











2025-26 Annual Report

CENTRAL OTAGO DISTRICT COUNCIL

Contents

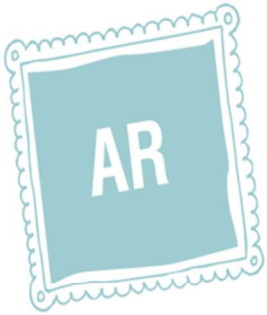
The planning and reporting cycle 3
Our space, our place 4
Our Community Outcomes 5
The Mayor and CEO message 7
Our Results 10
Financial Prudence Benchmarks 13
Our Activities 22
Water 36
Wastewater 47
Stormwater 51
Roading 56
Environmental Service 64
Planning and Regulatory 71
Pools, Parks and Cemeteries 80
Property and Community Facilities 86
Service Centres and Libraries 98
Community, Economic and Strategic Development 105
Governance and Corporate Services 113
Financials 118
Accounting Policies 125
Notes to the financial statements 142
Our Council 191
Community Boards 193
Executive Team 197

The planning and reporting cycle



LONG-TERM PLAN

The Long-term Plan sets out our strategic direction and work programme for the 10 years ahead. It outlines the service we will provide, the projects we will undertake, the cost of doing this work, how it will be paid for and how we will measure the quality and our effectiveness. The issues we face and the context within which we work are continuously evolving. For this reason, a Long-term Plan is produced every three years.



ANNUAL REPORT

At the end of each financial year we produce an Annual Report. This sets out how we performed for the year compared to what we said we would do. It lets you know what we delivered and analyses whether we met our budgets and performance targets.



ANNUAL PLAN

In each of the two years between Long-term Plans we produce an Annual Plan. The Annual Plan takes a fresh look at the budgets and work programmes that we planned for the year, according to the Long-term Plan, and considers whether adjustments are needed.

Our space, our place

The Central Otago district, New Zealand's most inland region, covers an area of 9,969km2. Our district is further split into four electoral wards: Cromwell, Maniototo, Teviot Valley and Vincent.



We have one of the lowest population densities per square kilometre in New Zealand. However, we are growing; as of June 2025, our estimated usual resident population was 25,800 people, a minor increase (Stats NZ estimated resident population) and is among the fastest growing districts in the country.

So, what about those people, the people this Council serves? Who are they?

In Central Otago we are a diverse group of people sparsely spread over a wide, remote, rugged region. That sense of remoteness has shaped the way we live our lives.

We are a collection of communities fiercely independent and competitive yet united in our love for Central Otago, its landscapes, people, climate, its stories and its vision.

CENTRAL OTAGO
A WORLD OF DIFFERENCE

Our regional identity expresses the things that are special about this district that ring true for those in every corner of our community. It reinforces those values that are special to Central Otago as a place to live, work and play, now and into the future.

Our region's values are what, councillors, community board and Council staff members will draw on to guide good decision-making.

Making a Difference:	We will inspire and lead others with our special point of difference.
Respecting Others:	We will respect our culture and personal differences.
Embracing Diversity:	We will recognise differences and embrace diversity.
Adding Value:	We will always ask ourselves if there is a better way – one that achieves a premium status.
Having Integrity:	We will seek to be open and honest.
Learning From the Past:	We will learn from past experiences with future generations in mind.
Making a Sustainable Difference:	We will make decisions in business with the community in mind and in harmony with the natural environment.
Protecting our Rich Heritage:	We will protect and celebrate our rich heritage in landscapes, architecture, flora and fauna and different cultural origins.
Meeting Obligations:	We will meet legal obligations at both a local and national level.

Our Community Outcomes

Council's purpose is to enhance well-being in our communities. Conversations and feedback about what well-being looks like for the people living in this district have defined our community outcomes.

OUR COMMUNITY OUTCOMES

He Ōhaka e Ora Rāia ana
Thriving Economy

- Vibrancy of town centres and local businesses
- Managed growth, in line with community values
- Visitor destination
- IT connectivity
- Protection of productive lands

Toitū te Whenua
Sustainable Environment

- Outdoor recreational opportunities (water-sports, hunting, dark skies, etc.)
- Natural environment (open spaces, landscapes and vistas)
- Clean lakes and rivers
- Cycling and walking tracks
- Protection of our unique heritage

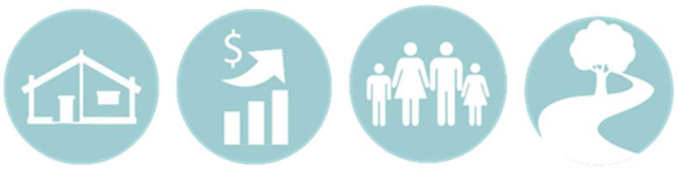
He Hapori, He Haumi
Connected Community

- Sense of community (caring, relaxed small-town feel, 'together-ness')
- Welcoming and family-friendly
- Peaceful
- Rural feel
- Enabling connections, through quality services (e.g. internet, transport)

COUNCIL'S STRATEGIC OBJECTIVES THAT SUPPORT THESE COMMUNITY OUTCOMES

Through the District Plan, urban growth to revitalise town centres is encouraged, and productive land and rural settlement is protected. (Source: Cromwell Spatial Plan, Infrastructure Strategy)	We are operating in harmony with our natural environment, and celebrating and preserving our wide-open spaces, in accordance with our Regional Identity values. (Source: Central Otago A World of Difference Regional Identity Values, Infrastructure Strategy)	Our community facilities are fit for purpose and cost effective. (Source: Infrastructure Strategy, Sustainability Strategy)
District Plan standards are upheld to ensure the effects of development on natural and physical resources are managed now and into the future. (Source: Sustainability Strategy)	Infrastructural development is environmentally conscious: environmental implications have been considered, legal requirements met, and consent requirements upheld. (Source: Infrastructure Strategy)	Our relationship with Ngāi Tahu is strengthened. (Source: Sustainability Strategy)
Investment in Council services and infrastructure provides consistent, integrated and resilient service levels, that are good value, sustainable and affordable, now and in the future. (Source: Infrastructure Strategy, Sustainability Strategy)	Infrastructural services and information support safe and healthy communities. (Source: Infrastructure Strategy, Sustainability Strategy)	Newcomers into the district are supported and events and projects which celebrate inclusive communities are encouraged. (Source: Community Development Strategy)
High-value visitor products and experiences are provided that express our regional identity and align with the needs of Central Otago's target markets. (Source: Tourism Strategy & Economic Development Strategy)	Development of culture and heritage opportunities throughout the district continues to be developed. (Source: Infrastructure Strategy, Sustainability Strategy)	Community-driven initiatives, experiences and events that promote local and visitor well-being are encouraged. (Source: Community Development Strategy; Grants Policy; Sustainability Strategy)
We have improved digital connectivity throughout the district – i.e. mobile coverage and broadband roll-out. (Source: Economic Development Strategy)	Our landscape and environment are protected and enhanced through the coordination and promotion of activities that strengthen their significance. (Source: Economic Development Strategy)	Access is enabled via Council roading services and people can access Council's infrastructure services (e.g. water and wastewater systems). (Source: Infrastructure Strategy, Economic Development Strategy)
We are a 'business-friendly council' – we identify local challenges and business needs, are proactive and responsive, make clear decisions, and develop strong relationships. (Source: Economic Development Strategy, Infrastructure Strategy)	Visitors are engaged in activities that benefit our environment and build an appreciation for this region's remarkable qualities. (Source: Tourism Strategy)	Visitors who create value for host communities (via facilities, services, amenities, cultural and recreational opportunities), in line with their aspirations and beliefs, are attracted to this region. (Source: Tourism Strategy, Infrastructure Strategy)

These three Community Outcomes provide a high-level set of goals for all our services and activities. By aiming for these as we frame our future through plans, strategies and work programmes, we seek to improve the social, cultural, economic and environmental well-being of the people in our district, now and for the future.



Opportunities for Māori to contribute to decision-making processes

Central Otago District Council acknowledges Māori as people with whom there is a special relationship. Council is committed to giving effect to the principles and intent of Te Tiriti o Waitangi and to engaging in genuine and appropriate consultation with Māori.

Council values the deepening relationship with local iwi, Ngāi Tahu (Kāi Tahu), and is fostering a mutually beneficial partnership with our local rūnanga. These relationships contribute positively to Council's decision-making, cultural confidence and to broader outcomes for Central Otago.

Central Otago District Council has an enduring Partnership Protocol between Kāi Tahu, as represented by Te Rūnanga o Moeraki, Kāti Huirapa Rūnaka ki Puketeraki, Te Rūnanga o Ōtākou and Hokonui Rūnanga (Kā Rūnaka), for the operational interface between Aukaha and Central Otago District Council. This Protocol respectfully meets any obligations of CODC to consult with Kāi Tahu under the Local Government Act 2002, or any other legislation within the jurisdiction of the Central Otago District Council, and broadly across the full suite of Council duties and functions.

Central Otago District Council is also a signatory to Te Rōpū Taiao Governance Charter, which formalises the relationship between the Otago Rūnanga and the local authorities of the Otago region.

The Mayor and CEO message

The Mayor Tamah Alley



This year has been one of saying yes to opportunities.

As I approach the end of my second year as Mayor of Central Otago, I often reflect on what a privilege it is to serve this remarkable district. It's been another year of remarkable progress and growth, alongside the impact of ongoing reform.

Like many communities across New Zealand, Central Otago has faced significant challenges this year. Rising costs continue to place pressure on households, businesses and Council alike. Around 75% of Council's expenditure is invested in roading, water infrastructure and waste services. Well over half of the 2025/26 rates increase was driven by Three Waters expenditure. At the same time, our annual overhead costs such as insurance and power continue to rise. We know many ratepayers are feeling the impact of rates increases, and we understand those concerns.

Alongside these financial pressures, local government continues to navigate a period of considerable change. Proposed reforms to local government, discussions around future governance arrangements, Council's Headstart amalgamation proposal, and our ongoing work with Otago Central Lakes partners on a Regional Deal, and Resource Management Act reform have all required careful attention and a willingness to think differently about the future.

While the economic outlook remains challenging, our focus is clear. We are committed to finding efficiencies, exploring new funding and financing tools, and ensuring we deliver essential services as effectively and affordably as possible. At the same time, we must continue investing in the things that make Central Otago such a special place to live: strong communities, a healthy environment, quality infrastructure, and opportunities for future generations.

One of the achievements I am particularly proud of this year is the continued success of the Mayor's Taskforce for Jobs programme. With the support of Local Government New Zealand and the Ministry of Social Development, our programme helped 25 young people into employment and supported many more to build confidence, develop skills and take their next step towards training or work. Programmes like this remind us that local government is about more than infrastructure and services. It is about people, connections and helping create opportunities for everyone to thrive.

Looking ahead, our work remains focused on supporting a productive local economy, improving access to affordable housing, planning for future growth, and ensuring we can meet the infrastructure demands of a rapidly changing district. These are not challenges Council can solve alone, but they are challenges we are committed to tackling alongside our communities, businesses, iwi, and partners.

Central Otago continues to be a wonderful place to call home. I am optimistic about our future and excited by the opportunities ahead. Together, we can ensure our district remains a safe, healthy and thriving place for generations to come.

CEO Peter Kelly



The pace and intensity of Council's work remained high throughout 2025/26, as we responded to ongoing economic pressures, new challenges and a changing national environment. Cost pressures, including inflation, insurance, energy and global fuel prices, continued to place pressure on Council budgets and household affordability. Throughout the year, we worked hard to keep rates as manageable as possible while continuing to invest in the services and infrastructure our communities rely on.

Council also spent much of the year engaging with Government on significant reforms that may shape the future of local government. This included consideration of potential structural change, the Headstart amalgamation proposal submitted by CODC for Government consideration. We have also been preparing for resource management reform, with legislation expected in late 2026, to ensure we are well placed for changes to the way we manage our environment and natural resources.

Work has also continued with Government and regional partners on a regional deal, focused on securing the tools and investment needed to support future growth. Southern Waters has continued to develop the future delivery model for drinking water, wastewater and stormwater services from 1 July 2027. Fast-track applications have become a significant piece of workstream which draws heavily on both internal staff and external consultant resources for our region.

There have also been important milestones across the district. Te Puna Mahara was formally blessed and opened in July 2026, following two years of construction work. Construction of the new Community Hub at the Omakau Recreation Reserve also began in late 2025 and is progressing well, with completion expected in April 2027.

Alongside these major projects, Council continued to deliver the day-to-day services that support our communities. During the year, we processed 44,679 customer interactions, maintained 1,929 kilometres of roading and 1,200 hectares of reserve land, and received Toitū carbon reduce certification for the sixth year, having more than halved emissions from our baseline year.

As the Mayor has stated in her forward our focus remains on securing new funding and financing tools to help meet the costs of future development and infrastructure. At the same time, we are looking for ways to lift the productivity of our local economy, improve access to affordable housing and healthcare, and continue safeguarding a safe, healthy and thriving community and environment.

We have also moved at pace through the initial stages of the 2027–37 Long-term Plan, which will be consulted on in early 2027 and adopted in July 2027. With a number of legislative and service delivery changes likely to be considered before the plan is adopted, we will need to remain flexible and prepared for future decisions that may affect how services are delivered.

To close with the idea of unity: Ehara taku toa i te toa takitahi, engari he toa takitini. Our strength does not come from ourselves alone; our strength comes from the many.

We are proud to work closely with our community, shoulder to shoulder, as we navigate the changes ahead together.



Tamah Alley

Central Otago Mayor



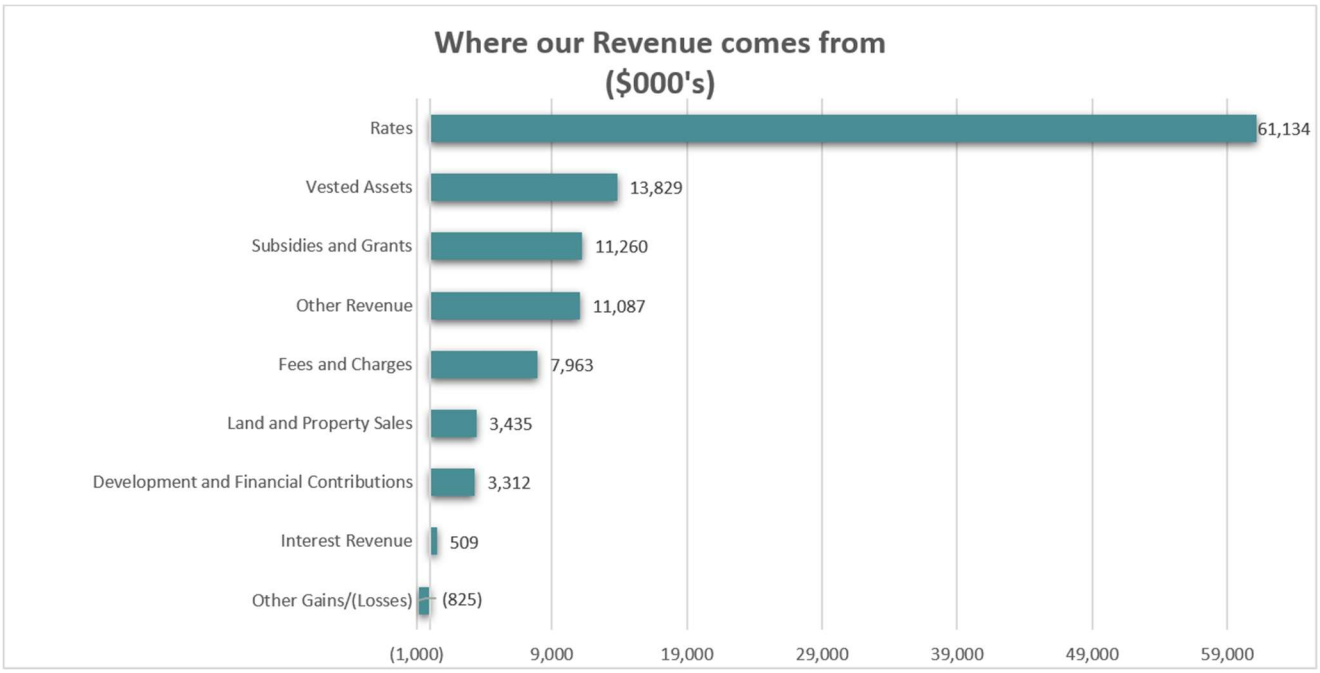
Peter Kelly

CEO

Our Results

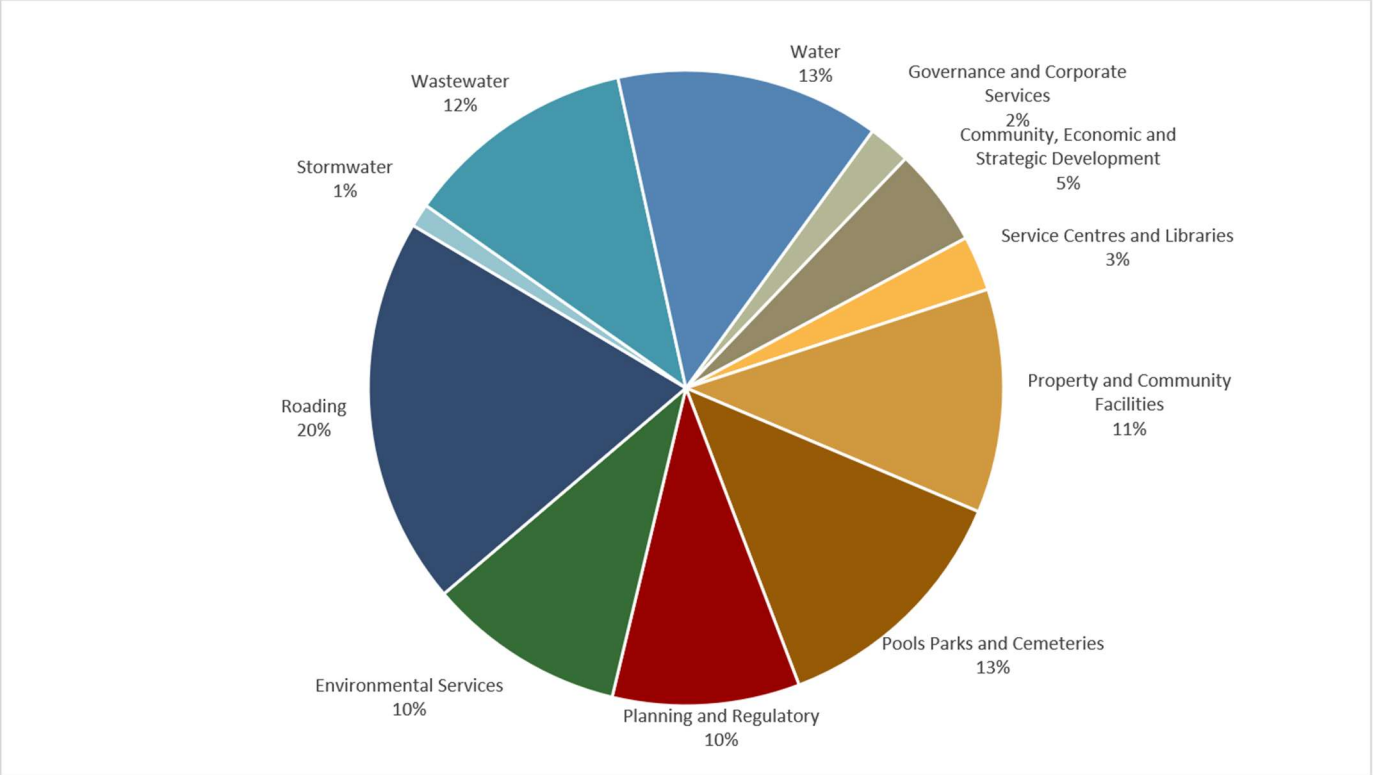
Council ended the year with a surplus of $28.062 million after tax. See page 123 for the explanation of variances against the Long-term Plan.

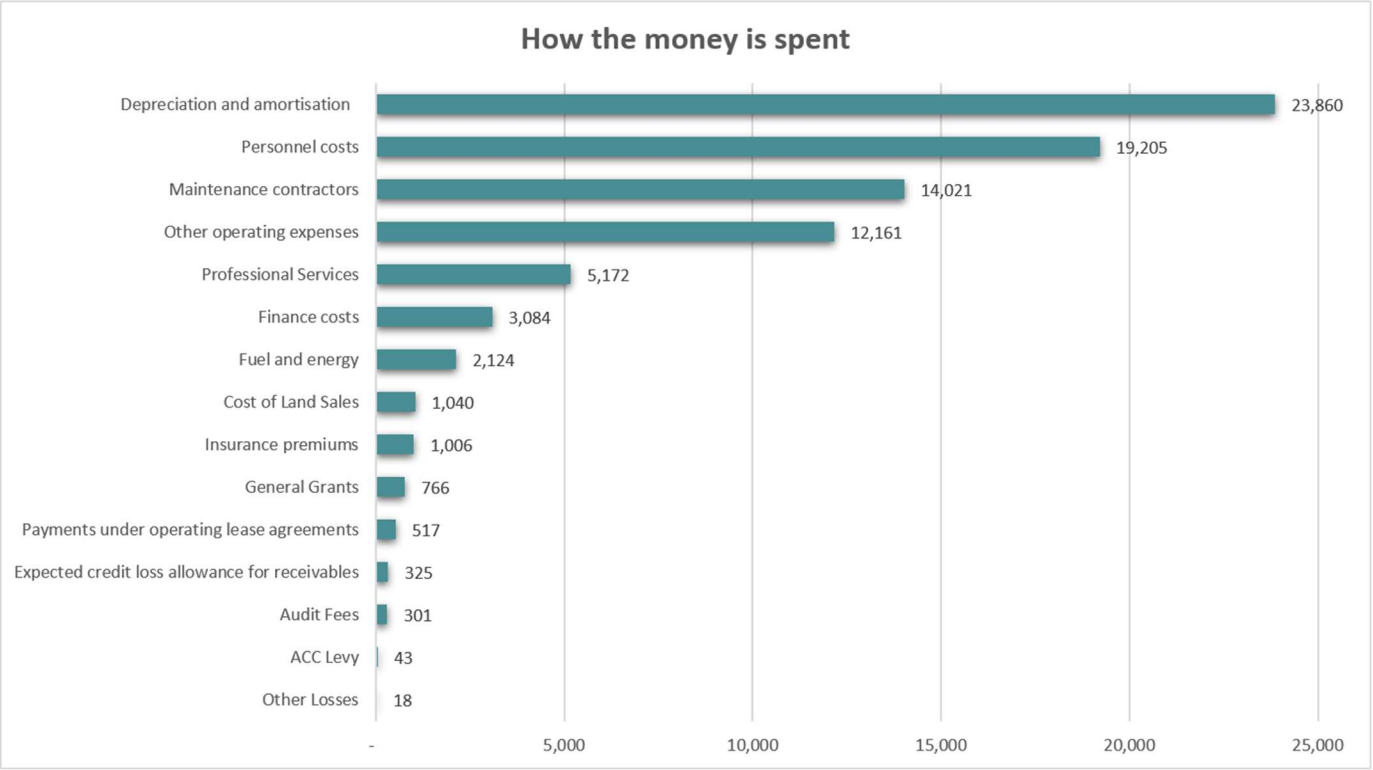
5-Year Financial Performance	2025/26 $000	2024/25 $000	2023/24 $000	2022/23 $000	2021/22 $000
Rates revenue *	61,134	52,973	43,992	38,522	35,545
Other revenue**	50,571	28,270	34,961	48,251	48,536
Total revenue	**111,705**	**81,243**	**78,953**	**86,773**	**84,081**
Employee benefit expenses	19,205	15,449	15,154	12,896	12,491
Depreciation and amortisation	23,860	20,769	19,495	17,396	10,629
Other expenses	40,578	37,100	35,548	35,648	32,565
Total expenditure	**83,643**	**73,318**	**70,197**	**65,940**	**55,685**
Net surplus (deficit)*	28,062	7,925	8,756	20,833	28,396
Working capital (net)	4,759	(10,009)	4,931	(4,678)	5,600
Total assets	**1,446,714**	**1,318,523**	**1,200,485**	**1,180,333**	**1,110,883**
Cash flows from operating activities	35,330	27,353	16,955	18,002	22,192
*** Note: includes revenue from water meter charges. For a more detailed explanation on the surplus, refer to page 123 for Explanation of variances.**					
**** Note: includes vested assets**	13,829	516	9,156	12,759	10,032



How the money is spent, by activity

Total expenditure of $83.64 million





Key Facts and Figures for 2025/26

- $111.7 million - Council's total revenue
- $83.6 million - Council's total expenditure
- $23.6 billion - District rateable capital value as at 30 June 2026
- $11 billion - District rateable land value as at 30 June 2026
- $96 million – Council debt
- 15,534 - The number of rateable properties in our district
- $1.4 billion - The current book value of our district's non-current assets

Item	Borrowing Limit/ LGFA Lending Covenant	Actual Results
Net external debt as a percentage of total revenue	<280%	71%
Net external debt as a percentage of total value of assets*	<10%	5%
Net external interest as a percentage of total revenue	<20%	3%
Net external interest as a percentage of annual rates revenue (debt secured under debenture)	<30%	4%
liquidity (term debt + committed loan facilities + available cash or cash equivalents) over existing external debt	>110%	130%

* This is a Central Otago District Council measure as part of the liability policy and additional to the LGFA lending covenants.

Financial Prudence Benchmarks

Disclosure Statement

What is the purpose of this statement?

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

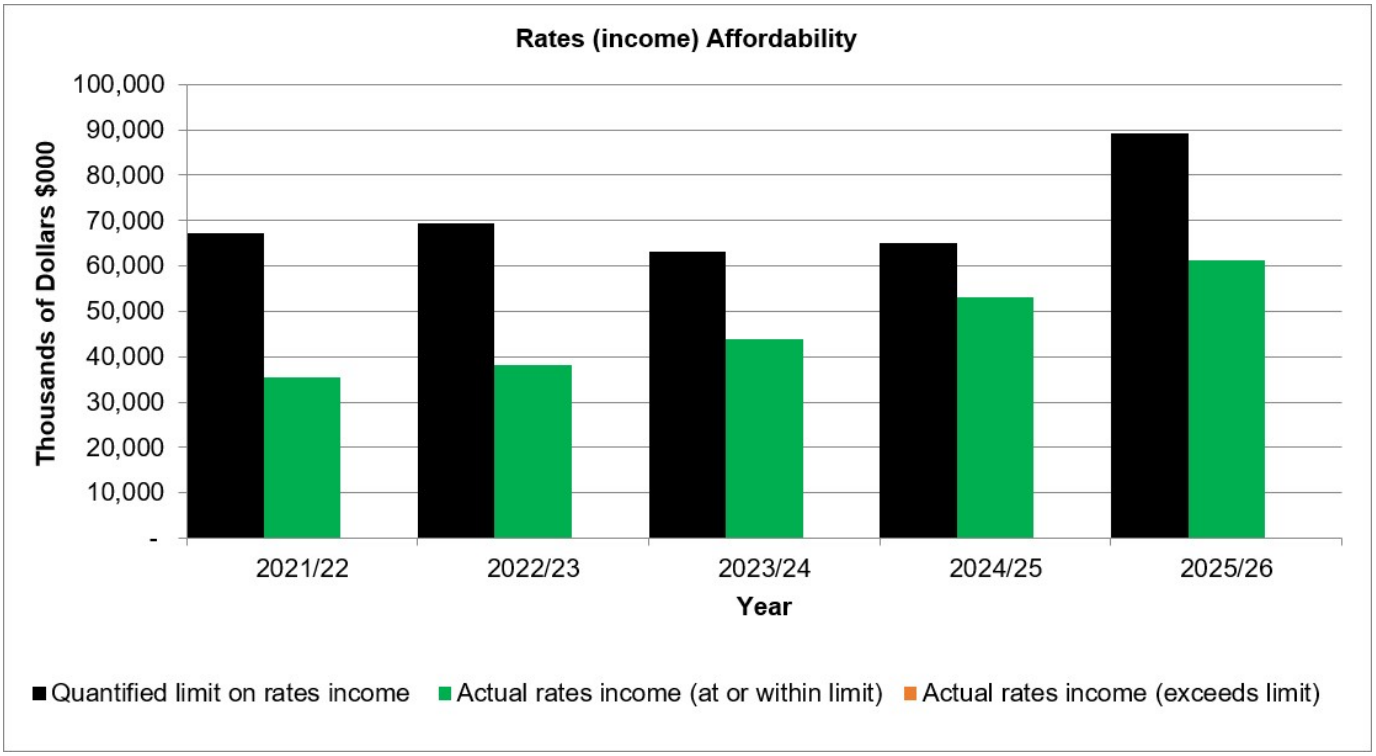
The council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). You can refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates Affordability

The council meets the rates affordability benchmark if:

- its actual rates income equals or is less - than each quantified limit on rates; and
- its actual rates increase equal or are less than each quantified limit on rates increases.

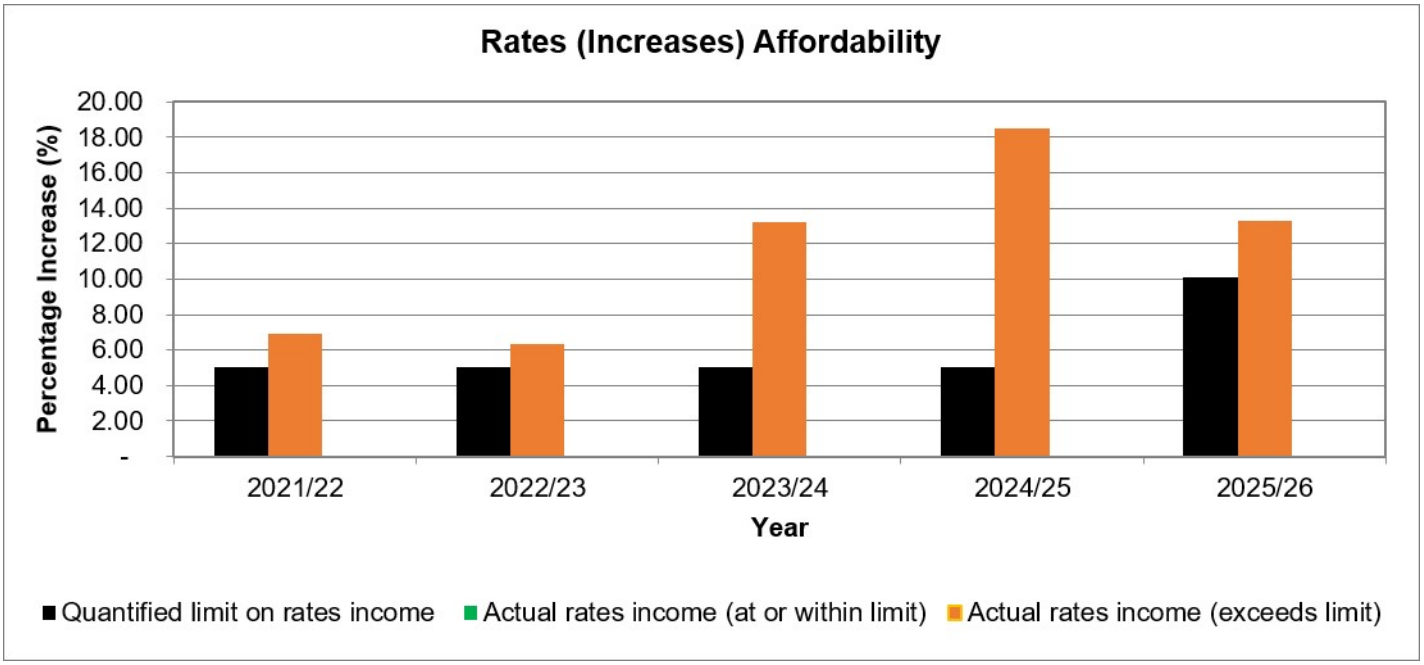
The following rates (income) affordability graph compares the council's actual rates income with a quantified limit on rates contained in the financial strategy included in the council's long-term plan. The limit has been set at a maximum of 80% of total council revenue. This is shown in thousands of dollars.



The following rates (increases) affordability graph compares the Council's actual rates increases with a quantified limit on rates increases included in the financial strategy contained within Council's Long-term Plan. The quantified limit was Local Government Cost Index (LGCI) plus 2.5%. For 2021/22 through to 2024/25 the limit is set at 5% plus 1.90% growth for years 1 to 5 of the 2021-31 Long term Plan.

From the 2025–34 Long-term Plan, the measure changed. The new limit is based on the Local Government Cost Index plus 5%, with an allowance for growth. Growth is currently estimated at an average of 2.1% for the first five years.

For 2025/26, the Long-term Plan allowed for a rates increase of 14.57%. The actual increase was 15.41%. The difference is due to the timing between preparing the Annual Plan and setting rates in July 2025, including property changes that occurred during that period. Water meter charges also increased from $0.60 to $1.60 per cubic metre. It was expected that water use would reduce because of the higher charge, but water use did not reduce as much as expected.

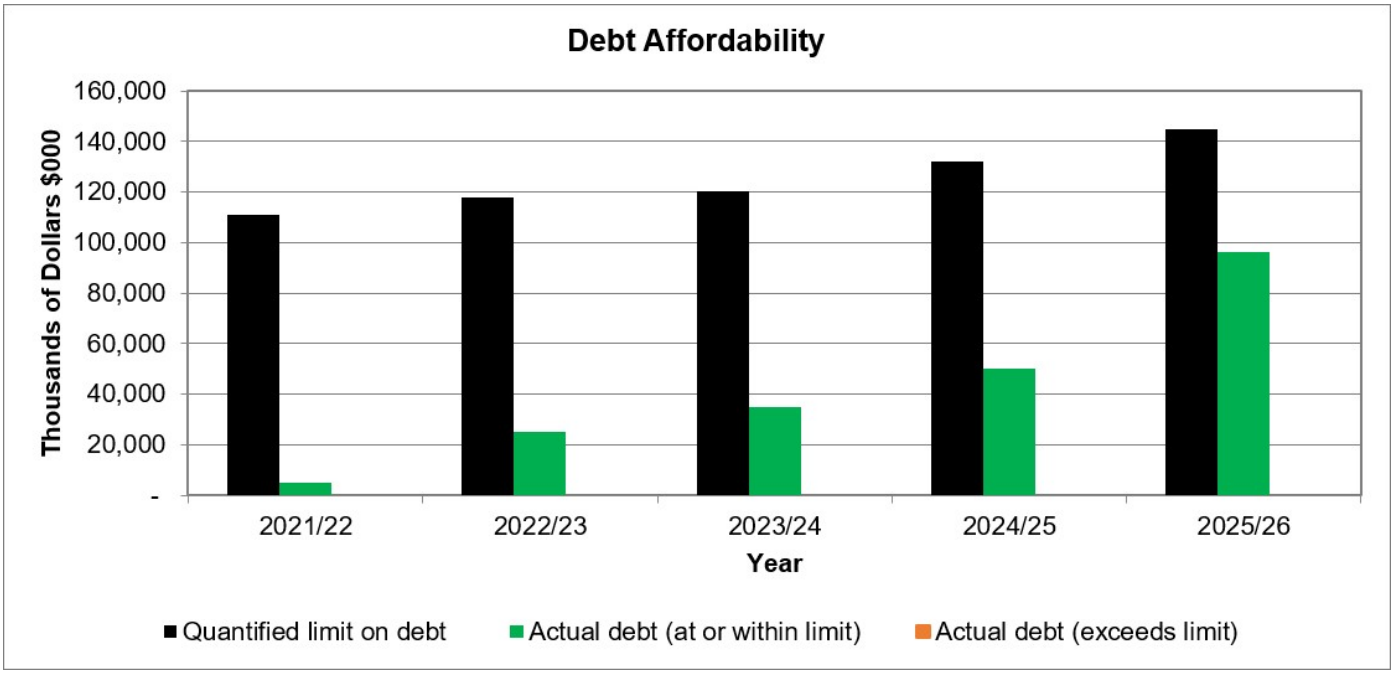


Debt Affordability

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

The following graph compares the council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's Long-term Plan. The quantified limit is 10% of total assets.

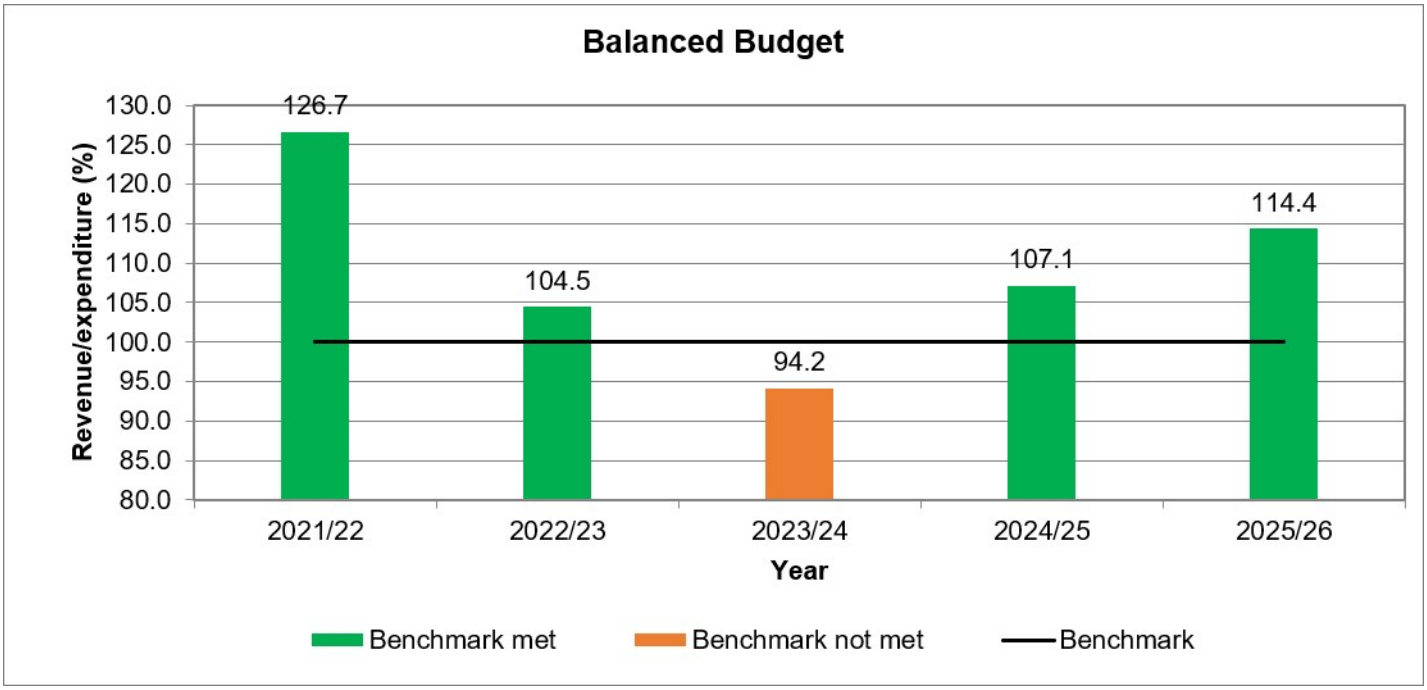
A borrowing limit of 10% of total assets will assist in prudently managing borrowing. The Council has an external borrowing from Local Government Funding Agency (LGFA) and is therefore within debt limits.



