above.

Personnel Costs: \$462k favourable.

Refer to comment above.

Operating & Maintenance Costs: \$824k favourable.

Refer to comment above.

Attachment 2

STORMWATER

Stormwater Network

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue								
13,416	Rates**	11,654	11,581	73	18,509	63%	18,605	96
280	Fees & Charges	289	95	195	190	153%	253	63
7	Subsidies & Grants	22	-	22	-	-	24	24
506	Interest Revenue**	425	336	90	504	84%	540	37
	Other Revenue	-	-	-	-	-	-	-
14,209	Total Operating Revenue	12,391	12,012	379	19,202	65%	19,423	220
Operating Expenditure								
1,563	Personnel Costs	994	1,509	515	2,396	41%	1,924	472
310	Operating & Maintenance Costs	746	753	8	1,157	64%	1,195	(38)
126	Professional Costs	143	206	64	404	35%	327	76
20	Administration Expenses	22	25	3	37	58%	36	1
416	Property Costs	487	487	-	487	100%	487	-
1,654	Finance Costs**	1,607	1,535	(72)	2,302	70%	2,316	(13)
7,503	Depreciation & Amortisation Expense**	7,150	7,424	274	11,524	62%	13,233	(1,710)
48	Gains & Losses	429	-	(429)	-	-	429	(429)
11,640	Total Operating Expenditure	11,577	11,939	362	18,307	63%	19,948	(1,641)
2,569	Operating Surplus/(Deficit)*	814	73	741	895	91%	(525)	(1,421)
Capital Revenue								
4,734	Development Contributions**	1,459	1,334	124	2,001	73%	2,001	-
2,520	Capital Revenue**	3,562	756	2,806	1,134	314%	3,630	2,496
2,374	Vested Assets**	7,767	3,344	4,423	5,015	155%	5,015	-
9,629	Total Capital Revenue	12,787	5,434	7,353	8,151	157%	10,646	2,496
12,198	Total Surplus/(Deficit)	13,601	5,507	8,094	9,046	150%	10,121	1,075

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:**Fees & Charges: \$195k favourable.**

Reactive maintenance work, particularly in the Waitawhiriwhiri stream, funded by Waikato Regional Council has been completed earlier than expected to take advantage of good weather.

Personnel Costs: \$515k favourable.

Favourability driven by current vacancies held across the group as well as centralised time cost process (see comment under Support Services I&A Activity).

Gains & Losses: (\$429k) unfavourable.

Unbudgeted losses as a result of Stormwater upgrades to Ruakura Road (\$267k), various renewals and upgrades of stormwater assets through the capital works programme, as well as developer led upgrades.

Material variances between Annual Budget and Forecast explained below:**Personnel Costs: \$472k favourable.**

Refer to comment above.

Gains & Losses: (\$429k) unfavourable.

Refer to comment above.

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Attachment 2

Attachment 2

SUPPORT SERVICES

CE's Office | People, Performance & Culture | Finance Services

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue								
	Rates**	-	-	-	-	-	-	-
260	Fees & Charges	214	200	14	331	65%	351	19
1,362	Subsidies & Grants	665	673	(7)	805	83%	805	-
190	Interest Revenue**	129	102	27	153	84%	164	11
378	Other Revenue	138	104	34	104	132%	138	34
2,190	Total Operating Revenue	1,147	1,079	68	1,393	82%	1,457	64
Operating Expenditure								
13,269	Personnel Costs	14,959	14,715	(244)	24,706	61%	24,305	402
5,760	Operating & Maintenance Costs	3,434	4,387	953	14,806	23%	13,175	1,631
959	Professional Costs	959	926	(33)	2,846	34%	2,594	252
3,833	Administration Expenses	7,730	7,456	(275)	10,572	73%	11,076	(503)
128	Property Costs	194	502	308	828	23%	360	468
164	Finance Costs**	-	19	19	29	1%	23	6
2,791	Depreciation & Amortisation Expense**	2,892	3,177	284	4,765	61%	4,627	137
3,418	Gains & Losses	16,000	-	(16,000)	-	-	9,600	(9,600)
30,320	Total Operating Expenditure	46,169	31,182	(14,988)	58,552	79%	65,760	(7,208)
(28,130)	Operating Surplus/(Deficit)*	(45,023)	(30,103)	(14,920)	(57,158)	79%	(64,302)	(7,144)
Capital Revenue								
	Capital Revenue**	-	-	-	-	-	-	-
	Total Capital Revenue	-	-	-	-	-	-	-
(28,130)	Total Surplus/(Deficit)	(45,023)	(30,103)	(14,920)	(57,158)	79%	(64,302)	(7,144)

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:**Personnel Costs: (\$244k) unfavourable.**

Time charged to the capital programme for internally generated intangible assets is lower than budget, with better alignment of operating expenses to the specific technology platforms being delivered. Unfavourability is offset by a reduction in consequential operating expenses supporting the capital programme, recorded under Administration Expenses.

Operating & Maintenance Costs: \$953k favourable.

Initiatives targeting efficiencies in data storage have materialised higher than anticipated savings.

Administration Expenses: (\$275k) unfavourable.

Refer to below forecast commentary.

Property Costs: \$308k favourable.

Forecasts have been updated to reflect actual insurance premiums received.

Gains & Losses: (\$16,000k) unfavourable.

Financial Instrument revaluations (\$16.0m) - falling market floating interest rates are driving losses on the Council's fixed rate borrowing instruments.

Material variances between Annual Budget and Forecast explained below:**Personnel Costs: \$402k favourable.**

Refer comment above.

Operating & Maintenance Costs: \$1,631k favourable.

Forecasts for Data storage have been revised to reflect annual savings of \$854k.

Professional Costs: \$252k favourable.

Forecasts align to the revised work programme for FY25.

Administration Expenses: (\$503k) unfavourable.

Forecasts include a \$2m adjustment associated with an intangible asset which was budgeted as capital expenditure but no longer meets the accounting definition for capital expenditure and therefore must be expensed through the P&L (*excluded from Balancing the Books*). Favourability relating to software prioritisation and capex consequential opex has reduced the unfavourable impact.

Property Costs: \$468k favourable.

Refer comment above.

Gains & Losses: (\$9,600k) unfavourable.

Financial Instrument revaluations are currently predicting a loss of (\$13.4m) as market floating interest rates fall are driving losses on the Council's fixed rate borrowing instruments. However, gains of \$3.1m are projected for the remainder of the financial year as higher value fixed rate swaps fall off with the 30 June 2025 forecast mark-to-market value of Council's Interest Rate Swaps being a loss of (\$10.3m).

Attachment 2

SUPPORT SERVICES - INFRASTRUCTURE & ASSETS

Design & Deliver | Plan, Strategy & Programming | Facilities & Support | Fleet Management

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD	YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue							
(14) Rates**	(218)	(222)	5	(230)	95%	(230)	-
379 Fees & Charges	800	589	211	887	90%	1,116	230
536 Subsidies & Grants	815	419	396	628	130%	950	322
67 Interest Revenue**	86	68	18	102	84%	110	7
2 Other Revenue	5	-	5	-	-	5	5
971 Total Operating Revenue	1,488	853	635	1,387	107%	1,951	564
Operating Expenditure							
4,381 Personnel Costs	6,164	4,478	(1,687)	6,964	89%	8,972	(2,008)
928 Operating & Maintenance Costs	913	1,114	201	2,270	40%	1,993	277
617 Professional Costs	1,104	832	(271)	2,030	54%	2,769	(739)
1,538 Administration Expenses	1,642	2,047	405	2,663	62%	2,720	(57)
361 Property Costs	404	431	27	542	75%	520	21
220 Finance Costs**	326	311	(15)	467	70%	470	(3)
2,036 Depreciation & Amortisation Expense**	1,993	2,047	55	3,071	65%	3,060	11
235 Gains & Losses	252	-	(252)	-	-	252	(252)
10,317 Total Operating Expenditure	12,798	11,261	(1,537)	18,007	71%	20,755	(2,748)
(9,346) Operating Surplus/(Deficit)*	(11,310)	(10,408)	(902)	(16,620)	68%	(18,804)	(2,184)
Capital Revenue							
Capital Revenue**	-	-	-	-	-	-	-
Total Capital Revenue	-	-	-	-	-	-	-
(9,346) Total Surplus/(Deficit)	(11,310)	(10,408)	(902)	(16,620)	68%	(18,804)	(2,184)

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:

Fees & Charges: \$211k favourable.

Favourability for Engineering Fees income offsets overspend for related professional costs.

Subsidies & Grants: \$396k favourable.

Due to the Better Off Funding (BOF) that has been redirected to meet the costs of progressing Local Water Done Well (LWDW).

Personnel Costs: (\$1,687k) unfavourable.

The I & A Group has a favourable Personnel Cost position overall, but the unfavourable variance is due to two factors: changes in organisational structure which occurred after LTP budgets were set, with some costs offset in other areas, and unfilled positions in both the Design and Deliver and Plan Strategy & Programming teams. While these vacancies reduce salary expenses, they negatively impact internal recoveries.

Operating & Maintenance Costs: \$201k favourable.

Favourability relates to alignment of budget with the FY25 Paint Programme (Corporate Buildings).

Professional Costs: (\$271k) unfavourable.

This is the cost of advancing Local Water Done Well (LWDW), funded by the Better Off Fund (see comment above).

Administration Expenses: \$405k favourable.

Fuel consumption, the main factor, is decreasing due to the shift to electric vehicles, leading to greater-than-expected savings. These savings are now included in the forecast.

Material variances between Annual Budget and Forecast explained below:

Fees & Charges: \$230k favourable.

Refer to comment above.

Subsidies & Grants: \$322k favourable.

Refer to comment above.

Personnel Costs: (\$2,008k) unfavourable.

Refer to comment above.

Operating & Maintenance Costs: \$277k favourable.

Favourability relates to alignment of budget with the FY25 Paint Programme (Corporate Buildings).

Professional Costs: (\$739k) unfavourable.

Refer to comment above.

Item 8

Attachment 2

Attachment 2

Item 8

Attachment 2

TRANSPORT

Transport Network | Transport Centre | Urban Transport

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000		\$000	\$000	\$000	\$000	% Annual	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue								
35,777	Rates**	40,305	39,832	473	59,307	68%	59,290	(17)
2,764	Fees & Charges	3,147	3,567	(420)	5,541	57%	5,043	(498)
7,698	Subsidies & Grants	7,045	6,772	273	9,169	77%	9,323	155
5,371	Interest Revenue**	4,638	3,660	979	5,489	84%	5,889	399
10,381	Other Revenue	3,386	2,838	548	4,011	84%	4,712	700
61,991	Total Operating Revenue	58,520	56,669	1,852	83,517	70%	84,257	740
Operating Expenditure								
4,380	Personnel Costs	3,900	4,321	421	7,801	50%	7,459	342
15,126	Operating & Maintenance Costs	16,257	16,313	56	27,571	59%	27,393	178
753	Professional Costs	297	1,072	774	2,061	14%	1,628	434
658	Administration Expenses	676	654	(23)	1,249	54%	1,261	(12)
2,002	Property Costs	2,285	2,222	(63)	3,073	74%	3,076	(3)
18,707	Finance Costs**	20,354	19,530	(824)	29,294	69%	29,439	(145)
25,284	Depreciation & Amortisation Expense**	26,635	26,210	(425)	39,314	68%	39,680	(366)
	Gains & Losses	597	-	(597)	-	-	597	(597)
66,911	Total Operating Expenditure	71,002	70,322	(680)	110,362	64%	110,532	(170)
(4,919)	Operating Surplus/(Deficit)*	(12,481)	(13,653)	1,172	(26,845)	46%	(26,275)	570
Capital Revenue								
6,406	Development Contributions**	3,305	3,910	(605)	5,865	56%	5,865	
28,874	Capital Revenue**	28,318	31,547	(3,229)	47,319	60%	37,360	(9,959)
15,062	Vested Assets**	8,058	17,603	(9,545)	26,403	31%	26,403	-
50,341	Total Capital Revenue	39,681	53,061	(13,380)	79,587	50%	69,629	(9,959)
45,422	Total Surplus/(Deficit)	27,200	39,407	(12,207)	52,742	52%	43,354	(9,388)

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:

Fees & Charges: (\$420k) unfavourable.

A decline in revenue resulting from the delayed implementation of All Day Parking and the accompanying educational approach for the new parking kiosks.

Subsidies & Grants: \$273k favourable.

This favourability relates to the operating grant received from the Waikato Regional Council in relation to operational and maintenance spend on both Transport Centre and Rotokauri Transport Hub buildings.

Other Revenue: \$548k favourable.

Driven by the favourable non-cash fair value adjustment as well as Off-Street Parking rental income, noting the rental income favourably offsets the unfavorability in fees and charges. The HIF drawdown was expected to have been received before 30 June 2024, however timing saw Council receive the final draw down in August 2024.

Personnel Costs: \$421k favourable.

The favourability in personal cost is due to not filling vacancies until the transport programme was confirmed. A partial programme approval was given by Council late in 2024 which the balance of the projects being approved in March 2025. Note: the favourability somewhat offsets the unfavorability in the Support Services (I&A) personal costs activity.

Professional Costs: \$774k favourable.

Favourability is due to a cautious approach to commissioning project investigation and design work ahead of the NZTA funding approval and Council decisions March 2025 decisions on project approvals.

Gains & Losses: (\$597k) unfavourable.

(\$204k) - Reversal of double capitalisation of 2 x WO's (2633 Safer Speeds City Wide Hinton Ave, 3861 Nawton Primary Raised Pedestrian Platform Holmes Throat Island). (\$387k) - IPS Disposal Land Under Roads Horsham

Material variances between Annual Budget and Forecast explained below:

Fees & Charges: (\$498k) unfavourable.

Decrease in expected parking revenue. Refer to comment above.

Subsidies & Grants: \$155k favourable.

See comment above.

Other Revenue: \$700k favourable.

Refer to comment above.

Personnel Costs: \$342k favourable.