Balanced Budget

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

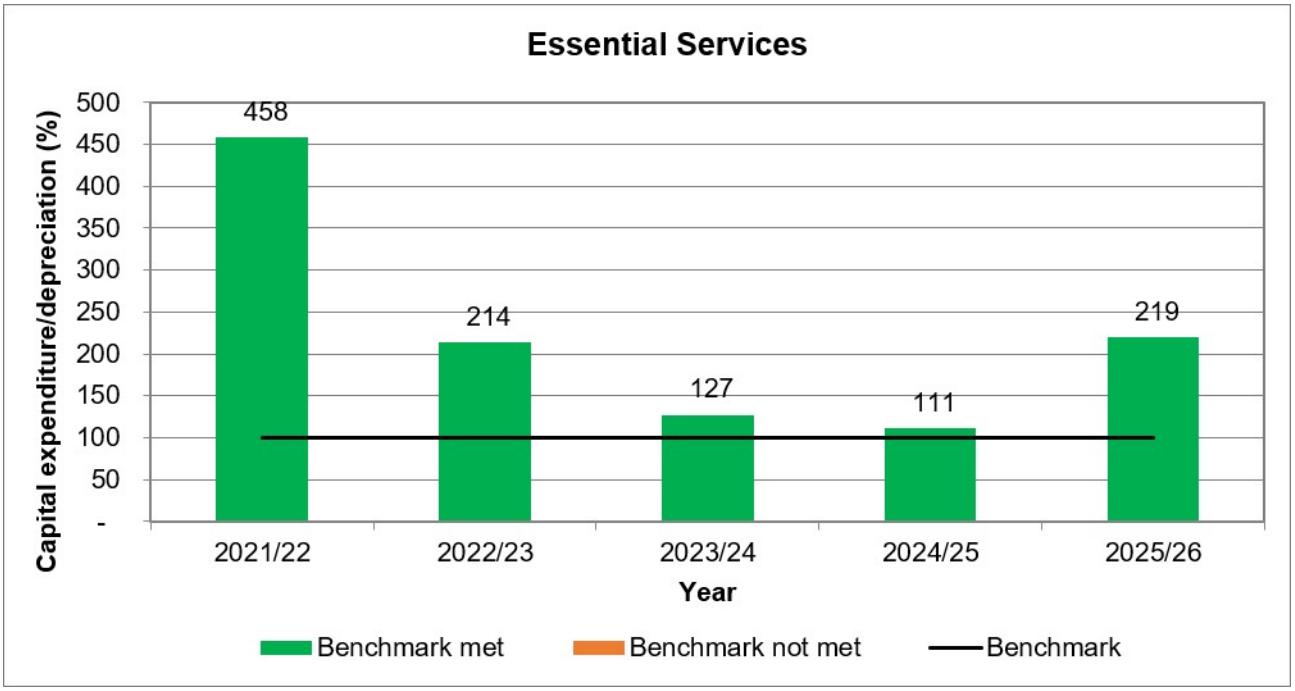
In the LTP 2025-34 there was a planned balanced budget of 105%, compared with the Annual Report 2025/26 finishing with a balanced budget of 114.7%.



Essential Services

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services.

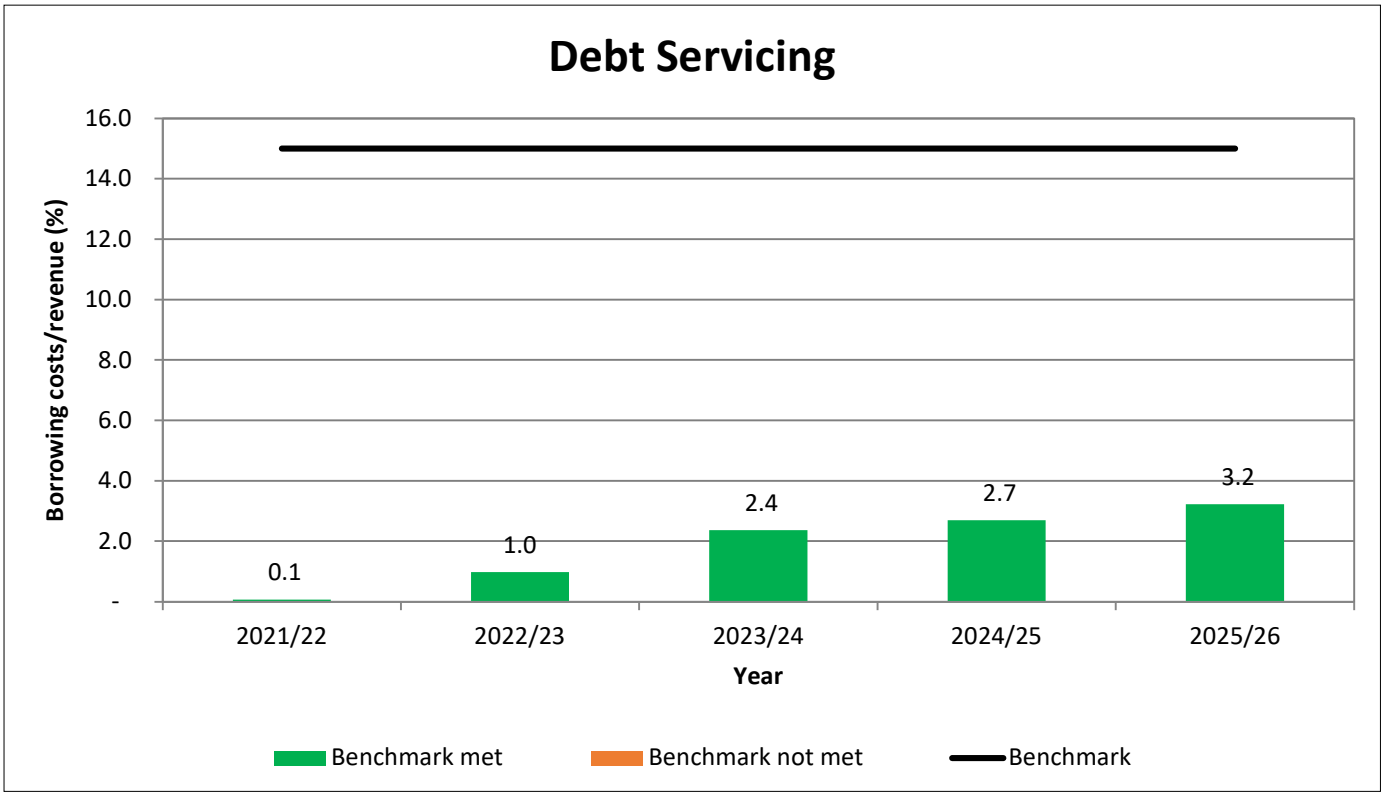
The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Debt Servicing

The following graph displays the council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment). Because Statistics New Zealand projects the council's population will grow faster than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 15% of its revenue.

The borrowing costs represent bank fees in relation to current banking facilities. Includes interest costs relating to external borrowing from Local Government Funding Agency (LGFA). While an overdraft facility is in place the council has not utilised this during the current period.

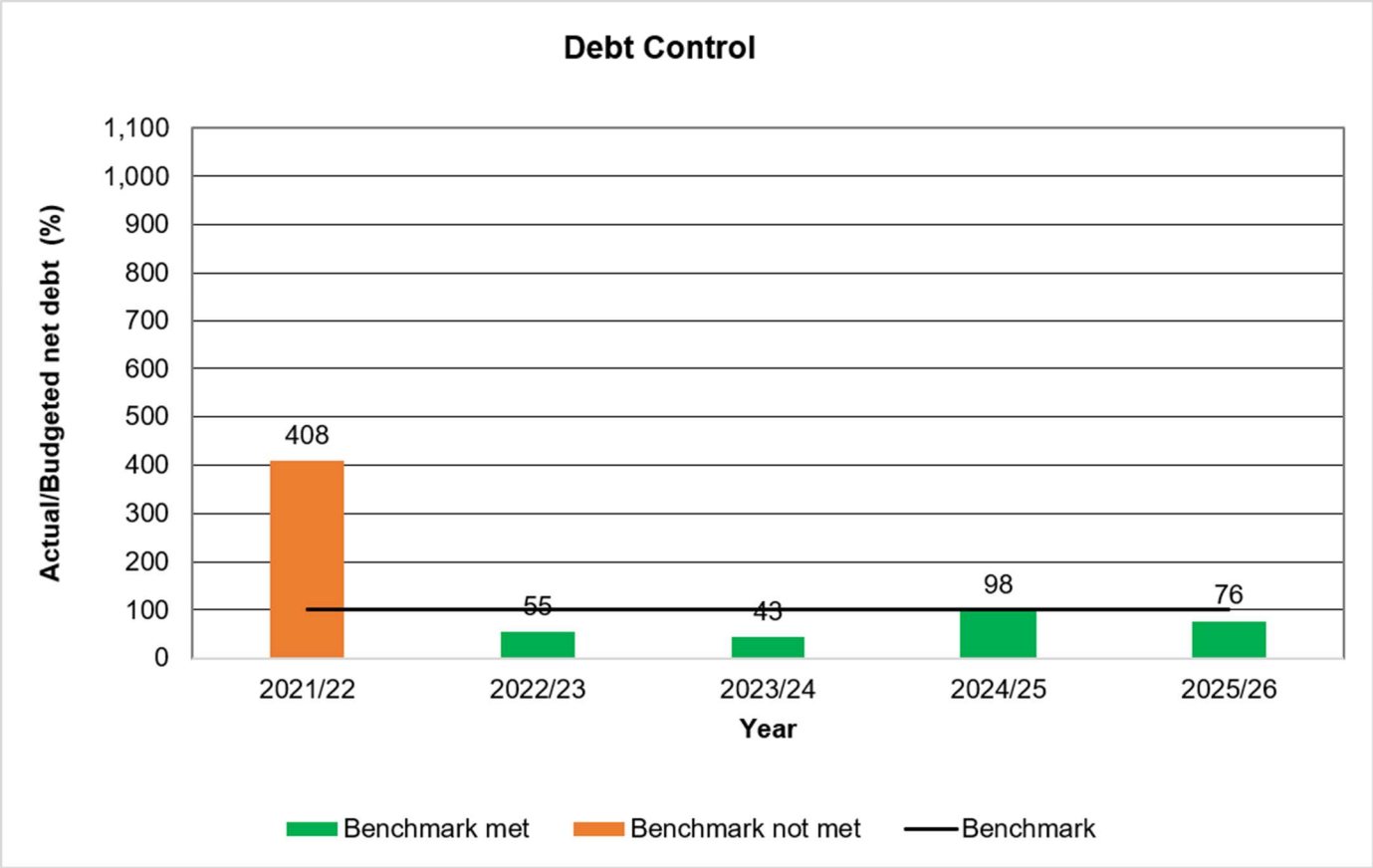


Debt Control

The following graph displays the Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities, less financial assets (excluding trade and other receivables). This benchmark measures Council's performance against net debt, which is financial liabilities less financial assets, excluding trade and other receivables.

2021/22 to 2025/26 the Council is in a debt position because financial liabilities exceed financial assets. The benchmark is met when actual net debt equals or exceeds planned net debt.

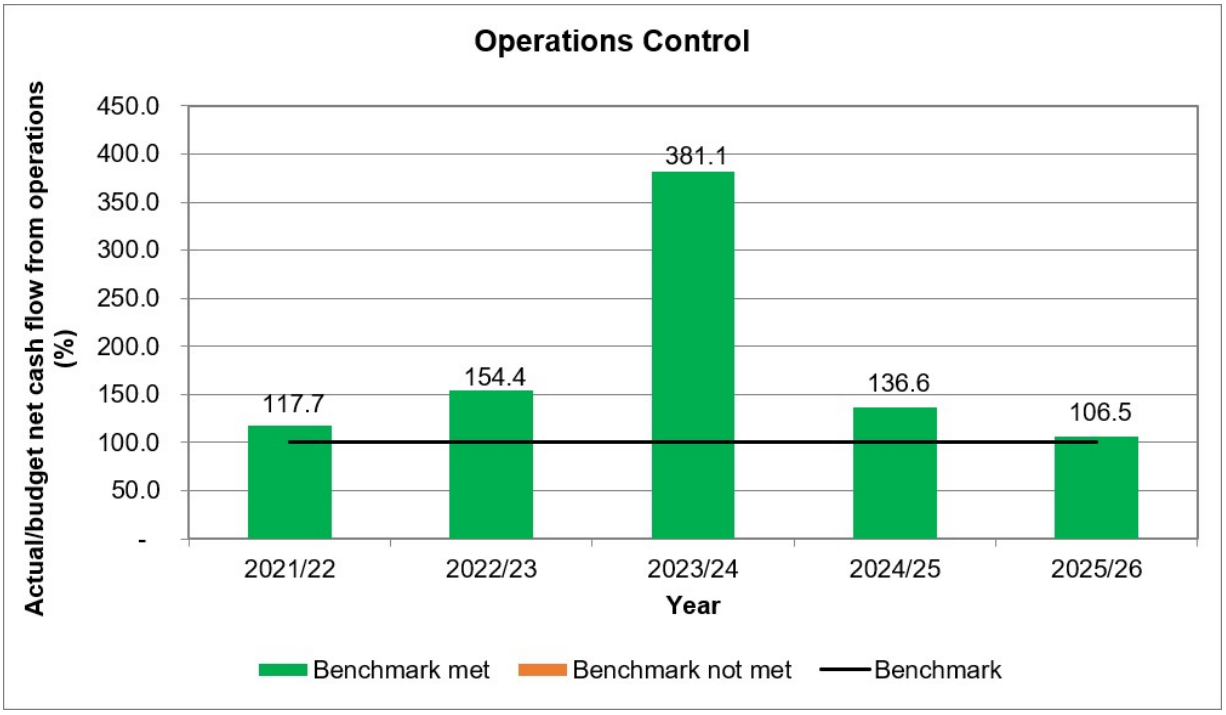
The graph shows "benchmark met" whenever the Council is better off (either less indebted or with greater net assets) than planned. Conversely it shows "benchmark not met" whenever the Council is either more indebted or has less net assets than planned. The council planned to have net assets – which is the financial assets (excluding trade and other receivables) – exceeding its financial liabilities.



Operations Control

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

The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



Statement of Compliance

Councillors and management of Central Otago District Council confirm that all statutory requirements of the Local Government Act 2002 in relation to the Annual Report have been complied with.



Tamah Alley
Central Otago Mayor



Peter Kelly
Chief Executive Officer

Our Activities

This section provides an overview of the activities we have undertaken during the 2025/26 financial year. The groups of activities incorporate the core services we deliver. We give consideration to how these services contribute to community well-being in our decision-making process. While some of the activities relate to legislation, they contribute to the community's social, cultural, environmental and economic well-being and therefore also contribute to our community outcomes in some way, either directly or indirectly. Governance and Corporate Services provide the internal processes and support required for the organisation to carry out its activities.

Within each group of activities, you will find a description of each activity, and an overview of what we have achieved in the 2025/26 year.

The Statement of Service Performance measures are reported in the following activities. The statement of service performance is formally classified from pages 22 to 116.



Service Performance Judgements and Assumptions

When preparing the Statement of Service Performance in the 2025-2034 Long-term Plan, the following judgements in the selection of our service performance measures:

- Reflected on the extent to which the levels of service we plan to provide to the community were best captured by performance measures.
- Consideration has been given to the views expressed by our community, community boards and elected members. This includes feedback relevant to the levels of service and performance measures received throughout the Long-term Plan consultation process.
- We have ensured that the performance measures adequately inform progress towards delivering our community outcomes.

Relevant measurement judgements have been included within each group of activity section which the judgment relates.

Under the Local Government Act 2002 we are mandated to provide standard performance measures so that the public may compare the level of service provided in relation to the following group of activities: water, wastewater, and stormwater. Department of Internal Affairs guidance has been followed in measuring performance against all mandatory measures.

Material judgements have been applied as follows

Surveys

Council carries out an annual Service Request survey and Residents' survey to:

- measure its performance with respect to the services it provides during the year
- identify issues for the coming year
- identify priorities for the coming year

Residents Survey

The 2026 survey was conducted using the Let's Talk | Kōrero Mai consultation platform. Respondents were required to register on the Let's Talk platform to participate. The survey was promoted throughout the district through media channels, elected members and community outreach efforts. This survey used self-selection sampling.

Based on the number of responses (n=362) and the population of the Central Otago District (25,800), the data in this survey is accurate to a margin of error +/- 5 at a 95 per cent confidence level. While every attempt was made to achieve a demographically representative sample (age, gender, ward), this was not completely achieved. Gender and ward distributions roughly reflect the district distributions, but the 60+ age group are overrepresented (59%).

Where possible, trend analysis is included to compare 2026 results to previous years.

Customer Service Requests

During the 2025/26 financial year, the department managed 41,018+ customer interactions across phone, email, online, and face-to-face channels. And 70% of all customer interactions (28,748 enquiries) were resolved directly by Customer Services Officers at the first point of contact, representing a 9% improvement on the previous year.

Estimating Roading Roughness

Council uses RoadRoid testing to measure for road roughness for unsealed roads. Measure is based on prior year road roughness survey.

Sealed road roughness is collected as part of NZTA's CCDC programme which is a new method of data collection for 2026

Measuring water quality

Department of Internal Affairs guidance has been followed in measuring performance against all mandatory measures. An external contractor is used to review the data collected to ensure these measures have been accurately recorded.

Stormwater Habitable floor measure

Habitable floor means a floor of a building (including a basement) but does not include ancillary structures such as stand-alone garden sheds or garage.
DIA Non-Financial Performance Measure Rules 2024

Changes to Service Performance Measures

Per the requirements of FRS 48 guidance issued in 2023, Central Otago District Council are required to disclose any alterations in the content or presentation of their service information and provide a summary of these changes, along with providing a clear explanation regarding the rationale for these changes. This disclosure requirement ensures transparency and accountability in the reporting process.

By summarising the modifications and explaining the rationale behind them, stakeholders and users of the financial information can gain a comprehensive understanding of how the entity's service information has evolved over time. We also note there are no prior period errors that required adjustment in the current year.

LTP 2021-31		Change in LTP 2025-34		Rationale for Change
Measure	**Aim**	**Measure**	**Aim**	
Water				
Compliance with the NZ Drinking Water Standards	Part 4 Bacterial Compliance - All schemes to comply Part 5 Protozoal Compliance - All schemes to comply	Compliance with Drinking Water Quality Assurance Rules	Bacterial Compliance - All schemes to comply Protozoal Compliance - All schemes to comply	New measure required as part of the new Drinking Water Quality Assurance Rules (Department of Internal Affairs measure)
Fault response time to urgent callouts: Resolution	Target median time to resolve ≤ 4 hours	Fault response time to urgent callouts: Resolution	Target median time to resolve ≤ 6 hours	To align with the contract
Fault response time to non-urgent callouts: • Attendance • Resolution	Target median time to get to site ≤ 8 hours Target median time to resolve ≤ 24 hours	Fault response time to non-urgent callouts: • Attendance • Resolution	Target median time to get to site ≤ 4 days Target median time to resolve ≤ 5 days	To align with the contract

LTP 2021-31		Change in LTP 2025-34		Rationale for Change
Measure	**Aim**	**Measure**	**Aim**	
Total number of customer complaints for: • Water clarity • Water taste • Water odour • Water pressure and flow • Continuity of water supply • Responses to water service requests	≤ 13 per 1,000 connections	Total number of customer complaints for: • Water clarity • Water taste • Water odour • Water pressure and flow • Continuity of water supply • Responses to water service requests	≤ 20 per 1,000 connections	To align with the measures used by all councils.
Wastewater				
Total number of complaints for: • Odour • Faults • Blockages • Response to wastewater service requests	Total number of complaints ≤ 10 per 1,000 connections	Total number of complaints for: • Odour • Faults • Blockages • Response to wastewater service requests	Total number of complaints ≤ 14 per 1,000 connections	To align with the measures used by all councils.
Compliance with discharge consents	Abatement notices - 0	Compliance with discharge consents	Abatement notices - 3	Improved compliance monitoring/shift in regulatory framework/focus on education before enforcement resource management

LTP 2021-31		Change in LTP 2025-34		Rationale for Change
Measure	**Aim**	**Measure**	**Aim**	
Fault response times: • Attendance	Target median time to resolve the problem ≤ 4 hours	Fault response times: • Attendance	Target median time to resolve the problem ≤ 6 hours	To align with new contract.
Number of dry weather sewerage overflows from sewerage scheme	Number of dry weather sewerage overflows 1 per 1,000 connections	Number of dry weather sewerage overflows from sewerage scheme	Number of dry weather sewerage overflows ≤4 per 1,000 connections	Targets aligned with other councils.
Stormwater				
Number of flooding events that occurred	Nil	Number of flooding events that occurred	< 3	Reflects the increasing frequency and severity of extreme weather events due to climate change.
Response time to attend flood events	Target median time to get to site ≤ 1 hour	Response time to attend flood events	Target median time to get to site ≤ 2 hours	Targets aligned with other councils.
Number of complaints received about stormwater performance	Total number of customer complaints ≤ 2 per 1,000 properties	Number of complaints received about stormwater performance	Total number of customer complaints ≤ 5 per 1,000 properties	Targets aligned with other councils.
Roading				
The percentage of footpaths that fall within the Council's level of service standard for the condition of footpaths	>70%	The percentage of footpaths that fall within the Council's level of service standard for the condition of footpaths	>65%	Adjusted to reflect changes in NZTA subsidy levels for footpaths

LTP 2021-31		Change in LTP 2025-34		Rationale for Change
Measure	**Aim**	**Measure**	**Aim**	
Customer satisfaction with condition of unsealed roads	To maintain customer satisfaction at or above 70%	Removed	Removed	This was not providing anything useful and was a very broad measure so has been removed.
Environmental Services				
Total amount of waste to landfill per rateable property	Incremental year-on-year reduction (measured as rubbish + recycling)	Total amount of waste to landfill per rateable property	Incremental year-on-year reduction	Minor text edit. Measure will consider all material to landfill.
Compliance with resource consents for transfer stations, closed and operational landfills	Incremental percentage improvements	Compliance with resource consents for transfer stations, closed and operational landfills	> 90% compliance	Setting a defined target – rather than a measure that will eventually not be able to be met.
Customer satisfaction with waste services measured through customer survey	Incremental increase	Removed	Removed	Reported through resident opinion survey results – which has multiple waste satisfaction measures.
Annual carbon footprint measurement using CEMARS process	Incremental reduction or set annual reduction target	Removed	Removed	Carbon measurement and auditing is completed after Annual Report is due.

LTP 2021-31		Change in LTP 2025-34		Rationale for Change
Measure	**Aim**	**Measure**	**Aim**	
Building Services				
Through maintaining the Building Consent Authority accreditation	To maintain Building Consent Authority accreditation	Removed	Removed	Removed as it as supported that Council's accreditation should be maintained regardless as without it Council would not be able to process consents.
Percentage of building consents issued within the statutory timeframe	To achieve ≥ 98% of building consents issued within the statutory timeframes	Percentage of building consents issued within the statutory timeframe	To achieve ≥ 97% of building consents issued within the statutory timeframes	Percentage adjusted to LTP 2021-2031 Year 1-3 aims.
Environmental Health				
Percentage of applications for the registration of food businesses completed within 10 working days	To achieve ≥ 95% of applications for the registration of food businesses are completed within 10 working days	Percentage of applications for the registration of food businesses completed within 10 working days	To achieve ≥ 90% of applications for the registration of food businesses are completed within 10 working days	Percentage adjusted to LTP 2021-2031 Year 1-3 aims.
Percentage of food business verifications carried out within the required Food Act 2014 performance-based verification frequency	To achieve ≥ 95% of food business verifications being carried out within the required Food Act 2014 performance-based verification frequency	Percentage of food business verifications carried out within the required Food Act 2014 performance-based verification frequency	To achieve ≥ 90% of food business verifications being carried out within the required Food Act 2014 performance-based verification frequency	Percentage adjusted to LTP 2021-2031 Year 1-3 aims.

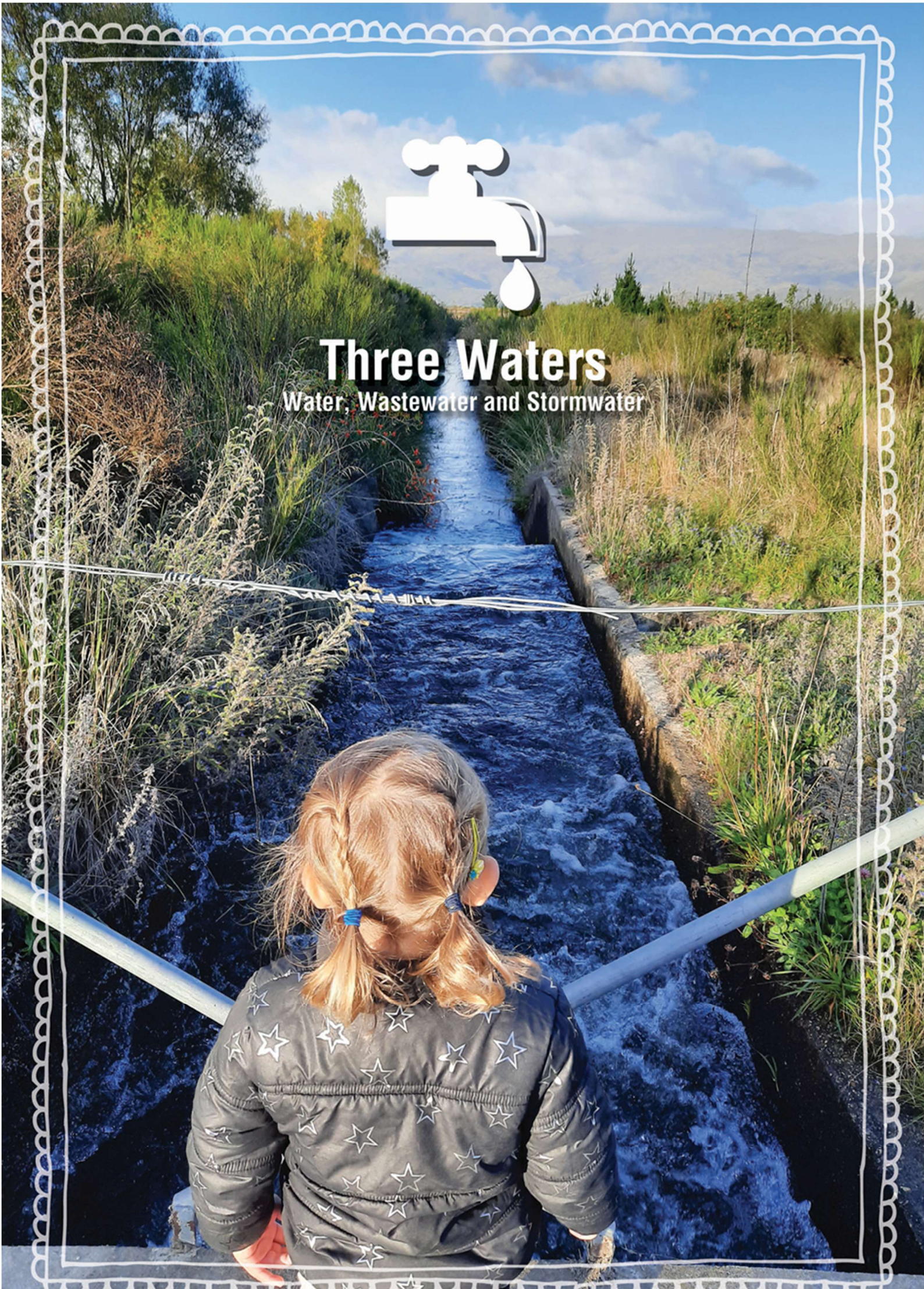
LTP 2021-31		Change in LTP 2025-34		Rationale for Change
Measure	**Aim**	**Measure**	**Aim**	
Percentage of corrective action requests and improvement notices resulting from non-conformances/compliances are completed within the specified period	To achieve ≥ 95% of corrective action requests and improvement notices resulting from non-conformances/compliances being completed within the specified period	Percentage of corrective action requests and improvement notices resulting from non-conformances/compliances are completed within the specified period	To achieve ≥ 90% of corrective action requests and improvement notices resulting from non-conformances/compliances being completed within the specified period	Percentage adjusted to LTP 2021-2031 Year 1-3 aims.
Pools, Parks and Cemeteries				
Percentage of customer survey respondents satisfied with parks and reserves	Maintain satisfaction with parks and reserves ≥ 90%	Percentage of customer survey respondents satisfied with parks and reserves	Maintain satisfaction with parks and reserves ≥ 85%	Lowering the target from 90% to 85% brings the measure in line with actual user feedback trends.It is still a high standard, but more realistic.
Percentage of customer survey respondents satisfied with playgrounds	Maintain satisfaction with playgrounds > 90%	Removed	Removed	This was not providing anything useful and was a very broad measure so has been removed.
Annual “Playground Safety Standards” audit	To pass	Annual “Playground Safety Standards” audit	To complete the audit	Playground audit isn’t something that is scored on a % basis, it provides information about what is required

LTP 2021-31		Change in LTP 2025-34		Rationale for Change
Measure	**Aim**	**Measure**	**Aim**	
				to be repaired to meet the standard. Hence the move to actually complete the audit rather than to pass.
Percentage of customer survey respondents satisfied with pools and the programmes offered	Maintain user satisfaction ≥90%	Percentage of customer survey respondents satisfied with pools and the programmes offered	Maintain user satisfaction ≥ 80%	Lowering the target from 90% to 80% brings the measure in line with actual user feedback trends and recognises the increasing diversity of pool users and service expectations.
Annual “Pool Safe” audit	To pass	Annual “Pool Safe” audit	Completed	Shifting the focus to completing the audit highlights accountability and continuous improvement, rather than a simple pass/fail result.
Property and Community Facilities				

LTP 2021-31		Change in LTP 2025-34		Rationale for Change
Measure	**Aim**	**Measure**	**Aim**	
A charging policy is in place that demonstrates fees that reflect the level of benefit provided.	Fees and charges charging policy in place	Removed	Removed	Not required as policy already in place
Service Centres and Libraries				
Satisfaction with contact regarding service requests				
Customer survey – the service was fast and efficient	>85%	Customer survey – the service was fast and efficient	>75%	To align our Customer Services level of service targets to industry standard
Customer survey – issues dealt with effectively	>80%	Customer survey – issues dealt with effectively	>75%	To align our Customer Services level of service targets to industry standard
Satisfaction with the initial contact with Council				
Customer survey – issues dealt with was fast and efficient	>90%	Customer survey – issues dealt with was fast and efficient	>80%	To align our Customer Services level of service targets to industry standard
Customer survey – issues dealt with effectively	>80%	Customer survey – issues dealt with effectively	>75%	To align our Customer Services level of service targets to industry standard
Community, Economic and Strategic Development				
Percentage of respondents to customer survey who feel they are informed about Council activities	>80%	Percentage of respondents to customer survey who feel they are informed about Council activities	>75%	Closer alignment to previous Residents Opinion Survey results while still being aspirational

LTP 2021-31		Change in LTP 2025-34		Rationale for Change
Measure	**Aim**	**Measure**	**Aim**	
Percentage of respondents to customer survey who believe they have adequate opportunities to have their say in Council activities	>80%	Percentage of respondents to customer survey who believe they have adequate opportunities to have their say in Council activities	>75%	Closer alignment to previous Residents Opinion Survey results while still being aspirational
Council to facilitate a hui for local people involved in community-led development	Two hui held each year	Removed	Removed	Replaced with two new measures that better reflect work and outcomes
New Measure	New Measure	Percentage of budgeted annual community grants funding awarded to community organisations	80%	Introduced to measure a core activity of community development
New Measure	New Measure	Level of satisfaction with Community Development focus on community planning, grants administration community outreach and community advocacy	75%	Introduced to better reflect role of community development
Percentage of respondents to customer survey who are satisfied with the type of economic development activity that Council is involved	75%	Economic Development representatives regularly attend business group and other community group meetings throughout the year	Attend minimum of 12 business group meetings per annum	Introduced to measure a direct action

LTP 2021-31		Change in LTP 2025-34		Rationale for Change
Measure	**Aim**	**Measure**	**Aim**	
Percentage of respondents to customer survey who are satisfied that visitors to the district enrich the quality of life for residents	75%	Removed	Removed	Removed as the question relates to the impact of tourist activity, as opposed to the impact of councils role in tourism.
New Measure	New Measure	Tourism Central Otago co-ordinates workshops for members of the wider business community to connect and learn from one another and external expertise	Two workshops held per annum	Introduced to create a clear measurable outcome of Tourism Central Otago activity. Note additional KPIs are included in Destination Management plan
Percentage of Council administer documents in the policy and strategy register are current and have been reviewed within specified timeframes	>90%	Percentage of Council administer documents in the policy and strategy register are current and have been reviewed within specified timeframes	>80%	Percentage adjusted to LTP 2021-2031 Year 1-3 aims.
Governance and Corporate Services				
Percentage of customer survey respondents satisfied that elected members are making a positive difference	>75%	Percentage of customer survey respondents satisfied that elected members are making “responsible”, “competent” or informed” decisions.	>75%	Defining better measurable outcomes.


Three Waters
Water, Wastewater and Stormwater

Water

About our Activity

Council's vision for water is to protect public health and the environment through the provision of safe, reliable and trustworthy water supplies. Council provides potable water to properties within eight water schemes.

THIS ACTIVITY CONTRIBUTES TO THE FOLLOWING COMMUNITY OUTCOMES







Highlights

Continuing water treatment upgrades to meet the New Zealand Drinking Water Standards remained a key focus of the 2025/26 year. Our water activity remains focused on increasing capability and capacity to effectively manage water operations.

Water safety & improvements include development and implementation of several plans and processes to secure the integrity of our water supplies through Water Safety Plans, Backflow prevention, etc.

Capital Projects

Dunstan Water Reticulation Extension
In response to Plan Change 19 rezoning land along the northern end of Dunstan Road for residential development, Council extended reticulated water and wastewater services to support future growth. Delivered by Fulton Hogan, work commenced in March 2026 and was completed in June 2026. The project successfully extended water supply pipework along Dunstan Road (between the rail trail and Waldron Road) and connected wastewater services into the existing Clyde-Alexandra pipeline.

Gilligan's Gully Reservoir Demolition
The redundant 2,000 m³ concrete water reservoir located at Gilligan's Gully in Alexandra has been decommissioned. The project involved complete structure demolition, safe debris disposal and full site restoration.

Ranfurly & Patearoa Water Treatment Upgrades
Major upgrades to the water treatment plants in Patearoa and Ranfurly were completed in late 2025 and early 2026. These critical improvements are part of planned infrastructure upgrades in development since 2021 to address ongoing issues with protozoa treatment.

Supported by a $4.2 million budget allocated across Council's 2024 Annual Plan and 2025-34 Long-term Plan, the project involved installing cartridge filtration and ultraviolet (UV) protozoa barriers at both facilities. The UV treatment neutralises harmful microorganisms without chemicals, while filtration mitigates risks during high turbidity events following heavy rainfall. These upgrades ensure full compliance with the Drinking Water Quality Assurance Rules (DWQAR) under the Water Services Regulation 2022 and significantly improve drinking water reliability for both communities.



Alexandra Water Main Renewals

Council has made significant progress in upgrading Alexandra's water network to improve supply reliability, pressure, and long-term resilience. Delivered under a $2.7 million budget by HEB Construction, key priority renewals have now been successfully completed:

- **Bridge Hill:** The nearly 100-year-old concrete-lined steel rising and falling main linking Bridge Hill to the wider network, spanning challenging terrain and dating back to the Aronui Dam supply, was replaced after reaching the end of its useful life. Construction is now fully finalised.

- **Enterprise Street:** Serving Dunstan High School, Terrace Primary School, and local early childcare facilities, this 70-year-old pipeline was prone to degradation from Lake Dunstan's softer water. Construction began in July 2025 and wrapped up ahead of schedule in early October 2025.



What we have achieved in Water

Community Outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
Increased Economic Prosperity Robust Social Fabric Expressions of Culture	Accessibility – there is adequate infrastructure and capacity to service planned growth needs. Environment and sustainability – water demand is managed to minimise the impact on the environment, reduce energy consumption, and leakage	✓	The percentage of real water loss from the network reticulation system (leaks, metering inaccuracies)	Target current annual real losses from the networked reticulation system ≤ 30% of water produced	23.40%	21.40%	**Target achieved**

Community Outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
	is managed appropriately.						
Respect for the Environment Robust Social Fabric Expressions of Culture	Resilience and reliability – water supplies are resilient to frequent natural events, adequate response plans are in place for infrequent events, and water supply is reliable at a consistently adequate pressure and flow	✓	Fault response time to urgent callouts: Attendance	Target median time to get to site ≤ 1 hour	44 mins	3 hrs 11 mins	**Target achieved** Simplifying service request categories has improved identification and prioritisation for service requests.
			Fault response time to urgent callouts: Resolution	Target median time to resolve ≤ 6 hour	3 hrs 52 mins	20 hrs	**Target achieved** System improvements have been made to the service request process. These changes improved identification, prioritisation and completion, clarified performance, and enabled prompt fault resolution.
		✓	Fault response time to non-urgent callouts: Attendance	Target median time to resolve to site ≤ 4 hours	3 hrs 1 mins	43 mins	**Target achieved**
			Fault response time to non-urgent callouts: Resolution	Target median time to resolve ≤ 5 days	1 day, 2 hrs 27 mins	23 hrs 25 mins	**Target achieved**
		✓	The average consumption of water per day per resident	To maintain water demand at < 600L/person/day	483.6	490.05	**Target achieved**

Community Outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
		✓	Total number of customer complaints for: • Water clarity • Water taste • Water odour • Water pressure and flow •Continuity of water supply Responses to water service requests	≤ 20 per 1,000 connections	2.4	7.8	**Target achieved**
Increased Economic Prosperity Robust Social Fabric	Safe and healthy - the water is safe to drink	✓	**Lake Dunstan Water Supply (Large Supply - >500 people)**				
			Bacteriological Compliance				
			4.10.1 T3 Bacterial Rules	Compliant	Almost met (99.94%)	All met (100% compliant)	**Target not achieved**
			4.11.5 D3.29 Microbiological Monitoring Rule	Compliant	All met (100%)	All met (100% compliant)	**Target achieved**
			Protozoal Compliance				
			4.10.2 T3 Protozoal Rules	Compliant	Almost met (99.90%)	Almost met (99.95%) compliant)	**Target not achieved**

Community Outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
			Cromwell Water Supply (Large Supply - >500 people)				
			Bacteriological Compliance				
			4.10.1 T3 Bacterial Rules	Compliant	Partially met (79.99%)	Partially met (60.32%)	**Target not achieved** Improved compliance as a result of a UV unit being installed from 1 November 2025 and the commissioning of a new treatment plant and pipe work in June 2026
			4.11.5 D3.29 Microbiological Monitoring Rule	Compliant	All met (100%)	All met (100%)	**Target achieved**
			Protozoal Compliance				
			4.10.2 T3 Protozoa Rules **Omakau/Ophir Water Supply Medium Supply - 101-500 people)**	Compliant	Partially met (64.25%)	None Met	**Target not achieved** Improved compliance as a result of a UV unit being installed from 1 November 2025 and the commissioning of a new treatment plant and pipe work in June 2026
			Omakau/Ophir Water Supply Medium Supply - 101-500 people)				
			Bacteriological Compliance				
			4.7 T2 Treatment Monitoring Rules	Compliant	All met (100% compliant)	Partially Met (93.75% compliant)	**Target achieved**

Community Outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
			4.7 T2 Chlorine Rules	Compliant	Almost Met (98.37% compliant)	Almost met (99.28% compliant)	**Target not achieved**
			4.8 D2.1 Distribution System Rules	Compliant	All met (100% compliant)	All met (100% compliant)	**Target achieved**
			Ranfurly Water Supply (Large Supply - >500 people)				
			Bacteriological Compliance				
			4.10.1 T3 Bacterial Rules	Compliant	Almost Met (99.67% compliant)	Almost Met (99.64% compliant)	**Target not achieved** Temporary UV unit installed in August 2025. Full upgraded treatment plant with UV commissioned in January 2026
			4.11.5 D3.29 Microbiological Monitoring Rule	Compliant	All met (100% compliant)	All met (100% compliant)	**Target achieved**
			Protozoal Compliance				
			4.10.3 T3 Protozoa Rules	Compliant	Partially met (78.65%)	None met	**Target not achieved** Improved compliance as result of a temporary UV unit installed in August 2025. Full upgraded treatment plant with UV commissioned in January 2026

Community Outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
			Naseby Water Supply (Medium Supply - 100-500 people)				
			Bacteriological Compliance				
			4.7 T2 Treatment Monitoring Rules	Compliant	All Met (100% compliant)	All Met (100% compliant)	**Target achieved**
			4.7 T2 Chlorine Rules	Compliant	Partially met (94.16%)	Partially met (99.13%)	**Target not achieved**
			4.8 D2.1 Distribution System Rules	Compliant	All met (100% compliant)	All Met (100% compliant)	**Target achieved**
			Roxburgh Water Supply (Large Supply - >500 people)				
			Bacteriological Compliance				
			4.10.1 T3 Bacterial Rules	Compliant	Almost Met (99.86% compliant)	Almost Met (99.53% compliant)	**Target not achieved**
			4.11.5 D3.29 Microbiological Monitoring Rule	Compliant	All met (100% compliant)	All met (100% compliant)	**Target achieved**
			Protozoal Compliance				
			4.10.2 T3 Protozoa Rules	Compliant	Partially Met (61.07% compliant)	Partially Met (69.07% complaint)	**Target not achieved**

Community Outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
			Patearoa Water Supply (Medium Supply - 100-500 people)				
			Bacteriological Compliance				
			4.7 T2 Treatment Monitoring Rules	Compliant	All met (100% compliant)	Partially Met (93.75% compliant)	**Target achieved** Reported for July 25 - Nov 25 only. No longer reporting under these rules.
			4.7 T2 Chlorine Rules	Compliant	Almost met (98.69%)	Almost met (98.54%)	**Target not achieved** Reported for July 25 - Nov 25 only. No longer reporting under these rules.
			4.8 D2.1 Distribution System Rules	Compliant	All met (100% compliant)	All met (100% compliant)	**Target achieved**
			4.10.1 T3 Bacterial Rules	Compliant	Partially met (93.79%)	New Measure	**Target not achieved** Reporting on T3 rules as of 1/12/2025, in line with commissioning of the upgraded treatment plant
			Protozoal Compliance				
			4.10.2 T3 Protozoa Rules	Compliant	Almost met (96.62%)	New measure	**Target not achieved** Reporting on T3 rules as of 1/12/2025, in line with commissioning of the upgraded treatment plant
			Pisa Village Water Supply (Large Supply - >500 people)				
			Bacteriological Compliance				
			4.10.1 T3 Bacterial Rules	Compliant	Partially Met (91.60% compliant)	Partially Met (91.64% compliant)	**Target not achieved**

Community Outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
			4.11.5 D3.29 Microbiological Monitoring Rule	Compliant	All met (100% compliant)	All met (100% compliant)	**Target achieved**
			Protozoal Compliance				
			4.10.2 T3 Protozoa Rules	Compliant	Partially Met (59.47% compliant)	Partially Met (59.52% compliant)	**Target not achieved**

Compliance rate	Performance rating
100%	All met
95% to 99.99%	Almost met
0.01% to 94.99%	Partially met
0%	None met

DWQAR aggregate compliance rate methodology

2024/25 LTP Yr 4 $000	2024/25 Annual Plan $000	2024/25 Actual $000	**Funding Impact Statement** For the year ended 30 June 2026 WATER	2025/26 LTP Yr 1 $000	2025/26 Actual $000
			OPERATING		
-	-	-	General rates, uniform annual general charges, rates penalties	-	-
7,023	9,469	9,443	Targeted Rates	10,297	11,024
-	-	30	Subsidies and grants for operating purposes	-	(7)
30	12	56	Fees and charges	33	62
2,309	1,810	1,670	Internal charges and overheads recovered	3,748	3,807
-	52	15	Local authorities fuel tax, fines, infringement fees, and other receipts	33	97
9,363	**11,344**	**11,214**	**Total operating funding**	**14,111**	**14,983**
			Applications of operating funding		
3,418	4,413	4,548	Payments to staff and suppliers	5,862	5,813
750	1,139	1,062	Finance costs	2,358	1,434
2,582	2,544	2,567	Internal charges and overheads applied	3,719	3,769
11	-	-	Other operating funding applications	-	-
6,762	**8,097**	**8,177**	**Total applications of operating funding**	**11,939**	**11,017**
2,601	**3,247**	**3,036**	**Surplus (deficit) of operating funding**	**2,171**	**3,966**
			CAPITAL		
			Sources of capital funding		
-	-	-	Subsidies and grants for capital expenditure	-	-
819	1,424	818	Development and financial contributions	3,036	1,211
5,220	13,529	7,470	(Increase) / decrease in debt	18,076	15,168
-	-	-	Gross proceeds from sale of assets	-	-
-	-	-	Lump sum contributions	-	-
-	-	-	Other dedicated capital funding	-	-
6,039	**14,952**	**8,288**	**Total sources of capital funding**	**21,112**	**16,379**
			Applications of capital funding		
			Capital expenditure		
1,491	4,465	828	- to meet additional demand	9,315	7,737
2,391	6,184	1,921	- to improve the level of service	10,370	9,071
5,649	4,019	5,157	- to replace existing assets	6,159	8,624
(892)	3,531	3,419	Increase(decrease) in reserves	(2,561)	(5,087)
-	-	-	Increase (decrease) in investments	-	-
8,640	**18,199**	**11,324**	**Total applications of capital funding**	**23,283**	**20,345**
(2,601)	**(3,247)**	**(3,036)**	**Surplus (deficit) of capital funding**	**(2,171)**	**(3,966)**
-	**-**	**-**	**Funding balance**	**-**	**-**

Wastewater

About our activity

Council's vision for wastewater services is to protect public health and the environment through the provision of safe, reliable and trustworthy wastewater systems.

Council's wastewater service enables the collection, conveyance, treatment and disposal of wastewater within seven schemes across the district. Each scheme pumps, reticulates and treats the wastewater generated by households, businesses and industrial processes.

THIS ACTIVITY CONTRIBUTES TO THE FOLLOWING COMMUNITY OUTCOMES



Highlights

Our wastewater activity remains focused on increasing capability and capacity to effectively manage wastewater operations. Reducing inflow/infiltration into the wastewater system remains a key focus now and into the future.

Capital Projects

Dunstan Wastewater Reticulation Extension

In response to Plan Change 19, which rezoned land along the northern end of Dunstan Road in Alexandra from rural residential to residential, Council extended the reticulated wastewater network to support this new growth area. Awarded to Fulton Hogan, construction commenced in March 2026 and was completed in early June 2026. The project involved laying the necessary infrastructure to connect wastewater from the new development directly into the existing Clyde-Alexandra pipeline at predetermined locations, alongside parallel water supply extensions.

Ranfurly Wastewater Treatment Plant Desludging

Following a sludge survey that identified a significant accumulation of sludge in the oxidation ponds and wetlands at the Ranfurly Wastewater Treatment Plant, Council initiated a targeted desludging and refurbishment project. The contract for the work was awarded to Glasgow Contractors. Construction and desludging operations began in December 2025 and were successfully completed in June 2026. Removing accumulated sludge from the wetlands and ponds restores critical retention capacity, improves the biological treatment process, and ensures the plant continues to operate efficiently while maintaining high environmental performance standards.

What we have achieved in Wastewater

Community Outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
Increased Economic Prosperity Robust Social Fabric	Aesthetics - odour from facilities and air valves is managed to acceptable limits	✓	Total number of complaints for: • Odour • Faults • Blockages • Response to wastewater service requests	Total number of complaints ≤ 14 per 1,000 connections.	5.9	8.7	**Target achieved** A total of 84 complaints. 60 of those were related to blocked mains or manholes, 10 overflows, 6 blocked services & 8 odour complaints.
Respect for the Environment Robust Social Fabric	Environment and sustainability – wastewater is managed to minimise the impact on the environment, reduce energy consumption Safe and healthy - wastewater discharges meet consent requirements	✓	Compliance with discharge consents	Abatement notices - 3	2	0	**Target achieved** Ranfurly wastewater treatment plant Omakau water treatment plant
				Infringement notices - 0 Enforcement Orders - 0 Convictions - 0	0 0 0	0 0 0	**Target achieved** **Target achieved** **Target achieved**
			Fault response times Attendance:	Target median time to get to site ≤ 1 hour	38 mins	46 mins	**Target achieved**
			Fault response times Resolution	Target median time to resolve the problem ≤ 6 hours	2 hrs 27 mins	3 hrs 36 mins	**Target achieved**

Community Outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
Robust Social Fabric Respect for the Environment	Resilience and reliability – wastewater networks are resilient to frequent natural events, with adequate response plans in place Accessibility – there is adequate infrastructure and capacity to service planned growth needs	✓	Number of dry weather sewerage overflows from sewerage scheme	Number of dry weather sewerage overflows ≤ 4 per 1,000 connections	1.79	1.04	**Target achieved**

2024/25 LTP Yr 4 $000	2024/25 Annual Plan $000	2024/25 Actual $000	**Funding Impact Statement** For the year ended 30 June 2026 WASTEWATER	2025/26 LTP Yr 1 $000	2025/26 Actual $000
			OPERATING		
-	-	-	General rates, uniform annual general charges, rates penalties	-	-
5,647	8,618	8,727	Targeted rates	9,537	9,561
-	-	-	Subsidies and grants for operating purposes	-	-
62	134	153	Fees and charges	129	198
117	120	184	Internal charges and overheads recovered	-	-
-	-	30	Local authorities fuel tax, fines, infringement fees, and other receipts	219	4
5,826	**8,872**	**9,093**	**Total operating funding**	**9,886**	**9,762**
			Applications of operating funding		
1,518	3,073	3,111	Payments to staff and suppliers	3,594	3,408
545	1,238	977	Finance costs	1,737	1,230
1,361	1,142	1,716	Internal charges and overheads applied	1,739	1,766
296	-	-	Other operating funding applications	-	-
3,719	**5,453**	**5,805**	**Total applications of operating funding**	**7,069**	**6,404**
2,107	**3,419**	**3,288**	**Surplus (deficit) of operating funding**	**2,817**	**3,358**
			CAPITAL		
			Sources of capital funding		
-	-	-	Subsidies and grants for capital expenditure	-	-
449	1,169	680	Development and financial contributions	2,132	949
3,437	5,579	7,500	Increase (decrease) in debt	5,110	10,227
-	-	-	Gross proceeds from sale of assets	-	-
-	-	-	Lump sum contributions	-	-
-	-	-	Other dedicated capital funding	-	17
3,887	**6,748**	**8,180**	**Total sources of capital funding**	**7,243**	**11,194**
			Applications of capital funding		
			Capital expenditure		
736	5,345	811	- to meet additional demand	759	617
1,961	2,248	394	- to improve the level of service	3,610	804
3,522	3,927	1,177	- to replace existing assets	6,237	2,684
(226)	(1,354)	9,087	Increase(decrease) in reserves	(546)	10,447
-	-	-	Increase (decrease) in investments	-	-
5,993	**10,167**	**11,468**	**Total applications of capital funding**	**10,059**	**14,552**
(2,107)	**(3,419)**	**(3,288)**	**Surplus (deficit) of capital funding**	**(2,817)**	**(3,358)**
-	**-**	**-**	**Funding balance**	**-**	**-**

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Stormwater

About our Activity

Council's vision for stormwater is to protect public health and the environment through the provision of safe, reliable and trustworthy stormwater systems. Stormwater is excess rainfall or water that doesn't soak into the ground. It includes rainwater off the roof and water that runs off hard surfaces, driveways and streets into the gutter.

Cromwell, Alexandra, Ranfurly, Omakau and Roxburgh have reticulated stormwater systems to manage drainage and prevent flooding. Stormwater in these towns is conveyed directly to waterways using piped infrastructure, natural water courses and open channels. The remaining towns have mud tanks connected to soak pits, or open channels, with culverts across roads.

THIS ACTIVITY CONTRIBUTES TO THE FOLLOWING COMMUNITY OUTCOMES



Highlights

Our stormwater activity remains focused on increasing capability and capacity to effectively manage stormwater operations. Council are developing stormwater hydraulic models for selected stormwater systems across the district. This will aid in understanding flood risks, support infrastructure planning, decision making and signalled regulatory requirements.

What we have achieved in Stormwater

Community outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
Respect for the Environment	Environment and sustainability – stormwater is managed to minimise the impact on the environment, discharges meet consent requirements	✓	Compliance with discharge consents	Abatement notices - 0 Infringement notices - 0 Enforcement orders - 0 Convictions - 0	Abatement notices - 0 Infringement notices - 0 Enforcement orders - 0 Convictions - 0	Abatement notices - 0 Infringement notices - 0 Enforcement orders - 0 Convictions - 0	**Target achieved** **Target achieved** **Target achieved** **Target achieved**
Robust Social Fabric Increased Economic Prosperity Expressions of Culture	Resilience and reliability – stormwater networks are resilient to frequent natural events, with adequate response plans in place to manage infrequent events. Accessibility – there is adequate infrastructure and capacity to service planned growth needs	✓	Number of flooding events that occurred	Number of flooding events that occurred < 3	Nil	Nil	**Target achieved**

Community outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
Robust Social Fabric Increased Economic Prosperity Expressions of Culture	Safe and healthy - homes are not flooded		Number of habitable floors affected in flooding events	Target number of habitable floors affected ≤ 1 per 1,000 properties per flood event	Nil	Nil	**Target achieved**
Robust Social Fabric Increased Economic Prosperity Expressions of Culture	Resilience and reliability – stormwater networks are resilient to frequent natural events, with adequate response plans in place to manage infrequent events		Response time to attend flood events	Target median time to get to site ≤ 2 hour	Nil	Nil	**Target achieved**
			Number of complaints received about stormwater performance	Total number of customer complaints ≤ 5 per 1,000 properties	Nil	0.7	**Target achieved**

2024/25 LTP Yr 4 $000	2024/25 Annual Plan $000	2024/25 Actual $000	**Funding Impact Statement** **For the year ended 30 June 2026** **STORMWATER**	2025/26 LTP Yr 1 $000	2025/26 Actual $000
			OPERATING		
-	-	-	General rates, uniform annual general charges, rates penalties	-	-
598	196	200	Targeted rates	139	140
-	-	-	Subsidies and grants for operating purposes	-	-
2	-	-	Fees and charges Interest & dividends from investments	-	4
92	131	261	Internal charges and overheads recovered	-	-
-	-	-	Local authorities fuel tax, fines, infringement fees, and other receipts	208	-
691	**327**	**462**	**Total operating funding**	**347**	**143**
			Applications of operating funding		
79	115	140	Payments to staff and suppliers	117	55
-	-	-	Finance costs	-	-
111	86	79	Internal charges and overheads applied	199	203
15	-	-	Other operating funding applications	-	-
206	**201**	**219**	**Total applications of operating funding**	**317**	**258**
485	**126**	**242**	**Surplus (deficit) of operating funding**	**30**	**(115)**
			CAPITAL		
-	-	-	Subsidies and grants for capital expenditure	-	-
-	-	-	Development and financial contributions	-	-
-	-	-	Increase (decrease) in debt	-	-
-	-	-	Gross proceeds from sale of assets	-	-
-	-	-	Lump sum contributions	-	-
-	-	-	Other dedicated capital funding	-	-
-	**-**	**-**	**Total sources of capital funding**	**-**	**-**
			Applications of capital funding		
			Capital expenditure		
-	-	-	- to meet additional demand	-	-
-	-	-	- to improve the level of service	-	-
390	320	96	- to replace existing assets	-	92
96	(194)	146	Increase(decrease) in reserves	493	(207)
-	-	-	Increase (decrease) in investments	(463)	-
485	**126**	**242**	**Total applications of capital funding**	**-**	**(115)**
(485)	**(126)**	**(242)**	**Surplus (deficit) of capital funding**	**30**	**115**
-	**-**	**-**	**Funding balance**	**(30)**	**-**

Roading



Roading

About our Activity

Roading ensure an efficient, fully accessible, safe network of roads and footpaths connect the Central Otago community. Roading provides quality infrastructure to connect and move people, goods, and services across the district. Council is committed to being innovative and environmentally conscious in our service delivery.

The Central Otago district has:

- 1,926km of roads – 1,753km are rural roads and 173km are urban streets.
- 72% - or 1,386km - of our roads are unsealed.
- 172 bridges (including five footbridges maintained by Council)
- 204km of footpaths and greenways
- 5,308 culverts
- 12,000 hectares of road reserve, of which 3,800 hectares has formed and maintained carriageway.

THIS ACTIVITY CONTRIBUTES TO THE FOLLOWING COMMUNITY OUTCOMES

He Ōhaka e Ora Rāia ana
Thriving Economy

Toitū te Whenua
Sustainable Environment

He Hapori, He Haumi
Connected Community

Highlights

Drainage

Drainage works are one of the team's most effective asset management interventions. Targeted drainage investment improves both network resilience and overall life of Council's roading assets.

The 2025/26 financial year saw renewals of 294m of culverts, 73m of kerb and channel, and 12.4km of rural side drainage completed. These improvements were, in the main, completed alongside our sealed and unsealed renewals programme and footpath programme.

Sealed Roads – Resurfacing

In 2025/26, 11km of sealed road was resurfaced on the network in Cromwell, Clyde, Earnscleugh and Ranfurly Township. McNulty Road saw significant investment with a combination of asphalt in intersection areas combined with modified chipseal treatments. The total centreline kilometre resurfacing programme was again lower than recent years due to network need in higher cost urban areas.



Chip Sealing Clyde

Unsealed Roads – Renewals

The gravel renewals programme is a significant portion of the council's annual roading spend, with over 70% of Central Otago's roading network being unsealed. The 2025/26 programme saw 71km of road metalling completed. Council's renewals programme includes targeted investment in local areas to obtain efficiencies and value for money. This year's programme focused on the Maniototo & Vincent Wards.



Re-metalling works Vincent Ward

Road Safety Promotion

Road safety education is a key focus for Council, several successful programmes were delivered over the year delivered, including holiday Driver Fatigue stops in conjunction with the NZ Police, Heavy Vehicle Awareness during Road Safety Week, Motorcycle Awareness Week and the School and Community Bike Ambassadors Programmes.

Footpath Works

1.114km of footpath renewals were completed in 2025/26. The footpath repair and renewals programme this year focussed on safety related renewals in both Cromwell and Alexandra.

Speed Limit Review

Speed limits are reviewed regularly to reflect changing road use, align with the GPS (Government Policy Statement on Land Transport 2024), and enhance community safety. Speed remains a key factor in road fatalities and injuries, making safer limits essential.

Council is required to manage speed limits in accordance with national legislation to ensure safe and appropriate travel speeds on local roads. A Speed Management Plan was previously developed and approved to guide changes to speed limits across the district. However, this plan was nullified following changes introduced through the Land Transport Rule: Setting of Speed Limits 2024.

Under the new Rule, councils were required to prepare an Alternative Method Proposal in respect of setting or changing speed limits.

Public consultation on the proposed speed limit changes was carried out over a six-week period, from 27 June to 10 August 2025. A total of 129 submissions were received, including 124 from individuals and 5 from groups or organisations.

After considering public consultation feedback reduced speed limits were implemented for several streets and roads via an Alternative Method Proposal. These were:

- Māori Point Road: 80km/h
- Bannockburn (Quartzville Rd, Gully Rd, Jocelyn Rd, Schoolhouse Rd): 60km/h
- Clark Road: 60km/h
- Clyde (Hospital Road, Sunderland Street, Mutton Town Road): 50km/h
- Omakau (Racecourse Road): 50km/h
- Oturehua Township: 50km/h
- St Bathans Township: 30km/h
- Cambrians Township: 30km/h

Bridge Works

Little Valley Bridge Refurbishment

2025/26 saw the completion of significant refurbishment of the historic rail bridge connecting Alexandra and Little Valley over the Manuherekia River.

The work included renewing key timber components of the bridge, which is the only permanent vehicle crossing over the Manuherekia River, and a critical link for multiple users.

A temporary Bailey bridge, to provide continued access, was also installed between Graveyard Gully Road and Rivers Street Park, also known as Linger and Die Park, in Alexandra.

Little Valley Road bridge is a vital link for residents, farmers, businesses, emergency services, and visitors. The bridge required rehabilitation to extend its life, improve safety, and support modern heavy vehicle loads.



Refurbished Little Valley Bridge

Bridge Removals

The Council manages 172 bridges across the Central Otago district. Many are aging, with approximately 30 bridges projected to reach the end of their useful life within the next decade.
Bridge expenditure is prioritised where it matters most by:

- Focusing on critical transit routes.
- Permanently closing or divesting low-use, low-criticality bridges that have practical alternative access.
- Utilising NZTA co-funding wherever available.

Several bridges across the district have severely deteriorated or succumbed to flood damaged over several years. These structures were unsafe, expensive to repair, and sit outside critical routes, with some also being ineligible for NZTA co-funding. Consequently, a report was presented to council that these bridges be permanently decommissioned and not replaced in July 2026.

The following bridges have now been removed:

- Bridge 2 – Craigroy Station Road
- Bridge 4 – Coal Pit Road (Gibbston Valley)
- Bridge 80 – Hawkdun Runs Road
- Bridge 96 – Auripo Road
- Bridge 121 – Scott Lane
- Bridge 171 – Adjacent to McCunn Road

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What we have achieved in Roading

Community outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
Increased Economic Prosperity Robust Social Fabric	Provide an efficient roading network		Average length of time to issue a consent for access to a road	≤ 2 days	2.7	0.7 Days	**Target not achieved**
		✓	The average quality of ride on the sealed road network, measured by smooth travel exposure	Smooth Travel Exposure ≥ 90%	97%	96%	**Target achieved**
		✓	Percentage of sealed local road network that is resurfaced	> 3.9% of sealed road length resurfaced per annum*	2.1%	1.9%	**Target not achieved** Target exceeds network needs. Furthermore, the target is unaffordable.
		✓	Number of service requests from customers responded to within 10 days**	≥ 90%	89.5%	92%	**Target not achieved** 792/885 = 89.5%
Robust Social Fabric	Provide a safe roading network	✓	Change from previous year in number of fatalities and serious injury crashes on local roading network	Stable or decreasing trend	Number of fatal and serious crashes = 9	Number of fatal and serious crashes = 11	**Target achieved** Decrease of 2 Source Crash Analysis System 2021/22 = 11 2022/23 = 6 2023/24 = 4 2024/25 = 11 2025/26 = 9

Community outcome	Our objective level of service	DIA Mandatory Measure	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
Respect for the Environment	Provide a fully accessible roading network		The percentage of footpaths that fall within the Council's level of service standard for the condition of footpaths	> 65%	81%	82%	**Target achieved**

*The percentage of sealed road resurfaced is the length of roads resurfaced as a percentage of the total sealed road length. Both values are sourced from AWM. Road resealing records are recorded in the Surface Layer table in RAMM and are filtered by the construction date.

**The reported result only includes those service requests for which a response was provided during the reporting period

2024/25 LTP Yr 4 $000	2024/25 Annual Plan $000	2024/25 Actual $000	Funding Impact Statement For the year ended 30 June 2026 ROADING	2025/26 LTP Yr 1 $000	2025/26 Actual $000
			OPERATING		
			Sources of operating funding		
5,888	7,162	7,192	General rates, uniform annual general charges, rates penalties	8,610	8,612
265	151	154	Targeted rates	-	-
2,750	3,338	3,438	Subsidies and grants for operating purposes	2,671	3,007
22	-	221	Fees and charges	61	150
1,680	1,697	1,750	Internal charges and overheads recovered	1,725	1,508
245	251	343	Local authorities fuel tax, fines, infringement fees, and other receipts	468	634
10,850	**12,599**	**13,098**	**Total operating funding**	**13,536**	**13,912**
			Applications of operating funding		
4,852	5,332	5,795	Payments to staff and suppliers	6,092	6,334
-	-	-	Finance costs	205	-
2,696	3,261	3,329	Internal charges and overheads applied	2,638	2,446
7	-	-	Other operating funding applications	-	-
7,555	**8,593**	**9,123**	**Total applications of operating funding**	**8,936**	**8,780**
3,295	**4,005**	**3,974**	**Surplus (deficit) of operating funding**	**4,599**	**5,132**
			CAPITAL		
			Sources of capital funding		
5,002	5,287	3,664	Subsidies and grants for capital expenditure	3,856	4,117
310	808	575	Development and financial contributions	240	511
-	2,146	-	Increase (decrease) in debt	3,556	-
-	-	-	Gross proceeds from sale of assets	-	-
-	-	-	Lump sum contributions	-	-
-	-	-	Other dedicated capital funding	-	-
5,311	**8,241**	**4,240**	**Total sources of capital funding**	**7,652**	**4,628**
			Applications of capital funding		
			Capital expenditure		
917	2,228	796	- to meet additional demand	486	513
3,735	1,229	631	- to improve the level of service	206	317
5,466	6,959	6,329	- to replace existing assets	7,264	7,935
(1,512)	1,830	457	Increase(decrease) in reserves	4,296	995
-	-	-	Increase (decrease) in investments	-	-
8,606	**12,246**	**8,214**	**Total applications of capital funding**	**12,251**	**9,759**
(3,295)	**(4,005)**	**(3,974)**	**Surplus (deficit) of capital funding**	**(4,599)**	**(5,132)**
-	**-**	**-**	**Funding balance**	**-**	**-**

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Environmental
Services

Environmental Service

About our Activity

Council is working to support the actions of the 2024-2030 Waste Management and Minimisation Plan and its vision for waste. This work supports Council and the community to work together towards becoming a low-emissions, low-waste district built upon a circular economy.

Through waste services, Council provides kerbside collection services for general waste, recycling, glass and organics. Our kerbside collections meet the new national standards for accepted materials, introduced by Central Government in 2024. Council also provides transfer stations, which offer a wider range of recycling and waste disposal options, and rural recycling drop-offs for the benefit of those who do not receive a kerbside collection.

These services help divert waste from landfill, recover recyclable materials, compost food scraps and green waste and maintain public health and sanitary conditions across the District. General waste is disposed of at Victoria Flats, a modern, well-engineered landfill designed to minimise environmental effects.

The waste services team delivers community education and engagement initiatives to support waste minimisation, improve recycling behaviours and promote sustainability across the District. This includes providing clear information on collection requirements, rural recycling drop-off points and ways the community can reduce contamination and divert more material from landfill. Council also monitors and maintains closed landfill sites to manage environmental risks and meet ongoing consent and regulatory requirements.

Council's sustainability vision is a great place to live, work and play, now and into the future. The Environmental Services team takes the lead in this space, supporting the wider organisation to achieve the following goals:

- Being customer friendly, having enabling policies and appropriate infrastructure
- Supporting improvement and diversification of skills, industries and experiences
- Providing Council services while managing the associated environmental impacts
- Enabling development while managing the associated environmental effects
- Affordable and equitable provision of services to promote well-being
- Managing change while protecting and enhancing our culture, heritage and landscape.

THIS ACTIVITY CONTRIBUTES TO THE FOLLOWING COMMUNITY OUTCOMES







Highlights

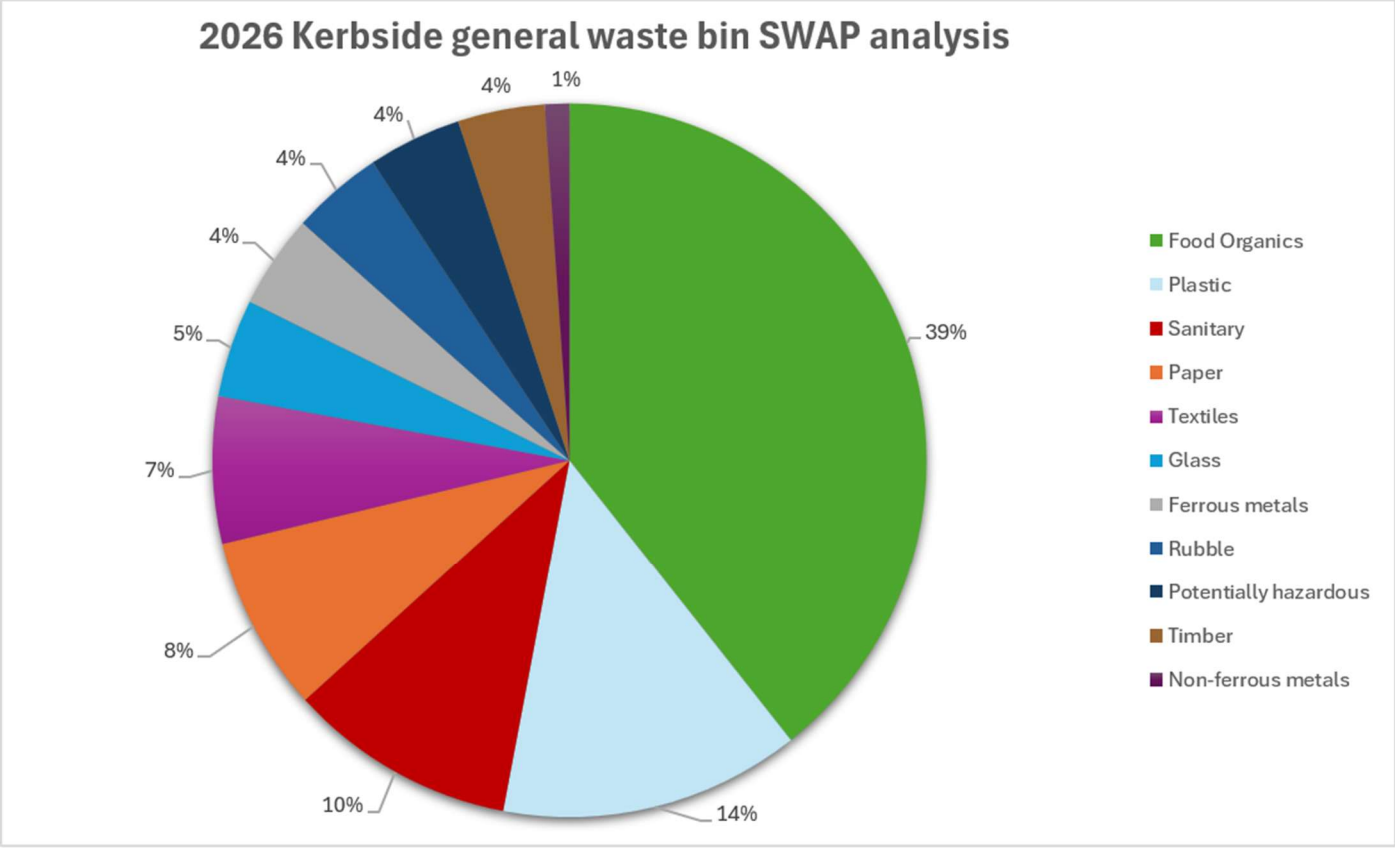
Regional collaboration on waste

Through the Regional Waste Coordinator, all 5 territorial authorities in Otago have worked together on projects to improve waste planning and service delivery. Key achievements this year included establishing the Regional Strategic Waste Group to strengthen regional governance and develop shared priorities, a work programme and funding approach for consideration by the Chief Executive Forum.

Collaboration also progressed on priority waste streams including construction and demolition waste, batteries, rural waste and emergency waste management, with working groups sharing knowledge and identifying regional opportunities. This joint work included a stocktake of how well each council is prepared for managing waste in a civil defence emergency. Outcomes from this have created a useful framework of actions to improve outcomes for our communities.

Kerbside Audit

A kerbside Solid Waste Analysis Protocol audit of red general waste bins was completed during the year, providing detailed information on the types and quantities of material being sent to landfill. This is used to target waste education initiatives, support future waste minimisation programmes and inform planning for waste services across the district.



Transfer station upgrades

Installation of the upgraded trade waste system at Alexandra Transfer Station was completed during the year. The improvements enhance the site's ability to safely manage trade waste and support ongoing environmental and regulatory requirements.



Community Education & Engagement:

A six-week, multimedia education campaign "Recycling Basics", was delivered in early 2026 to encourage correct use of kerbside recycling and rural recycling drop-off points. The campaign provided clear, staged information to build up knowledge and help residents understand what can and cannot be recycled and to improve confidence in using the yellow bin. This supports reduced recycling contamination and helps ensure more material diverted from landfill.



Enviroschools programme:

Enviroschools continues to be a popular programme across the district, with all schools involved, delivering a range of projects to support and improve their local environment. Highlights this year included a joint project between Ōmakau School and the Vulcan Hotel in St Bathans to improve recycling and reduce waste, with students developing solutions to capture more recyclable material. Cromwell College also hosted a “Trashion Show”, where students created outfits in their house colours out of items that would normally be thrown away.



Ōmakau School solutions to improve cardboard and aluminium can recycling for the Vulcan Hotel.



One of the outfits from Cromwell College “Trashion Show” competition.

Repair Cafes:

Reducing waste to landfill starts by keeping items in use for longer. Partnering with Central Otago REAP, Central Otago District Council have supported 4 Repair Café events over the past year. At these, volunteers are on hand to give advice and do simple repairs to a wide range of items. This normalises the idea of repairing what we have, teaches skills to make simple repairs and supports our local businesses that carry out repairs. Over the year nearly three-quarters of a tonne of items have been fixed and saved from landfill.



What we have achieved in Environmental Services

Community Outcome	Our Objective level of service	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
Respect for the Environment	Improving the Efficiency of Resource Use	Total amount of waste to landfill per rateable property	Incremental year-on-year reduction	499 kg* *15,534 rateable properties	522 kg* *15,222 rateable properties	**Target achieved** The target has been met, with a reduction of 23 kilograms of waste to landfill per rateable property. This reduction is likely due to changes in commercial customer activity at the transfer stations rather than a direct representation of reduced waste generation across the district.
Robust Social Fabric	Provide compliant waste systems and facilities	Compliance with resource consents for transfer stations, closed and operational landfills	> 90% compliance	92%	94%	**Target achieved** Most consent conditions were fully compliant. A small number of low-risk non-compliances were identified, primarily relating to reporting, signage and fencing requirements. These issues present a low risk of adverse environmental effects and corrective actions are underway to address them before the next audit.

* Waste to landfill = 7,756 tonnes divided over 15,534 rateable properties = 499 kg per property (rounding ±1)

2024/25 LTP Yr 4 $000	2024/25 Annual Plan $000	2024/25 Actual $000	Funding Impact Statement For the year ended 30 June 2026 ENVIRONMENTAL SERVICES	2025/26 LTP Yr 1 $000	2025/26 Actual $000
			OPERATING		
-	-	-	General rates, uniform annual general charges, rates penalties	-	-
5,100	5,788	5,846	Targeted rates	6,403	6,330
-	-	-	Subsidies and grants for operating purposes	-	-
627	103	2,241	Fees and charges	652	2,259
(1)	1	-	Internal charges and overheads recovered	-	-
1,459	2,050	594	Local authorities fuel tax, fines, infringement fees, and other receipts	1,992	513
7,186	**7,942**	**8,681**	**Total operating funding**	**9,047**	**9,101**
			Applications of operating funding		
6,434	6,861	6,881	Payments to staff and suppliers	7,626	7,439
-	-	-	Finance costs	255	12
611	839	967	Internal charges and overheads applied	521	535
17	-	-	Other operating funding applications	-	-
7,062	**7,699**	**7,848**	**Total applications of operating funding**	**8,402**	**7,985**
125	**242**	**833**	**Surplus (deficit) of operating funding**	**644**	**1,116**
			CAPITAL		
			Sources of capital funding		
-	721	-	Subsidies and grants for capital expenditure	1,250	-
-	-	-	Development and financial contributions	-	-
-	2,796	-	Increase (decrease) in debt	1,100	3,988
-	-	-	Gross proceeds from sale of assets	-	-
-	-	-	Lump sum contributions	-	-
-	-	-	Other dedicated capital funding	-	-
-	**3,517**	**-**	**Total sources of capital funding**	**2,350**	**3,988**
			Applications of capital funding		
			Capital expenditure		
-	17	17	- to meet additional demand	-	-
244	1,462	133	- to improve the level of service	50	22
983	1,542	648	- to replace existing assets	3,116	559
(1,102)	739	35	Increase(decrease) in reserves	(172)	4,523
-	-	-	Increase (decrease) in investments	-	-
125	**3,759**	**833**	**Total applications of capital funding**	**2,994**	**5,104**
(125)	**(242)**	**(833)**	**Surplus (deficit) of capital funding**	**(644)**	**(1,116)**
-	**-**	**-**	**Funding balance**	**-**	**-**

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Planning and Regulatory



Planning and Regulatory

About our Activity

The regulatory service protects public safety and the environment, minimises the risk of nuisances, and helps to educate and ensure our district meets statutory requirements.
Regulatory services are delivered in a variety of ways, including through building consents and inspections, alcohol licencing, monitoring and auditing registered food businesses, noise control, and ensuring dogs are registered and kept under control.

The planning function includes the preparation, review, and administration of the District Plan; the framework used for processing resource consents. Planning also monitors conditions of resource consents and ensures compliance with District Plan provisions, including ensuring effects on the environment are managed appropriately.

THIS ACTIVITY CONTRIBUTES TO THE FOLLOWING COMMUNITY OUTCOMES



Highlights

Alcohol Licencing

The team processed the following alcohol applications:

On licence – new	7
On licence – renewal	26
Off licence – new	16
Off licence – renewal	39
Club licence – new	0
Club licence – renewal	4
Special licence (events)	149
Managers Certificates – new	111
Managers Certificates – renewal	143
Service requests	68

Building

The Building Department transitioned to Objective Build (OB) on 25 May 2026. As a result, this reporting period includes data from two systems. A total of 23 building consents were granted, with an average of 12

working days. 86% processed within the statutory timeframes (20 working days) and with the new Objective Build system, 100% were processed within the statutory timeframe.