Favourability due to delays in time charged to transport projects resulting in a favourable forecast. Refer to comment above.

Operating & Maintenance Costs: \$178k favourable.

Anticipated savings in various building maintenance tasks reflected in forecast adjustments.

Professional Costs: \$434k favourable.

Refer to comment above.

Gains & Losses: (\$597k) unfavourable.

Refer to comment above.

Finance and Monitoring Committee Agenda 29 April 2025- OPEN

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Attachment 2

WASTEWATER

Wastewater Reticulation | Wastewater Treatment & Disposal

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue								
22,526	Rates**	24,059	23,994	65	38,971	62%	39,103	132
4,569	Fees & Charges	4,662	4,965	(303)	9,084	51%	8,739	(345)
	Subsidies & Grants	32	-	32	-		41	41
1,621	Interest Revenue**	1,672	1,319	353	1,979	84%	2,123	144
7,922	Other Revenue	152	-	152	-		802	802
36,637	Total Operating Revenue	30,577	30,278	298	50,034	61%	50,808	774
Operating Expenditure								
4,785	Personnel Costs	4,890	5,490	600	9,093	54%	8,338	755
7,667	Operating & Maintenance Costs	8,033	7,897	(136)	12,412	65%	11,931	481
72	Professional Costs	189	424	286	1,227	15%	1,074	153
151	Administration Expenses	130	182	52	279	47%	342	(63)
2,206	Property Costs	2,435	2,414	(21)	3,305	74%	3,489	(183)
6,476	Finance Costs**	7,106	6,812	(294)	10,218	70%	10,270	(52)
9,770	Depreciation & Amortisation Expense**	9,908	9,680	(228)	15,815	63%	16,019	(204)
328	Gains & Losses	1,329	-	(1,329)	-		1,329	(1,329)
31,456	Total Operating Expenditure	34,021	32,898	(1,123)	52,349	65%	52,791	(442)
5,182	Operating Surplus/(Deficit)*	(3,444)	(2,619)	(825)	(2,315)	149%	(1,983)	332
Capital Revenue								
6,757	Development Contributions**	5,452	5,684	(233)	8,526	64%	8,526	-
2,749	Capital Revenue**	1,669	847	822	1,270	131%	1,800	530
1,606	Vested Assets**	4,101	2,307	1,793	3,461	118%	3,461	-
11,112	Total Capital Revenue	11,222	8,839	2,383	13,257	85%	13,787	530
16,293	Total Surplus/(Deficit)	7,777	6,219	1,558	10,943	71%	11,804	861

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:**Fees & Charges: (\$303k) unfavourable.**

Lower operating expenditure costs have resulted in lower recoveries from partner Councils for services provided.

Other Revenue: \$152k favourable.

Driven by the favourable non-cash fair value adjustment. The final HIF drawdown was expected to have been received before 30 June 2024, however timing saw Council receive the final drawdown in August 2024.

Personnel Costs: \$600k favourable.

Favourability driven by current vacancies held across the group as well as centralised time cost process (see comment under Support Services I&A Activity).

Operating & Maintenance Costs: (\$136k) unfavourable.

Unfavourability relates to increased maintenance being needed to reduce the risk of wastewater network overflows and increased reactive maintenance needed in the wastewater network.

Professional Costs: \$286k favourable.

Planning works related to Edgecombe and St Andrews wastewater pumpstation storage is underway and will now be completed by 30 June 2025.

Gains & Losses: (\$1,329k) unfavourable.

Unbudgeted losses as a result of Wastewater upgrades occurring prior to the budgeted end of life of the asset, as well as various renewals and upgrades of wastewater assets through the capital works programme, as well as developer led upgrades.

Material variances between Annual Budget and Forecast explained below:**Fees & Charges: (\$345k) unfavourable.**

Refer to comment above.

Other Revenue: \$802k favourable.

Adjustments for insurance claims expected to be received for damage to wastewater assets, along with a forecast adjustment for the HIF drawdown based on actual figures.

Personnel Costs: \$755k favourable.

Refer to comment above.

Operating & Maintenance Costs: \$481k favourable.

Favourability due to planned efficiencies in operational spending for this financial year including reduced operational programme delivery.

Professional Costs: \$153k favourable.

Refer to comment above.

Property Costs: (\$183k) unfavourable.

Unfavourability forecast to allow for the unbudgeted increase in the network capacity charge that occurred this year.

Gains & Losses: (\$1,329k) unfavourable.

Refer to comment above.

Item 8

Attachment 2

Attachment 2

Item 8

Attachment 2

WATER SUPPLY

Water Treatment | Water Reticulation & Storage

FOR THE PERIOD ENDED 28 FEBRUARY 2025

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
Last Year YTD		YTD Actual	YTD Budget	Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Forecast	Annual Variance Fav/(Unfav)
Operating Revenue								
15,576	Rates**	18,407	18,465	(58)	29,213	63%	28,965	(249)
(245)	Fees & Charges	(476)	(266)	(210)	(430)	111%	(681)	(251)
8	Subsidies & Grants	26	-	26			30	30
1,065	Interest Revenue**	983	775	207	1,163	84%	1,247	85
485	Other Revenue	14	-	14			14	14
16,888	Total Operating Revenue	18,954	18,974	(21)	29,946	63%	29,574	(372)
Operating Expenditure								
3,003	Personnel Costs	3,000	3,296	296	5,213	58%	4,887	327
2,499	Operating & Maintenance Costs	3,274	3,235	(39)	5,573	59%	5,500	73
147	Professional Costs	98	177	79	730	13%	631	99
25	Administration Expenses	27	32	5	48	56%	51	(3)
1,998	Property Costs	2,254	2,212	(41)	2,985	75%	2,982	3
3,551	Finance Costs**	3,802	3,634	(168)	5,451	70%	5,481	(31)
6,834	Depreciation & Amortisation Expense**	5,853	6,273	420	10,700	55%	11,107	(407)
384	Gains & Losses	632	-	(632)			632	(632)
18,442	Total Operating Expenditure	18,939	18,859	(80)	30,701	62%	31,271	(570)
(1,554)	Operating Surplus/(Deficit)*	14	115	(101)	(754)	(2%)	(1,696)	(942)
Capital Revenue								
4,403	Development Contributions**	2,934	2,752	182	4,128	71%	4,128	
2,856	Capital Revenue**	1,981	7,152	(5,171)	10,727	18%	3,490	(7,237)
511	Vested Assets**	754	1,247	(493)	1,870	40%	1,870	-
7,770	Total Capital Revenue	5,668	11,151	(5,483)	16,725	34%	9,488	(7,237)
6,217	Total Surplus/(Deficit)	5,682	11,266	(5,583)	15,971	36%	7,792	(8,179)

* Operating surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Interest Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution, Capital Revenue and Vested Assets variances are explained in the Council activity statements

Material variances between YTD Actual and YTD Budget explained below:

Fees & Charges: (\$210k) unfavourable.

Unfavorability due to Trade waste Fees for the Water Treatment Plant being higher than budgeted. This is due to an increase in the volume and concentration of wastewater produced at the site.

Personnel Costs: \$296k favourable.

Favourability driven by current vacancies held across the group as well as centralised time cost process (see comment under Support Services I&A Activity).

Gains & Losses: (\$632k) unfavourable.

Unbudgeted losses as a result of various renewals and upgrades of water assets through the capital works programme, as well as developer led upgrades.

Material variances between Annual Budget and Forecast explained below:

Fees & Charges: (\$251k) unfavourable.

Refer to comment above.

Personnel Costs: \$327k favourable.

Refer to comment above.

Gains & Losses: (\$632k) unfavourable.

Refer to comment above.

TREASURY REPORT
Year to date 28 February 2025

Attachment 3

Item 8

Investment and Cash Position

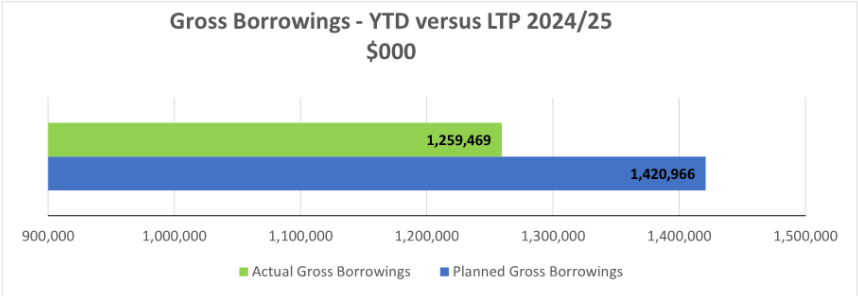
Treasury cash investments consist of:

Cash Investments	Actual \$000 Feb-25	Budget \$000 Feb-25	Variance \$000 Fav/ (Unfav)
Cash on call	66,960	not apportioned	not apportioned
Term deposit	251,676	not apportioned	not apportioned
Closing bank balances	375	not apportioned	not apportioned
LGFA borrower notes	27,014	not apportioned	not apportioned
Total cash investments	346,025	184,949	161,076

The Council's investments are managed on a regular basis, with sufficient minimum immediate cash reserves maintained. To best manage funding gaps, Council's financial investment maturities are matched with Council's forecast cash flow requirements.

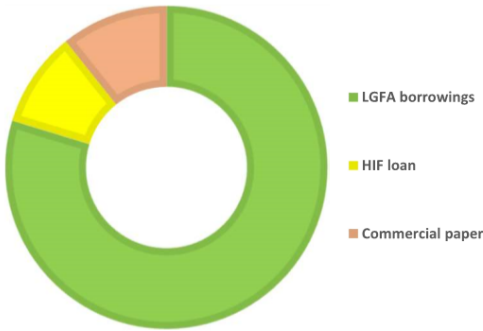
Borrowing Position

Council borrowings is the external portion of debt held with the Local Government Funding Agency (LGFA), Ministry of Business, Innovation and Employment and finance lease liabilities.



Gross external debt is favourable to budgeted debt at 28 February 2025. The favourable balance is within 88.6% of planned gross borrowings for the period.

The LGFA remains Council's most favoured and low cost source of funding.

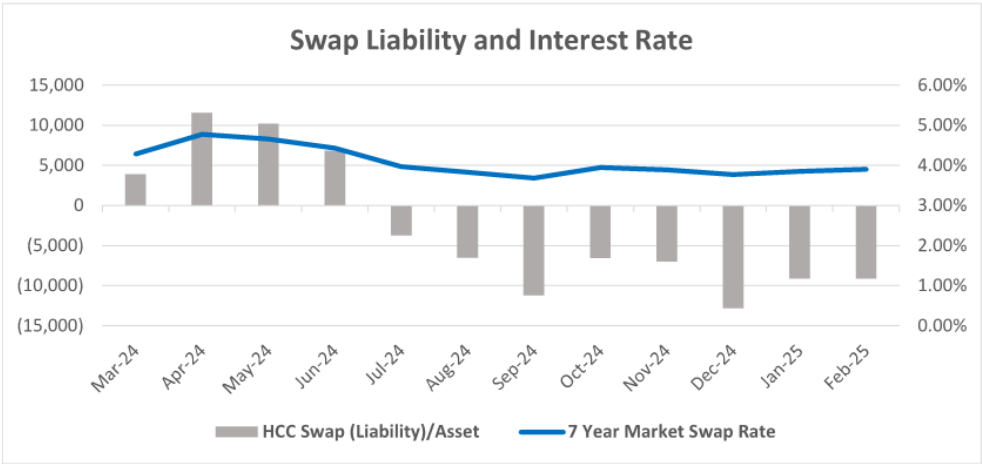


Attachment 3

Attachment 3

Interest Rates

Council manages interest rate risk to reduce uncertainty relating to interest rate fluctuations through fixing of interest costs. The exposure to interest rate risk is managed and mitigated through the risk control limits as set out in the Investment and Liability Management Policy.



Item 8

There is an inverse relationship between Council's swap liability and the market swap interest rate. As the market swap interest rate increases Council's swap liability decreases and a gain is then recognised on the interest rate swap. Conversely, a decrease in the market swap interest rate results in an increase in Council's swap liability and a loss is then recognised on the interest rate swap.

Council Report

Item 9

Committee: Finance and Monitoring Committee

Date: 29 April 2025

Author: Sarah Vaz

Authoriser: Gary Connolly

Position: Accounting Manager

Position: Chief Financial Officer

Report Name: New Zealand Local Government Funding Agency - Half Year Report 31 December 2024 and Statement of Intent 2025-2028

Report Status	Open
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Purpose - Take

- 1. To inform the Finance and Monitoring Committee of the Local Government Funding Agency (LGFA) half year report to 31 December 2024 and letter to shareholders.
- 2. To seek approval from the Finance and Monitoring Committee on the LGFA Draft Statement of Intent for 2025-2028.

Staff Recommendation - Tuutohu-aa-kaimahi

- 3. That the Finance and Monitoring Committee:
 - a) receives the report; and
 - b) approves the New Zealand Local Government Funding Agency Draft Statement of Intent 2025-2028.

Executive Summary - Whakaraapopototanga matua

- 4. The half year report shows that the LGFA has performed favourably against the primary objectives, as set out in detail, on pages 5 to 10 of Attachment 1.
- 5. As at 31 December 2024, the LGFA has met or is on track with 20 of 21 performance targets, with the exception being:

Performance target	2024-2025 target	Result to 31 December 2024
Increase our GSS lending book and Climate Action Loans.	Two new GSS loans undertaken.	Not met. No new CAL borrowers or new GSS loan eligible projects approved.

- 6. The half year report shows the LGFA to be profitable and cashflow positive.
- 7. The draft Statement of Intent 2025-2028 reaffirms the direction of business and financial projections.
- 8. Andrew Michl, Senior Manager at the LGFA, will present the report at the Finance and Monitoring Committee meeting.

Item 9

9. Staff consider the matters in this report to have a low significance and that the recommendations comply with the Council's legal requirements.