593 Code Compliance Certificate (CCC) applications were processed through MagiQ, with an average processing time of 13 working days and 92% completed within the statutory 20-working-day timeframe. A further 76 CCCs were issued through Objective Build, with 90% completed within the statutory timeframe.

There were 347 residential pool barrier inspections carried out as part of the legislative requirements on a 3-year rolling programme and a swimming pool and barrier checks across the district as part of routine updates to our records.

Council undertook 54 Building Warrant of Fitness audits as required by MBIE on a 5-year rolling programme.

There were 1735 service requests responded to by the team.

Dog Control

Registrations:

- There are 6,534 dogs recorded in our system of which 92.64% or 6,053 are registered with the registration period is still ongoing.
- Most popular breed – huntaway

There were 771 service requests responded to by the team.

Environmental Health

The Food Act Quality Managements system was audited by Joint Accreditation System of Australia and New Zealand (JASANZ) 13/10/25, no findings were raised at this assessment, with some observations noted as opportunities for improvement.
The recommendation in the JASANZ report to Ministry of Primary Industries (MPI) was: ‘That as the Agency meets the requirements to be a Recognised Agency to conduct verification services under the Food Act 2014, its recognition is approved for another 3 years.
By the numbers, the team responded to, registered, or inspected:

- 81 service requests
- 21 new businesses registered
- 233 food premises that were audited/verified
- 0 camping grounds
- 6 hairdressers
- 5 offensive trades

Noise

There were 256 service requests responded to over this time. The team also issued 23 Excessive Noise Directions (END) because of the noise levels and seized one stereo.

Planning

Fast track applications have become a significant piece of workstream which draws heavily on both internal staff and external consultant resources for our region.
To date the Council have been involved with the following fast track applications:

- Matakanui Gold Limited (a wholly owned subsidiary of Santana Minerals Limited). The Bendigo-Ophir Gold project is to establish and operate an open pit and underground goldmine on Bendigo and Ardgour Stations in Central Otago.

- NZ Ski Limited Remarkable's Ski Area requested existing infrastructure upgrade and Doolan's Basin expansion.

- Fulton Hogan Land Development Ltd requested a mixed-use urban housing development that will facilitate the rehabilitation of an existing quarry at Parkburn. It provides for the staged creation of approximately 1,000 residential lots of varying densities, together with a local commercial centre, a potential primary school site, and several reserves.
- Rippon Holdings Ltd lodged Shannon Farm Residential and Commercial Extension Project involving a master-planned development that would comprise of approximately 755 residential lots, 3.1ha of retail land and 5.19ha of industrial land.
- Clutha Pumped Hydro scheme, proposing the construction and operation of a large pumped hydro development at Lake Onslow in Central Otago.

The Government's legislative direction instructed Councils to stop policy plan development work under the current planning framework. Consequently, resources and effort have been redirected from policy plan preparation towards understanding, planning for, and preparing for the transition for the replacement of the Resource Management Act (RMA), enabling a smoother implementation of future legislative requirements.

Focus has shifted to preparing for the creation of a Regional Spatial Plan (RSP) with our relevant RSP partners. This has included building strong collaborative relationships, contributing to strategic planning discussions, and ensuring that we are prepared to support and participate in the development of an anticipated regional spatial plan framework.

Resourcing pressures within the planning profession remain a constant challenge within the Council, this equally is a trend experienced across the country. We continue to regular test the market for possible new staffing options. We implemented the regular use of an independent commissioner to assist with decision-making duties which improved efficiency, consistency, and timeliness. This has provided a more streamlined decision-making process.

Future council amalgamation announcements or regional deal initiatives may potentially impact on priorities, resource allocation, collaboration with our partner organisations, and the delivery of future planning outcomes.

- Plan Change 23 - Hartley Road Partnership requested a private plan change to the Central Otago Operative District Plan to rezone its land at Springvale Road and State Highway 8, from Rural Resource Area to Industrial Resource Area. Decision was approved and has been notified to the public.
- Plan Change 24 – Orchard Road Holdings Ltd requested a private plan change to rezone 41 hectares of land to Large Lot Residential (Precinct 1) and Low-Density Residential zones, enabling residential development and establishment of a retirement village. (133 Luggate Cromwell Road, Cromwell). Central Otago District Council is currently undertaking an information completeness check, this private plan change request has not yet been presented to Council.

The Planning team managed:

- Limited Notification: 8
- Public Notification: 11
- Non-Notified to Hearing:5
- Land Use Consent Applications Received: 232
- Subdivision Consent Applications Received (inclusive of Subdivision and Land Use combined consents): 99

- Other Consent Applications Received (incl Section 221, Deemed Permitted Boundary Activity (DPBA), Outline Plan, Designations, Plan Change): 50
- Variation Applications Received: 113
- Land use Consents Issued: 184
- Subdivision Consents Issued (inclusive of Subdivision and Land Use combined consents): 120
- Other Consents Issued (incl Section 221, DPBA, Outline Plan, Designations, Plan Change): 40
  Variations Issued: 105

What we have achieved in Planning and Regulatory

Community outcome	Our objective level of service	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/26	Comments
Planning						
Increased Economic Prosperity Respect for the Environment Expressions of Culture	To enable people to develop their land in an appropriate way through a streamlined and cost-effective consent process	Customer satisfaction with resource consent process in customer survey	Maintain customer satisfaction ≥ 75%	36%	41%	**Target not achieved** Reflective of the very small pool of respondents, and resourcing within the department remains challenging.
		Resource consents processed within statutory timeframes	Resource consents processed within statutory timeframe ≥ 95%	75%	59%	**Target not achieved** Significant uplift in public enquiries

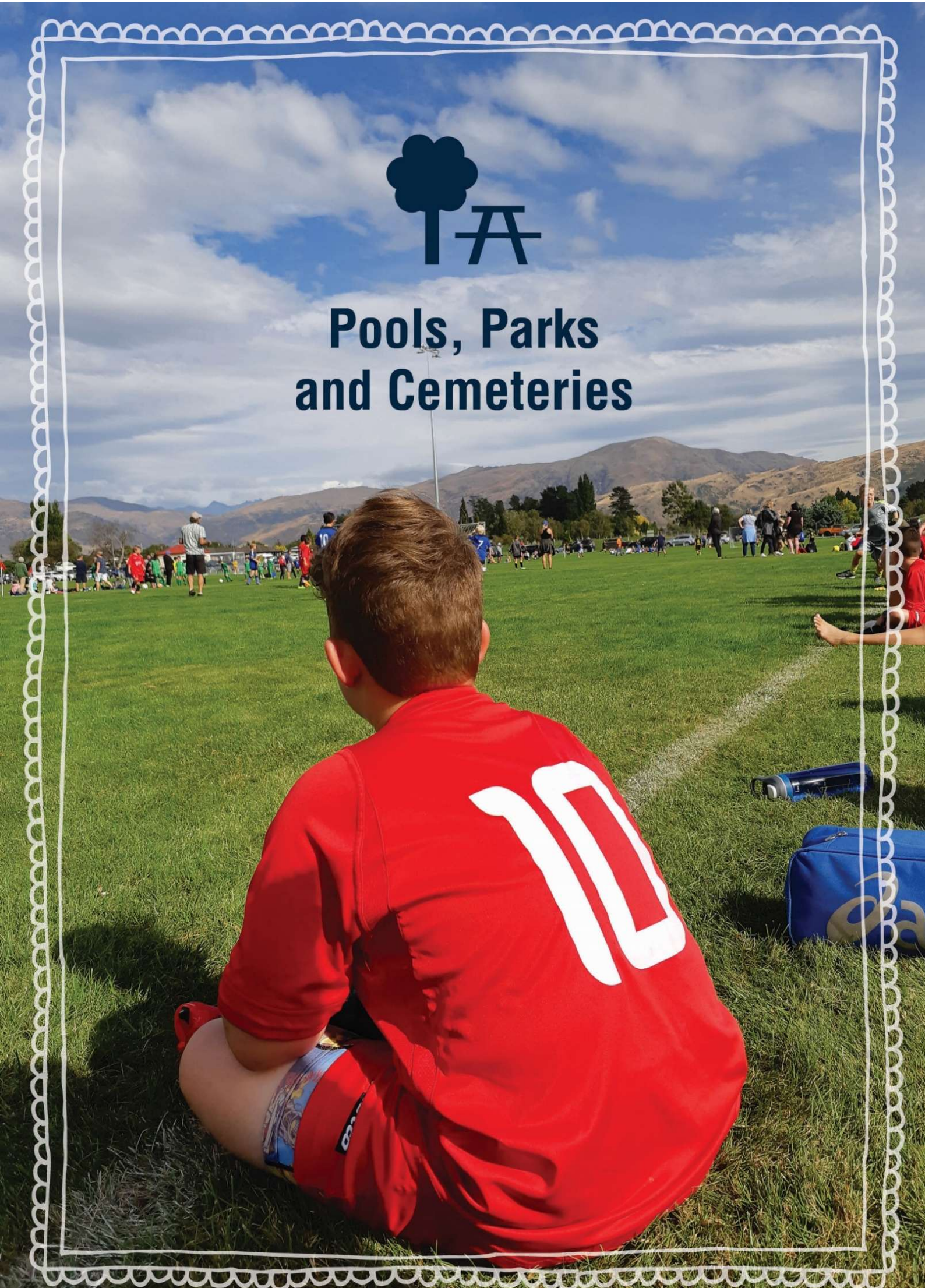
Community outcome	Our objective level of service	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/26	Comments
Building Services						
Robust Social Fabric Expressions of Culture Increased Economic Prosperity	To enable customers to build in an appropriate way through a timely consent process	Percentage of building consents issued within the statutory timeframe	To achieve ≥ 97% of building consents issued within the 20 working day statutory timeframes	86%	90%	**Target not achieved** 823 building consents were granted, with an average processing time of 12 working days. 86% were processed within the statutory 20-working-day timeframe. Following the transition to Objective Build in May 2026, 100% of building consents processed through the new system were completed within the statutory timeframe. Performance was impacted by vacancies and the onboarding and competency development of new staff.

Community outcome	Our objective level of service	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/26	Comments
	To provide customers with LIM reports and a timely service	Percentage of LIMs issued within the statutory timeframe	To achieve ≥ 99% of LIMs issued within the 10 working day statutory timeframes NB This includes 5 day urgent LIM requests	100%	100%	**Target achieved**
Environmental Health						
Increased Economic Prosperity Robust Social Fabric	To assist food business operators to meet their obligation of selling safe and suitable food. This will be achieved through education and verifying and enforcing the requirements of the Food Act 2014	Percentage of applications for the registration of food businesses completed within 10 working days	≥ 90% of applications for the registration of food businesses are completed within 10 working days	100%	100%	**Target achieved**
		Percentage of food business verifications carried out within the required Food Act 2014 performance-based verification frequency	To achieve ≥ 90% of food business verifications being carried out within the required Food Act 2014 performance-based verification frequency	100%	95%	**Target achieved**
		Percentage of corrective action requests and improvement notices resulting from non-conformances/compliances are completed within the specific period	To achieve ≥ 95% of corrective action requests and improvement notices resulting from non-conformances/compliances being completed within the specified period	100%	100%	**Target achieved**

2024/25 LTP Yr 4 $000	2024/25 Annual Plan $000	2024/25 Actual	Funding Impact Statement For the year ended 30 June 2026 PLANNING AND REGULATORY	2025/26 LTP Yr 1 $000	2025/26 Actual
			OPERATING		
-	-	-	General rates, uniform annual general charges, rates penalties	-	-
2,726	2,219	2,269	Targeted rates	1,904	1,941
-	-	-	Subsidies and grants for operating purposes	-	-
2,324	2,451	2,659	Fees and charges	2,957	2,524
16	158	259	Internal charges and overheads recovered	-	-
801	830	1,128	Local authorities fuel tax, fines, infringement fees, and other receipts	822	2,036
5,866	**5,658**	**6,315**	**Total operating funding**	**5,683**	**6,501**
			Applications of operating funding		
4,527	4,624	4,987	Payments to staff and suppliers	4,854	6,163
-	-	-	Finance costs	-	-
1,351	1,734	1,751	Internal charges and overheads applied	1,720	1,767
3	-	1	Other operating funding applications	-	1
5,881	**6,358**	**6,739**	**Total applications of operating funding**	**6,574**	**7,931**
(15)	**(701)**	**(424)**	**Surplus (deficit) of operating funding**	**(892)**	**(1,430)**
			CAPITAL		
			Sources of capital funding		
-	-	-	Subsidies and grants for capital expenditure	-	-
-	-	-	Development and financial contributions	-	-
-	-	-	Increase (decrease) in debt	-	-
-	-	-	Gross proceeds from sale of assets	-	-
-	-	-	Lump sum contributions	-	-
-	-	-	Other dedicated capital funding	-	-
-	**-**	**-**	**Total sources of capital funding**	-	**-**
			Applications of capital funding		
			Capital expenditure		
-	-	-	- to meet additional demand	-	-
-	-	-	- to improve the level of service	205	70
96	96	95	- to replace existing assets	120	297
(110)	(797)	(520)	Increase(decrease) in reserves	(1,217)	(1,787)
-	-	-	Increase (decrease) in investments	-	-
(15)	**(701)**	**(424)**	**Total applications of capital funding**	**(892)**	**(1,430)**
15	**701**	**424**	**Surplus (deficit) of capital funding**	**892**	**1,430**
-	**-**	**-**	**Funding balance**	-	**-**

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Pools, Parks and Cemeteries



Pools, Parks and Cemeteries

About our activity

Council own and maintain high-quality open and recreational spaces and places that provide for community enjoyment and wellbeing.

Council owns a total of 1200ha of reserve land of which, 492ha are available for public use with 268ha of that being regularly maintained. Council maintains 13 sports grounds and domains, eight cycling and walking tracks, three skateboard facilities, a bike park, approximately 7,000 trees, 3 playgrounds, 11 cemeteries.

Our goal is to ensure the sustainability and continued improvement of our open spaces' areas, meeting the needs of our community now and in the future.

Growing Our Aquatic Centres for the Community

Over the past year, our focus has continued to be on growing the use of our aquatic facilities through new programmes, activities and opportunities for our communities to get involved.

Alexandra Pool – introduced new Monday programmes, providing additional opportunities for the community to be active, social and make use of the facility outside of traditional swim and lap swimming sessions.

Cromwell Pool – introduced Flipper Ball, providing a new and fun way for children and families to enjoy the pool. The programme has also created an opportunity to explore the development of a Water Polo Club in Cromwell.

Aqua Fitness – we are currently training three new Aqua Fit instructors across our facilities, including an instructor based at Roxburgh Pool. This will allow us to increase the availability of Aqua Fit programmes and provide more opportunities for our communities to participate in low-impact exercise.

We are continuing to look at new and innovative ways to use our aquatic facilities, with a focus on programmes that encourage participation, support wellbeing and bring different parts of our communities into our pools. These initiatives demonstrate our commitment to making our aquatic centres more than places to swim. They are community spaces where people can be active, connect with others and participate in programmes that support their health and wellbeing.

THIS ACTIVITY CONTRIBUTES TO THE FOLLOWING COMMUNITY OUTCOMES







Highlights

Keeping Our Pools in Top Shape

Our annual maintenance shutdowns continued across the 2025/2026 year, ensuring our facilities remain safe, reliable and well maintained for our communities. Both Alexandra and Cromwell Pools underwent planned maintenance works during June and July, with a range of upgrades and improvements completed.

Alexandra Pool – the filters were overhauled, along with painting works both inside and outside the facility. These works have helped refresh the facility and ensure key infrastructure continues to operate effectively.

Cromwell Pool – new starting blocks were installed and fixed to the liner in the Therapy Pool, along with repairs to tiles and painting works in the changing rooms.

The annual shutdown programme provides an important opportunity to complete larger maintenance, and renewal works while minimising disruption to our communities during the main operating periods.

Swim School Continues to Remain Strong

Swim School continues to be an important part of our aquatic service, providing valuable swimming and water safety skills across our communities.

Overall enrolment numbers have remained steady and are very close to the previous year. While online enrolments were down by 5.2%, this was largely influenced by a period of teacher absence. Encouragingly, new student enrolments have increased by approximately 20%, demonstrating continued demand and interest in our Swim School programmes.

We are continuing to look at ways to improve the enrolment experience, including exploring online enrolment options, while maintaining a strong focus on delivering quality swimming lessons and building confidence.

Parks contracts and Open Space

Council continued with the second year of a five-year partnership agreement with Haehaeata Trust to plant at the Half Mile Recreation Reserve.

Delta continues to provide open spaces maintenance operations for Council through the Open Spaces Maintenance Contract.

Digitisation of Cemetery trust records

Digitisation of Council cemeteries records continued, future-proofing public records, and ensuring the community and wider public can search for relatives and people of interest online. Millers Flat and Manuherekia cemetery records were digitised. Work continues in digitising Tarra and Blackhills Cemeteries.

Other parks highlights

Development plans to extend both Cromwell and Naseby cemeteries have been approved, and initial development work will commence.

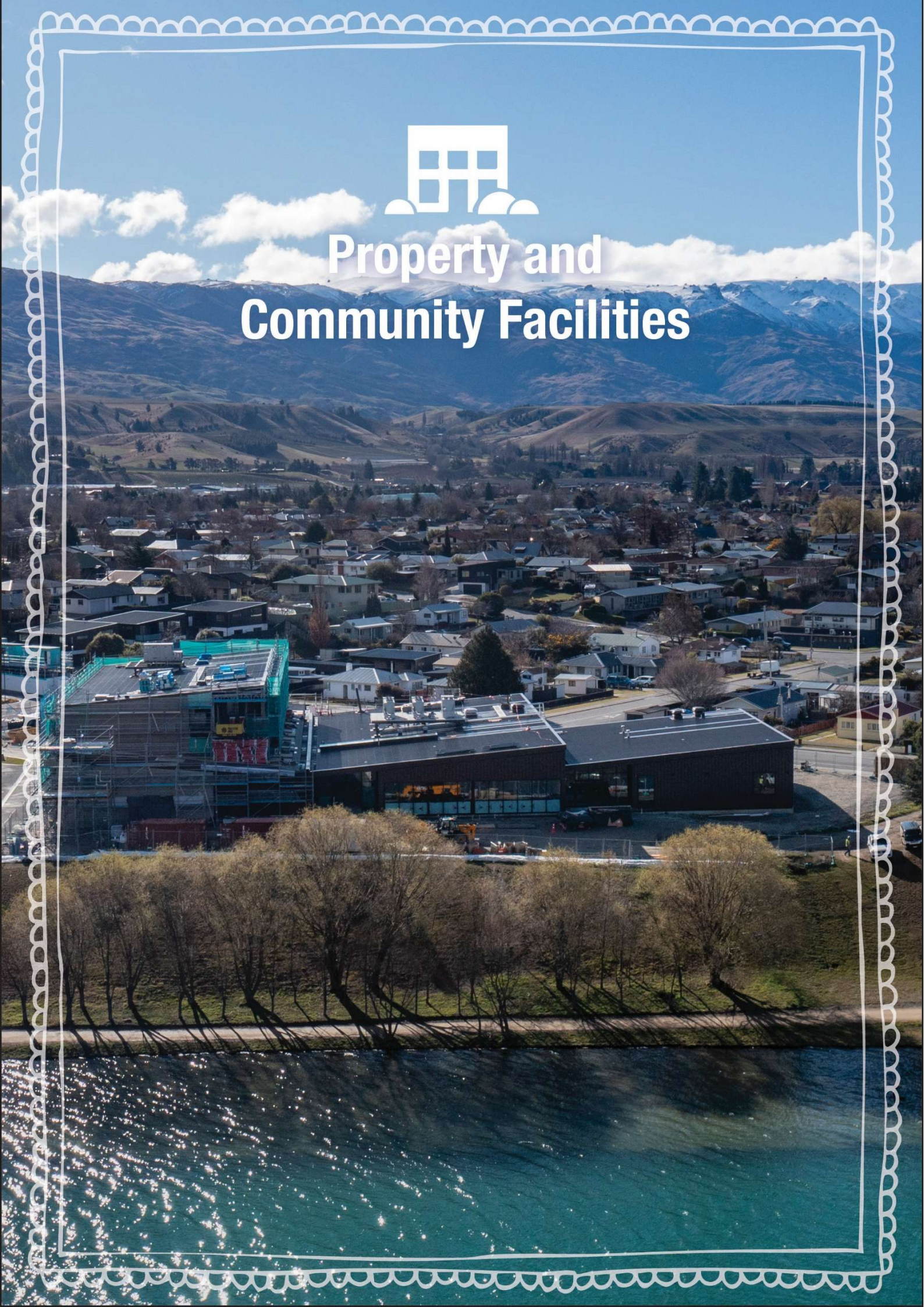
- Council's Reserves Naming Policy was updated and adopted which sets out a formal process to follow when naming parks and open space areas.
- Stage 1: - The plaza Kāmoanahaehae – Riverside Park was completed.
- Third party funding from Waiora Manuherekia has enabled a track to be developed from Kāmoanahaehae - Riverside Park to the Linger and Die to provide a safe off-road link for cyclists and walkers.
- Cromwell Racecourse Reserve Management Plan was adopted following consultation in 2025/26
- Irrigation improvements continued across the district to update the aging infrastructure.

What we have achieved in Parks, Pools and Cemeteries

Community Outcome	Our objective level of service	How we measure success	Our Aims Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
Increased Economic Prosperity Respect for the Environment Expressions of Culture	Parks and reserves are maintained and operated so that they look good and meet the needs of users	Percentage of customer survey respondents satisfied with parks and reserves	Maintain satisfaction with parks and reserves at above 85%	88%	92%	**Target achieved**
		Percentage of customer survey respondents satisfied with cemeteries and the burial process	Maintain satisfaction with cemeteries and the burial process at above 90%	81%	69%	**Target not achieved** The result is more than a 10% improvement on last year's result
	Central Otago playgrounds are maintained to meet the NZ Playground Safety Standards	Annual "Playground Safety Standards" audit	To complete the audit	Pass	Pass	**Target achieved** Audit completed. Audit was booked prior to June 2026, while the inspection was carried out in July 2026.
Increased Economic Prosperity Robust Social Fabric	To provide aquatic facilities including a range of programmes that meet the needs of most of the community	Percentage of customer survey respondents satisfied with pools and the programmes offered	Maintain user satisfaction ≥ 80	79%	89%	**Target not achieved**
	Aquatic facilities are managed to NZ Water Safety Council "Pool Safe" Standards	Annual "Pool Safe" audit	Completed	Pass	Pass	**Target achieved**

2024/25 LTP Yr 4 $000	2024/25 Annual Plan $000	2024/25 Actual $000	Funding Impact Statement For the year ended 30 June 2026 POOLS, PARKS AND CEMETERIES	2025/26 LTP Yr 1 $000	2025/26 Actual $000
			OPERATING		
(1)	-	-	General rates, uniform annual general charges, rates penalties	-	-
6,638	7,034	7,067	Targeted rates	8,754	8,773
2	-	561	Subsidies and grants for operating purposes	-	63
1,066	560	1,157	Fees and charges	669	1,259
612	780	940	Internal charges and overheads recovered	-	-
180	502	579	Local authorities fuel tax, fines, infringement fees, and other receipts	155	318
8,496	**8,876**	**10,305**	**Total operating funding**	**9,579**	**10,414**
			Applications of operating funding		
4,648	5,414	5,646	Payments to staff and suppliers	6,006	6,161
1	-	-	Finance costs	212	-
1,658	2,092	2,144	Internal charges and overheads applied	1,903	1,952
283	1	3	Other operating funding applications	-	82
6,590	**7,507**	**7,792**	**Total applications of operating funding**	**8,121**	**8,195**
1,906	**1,369**	**2,513**	**Surplus (deficit) of operating funding**	**1,457**	**2,219**
			CAPITAL		
			Sources of capital funding		
-	200	33	Subsidies and grants for capital expenditure	200	179
-	-	-	Development and financial contributions	82	45
-	(93)	(93)	Increase (decrease) in debt	(95)	(1,870)
-	-	-	Gross proceeds from sale of assets	-	-
-	-	-	Lump sum contributions	-	-
-	-	-	Other dedicated capital funding	-	-
-	**107**	**(59)**	**Total sources of capital funding**	**187**	**(1,646)**
			Applications of capital funding		
			Capital expenditure		
5	5	25	- to meet additional demand	59	30
1	301	41	- to improve the level of service	-	-
1,217	2,094	2,830	- to replace existing assets	1,610	1,304
682	(923)	(442)	Increase(decrease) in reserves	(25)	(761)
1	-	-	Increase (decrease) in investments	-	-
1,906	**1,476**	**2,453**	**Total applications of capital funding**	**1,645**	**573**
(1,906)	**(1,369)**	**(2,513)**	**Surplus (deficit) of capital funding**	**(1,457)**	**(2,219)**
-	**-**	**-**	**Funding balance**	**-**	**-**

Property and Community Facilities



Property and Community Facilities

About our Activity

Community facilities and buildings provide local community hubs for social, sporting, and cultural interaction. Council provides elderly persons housing - 98 units located in Alexandra, Clyde, Cromwell, Ranfurly and Roxburgh.

Council's property portfolio includes: the main operational and customer service centre in Alexandra; 3 additional service centres in Cromwell, Ranfurly, and Roxburgh; more than 102 public toilets across 37 sites; 3 airports; 98 units providing elderly persons housing; and Council's portfolio of both Commercial and Community leases and licences.

Council own and lease a variety of commercial and farm properties and develop land for sale. The income from commercial property is used to fund other Council costs.

Council holds a number of land parcels, currently being used as forestry blocks. These forests also provide an amenity value for the community for walking and biking. Some have potential for other land use in the future as recognised by their zonings in the District Plan.

THIS ACTIVITY CONTRIBUTES TO THE FOLLOWING COMMUNITY OUTCOMES







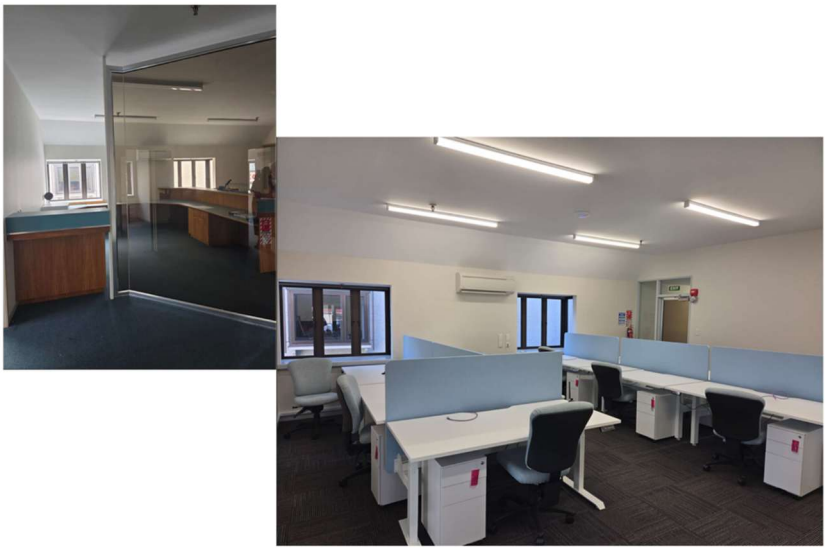
Highlights

Community Facilities

Tarbert Street Office Renovation
A previously vacant office building on Tarbert Street underwent a significant refurbishment during the year, transforming the space into a modern, fit-for-purpose workplace. The renovation included upgrades to office facilities, meeting spaces and staff amenities, extending the life of the building and creating a functional, welcoming environment for future occupants.



Tarbert St Office Kitchen space before and after renovation



Tarbert St office space before and after renovation

Te Puna Mahara – Cromwell Memorial Event Centre

After two years of hard work with Naylor Love as the construction team and Jasmax as the design lead the build is now complete. The building was formally blessed and opened in July 2026.

With a $45.8M budget for the primary project, and an additional $1.6M for the Museum, the project was completed on time and on budget. Te Puna Mahara is now run by a strong operational team and is a multi-purpose community facility comprising:

- 400-seat theatre
- Meeting and conference spaces
- 40-seat cinema
- Museum and gallery spaces
- Dance studio
- Café and bar
- Creative and community spaces

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Sunset – Te Puna Mahara – Winter 2026

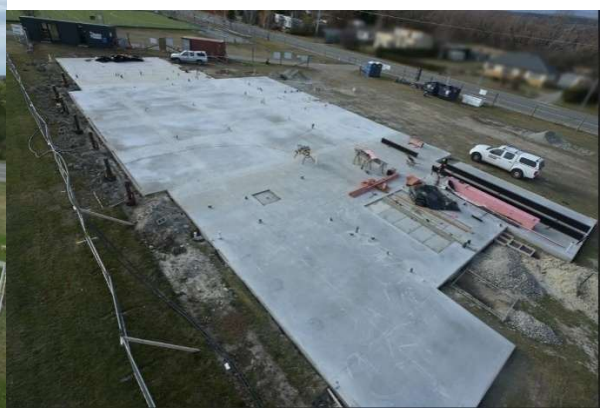
Cromwell CBD Redevelopment

Cromwell's population is expected to almost double over the next 30 years. Council has undertaken significant planning work since identified by the community in 2008 to understand how the town centre should evolve to support this growth. The Cromwell CBD Redevelopment will deliver a staged transformation of the town centre, creating a vibrant, accessible and connected civic heart that supports community wellbeing, economic growth and future development.

Manuherekia Valleys Community Hub

Construction of the new Community Hub at the Omakau Recreation Reserve commenced in late 2025 and is progressing well. The project remains on track for completion in April 2027.



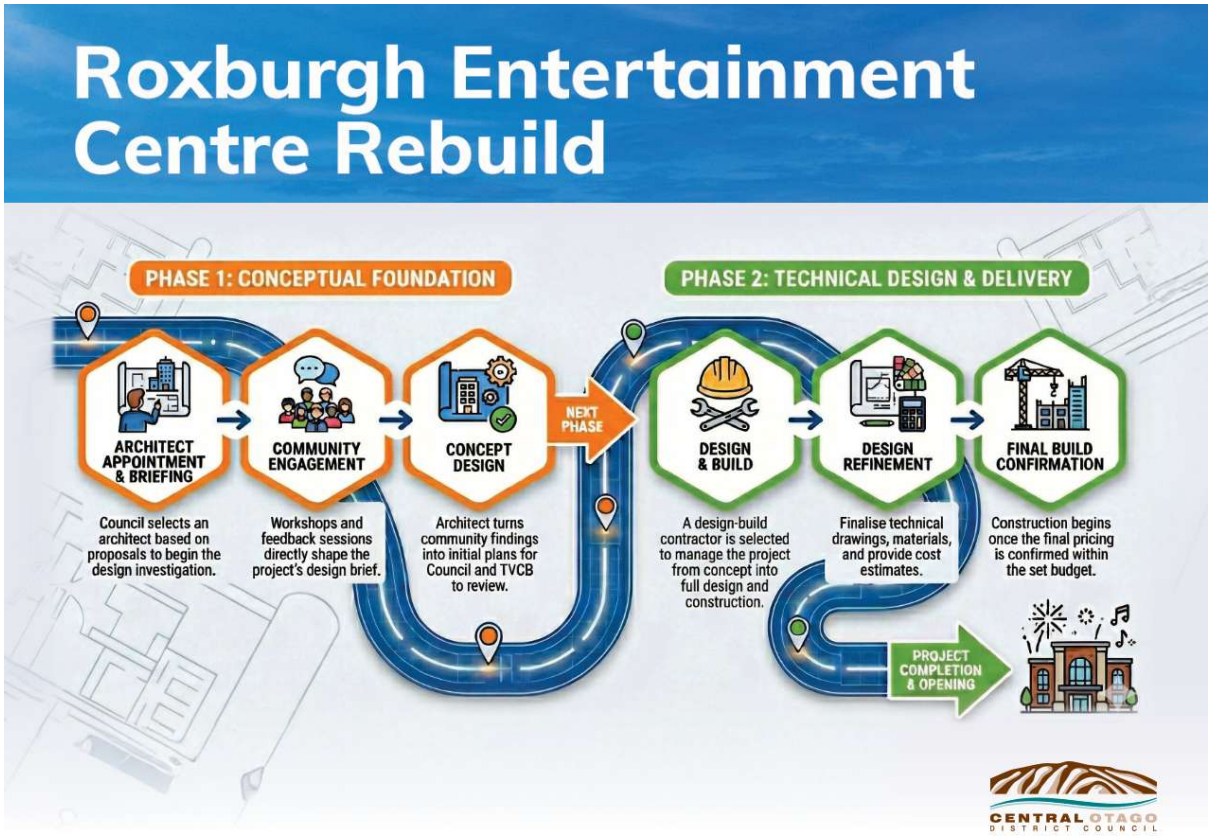


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Roxburgh Entertainment Centre Rebuild Project

Following a competitive procurement process that attracted more than 20 submissions, Athfield Architects were appointed to develop the concept design for the new Roxburgh Entertainment Centre. The concept design phase is expected to be completed by October/November 2026. Procurement options including design and build for the remaining design stages are still being considered but it is estimated the design phases will be completed ready for consent and construction by June 2027. If the project continues to progress in line with current scope, programme and budget expectations, construction is targeted for completion by the end of 2028



Maniototo Art Centre
Work to replace the rotten window and door frames with aluminium frames and double glazing has been completed. This work has improved the aesthetic value of the building and heat retention for the users.





Maniototo Stadium
The stadium roof has had the roofing nails replaced with hex screws and ridge capping has been replaced. Further work is planned to replace the butynol over the front veranda in the spring.

Maniototo Rugby Clubrooms
Two heat pumps have been installed in the club rooms and feedback received from users is that the heat pumps have much improved the

Wallace Memorial Room Rental Unit
Replacement of rotten window frames with aluminium frames and double glazing has been completed. The unit is now ready to be tenanted with a new tenancy commencing in September 2026.

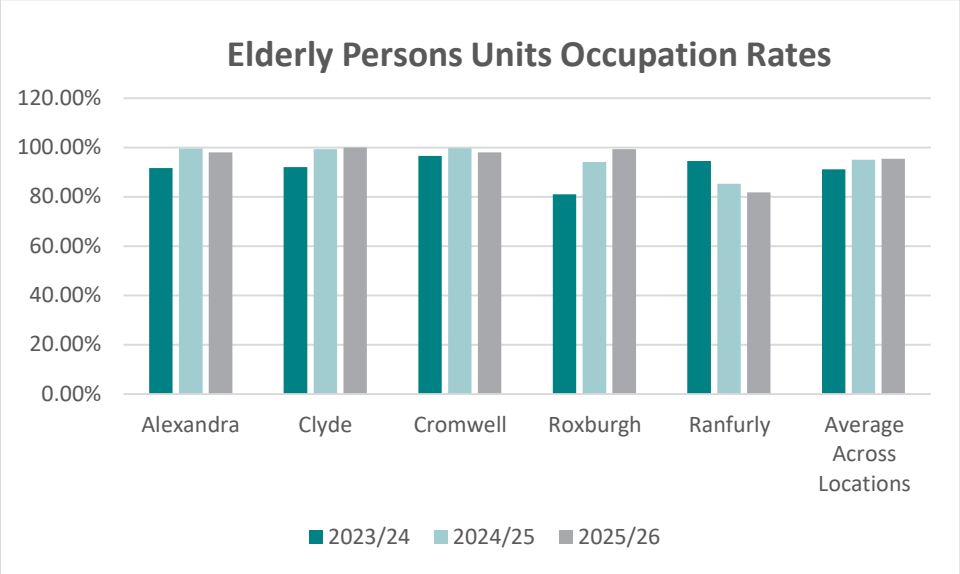


Elderly Persons Housing

This activity achieved an overall tenancy satisfaction survey result of 100% but noting that there was a lower-than-normal response rate of 43% to the survey.

All areas have a steady occupation rate except for Ranfurly, and there are new tenancies planned for the new financial year.

The occupation rate was 95.45% a very slight increase from the previous year of 95%.



All the roofs at the Alexandra units had the old nails removed and replaced with hex screws providing a watertight seal thus preventing pesky water leaks in certain rain weather patterns

4 kitchen benches were replaced at the Ranfurly units due to the deterioration of the Formica surfaces dur to wear and tear.

Minimal internal refurbishments have been undertaken due to high occupancy rates resulting in unviability of vacant units.

Other units that were vacated were in good condition didn't need any internal refurbishment work before being re-tenanted allowing for a quick turn over.

The unsafe concrete paths outside Shannon Street units in Alexandra were replaced.

Public Toilets

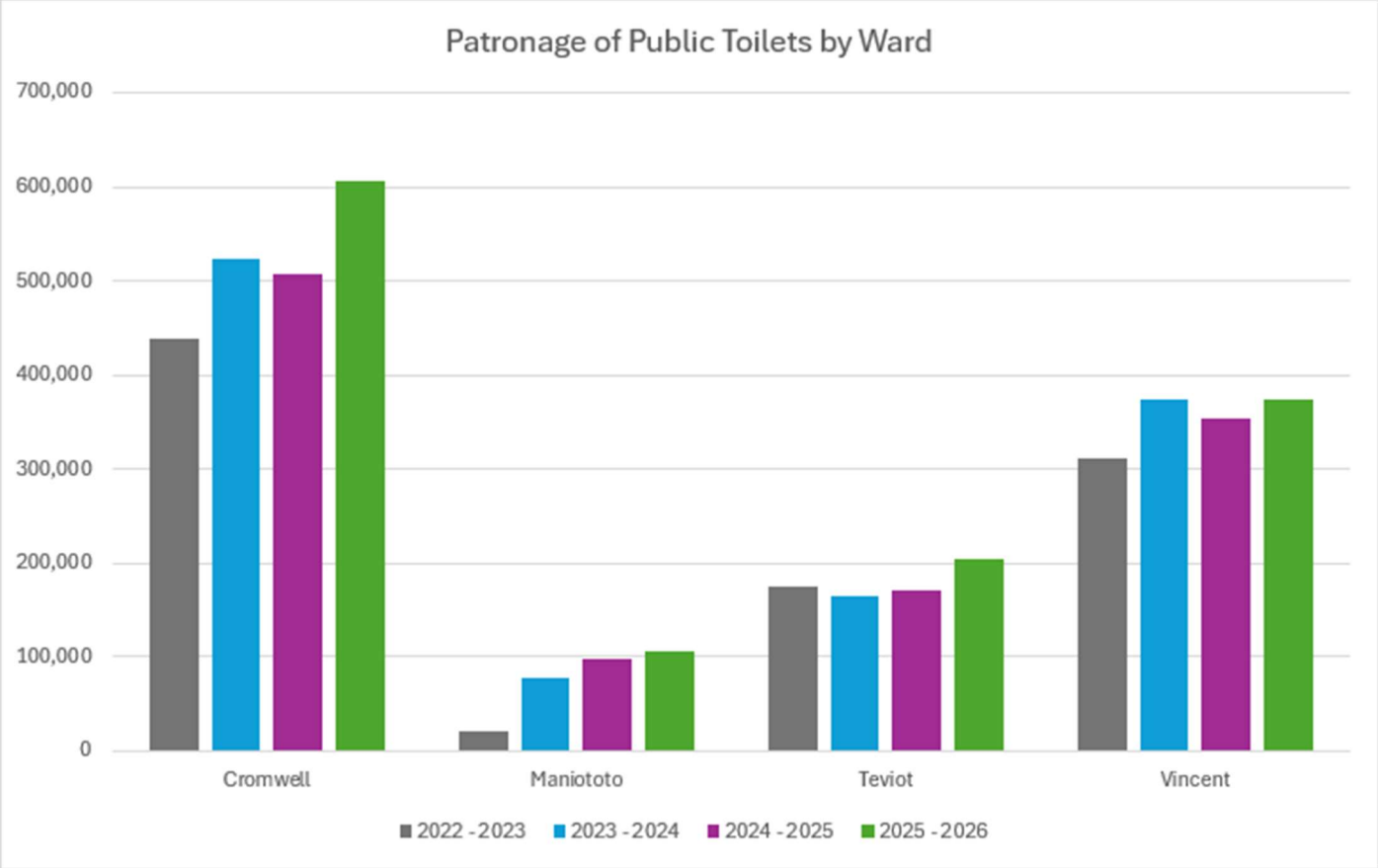
In total there has been 1,290,705 uses of the toilets across the district. Overall, usage increased by 14% compared with the previous financial year, with all wards experiencing growth of between 5% and 20%. Other notable changes include:

- All three toilets in Tarras recorded a 30% increase in usage over the last year, reaching a combined total of more than 192,000 visits, representing 15% of total district patronage.
- Following a 36% decrease in usage at the Old Cromwell Men's Toilet in 2024/25, patronage has now returned to 2023/24 levels.

- A 25% increase in usage at the Murray Terrace toilets.
- A slight increase in patronage at Naseby, while usage at Ranfurly has remained stable.
- A 17% increase in usage across all toilets in Roxburgh
- A 44% increase in usage at the Weatherall Creek toilets (next to the Clyde Rowing Club)

Overall, vandalism has reduced, possibly due to more toilets being locked overnight, when most incidents occur. However, vandalism still increases over the Christmas period, particularly at toilets in camping areas.

A new method for collecting patronage data has been introduced in recent months. The usage figures are therefore based on a combination of both collection methods, with some estimates included where needed. People counters are installed to collect this information.



Leases and Licencing

The Statutory Property Team manages 200 agreements generating more than $1.5 million annually in lease and royalty revenue.

The Lease Management system has been developed and now contains all lease information, links to relevant documentation, and provides a much stronger platform for monitoring obligations, managing renewals and producing accurate, timely reporting.

Completed work for 2025/26:

Activity:	Status
Completed updates on Leases	60
Total Reports to Boards and Council	47
Reviewed Delegations	Completed
Reviewed Leasing and Licensing Policy	Completed
Reviewed Road Stopping Policy	Completed
Agreement Templates drafted	Completed
Set-up and data entry of new Lease Management System	Completed
Review on charging of outgoings and invoicing matters	Ongoing
Taken over 54 Airport Leases	Completed
Forecast report for future Valuations requirements for LTP purposes	Completed/Ongoing
New leases for Te Puna Mahara - Cromwell Memorial Events Centre	Completed
Termination of leases in Cromwell to enable release of land for development	Completed
Numerous enquiries responded to on leasing matters from existing tenants including negotiations on old, expired leases for renewals	Alexandra Netball, Speedway, Container leases, Telecommunication leases over district, Community Clubs inter relationships issues, Endowment Land issues

Airports

Further development at Alexandra Airport is on hold pending upgrades to the water supply. During 2025/26, Stantec Engineering completed a Water Supply Upgrade Concept Assessment to identify the requirements for connecting the existing hangar precinct to the Alexandra town water supply. The assessment highlighted significant upgrades needed to bring the current reticulation network up to legislative standards. Funding for this work is being considered through the 2027–37 Long Term Plan.

Residential Developments

Civil works for Stages 1A and 1B have been completed at Gair Ave Cromwell, with titles expected to be issued in September. Council has approved the sale of the subdivision to a private developer, with settlement anticipated in November following the issue of titles for Stages 1A and 1B. The remaining sections in Stage 4 of Dunstan Park, Alexandra are expected to be sold during the current financial year.



What we have achieved in Property and Community Facilities

Community outcome	Our objective level of service	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
Increased Economic Prosperity Robust Social Fabric Expressions of Culture Respect for the Environment	Community buildings are accessible and affordable to communities based on existing provision	Percentage of customer survey respondents satisfied with community buildings	> 90% satisfied	81%	75%	**Target not achieved**
Increased Economic Prosperity Robust Social Fabric	Free public toilets are available for the local community and visitors throughout the district at locations set out in the Public Toilet Strategy	Percentage of customer survey respondents satisfied with public toilets	> 90% satisfied	92%	93%	**Target achieved**
	Each building will be assessed at a frequency required to meet all Building Act and Code of Compliance requirements	Compliance with building Warrant of Fitness requirements	Full compliance	Full compliance	Full compliance	**Target achieved**
	Housing suitable for elderly is provided in the main townships until such time as the need can be met by other agencies	Percentage of EPH tenancy survey respondents satisfied with their unit	> 90% satisfied	98%	100%	**Target achieved**

Community outcome	Our objective level of service	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
	To meet all Civil Aviation Authority (CAA) requirements for uncertified airports	No complaints from Airport users or notifications from CAA of non-compliance	Full compliance	Full compliance	Full compliance	**Target achieved** No complaints received.

2024/25 LTP Yr 4 $000	2024/25 Annual Plan $000	2024/25 Actual $000	Funding Impact Statement For the year ended 30 June 2026 PROPERTY AND COMMUNITY FACILITIES	2025/26 LTP Yr 1 $000	2025/26 Actual $000
			OPERATING		
639	558	561	General rates, uniform annual general charges, rates penalties	2,951	2,951
3,166	3,193	3,227	Targeted rates	3,799	3,808
-	-	65	Subsidies and grants for operating purposes	-	-
1,677	-	1,443	Fees and charges	1,806	1,458
1,584	2,877	2,875	Internal charges and overheads recovered	91	40
10,866	1,870	3,336	Local authorities fuel tax, fines, infringement fees, and other receipts	8,308	4,434
17,933	**8,498**	**11,507**	**Total operating funding**	**16,955**	**12,691**
			Applications of operating funding		
2,967	3,520	4,054	Payments to staff and suppliers	4,919	4,429
411	-	-	Finance costs	936	344
1,791	2,597	2,516	Internal charges and overheads applied	1,193	1,224
7,274	272	220	Other operating funding applications	4,237	1,040
12,442	**6,390**	**6,790**	**Total applications of operating funding**	**11,285**	**7,036**
5,491	**2,108**	**4,717**	**Surplus (deficit) of operating funding**	**5,669**	**5,654**
			CAPITAL		
			Sources of capital funding		
-	2,548	1,883	Subsidies and grants for capital expenditure	-	3,533
-	-	-	Development and financial contributions	680	67
(1,506)	3,733	(48)	Increase (decrease) in debt	17,772	15,302
-	-	-	Gross proceeds from sale of assets	-	-
-	-	-	Lump sum contributions	-	-
-	-	-	Other dedicated capital funding	2,600	6,456
(1,506)	**6,281**	**1,835**	**Total sources of capital funding**	**21,052**	**25,358**
			Applications of capital funding		
			Capital expenditure		
-	13	2	- to meet additional demand	3,200	3,116
5	14,924	15,043	- to improve the level of service	5,488	1,218
6,450	10,803	11,351	- to replace existing assets	14,353	14,888
(2,515)	(17,352)	(19,845)	Increase(decrease) in reserves	3,680	11,791
45	-	-	Increase (decrease) in investments	-	-
3,985	**8,389**	**6,552**	**Total applications of capital funding**	**26,722**	**31,012**
(5,491)	**(2,108)**	**(4,717)**	**Surplus (deficit) of capital funding**	**(5,669)**	**(5,654)**
-	**-**	**-**	**Funding balance**	-	**-**

Deloitte. for Identification



Service Centres and Libraries

Service Centres and Libraries

About our Activity

We aim to give our community the best customer experience: one where they are put first and provided with fast, efficient, accurate and friendly results. Council provides a front-line customer services team in its main Alexandra office and its three service centres in Cromwell, Roxburgh and Ranfurly.

We aim to deliver the highest quality library service to meet our community's information, education, recreation and cultural needs. We provide a joint library service with Queenstown Lakes District Council. In our district, we run libraries in Alexandra, Clyde, Cromwell and Roxburgh, and we have a partnership with schools in Millers Flat, Omakau and Maniototo.

THIS ACTIVITY CONTRIBUTES TO THE FOLLOWING COMMUNITY OUTCOMES

He Ōhaka e Ora Rāia ana
Thriving Economy

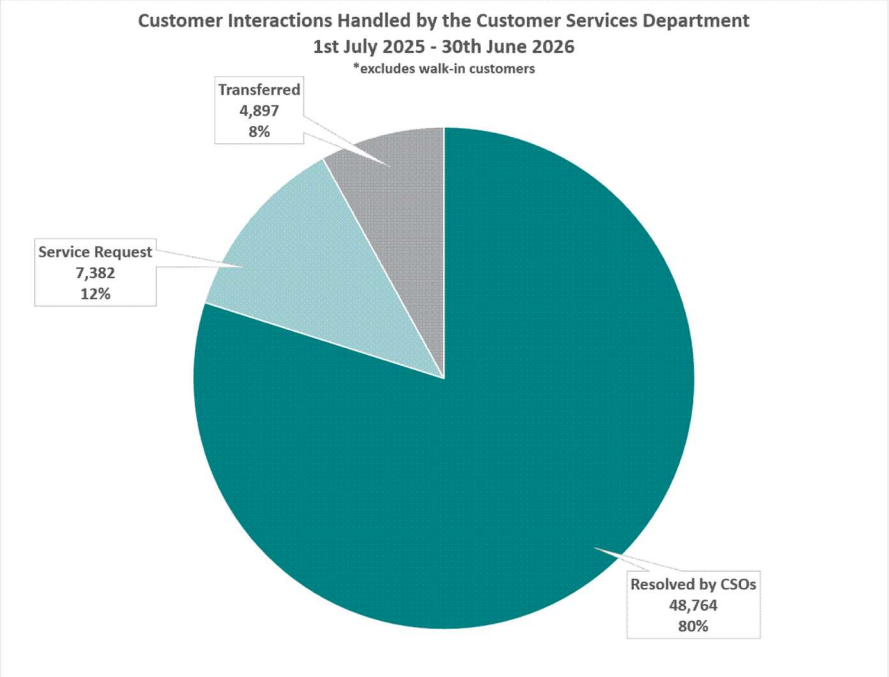
Toitū te Whenua
Sustainable Environment

He Hapori, He Haumi
Connected Community

Highlights

Service Centres

The Customer Services team continued to provide an accessible and responsive front door to Council services, supporting residents, ratepayers, businesses, and visitors across Central Otago.



During the 2025/26 financial year, the department managed 61,330+ customer interactions across phone, email, online, and face-to-face channels. The team remained focused on delivering a consistent "no wrong door" customer experience, ensuring customers received timely assistance regardless of how they chose to contact Council.

A key focus during the year was increasing the number of enquiries resolved at the first point of contact. The ongoing development of our knowledge base within Council's AI-powered Genesys Contact Centre has played an important role in supporting this objective by providing Customer Services Officers with quick access to accurate and up-to-date information.

As a result, 79.51% of all customer interactions (48,764 enquiries) were resolved directly by Customer Services Officers at the first point of contact. 12.04% of interactions (7,382 enquiries) were logged as service requests for review and action by the appropriate Council department or contractor. Only 7.98% of interactions (4,897 enquiries) required transfer to another Council staff member, a reduction on the previous year. This suggests more enquiries are either being resolved at first contact or directed straight into the appropriate Service Request pathway.

Customer Satisfaction
Customer satisfaction with Customer Services remained strong throughout the year. The annual Residents' Survey recorded a 90% satisfaction rate with Council office reception services, reflecting the team's ongoing commitment to delivering professional, helpful, and accessible customer service. Results from the 2026 Service Request Survey also demonstrated positive customer perceptions of the service provided:

86% of respondents described the service received as friendly and courteous. Internal improvements to service request processes contributed to a 4% increase in customers reporting that the service was both fast and efficient and dealt with effectively. 77% of respondents indicated their service request experience was fast and efficient. 74% of respondents reported that their service request was dealt with effectively.

These results provide assurance that improvements to customer service processes are delivering tangible benefits for the community and contributing to a positive customer experience.

Continuous Improvement
Throughout the year, Customer Services continued to support Council's customer experience objectives through process improvements, enhanced knowledge management, and the use of data and insights generated through the Genesys Contact Centre platform. These initiatives have strengthened the team's ability to provide accurate information, improve response times, and identify opportunities for continuous improvement across the organisation.

The introduction of reporting for walk-in customer interactions from April 2026 has also provided Council with greater visibility of customer demand across service centre locations and will support future service planning and resource allocation.

Looking Ahead
In 2026/27, Customer Services will continue to focus on improving first-contact resolution, expanding the knowledge base available to staff, enhancing digital customer service channels, and supporting the implementation of Council's Customer Services Strategy. These initiatives will help ensure Council services remain accessible, responsive, and easy to navigate, while continuing to deliver value for the Central Otago community.

Libraries Highlights

Central Otago Libraries continue to provide high-quality services that support our communities' information, education, recreation and cultural needs. Through the shared library service with Queenstown Lakes District Council, residents have access to a wide range of physical and digital resources, with libraries in Alexandra, Clyde, Cromwell and Roxburgh, and school-based partnerships in Millers Flat, Omakau and Maniototo helping ensure rural communities are well served.

A key milestone this year was the completion of the draft Central Otago Libraries Strategy, which will guide the future direction of library services across the district. The strategy recognises the important role libraries play as trusted community spaces that foster connection and belonging, celebrate culture and identity, support learning and skills development, and help people access information and services in an increasingly digital world.

Libraries remain well used and highly valued, with a 96% satisfaction rating in the Residents Survey and 160,446 visits recorded during the year. More than 1,080 activities and events were delivered across the district, including early literacy programmes, school holiday activities, book groups, digital skills training, community outreach and cultural events, all contributing to lifelong learning, wellbeing and stronger community connections.



Our collections and digital services also continue to show strong demand. Customers borrowed 149,459 physical items and 186,563 e-Items through the shared eCollections service, while libraries recorded 27,302 WiFi sessions, 3,782 public computer sessions and 18,076 print jobs. These figures highlight the ongoing value of libraries as accessible community hubs that support reading, learning, recreation, digital inclusion and participation across Central Otago.

What we have achieved in Service Centres and Libraries

Community outcome	Our objective level of service	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
Increased Economic Prosperity Robust Social Fabric Respect for the Environment Expressions of Culture	To provide a quality library service through friendly, helpful and knowledgeable staff that enables residents and visitors to have valued library experiences	Customer survey - Percentage of library users satisfied with the quality of library services	>90%	96%	96%	**Target achieved**
	To provide fast, efficient and friendly customer services to the Central Otago community	Satisfaction with contact regarding service requests - Customer survey – the service was fast and efficient	>75%	77%	74%	**Target achieved** Continuing to develop processes towards automated communication to inform customers on the progress of service requests.
		Satisfaction with contact regarding service requests - Customer survey – the service was friendly and courteous	>90%	86%	90%	**Target not achieved**
		Satisfaction with contact regarding service requests - Customer survey – issues dealt with effectively	>75%	74%	70%	**Target not achieved** Constant rate of economic and legislative changes imposed on CODC staff can constrain the rate of efficiency with issues raised.

Community outcome	Our objective level of service	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
	To provide fast, efficient and friendly customer services to the Central Otago community	Satisfaction with the initial contact with Council - Customer survey – the service was fast and efficient	>80%	81%	84%	**Target achieved**
		Satisfaction with the initial contact with Council - Customer survey – the service was friendly and courteous	>90%	92%	91%	**Target achieved**
		Satisfaction with the initial contact with Council - Customer survey – issues dealt with effectively	>75%	71%	73%	**Target not achieved**

2024/25 LTP Yr 4 $000	2024/25 Annual Plan $000	2024/25 Actual $000	Funding Impact Statement For the year ended 30 June 2026 SERVICES CENTRES AND LIBRARIES	2025/26 LTP Yr 1 $000	2025/26 Actual $000
			OPERATING		
-	362	363	General rates, uniform annual general charges, rates penalties	485	485
1,624	1,558	1,566	Targeted rates	1,925	1,930
-	-	611	Subsidies and grants for operating purposes	-	-
18	4	23	Fees and charges	9	28
(26)	5	21	Internal charges and overheads recovered	-	-
10	10	2	Local authorities fuel tax, fines, infringement fees, and other receipts	14	4
1,625	**1,939**	**2,587**	**Total operating funding**	**2,433**	**2,448**
			Applications of operating funding		
946	1,134	1,112	Payments to staff and suppliers	1,465	1,294
-	-	-	Finance costs	2	-
548	662	650	Internal charges and overheads applied	834	856
2	-	-	Other operating funding applications	-	-
1,496	**1,796**	**1,761**	**Total applications of operating funding**	**2,301**	**2,150**
130	**143**	**826**	**Surplus (deficit) of operating funding**	**131**	**297**
			CAPITAL		
			Sources of capital funding		
-	-	-	Subsidies and grants for capital expenditure	-	-
-	-	-	Development and financial contributions	-	-
-	-	-	Increase (decrease) in debt	-	-
-	-	-	Gross proceeds from sale of assets	-	-
-	-	-	Lump sum contributions	-	-
-	-	-	Other dedicated capital funding	-	-
-	**-**	**-**	**Total sources of capital funding**	**-**	**-**
			Applications of capital funding		
			Capital expenditure		
-	-	-	- to meet additional demand	-	-
-	3	-	- to improve the level of service	-	-
4,942	177	1,038	- to replace existing assets	189	216
(4,813)	(36)	(212)	Increase(decrease) in reserves	(57)	81
-	-	-	Increase (decrease) in investments	-	-
130	**143**	**826**	**Total applications of capital funding**	**131**	**297**
(130)	**(143)**	**(826)**	**Surplus (deficit) of capital funding**	**(131)**	**(297)**
-	**-**	**-**	**Funding balance**	**-**	**-**

Deloitte. for Identification


Community, Economic
and Strategic
Development

Community, Economic and Strategic Development

About our Activity

Council's community, economic and strategic development team connects and empowers communities to thrive. They maintain strong relationships and partnerships across external stakeholder groups, align priorities within our strategic framework to meet community goals and aspirations, and deliver across the economic development, community development and engagement, communications, destination management, and strategy functions.

The relationships forged with community groups, neighbouring councils, key stakeholders and our mana whenua partner Aukaha continued to be a strong focus this financial year. Additionally, several key strategic documents were developed, renewed, embedded, or acted upon, including the launch endorsement of Living Well in Central Otago - the District Vision, the renewal of the Economic Development Strategy, and continued delivery against the Destination Management Plan.

THIS ACTIVITY CONTRIBUTES TO THE FOLLOWING COMMUNITY OUTCOMES







Highlights

District Vision

In April 2025, Council formally endorsed Central Otago – Our Place in the World, a fifty-year vision for the Central Otago District. This was the result of a comprehensive community engagement campaign that sought people's opinions what they value most about living, working and/or visiting Central Otago, and what needs to be retained and enhanced to ensure that Central Otago remains the special place that it is.

Work is now focused on ensuring that our community's vision for Central Otago is reflected in future planning and decision-making for our region, including Council plans for future activity. It has already influenced the community outcomes that were adopted as part of the 2025-34 Long-term Plan and has laid the foundations for the new Economic Development strategy.

Aukaha partnership

The partnership with Aukaha, the consultancy firm supporting Te Rūnanga o Ōtakou, Kāti Huirapa Rūnaka ki Puketeraki, Te Rūnanga o Moeraki and Hokonui Rūnanga continued to strengthen. Four partnership hui were held over the year, and staff accompanying the Mayor and CEO to Queenstown to attend the official southern Ngāi Tahu Waitangi Day commemorations.

Welcoming Communities

Welcoming Communities supports councils, mana whenua and communities to welcome newcomers to the district, and builds an economic and competitive advantage to attract, support and retain newcomers.

This year the Central Otago Welcoming Communities achieved Stage Two accreditation from MBIE, and Council has confirmed continued delivery of the programme for the next two years. Newcomer and multicultural networks are established in Cromwell and Alexandra, and multiple events and activities were coordinated throughout the year. Work continues towards forming newcomer communities in the Teviot Valley and Maniatoto.

Welcoming Communities teamed with Business South to enable three business mentorships for migrant newcomers – these proved to be very successful and rewarding for participants.

Welcoming Communities teamed with Central Otago REAP to host a series of community workshops to celebrate Welcoming Week and the Festival of Adult Learning, drawing communities together to learn and connect.



The Welcoming Communities and Regional Identity programmes worked with REAP again in June 2026 to host three community sessions on ‘getting to know Central Otago’. Topics included connecting to our place and stories, our emergency services, and our community networks.

Supporting the Community

$368,704 was distributed in Community Grants by Council and Community Boards to 27 different community groups and organisations across the district.

Staff continued to work alongside other key stakeholders to support “huddle” – an initiative established to help support, connect and strengthen community groups across Central Otago and Queenstown lakes. Huddl offered a range of workshops and networking opportunities over the year to community groups and organisations.

The community development team supported communities across the district, from Millers Flat to St Bathans on a range of issues from public beautification projects to participation in consultation opportunities. The team also worked with the Teviot Valley community to finalise the Teviot Valley Community Plan.



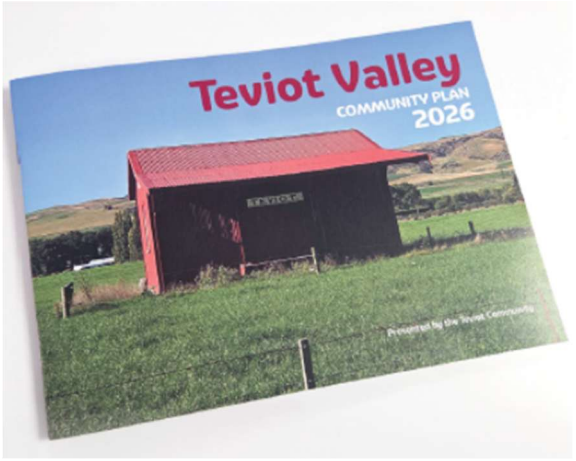


Image: The Millers Flat workshop on the Teviot Valley Community Plan, and an image of the final plan.

Residents' Opinion Survey

The 2026 Residents Survey was carried out between 22 May and 22 June 2026, using the Let's Talk | Kōrero Mai consultation platform. The survey evaluated ratepayer satisfaction with Council services and facilities over the previous 12 months. Participation was promoted throughout the district through media channels, elected members and community outreach efforts.

Based on the number of responses (n=362) and the population of the Central Otago District (25,800), the data in this survey is accurate to a margin of error +/- 5 at a 95 per cent confidence level. Gender and ward distributions roughly reflect the district distributions, though the 60+ age group are overrepresented (59%).

Economic development

The Economic Development Strategy 2025-2035 and annual work programme were adopted by Council. Work was undertaken on implementing the key activities outlined in the work programme.

- Annual funding was secured from Local Government NZ for the Mayor's Taskforce for Jobs programme, helping to find local employment for youth between the ages of 16-24 who are not currently in employment, education, or training. Over this period 25 young people were placed into employment and several others supported to become work ready.
- New businesses were supported to establish and grow through monthly Think Drinks events and business planning workshops that provided entrepreneurs access to expert advice and a startup community.
- Local business and sector group meetings were regularly attended to ensure engagement on councils work programme and receive business and sector updates around opportunities to support. Infometrics event was also hosted.
- Film activity was supported and further enabled through renewal of the Film Friendly Policy, digitisation of the Film Notification form, and ongoing support of Film Otago Southland.
- Continued regional collaboration through the Otago Regional Economic Development (ORED) group. The focus over this period has been on identifying themes and priority projects for Otago.
- The next stage of the Increasing Digital Connectivity project involved development of a request for information to better understand technology and partnership options.

Destination management and promotion

Central Otago's Destination Management Plan is now firmly embedded as the foundation for Tourism Central Otago's (TCO) workstreams. This is the guide for how the region is positioned through key channels and activity and is driving the team's engagement across other regional projects to ensure that the community benefits through tourism.

- TCO's Media and Press Relations (PR) activity continues to secure profile for the region by pitching and hosting of domestic and international journalists and media and leveraging Tourism New Zealand activity. This includes multiple articles and coverage in print, digital and broadcast television.
- Travel Trade and Business Events have seen the region and local operators represented at a range of key annual industry events including the Business Events Expo, Business Events Industry Aotearoa (BEIA) Meetings NZ, Tourism Rendezvous New Zealand (TRENZ), Regional Tourism New Zealand (RTNZ) Inbound Operator Days and Tourism Export Council.
- TCO has hosted key inbound operators, conference organizers and incentive managers on in-region familiarizations "famils" which provide the best way to increase industry knowledge of Central Otago's unique products and experiences that industry can sell and promote to their own clients.
- TCO co-ordinated two workshops for members of the wider business community to connect and learn from one another and external expertise.
- The Otago Trails Marketing initiative partnered with the Southern Way group and other regional partners to produce and launch a short documentary and new bikepacking route called the Southern Way 1000 – traversing the Great Rides of Otago and Southland. The documentary premiered at the NZ Mountain Film Festival Land will screen as part of the Big Bike Film Festival in Australia.
- Across the 2025-2026 period the Southern Way collaboration of lower South Regional Tourism Organisations and Airport secured over $800,000 of Central Government support for Tourism Boost campaign activity in Australia including partnerships with Jetstar, Tourism New Zealand, Tripadvisor, Viator and the Restaurant Association.
- Partnered with Save the Kiwi Trust to host the Kiwi Art Trail in Bannockburn, Alexandra and Clyde.
- Supported local events organisers with marketing support and use of event resources including gazebos, event gantry, timing clock and marquees.

Regional Identity

A strategic review of the Regional Identity value statements has been undertaken and this 'refreshed' programme is to be shared with both Council staff and the wider community. The new design elements are being incorporated into Council interpretation and imagery that relates to the broader Central Otago place and communities.

Eden Hore Central Otago (EHCO)

The feature exhibition *Eden in Dunedin,* hosted in Toitū Otago Settlers Museum, has proven extremely popular, with the institution welcoming 321,709 visitors between April 2025 through March 2026. Meanwhile, within Central Otago a 'visitor trail' of EHCO stories and displays is establishing – currently there are displays at Maniototo Early Settlers Museum in Naseby, Io-hi in Ranfurly, Central Stories Museum and Gallery in Alexandra, and Feinerman's Store in Roxburgh. The team is looking to work with businesses and community groups to further expand these experiences.



What we have achieved in Community, Economic and Strategic Development

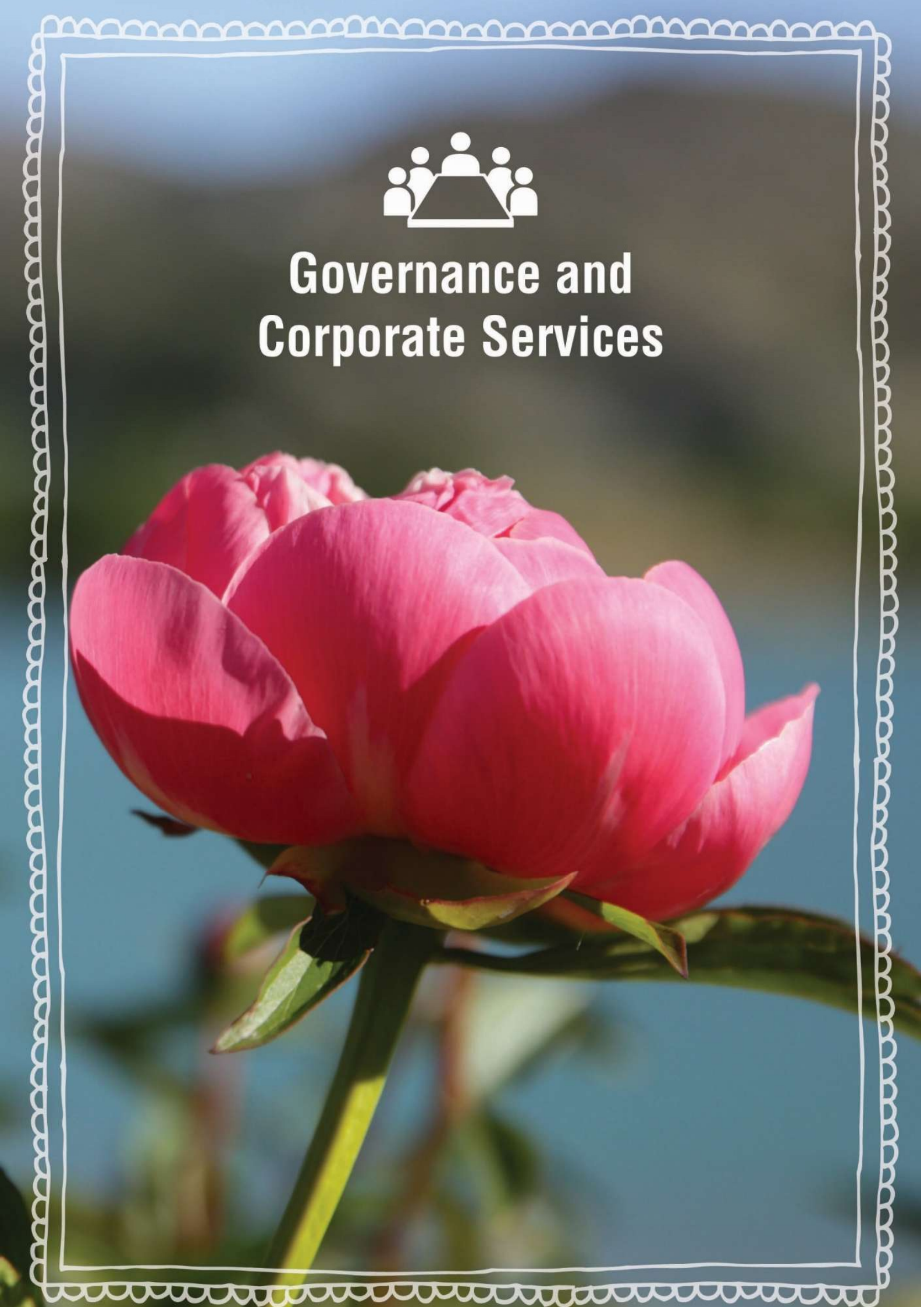
Community outcome	Our objective level of service	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
Communications and Engagement						
Robust Social Fabric Expressions of Culture	Community feel they are informed about Council activities	Percentage of respondents to customer survey who feel they are informed about Council activities	> 75%	67%	71%	**Target not achieved** Data derived from Council's Resident Survey responses; reasons for scores were not provided
	Community believe they have adequate opportunities to have their say in Council activities	Percentage of respondents to customer survey who believe they have adequate opportunities to have their say in Council activities	> 75%	63%	80%	**Target not achieved** Data derived from Council's Resident Survey responses; reasons for scores were not provided
Community Development						
Increased Economic Prosperity Robust Social Fabric	Council empowers local communities and facilitates the delivery of community outcomes by providing community grants	Percentage of budgeted annual community grants funding awarded to community organisations	80%	95.86%	New measure	**Target achieved** Over 95% of the Grants budget distributed to community organisations.
  Respect for the Environment Expressions of Culture	Council supports and empowers local communities through the community development activity	Level of satisfaction with Community Development focus on community planning, grants administration,	75%	67%	New measure	**Target not achieved** 67% expressed satisfaction with community development focus on community planning, grants administration and community outreach and advocacy. This is

Community outcome	Our objective level of service	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
		community outreach and community advocacy				the first time this measure has been included, so there is no trend data available.
Economic Development						
Increased Economic Prosperity Robust Social Fabric Sustainable Environment	Council's economic development programme is providing critical interface between communities and Council	Economic Development representatives regularly attend business group and other community group meetings throughout the year	Attend a minimum of 12 business group meetings per annum	26 meetings attended	New Measure	**Target achieved** Economic development staff attended over 26 business group meetings during the 2025/2026 year.
Tourism						
Increased Economic Prosperity Robust Social Fabric Respect for the Environment Expressions of Culture	Council's Destination Management programme is providing a critical interface between communities and Council	Tourism Central Otago co-ordinates workshops for members of the wider business community to connect and learn from one another and external expertise	Two workshops held per annum	2	New Measure	**Target achieved** Central Otago facilitated two operator connection events during the 2025/2026 year in Cromwell and Alexandra. Additional events were held for members of the Business Events programme.
Policy and Strategy						
Increased Economic Prosperity Robust Social Fabric Respect for the Environment	Council's policies and strategies remain up to date and relevant.	Percentage of Council administered documents in the policy and strategy register are current and have been reviewed within specified timeframes	> 80%	83%	93%	**Target achieved** Additional pressures of reform and rates capping have led to increased pressure across the business.

2024/25 LTP Yr 4 $000	2024/25 Annual Plan $000	2024/25 Actual $000	Funding Impact Statement For the year ended 30 June 2026 COMMUNITY, ECONOMIC AND STRATEGIC DEVELOPMENT	2025/26 LTP Yr 1 $000	2025/26 Actual $000
			OPERATING		
1,820	1,700	1,703	General rates, uniform annual general charges, rates penalties	2,019	2,020
2,104	2,044	2,066	Targeted rates	1,928	1,950
28	47	160	Subsidies and grants for operating purposes	49	103
65	3	24	Fees and charges	36	21
24	58	89	Internal charges and overheads recovered	-	-
54	167	306	Local authorities fuel tax, fines, infringement fees, and other receipts	156	219
4,095	**4,019**	**4,348**	**Total operating funding**	**4,189**	**4,313**
			Applications of operating funding		
2,488	2,951	2,918	Payments to staff and suppliers	3,381	2,975
2	-	-	Finance costs	57	1
884	1,117	1,101	Internal charges and overheads applied	1,175	1,199
652	-	-	Other operating funding applications	-	10
4,026	**4,068**	**4,019**	**Total applications of operating funding**	**4,613**	**4,184**
69	**(49)**	**329**	**Surplus (deficit) of operating funding**	**(425)**	**129**
			CAPITAL		
			Sources of capital funding		
-	-	-	Subsidies and grants for capital expenditure	16	-
-	-	-	Development and financial contributions	-	-
-	(57)	(57)	Increase (decrease) in debt	(59)	(1,558)
-	-	-	Gross proceeds from sale of assets	-	-
-	-	-	Lump sum contributions	-	-
-	-	-	Other dedicated capital funding	-	-
-	**(57)**	**(57)**	**Total sources of capital funding**	**(43)**	**(1,558)**
			Applications of capital funding		
			Capital expenditure		
-	-	-	- to meet additional demand	-	-
-	-	-	- to improve the level of service	-	-
-	-	-	- to replace existing assets	-	-
66	(106)	272	Increase(decrease) in reserves	(468)	(1,429)
3	-	-	Increase (decrease) in investments	-	-
69	**(106)**	**272**	**Total applications of capital funding**	**(468)**	**(1,429)**
(69)	**49**	**(329)**	**Surplus (deficit) of capital funding**	**425**	**(129)**
-	**-**	**-**	**Funding balance**	**-**	**-**

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Governance and Corporate Services



Governance and Corporate Services

About our Activity

Activities in this group enable democratic local decision-making, and to meet the current and future needs of our communities in a cost-effective manner.

The governance team supports elected members to be effective and responsible decision-makers. Within this activity, Governance facilitates and supports Council and community boards, ensures agendas are published and available to the public, and runs local body elections every three years.

The corporate services activities provide support across the organisation which allows the Council to function efficiently and effectively. It includes our accounting, financial planning and reporting, rating, policy, information services, audit, risk and procurement, and administration activities.

This group has a responsibility to plan and provide for civil defence emergency management within the district. Working collaboratively with Emergency Management Otago who employ the Emergency Management Officers for each of the districts. At a local level, a number of staff are first-line civil defence responders and undergo training in roles ranging from welfare and logistics coordination through to being local controllers.

THIS ACTIVITY CONTRIBUTES TO THE FOLLOWING COMMUNITY OUTCOMES







Highlights

Throughout the year, we focused on enhancing service delivery through digital transformation, improving our internal processes, and refining policy frameworks to better support both Council and community outcomes. We remain committed to strengthening trust, accountability, and operational excellence across every facet of Council governance.

Long Term Plan

With the Long-Term Plan as our anchor, this year has been one of collaboration, consultation, and strategic planning. We're proud to support the foundation of democratic leadership and contribute to shaping the district's future with clarity and confidence.

Digitisation of services

The digitisation of property files is now 93%. This service from July 2026 will be funded by fees and charges. Getting property files online will be initiated as a new project, with not go live date set at this time.
Council is continuing to work with local trust and church cemeteries stakeholders to preserve their records and make them accessible online via Council website and geographic information system.

Risk and Procurement

Long-Term and Annual Planning moved into the Risk & Procurement Team in the year along with business reporting activities.

The Risk Appetite Statement was reviewed and revised after its development in 2024/25 to ensure it remains useful and appropriate. Risk management continued in the year, with quarterly reviews of key risks being undertaken by the executive team and subsequently reported to the Audit and Risk Committee. Council receipt of this reporting increased from quarterly to monthly within 2025/26. Particular focus was given to the escalation in fuel prices, with a fuel response plan documented to support cost increase mitigation.

Procurement activity continued across the organisation, with price increases seen for construction activities at the end of 2025/26. Procurement for a panel of Planning specialist support was successful and is now being utilised regularly.

People and Culture

The past year has continued to strengthen our strategic focus on our people through the ongoing implementation of the People and Culture Strategy. The strategy is centred on three key pillars: strengthening capabilities, enhancing employee health, safety and wellbeing, and fostering a respectful and inclusive organisational culture.

A significant focus for the year has been enhancing the safety of our people through practical initiatives designed to better protect staff in their day-to-day work. This has included the refining of panic button process, continuation of de-escalation training, and the implementation of a new Lone Worker Policy to support staff working in isolated or higher-risk situations. To further strengthen employee safety, Garmin satellite communication devices have been introduced for staff operating in remote locations, providing an additional layer of protection and emergency response capability.

In People and Culture, progress has been made in strengthening organisational capability. We commenced the development of our Learning and Development Framework, providing a structured and organisation-wide approach to growing the skills and capabilities of our workforce. Building on the success of last year's pilot, we also delivered the second year of our Mentoring Programme, continuing to support knowledge sharing and professional growth. Looking ahead, we have been investing time in the design and evaluation of a leadership development programme aimed at building leadership capability across Central Otago District Council. We anticipate commencing this programme in the coming year as part of our ongoing commitment to developing confident, capable leaders who can support our organisation through future opportunities and challenges.