Discussion - *Matapaki*

10. The Local Government Funding Agency (LGFA) was established in December 2011 to provide long-dated borrowing, certainty of access to markets and to reduce the borrowing costs for the local government sector.
11. The LGFA governance structure comprises the New Zealand Government (20%) and thirty Councils (80%), the LGFA Shareholders Council and the LGFA Board of Directors.
12. Total membership is now 77 out of the 78 councils in New Zealand with the addition of Dunedin City Council and Environment Southland.
13. Elena Trout was appointed as a Director to the Board in November 2024. She joins existing board members Craig Stobo (Chair), Linda Robertson, Alan Adcock, Philip Cory-Wright, David Rae, Helen Robinson, and Sarah Matthews (Future Director).
14. Gary Connolly, Chief Financial Officer has been appointed to the LGFA Shareholder Council as replacement for David Bryant.
15. Hamilton City Council remains compliant with all LGFA Financial Covenants.

Half Year Report 2024-25

16. The Local Government Funding Agency (LGFA) continued to increase lending to council and Council Controlled Organisation (CCO) borrowers. By 31 December 2024, LGFA had a market value of loans outstanding of \$22.3 billion, with \$2.1 billion of long-dated lending lent over the six-month period. Two new CCOs were added bringing the number of member councils to seventy-two and the number of member CCOs to seven.
17. The average tenor of long-dated borrowing over the past six months is 4.41 years which is shorter than prior periods (June 2023: 5.2 years).
18. LGFA continued to focus on sustainability with the Climate Action Loan product to incentivise borrowers through a lower loan margin if they have an approved greenhouse gas emission reduction plan in place and are meeting their reduction targets. At December 2024, Climate Action Loan's total \$3.2 billion across seven councils and CCO's. Green Social and Sustainable (GSS) loans provide a discounted borrowing margin to councils and CCO's for eligible projects. At December 2024, GSS loans totalled \$401.2m across six councils.
19. LGFA's financial position was above forecast with a record Net Operating Profit for the six-month period of \$8.6 million an increase of 65.4% on the comparable period for 2023. (\$5.2m). LGFA has assets of \$26.5 billion and Shareholder Equity of \$120.7 million as at 31 December 2024.
20. LGFA continued to work with stakeholders; assisting Central and Local Government with the implementation of the waters reform programme and with councils and CCO members on promoting sustainability.
21. LGFA negotiated an increase in the size and extension of the term to their Crown Liquidity Facility and shareholders approved changes to our Foundation Policies to assist high growth councils at the November 2024 Annual Meeting.

Draft Statement of Intent 2025-28

22. The Draft Statement of Intent sets out the intentions and expectations of the LGFA for the years 2025-28. This is set out in **Attachment 2**.

23. The LGFA's focus on delivering strong results for both Council borrowers and shareholders has been reaffirmed.
24. Key points to note on the Draft Statement of Intent are:
 - i. The SOI forecasts assume that in the outer two years (FY27 and FY28), LGFA will commence lending to water CCOs as the Local Water Done Well Programme is implemented. There is a high level of uncertainty regarding the amount and timing of any lending as the water CCOs have yet to be established.
 - ii. Financial performance targets are forecast to remain strong with net operating profit of \$23.5 million, \$19.7 million, and \$23.4 million for the next three years. However, LGFA remains cautious in placing too much emphasis on the second year (FY27) and third year (FY28) forecasts given there is \$7.9 billion of LGFA bonds and \$11.9 billion of council and CCO loans maturing over the three-year SOI forecast period.
 - iii. Forecasts for council loans outstanding are lower compared to the previous SOI with loans of \$24.8 billion in 2026, \$27.3 billion in 2027 and \$28.5 billion in 2028.
 - iv. An assumed gross bond issuance of \$5.1 billion (FY26), \$5.00 billion (FY27) and \$5.0 billion (FY28) based on council gross borrowing of \$4.9 billion (FY26), \$6.1 billion (FY27) and \$6.0 billion (FY28).
 - v. Issuance and operating expenses including Approved Issuer Levy ("AIL") are forecast to be approximately \$1.9 million higher in FY26 and \$4.2 million higher in FY27 compared to the previous SOI. This is due to increased AIL paid to the New Zealand Government on increased foreign currency issuance. AIL is expected to be the largest expense as off-shore borrowing increases over the 3-year forecast period.
 - vi. The proposed SOI performance targets are similar to the previous Statement of Intent. The focus remains on sustainability, assisting with the implementation of Local Water Done Well, stakeholder engagement, meeting financial targets and monitoring the credit quality of the sector.
 - vii. The Board's intention is to pay a dividend that provides an annual rate of return to Principal Shareholders equal to LGFA fixed rate bond cost of funds plus 2.00% over the medium term.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

25. Staff confirm that the recommendation complies with the Council's legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

26. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
27. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
28. The recommendations set out in this report are consistent with that purpose.
29. The LGFA's activity relates strongly to the economic wellbeing by delivery of key objectives to provide cost effective financing solutions for its Council membership base, as well as assisting the local government sector with significant matters such as the proposed Local Waters Done Well Programme.

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30. There were no environmental, social or cultural wellbeing implications identified in the development of this report.

Risks - *Tuuraru*

31. There are no known risks associated with the decisions sought in this report.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

32. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance.
33. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - LGFA Half Year Report 2024

Attachment 2 - LGFA Draft Statement of Intent 2025-2028



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Attachment 1

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Message from the Chair and Chief Executive

He karere mai i te Toihau me te Tumuaki

For the six-months ended 31 December 2024

The six-month period to 31 December 2024 was an important period for LGFA. We enjoyed a constructive relationship with Central Government and improved our credit quality through our Stand Alone Credit Profile (SACP) increasing two notches under the revised S&P Global Ratings methodology.

We also made significant progress assisting councils with Local Water Done Well, assisting high growth councils with future borrowing to invest in growth infrastructure, negotiating a term extension and volume upsize to the Crown Liquidity Facility and taking steps to broaden our sources of borrowing in offshore markets.

Domestic market conditions are more settled as the RBNZ has commenced its monetary policy easing cycle. However, the significant amount of current and projected borrowing by the New Zealand Government has made New Zealand dollar (NZD) issuance more challenging for us and is reflected in the widening in borrowing spreads for the sector.

Council and Council Controlled Organisation (CCO) borrowing from LGFA continues to increase and we remain focussed on delivering value to both our members and our investor base while meeting our financial targets.

On behalf of the directors and staff of LGFA, we are pleased to highlight the following developments over the past six month period.

Financial and Operational Performance

LGFA's total interest income for the six-month period to 31 December 2024 of \$683.2 million was an 18.2% increase over the 2023 comparable period (\$578.1 million), while net operating profit of \$8.6 million for the six-month period was a 65.4% increase on the 2023 comparable period (\$5.2 million).

The increase in net operating profit reflected the growth in the balance sheet and the positive impact from the increase in the base lending margin on 1 July 2024.

Net operating profit was \$142k above budget with total operating income below budget by \$14k, with total operating expenses \$156k under the budget. We are confident we will meet budget by the end of the current financial year. As our borrowing requirement has increased, we are having to source a greater proportion of our borrowing requirement from offshore markets. As a result, our Approved Issuer Levy (AIL) payment to Central Government is now our single largest expense. The AIL payment was \$2.54 million for the six month period compared to \$0.54 million for the comparable period a year ago.

The financial strength of LGFA was affirmed by Fitch Ratings who maintained our domestic currency credit rating at AA+ in October 2024. S&P Global Ratings affirmed our AAA/AA+ ratings in September 2024 and under their revised methodology, our SACP improved from AA- to AA+. Our credit ratings from both rating agencies remain the same as the New Zealand Government.

We are on track to meet almost all of our twenty-one performance objectives, with the only objectives not currently on track being the number of new Green, Social and Sustainability (GSS) loans and the amount of council lending. We recognise that it is a busy time for the Local Government sector and have therefore increased our sustainability capability through the appointment of a

Senior Manager Sustainable Finance. This will allow us to provide greater support to council and CCO members regarding sustainability and assist them with identifying eligible projects for GSS loans.

We continue to support the sector and promote best practice with our quarterly business updates, the annual shareholder borrower day, and economic updates for council and CCO members.

Lending to the sector

LGFA was established in 2011 to provide long-dated borrowing, certainty of access to markets and to reduce the borrowing costs for the local government sector. The original 31 shareholders including the Crown remain as shareholders. We now have 77 councils (all NZ councils but Chatham Islands) and seven CCOs as members. In the last six months Far North District Holdings Limited and Timaru District Holdings Limited joined as CCO members. There was no change to the 72 councils who are guarantors during the past six months.

Long-dated lending to council and CCO members over the six-month period was \$2.1 billion provided to sixty-two council and CCO members. This was below our forecast lending for the period of approximately \$2.5 billion. Our estimated market share of total council borrowing of 88% remains above the long-term average. The average tenor of long-dated borrowing by councils of 4.41 years over the six-month period was shorter than prior periods.

Short-dated lending for terms less than 12 months continues to be supported by councils. As at 31 December 2024, LGFA had \$672 million of short-term loans outstanding to 39 council and CCO members.

LGFA has \$22.155 billion of loans outstanding to 79 council and CCO borrowers as well as \$742 million of standby facilities.

Our borrowing activity

LGFA issued NZ\$1.63 billion of NZD bonds over the past six months and outstandings now total NZ\$21.14 billion (including \$1.4 billion of treasury stock) across eleven maturities ranging between 2025 to 2037. It is pleasing to note that the average term of our NZD bond issuance during the six month period at 6.8 years was significantly longer than the 2023-24 full year period of 5.93 years.

LGFA commenced issuing under our Australian Medium Term Note programme in August 2023 to diversify our funding sources. We have four bond maturities outstanding and during the six month period we successfully increased the amount on issue of the 2027 bond by A\$500 million and the 2034 bond by A\$350 million. Our A\$ outstandings are now A\$3.45 billion.

LGFA has the largest amount of New Zealand dollar (NZD) bonds on issue after the New Zealand Government and our individual bond tranches are amongst the largest and most liquid NZD debt instruments available for investors. Secondary market activity in our bonds continues to rise, assisting investors' access to our bonds throughout the year.

The performance of LGFA bonds over the past six months was heavily influenced by the significant amount of NZ Government Bond (NZGB) issuance. As would be expected with the large amount of NZGB issuance, LGFA spreads to NZGB have narrowed, but LGFA spreads to swap have widened. LGFA bond spreads to NZGB have narrowed on average by 5 bps but our spread to swap is wider on average by 25bps. The outright yields on LGFA bonds declined between 144 bps (2026s) and 27 bps (2037s) over the six-month period as the RBNZ eased monetary policy and short dated yields closed the six month period on their lows with the 2026 LGFA bond at 3.73% while the 2037 LGFA bond yield closed in the middle of the six month trading range at 5.09% on 31 December 2024.

Our role in assisting Local and Central Government

The local government sector continues to face a period of change and uncertainty having to deal with climate-related events, rising cost pressures and managing its waters assets during the reform process.

LGFA is assisting both Central Government and our council members with the Local Water Done Well Programme. In August 2024, we jointly announced with the Minister of Local Government that we would lend to water CCOs that are financially supported by their parent councils. In December 2024 we provided guidance on how we would lend to water CCOs.

LGFA shareholders approved changes to the Foundation Policies at the November 2024 Annual Meeting to allow the LGFA Board to grant a bespoke Net Debt/Total Revenue covenant up to 350%. This increase over the previous 280% level is intended to provide support to a small number of high growth councils if required.

LGFA continues to assist the local government sector-led initiative in developing a Ratepayer Assistance Scheme that may provide some financial relief to ratepayers.

We welcomed the announcement by the Minister of Local Government in November 2024 of the intention to extend and increase the Crown Liquidity Facility for LGFA.

New products and initiatives

We launched Green, Social and Sustainable (GSS) lending in October 2021 and Climate Action Loans (CALs) for councils and CCOs in December 2022. Both lending products offer discounted loan margins to councils and CCOs. As at 31 December 2024 we have undertaken \$401.2 million of GSS Loans to six councils and \$3.217 billion of CALs to seven councils and CCOs. We continue to work with council and CCO members to assist them with their eligibility for sustainable lending. Our sustainable loans now comprise 16.9% of our total long term loans to councils and CCOs.

In October 2024 we issued our second Sustainable Financing Bond (SFB) under our innovative SFB Framework. The \$800 million May 2032 SFB was acknowledged at the 2024 KangaNews Awards for the NZD Rates Bond Deal and the NZ Sustainability Deal of the year.

We have been establishing a Euro Medium Term Notes (EMTN) Programme and intend to have this completed in early 2025. This will allow further diversification to our sources of foreign currency borrowing beyond the current Euro Commercial Paper (ECP) and Australian Dollar Medium Term Notes (AMTN) programmes.

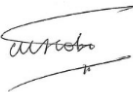
Increasing focus on sustainability

Sustainability plays an important part within the local government sector and at LGFA. We have undertaken several initiatives over the past year, including maintenance of Net Carbon Zero certification from Toitū Envirocare, and actively marketing our GSS loan product. We published our second Annual Impact Review Report and our first report under the Climate Related Disclosure requirements for the Financial Year ending 30 June 2024.

Acknowledgments

The Agency's work cannot be implemented without the support of our Shareholders Council, board directors, staff, Central Government and LGNZ, all whose efforts are acknowledged.

We believe LGFA's future remains positive and look forward to working with our stakeholders to deliver value to our council and CCO members by providing ease of access to low cost, long dated financing.



Craig Stobo
Chair, LGFA Board



Mark Butcher
Chief Executive

Performance against objectives

Ko ngā whakatutukinga ki ngā whāinga

The statement of service performance provides a summary of LGFA's performance against the objectives and performance targets set out in the LGFA Statement of Intent 2024-27 (SOI)

2024-25 Objectives and performance targets

LGFA objectives and performance targets for 2024-25 fall within the following five strategic priorities which encompass our shareholders' foundation objectives and guide the LGFA Board and management in determining our strategy:

- Governance, capability and business practice
- Optimising financing services for local government
- Environmental and social responsibility
- Effective management of loans
- Industry leadership and engagement

Our quarterly reports to shareholders provide more detail on our performance against objectives and performance targets. The reports for the two quarters ended December 2024 are available on the LGFA website.