What we have achieved in Governance and Corporate Services

Community outcome	Our objective level of service	How we measure success	Our Aim Years 1-2	Our Results 2025/26	Our Results 2024/25	Comments
Governance						
Respect for the Environment Robust Social Fabric	A community that is satisfied with the leadership, representation and decision-making by its elected members	Percentage of customer survey respondents satisfied that elected members are making "Responsible", "competent" or "informed" decisions	> 75%	57%	51%	**Target not achieved** Whilst this measure is not meeting target, it has increased 6 % from last year – a year-on-year increase
	Central Otago District Council democratic processes enable participation in Council's decision-making processes	The number of complaints regarding Council democratic processes upheld by the Ombudsman or Privacy Commissioner	Nil	Nil	Nil	**Target achieved**
Business Services						
Economic Prosperity	Adoption of annual plans, long-term plans and amendments, and annual reports by Council within statutory timeframes	Percentage of annual reports and long-term and annual plans are adopted by Council within the specified legislative timeframes	100%	100%	50%	**Target achieved**
Robust Social Fabric	To protect the privacy of individuals dealing with Council	Number of upheld complaints relating to breaches of privacy	Nil	Nil	Nil	**Target achieved**

2024/25 LTP Yr 4 $000	2024/25 Annual Plan $000	2024/25 Actual $000	Funding Impact Statement For the year ended 30 June 2026 GOVERNANCE AND CORPORATE SERVICES	2025/26 LTP Yr 1 $000	2025/26 Actual $000
			OPERATING		
1,464	1,843	2,091	General rates, uniform annual general charges, rates penalties	1,361	1,645
319	568	576	Targeted rates	32	32
-	-	126	Subsidies and grants for operating purposes	-	266
37	-	-	Fees and charges	-	-
7,883	10,649	13,107	Internal charges and overheads recovered	17,513	17,882
85	43	569	Local authorities fuel tax, fines, infringement fees, and other receipts	2,019	589
9,787	**13,102**	**16,470**	**Total operating funding**	**20,925**	**20,415**
			Applications of operating funding		**-**
7,534	10,021	10,605	Payments to staff and suppliers	11,018	11,608
73	6	20	Finance costs	25	-
477	706	4,335	Internal charges and overheads applied	7,436	7,620
3	-	3	Other operating funding applications	-	-
8,088	**10,733**	**14,962**	**Total applications of operating funding**	**18,479**	**19,129**
1,699	**2,369**	**1,507**	**Surplus (deficit) of operating funding**	**2,446**	**1,286**
			CAPITAL		
			Sources of capital funding		
-	-	-	Subsidies and grants for capital expenditure	-	-
-	-	330	Development and financial contributions	-	529
10,000	219	228	Increase (decrease) in debt	(91)	4,742
-	-	-	Gross proceeds from sale of assets	-	-
-	-	-	Lump sum contributions	-	-
-	-	-	Other dedicated capital funding	-	-
10,000	**219**	**558**	**Total sources of capital funding**	**(91)**	**5,271**
			Applications of capital funding		
			Capital expenditure		
-	52	1	- to meet additional demand	-	-
-	717	62	- to improve the level of service	15	-
434	324	1,214	- to replace existing assets	1,830	1,255
10,957	1,497	788	Increase(decrease) in reserves	510	5,302
309	-	-	Increase (decrease) in investments	-	-
11,699	**2,589**	**2,065**	**Total applications of capital funding**	2,355	**6,558**
(1,699)	**(2,369)**	**(1,507)**	**Surplus (deficit) of capital funding**	(2,446)	**(1,286)**
-	**-**	**-**	**Funding balance**	-	**-**

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FINANCIALS



Financials

2024/25 LTP Yr 4 $000	2024/25 Annual Plan $000	2024/25 Actual $000	Funding Impact Statement WHOLE OF COUNCIL	2025/26 LTP Yr 1 $000	2025/26 Actual $000
			OPERATING		
9,811	11,625	11,911	General rates, uniform annual general charges, rates penalties	15,426	15,714
35,209	40,839	41,142	Targeted rates	44,719	45,489
2,780	3,386	4,991	Subsidies and grants for operating purposes	2,721	3,432
5,928	3,267	7,975	Fees and charges	6,352	7,963
427	639	481	Interest and dividends from investments	620	509
-	-	-	Internal charges and overheads recovered	-	-
13,699	5,775	6,423	Local authorities fuel tax, fines, infringement fees, and other receipts	13,772	8,340
67,854	**65,530**	**72,922**	**Total operating funding**	83,610	**81,445**
			Applications of operating funding		
39,411	46,596	49,718	Payments to staff and suppliers	56,466	55,680
-	-	-	Cost of sales	-	-
1,782	2,384	2,059	Finance costs	4,257	3,022
-	-	-	Internal charges and overheads applied	-	-
8,769	273	305	Other operating funding applications	4,237	1,131
49,962	**49,250**	**52,082**	**Total applications of operating funding**	**64,961**	**59,832**
17,893	**16,280**	**20,840**	**Surplus (deficit) of operating funding**	**18,650**	**21,613**
			CAPITAL		
			Sources of capital funding		
5,002	8,755	5,581	Subsidies and grants for capital expenditure	5,322	7,829
1,578	3,401	2,404	Development and financial contributions	6,171	3,312
17,151	27,852	15,000	- (Increase) / decrease in debt	45,369	46,000
-	-	-	Gross proceeds from sale of assets	-	-
-	-	-	Lump sum contributions	-	-
-	-	-	Other dedicated capital funding	2,600	6,473
23,731	**40,008**	**22,985**	**Total sources of capital funding**	**59,462**	**63,614**
			Applications of capital funding		
			Capital expenditure		
2,231	12,124	2,480	- to meet additional demand	13,819	12,014
6,093	27,068	18,226	- to improve the level of service	19,944	11,502
32,570	30,262	29,934	- to replace existing assets	41,371	37,843
289	(13,167)	(6,812)	- Increase / (decrease) in reserves	2,978	23,868
442	-	(3)	- Increase / (decrease) of investments	-	-
41,624	**56,287**	**43,825**	**Total applications of capital funding**	**78,112**	**85,227**
(17,893)	**(16,280)**	**(20,840)**	**Surplus (deficit) of capital funding**	**(18,650)**	**(21,613)**
-	**-**	**-**	**Funding Balance**	**-**	**-**

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE for the year ended 30 June 2026	Notes	2025/26 Actual $000	2025/26 LTP Year 1 $000	2024/25 Actual $000
Revenue				
Rates	2. a	61,134	60,106	52,973
Subsidies and Grants	2. c	11,260	8,043	10,572
Development and financial contributions	2. b	3,312	6,171	2,404
Fees and charges	2. d	7,963	7,509	7,975
Interest revenue	2. e	509	1,517	481
Other income	2. f	27,527	23,824	6,838
TOTAL REVENUE		**111,705**	**107,170**	**81,243**
Expenses				
Personnel costs	3	19,205	18,108	15,449
Depreciation and amortisation	15	23,860	21,913	20,769
Finance costs		3,084	4,309	2,120
Other expenses	4	37,494	40,973	34,980
Total Expenditure		**83,643**	**85,303**	**73,318**
Surplus/(Deficit) before tax		**28,062**	**21,868**	**7,925**
Income tax expense		**-**	**-**	**-**
Surplus/(Deficit) after tax		**28,062**	**21,868**	**7,925**
Other comprehensive revenue and expense				
Fair value movement of listed and unlisted shares		2	-	2
Property, plant and equipment revaluations	6, 15	51,763	25,726	91,826
Total other comprehensive revenue and expense		**51,763**	**25,726**	**91,828**
Total comprehensive revenue and expense		**79,825**	**47,594**	**99,753**

STATEMENT OF FINANCIAL POSITION for the year ended 30 June 2026	Notes	2025/26 Actual $000	2025/26 LTP Year 1 $000	2024/25 Actual $000
Assets				
Current assets				
Cash & Cash Equivalents	7	19,330	25,316	5,389
Receivables	9	9,411	5,866	6,766
Prepayments	9	1,161	860	1,071
Inventory	10	8,536	4,854	5,342
Investment Bonds	8	650	-	313
Other financial assets	8	4,900	2,000	2,500
Total current assets		**43,988**	**38,895**	**21,380**
Non Current Assets				
Investment Bonds	8	3,338	750	1,313
Other financial assets	8,13	1,741	183	182
Derivative financial instruments	14	-	-	12
Forestry investment	18	264	274	268
Investment Property	19	7,275	7,274	6,940
Intangible assets	16	3,373	2,916	2,823
Property plant & equipment	15	1,386,734	1,302,567	1,285,605
Total non-current assets		**1,402,725**	**1,313,964**	**1,297,143**
Total assets		**1,446,714**	**1,352,860**	**1,318,523**
Liabilities				
Current Liabilities				
Creditors and deferred revenue	11	15,133	9,912	12,947
Employee entitlements current	12	1,080	850	941
Derivative financial instruments	14	17	-	-
Borrowings term	14	23,000	-	17,500
Total current liabilities		**39,230**	**10,762**	**31,389**
Non Current Liabilities				
Borrowings and other financial liabilities	14	73,000	130,510	32,500
Derivative financial instruments	14	159	-	135
Total non-current liabilities		**73,159**	**130,510**	**32,635**
Total liabilities		**112,389**	**141,272**	**64,023**
Net assets (assets minus liabilities)		**1,334,325**	**1,211,589**	**1,254,500**
Equity				
Accumulated funds		507,324	501,145	478,003
Revaluation Reserves		827,000	710,444	776,497
Total equity		**1,334,325**	**1,211,589**	**1,254,500**

Statement of changes in equity for the year ended 30 June 2026	2025/26 Actual	2025/26 LTP Year 1	2024/25 Actual
	$000	$000	$000
Balance at July 1	**1,254,500**	**1,163,995**	**1,154,748**
Total comprehensive revenue and expense for the year	79,825	47,594	99,753
Balance at 30 June	**1,334,325**	**1,211,589**	**1,254,500**

STATEMENT OF CASH FLOW for the year ended 30 June 2026	2025/26 LTP Year 1	2025/26 Actual	2024/25 Actual $000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from rates, fees and other revenue	94,616	95,542	76,984
Interest received	1,517	509	481
Net GST	-	2	319
Interest Paid	(4,309)	(3,084)	(2,120)
Payments to suppliers and employees	(57,645)	(57,639)	(48,309)
NET CASH FLOW FROM OPERATING ACTIVITIES	**33,179**	**35,330**	**27,353**
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipt from sale of property, plant and equipment	-	290	2,259
Receipt from sale of investments	-	24,013	4,625
Receipts from the repayment of loans and receivables	-	-	4
Purchase of property, plant and equipment	(74,301)	(60,366)	(49,544)
Purchase of intangibles	(833)	(993)	(1,095)
Purchase of investments	-	(28,775)	(8,000)
Investment in loans and receivables	-	(1,558)	-
NET CASH FLOW FROM INVESTING ACTIVITIES	**(75,134)**	**(67,389)**	**(51,751)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	46,303	78,500	35,000
Repayment of borrowings	(934)	(32,500)	(20,000)
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES	**45,369**	**46,000**	**15,000**
Net cash increase (decrease) in cash held	**3,414**	**13,941**	**(9,398)**
Opening cash held 1 July	21,902	5,389	14,787
Closing cash held 30 June	**25,316**	**19,330**	**5,389**

Reconciliation of net surplus (deficit) to net cash flows from operating activities	2025/26 $000	2024/25 $000
Net Operating Surplus/(Deficit) after tax	**28,062**	**7,924**
Add/(Less) Non cash items:		
Depreciation/Amortisation of intangible asset	23,860	20,769
Net (gains)/loss on fair value of Investment	1,057	115
Vested Asset	(13,829)	(516)
Valuation losses	5	(3)
Net (gains)/loss on derivative financial instruments	53	122
Add/(Less) Movements in working capital items		
(Increase)/decrease in receivables	(2,648)	(1,223)
(Increase)/decrease in prepayments	(90)	(211)
(Increase)/decrease in Inventory	(3,194)	(1,385)
(Increase)/Decrease in loans and receivables	-	4
Increase/(Decrease) in accounts payable and accruals	2,186	3,035
Increase/(Decrease) in employee entitlements	139	116
Increase/(Decrease) in GST/taxation	2	319
Add (less) items included in investing activities:		
(Gains)/ Losses on disposal of property, plant, and equipment	(272)	(1,712)
Cash inflow (outflows) from operating activities	**35,330**	**27,353**

Variance Report for the year ended 30 June 2026	2025/26 Actual $000	2025/26 LTP Year 1 $000	Variance Favourable / (Unfavourable) $000
Revenue			
Rates	61,134	60,106	1,028
Subsidies and Grants	11,260	8,043	3,217
Development and financial contributions	3,312	6,171	(2,859)
Fees and charges	7,963	7,509	454
Interest revenue	509	1,517	(1,008)
Other income	27,527	23,824	3,703
TOTAL REVENUE	**111,705**	**107,170**	**4,535**
Expenses			
Personnel costs	19,205	18,108	(1,097)
Depreciation and amortisation	23,860	21,913	(1,947)
Finance costs	3,084	4,309	1,225
Other expenses	37,494	40,973	3,479
Total Expenditure	**83,643**	**85,303**	**1,660**
Surplus/(Deficit)	**28,062**	**21,867**	**6,195**

Explanation of Variances against the LTP

Revenue

Rates

Rates Income is favourable against the LTP by $1.028M. Rates collected are align with rates resolution. Penalties have increase by $284k, with water meter charges being higher than budget $782k. Water meter charges increased from $0.60 to $1.60 and was anticipated that the volume would decrease with the unit rate increase. The volume did not decrease as much as predicted.

Subsidies and Grants

Subsidies and grants have a $3.217M favourable variance against the LTP. This is due to grants funding received for the Manuherekia Valleys Community Hub and Te Puna Mahara (Cromwell Memorial Event Centre). Te Puna Mahara opened in July 2026, and Construction of the Manuherekia Valleys Community Hub is progressing well.

Development contributions

Development contributions have an unfavourable variance of ($2.859M). Development and financial contributions are received from developers as part of resource consent terms and are used to contribute to capital projects that have a growth impact, these contributions are dependent on developers.

Fees and Charges

Fees and Charges are higher than expected by $454k. This is mainly contributed by the increased swimming pools income, charge for road stopping processing cost, charge for new wastewater connection, elderly person housing rental, and higher than budget infringement and regulatory.

Interest Revenue

Interest Revenue has an unfavourable variance of ($1.008M). External interest income received during the year was $507k compared with the LTP Year 1 of $620k. This is due to lower-than-expected interest revenue as operating cashflows have been utilised before uplifting external debt, combined with lower market interest rates on term deposits and lower than expected income. Internal interest revenue has been eliminated against internal interest expense in actuals, while the LTP Year 1 included internal interest, which contributes to $895k of the variance.

Other Income

Other Income has a favourable variance of $3.703M. This is contributed by $6.3M insurance funding for Roxburgh Entertainment Centre, favourable variance of $3.018M on Vested assets, offsetting by unfavourable variance ($4.374M) on land sale.

Expenditure

Personnel costs

Personnel costs has an unfavourable variance of ($1.097M). Personnel costs above the LTP Year 1 budgets are being funded through surplus reserves balances and increased income. Personnel costs are higher because direct staff expenditure was reclassified. The reclassification impacted the salary capital offset to split costs between direct personnel costs and overhead costs that directly relate to the employee. The $1.3M overhead portion was reallocated to other expenses. Swim school has been popular with an increase in admissions increasing the pools staffing requirements.

Depreciation and amortisation

Depreciation and amortisation have an unfavourable variance of ($1.947M). The depreciation variance reflects the 30 June 2025 fixed asset revaluations, which increased the value of the assets held by Council translating to higher depreciation.

Finance

Finance cost has a favourable variance of $1.225M. This is mainly due to lower-than-expected external debt and utilising cashflows before uplifting external debt. Actual external interest was $3.021M compared with the LTP Year 1 of $4.257M.

Other expenses

Other expenses have an favourable variance of $3.479M. This variance is mainly due to Cost of land sale variance of $3.198M, which is the result of the land asset sale not progressing as per LTP budget or forecast. The remaining variance is contributed by insurance expense, water supply contract expense, waste management cost, and salary capital offset split as discussed in personnel costs.

Accounting Policies

Reporting Entity

The Central Otago District Council (the Council) is a territorial local authority governed by the Local Government Act 2002 and is domiciled within New Zealand. The relevant legislation governing the Council's operations includes the Local Government Act 2002 and the Local Government (Rating) Act 2002.

The primary objective of the Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Central Otago District Council has designated itself as a tier 1 Public Benefit Entity (PBE) for the purposes of the new PBE International Public Sector Authority Standards (IPSAS).

The Council provides local infrastructure, local public services, and provides regulatory functions to the community. The Council does not operate to make a financial return.
The reporting date of the Council is 30 June.

The Council has designated itself as public benefit entities (PBEs) for the purposes of complying with generally accepted accounting practice (GAAP).

The financial statements comprise the activities of the Council. The Council does not have a significant interest in any other entities. The financial statements of the Council are for the year ended 30 June 2026. The financial statements were authorised for issue by the Council on 28 October 2026. Council does not have the power to amend the financial statements after issue.

Basis of Financial Statement Preparation

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

Statement of compliance

The financial statements and service performance information of the Council have been prepared in accordance with the requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP). The financial statements have been prepared in accordance with the Tier 1 PBE accounting standards. These financial statements comply with PBE Standards.

Some rounding variances may occur in the financial statements due to the use of decimal places in the underlying financial data.

The financial statements are prepared on a historical cost basis, as modified by the revaluation of:

- Non-current assets held for sale
- Forestry assets
- Certain classes of property, plant and equipment
- Investment property

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars ($000), other than the remuneration and the severance payment disclosures in Note 23 and the related party transaction disclosures in Note 25. The remuneration, severance payment, and related party transaction disclosures are rounded to the nearest dollar.

Standards issued and not yet effective, and not early adopted

There has been no early adoption of any new accounting standards and amendments issued but not yet effective in the financial year.

PBE IFRS 17 Insurance Contracts
PBE IFRS 17 establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts and will replace PBE IFRS 4. This standard is effective for the year ended 30 June 2027.

The Council has not yet assessed in detail the impact of this standard. This standard is not expected to have a significant impact.

New amendments applied

2024 Omnibus Amendments to PBE Standards (amendments to PBE IPSAS 1)
This amendment clarifies the principles for classifying a liability as current or noncurrent, particularly in relation to loan covenants. The Council has assessed in detail the impact of these amendments. These amendments are not expected to have a significant impact.

Notes to the financial statements have been aligned to reflect model financial statements and ensure that reporting reflects the local authority Public Benefit Entity Accounting Requirements.

Revenue Recognition

Revenue is measured at a fair value of consideration received or receivable. The specific accounting policies for significant revenue items are explained below.

i. Rates
Rates are set annually by resolution of Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised upon rates strike.

ii. Goods Sold and Services Rendered
Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

iii. Government Grants
Government grants are received from the New Zealand Transport Agency, which subsidises part of the costs of maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

iv. Water Billing Revenue

Water billing revenue is recognised on an accrual basis. Unbilled usage, because of unread meters at year end, is accrued on an average usage basis.

v. Vested Assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Vested assets are recognised at the point when Council has issued the certificate prescribed under the Resource Management Act 1991 S224(c), relating to the respective subdivisions.

vi. Other grants received

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied

vii. User fees

The Council charges users for the use of some council services, such as libraries, swimming pools and visitor services. The Council also sets reasonable charges for regulatory services, such as waste collection and disposal, parks and reserves, property and land usage. All user fees are invoiced in the accounting period when the service was provided.

viii. Direct Charges at Fair Value

Revenue from direct charges sold at a fair value are recognised when the significant risk and rewards of ownership have been transferred to the buyer. Direct charges include revenue from dog registration, dog control and recreational reserves.

ix. Rental Revenue

Rental revenue from investment property is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental revenue.

x. Interest Revenue

Interest revenue is recognised as it accrues, using the effective interest method.

xi. Dividend Revenue

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

xii. Development Contributions

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

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Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Payments made under operating leases are recognised as an expense on a straight-line basis over the term of the lease.

Grant Expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision due to no substantive conditions attached.

Income Tax

Income tax expense is the aggregate of current period movements in relation to both current and deferred tax. Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the prospective financial statements and the corresponding tax bases used in the computation of taxable surplus.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which Council expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surpluses will be available against which the deductible temporary differences or tax losses can be utilised.
Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting surplus nor taxable surplus.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination or to transactions recognised in other comprehensive revenue and expense or directly in equity.

Equity

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Public equity is disaggregated and classified into the following components:

- accumulated funds
- restricted reserves
- property revaluation reserve
- fair value through other comprehensive revenue and expense reserve

Restricted and Council created reserves are a component of equity representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

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

Also included in restricted reserves are reserves created by Council decision. Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at Council's discretion.

Property revaluation reserves relate to the revaluation of property, plant and equipment to fair value.

Fair value through other comprehensive revenue and expense reserves comprises the cumulative net change in the fair value of financial assets through other comprehensive revenue and expense.

Cash and Cash Equivalents

Cash and cash equivalents include cash balances deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

Debtors and Other Receivables

Debtors and other receivables are stated at their cost less any provision for impairment (see Impairment Policy).

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). The Council apply the simplified ECL model of recognising lifetime ECL for short-term receivables. In measuring ECLs, receivables have been grouped into rates receivables, and other receivables and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are "written off": when remitted in accordance with the Councils rates remission policy and in accordance with the write-off criteria of section 90A (where rates cannot be reasonably recovered) and 90B (in relation to Maori freehold land) of the Local Government (Rating) Act 2002.

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

Inventories

Inventories are held for distribution or for use in the provision of goods and services are measured at the lower of cost and net realisable value.

Inventories represented by land purchased or held being developed for resale and are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is allocated using the first-in-first-out (FIFO) method, which assumes the inventories that were purchased first are distributed or used first.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Any write-down from cost to net realisable value or for the loss of service potential is recognised in surplus or deficit in the year of the write-down.

When land held for development and future resale is transferred from investment property/property, plant and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Financial Assets

Other financial assets (other than shares in subsidiaries) are initially recognised at fair value.

They are then classified as, and subsequently measured under, the following categories:

- amortised cost;
- fair value through other comprehensive revenue and expense (FVTOCRE); and
- fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset at initial recognition unless the it has been designated at FVTSD, in which case it is recognised in surplus or deficit. The classification of a financial asset depends on its cash flow characteristics and the Council's management model for managing them.

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

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

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

Initial recognition of concessionary loans

Loans made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flow, discounted at the current market rate of return for a similar financial instrument. For loans to community organisations, the difference between the loan amount and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant expense.

Subsequent measurement of financial assets at amortised cost

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

Subsequent measurement of financial assets at FVTOCRE

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

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

Subsequent measurement of financial assets at FVTSD

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit.

Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Other than for derivatives, the Council has no instruments in this category.

Expected credit loss allowance (ECL)

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

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

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

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

Council measure ECLs on loan commitments at the date the commitment becomes irrevocable. If the ECL measured exceeds the gross carrying amount of the financial asset, the ECL is recognised as a provision.

Shares in subsidiaries (at cost)

The investment in subsidiaries is carried at cost in the Council's parent entity financial statements.

Property, Plant and Equipment

The following infrastructural assets are shown at fair value, based on annual valuations by external independent valuers:

- Water
- Wastewater
- Stormwater
- Roading

All the above were revalued on an optimised depreciation replacement cost basis.

Revaluations of land, airport and buildings are completed every 3 years with the parks, reserves and swimming pools completed every 5 years by external independent valuers.

Revaluations will be undertaken by independent valuers, suitably qualified in the category and location of the assets. The valuation process shall include verification of asset registers, application of rates representing current replacement cost or market value (if any), asset optimisation and adjustments for asset condition and performance.

Valuations are performed with sufficient regularity to ensure revalued assets are carried at a value that is not materially different from fair value.

Where Council has elected to account for revaluations of property, plant and equipment on a class of asset basis, increases or decreases in the carrying amounts arising on revaluation of a class of assets are credited or debited to other comprehensive revenue and expenditure and are accumulated to an asset revaluation reserve in equity for that class of asset.
However, the net revaluation result is recognised in the surplus or deficit to the extent it reverses a net revaluation decrease of the same class of assets previously recognised in the surplus or deficit.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Properties that are held to meet service delivery objectives, rather than to earn rentals or for capital appreciation, will be recognised in Property, Plant and Equipment.

Additions

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

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

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Costs incurred after initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in surplus or deficit as they are incurred.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives.

Assets to be depreciated include:

OPERATIONAL ASSETS		INFRASTRUCTURE ASSETS	
Buildings		Bridges	25-100 years
- structures	5-100 years	Footpaths and cycle ways	20-100 years
- external fabric	5-100 years	Kerb and channel	45-100 years
- services	5-80 years	Roads – sealed	5-135 years
- internal fit out	5-80 years	Roads – unsealed	5-100 years
Equipment, furniture and fittings	2-30 years	Roads – land and formation	Not depreciated
Motor vehicles and plant	3-60 years	Sewerage plant and equipment*	2-46 years
Library books	5-10 years	Sewerage reticulation networks	3-80 years
Parks and Recreation	2-100 years	Stormwater networks	10-77 years
Other assets	1-80 years	Water plant and equipment*	8-38 years

Parks, recreation, waste management and other assets – passive areas, earthworks and land formation	Not depreciated		Water reticulation networks	15-90 years
Waste Management	1-99 years			

* Water and wastewater district wide plant is recognised under motor vehicles and plant, i.e. trailers and generators.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount.

These are included in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Assets under construction are not depreciated. The total cost of the project is transferred to the relevant asset when it is available for use and then depreciated.

The Council owns several properties held to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives. The properties are therefore accounted for as property, plant and equipment rather than as investment property.

Non-current Assets (or Disposal Groups) Held for Sale

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not more than any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. Further, the liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position. Those assets and liabilities shall not be offset and presented as a single amount.

Intangible Assets

i. Computer Software
Acquired computer software licenses are capitalised based on costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3-10 years using the straight-line method. Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

ii. Other Intangible Assets
Other intangible assets that are acquired by Council are stated at cost less accumulated amortisation (see below) and impairment losses (see Impairment Policy).

Easements are not amortised.

iii. Subsequent Expenditure
Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates, and it meets the definition of, and recognition criteria for, an intangible asset. All other expenditure is expensed as incurred.

iv. Amortisation
An intangible asset with a finite useful life is amortised over the period of that life. The asset is reviewed annually for indicators of impairment and tested for impairment if these indicators exist. The asset is carried at cost less accumulated amortisation and accumulated impairment losses.

An intangible asset with an indefinite useful life is not amortised, but is tested for impairment annually, and is carried at cost less accumulated impairment losses.

Forestry Assets

Forestry assets are predominantly standing trees which are managed on a sustainable yield basis. These are shown in the statement of financial position at fair value less estimated point of sale costs at harvest. The costs to establish and maintain the forest assets are included in the surplus or deficit together with the change in fair value for each accounting period.

The valuation of forests is based on discounted cash flow models where the fair value is calculated using cash flows from continued operations; that is, based on sustainable forest management plans considering growth potential. The yearly harvest from forecast tree growth is multiplied by expected wood prices and the costs associated with forest management, harvesting and distribution are then deducted to derive annual cash flows.

The fair value of the forest assets is measured as the present value of cash flows from one growth cycle based on the productive forest land, taking into consideration environmental, operational and market restrictions. Forest assets are valued separately from the underlying freehold land.
The forestry assets are revalued annually as at 30 June.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated costs to sell, and from a change in fair value less estimated costs to sell are recognised in the surplus or deficit.

Emissions Trading Scheme

New Zealand Units (NZUs) allocated because of council's participation in the Emissions Trading Scheme (ETS) will be treated as intangible assets and recorded at fair value upon recognition.

Liabilities for surrender of the NZUs (or cash) are accrued at the time the forests are harvested, or removed in any other way, in accordance with the terms of the ETS legislation.

Investment Property

Investment properties are properties which are held either to earn rental revenue or for capital appreciation or for both. Investment properties generate cash flow largely independent of other assets held by the entity. Properties that are held to meet service delivery objectives, rather than to earn rentals or for capital appreciation, will be recognised in Property, Plant and Equipment.

Investment properties are stated at fair value. The portfolio is valued annually by an external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and category of property being valued. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction.

Any gain or loss arising from a change in fair value is recognised in the surplus or deficit.

Rental revenue from investment property is accounted for as described in the Revenue Policy.

Reporting of Financial Instruments

The Council shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the Council becomes party to the contractual provisions of the instrument.

At initial recognition, the Council shall measure a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus/(deficit), transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial Assets are classified as either:

1. Amortised Cost
2. Fair value through surplus or deficit, FVTSD, or
3. Fair value through other comprehensive revenue and expenses, FVTOCRE.

A financial asset shall be measured at amortised cost if both of the following conditions are met:

a. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
b. The contractual terms of the financial asset given rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset shall be measured at FVTSD unless it is measured at amortised cost or at FVTOCRE. However, an entity may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured FVTSD to present subsequent changes in FVTOCRE. Subsequent measurement of financial assets are at amortised cost.

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

Subsequent measurement of financial assets at FVTSD
Financial assets in this category are subsequently measured at fair value gains and losses recognised in comprehensive revenue and expenditure. Interest revenue and dividends are recognised from these financial assets are separately presented within revenue. Other than unlisted shares, bonds and interest rate swaps, the Council has not assets in this category.

Listed and Unlisted Shares and Bonds
Financial assets in this category that are debt instruments (Bonds) are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, there is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognise in other comprehensive revenue and expense is reclassified to surplus and deficit.

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in the other comprehensive revenue and expense is transferred to accumulated funds within equity.

Expected credit loss allowance (ECL)
The Council recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability – weighted estimate for credit losses, measure at the present value of cash shortfalls, which is the difference between the cashflows due to Council in accordance with the contract and the cash flows it expects to receive.

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

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

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

Impairment of Financial Assets

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and receivables, and held-to-maturity investments
Impairment is established when there is evidence that the Council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due).

Impairment in term deposits, local authority stock, government bonds, and community loans, are recognised directly against the instrument's carrying amount.

Financial assets at fair value through other comprehensive revenue and expense
For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit. If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

Impairment of Non-Financial Assets

The carrying amounts of Council's assets, other than inventories (see Inventories Policy), forestry assets (see Forestry Assets Policy), and Investment Property (see Investment Property Policy) are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

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The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the surplus or deficit.

Third Party Transfer Payment Agencies

Council collects and distributes monies for other organisations. Where collections are processed through Council's books, any monies held are shown as accounts payable in the statement of financial position. Amounts collected on behalf of third parties are not recognised as revenue, but commissions earned from acting as agent are recognised in revenue.

Trade and Other Payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Employee Entitlements

Provision is made in respect of Council's liability for the following short and long-term employee entitlements.

i. *Short-Term Entitlements*
Employee benefits that Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to date, but not yet taken, at balance date, retiring and long service leave entitlements expected to be settled within 12 months.

Liabilities for annual leave are accrued at the full amount owing at the pay period ending immediately prior to the statement of financial position date.

iii. *Superannuation Schemes*
Defined contribution schemes – Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Borrowings

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

Council has capitalised borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, in line with PBE IPSAS 5.

Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

Provisions

A provision is recognised in the statement of financial position when Council has a present legal or constructive obligation because of a past event, and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Landfill Post Closure Costs

Council has several closed landfills. The resource consents for these include a legal obligation to provide ongoing maintenance and monitoring services throughout the life of the consent. The provision is measured on the present value of future cash flows expected, considering future events, including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure.

The discount rate used is a rate that reflects the current market assessments of the time value of money and the risks specific to Council.

The estimated future costs of meeting this obligation have been accrued and charged. The calculations assume no change in the legislative requirements for post-closure treatment.

Goods and Services Tax

The prospective financial statements are prepared exclusive of GST except for debtors and other receivables and creditors and other payables that are shown inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

Cost Allocations

The costs of all internal service activities are allocated or charged directly to external service type activities. External service activities refer to activities which provide a service direct to the public. Internal service activities provide support for the external service activities.

Where the user of a service can be identified, the cost recovery is made by way of a direct charge. Where this has not been possible, the costs are allocated by way of general overhead, based on expenditure incurred within the activity.

Critical Accounting Estimates and Assumptions

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

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

- Estimating the fair value of land, buildings, and infrastructural assets – see Note 15.
- Estimating the fair value of forestry assets – see Note 18
- Estimating the fair value of investment property – see Note 19

Critical judgements in applying accounting policies

Management has exercised the following critical judgments in applying accounting policies:

- Classification of property – see Note 15.
- Classification of inventory – see Note 10.

Council's view is that the development land held is recognised under PBE IPSAS 17 Property Plant and Equipment. This is to recognise that the land is being held for strategic purposes and held for service delivery until development occurs. Once development has started with ground works being carried out on the land being developed will be transferred to inventory under PBE IPSAS 12 Inventories at fair value at the time of transfer.

The Council reclassifies assets from property, plant and equipment to inventory when there is a change in use evidenced by the commencement of development (or strong evidence that development is commencing). Significant development works includes earthworks and civil asset construction, or Council does not anticipate any significant impediments to commencement of development. Upon each stage meeting the requirements above the land will be valued at fair value and each stage of the development will be transferred to inventory as it is developed.

Funding Impact Statements

The funding impact statements (FIS) have been prepared in accordance with the Local Government (Financial Report and Prudence) Regulations 2024. This is a reporting requirement that is required by local government and the disclosures contained in this report. The presentation of these statements is not prepared in accordance with generally accepted accounting practices (GAAP).

The purpose of these statements is to report the net cost of services for the significant Groups of Activities (GoA) of the Council. They are represented by the revenue that can be allocated to these activities, less the costs of providing the service. They contain all funding sources for these activities and all applications of this funding by these activities. The GoA FIS includes internal transactions between activities, such as internal overheads and charges applied and/or recovered. A FIS is also prepared at the whole-of-Council level, summarising the transactions contained within the GoA FIS, eliminating internal transactions and adding in other transactions not reported in the GoA statements.

These statements are based on cash transactions prepared on an accrual basis. As such, they do not include non-cash/accounting transactions that are included within the Comprehensive Revenue and Expense Statement, as required under GAAP. These items include, but are not limited to, depreciation, gains and /or losses on revaluation and vested assets.

They also depart from GAAP, as funding sources are disclosed within the FIS as being either for operational or capital purposes. Revenue (such as subsidies received for capital projects, development and financial contributions and gains on sale of assets) is recorded as capital fundings sources. Under GAAP these are treated as revenue in the Statement of Comprehensive Revenue and Expense.

Notes to the financial statements

For the year ended 30 June 2026.

1. Breakdown of summary revenue and expenditure for group of activities

	2025/26 Actual $000	2025/26 LTP Year 1 $000	2024/25 Actual $000
Revenue			
Community, Economic and Strategic Development	4,313	4,148	4,290
Environmental Services	9,101	10,241	8,433
Governance and Corporate Services	1,878	3,574	3,841
Planning and Regulatory	6,501	5,683	6,364
Pools Parks and Cemeteries	14,464	13,088	9,369
Property and Community Facilities	22,706	19,679	11,272
Roading	22,980	19,242	15,764
Service Centres and Libraries	2,448	2,431	2,587
Stormwater	143	1,145	462
Wastewater	12,786	13,530	9,067
Water	14,384	14,410	9,794
Total activity revenue	**111,705**	**107,170**	**81,243**
Expenses			
Community, Economic and Strategic Development	4,192	4,564	3,986
Environmental Services	8,410	8,801	7,941
Governance and Corporate Services	1,808	1,287	2,720
Planning and Regulatory	7,972	6,627	6,837
Pools Parks and Cemeteries	10,741	9,354	8,274
Property and Community Facilities	9,524	12,403	6,971
Roading	16,529	15,357	15,752
Service Centres and Libraries	2,343	2,431	1,937
Stormwater	998	1,034	954
Wastewater	9,886	11,288	8,458
Water	11,240	12,157	9,488
Total activity expenses	**83,643**	**85,303**	**73,318**
Total activities	**28,062**	**21,868**	**7,925**

2. Revenue

a. Rates

Total rates revenue includes income from the sale of volumetric water supply.

	2025/26 $000	2024/25 $000
General Rates	13,885	9,880
Uniform Annual General Charge	1,370	1,550
	15,255	**11,430**
Targeted Rates attributable to activities per Funding Impact Statement		
- Metered Water Sale	4,198	1,944
- Water	6,826	7,499
- Wastewater	9,561	8,727
- Stormwater	140	200
- Roading	-	154
- Environmental Services	6,330	5,846
- Planning and Regulatory	1,941	2,269
- Pools Parks and Cemeteries	8,773	7,067
- Property and Community Facilities	3,808	3,275
- Service Centres And Libraries	1,930	1,566
- Community, Economic and Strategic Development	1,950	2,066
- Governance And Corporate Services	32	576
Total Targeted Rates	**45,489**	**41,189**
- Rates Penalties	459	434
- Rates Remissions	(68)	(79)
- Rates Discount	-	-
	391	**354**
Total Rates	**61,134**	**52,973**

Rating Base	2025/26 $000	2024/25 $000
Revenue from rates for Central Otago District Council was billed on the following information:		
- Number of rating units at end of preceding year	15,534	15,310
Total capital value of rating units at end of preceding year	**19,073,593**	**18,694,572**
Total land value of rating units at end of preceding year	**10,392,260**	**10,150,896**

b. Development and financial contributions

	2025/26 $000	2024/25 $000
Water	1,211	818
Wastewater	949	680
Roading	511	575
Pools Parks and Cemeteries	45	-
Property and Community Facilities	67	-
Governance And Corporate Services	530	330
Development and financial contributions	**3,312**	**2,404**

c. Subsidies and Grants

	2025/26 $000	2024/25 $000
New Zealand Transport Agency roading subsidies	7,125	7,073
Creative NZ and SPARC Grants	54	58
Department of Internal Affairs Grant	258	879
Ministry of Business Innovation & Employment Grant	33	412
Other grants	3,790	2,150
Subsidies and Grants	**11,260**	**10,572**

There are no unfulfilled conditions and other contingencies attached to subsidies and grants recognised (2025 nil).

d. Fees and Charges

	2025/26 $000	2024/25 $000
Regulatory and planning	2,473	2,596
Water connections and usage	62	56
Wastewater- tradewaste	198	153
Recreation fees and charges	206	922
Other fees and charges	5,024	4,249
Total fees, charges and metered water supply	**7,963**	**7,975**

e. Interest Revenue

	2025/26 $000	2024/25 $000
Interest revenue	509	481
Total finance revenue	**509**	**481**

f. Other Income

	2025/26 $000	2024/25 $000
Water	97	15
Wastewater	4	14
Stormwater	-	-
Roading	211	142
Environmental Services	513	594
Planning and Regulatory	2,013	1,128
Pools Parks and Cemeteries	318	261
Property and Community Facilities	667	687
Service Centres And Libraries	4	2
Community, Economic and Strategic Development	219	306
Governance And Corporate Services	337	118
Land and Property Sales	3,435	2,954
Local Authority Fuel Tax	230	201
Other Dedicated Capital Funding*	6,473	-
Profit on sales of assets	290	133
Gain / (Loss) changes fair value Investment Property	(1,057)	(115)
Gain / (Loss) changes fair value Forestry Assets	(5)	3
Gain / (Loss) changes fair value Financial Instruments	(53)	(122)
Vested Assets	13,829	516
Total other revenue	**27,527**	**6,838**

*Large movement in other dedicated capital funding is due to the insurance proceeds received for the Roxburgh Entertainment Centre.

g. Vested and previously unrecognised assets

Subdivision developers are required to install services as a condition of resource consent approval. These services, (roading, sewerage, water supply and footpaths) subsequently vest in the Council as part of its infrastructure. The value of these is identified as income (non-cash) in the Statement of Comprehensive Income and is distributed within the following asset classes.

	2025/26 $000	2024/25 $000
Pools Parks and Cemeteries	3,827	-
Property and Community Facilities	-	-
Environmental Services	-	-
Roading	5,949	270
Stormwater	-	-
Wastewater	2,057	138
Water	1,997	109
Governance and Corporate Services	-	-
Vested and previously unrecognised assets	**13,829**	**516**

3. Personnel costs

Accounting policy

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services

Superannuation Schemes

Defined contribution schemes

Employer contributions to KiwiSaver, the Government Superannuation Fund, and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Defined benefit schemes

The Council makes employer contributions to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund (NPF). The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit plan accounting, as it is not possible to determine from the terms of the scheme the extent to which the surplus or deficit in the plan will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

	2025/26 $000	2024/25 $000
Salaries and wages	17,938	**14,314**
Defined contribution plan employer contributions*	556	**477**
Elected Members Remuneration**	711	**658**
Total personnel costs	**19,205**	**15,449**

**Includes employer contributions to Kiwisaver*

** Elected members remuneration has been re-classified from other expenses to be represented in personnel costs.

4. Cost of sales and other expenses

	2025/26 $000	2024/25 $000
Fees incurred for services provided by our audit firm		
The Council's financial statements and service performance information for the year ended 30 June 2026 (the "financial report") are audited by Deloitte Limited on behalf of the Auditor-General. **During the year, the following fees were incurred for services provided by our audit firm:**		
Audit of the financial report*	296	276
- The audit fee disclosed for the financial report represents the fee for the annual statutory audit engagement carried out under the Auditor-General's audit standards, as described in the audit report on pages 186. This fee also includes the audit of the summary annual report, also a statutory requirement, which is completed in conjunction with this engagement and not billed separately.		

	2025/26 $000	2024/25 $000
Audit or review related services		
- Audit of the 2025-34 Long-term plan	-	186
- Assurance engagement in relation to the Debenture Trust Deed	5	9
Tax and other Services		
-Income tax return preparation 2024/25	1	-
-Operational finance review	24	-
Total tax and other services	25	-
Total Fees incurred for services provided by the audit firm	**326**	**471**

Maintenance contractors	14,021	13,639
Professional Services	5,172	3,819
Fuel and energy	2,124	1,789
General Grants	766	716
ACC Levy	43	36
Insurance premiums	1,006	895
Expected credit loss allowance for receivables	325	198
Payments under operating lease agreements	517	557
Loss on disposal of property, plant and property	18	547
Cost of land sold	1,040	221
Other operating expenses	12,136	12,092
Total other operating expenses	**37,494**	**34,980**

*2025 was Audit New Zealand and 2026 audit is Deloitte Limited

5. Tax

Central Otago District Council has unused tax losses of $225,856 with a tax effect of $63,240 that have not been recognised (2024/25: tax losses $224,074; tax effect $62,741).

	2025/26 $000	2024/25 $000
Net surplus (deficit)	28,062	7,925
- Tax at 28%	7,857	2,219
Plus (less) tax effect of:		
- Non-taxable income	7,857	2,219
- Tax loss not recognised	-	-
Tax Expense	**-**	**-**
Current tax	-	-
Deferred tax	-	-
Balance at Year End	**-**	**-**

6. Public equity

CHANGES IN EQUITY for the year ended 30 June 2026	2025/26 Actual $000	2024/25 Actual $000
PUBLIC EQUITY		
Public equity balance at 1 July	1,254,500	1,154,748
Accumulated funds		
Balance at 1 July	477,926	469,952
Surplus/(Deficit)	28,062	7,925
Transfer to restricted reserves	-	49
Transfer from property revaluation reserve	1,259	-
BALANCE AT 30 JUNE	**507,247**	**477,926**
OTHER RESERVES		
Property revaluation reserve		
Balance 1 July	776,513	684,735
Revaluation gains/(loss)	51,762	91,826
Transfer to accumulated funds	(1,259)	(49)
Balance at 30 June	**827,016**	**776,513**
Fair value through other comprehensive revenue reserve		
Balance at 1 July	(17)	(19)
Revaluation gains/(loss)	-	2
Balance at 30 June	**(17)**	**(17)**
Restricted Reserves (trust and bequest funds)		
Balance at 1 July	80	80
Transfer from accumulated funds	-	-
Balance at 30 June	80	**80**
Total other reserves	**827,078**	**776,575**
Public Equity 30 June	**1,334,325**	**1,254,500**

Property, plant and equipment revaluation reserves

Property revaluation reserves for each asset class consist of:

	2025/26			
	Opening Balance $000	Net Movement $000	Adjustment for Assets owned by Council $000	Closing Balance $000
Land	131,095	(1,389)	-	129,706
Buildings	42,172	2,683	-	44,855
Parks and Reserves	43,379	-	-	43,379
Bridges	23,139	(24)	-	23,115
Roading	355,982	35,442	-	391,424
Stormwater	21,029	1,288	-	22,317
Wastewater	53,182	4,645	-	57,827
Water	106,534	7,858	-	114,392
Total	**776,513**	**50,503**	**-**	**827,016**
Transfer to accumulated funds on realisation	-	-	-	-
Transfer to accumulated funds as property	-	-	-	-
Total gain on asset revaluation	**776,513**	**50,503**	**-**	**827,016**

	2024/25			
	Opening Balance $000	Net Movement $000	Adjustment for Assets owned by Council $000	Closing Balance $000
Land	104,276	26,819	-	131,095
Buildings	54,802	(12,581)	-	42,221
Parks and Reserves	20,319	23,060	-	43,379
Bridges	22,285	854	-	23,139
Roading	314,708	41,274	-	355,982
Stormwater	20,861	168	-	21,029
Wastewater	54,052	(870)	-	53,182
Water	93,432	13,103	-	106,534
Total	**684,735**	**91,826**	**-**	**776,561**
Transfer to accumulated funds on realisation	-	(49)	-	(49)
Transfer to accumulated funds as property	-	-	-	-
Total gain on asset revaluation	**684,735**	**91,777**	**-**	**776,513**

7. Cash and cash equivalents

Cash and cash equivalents comprise cash and current accounts, and on call deposits as follows:

	2025/26 $000	2024/25 $000
Cash at bank and on-hand	15,330	5,389
Term deposits with maturities of less than 3 months at acquisition	4,000	-
Total cash and equivalents	**19,330**	5,389

The carrying value of cash and cash equivalents approximates their fair value. Of the total cash balance of $19,330,209 (2024/25: $5,388,603), an amount of $783,450 (2024/25: $457,316) is restricted in its use.

8. Other Financial Assets

The fair value of the unlisted shares in New Zealand Local Government Insurance Corporation Ltd was established using a net assets basis from the annual report of the Company for the year ended 31 December 2022. The unlisted shares held in irrigation companies are measured at cost as fair value cannot be reliably measured. Deposits are held with New Zealand registered banks and recorded at amortised costs.

	2025/26 $000	2024/25 $000
Current portion		
Deposits maturing 3-12 months	4,900	2,500
LGFA Borrower Note	650	313
Total current portion	**5,550**	**2,813**

	2025/26 $000	2024/25 $000
Non-current portion		
LGFA Borrower Note	3,338	1,313
Share investments in unlisted companies	110	110
Total non-current portion	**3,448**	**1,423**
Total other financial assets	**8,998**	**4,236**

Interest rates

The weighted average effective interest rates on investments (current and non-current) were:

	2025/26 $000	2024/25 $000
Short-term deposits, promissory and floating rate notes	2.96%	5.11%

Investment maturities

The following schedule gives maturities for all current and non-current available for sale financial assets (excluding share investments).

	2025/26			
	Short-term Deposits $000	Promissory & Floating Rate Notes $000	Corporate & Bank Bonds $000	Total $000
Less than 3 months	4,000	-	-	4,000
3 to 12 months	4,900	-	-	4,900
1 to 2 years	-	-	-	-
2 to 5 years	-	-	-	-
Total investments	**8,900**			**8,900**

	2024/25			
	Short-term Deposits $000	Promissory & Floating Rate Notes $000	Corporate & Bank Bonds $000	Total $000
Less than 3 months	2,500	-	-	2,500
3 to 12 months	-	-	-	-
1 to 2 years	-	-	-	-
2 to 5 years	-		-	
Total investments	**2,500**	**-**	**-**	**2,500**

9. Receivables

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). The Council apply the simplified ECL model of recognising lifetime ECL for short-term receivables. In measuring ECLs, receivables have been grouped into rates receivables, and other receivables and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are “written off”: when remitted in accordance with the Councils rates remission policy and in accordance with the write-off criteria of section 90A (where rates cannot be reasonably recovered) and 90B (in relation to Maori freehold land) of the Local Government (Rating) Act 2002.

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

	2025/26 $000	2024/25 $000
Receivables from non-exchange transactions		
NZ Transport Agency subsidy	752	747
Sundry accounts receivable	480	663
Rates receivable	2,089	2,218
Total Receivables from non-exchange transactions	**3,320**	**3,629**
Receivables from exchange transactions		
Sundry accounts receivable	5,629	2,391
Goods and Services Tax	1,310	1,312
Prepaid expenses	1,161	1,071
Total receivables from exchange transactions	**8,100**	**4,775**
Less: allowance for credit losses	(178)	(21)
Less provision for impairment receivables	(670)	(546)
Total receivables	**10,572**	**7,837**

Rates receivable

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

Ratepayers can apply for payment plan options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value of future payments in the effect of discounting is material.

The Chief Executive approved the write-off rates receivable during the year under the Local Government (Rating) Act 2002 as follows:

- Section 90A: Nil (2025: Nil)
- Section 90B: Nil (2025:Nil)

Movements in the impairment expectation for rates as follows:	**2026 $000**	**2025 $000**
Opening balance for credit losses at 1 July	546	444
Additional provisions made during the year	124	102
Provisions reversed during the year	-	-
Balance at 30 June	**670**	**546**

The age of outstanding rates receivable is detailed below.

Rates receivable	2025/26 Gross $000	2025/26 Impairment $000	2025/26 Net $000	2024/25 Gross $000	2024/25 Impairment $000	2024/25 Net $000
Reporting year ended 30 June						
Current	1,106	(124)	982	1,170	(102)	1,068
Unpaid 1 year	149	(102)	47	445	(83)	361
Unpaid 2 years	117	(83)	34	139	(69)	70
Unpaid 3 years and older	447	(361)	86	464	(292)	173
Total	**1,819**	**(670)**	**1,148**	**2,218**	**(546)**	**1,672**

Other receivables

The ECL rates for other receivables at 30 June 2026 and 30 June 2025 are based on the payment profile of revenue on credit over the prior period two years at the measurement date and the corresponding historical credit losses experienced for that period. The historical loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the expected recoverability of receivables. Given the short period of credit risk exposure, the effects of macro-economic factors are not considered significant. There have been no changes since 1 July 2022 in the estimation techniques or significant assumptions in measuring the loss allowance.

The allowance for credit losses based on Councils credit loss matrix is as follows:

	Other receivables' days past due				
	Current	**1 to 30 days**	**31 to 90 days**	**More than 90 days**	**Total**
30 June 2026					
Expected credit loss rate	0.00%	0.00%	0.00%	-16.76%	-
Gross receivable amount ($000)	7,305	264	700	1,062	9,332
Lifetime ECL ($000)	-	-	-	(178)	(178)
30 June 2025					
Expected credit loss rate	0.00%	0.00%	0.00%	-3.99%	-
Gross receivable amount ($000)	5,028	525	107	526	6,186
Lifetime ECL ($000)	-	-	-	(21)	(21)

Movements in the allowance for credit losses as follows:	**2026**	**2025**
Opening balance for credit losses at 1 July	21	17
Additional provisions made during the year	157	4
Provisions reversed during the year	-	-
Balance at 30 June	**178**	**21**

10. Inventory

Inventories are held for distribution or for use in the provision of goods and services are measured at the lower of cost and net realisable value.

Inventories represented by land purchased or held being developed for resale and are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is allocated using the first-in-first-out (FIFO) method, which assumes the inventories that were purchased first are distributed or used first.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Any write-down from cost to net realisable value or for the loss of service potential is recognised in surplus or deficit in the year of the write-down.

When land held for development and future resale is transferred from investment property/property, plant and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Council holds title to surplus land at Alexandra and Cromwell. The development land associated with these properties are transferred from property, plant and equipment to inventory. Inventory is realised at cost. Land under development includes Dunstan Park (Alexandra) and Gair Avenue (Cromwell).

	2025/26 $000	2024/25 $000
Land and Development cost held in the process of production for sale	8,500	5,307
Merchandise at cost	36	35
Total inventory	**8,536**	**5,342**

11. Trade and other payables

	2025/26 $000	2024/25 $000
Payables and deferred income	13,445	11,627
Audit fee accruals	301	328
PAYE / Kiwisaver owed to IRD	259	217
Agency and deposits	423	380
Retained contract monies	705	395
Total payables	**15,133**	**12,947**

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

Non-exchange payables include grants received in advance, rates received in advance, and levies collected on behalf of third parties. Non-exchange payables total $1.458M in the 2026 financial year (2025: $1.375M).

12. Employee entitlements

	2025/26 $000	2024/25 $000
Accrued pay	1	-
Annual and statutory leave entitlements	1,079	941
Total	**1,080**	**941**

13. Community loans

Community loans and receivables consist of lending to recreation and cultural clubs and bodies, vendor mortgages on sale of land, community lending to local clubs and bodies and water services council control organisation. The fair value of investments is equal to the holding value, apart from community loans which have been determined using the effective interest method for low interest loans (interest rate 2025/26, 3.62%; 2024/25, 5.00%) or interest free loans.

Mortgages and other investments	2025/26 $000	2024/25 $000
Interest bearing	1,558	-
Non-interest bearing	73	70
Total	**1,631**	**70**
Less provision for impairment	-	-
Total	**1,631**	**70**

Interest Rates

Interest Rates		
Mortgages and other investments (interest bearing)	3.62%	5.00%

14. Borrowing and other financial liabilities

The council's borrowings are secured through a debenture trusted deed over rates.
Long term borrowings are at market rates, therefore carrying amounts approximate their fair value.

At balance date the current weighted average effective interest rate on the LGFA borrowing is 3.72% (2025: 4.60%).

The Council has a credit card facility with BNZ with a credit limit of $110,000 (2025: $100,000). The Council has a overdraft facility customised average rate loan (CARL) with BNZ. This facility has a limit of $5M. The facility is utilised for working capital requirements to ensure short term cashflow. This facility became available on 1st July 2024 with a term of 3 years. Non -utilisation fee of 0.35% p.a. is payable quarterly. Interest rates are confirmed on draw down requests.

Borrowings and Other Financial Liabilities	2025/26 $000	2024/25 $000
Current		
Secured Loans	23,000	17,500
Non-current		
Secured Loans	73,000	32,500
Total Borrowings	**96,000**	**50,000**

Council entered into interest rates swap contracts to comply with Council's 2–4-year fixed rate hedging band of the Liability Management Policy becomes compliant with policy. Outstanding interest rate swap contract at 30 June 2026 comprised of the following:

- $22.5m (2025: $19.5m) notional value of swaps in which CODC will pay fixed interest varying from 3.45% to 3.72% (2025: 3.5% to 3.7%) and receive floating on a quarterly basis (2025: nil)
- $13.0m (2025: $3.0m) notional value of forward start swaps in which CODC will pay fixed interest of 3.77% to 3.86% (2025: 3.5%) and receive floating on a quarterly basis (2025 nil)
- The fair value of interest rate swaps has been determined by calculating the expected cashflows under the terms of the swaps and discounting these values to present value

Derivative Financial Instruments	2025/26 $000	2024/25 $000
Current Asset		
Interest rate swaps	-	-
Non-Current Asset		
Interest rate swaps	-	12
Total derivative financial instrument assets	**-**	**12**
Current Liability		
Interest rate swaps	17	-
Non-Current Liability		
Interest rate swaps	159	135
Total derivative financial instrument liability	**176**	**135**

15. Property, plant and equipment

Restricted assets

Some properties have various restrictions placed on them which affect Council's ability to freely deal with those properties. For example, several properties, while having a Certificate of Title on issue in Council's name, have been vested under the Reserves Act and may revert to the Crown should the purpose for which the properties were vested cease to be relevant. It is not currently practical to quantify these properties.

"Endowment" properties can be freely divested. The only known restrictions apply to the purpose to which the proceeds received from such divestments may be utilised. Another example is property held in trust by the Council for particular purposes as a result of bequests.

Heritage assets

Heritage assets are included in the asset register in the same categories as non-heritage assets of similar nature. The book values of building heritage assets as at 30 June 2026 and are as follows:

	2025/26 $000	2024/25 $000
Buildings	287	336
Bridges	565	598
Total	**852**	**934**

Water, Wastewater and Stormwater

Water, wastewater and stormwater assets were revalued with an effective date of 30 June 2026 by an independent and suitably qualified valuer Rationale Ltd. Edward Guy (Civil), BCom, managing director of Rationale was the principal valuer for this work. Currently, we revalue these assets annually.

Key valuation assumptions:

- Analysis of contract data and national industry indices was carried out to derive inflation adjustment factors for plant, point and pipe assets. Contract data provided an inflationary adjustment for pipe and point assets, while an index-based inflation adjustment was applied to plant assets.
- As the physical and economic lives have not been assessed, the asset's total useful life defaults to its standard life in this valuation. The exception being where the asset age is greater than the standard life. In these instances, the remaining life has been set to 3 years.

Roading Assets

Roading assets has a carrying value assessment carried out with an effective date of 30 June 2026. Roading assets are generally revalued on an annual basis.

Key assumptions:

- Unit rates used in the 2026 assessment were updated using Waka Kotahi cost adjustment factors and assessed against recent construction schedules where available.
- Useful lives were determined considering the age, condition of the assets and the assets future service potential.

Roading asset and waste asset valuations were performed by an independent and suitably qualified valuer Walter Clarke of Utility Limited.

Parks and reserves assets were revalued with an effective date of 30 June 2025. These valuations are performed every 5 years.

Land and Buildings were revalued with an effective date of 30 June 2025. These valuations are performed every 3 years. Airport assets have been given its own classification and will be revalued alongside Land and Building assets every three years. Airport assets were revalued with an effective date of 30 June 2025.

All the above were revalued on an optimised depreciated replacement cost basis.

- These valuations have been completed in accordance with the following standards Public Benefit Entity International Public Sector Accounting Standard (PBE IPSAS) 17–Property, Plant and Equipment.
- NZ Infrastructure Asset Valuation and Depreciation Guidelines Version 2 2006.
- Local Government (Financial Reporting Prudence) Regulations 2014.

Property, Plant and Equipment – as at 30 June 2026

	Cost/ Revaluation 30 June 2025	Accumulated Depreciation & Impairment Charges 30 June 2025	Carrying Amount 30 June 2025	Current Year Transfers of completed or additional Work	Current Year Additions Council Constructed	Current Year Additions Transferred To Council	Current Year Disposals at Cost	Asset Adjustments	Current Year Depreciation	Impairment Charges	Revaluation	Disposal/ Revaluation Depreciation Recovered	Cost/ Revaluation 30 June 2026	Accumulated Depreciation & Impairment Charges 30 June 2026	Carrying Amount 30 June 2026
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Infrastructural Assets															
Airports	-	-	-	-	66	-	-	2,585	(88)	-	-	-	2,651	(88)	2,563
Bridges	25,641	-	25,641	-	-	-	-	-	(690)	-	(714)	690	24,927	-	24,927
Roading	611,037	-	611,037	7	5,852	5,887	-	(2,585)	(8,530)	-	28,941	8,530	649,139	-	649,139
Under construction	102	-	102	(7)	2,864	-	-	-	-	-	-	-	2,959	-	2,959
Land Under Roads	11,844	-	11,844	-	-	62	-	-	-	-	-	-	11,906	-	11,906
Stormwater	32,892	-	32,892	11	26	-	-	-	(736)	-	552	736	33,481	-	33,481
Under construction	22	-	22	(11)	66	-	-	-	-	-	-	-	77	-	77
Water Supply															
Treatment plant & facilities	36,966	-	36,966	706	3,674	686	-	-	(1,458)	-	(2,957)	1,458	39,075	-	39,075
Other assets	145,828	-	145,828	287	1,796	1,311	-	-	(2,505)	-	6,852	2,505	156,074	-	156,074
Under construction	4,006	-	4,006	(993)	4,725	-	-	-	-	-	-	-	7,738	-	7,738
Wastewater															
Treatment plant & facilities	33,374	-	33,374	484	559	-	-	-	(1,535)	-	(1,273)	1,535	33,144	-	33,144
Other assets	83,140	-	83,140	55	475	2,057	-	-	(1,895)	-	2,487	1,895	88,214	-	88,214
Under construction	2,102	-	2,102	(539)	18,271	-	-	-	-	-	-	-	19,834	-	19,834
Total infrastructure assets	**986,954**	**-**	**986,954**	**-**	**38,374**	**10,003**	**-**	**-**	**(17,437)**	**-**	**33,888**	**17,349**	**1,069,219**	**(88)**	**1,069,131**
Operational Assets															
Equipment	2,628	(1,983)	645	18	277	-	-	-	(144)	-	-	-	2,923	(2,127)	796
Furniture and Fittings	2,507	(2,032)	475	-	133	-	-	-	(86)	-	-	-	2,640	(2,111)	529

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	Cost/ Revaluation 30 June 2025	Accumulated Depreciation & Impairment Charges 30 June 2025	Carrying Amount 30 June 2025	Current Year Transfers of completed or additional Work	Current Year Additions Council Constructed	Current Year Additions Transferred To Council	Current Year Disposals at Cost	Asset Adjustments	Current Year Depreciation	Impairment Charges	Revaluation	Disposal/ Revaluation Depreciation Recovered	Cost/ Revaluation 30 June 2026	Accumulated Depreciation & Impairment Charges 30 June 2026	Carrying Amount 30 June 2026
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Parks and Reserves	72,774	(8)	72,766	967	1,269	3,827	-	-	(2,189)	-	-	-	78,837	(2,197)	76,640
Under construction	1,118	-	1,118	(967)	134	-	-	-	-	-	-	-	285	-	285
Other *	5,209	(2,278)	2,931	-	26	-	-	-	(173)	-	-	-	5,235	(2,451)	2,784
*Under construction**	24	-	24	-	12	-	-	-	-	-	-	-	35	-	35
Plant and Machinery	3,113	(2,025)	1,088	-	86	-	-	-	(140)	-	-	-	3,199	(2,165)	1,034
Under construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Motor Vehicles	1,420	(859)	561	-	351	-	(275)	-	(190)	-	-	269	1,496	(780)	716
Waste Management*	4,364	-	4,364	499	383	-	-	-	(367)	-	306	367	5,552	(1)	5,551
*Under construction **	513	-	513	(499)	177	-	-	-	-	-	-	-	191	-	191
Land	135,526	-	135,526	-	-	-	-	(1,215)	-	-	(199)	-	134,112	-	134,112
Buildings	47,409	(7)	47,402	215	704	-	-	(60)	(2,564)	-	50	2	48,318	(2,569)	45,749
Under construction	30,516	-	30,516	(215)	18,110	-	-	-	-	-	-	-	48,411	-	48,411
Library Books	2,779	(2,066)	713	-	198	-	-	-	(140)	-	-	-	2,977	(2,206)	771
Total Operational Assets	**309,900**	**(11,258)**	**298,642**	**18**	**21,860**	**3,827**	**(275)**	**(1,275)**	**(5,993)**	**-**	**157**	**638**	**334,210**	**(16,607)**	**317,603**
TOTAL FIXED ASSETS	**1,296,854**	**(11,258)**	**1,285,605**	**18**	**60,234**	**13,830**	**(275)**	**(1,275)**	**(23,430)**	**-**	**34,045**	**17,987**	**1,400,429**	**(16,695)**	**1,386,734**

Property, Plant and Equipment – as at 30 June 2025

	Cost/ Revaluation 30 June 2024	Accumulated Depreciation & Impairment Charges 30 June 2024	Carrying Amount 30 June 2024	Reclassification Carrying Amount 1 July 2024*	Current Year Transfers of completed or additional Work	Current Year Additions Council Constructed	Current Year Additions Transferred To Council	Current Year Disposals at Cost	Asset Adjustments	Current Year Depreciation	Impairment Charges	Revaluation	Disposal/ Revaluation Depreciation Recovered	Cost/ Revaluation 30 June 2025	Accumulated Depreciation & Impairment Charges 30 June 2025	Carrying Amount 30 June 2025
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s		$000s	$000s	$000s	$000s	$000s
Infrastructural Assets																
Bridges	26,217	(715)	25,502	-	-	-	-	-	-	(715)	-	(576)	1,430	25,641	-	25,641
Roading	573,090	(6,931)	566,159	-	2,768	8,125	268	-	-	(7,772)	-	26,787	14,703	611,037	-	611,037
Under construction	2,794	-	2,794	-	(2,768)	103	-	-	(27)	-	-	-	-	102	-	102
Land Under Roads	11,842	-	11,842	-	-	-	2	-	-	-	-	-	-	11,844	-	11,844
Stormwater	33,245	-	33,245	-	133	75	-	-	-	(730)	-	(561)	730	32,892	-	32,892
Under construction	134	-	134		(133)	21	-	-	-	-	-	-	-	22	-	22
Water Supply																
Treatment plant & facilities	39,560	-	39,560	-	495	309	-	-	-	(1,468)	-	(3,398)	1,468	36,966	-	36,966
Other assets	123,810	-	123,810	-	4,504	4,815	109	-	-	(2,128)	-	12,590	2,128	145,828	-	145,828
Under construction	6,267	-	6,267	-	(4,999)	2,745	-	-	(7)	-	-	-	-	4,006	-	4,006
Wastewater																
Treatment plant & facilities	33,781	-	33,781	-	1,305	513	-	-	-	(1,493)	-	(2,225)	1,493	33,374	-	33,374
Other assets	83,564	-	83,564	-	1,125	413	138	-	-	(1,949)	-	(2,100)	1,949	83,140	-	83,140
Under construction	3,068	-	3,068	-	(2,430)	1,457	-	-	7	-	-	-	-	2,102	-	2,102
Total infrastructure assets	**937,372**	**(7,646)**	**929,726**	**-**	**-**	**18,576**	**517**	**-**	**(27)**	**(16,255)**	**-**	**30,517**	**23,901**	**986,954**	**-**	**986,954**
Operational Assets																
Equipment	2,304	(1,885)	419	-	35	307	-	(18)	-	(116)	-	-	18	2,628	(1,983)	645
Furniture and Fittings	2,349	(1,943)	406	-	-	171	-	(13)	-	(103)	-	-	14	2,507	(2,032)	475

	Cost/ Revaluation 30 June 2024	Accumulated Depreciation & Impairment Charges 30 June 2024	Carrying Amount 30 June 2024	Reclassification Carrying Amount 1 July 2024*	Current Year Transfers of completed or additional Work	Current Year Additions Council Constructed	Current Year Additions Transferred To Council	Current Year Disposals at Cost	Asset Adjustments	Current Year Depreciation	Impairment Charges	Revaluation	Disposal/ Revaluation Depreciation Recovered	Cost/ Revaluation 30 June 2025	Accumulated Depreciation & Impairment Charges 30 June 2025	Carrying Amount 30 June 2025
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s		$000s	$000s	$000s	$000s	$000s
Parks and Reserves	53,377	(4,450)	48,927	13,219	79	1,770	-	(156)	(23)	(1,333)	-	3,135	7,148	72,774	(8)	72,766
Under construction	280	-	280	-	(79)	917	-	-	-	-	-	-	-	1,118	-	1,118
Other *	8,516	(2,375)	6,141	(3,187)	-	148	-	(1)	-	(171)	-	-	1	5,209	(2,278)	2,931
*Under construction**	1,093	-	1,093	(1,039)	(20)	2	-	-	(11)	-	-	-	-	24	-	24
Plant and Machinery	17,646	(3,261)	14,385	(13,219)	-	74	-	(15)	-	(152)	-	-	15	3,113	(2,025)	1,088
Under construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Motor Vehicles	1,437	(893)	544	-	-	260	-	(277)	-	(231)	-	-	265	1,420	(859)	561
Waste Management*	-	-	-	3,187	912	354	-	(268)	5	(293)	-	(93)	561	4,364	(0)	4,364
*Under construction **	-	-	-	1,039	(912)	370	-	-	-	-	-	-	-	513	-	513
Land	108,714	-	108,714	-	-	12	-	(729)	-	-	-	27,529	-	135,526	-	135,526
Buildings	50,534	(3,178)	47,357	-	460	1,447	-	(3,512)	18	(1,628)	92	(1,447)	4,707	47,409	(7)	47,402
Under construction	6,009	-	6,009	-	(460)	24,983	-	-	-	-	-	-	-	30,516	-	30,516
Library Books	2,595	(1,936)	659	-	-	184	-	-	-	(130)	-	-	-	2,779	(2,066)	713
Total Operational Assets	**254,854**	**(19,920)**	**234,934**	**-**	**15**	**30,999**	**-**	**(4,989)**	**(11)**	**(4,157)**	**92**	**29,124**	**12,729**	**309,900**	**(11,258)**	**298,642**
TOTAL FIXED ASSETS	**1,192,226**	**(27,566)**	**1,164,660**	**-**	**15**	**49,575**	**517**	**(4,989)**	**(38)**	**(20,412)**	**92**	**59,641**	**36,630**	**1,296,854**	**(11,258)**	**1,285,605**

Depreciation and amortisation expense by group of activity

	2025/26 Actuals $000	2024/25 Actuals $000
Directly attributable depreciation and amortisation expense by group of activity		
Community, Economic and Strategic Development	8	24
Environmental Services	424	341
Governance and Corporate Services	611	532
Planning and Regulatory	41	91
Pools Parks and Cemeteries	2,546	1,452
Property and Community Facilities	2,528	1,794
Roading	9,257	8,470
Service Centres and Libraries	193	176
Stormwater	740	735
Wastewater	3,482	3,497
Water	4,030	3,657
Total depreciation and amortisation expense	**23,860**	**20,769**

16. Intangible assets

Easements are not cash generating in nature as they give the right to access across private land. As such impairment of easements is determined by considering the future service potential of the easement and its assessed replacement cost. No impairment losses have been recognised for easements, as the carrying amount of the assets has been assessed as less than their replacement cost.

Branding has been amortised over a period of 10 years which reflects the estimated life of the impact of the brand. No impairment losses have been recognised.

Computer software is amortised over 3 to 10 years and where appropriate disposed of. No impairment losses have been recognised.

	Easements $000	Computer Software $000	Branding $000	Total $000
Cost				
Balance at 1 July 2025	83	4,471	144	4,698
Adjustment	-	-	-	-
Additions	-	799	-	799
Disposals	-	(12)	-	(12)
Under construction	-	194	-	194
Balance at 30 June 2026	**83**	**5,452**	**144**	**5,679**
Balance at 1 July 2024	83	3,480	144	3,707
Adjustment	-	(16)	-	(16)
Additions	-	960	-	960
Disposals	-	(98)	-	(98)
Under construction	-	144	-	144
Balance at 30 June 2025	**83**	**4,471**	**144**	**4,698**
Accumulated Amortisation and Impairment				
Balance 1 July 2025	-	(1,730)	(144)	(1,874)
Adjustment	-	-	-	-
Amortisation charge	-	(431)	-	(431)
Disposals	-	-	-	-
Balance at 30 June 2026	**-**	**(2,162)**	**(144)**	**(2,306)**
Balance 1 July 2024	-	(1,471)	(144)	(1,615)
Amortisation charge	-	(357)	-	(357)
Disposals	-	98	-	98
Balance at 30 June 2025	**-**	**(1,730)**	**(144)**	**(1,874)**
Carrying Amounts				
Balance at 30 June 2026	**83**	**3,290**	**-**	**3,373**
Balance at 30 June 2025	**83**	**2,740**	**-**	**2,823**

17. Insurance

The Council holds asset insurance with multiple insurance companies including QBE, NZI and AIG as at 30 June 2026.

The total value of all assets covered by insurance contracts is $186 million (2025: $179m). The maximum amount for which these assets is insured is $322 million (2025: $314m). Assets insured includes buildings, water and wastewater facilities, plant and equipment, library books.

There are no assets covered by financial risk sharing arrangements.

The total value of self-insured assets is $1,210 million (2025: $1,116 Million). These are not covered by insurance policies.

18. Forestry assets

Independent registered valuer, Allan Laurie RMNZIF of Laurie Forestry Limited, have valued Council owned forestry assets as at 30 June 2026.

As at 30 June the Council owned forests had a 1.8% decrease in the value over the value as at the same time last year. This valuation states an effective Net Stocked Area of approximately 107.8 hectares. The net stocked area has decreased by 2.0ha since the 2025 annual valuation, due to re-mapping of the forests using updated aerial imagery.

There is concern around the potential for high sand content in the tree bark of the old crop stands, particularly in Alexandra and Cromwell. With consideration to this and the considerable cartage distance to Port Chalmers, it is likely that a large portion of the log volume at harvest will need to go into local firewood markets.

The following significant valuation assumptions have been adopted in determining the fair value of forests assets

- A real pre-tax discount rate of 8.5% has been used this year
- The value is of the tree crop only
- No volume growth in the old crop trees at Alexandra and Cromwell
- The valuation assumes that the forest will be grown for one rotation only and that no further planting will be undertaken
- The valuation uses current costs, and no adjustment has been made for inflation The Central Otago District Council has forest investments of:

Forest Info	Age	Area (ha)	Species
Alexandra	41 years old	15.4	Radiata pine
Cromwell	43 - 44 years old	76.2	Radiata pine
Ranfurly	36 - 41 years old	3.1	Corsican Pine (1.6ha), P Radiata (1.4ha)
Naseby	46 years old	2.7	Corsican pine
Roxburgh	3 years old	10.4	Attenuata Hybrid

Valuations

	2025/26 $000	2024/25 $000
Balance as at 1 July	**268**	**266**
Increases due to purchases	-	-
Gain (loss) arising from revaluation	(5)	3
Decrease arising from sales / harvest	-	-
Balance as at 30 June	**264**	**268**
The gain (loss) comprised of:		
Alexandra Forest	(2)	-
Cromwell Forest	(3)	16
Naseby Forest	-	(16)
Ranfurly Forest	-	(3)
Roxburgh Forest	-	6
Gain (Loss) arising from revaluation	**(5)**	**3**

19. Investment property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation. Investment property is measured initially at its cost, including transaction costs.

After initial recognition, all investment property is measured at fair value at each reporting date. There are no contractual obligations in relation to investment properties at balance date.

Independent and suitably qualified valuer, G Simpson SPINZN, ANZIV of Quotable Value Limited, have valued Council owned Investment property assets as at 30 June 2026.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit. The Council's investment properties are revalued annually at fair value effective 30 June. The valuation was performed by Quotable Value Limited.

Land is valued at market and some buildings as well.

	2025/26 $000	2024/25 $000
Balance at 1 July	6,940	7,055
Additions from acquisitions	-	-
Additions from subsequent expenditure	234	-
Transfer from PPE	1,275	-
Expenditure on earthquake strengthening	-	-
Disposals	-	-
Gains (loss) arising from revaluation	(1,174)	(115)
Balance at 30 June	**7,275**	**6,940**
Rental income from investment property	369	294
Direct expenses from investment property	73	39

20. Capital Commitments

	2025/26 $000	2024/25 $000
Capital Commitments		
Property	3,937	18,832
Parks	307	295
Information Technology	68	227
Environmental Services	-	46
Water	4,423	20,017
Wastewater	1,076	1,281
Stormwater	664	684
Roading	431	45
Total capital commitments	**10,906**	**41,428**

The Roading commitment will attract a subsidy of $nil (2025: nil). Council entered into a three-year physical works contract for roading. The scope of which includes maintenance and renewals of Council's roading assets and some roading improvement works. There is no committed value of capital works within this contract. Annual estimated spend under this contract is expected to be $3,000,000 or more or less, based on contract terms.

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred. Retentions withheld balance is $705,138 (2025 $395,155).

Other commitments

Council has a commitment to pay development costs relating to Dunstan Park and Gair Ave subdivision in accordance with the development agreement.

21. Operating Leases

Leasing arrangements – operating lease as lessee

Operating leases relate to the rental of buildings, office equipment, and communication facilities. The Council does not have an option to purchase the leased assets at the expiry of the lease period.

Non-cancellable operating lease payments

	2025/26 $000	2024/25 $000
No longer than 1 year	397	412
Longer than 1 year and not longer than 5 years	421	220
Longer than 5 years	-	31
Total non-cancellable operating leases	**818**	**663**

** 10-year land lease has been added to 2022/23, five years remaining lease.*

Leasing arrangements operating leases as lessor

The Council leases land and buildings for retail, office space, farming and the airport. The Council also has operating leases with community focussed activities, such as sport facilities, community halls and residential housing for the elderly.

The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	2025/26 $000	2024/25 $000
No longer than 1 year	1,241	1,055
Longer than 1 year and not longer than 5 years	3,973	2,472
Longer than 5 years	10,278	11,778
Total operating leases as Lessor*	**15,492**	**15,306**

The scope of leases includes other lessor agreements (such as farming land, airport hangars and commercial carpark areas).
* This includes 977 years remaining on a 999 lease for an Alexandra Carpark at the end of Tarbet Street

22. Emissions Trading Scheme

The Council is part of the Emissions Trading Scheme (ETS) for its pre 1990 forests (mandatory participation). Under the ETS the Council is allocated New Zealand Units (NZUs). An initial free allocation of NZUs is provided in relation to pre 1990 forests. Under the ETS liabilities can accrue as follows:

Pre 1990 forests

Liabilities accrue if the pre 1990 forest land is deforested and not replanted. The Council does not anticipate any future liabilities will arise in relation to pre 1990 forest land based on the intention to replant trees harvested or removed in any other way.

23. Contingencies

Contingent assets

Contingent assets comprise the value of lessees' improvements on land leased from Council where a term of the lease provides for the improvements to vest in Council on the dissolution of the community group leasing that part of the reserve. Until this event occurs these assets are not recognised in the Statement of Financial Position. Council is not aware of any of the community groups dissolving and the improvements vesting in Council, resulting in a disclosure of nil.

Contingent liabilities

The Council has no contingent liabilities as at 30 June 2026.