Objectives	Our performance to 31 December 2024
Demonstrate best-practice corporate governance.	LGFA is committed to best-practice corporate governance and we report annually on our compliance with the eight core principles underpinning the NZX Corporate Governance Best Practice Code. The 2024 Annual Report is the most recent report with commentary on our compliance with the NZX Code.
Set and model high standards of ethical behaviour.	LGFA has adopted a formal Code of Ethics, incorporating its Conflicts of Interest and Code of Conduct policies, which sets out the standards and values that directors and employees are expected to follow.
Achieve the shareholder-agreed objectives and performance targets specified in the Statement of Intent.	Our performance against shareholder-agreed objectives and performance targets, as specified in the Statement of Intent, is reported quarterly to shareholders and annually in this section of our Annual Report.
Ensure products and services offered to participating borrowers are delivered in a cost-effective manner.	LGFA prepares annual operating budgets and monitors progress against these. Our performance against our financial performance targets for the six months ended 31 December 2024 is summarised under each of the targets.
Be a good employer by providing safe working conditions, training and development and equal opportunities for staff.	LGFA is committed to being a good employer. We report our employment practices in our Annual Report. The 2024 Annual Report is our most recent report outlining our health and safety and wellbeing practices and policies, compliance with the Health and Safety at Work Act, diversity and inclusion and capability and development.

Attachment 1

Performance targets	2024-2025 target	Our performance to 31 December 2024
Comply with the Shareholder Foundation Policies and the Board-approved Treasury Policy at all times.	No breaches.	Met.
Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency.	LGFA credit ratings equivalent to NZ Sovereign.	Met.
A succession plan be put in place for the Board and staff and be reviewed annually.	Plan established. Staff plan shared with Board and Board Plan shared with Shareholders' Council.	On track.
LGFA's total operating income for the period to 30 June 2025.	>\$31.4 million	On track. \$16.4 million as at 31 December 2024.
LGFA's total operating expenses (excluding AIL) for the period to 30 June 2025.	<\$11.5 million	On Track. \$5.2 million as at 31 December 2024.

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Optimising financing services for local government

LGFA's primary objective is to optimise the terms and conditions of the debt funding it provides to participating borrowers. Amongst other things, LGFA will achieve this by delivering operational best practice and efficiency across our lending products and services.

Objectives	How we measure our performance																																																																																																																																																																																																																
Provide interest cost savings relative to alternative sources of financing.	<p>LGFA's borrowing margins compare favourably to other high-grade issuers in the New Zealand capital markets.</p> <p>Comparison to other high-grade NZD issuers – secondary market spread to swap (bps)</p> <table><tr><th>31 Dec 24</th><th>2025</th><th>2026</th><th>2027</th><th>2028</th><th>2029</th><th>2030</th><th>2031</th><th>2032</th><th>2033</th><th>2034</th><th>2035</th><th>2037</th></tr><tr><td>LGFA (AAA)</td><td>17</td><td>22</td><td>40</td><td>56</td><td>68</td><td>78</td><td>86</td><td>91</td><td>95</td><td>96</td><td>97</td><td>105</td></tr><tr><td>Kainga Ora (AAA)</td><td>19</td><td>24</td><td>31</td><td>48</td><td></td><td>63</td><td></td><td></td><td></td><td></td><td>88</td><td></td></tr><tr><td>Asian Development Bank (AAA)</td><td>10</td><td>16</td><td>22</td><td>31</td><td></td><td></td><td>48</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>IADB (AAA)</td><td>11</td><td>19</td><td>24</td><td>35</td><td></td><td>43</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>International Finance Corp (AAA)</td><td>11</td><td>16</td><td>24</td><td>35</td><td>39</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>KBN (AAA)</td><td>11</td><td>17</td><td>26</td><td></td><td></td><td>50</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Nordic Investment Bank (AAA)</td><td>10</td><td></td><td></td><td></td><td>35</td><td>40</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Rentenbank (AAA)</td><td>10</td><td></td><td>25</td><td></td><td>39</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>World Bank (AAA)</td><td>11</td><td>15</td><td>23</td><td>27</td><td></td><td>42</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>ASB (AA-)</td><td></td><td>29</td><td>51</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>ANZ (AA-)</td><td></td><td></td><td></td><td>61</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>BNZ (AA-)</td><td>23</td><td>32</td><td>51</td><td>72</td><td>89</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Westpac Bank (AA-)</td><td>25</td><td>30</td><td>52</td><td></td><td>88</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>SSA Average</td><td>11</td><td>17</td><td>24</td><td>32</td><td>38</td><td>44</td><td>48</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Bank Average</td><td>24</td><td>30</td><td>51</td><td>67</td><td>89</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	31 Dec 24	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2037	LGFA (AAA)	17	22	40	56	68	78	86	91	95	96	97	105	Kainga Ora (AAA)	19	24	31	48		63					88		Asian Development Bank (AAA)	10	16	22	31			48						IADB (AAA)	11	19	24	35		43							International Finance Corp (AAA)	11	16	24	35	39								KBN (AAA)	11	17	26			50							Nordic Investment Bank (AAA)	10				35	40							Rentenbank (AAA)	10		25		39								World Bank (AAA)	11	15	23	27		42							ASB (AA-)		29	51										ANZ (AA-)				61									BNZ (AA-)	23	32	51	72	89								Westpac Bank (AA-)	25	30	52		88								SSA Average	11	17	24	32	38	44	48						Bank Average	24	30	51	67	89							
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Offer flexible short and long-term lending products that meet the borrowing requirements for borrowers.	<p>LGFA provides members with short term loans (less than one year), long term loans on either a floating or fixed rate basis (between one year and April 2037), Green Social and Sustainable Loans, Climate Access Loans and standby facilities.</p> <ul style="list-style-type: none">Over the six months ended 31 December 2024, our members borrowed \$2,186.7 billion in 184 long term loans with an average term of 4.2 years.As at 31 December 2024 there was \$663 million short-term loans outstanding to 39 members.As at 31 December 2024, standby facilities totalled \$742 million across 14 members.																																																																																																																																																																																																																
Deliver operational best practice and efficiency for lending services.	<p>Over the six months ended 31 December 2024, LGFA operations staff successfully:</p> <ul style="list-style-type: none">settled 1,271 new trades with a gross value of \$19 billion,processed 8,842 cash flows with a gross value of \$32 billion, andrate set 6,630 existing trades.																																																																																																																																																																																																																
Ensure certainty of access to debt markets, subject always to operating in accordance with sound business practice.	<p>There was strong activity in LGFA bonds in both the primary market (tender or syndicated issuance) and secondary market (between banks and investors). Over the six months ended 31 December 2024, we issued NZD 1,535 million of NZD retail bonds across nine maturities, AUD 800 million of Medium-Term Notes and secondary market turnover in our NZD retail bonds totalled \$8.78 billion.</p>																																																																																																																																																																																																																

Attachment 1

Performance targets	2024-2025 target	Our performance to 31 December 2024
Share of aggregate long-term debt funding to the Local Government sector.	> 80%	Met. 87.7% as at 31 December 2024.
Total lending to Participating Borrowers.	> \$23,957 million	Annual target. \$22,342 million as at 31 December 2024.
Conduct an annual survey of Participating Borrowers who borrow from LGFA as to the value added by LGFA to the borrowing activities.	> 85% satisfaction score	Met. 94% score in December 2024 survey.
Successfully refinance existing loans to councils and LGFA bond maturities as they fall due.	100%	Met.
Meet all lending requests from Participating Borrowers, where those requests meet LGFA operational and covenant requirements.	100%	Met.

Environmental and social responsibility

LGFA recognises the risks inherent in climate change for councils and supports New Zealand's shift to a low-carbon economy. LGFA will exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so.

Objectives	Our performance to 31 December 2024
Assist the local government sector in achieving their sustainability and climate change objectives.	<p>On 30 September 2024, LGFA published our second 'Annual Impact Report – Green, Social and Sustainability Loans and Climate Action Loans financed with Sustainable Financing Bonds'. This report provides information about the allocation of proceeds from LGFA's Sustainable Financing Bond issuance as at June 2024.</p> <p>Over the six months to December 2024, advances under existing GSS loans increased to \$401.2 million out of an approved total value of \$572.3 million. New Zealand's first Green Star rated swimming pool (Naenae Pool and Fitness Centre) was opened in December 2024, partly funded by a GSS loan. A further \$471.2 million was advanced under the CAL lending programme. As at December 2024, we have approved CAL loans to seven councils, with CAL-qualifying loans totalling \$3.218 billion.</p>
Improve sustainability outcomes within LGFA.	<p>In 2021, LGFA directors committed to reducing our carbon emissions over time, with our target of cutting per employee emissions by 30% by 2030, compared with a 2018/19 base year. We are on track to meet our reduction target for the 2024-25 year.</p> <p>In November 2024, a further highly experienced member was added to the Sustainability team.</p>

Performance targets	2024-2025 target	Our performance to 31 December 2024
Comply with the Health and Safety at Work Act 2015.	No breaches.	Met.
Maintain Toitū Carbon Zero certification.	Carbon-zero certification maintained.	Met.
Meet reduction targets outlined in our carbon reduction management plan.	Reduction targets met.	Met.
Increase our GSS lending book and Climate Action Loans.	Two new GSS loans undertaken.	Not met. No new CAL borrowers or new GSS loan eligible projects approved.
Meet all mandatory climate reporting standards.	100%	Met.
Provide annual seminar for councils updating them on latest sustainability developments, climate change impact and LGFA reporting requirements.	One seminar for councils and CCOs.	On track. Seminar planning complete and dates confirmed with councils.

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Effective management of loans

LGFA will ensure its loan book remains at a high standard by ensuring it understands each participating borrower's financial position and managing assets within an appropriate risk management framework to ensure shareholder value is not compromised.

Objectives	Our performance to 31 December 2024
Proactively monitor and review each Participating Borrower's financial position, including its financial headroom under LGFA policies.	LGFA received compliance certificates in respect of the LGFA financial covenants from all council and CCO members with debt outstanding at June 2024. All councils and CCOs were compliant with their financial covenants. Seven certificates were provided from councils based upon unaudited financial statements. These will need to be verified once their annual reports are adopted.
Analyse finances at the Council group level where appropriate and report to shareholders.	None of the 75 councils with debt as at 31 December 2024 has requested that its financial covenants be measured at group level.
Endeavour to meet each participating borrower annually, including meeting with elected officials as required, or if requested	LGFA conducted 50 meetings with council and CCO members in the six months ended December 2024.
Ensure a smooth transition of water-related loans if the Local Water Done Well Reforms progresses over forecast period.	LGFA provided guidance to councils on how LGFA can assist with the financing of different water models that are available to councils.

Performance targets	2024-2025 target	Our performance to 31 December 2024
Review each Participating Borrower's financial position.	100%	On Track.
Arrange to meet each Participating Borrower over a 15-month period, including meeting with elected officials as required, or if requested.	100%	Met.

Industry leadership and engagement

LGFA will take a proactive role to enhance the financial strength and depth of the local government debt market and will work with key central government and local government stakeholders on sector issues.

Objectives	Our performance to 31 December 2024
Take a proactive role to enhance the financial strength and depth of the local government debt market and work with key central government and local government stakeholders on sector and individual council issues.	Over the six months, LGFA conducted quarterly updates webinars as well as our annual Borrower Day in November which was well attended by members. LGFA has continued to provide input into the proposed Ratepayers Assistance Scheme.
Assist the local government sector with significant matters such as the Local Water Done Well Reforms and Future for Local Government	LGFA provided councils with guidance on how it will be able to assist the sector with their proposed models for managing water assets.
Maintain productive relationships with central government representatives.	LGFA continues to work closely with the Minister of Local Government, Treasury, and the Department of Internal Affairs, and their advisers, regarding Water Reforms.
Support councils and CCOs in the development of reporting disclosures of the impacts of sector activity on climate change.	LGFA has assisted individual councils with advice on emissions inventory reporting and promoting Climate Action Loans. LGFA has also encouraged councils to consider their own impacts and risks relating to climate change. During March 2025, LGFA will host four educational sessions to highlight importance of developing emissions reduction plans and an increasing focus on the sustainability of their new projects.

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Performance targets	2024- 2025 target	Our performance to 31 December 2024
Provide input into Local Water Done Well Legislation.	Provide feedback to DIA and Treasury during legislation drafting.	Met.
Provide quarterly updates to shareholders and borrowers on sector developments that are impacting LGFA.	Four quarterly updates to councils and CCOs.	Met.
Meet annually with Infrastructure Commission, Local Government New Zealand, Taituara, Water New Zealand, Infrastructure New Zealand, Crown Infrastructure Partners, Department of Internal Affairs, Treasury and Minister’s office to discuss sector issues from an LGFA perspective.	Nine meetings across stakeholders.	On track.

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Financial statements

Nga tauki pūtea

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Income statement

For the six months ended 31 December 2024 in \$000s	Note	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Interest income		683,225	578,134
Interest expense		668,958	568,323
Net interest income	4	14,267	9,811
Other operating income	5	753	753
Gains / (losses) on financial instruments	6	1,380	-
Total operating income		16,400	10,564
Operating expenses	7	7,782	5,355
Net operating profit		8,617	5,209

Statement of comprehensive income

For the six months ended 31 December 2024 in \$000s	Note	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Net operating profit		8,617	5,209
Items that may be re-classified subsequently to the Income Statement			
Net change in cash flow hedge reserve	8	(7,327)	-
Cost of hedging	8	8,091	-
Total comprehensive income		9,381	5,209

These statements are to be read in conjunction with the notes to the financial statements.

Due to rounding, numbers presented in the financial statements and associated notes may not add up precisely to the reported totals.

The Board of Directors of the New Zealand Local Government Funding Agency Limited authorised these statements for issue on 28 February 2025.



Craig Stobo, Director
Board Chair



Linda Robertson, Director
Chair, Audit and Risk Committee

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Statement of changes in equity

For the six months ended 31 December 2024 in \$000s

	Note	Share capital	Cash flow hedge reserve	Cost of hedging reserve	Retained earnings	Total equity
Equity as at 1 July 2023		25,000	-	-	80,847	105,847
Net operating profit					10,050	10,050
Other comprehensive income/(expense)			5,536	(6,531)		(995)
Total comprehensive income for the year			5,536	(6,531)	10,050	9,055
Transactions with owners					-	-
Dividend paid on 1 September 2023					(1,713)	(1,713)
Equity as at 1 July 2024		25,000	5,536	(6,531)	89,185	113,190
Net operating profit					8,617	8,617
Other comprehensive income/(expense)			(7,327)	8,091		763
Total comprehensive income for the year			(7,327)	8,091	8,617	9,381
Transactions with owners					-	-
Dividend paid on 2 September 2024					(1,843)	(1,843)
Equity as at 31 December 2024	19	25,000	(1,791)	1,560	95,959	120,728

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Statement of financial position

As at 31 December 2024 in \$000s

	Note	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Assets			
Financial assets			
Receivables	9	3,270	378
Cash and cash equivalents		361,403	473,609
Cash pledged as collateral		97,960	251,605
Marketable securities		2,440,896	1,397,045
Deposits		961,149	718,493
Derivatives in gain		314,797	116,090
Loans to members	10	22,342,273	20,549,350
Other financial assets		-	-
Non-financial assets			
Other assets	11	1,747	1,245
Total assets		26,523,496	23,507,816
Equity			
Share capital	18	25,000	25,000
Current earnings		8,617	-
Reserves	8	(231)	(995)
Retained earnings		87,342	89,185
Total equity		120,728	113,190
Liabilities			
Financial liabilities			
Payables and provisions	12	60,927	9,609
Bond repurchases	15	273,958	58,302
Derivatives in loss		1,121,498	1,526,526
Debt securities issued:			
At amortised cost	13	23,272,327	20,490,507
At fair value through income statement	14	1,068,972	815,175
Borrower notes	16	603,005	492,614
Non financial liabilities			
Other liabilities	17	2,081	1,891
Total liabilities		26,402,767	23,394,625
Total equity and liabilities		26,523,496	23,507,816

These statements are to be read in conjunction with the notes to the financial statements.

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Statement of cash flows

For the six months ended 31 December 2024 in \$000s

	Note	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Cash flows from operating activities			
Cash applied to loans	10	(1,712,402)	(2,407,840)
Interest paid on bonds issued		(362,576)	(243,566)
Interest paid on bills issued		(60,011)	(26,733)
Interest paid on borrower notes		(1,359)	(558)
Interest paid on bond repurchases		(5,067)	(5,303)
Interest received from loans		595,193	475,616
Interest received from cash & cash equivalents		15,551	12,273
Interest received from marketable securities		31,048	19,511
Interest received from deposits		24,482	16,943
Net interest on derivatives		(235,073)	(247,902)
Cash proceeds from provision of standby facilities		753	753
Payments to suppliers and employees		(8,640)	(6,011)
Net cash flows from operating activities	20	(1,718,101)	(2,412,818)
Cash flows from investing activities			
Purchase of marketable securities		(1,004,550)	(458,717)
(Purchase)/maturity of deposits		(82,122)	(458,062)
Net cash flows from investing activities		(1,086,672)	(916,778)
Cash flows from financing activities			
Cash proceeds from bonds issued	13,14	2,359,930	1,485,329
Cash proceeds (outflows) from bills issued	13,14	(88,884)	74,264
Cash proceeds (outflows) from bond repurchases		215,420	(168)
Cash proceeds from borrower notes		95,352	59,984
Dividends paid		(1,843)	(1,712)
Cash applied to derivatives		112,589	1,845,365
Net cash flows from financing activities		2,692,564	3,463,063
Net increase/(decrease) in cash		(112,209)	133,467
Foreign exchange gains / (losses) on cash balances		3	-
Net cash flows from all activities		(112,206)	133,467
Cash, cash equivalents at beginning of year		473,609	226,222
Cash, cash equivalents at end of year		361,403	359,688

These statements are to be read in conjunction with the notes to the financial statements.

Notes to the financial statements

1. Reporting entity

The New Zealand Local Government Funding Agency Limited (LGFA) is a company registered under the Companies Act 1993 and is subject to the requirements of the Local Government Act 2002.

LGFA is controlled by participating local authorities and is a council-controlled organisation as defined under section 6 of the Local Government Act 2002. LGFA is a limited liability company incorporated and domiciled in New Zealand.

The primary objective of LGFA is to optimise the debt funding terms and conditions for participating borrowers.

The registered address of LGFA is Level 11, City Chambers, 142 Featherston Street, Wellington Central, Wellington 6011.

These financial statements were authorised for issue by the Directors on 28 February 2025.

2. Statement of compliance

The interim financial statements are for the six months ended 31 December 2024 and are to be read in conjunction with the annual report for the year ended 30 June 2024.

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and in compliance with NZ IAS 34 Interim Financial Reporting.

3. Basis of preparation

MEASUREMENT BASE

The financial statements have been prepared on a historical cost basis modified by the revaluation of certain assets and liabilities.

The financial statements are prepared on an accrual basis.

FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in New Zealand dollars rounded to the nearest thousand, unless separately identified. The functional currency of LGFA is New Zealand dollars.

FOREIGN CURRENCY CONVERSIONS

Transactions denominated in foreign currency are translated into New Zealand dollars using exchange rates applied on the trade date of the transaction.

CHANGES IN ACCOUNTING POLICIES

There have no changes to accounting policies.

EARLY ADOPTION STANDARDS AND INTERPRETATIONS

LGFA has not early adopted any standards.

STANDARDS NOT YET ADOPTED

LGFA does not consider any standards or interpretations in issue but not yet effective to have a significant impact on its financial statements.

FINANCIAL INSTRUMENTS

Financial assets

Financial assets, other than derivatives, are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents include cash on hand, bank accounts and deposits with an original maturity of no more than three months.

Cash provided by LGFA as security for financial arrangements remains a financial asset of LGFA and is recognised as cash pledged as collateral in the Statement of Financial Position, separate from cash and cash equivalents.

Purchases and sales of all financial assets are accounted for at trade date.

At each balance date, an expected credit loss assessment is performed for all financial assets and is calculated as either:

- Credit losses that may arise from default events that are possible within the next 12 months, where no significant increase in credit risk has arisen since acquisition of the asset, or
- Credit losses that may arise from default events that are possible over the expected life of the financial asset, where a significant increase in credit risk has arisen since acquisition of the asset.

Impairment losses on financial assets will ordinarily be recognised on initial recognition as a 12-month expected loss allowance and move to a lifetime expected loss allowance if there is a significant deterioration in credit risk since acquisition.

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Financial liabilities

Financial liabilities, other than derivatives, are recognised initially at fair value less transaction costs and subsequently measured at either:

- Amortised cost and subsequently measured at amortised cost using the effective interest rate method; or
- Fair value through income statement (FVTIS).

LGFA chooses to classify financial liabilities as FVTIS if the use of the classification removes or significantly reduces an accounting mismatch. This classification includes debt issues that are designated at FVTIS where LGFA has economically hedged the foreign exchange and interest rate risk using derivatives, but hedge accounting is not applied. Any such classification is made on the date of initial recognition and is irrevocable.

OTHER ASSETS**Property, plant and equipment**

Items of property, plant and equipment are initially recorded at cost.

Depreciation is charged on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property, plant and equipment, less any estimated residual value, over its remaining useful life.

Intangible assets

Intangible assets comprise software and project costs incurred for the implementation of the treasury management system. Capitalised computer software costs are amortised on a straight-line basis over the estimated useful life of the software (three to seven years). Costs associated with maintaining computer software are recognised as expenses.

OTHER LIABILITIES**Employee entitlements**

Employee entitlements to salaries and wages, annual leave and other similar benefits are recognised in the profit and loss when they accrue to employees.

Approved issuer levy

Approved Issuer Levy is a function of securities held by offshore holders of certain LGFA bond maturities.

REVENUE**Interest income**

Interest income is accrued using the effective interest rate method.

The effective interest rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this rate to the principal outstanding to determine interest income each period.

EXPENSES

Expenses are recognised in the period to which they relate.

Interest expense

Interest expense is accrued using the effective interest rate method.

The effective interest rate exactly discounts estimated future cash payments through the expected life of the financial liability to that liability's net carrying amount. The method applies this rate to the principal outstanding to determine interest expense each period.

Income tax

LGFA is exempt from income tax under Section 14 of the Local Government Borrowing Act 2011.

Goods and services tax

All items in the financial statements are presented exclusive of goods and service tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the 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 a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

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SEGMENT REPORTING

LGFA operates in one segment being funding of participating borrowers in New Zealand.

JUDGEMENTS AND ESTIMATIONS

The preparation of these financial statements requires judgements, estimates and assumptions that affect the application of policies and reported amounts. For example, the fair value of financial instruments depends critically on judgements regarding future cash flows, including inflation assumptions and the risk-free discount rate.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and these estimates and underlying assumptions are reviewed on an ongoing basis. Where these judgements significantly affect the amounts recognised in the financial statements they are described in the following notes.

Revenue and expenditure

4. Net interest income

in \$000s	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Cash and cash equivalents	15,624	16,804
Cash pledged as collateral	3,033	-
Marketable securities	47,092	33,313
Deposits	28,338	20,237
Derivatives	-	-
Loans	589,138	507,780
Total interest income	683,225	578,134
Interest expense		
Bills	80,660	26,733
Bond repurchase transactions	5,303	5,415
Lease liability	73	17
Derivatives	147,176	227,217
Bonds	422,351	298,564
Borrower notes	13,396	10,377
Total interest expense	668,958	568,323
Net interest income	14,267	9,811

5. Other operating income

As at 31 December 2024, LGFA had provided standby facilities totalling \$742 million (2023: \$747 million) to selected councils. As at balance date, there were no drawdowns outstanding under the facilities.

in \$000s	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Standby facilities fee income	753	753
Total other operating income	753	753

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6. Gains / (losses) on financial instruments

Gains and losses on financial instruments primarily represents any hedge ineffectiveness of derivatives, as well as any revaluation on instruments accounted for at fair value through the profit and loss.

7. Operating expenses

Issuance and on-lending expenses are those costs that are incurred as a necessary expense to facilitate the ongoing issuance of LGFA debt securities.

in \$000s	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Issuance & onlending expenses		
Approved issuer levy ¹	2,540	541
Rating agency fees	372	343
NZDM facility fee	542	750
Legal fees - issuance	306	502
NZX	442	402
Trustee fees	59	56
Regulatory, registry, other fees	213	184
	4,475	2,779
Other operating expenses		
Information technology	485	360
Consultants	150	131
Directors fees	263	249
Insurance	53	49
Legal fees	104	23
Other expenses	354	204
Auditors' remuneration		
Statutory audit	-	60
Advisory services	-	-
Personnel	1,899	1,500
	3,308	2,577
Total operating expenses	7,782	5,355

1. The amount of Approved Issuer Levy is a function of securities held by offshore holders of certain LGFA bond maturities.

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8. Hedge accounting

LGFA uses derivatives to establish economic hedges to manage its interest rate and foreign exchange risk. LGFA's risk management strategy with respect to hedge accounting is to minimise income statement volatility.

Hedge accounting is implemented to manage the following risks:

- Interest rate risk due to a mismatch between fixed and floating interest rates on assets and liabilities; and
- Combined risk on assets or liabilities with interest rate risk that are denominated in currencies other than New Zealand dollars.

FAIR VALUE HEDGE

Under a fair value hedge, the hedged item is revalued at fair value in respect of the hedged risk. This revaluation is recognised in the Statement of comprehensive income to offset the mark-to-market revaluation of the hedging derivative, except for any adjustment on the hedging derivative relating to credit risk.

CASH FLOW HEDGE

Under a cash flow hedge, the effective portion of gains or losses from remeasuring the fair value of the hedging instrument is recognised in Other Comprehensive Income and accumulated in the cash flow hedge reserve. Accumulated gains or losses are subsequently transferred to the Consolidated Income Statement when the hedged item affects the Income statement, or when the hedged item is a forecast transaction that is no longer expected to occur.

Any future gains or losses will be processed through the hedge equity reserves as long as the existing cash flow hedge relationships remain effective.

A reconciliation of the cash flow reserve is shown in the following table:

	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Opening balance at 1 July	(6,531)	-
Changes in cash flow hedges	8,091	(6,531)
Closing balance	1,560	(6,531)

COST OF HEDGING

The cost of hedging reserve captures changes in the fair value of the cost to convert foreign currency to NZD of LGFA's cross currency interest rate swaps on the AUD bonds.

A reconciliation of movements in the cost of hedging reserve is shown in the table below:

	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Opening balance at 1 July	5,536	-
Change in currency basis spreads	(7,327)	5,536
Closing balance	(1,791)	5,536

HEDGING INSTRUMENTS

in \$000s	Life to date values as at 31 December 2024		
	Carrying amount of the hedging instrument		
	Nominal amount of hedging instrument	Asset / (liability)	Change in value for hedge ineffectiveness
Fair value hedges			
Interest rate swaps – domestic bonds hedge	16,446,000	(441,216)	(441,216)
Interest rate swaps – loans hedge	1,083,000	(21,778)	(21,778)
Interest rate swaps – marketable securities hedge	1,101,850	(7,896)	(7,896)
Fair value and cash flow hedges			
Fair value hedges – foreign currency	AUD 3,450,000	32,731	32,731
Cash flow hedges – foreign currency	NZD 3,746,630	74,120	74,120

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in \$000s	Life to date values as at 30 June 2024		
	Carrying amount of the hedging instrument		
	Nominal amount of hedging instrument	Asset / (liability)	Change in value for hedge ineffectiveness
Fair value hedges			
Interest rate swaps – domestic bonds hedge	15,228,000	(1,007,019)	(1,007,019)
Interest rate swaps – loans hedge	700,200	25,510	25,510
Interest rate swaps – marketable securities hedge	611,480	5,917	5,917
Fair value and cash flow hedges			
Fair value hedges – foreign currency	AUD 2,650,000	(6,381)	(6,381)
Cash flow hedges – foreign currency	NZD 2,861,000	35,271	35,271

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in \$000s	Year to date values recognised during the six months to 31 December 2024				
	Hedge effectiveness in reserves			Hedge effectiveness	Hedge effectiveness
	Cost of hedging reserve	Cash flow hedge (OCI)	Cash flow hedge reclassified to income statement	Fair value hedge recognised in Income statement	Recognised in Income Statement
Fair value hedges					
Interest rate swaps – domestic bonds hedge	-	-	-	561,300	-
Interest rate swaps – loans hedge	-	-	-	(33,406)	-
Interest rate swaps – marketable securities hedge	-	-	-	(23,191)	-
Fair value and cash flow hedges					
Fair value hedges – foreign currency				(42,783)	
Cash flow hedges – foreign currency	(8,091)	7,327	(26,365)	-	(777)

in \$000s	Year to date values recognised during the year ended 30 June 2024				
	Hedge effectiveness in reserves			Hedge effectiveness	Hedge effectiveness
	Cost of hedging reserve	Cash flow hedge (OCI)	Cash flow hedge reclassified to income statement	Fair value hedge recognised in Income statement	Recognised in Income Statement
Fair value hedges					
Interest rate swaps – domestic bonds hedge	-	-	-	333,352	-
Interest rate swaps – loans hedge	-	-	-	(12,340)	-
Interest rate swaps – marketable securities hedge	-	-	-	(16,956)	-
Fair value and cash flow hedges					
Fair value hedges – foreign currency	-	-	-	6,381	-
Cash flow hedges – foreign currency	6,531	(5,536)	(34,497)	-	(859)

9. Receivables

in \$000s	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Borrower notes to be received	3,000	-
Trade debtors	270	378
Total receivables	3,270	378

10. Loans

in \$000s	Unaudited as at 31 December 2024		Audited as at 30 June 2024	
	Short-term loans	Loans	Short-term loans	Loans
Ashburton District Council	7,023	119,633	12,062	119,743
Auckland Council	-	3,648,723	-	3,655,028
Bay of Plenty Regional Council	87,765	225,706	50,506	219,044
Buller District Council	-	20,025	-	20,037
Canterbury Regional Council	8,631	96,451	5,085	92,416
Carterton District Council	-	24,804	-	24,839
Central Hawkes Bay District Council	3,081	45,444	5,132	39,401
Central Otago District Council	5,016	35,549	5,019	30,450
Christchurch City Council	-	2,701,904	-	2,511,678
Clutha District Council	13,526	121,410	11,585	108,398
Dunedin City Treasury	-	322,711	-	293,104
Far North District Council	25,167	115,823	32,703	90,518
Far North Holdings Ltd	53,945	15,928	-	-
Gisborne District Council	9,909	164,853	-	174,991
Gore District Council	8,543	46,937	8,554	46,998
Greater Wellington Regional Council	-	1,048,847	-	941,217
Grey District Council	3,964	31,802	3,972	28,807
Hamilton City Council	-	1,009,763	-	950,852
Hastings District Council	-	476,033	-	397,160
Hauraki District Council	-	124,078	-	101,092
Hawkes Bay Regional Council	6,010	105,743	-	110,708
Horizons Regional Council	9,938	62,001	9,906	62,026
Horowhenua District Council	21,086	192,591	21,199	182,674
Hurunui District Council	10,018	67,679	10,067	57,666
Hutt City Council	-	598,065	-	515,520
Infrastructure Holdings Ltd	9,886	109,481	9,989	104,463
Invercargill City Council	29,569	116,398	47,502	104,262
Invercargill City Holdings Ltd	-	-	48,252	48,403
Kaikoura District Council	-	9,382	-	7,374

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in \$000s	Unaudited as at 31 December 2024		Audited as at 30 June 2024	
	Short-term loans	Loans	Short-term loans	Loans
Kaipara District Council	-	44,432	-	54,639
Kapiti Coast District Council	-	358,442	-	323,722
Kawerau District Council	-	6,075	-	4,051
Mackenzie District Council	4,017	19,298	4,040	16,257
Manawatu District Council	11,580	85,923	13,014	83,139
Marlborough District Council	14,613	231,633	14,694	190,067
Masterton District Council	-	62,254	-	63,357
Matamata-Piako District Council	-	72,173	-	66,201
Napier City Council	-	55,365	-	20,191
Nelson City Council	-	282,144	-	262,320
New Plymouth District Council	-	363,598	10,117	293,577
Northland Regional Council	-	24,743	-	24,741
Opotiki District Council	7,077	10,591	-	12,595
Otago Regional Council	44,337	104,048	35,739	104,122
Otorohanga District Council	10,119	2,019	9,110	-
Palmerston North City Council	-	311,476	-	273,466
Porirua City Council	-	334,754	-	269,807
Queenstown Lakes District Council	94,395	595,005	76,334	575,080
Rangitikei District Council	-	44,392	-	44,358
Rotorua District Council	-	468,875	1,889	448,948
Ruapehu District Council	10,044	54,198	8,050	50,214
Selwyn District Council	15,103	201,681	20,035	166,778
South Taranaki District Council	-	150,467	-	140,634
South Waikato District Council	-	44,408	-	44,469
Southland District Council	-	76,460	-	36,153
South Wairarapa District Council	11,161	19,115	8,190	27,166
Stratford District Council	-	38,931	-	36,908
Taranaki Regional Council	984	52,946	-	31,780
Tararua District Council	-	78,642	-	69,986
Tasman District Council	21,909	343,146	25,379	325,787
Taupo District Council	-	180,504	-	165,543
Tauranga City Council	-	1,278,181	-	1,050,800
Thames-Coromandel District Council	-	91,952	-	84,003
Timaru District Council	17,331	219,776	19,340	202,822
Timaru District Holdings Ltd	8,018	-	-	-
Upper Hutt City Council	-	204,904	-	180,900
Waikato District Council	-	242,171	-	207,254
Waikato Regional Council	-	39,384	-	32,384

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in \$000s	Unaudited as at 31 December 2024		Audited as at 30 June 2024	
	Short-term loans	Loans	Short-term loans	Loans
Waimakariri District Council	-	242,081	-	202,169
Waimate District Council	-	5,046	-	3,541
Waipa District Council	25,529	363,561	15,009	313,011
Wairoa District Council	-	11,134	-	11,100
Waitaki District Council	13,331	73,166	7,483	64,158
Waitomo District Council	6,025	27,208	6,103	27,246
Wellington City Council	-	1,655,158	-	1,595,914
West Coast Regional Council	2,989	14,715	2,986	14,715
Western Bay Of Plenty District Council	-	151,509	10,009	106,249
Westland District Council	4,508	32,628	4,713	32,666
Whakatane District Council	10,106	175,175	6,011	149,114
Whanganui District Council	7,569	198,853	7,560	176,878
Whangarei District Council	9,934	267,399	9,922	257,756
Fair value hedge adjustment		9,011	-	(25,510)
	663,756	21,678,517	597,257	19,952,093

Short-terms loans are loans that have a term to maturity of less than 12 months at origination. Loans have a term to maturity greater than 12 months at origination. As at 31 December 2024, all short term loans and \$2,756 million of loans will mature within 12 months.

11. Other assets

in \$000s	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Prepayments	1,374	987
Right-of-use lease asset	374	258
Total other assets	1,747	1,245

12. Payables and provisions

in \$000s	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Loans/purchases to be advanced	60,000	8,190
Trade creditors	521	1,170
Credit provision	406	249
Total payables	60,927	9,609

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13. Debt securities issued at amortised cost

Unaudited as at 31 December 2024 in \$000s	Face Value	Unamortised premium	Accrued interest	Fair value hedge adjustment	Total
NZD Fixed interest bonds					
15 April 2025	2,719,000	(8,573)	16,023		2,726,450
15 April 2026	2,755,000	(53,508)	8,855		2,710,348
15 April 2027	2,321,000	37,448	22,381		2,380,829
15 May 2028	1,693,000	(66,347)	4,946		1,631,599
20 April 2029	1,992,000	(101,686)	5,992		1,896,306
15 May 2030	1,960,000	(42,677)	11,451		1,928,774
15 May 2031	2,195,000	(221,443)	6,412		1,979,969
14 May 2032	650,000	(4,083)	3,878		649,795
14 April 2033	1,735,000	(18,925)	13,179		1,729,254
15 May 2035	590,000	(32,513)	2,298		559,785
15 April 2037	1,130,000	(130,769)	4,843		1,004,074
Fair value hedge adjustment				(445,719)	(445,719)
	19,740,000	(643,076)	100,260	(445,719)	18,751,464
AUD Fixed interest bonds					
8 September 2027	1,103,666	(2,405)	15,427		1,116,688
1 August 2028	1,103,666	(2,228)	21,566		1,123,004
28 November 2030	717,383	(2,275)	3,436		718,544
8 March 2034	882,932	(6,710)	14,024		890,247
	3,807,646	(13,619)	54,454	-	3,848,482
Total Fixed interest bonds	23,547,646	(656,695)	154,714	(445,719)	22,599,946
NZD Bills					
15 January 2025	220,000	-	(398)		219,602
30 January 2025	20,000	-	(83)		19,917
5 February 2025	70,000	-	(307)		69,693
13 February 2025	80,000	-	(402)		79,598
18 February 2025	20,000	-	(116)		19,884
27 February 2025	20,000	-	(136)		19,864
7 March 2025	105,000	-	(785)		104,215
20 March 2025	58,000	-	(524)		57,476
24 March 2025	25,000	-	(237)		24,763
7 May 2025	25,000	-	(363)		24,637
Total NZD Bills	643,000	-	(3,350)		639,650
Total debt securities issued at amortised cost	24,190,646	(656,695)	151,364	(445,719)	23,239,596

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Audited as at 30 June 2024 in \$'000s	Face Value	Unamortised premium	Accrued interest	Fair value hedge adjustment	Total
NZD Fixed interest bonds					
15 April 2025	2,719,000	(23,467)	15,731		2,711,264
15 April 2026	2,755,000	(73,596)	8,694		2,690,098
15 April 2027	2,261,000	46,176	21,405		2,328,581
15 May 2028	1,653,000	(72,604)	4,750		1,585,146
20 April 2029	1,932,000	(103,640)	5,701		1,834,061
15 May 2030	1,660,000	(45,881)	9,321		1,623,439
15 May 2031	2,095,000	(222,442)	6,020		1,878,578
14 April 2033	1,605,000	(6,347)	11,972		1,610,625
15 May 2035	550,000	(27,458)	2,107		524,649
15 April 2037	960,000	(84,540)	4,039		879,499
Fair value hedge adjustment				(1,013,400)	(1,013,400)
	18,190,000	(613,800)	89,741	(1,013,400)	16,652,540
AUD Fixed interest bonds					
8 September 2027	546,456	(1,140)	7,514		552,830
1 August 2028	1,092,912	(3,193)	21,309		1,111,028
28 November 2030	710,393	(1,560)	3,347		712,180
8 March 2034	546,456	(4,451)	8,538		550,543
	2,896,217	(10,344)	40,708	-	2,926,581
Total Fixed interest bonds	21,086,217	(624,144)	130,449	(1,013,400)	19,579,121
NZD Bills					
5 July 2024	25,000	-	(15)		24,985
12 July 2024	130,000	-	(171)		129,829
19 July 2024	190,000	-	(489)		189,511
1 August 2024	55,000	-	(252)		54,748
7 August 2024	40,000	-	(225)		39,775
16 August 2024	50,000	-	(338)		49,662
29 August 2024	20,000	-	(181)		19,819
6 September 2024	75,000	-	(749)		74,251
18 September 2024	55,000	-	(659)		54,341
26 September 2024	50,000	-	(666)		49,334
2 October 2024	25,000	-	(348)		24,652
7 October 2024	40,000	-	(587)		39,413
6 November 2024	25,000	-	(481)		24,519
4 December 2024	55,000	-	(1,292)		53,708
19 December 2024	85,000	-	(2,158)		82,842
Total NZD Bills	920,000	-	(8,614)		911,386
Total debt securities issued at amortised cost	22,006,217	(624,144)	121,836	(1,013,400)	20,490,507

14. Debt securities issued at fair value through income statement

Unaudited as at 31 December 2024 in \$000s					
	Face Value	Unamortised premium	Accrued interest	Fair value hedge adjustment	Total
USD Euro Commercial Paper	1,075,880		(7,329)	422	1,068,972

As at 30 June 2024 in \$000s					
	Face Value	Unamortised premium	Accrued interest	Fair value hedge adjustment	Total
USD Euro Commercial Paper	835,052	-	(14,303)	(5,574)	815,175

15. Treasury stock and bond repurchases

Periodically, LGFA subscribes for LGFA bonds as part of its tender process and holds these bonds as treasury stock. LGFA bonds held by LGFA as treasury stock are derecognised at the time of issue and no liability is recognised in the statement of financial position. As at 31 December 2024, \$1,400 million of LGFA bonds had been subscribed as treasury stock.

LGFA makes these treasury stock bonds available to banks authorised as its tender counterparties to borrow under short-term repurchase transactions. The objective of the bond lending facility is to assist with improving secondary market liquidity in LGFA bonds. Bonds lent to counterparties are disclosed as a separate stock lending liability on the face of the statement of financial position.

in \$000s	Unaudited as at 31 December 2024	Audited as at 30 June 2024
15 April 2026	4,877	-
15 May 2028	57,753	-
15 May 2030	72,641	58,302
15 May 2031	2,620	-
14 May 2032	41,614	-
14 April 2033	44,893	-
15 April 2037	49,560	-
	273,958	58,302

16. Borrower notes

Borrower notes are subordinated debt instruments which are required to be held by each local authority that borrows from LGFA in an amount equal to a fixed percentage of the aggregate borrowings by that local authority. The fixed percentage is 5% for loans issued from 1 July 2024. Prior to this date, the fixed percentage was 2.5% for loans issued from 1 July 2020, and 1.6% for all loans issued prior to this date.

LGFA may convert borrower notes into redeemable shares if it has made calls for all unpaid capital to be paid in full and the LGFA Board determines it is still at risk of imminent default.

17. Other liabilities

in \$000s	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Lease liability		258
Accruals	2,081	1,633
Total other liabilities	2,081	1,891

Capital and dividends

18. Share capital

As at 31 December 2024, LGFA had 45 million ordinary shares on issue, 20 million of which remain uncalled.

All ordinary shares rank equally with one vote attached to each ordinary share. Ordinary shares have a face value of \$1 per share.

19. Shareholder information

Registered holders of equity securities	As at 31 December 2024		As at 30 June 2024	
Minister of Finance and Minister for Local Government	5,000,000	11.1%	5,000,000	11.1%
Auckland Council	3,731,960	8.3%	3,731,960	8.3%
Christchurch City Council	3,731,960	8.3%	3,731,960	8.3%
Hamilton City Council	3,731,960	8.3%	3,731,960	8.3%
Bay of Plenty Regional Council	3,731,958	8.3%	3,731,958	8.3%
Greater Wellington Regional Council	3,731,958	8.3%	3,731,958	8.3%
Tasman District Council	3,731,958	8.3%	3,731,958	8.3%
Tauranga City Council	3,731,958	8.3%	3,731,958	8.3%
Wellington City Council	3,731,958	8.3%	3,731,958	8.3%
Western Bay of Plenty District Council	3,731,958	8.3%	3,731,958	8.3%
Whangarei District Council	1,492,784	3.3%	1,492,784	3.3%
Hastings District Council	746,392	1.7%	746,392	1.7%
Marlborough District Council	400,000	0.9%	400,000	0.9%
Selwyn District Council	373,196	0.8%	373,196	0.8%
Gisborne District Council	200,000	0.4%	200,000	0.4%
Hauraki District Council	200,000	0.4%	200,000	0.4%
Horowhenua District Council	200,000	0.4%	200,000	0.4%
Hutt City Council	200,000	0.4%	200,000	0.4%
Kapiti Coast District Council	200,000	0.4%	200,000	0.4%
Manawatu District Council	200,000	0.4%	200,000	0.4%
Masterton District Council	200,000	0.4%	200,000	0.4%
New Plymouth District Council	200,000	0.4%	200,000	0.4%
Otorohanga District Council	200,000	0.4%	200,000	0.4%
Palmerston North District Council	200,000	0.4%	200,000	0.4%
South Taranaki District Council	200,000	0.4%	200,000	0.4%
Taupo District Council	200,000	0.4%	200,000	0.4%
Thames - Coromandel District Council	200,000	0.4%	200,000	0.4%
Waimakariri District Council	200,000	0.4%	200,000	0.4%
Waipa District Council	200,000	0.4%	200,000	0.4%
Whakatane District Council	200,000	0.4%	200,000	0.4%
Whanganui District Council	200,000	0.4%	200,000	0.4%
	45,000,000	100%	45,000,000	100%

20. Reconciliation of net profit to net cash flow from operating activities

in \$000s	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Net profit/(loss) for the period	8,617	5,209
Cash applied to loans	(1,712,402)	(2,407,840)
Non-cash adjustments		
Financial instrument amortisation	(13,387)	(15,692)
Working capital movements	(929)	172
Net Cash From Operating Activities	(1,718,101)	(2,412,818)

21. Related parties

IDENTITY OF RELATED PARTIES

LGFA is related to the local authorities set out in the Shareholder Information in note 19.

LGFA operates under an annual Statement of Intent that sets out the intentions and expectations for LGFA's operations and lending to participating borrowers.

Shareholding local authorities, and non-shareholder local authorities who borrow more than \$20 million, are required to enter into a guarantee when they join or participate in LGFA. The guarantee is in respect of the payment obligations of other guaranteeing local authorities to the LGFA (cross guarantee) and of the LGFA itself.

RELATED PARTY TRANSACTIONS

LGFA was established for the purpose of raising funds from the market to lend to participating borrowers. The lending to individual councils is disclosed in note 10, and interest income recognised on this lending is shown in the statement of comprehensive income.

The purchase of LGFA borrower notes by participating borrowers. Refer note 16.

The Treasury (New Zealand Debt Management) provides LGFA with a committed credit facility and is a derivatives counterparty.

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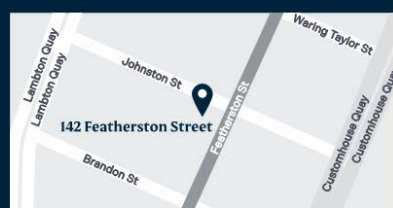
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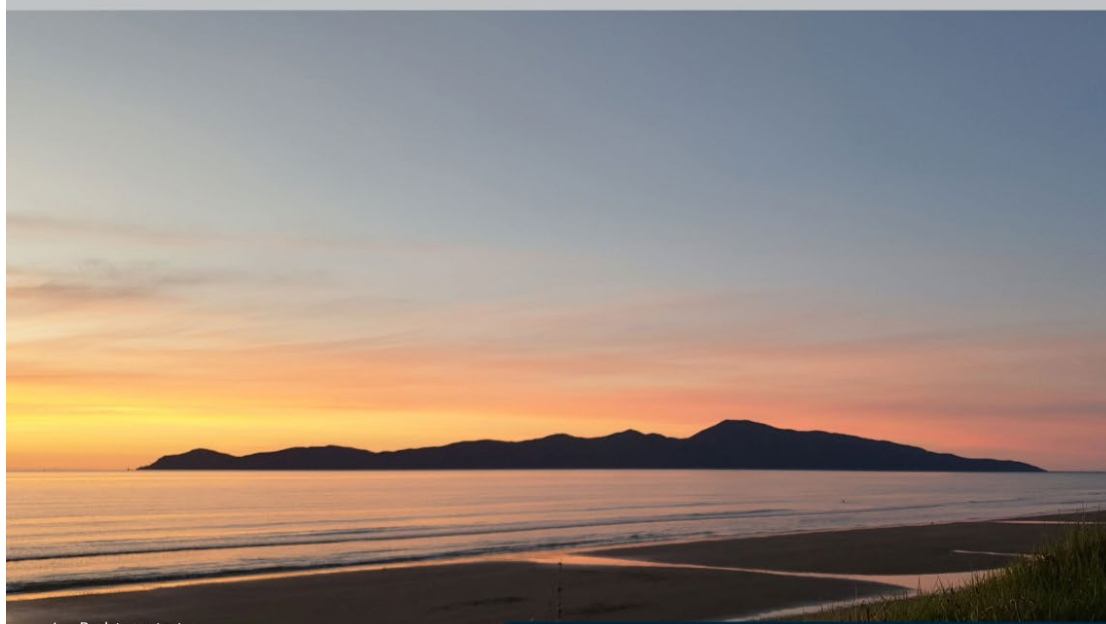
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2025-2028 Statement of Intent DRAFT

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Attachment 2

1. Introduction

This Statement of Intent (SOI) sets out the nature and scope of the activities, objectives, and performance targets for the New Zealand Local Government Funding Agency Limited (LGFA) for the three-year period 1 July 2025 to 30 June 2028.

LGFA is enabled under the Local Government Borrowing Act 2011 and is a council-controlled organisation (CCO) for the purposes of the Local Government Act 2002.

The SOI is prepared in accordance with section 64(1) of the Local Government Act 2002.

2. Nature and scope of activities

LGFA raises debt funding for the purpose of providing debt financing to New Zealand local authorities and CCOs (members).

In August 2024, LGFA confirmed that it will provide financing to support water CCOs established under Local Water Done Well.

LGFA may raise debt funding either domestically and/or offshore in either NZ dollars or foreign currency.

LGFA only lends to members that have completed required relevant legal and operational arrangements and comply with the LGFA's lending policies.

In addition, LGFA may undertake any other activities considered by the LGFA Board to be reasonably related, incidentally to, or in connection with, that business.

3. Our purpose Ta tatou kaupapa

Benefiting local communities through delivering efficient financing for local government.

Ka whiwhi painga ngā hapori mā te whakarato pūtea tōtika ki ngā kaunihera.

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4. Our values Ō mātau uara

We act with integrity E pono ana mātau	We are customer focused E arotahi ana mātau ki te kiritaki	We strive for excellence E whakapau kaha mātau kia hiranga te mahi	We provide leadership He kaiārahi mātau	We are innovative He auaha mātau
We are honest, transparent and are committed to doing what is best for our customers and our company.	Our customers are our borrowers, investors, and all other organisations that we deal with. We listen to them and act in their best interests to deliver results that make a positive difference	We strive to excel by delivering financial products and services that are highly valued at least cost while seeking continuous improvement in everything we do.	We are here for our stakeholders in being strategically minded, providing resilience and executing our strategy. We embrace a high-performance culture and can be relied upon to deliver results.	To meet our ever-changing customer requirements, we will encourage innovation and provide a diverse range of financial products and services.

5. Foundation objectives

The Shareholders' Agreement is a foundation document and states that, in accordance with the Local Government Act, in carrying on its business the objectives of the Company will be to:

- (a) achieve the objectives of the Shareholders (both commercial and non-commercial) as specified in the Statement of Intent. The Shareholders agree that the Company shall carry on its business with a view to making a profit sufficient to pay a dividend in accordance with the Dividend Policy, but that the primary objective of the Shareholders with respect to the Company is that it optimises the terms and conditions of the debt funding it provides to Participating Local Authorities;
- (b) be a good employer;
- (c) exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so; and
- (d) conduct its affairs in accordance with sound business practice.

This Statement of Intent sets out the company's strategic priorities, together with associated objectives and performance targets, which align with the foundation objectives and have been agreed with shareholders.

6. Strategic priorities

The following five strategic priorities encompass the foundation objectives and guide the LGFA Board and management in determining our strategy, objectives, and associated performance targets.

Governance, capability, and business practice

LGFA is committed to best-practice corporate governance underpinned by sound business practice to ensure its long-term sustainability and success.

Optimising financing services for local government

LGFA's primary objective is to optimise the terms and conditions of the debt funding it provides to its members. Amongst other things, LGFA will achieve this by delivering operational best practice and efficiency across our lending products and services.

Environmental and social responsibility

LGFA recognises the risks inherent in climate change for councils and supports New Zealand's shift to a low-carbon economy. LGFA will exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so.

Effective management of loans

LGFA will ensure its loan book remains at a high standard by ensuring it understands each member's financial position and managing assets within an appropriate risk management framework to ensure shareholder value is not compromised.

Industry leadership and engagement

LGFA will take a proactive role to enhance the financial strength and depth of the local government debt market and will work with key central government and local government stakeholders on sector issues.

7. Objectives and performance targets

This section sets out LGFA’s objectives and performance targets for SOI 2025-2028.

The financial performance targets are focused on the 2025-2026 year and, as applicable, are based on the financial forecasts outlined in section 8.

Governance, capability, and business practice

Objectives	How we measure our performance
LGFA will:	
Demonstrate best-practice corporate governance.	The Annual Report outlines our compliance with the eight core principles underpinning the NZX Corporate Governance Best Practice Code.
Set and model high standards of ethical behaviour.	LGFA has adopted a formal Code of Ethics, incorporating its Conflicts of Interest and Code of Conduct policies, which sets out the standards and values that directors and employees are expected to follow.
Achieve the shareholder-agreed objectives and performance targets specified in this Statement of Intent.	LGFA reports performance against objectives quarterly to shareholders and in our Annual Report, Half Year Report and Climate-Related Disclosures.
Ensure products and services offered to participating borrowers are delivered in a cost-effective manner.	LGFA prepares annual operating budgets and monitors progress against these monthly. Financial performance is reported quarterly to shareholders and in our Annual and Half Year Reports.
Be a good employer by providing safe working conditions, training and development and equal opportunities for staff	The Annual Report reports on our health and safety and wellbeing practices and policies, compliance with the Health and Safety at Work Act, diversity and inclusion and capability and development.

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Performance targets	2025-2026 target
Comply with the Shareholder Foundation Policies and the Board-approved Treasury Policy at all times.	No breaches
Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency.	LGFA credit ratings equivalent to NZ Sovereign.
LGFA's total operating income, excluding unrealised gains / (losses) on financial instruments, for the period to 30 June 2026.	>\$44.9 million
LGFA's total operating expenses (excluding Approved Issuer Levy) for the period to 30 June 2026.	<\$11.9 million

Optimising financing services for local government

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Objectives	How we measure our performance
LGFA will:	
Provide interest cost savings relative to alternative sources of financing.	Measure LGFA issuance spreads against other high-grade issuers in the New Zealand domestic capital markets.
Offer flexible short and long-term lending products that meet the borrowing requirements for borrowers.	Measure LGFA's share of overall council borrowing. Survey participating borrowers on an annual basis.
Deliver operational best practice and efficiency for lending services.	Monitor settlements errors for new trades and cashflows. Survey participating borrowers on an annual basis.
Ensure certainty of access to debt markets, subject always to operating in accordance with sound business practice.	Maintain a vibrant primary and secondary market in LGFA bonds. Monitor participation by investors at our tenders through bid-coverage ratios and successful issuance yield ranges.

Performance targets	2025-2026 target
Share of aggregate long-term debt funding to the Local Government sector.	> 80%
Conduct an annual survey of Participating Borrowers who borrow from LGFA as to the value added by LGFA to the borrowing activities.	> 85% satisfaction score
Successfully refinance existing loans to councils and LGFA bond maturities as they fall due.	100%

Meet all lending requests from Participating Borrowers, where those requests meet LGFA operational and covenant requirements.	100%
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Environmental and social responsibility

Objectives	How we measure our performance
LGFA will:	
Assist the local government sector in achieving their sustainability and climate change objectives.	LGFA is committed to assist borrowers financing of projects that promote environmental and social wellbeing in New Zealand, and to encourage a reduction in greenhouse gas emissions and increase climate-resilience amongst borrowers. We do this through the development of lending products such as Green, Social & Sustainability (GSS) loans and Climate Action Loans (CALs). This objective will be measured by the number of new GSS loans and the number of new members eligible for CALs.
Improve sustainability outcomes within LGFA.	LGFA is committed to reducing our carbon emissions, increasing our resilience to climate change, and managing our climate-related risks and opportunities. To do this effectively, climate change considerations will be embedded into our governance, strategy and risk management functions.

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Performance target	2025-2026 target
Health and Safety	No notifiable incidents.
Maintain Toitū Carbon Zero certification	Carbon-zero certification maintained.
Meet reduction targets outlined in our carbon reduction management plan.	< 8.7 tCO ₂ e annual per person GHG emissions.
Increase our GSS lending book and Climate Action Loans	Two new GSS loans undertaken. Two new borrowers enter into CALs.
Develop a sustainable financing option for the water sector	New sustainable financing option is available to water entities.
Understand LGFA's exposure to climate-related risks through council lending	Climate change is incorporated into LGFA's credit risk assessments.
Assess required governance skills for LGFA's climate-related risks and opportunities.	Develop directors skills matrix.

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Effective management of loans

Objectives	How we measure our performance
LGFA will:	
Proactively monitor and review each Participating Borrower’s financial position, including its financial headroom under LGFA policies.	LGFA reviews all participating councils and CCOs financial statements on an annual basis and the agendas and management reports on an ongoing basis for all councils on the LGFA borrower watch-list.
Analyse finances at the Council group level where appropriate and report to shareholders.	Member councils are required to complete annual compliance certificates by the end of November each year.
Endeavour to meet each participating borrower annually, including meeting with elected officials as required, or if requested	Number of members visited in a year
Ensure a smooth transition of water-related loans if the Local Water Done Well Reforms progresses over forecast period.	LGFA will be able to ensure the successful transition of existing council water-related loans to the Water CCOs (if requested by a council)

Performance targets	2025-2026 target
Review each Participating Borrower’s financial position.	100%
Arrange to meet each Participating Borrower over a 15-month period, including meeting with elected officials as required, or if requested.	100%

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Industry leadership and engagement

Objectives	How we measure our performance
LGFA will:	
Take a proactive role to enhance the financial strength and depth of the local government debt market and work with key central government and local government stakeholders on sector and individual council issues.	<p>Report on actions undertaken and progress made on sector issues.</p> <p>Identifying any legislative or Central Government policy changes that may impact LGFA and undertake formal or informal submissions.</p> <p>Assist the local government sector with understanding any legislative or Central Government policy changes that may impact LGFA.</p>
Support the local government sector with the transition to the Local Water Done Well Reforms by assisting with the development options for the Water Services Delivery Plans and communicating our requirements (lending, financial covenants, reporting), as well as loan pricing guidance, implementation considerations and views on best practice.	Report on our sector-wide engagement and initiatives with assisting members' transition to the Local Water Done Well Reforms.

Performance targets	2025-26 target
Provide quarterly updates to shareholders and borrowers on sector developments that are impacting LGFA	Four quarterly updates to councils and CCOs
Meet annually with Infrastructure Commission, Local Government New Zealand, Taituara, Water New Zealand, Infrastructure New Zealand, Crown Infrastructure Partners, Department of Internal Affairs, Treasury and Minister's office to discuss sector issues from an LGFA perspective	Nine meetings across stakeholders
Support councils with Local Water Done Well by providing timely and responsible advice for on-boarding water CCOs.	On-boarding process is underway for all water CCOs who have requested it.

8. Financial forecasts

LGFA's financial forecasts for the three years to 30 June 2028:

Summary comprehensive income \$m	Jun-26	Jun-27	Jun-28
Net interest income	43.0	43.8	49.6
Other operating income	1.9	1.9	1.9
Total income	44.9	45.7	51.5
Operating expenses	21.4	25.9	28.0
Net profit	23.5	19.7	23.4

Financial position \$m	Jun-26	Jun-27	Jun-28
Liquid assets portfolio	3,458	3,998	5,204
Loans	24,791	26,771	26,997
Water loans	-	500	1,500
Other assets	-	-	-
Total assets	28,249	31,269	33,701
Bonds on issue (ex Treasury stock)	25,171	27,900	30,207
Bills & ECP on issue	1,850	1,850	1,850
Borrower notes	818	999	1,095
Other liabilities	-	-	-
Total liabilities	27,839	30,749	33,152
Capital	25	25	25
Retained earnings	132	150	172
Dividend	(2)	(2)	(2)
Shareholder equity	156	174	195

Ratios	Jun-26	Jun-27	Jun-28
Liquid assets/funding liabilities	13.3%	13.8%	16.6%
Liquid assets / total assets	12.2%	12.8%	15.4%
Net interest margin	0.17%	0.16%	0.18%
Cost to income ratio	47.7%	56.8%	54.5%
Return on average assets	0.08%	0.06%	0.07%
Shareholder equity/total assets	0.6%	0.6%	0.6%
Shareholder equity + BN/total assets	3.4%	3.8%	3.8%
Asset growth	10.6%	10.7%	7.8%
Loan growth	9.5%	8.0%	0.8%
Return on equity	17.6%	12.7%	13.5%
Capital ratio	17.2%	18.8%	19.1%

The above forecasts assume a gross bond issuance programme of \$5.1 billion (FY26), \$5.0 billion (FY27) and \$5.0 billion (FY28) based upon term gross lending to councils of \$4.9 billion (FY26), \$6.1 billion (FY27) and \$6.0 billion (FY28).

Attachment 2

Note: The forecasts include consideration that LGFA will provide financing to support water CCOs established under Local Water Done Well. However, there is a level of uncertainty regarding the financial forecasts for both council borrowing and LGFA bond issuance due to the uncertainty relating to the timing of the establishment of water CCOS and the impact on councils.

Our council lending and LGFA bond issuance forecasts include LGFA lending to the proposed water CCOs if they meet our qualifying criteria for membership. We have assumed we will not be lending to financially independent water CCOs such as Watercare as they are unlikely to meet the qualifying criteria. As at the date of release, there have been no final decisions regarding the transfer mechanism for assets, liabilities and revenue from councils to the proposed water CCOs.

9. Dividend policy

LGFA primary objective is to maximise benefits to participating borrowers rather than shareholders. Consequently, it is intended to pay a limited dividend to shareholders.

The Board's policy is to pay a dividend that provides an annual rate of return to shareholders equal to LGFA fixed rate bond cost of funds plus 2.00% over the medium term.

At all times payment of any dividend will be discretionary and subject to the Board's legal obligations and views on appropriate capital structure.

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10. Governance

Board

The Board is responsible for the strategic direction and control of LGFA's activities. The Board guides and monitors the business and affairs of LGFA, in accordance with the Companies Act 1993, the Local Government Act 2002, the Local Government Borrowing Act 2011, the Company's Constitution, the Shareholders' Agreement for LGFA and this SOI.

The Board comprises seven directors with six being independent directors and one being a non-independent director.

The Board's approach to governance is to adopt best practice with respect to:

- The operation of the Board.
- The performance of the Board.
- Managing the relationship with the Company's Chief Executive.
- Being accountable to all Shareholders.

All directors are required to comply with a formal Charter.

The Board will meet on a regular basis and no fewer than six times each year.

Shareholders' Council

The Shareholders' Council is made up of between five and ten appointees of the Shareholders (including an appointee from the Crown). The role of the Shareholders' Council is to:

- Review the performance of LGFA and the Board, and report to Shareholders on that performance on a periodic basis.
- Make recommendations to Shareholders as to the appointment, removal, replacement, and remuneration of directors.
- Make recommendations to Shareholders as to any changes to policies, or the SOI, requiring their approval.
- Ensure all Shareholders are fully informed on LGFA matters and to coordinate Shareholders on governance decisions.

11. Information to be provided to Shareholders

The Board aims to ensure that Shareholders are informed of all major developments affecting LGFA's state of affairs, while at the same time recognising both LGFA's obligations under NZX Listing Rules and that commercial sensitivity may preclude certain information from being made public.

Annual Report

The LGFA's balance date is 30 June.

By 30 September each year, the Company will produce an Annual Report complying with Sections 67, 68 and 69 of the Local Government Act 2002, the Companies Act 1993 and Financial Reporting Act 2013. The Annual Report will contain the information necessary to enable an informed assessment of the operations of the company, and will include the following information:

- Directors' Report.
- Financial Statements incorporating a Statement of Financial Performance, Statement of Movements in Equity, Statement of Financial Position, Statement of Cashflows, Statement of Accounting Policies and Notes to the Accounts.
- Comparison of the LGFA's performance regarding the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Auditor's Report on the financial statements and the performance targets.
- Any other information that the directors consider appropriate.

Climate-Related Disclosures

By 30 September each year, the Company will produce Climate-Related Disclosures in accordance with the Aotearoa New Zealand Climate Standards issued by the External Reporting Board.

The Climate Standards require the Company to disclose climate-related information across the following four thematic areas:

Attachment 2

- Governance
- Strategy
- Risk management
- Metrics and targets.

Half Yearly Report

By 28 February each year, the Company will produce a Half Yearly Report complying with Section 66 of the Local Government Act 2002. The Half Yearly Report will include the following information:

- Directors' commentary on operations for the relevant six-month period.
- Unaudited half-yearly Financial Statements incorporating a Statement of Financial Performance, Statement of Movements in Equity, Statement of Financial Position and Statement of Cashflows.

Quarterly Report

By 31 January, 30 April, 31 July, and 31 October each year, the Company will produce a Quarterly Report. The Quarterly Report will include the following information:

- Commentary on operations for the relevant quarter, including a summary of borrowing margins charged to Participating Borrowers (in credit rating bands).
- Comparison of LGFA's performance regarding the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Analysis of the weighted average maturity of LGFA bonds outstanding.
- In the December Quarterly Report only, commentary on the Net Debt/Total Revenue percentage for each Participating Local Authority that has borrowed from LGFA (as at the end of the preceding financial year).
- To the extent known by LGFA, details of all events of review in respect of any Participating Borrower that occurred during the relevant quarter (including steps taken, or proposed to be taken, by LGFA in relation thereto).
- Details of any lending to CCOs during the quarter and the amount of CCO loans outstanding.
- Commentary on sustainability initiatives.

Statement of Intent

By 1 March in each year the Company will deliver to the Shareholders its draft SOI for the following year in the form required by Clause 9(1) of Schedule 8 and Section 64(1) of the Local Government Act 2002.

Having considered any comments from the Shareholders received by 30 April, the Board will deliver the completed SOI to the Shareholders on or before 30 June each year.

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Item 9

Shareholder Meetings

The Board will hold an Annual General Meeting between 30 September and 30 November each year to present the Annual Report to all Shareholders.

The Company will hold a meeting with the Shareholders' Council approximately every six months – prior to the Annual General Meeting and after the Half Yearly Report has been submitted. Other meetings may be held by agreement between the Board and the Shareholders' Council.

12. Acquisition/divestment policy

LGFA will invest in securities in the ordinary course of business. It is expected that these securities will be debt securities. These investments will be governed by LGFA's lending and/or investment policies as approved by the Board and/or Shareholders.

Any subscription, purchase, or acquisition by LGFA of shares in a company or organisation will, if not within those investment policies, require Shareholder approval other than as concerns the formation of wholly-owned subsidiaries and the subscription of shares in such wholly-owned subsidiaries.

13. Activities for which compensation is sought from Shareholders

At the request of Shareholders, LGFA may (at its discretion) undertake activities that are not consistent with its normal commercial objectives. Specific financial arrangements will be entered into to meet the full cost of providing such activities.

Currently there are no activities for which compensation will be sought from Shareholders.

14. Commercial value of Shareholder's investment

LGFA will seek to maximise benefits to Participating Local Authorities as Borrowers rather than Shareholders.

Subject to the Board's views on the appropriate capital structure for LGFA, the Board's intention will be to pay a dividend that provides an annual rate of return to Principal Shareholders equal to LGFA fixed rate bond cost of funds plus 2.00% over the medium term.

As the Shareholders will have invested in the LGFA on the basis of this limited dividend, the Board considered that at establishment the commercial value of LGFA was equal to the face value of the Shareholders' paid up Principal Shares - \$25 million.

In the absence of any subsequent share transfers to the observed share transfers on 30 November 2012, the Board considers the current commercial value of LGFA is at least equal to the face value of the Shareholders' paid up Principal Shares of \$25 million. This equates to a value per share of \$1.00.

15. Accounting policies

LGFA has adopted accounting policies that are in accordance with the New Zealand International Financial Reporting Standards and generally accepted accounting practice. A Statement of accounting policies is attached to this SOI.

[Not included in draft. To be included in final release version]

Item 10

Council Report

Committee: Finance and Monitoring Committee
Date: 29 April 2025
Author: James Winston II
Authoriser: Michelle Hawthorne
Position: Governance Advisor
Position: Governance and Assurance Manager
Report Name: Recommendation from Infrastructure and Transport Committee Meeting

Report Status	Open
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Purpose - Take

- 1. To seek the Finance and Monitoring Committee approval of the recommendations from the Infrastructure and Transport Committee meeting 11 March 2025 concerning the approval of the Unsubsidised Minor Transport Improvements Programme Approval. [\(Agenda and Minutes\)](#)

Recommendation from the Infrastructure and Transport Committee meeting of 11 March 2025

- 2. That the Finance and Monitoring Committee approves an additional Opex spend of 150,000 year-3 of the Long-Term Plan for the purposes of CBD streetscape tidying maintenance, renewals and improvements.

Attachments - Ngaa taapirihanga

There are no attachments for this report.

Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Finance and Monitoring Committee Public Excluded Minutes 27 February 2025) Good reason to withhold) information exists under) Section 7 Local Government) Official Information and) Meetings Act 1987	Section 48(1)(a)
C2. Waterworld Building Renewals Contract Award)	

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)