Local Government Funding Agency

The Council is a guarantor of the New Zealand Local Government Funding Agency Limited (LGFA). The LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. LGFA has a current credit rating from Standard and Poor's of AAA for local currency and a foreign currency rating of AA+ as at 30 June 2026.

As at 30 June 2026, the Council is one of 77 councils eligible to borrow from LGFA, of this there are: 30 member councils as shareholders; 74 members councils were guarantors, 8 member CCOs, and 4 water CCOs. The New Zealand Government also has a 20% shareholding in the LGFA. It has uncalled capital of $1.0 million. When aggregated with the uncalled capital of other shareholders, $20.0 million is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, the Council is a guarantor of all of the LGFA's borrowings. At 30 June 2026, the LGFA had borrowings totalling $25.693 billion (2025: $25.529 billion).

PBE Accounting Standards require the Council to initially recognise the guaranteed liability by applying the 12-month expected credit loss (ECL) model (as fair value could not be reliably measured at initial recognition), and subsequently at the higher of the provision for impairment at balance date determined by the ECL model and the amount initially recognised. The Council has assessed the 12-month ECL of the guaranteed liability, based on market information of the underlying assets held by the LGFA. The estimated 12-month expected credit losses are immaterial due to the very low probability of default by the LGFA in the next 12 months. Therefore, the Council has not recognised a liability.

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

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

New Zealand Mutual Liability Riskpool
Central Otago District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind-down; however, the Council has an ongoing obligation to contribute to the Scheme should a funding call be made in respect of historical claims (to the extent those claims are not covered by reinsurance or where reinsurance recovery is delayed), and to fund the ongoing operation of the Scheme.

The likelihood of any call in respect of historical claims diminishes over time as limitation periods expire. However, following the Supreme Court's decision in August 2023 concerning mixed defect claims, a number of proceedings against Riskpool have progressed.

Several Member Councils have brought proceedings against Riskpool in relation to such claims. Two of these proceedings have been heard by the High Court, with judgment currently awaited. These cases are expected to provide clarity on the scope of Riskpool's historical obligations and the interpretation of Scheme documentation.

At this stage, the total potential liability associated with these matters cannot be reliably quantified.

Southern Waters Limited
The Local Government (Water Services) Act 2025 provides the legislative framework for the delivery of water services in New Zealand under the Government's Local Water Done Well programme. Under this framework, Central Otago District Council, Clutha District Council, Gore District Council and Waitaki District Council (the Shareholder Councils) resolved to deliver drinking water, wastewater and stormwater services through a jointly owned water organisation, Southern Waters Ltd.

Southern Waters Ltd is a council-controlled organisation for the purposes of the Local Government Act 2002 and a water organisation for the purposes of the Local Government (Water Services) Act 2025. The company was incorporated on 1 May 2026.
The ordinary share capital of Southern Waters Ltd comprises two classes of shares:

• A shares: voting shares held equally by each Shareholder Council, conferring equal voting rights.

• B shares: non-voting shares to be issued to Shareholder Councils on completion of their respective Transfer Agreements, allocated in proportion to the net asset value of assets transferred to Southern Waters Ltd. The allocation of B shares will be reassessed on admission of any new Shareholder Council in accordance with this principle.

Under the deed arrangements, Council is required to fund the establishment costs of Southern Waters Ltd until the company is established and operational. These costs are shared equally between the Shareholder Councils. The deed includes repayment events that require the other Shareholder Councils to reimburse Council immediately for their respective pro-rata shares. Establishment costs were estimated by Morrison Low at approximately $8.8 million. The estimate is indicative and actual costs may differ.

24. Remuneration

Remuneration of Elected Members

	2025/26 $000	2024/25 $000
Mayor		
TN Alley	143	82
T Cadogan	-	43
Current Councillors		
N J Gillespie*	20	54
M R McPherson*	52	46
S Feinerman	13	38
N McKinlay	10	31
S L Duncan	44	36
L J Claridge	12	34
IG Cooney*	14	41
CA Laws	40	37
S Browne*	58	37
TN Alley**	-	15
TA Paterson*	74	42
RD Scott	24	-
C Pannett	30	-
A Dowling	11	-
N McLean	24	-
C Sanders	24	-
Total elected representatives' remuneration	**593**	**535**

* This includes additional remuneration paid to Neil Gillespie, Ian Cooney, Sarah Browne, Martin McPherson and Tracy Paterson due to positions held on hearing panels.
** TN Alley councillor remuneration only.

Remuneration of Chief Executive Officer

The Chief Executive Officer of the Council, appointed under section 42 (1) of the Local Government Act 2002, received a salary of and benefits respectively of:

	2025/26 $000	2024/25 $000
Salary – permanent CEO's	347	332
Total chief executive officer remuneration	**347**	**332**

	2025/26 $000	2024/25 $000
Remuneration of Key Management	1,663	1,693

Key management includes the Chief Executive Officer and the six Executive Managers who form the Executive Team. The key management remuneration is all short-term benefits and includes the value of motor vehicles assigned to the managers. Remuneration for Key Management personnel includes severance costs.

Total staff numbers by remuneration band

	2025/26 $000
Total annual remuneration by band for employees at 30 June	
<$60,000	97
$60,000-$79,999	55
$80,000-$99,999	39
$100,000-$119,999	27
$120,000-$139,999	19
$140,000-$159,999	9
$160,000 - $199,999	6
$200,000 - $359,999	7
Total employees	**259**

	2024/25 $000
Total annual remuneration by band for employees at 30 June	
<$60,000	89
$60,000-$79,999	51
$80,000-$99,999	39
$100,000-$119,999	22
$120,000-$139,999	13
$140,000-$159,999	6
$160,000-$199,999	8
$200,000 - $339,999	5
Total employees	**233**

Total employee numbers include all casual employees who have a current employment contract with the Council. At balance date, the Council employed 156 (2025: 139) full-time employees, with the balance of staff representing 50 (2025: 44) full-time equivalent employees. A full-time employee is determined on the basis of a 40-hour working week.

Severance agreements

Pursuant to Schedule 10 Part 3 (33) of the Local Government Act 2002, the Council is required to disclose the cost of any severance agreement with an employee. There was zero severance payment (2025: 1) made during the 2026 year totalling $0 (2025: $56,325).

25. Related Party Transactions

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

	2025/26 $000	2024/25 $000
Councillors		
Full-time equivalent member	11	12
Remuneration	593	535
Senior Management team, including the Chief Executive		
Full-time equivalent personnel	7	7
Remuneration of Key Management	1,663	1,693
Total full-time equivalent personnel	**18**	**20**
Total key management personnel remuneration	**2,256**	**2,228**

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

During the 2026 financial year, Council incurred $1,557,590 of establishment costs in relation to Southern Waters. These costs have been recognised as an interest-bearing loan to Southern Waters Limited. Council resolved to act as lead authority for the establishment of Southern Waters pursuant to a Deed of Amendment and Cost Sharing, along with Deed of Accession with Clutha District Council, Gore District Council and Waitaki District Council.

26. Financial Instruments

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

PBE IPSAS 41 Financial Instruments requires debt instruments to be subsequently measured at FVTSD, amortised cost, or FVTOCRE. This classification is based on the business model for managing the debt instruments, and whether the payments are for solely payments of principal or interest on the principal amount outstanding.

Council assessed the business model for its classes of financial assets at the date of initial application. Debt instruments are held mainly to collect, except for the Council's listed bond portfolio which are held to collect and sell in accordance with the Council's Treasury Management Policy to meet capital requirements.

Council's debt instruments are solely comprised of contractual cash flows solely for payments of principal and interest, in line with basic lending arrangements. This assessment was based on the facts and circumstances as at the initial recognition of the assets.

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

Financial instrument categories

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

	Actual 2025/26 $000	Actual 2024/25 $000
Financial Assets		
Amortised Cost (Loans and Receivables)		
Cash and Cash equivalents	19,330	5,390
Trade and other receivables	8,101	5,454
Other financial assets	3,988	1,626
Term deposits	4,900	2,500
Community Loans	1,631	70
Total financial assets at amortised cost	**37,950**	**15,040**
FVToCRE		
Other financial assets	-	-
Unlisted shares	110	110
Total at FVToCRE	**110**	**110**
Mandatorily measured at FVTSD		
Derivative financial instrument assets - not hedged accounted	-	12
Total at FVTSD	-	**12**
Financial Liabilities		
Trade and other payables	13,112	11,148
Borrowings:		
- Bank overdraft	-	-
- Lease liabilities	-	-
- Secured loans	96,000	50,000
- Other financial liabilities	-	-
Total financial liabilities at amortised cost	**109,112**	**61,148**
Mandatorily measured at FVTSD		
Derivative financial instrument liabilities - not hedged accounted	176	135
Total at FVTSD	**176**	**135**

Fair value hierarchy

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

• Level 1 – Quoted market price – Financial instruments with quoted prices for identical instruments in active markets.
• Level 2 – Valuation technique using observable inputs – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
• Level 3 – Valuation techniques with significant non-observable inputs – Financial instruments valued using models where one or more significant inputs are not observable.

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

	Level	Actual 2025/26 $000	Actual 2024/25 $000
Financial Assets			
Derivative financial assets	2	-	12
Unlisted shares	3	110	110
Financial Liabilities			
Derivative financial liabilities	2	176	135

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

Valuation techniques with significant non-observable inputs (level 3)

The table below provides a reconciliation from the opening balance to the closing balance for the level 3 fair value measurements:

	Actual 2025/26 $000	Actual 2024/25 $000
Balance 1 July	110	109
Gain and losses recognised in surplus or deficit	-	-
Gain and losses recognised in other comprehensive revenue and expense	-	1
Balance at 30 June	**110**	**110**

Credit risk

Financial instruments that potentially subject the Council to credit risk, principally consist of bank balances, debtors and other receivables, short term investments and other financial assets.

The Council's main bank accounts are held with the Bank of New Zealand. Surplus funds are invested in accordance with Council policy with several approved trading banks, building societies, local authorities, state owned enterprises, regional health entities, corporates or in New Zealand Government stock. Council's investment policy limits the amount of credit exposure to any one financial institution or organisation.

The level and spread of debtors and other receivables minimise the Council's exposure to risk. Collateral held: Rates as a charge on the property pursuant to the Local Government (Rating) Act 2002.

Maximum exposure to credit risk and fair values

The maximum exposure to credit risk and fair value of financial instruments is equivalent to the carrying amount in the Statement of Financial Position. Council manages the credit risk by spreading its investments across several institutions that have approved credit ratings.

The Council's maximum credit risk exposure for each class of financial instrument is as follows:

	Credit Rating	2025/26 $000	2024/25 $000
Loans and receivables			
Bank balances and term deposits	Rating 'A' and greater, no defaults in the past	24,230	7,890
Debtors and other receivables	Note 9	8,102	5,454
Community loans	Not rated, no defaults in the past	1,631	70
Derivative financial assets	Rating 'A' and greater, no defaults in the past	-	12
Total credit risk loans and receivables		**33,963**	**13,426**

Market risk

Currency risk

The Council is not exposed to any direct currency risk as all transactions are in New Zealand dollars.

Interest rate risk

The Council manages its investments to minimise interest rate risk, in accordance with its investment policy, by holding investments with differing maturities and fixed returns. The table below illustrates the potential effect on the surplus or deficit for reasonably possible market movements, with all other variables held constant, based on the Council's financial instrument exposures at balance date.

	2025/26		2024/25	
	$000	$000	$000	$000
Interest rate risk	-50bps	+50bps	-50bps	+50bps
Effect on surplus (deficit)				
Cash and cash equivalents	-54	54	-10	+10
Promissory and floating rate notes	-	-	-	-
Borrowings and Other Financial Liabilities	-271	271	-194	+194
Total sensitivity	**-325**	**325**	**-204**	**+204**

The interest rate sensitivity is based on a reasonable possible movement in interest rates measured as a basis points (bps) movement. For example, a decrease in 50bps is equivalent to a decrease in interest rates of 0.5%.

Liquidity risk

To meet its liquidity requirements, Council maintains a target level of investments to mature with differing maturities in either the short term or long term, after taking into account projected cash flows. Limits are also in place to restrict the total amount invested with any one approved institution. Approved institutions are registered banks that maintain high levels of liquidity.

		2025/26				
	Note	Less than 1 year	1 year	2-5 years	5+ years	Total 2025/26
Financial assets						
Cash and cash equivalents	7	19,330	-	-	-	19,330
Trade and other receivables	9	7,935	47	34	86	8,102
Other financial assets (excluding shares in companies)	8	5,550	575	2,763	-	8,888
Financial liabilities						
Trade and other payables	11	13,112	-	-	-	13,112
Borrowings and Other Financial Liabilities	14	23,000	14,000	59,000	-	96,000

	Note	2024/25 Less than 1 year	1 year	2-5 years	5+ years	Total 2024/25
Financial assets						
Cash and cash equivalents	7	5,390	-	-	-	5,390
Trade and other receivables	9	4,948	361	70	173	5,454
Other financial assets (excluding shares in companies)	8	2,813	100	1,213	-	4,125
Financial liabilities						
Trade and other payables	11	11,148	-	-	-	11,148
Borrowings and Other Financial Liabilities	14	17,500	2,000	30,500	-	50,000

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Council is exposed to price risk in relation to its available for sale investments where the interest rate is fixed. The price risk arises due to interest rate movements. This price risk is managed by diversification of Council's investment portfolio in accordance with the limits set out in Council's investment policy.

Reconciliation of movements in liabilities arising from financing activities

The table below provides a reconciliation between the opening and closing balances of finance lease liabilities and secured borrowings at balance date.

Secured borrowings	2025/26 $000	2024/25 $000
Balance as at 1 July	50,000	35,000
Cash inflows: proceeds from borrowings	78,500	35,000
Cash outflows: repayment of loans	(32,500)	(20,000)
Non-cash movement in accrued interest	-	-
Balance as at 30 June	**96,000**	**50,000**

27. Internal loans

The Council has used available cash reserves to finance debt internally rather than using external funding. These loans are a combination of specified and investment account borrowings and are not represented in the Statement of Comprehensive Income.

	Opening Balance $000	New Advances $000	Principal Paid $000	Closing Balance $000
Community, Economic and Strategic Development	1,646	1,567	(3,210)	3
Environmental Services	5,443	1,451	(5,956)	938
Governance and Corporate Services	1,799	1,245	(1,707)	1,337
Planning and Regulatory	-	-	-	-
Pools Parks and Cemeteries	5,754	2,374	(7,567)	561
Property and Community Facilities	12,628	22,930	(24,291)	11,267
Roading	3,696	2,860	(3,415)	3,141
Service Centres and Libraries	-	69	-	69
Stormwater	-	-	-	-
Wastewater	12,787	1,969	(12,282)	2,474
Water	13,432	25,037	(21,878)	16,591
TOTAL	**57,184**	**59,502**	**(80,305)**	**36,381**

In accordance with accounting standards, internal interest is excluded from the Statement of Comprehensive Income. It remains included in the individual Funding Impact Statements to recognise the actual cost to ratepayers of that particular activity. The internal interest rate charged is 0% (2024/25, 4.49%). Financial Reserves Policy was amended to remove interest from deficit reserve accounts and all internal loans were repaid. Remaining balances represent reserve balances that are in deficit. The following table details the amount of internal interest included within the respective Funding Impact Statements.

	2025/26 Actual $000	2025/26 Estimate $000	2024/25 Actual $000
Community, Economic and Strategic Development	-	57	58
Environmental Services	-	55	248
Governance and Corporate Services	-	25	9
Planning and Regulatory	-	-	-
Pools Parks and Cemeteries	-	212	222
Property and Community Facilities	-	464	441
Roading	-	-	180
Service Centres and Libraries	-	2	0
Stormwater	-	-	-
Wastewater	-	90	844
Water	-	421	761
TOTAL	**-**	**1,326**	**2,763**

28. Capital Management

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

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

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long-term assets that will benefit ratepayers in future generations.

Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its Long-term Plan (LTP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's Long-term Plan.

The Council has the following Council-created reserves:

- Reserves for different areas of benefit.
- Self-insurance reserves; and
- Trust and bequest reserves.

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

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Council.

Trust and bequest reserves are set up where the Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

Reserve Funds

Reserves are held to ensure that funds received for a particular purpose and any surplus created is managed in accordance with the reason for which the reserve was established. Interest is credited to surpluses held in reserves. Restricted reserves have rules that can be set by legal obligation that restrict the use that Council may put the funds to. The remaining Council created reserves are discretionary reserves which the Council has established for the fair and transparent use of monies. Below is a list of current reserves outlining the purpose for holding each reserve and the Council activity to which each reserve relates. These reserves are included in note 6.

Statement of Reserve Movements	Opening Balance 2025/26	Transfers In 2025/26	Transfers Out 2025/26	Closing Balance 2025/26
	$000	$000	$000	$000
GENERAL RESERVES				
General Reserves	(605)	17,509	(13,167)	3,737
Uniform Annual General Charge Reserves	379	-	(379)	-
Total General Reserves	**(225)**	**17,509**	**(13,546)**	**3,737**
TARGETED RESERVES				
Planning and Environment Rate	4,503	299	(2,065)	2,737
Economic Development Rate	129	-	(3)	127
Tracks and Waterways Charge	687	-	(687)	-
Tourism Rate	476	76	(94)	458
Waste Management and Collection Charge	(4,689)	6,416	(1,894)	(166)
District Library Charge	76	413	(277)	212
Molyneux Park Charge	(127)	127	-	-
District Works and Public Toilets Rate	3,864	1,329	(5,063)	130
District Water Supply	(10,234)	27,077	(22,379)	(5,536)
District Wastewater	(6,902)	14,484	(5,558)	2,024
District Stormwater	-	5,478	(2,278)	3,200
Community Facilities Rates	-	41,542	(29,445)	12,097
Total Targeted Reserves	**(12,218)**	**97,243**	**(69,743)**	**15,282**
Specific and Other Reserves	304	136	-	440
District Roading Development Fund	-	1,356	(491)	865
District Wastewater Development Fund	-	1,500	(617)	882
District Water Development Fund	-	1,211	(11,388)	(10,176)
District Community Infrastructure Development Fund	-	67	(3,128)	(3,062)
District Reserve Improvement Development Fund	-	1	(115)	(114)
District Reserve Land Development Fund	-	44	-	44
Vincent Reserve Contribution Fund	1,800	145	(388)	1,557
Cromwell Reserve Contribution Fund	2,805	377	(22)	3,160
Maniototo Reserve Contribution Fund	346	5	-	352
Teviot Valley Reserve Contribution Fund	137	7	-	145
Total Specific and Other Reserves	**5,392**	**4,850**	**(16,149)**	**(5,908)**

WARD TARGETED RESERVES				
Vincent Community Board Reserves				
Vincent Promotion Rate	10	-	(10)	-
Vincent Grants Rate	-	75	(11)	64
Vincent Recreation and Culture Charge	(1,067)	1,067	-	-
Vincent Ward Services Rate	(203)	73	-	(130)
Vincent Ward Services Charge	7,592	-	(7,592)	-
Vincent Ward Specific Reserves	806	7,747	(7,618)	936
Total Vincent Community Board Reserves	**7,138**	**8,962**	**(15,231)**	**870**
Cromwell Community Board Reserves				
Cromwell Promotion Rate	10	-	(10)	-
Cromwell Grants Rate	-	78	(9)	70
Cromwell Recreation and Culture Charge	(3,336)	3,336	-	-
Cromwell Ward Services Rate	4,793	1,665	(6,458)	-
Cromwell Ward Services Charge	(375)	433	(58)	-
Cromwell Ward Specific Reserves	544	9,161	(7)	9,698
Total Cromwell Community Board Reserves	**1,636**	**14,674**	**(6,542)**	**9,768**
Maniototo Community Board Reserves				
Maniototo Promotion Rate	4	-	(4)	-
Maniototo Grants Rate	-	10	(4)	6
Maniototo Recreation and Culture Charge	1,227	-	(1,228)	-
Maniototo Ward Services Rate	416	-	(416)	-
Maniototo Ward Services Charge	(1)	1	-	-
Maniototo Ward Specific Reserves	-	369	(26)	342
Total Maniototo Community Board Reserves	**1,646**	**379**	**(1,677)**	**348**
Teviot Valley Community Board Reserves				
Teviot Valley Promotion	17	-	(17)	-
Teviot Valley Grants Rate	-	38	(10)	29
Teviot Valley Recreation and Culture	(117)	116	-	-
Teviot Ward Services Rate	798	-	(798)	-
Teviot Ward Services Charge	22	-	(22)	-
Teviot Ward Specific Reserves	-	706	(68)	638
Total Teviot Valley Community Board Reserves	**721**	**861**	**(916)**	**666**
Total Reserves	**4,090**	**144,478**	**(123,805)**	**24,763**

The purpose of the reserve funds is to ring fence the revenue received for each rate funded activity to the rate group itself. This keeps surpluses/deficits in each activity separate from the other activities. This is broken down into general reserves, targeted reserves, and ward targeted reserves. Transfers to and from these reserves are made at Council discretion.

Specific reserves include McArthur Book Committee, Anderson Trust Facilities and A. George Trust. Other reserves include Chatto Creek, Clyde, Omakau, Taieri Lake recreation reserve committee reserves. All such funds are available only for the purpose specified.

29. Events subsequent to balance date

Disclosures – 3 Waters

Future delivery of water services: Southern Waters Ltd
The Local Government (Water Services) Act 2025 establishes the enduring framework for the delivery of water services in New Zealand under the Government's Local Water Done Well programme. Under this framework, Central Otago District Council (the Council), together with Clutha District Council, Gore District Council and Waitaki District Council (the Shareholder Councils), has resolved to deliver drinking water, wastewater and stormwater services through a jointly owned water organisation, Southern Waters Ltd (Southern Waters).

The Shareholder Councils' Joint Water Services Delivery Plan was accepted by the Secretary for Local Government on 3 October 2025. Waitaki District Council, which had withdrawn from the arrangement in July 2025, resolved to rejoin on 24 February 2026 and, following approval by the other three Shareholder Councils, adopted the Shareholders' Agreement, Constitution and Commitment Agreement on 14 April 2026.

Southern Waters is a council-controlled organisation under the Local Government Act 2002 and a water organisation under the Local Government (Water Services) Act 2025. Southern Waters Ltd was incorporated on 1 May 2026. There are two types of shareholdings:

- A Shares: (voting) Each Shareholder Council holds an equal shareholding and equal voting rights.
- B Shares: (non-voting) will be issued to Shareholding Councils on completion of their Transfer Agreement based on the principle of allocation proportional to the Net Asset Value of a Shareholding Council’s assets that have been transferred to the Company pursuant to the Transfer Agreement. The allocation of B Shares will be reviewed on the admission of any new Shareholding Council in line with this principle.

The company will be governed by an independent board, with shareholder expectations set and performance monitored through a Stakeholders' Representative Group comprising two representatives from each Shareholder Council, together with mana whenua and rural water representation.

Transfer of water services
Southern Waters is expected to assume responsibility for the delivery of water services across the four districts from 1 July 2027. Council's water supply, wastewater and stormwater assets are expected to transfer to Southern Waters on or about that date, together with associated liabilities, employees, contracts and other rights and obligations. The legislation prevents the privatisation of these assets, which will remain in public ownership through the Shareholder Councils' shareholdings.

The terms of the transfer agreement, the principle of allocation proportional to the Net Asset Value of a Shareholding Council’s assets will be transferred to the Southern Waters Limited. Net transfer will consider assets and liabilities that will be transferred. The consideration to be received by Council will be limited to the borrowings transferred to Southern Waters. This in turn will require cash reserves to be transferred from Council to Southern Waters (where in surplus), cash reserves that are in deficit will be treated as borrowings. These matters are being developed through a transfer agreement between the Shareholder Councils and Southern Waters and remain subject to negotiation, legislative requirements and, where applicable, approval by the Local Government Funding Agency and other lenders.

Effect on the Financial Statements
The financial statements have been prepared on the basis that Council continues to own and operate its water services assets at 30 June 2026. No adjustments have been made to the recognition, classification or measurement of assets, liabilities, revenue or expenses as a result of the proposed transfer.

Extracts from the Annual Report 30 June 2026 relating directly to water services activities are as follows:

For the current year revenue and expenses and cashflows of water services operations, refer to the respective funding impact statements on pages:

- Water – page 46
- Wastewater – page 50
- Stormwater – page 54

Extract from PPE Note	**$000 Water Supply**	**$000 Wastewater**	**$000 Stormwater**
Infrastructural Assets			
Stormwater networks			33,481
under construction			77
Total Stormwater			**33,558**
Wastewater networks		88,214	
Wastewater networks plant		33,144	
under construction		19,834	
Total Wastewater		**141,192**	
Water supply networks	156,074		
Water supply networks plant	39,075		
under construction	7,738		
Total Water	**202,887**		
Total Infrastructure Assets	**202,887**	**141,192**	**33,558**
Operational Assets			
Furniture & fittings		1	
Land	4,258	2,352	3
Machinery & plant	76	31	
Motor cars & utes	21		
Office & Other Equipment	4	5	
Other	845	783	
Total Operational Assets	**5,205**	**3,171**	**3**
Total Fixed Assets	**208,092**	**144,363**	**33,561**

Extract from Intangible Note	**$000 Water Supply**	**$000 Wastewater**	**$000 Stormwater**
Intangible Assets	**77**	**2**	**2**

Extract from Borrowing Note	$000 Water Supply	$000 Wastewater	$000 Stormwater
Current Liabilities	14,000	9,000	
Non Current Liabilities	29,273	23,727	
Total Borrowing	**43,273**	**32,727**	-

Extract from Reserve Funds Table	$000 Water Supply	$000 Wastewater	$000 Stormwater
Operational	763	55	357
Capital	(6,300)	1,970	2,843
Development Contributions*			
Roxburgh Water Development Contribution Fund	(129)		
Water Development Contribution Fund Clyde	(4,772)		
Water Development Contribution Fund Cromwell	(4,863)		
Water Development Contribution Fund Naseby	(8)		
Water Development Contribution Fund Omakau	66		
Water Development Contribution Fund Patearoa	(110)		
Water Development Contribution Fund Ranfurly	(54)		
Water Development Contribution Fund Vincent	(306)		
Roxburgh WW Development Contribution Fund		(62)	
WW Development Contribution Fund Clyde		(1,590)	
WW Development Contribution Fund Cromwell		2,977	
WW Development Contribution Fund Naseby		(19)	
WW Development Contribution Fund Omakau		(40)	
WW Development Contribution Fund Ranfurly		(2)	
WW Development Contribution Fund Vincent		(381)	
Total Reserve Funds - surplus/(deficit)	**(15,713)**	**2,907**	**3,200**

**NB: Water Service Reserve funds operate both in surplus and (deficit). Development Contributions are allocated to projects as the project progresses. With the development contributions being allocated to the development contribution reserve when received.*

Establishment costs

On 17 December 2025 Council agreed to act as lead council for the establishment of Southern Waters under a Deed of Amendment and Cost Sharing with Clutha District Council and Gore District Council.

Waitaki District Council became a party to the deed by Deed of Accession on 14 April 2026. Under the deed, Council funds all establishment costs of Southern Waters until the company is established and operational, and the Shareholder Councils share those costs in equal parts. The deed contains repayment events under which the other Shareholder Councils must immediately repay their pro-rata share to Council. The Shareholder Councils intend that the costs will ultimately be recovered from Southern Waters once it is established, but no agreement to that effect can be entered into until the company is incorporated. Establishment costs were estimated by Morrison Low at approximately $8.8 million. This estimate is indicative and actual costs may differ.

Council has incurred $1,557,590 of costs during the 2026 year in relation to the establishment of Southern Waters. These costs have been recognised as a loan to Southern Waters Limited and is interest bearing. This is included in the Statement of Financial Position as a Non-current asset under Other financial assets and note 13. Community loans.

Uncertainties
Significant uncertainties remain regarding:

- the final value and composition of assets and liabilities to transfer, and the accounting consequences for Council;
- the extent to which existing Council debt will be transferred, novated or repaid, and the impact on Council's borrowing capacity and compliance with financial covenants;
- the number of employees who will transfer to Southern Waters on terms satisfying the Schedule 1 exemption, and Council's resulting redundancy exposure;
- the financial impact on ratepayers of the transition from rates-funded water services to charges set by Southern Waters, which will be subject to economic regulation by the Commerce Commission;
- the impact on Council's remaining organisation, including shared services, overheads and staffing, once water services transfer;
- recovery of establishment costs funded by Council as lead council, should Southern Waters not be incorporated by 31 December 2026 or the project not proceed; and
- any changes to the timing of transfer or the composition of the Shareholder Councils.

The 2025–34 Long-term Plan was prepared on the assumption that water services would transfer to a jointly owned council-controlled organisation. Council's Annual Plan for 2026/27 reflects the planned transfer date of 1 July 2027. Council will consider these matters further in preparing its 2027–37 Long-term Plan.

Disclosure - Local government proposed reforms

In 2026, the New Zealand Government introduced the Head Start reform programme as part of its wider local government reform agenda (Simplifying Local Government). The programme provides a voluntary pathway for councils to propose alternative governance structures, including the potential establishment of unitary authorities, with the objective of simplifying local government, reducing duplication, and improving service delivery and regional planning. The Government has advised that wider structural reforms are expected to occur ahead of the 2028 local government elections.

In addition, the Government has indicated that a backstop pathway will apply to regions that do not progress through the voluntary Head Start process. Under the backstop pathway, a compulsory reorganisation process would be applied, with further reform details and governance arrangements to be confirmed through legislation expected in 2027. The backstop reforms are intended to take effect following the 2028 local elections.

The Otago Mayoral Forum commissioned a report that detailed various options for the Otago region. During the process Waitaki District Council resolved to consider options outside the Otago region. Council submitted a Head Start proposal that would see Clutha District Council, Central Otago District Council and Queenstown Lakes District Council amalgamate. This was submitted jointly with Clutha District Council, but without the support of Queenstown Lakes District Council. Queenstown Lakes District Council and Dunedin City Council put in a Head Start proposal that would see Dunedin City Council and Clutha District Council

Deloitte. for Identification

amalgamate, and Central Otago District Council and Queenstown Lakes District Council amalgamate. This was submitted without the support of Central Otago District Council and Clutha District Council.

No Head Start proposal in the country has been approved through to the next stage. As announced on 24 September 2026, Cabinet is expected to consider these proposals in early 2027. If the proposals are endorsed by Cabinet, they will be developed in detail and considered for final approval later in 2027, with Head Start changes intended to be in place ahead of the 2028 local government elections.

The Council continues to monitor developments and assess any potential implications for its governance, operations, assets, liabilities, and service delivery. At balance date, the nature, timing, and financial implications of any changes that may affect the Council remain uncertain. Accordingly, no financial impact has been recognised in these financial statements, and as such they have been prepared on a going concern basis.

Disclosure – Otago Central Lakes Regional Deal

Otago Central Lakes councils and the New Zealand Government have signed a Regional Deal on Tuesday 6th October 2026. The Regional Deal is aimed at ensuring the region can keep pace with growth while remaining a great place to live, work and visit. The Deal creates a long-term partnership between local and central government to work together, alongside mana whenua and the private sector to better coordinate planning and investment over the next 30 years. Otago Central Lakes councils include the Central Otago District Council, Queenstown Lakes District Council and the Otago Regional Council.

The Deal is built around eight interconnected priority areas that will guide investment, decision-making and delivery across the region. Combined, these priorities enable the housing, infrastructure, services, investment, and partnerships required to support thriving communities across Otago Central Lakes.

The eight key priority areas

1. Funding and financing mechanisms to enable growth
2. Affordable, quality housing
3. Reliable transport
4. Provision of health services
5. Energy resilience and innovation
6. Attracting investment and talent
7. Enabling key sectors
8. Partnership for growth.

At balance date, the nature, timing, and financial implications of any changes that may affect the Council remain uncertain. Accordingly, no financial impact has been recognised in these financial statements, and as such they have been prepared on a going concern basis.

The Audit Office
Te Mana Arotake

Independent Auditor's Report

To the readers of the annual report of Central Otago District Council for the year ended 30 June 2026

The Auditor-General is the auditor of Central Otago District Council (the Council). The Auditor-General has appointed me, Mike Hawken, using the staff and resources of Deloitte Limited, to carry out the audit on his behalf.

We have audited the information in the annual report of the Council that we are required to audit in accordance with the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

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

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

Opinion on the audited information

In our opinion:

- the financial statements on pages 118 to 185 present fairly, in all material respects, the Council's financial position as at 30 June 2026, and the results of the operations and cash flows for the year ended on that date, in accordance with Public Benefit Entity Standards;
- the statement of service performance for the year ended 30 June 2026 on pages 22 to 116:
    - is appropriate and meaningful and prepared in accordance with the Council's measurement bases or evaluation methods and Public Benefit Entity Standards; and
    - presents fairly, in all material respects, the Council's actual levels of service for each group of activities, including the levels of service achieved compared with the intended levels of service, whether any intended changes to levels of service were achieved, and the reasons for any significant variation between the levels of service achieved and the intended levels of service.
- the funding impact statement for the year ended 30 June 2026 on page 118, has been prepared, in all material respects, in accordance with clause 30 of Schedule 10;

- the funding impact statements for each group of activities for the year ended 30 June 2026 on pages 22 to 116 have been prepared, in all material respects, in accordance with clause 26 of Schedule 10; and
- the statements comparing actual capital expenditure to budgeted capital expenditure for each group of activities for the year ended 30 June 2026 on pages 22 to 116, have been prepared, in all material respects, in accordance with clause 24 of Schedule 10.

Report on the disclosure requirements

We report that:

- the Council has complied with the information disclosure requirements of Part 3 of Schedule 10 for the year ended 30 June 2026; and
- the Council's disclosures about its performance against benchmarks required by Part 2 of the Regulations for the year ended 30 June 2026 are complete and accurate.

Emphasis of matter: Simplifying Local Government reform

The government has announced it wants to simplify local government, including reducing the number of local authorities by amalgamations within regions. As described in note 29, the council is part of an amalgamation proposal under the Head Start pathway which may, if approved, be implemented before the 2028 local elections. The eventual outcome for the council is dependent on future cabinet decisions and enactment of enabling legislation. Because of the significant uncertainty about the outcome and timing of any future reorganisation, the financial statements have continued to be prepared on a going concern basis. Our opinion is not modified in respect of this matter.

Basis for our opinion on the audited information and the disclosure requirements

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): *The Audit of Service Performance Information* issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor for the audited information and the disclosure requirements* section of our report.

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

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

Responsibilities of the Council for the audited information and the disclosure requirements

The Council is responsible for preparing the audited information and the disclosure requirements in accordance with the Act. The Council's responsibilities include the preparation and fair presentation of the financial statements and service performance information in accordance with Public Benefit Entity Standards.

This includes:

- the selection of elements/aspects of service performance, performance measures and/or descriptions, and measurement bases or evaluation methods to enable the presentation of service performance information that is appropriate and meaningful; and

- the preparation of a statement of service provision, in accordance with the Council's measurement bases or evaluation methods, that provides an appropriate and meaningful basis to enable readers to assess what has been achieved for the year.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the audited information and the disclosure requirements that are free from misstatement, whether due to fraud or error.

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

The Council's responsibilities arise under the Act and the Regulations.

Responsibilities of the auditor

Responsibilities for the audited information

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

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

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the Council's Annual plan or Long-term plan as applicable.

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

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.

- We evaluate whether the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods present an appropriate and meaningful assessment of the Council's service performance.

- We evaluate whether the service performance information is prepared in accordance with the Council's measurement bases or evaluation methods, and presents fairly, in all material respects, in accordance with the Public Benefit Entity Standards, the actual service performance achieved compared with the intended levels of service.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Council to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.

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

Responsibilities for the disclosure requirements

Our objective is to provide reasonable assurance about whether the Council has complied with the disclosure requirements. To assess whether the Council has met the disclosure requirements we undertake work to confirm that:

- the Council has made all of the disclosures required by Part 3 of Schedule 10 to the Act and Part 2 of the Regulations; and

- the disclosures required by Part 2 of the Regulations accurately reflect information drawn from the audited information and, where applicable, the Council's long-term plan and annual plans.

Our responsibilities for the audited information and for the disclosure requirements arise from the Act and the Public Audit Act 2001.

Other information

The Council is responsible for the other information included in the annual report. The other information comprises all the information included in the annual report other than the audited information and the disclosure requirements, and our auditor's report thereon.

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

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

Independence

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

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



Mike Hawken
for Deloitte Limited
On behalf of the Auditor-General
Dunedin, New Zealand
28 October 2026

Our Council

Mayor and Councillors



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Her Worship the Mayor

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Deputy Mayor
Vincent Ward
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Vincent Ward
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Council Meeting Attendance 25/26

Name	Meetings Attended	Total Meetings	Percentage	Notes
T Alley	19	20	95%	
S Browne	19	20	95%	
L Claridge	1	5	20%	
I Cooney	5	5	100%	
A Dowling	7	7	100%	
S Duncan	19	20	95%	
S Feinerman	5	5	100%	
N Gillespie	5	5	100%	
C Laws	19	20	95%	
N McKinlay	3	5	60%	
N McLean	12	15	80%	
M McPherson	17	20	85%	
C Pannett	14	15	93%	
T Paterson	18	20	90%	
C Sanders	12	15	80%	
B Scott	15	15	100%	

Community Boards

Cromwell Community Board

42 The Mall, Cromwell Phone: 03 445 0211



Anna Harrison
Chair
Mobile: 021 190 0050
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Wally Sanford
Deputy Chair
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Sarah Browne
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Mike Casey
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Rebecca Anderson
Mobile: 027 222 4427
Rebecca.Anderson@codc.govt.nz

Cromwell Community Board Meeting Attendance 2025/26

Name	Meetings Attended	Total Meetings	Percentage	Notes
R Anderson	9	9	100%	
S Browne	11	13	85%	
M Casey	9	9	100%	
N Gillespie	3	4	75%	
A Harrison	12	13	92%	
C Laws	4	4	100%	
M McConnell	2	4	50%	
W Sanford	13	13	100%	
B Scott	4	4	100%	

Maniototo Community Board

15 Pery Street, Ranfurly, Phone: 03 444 9170



Mark Harris
Chair
Mobile: 027 279 5851
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Logan Dowling
Deputy Chair
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Rebecca McAuley

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Duncan Helm

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Stu Duncan

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Maniototo Community Board Meeting Attendance 2025/26

Name	Meetings Attended	Total Meetings	Percentage	Notes
L Dowling	7	7	100%	
S Duncan	8	9	89%	
M Harris	8	9	89%	
R Hazlett	2	2	100%	
D Helm	7	9	78%	
B McAuley	8	9	89%	

Teviot Valley Community Board

120 Scotland Street, Roxburgh, Phone: 03 446 8105



Mark Jessop
Chair
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Curtis Pannett
Deputy Chair
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Becky Slade

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Gill Booth

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Hayden Smith

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Hayden.Smith@codc.govt.nz

Teviot Valley Community Board Meeting Attendance 2025/26

Name	Meetings Attended	Total Meetings	Percentage	Notes
G Booth	7	9	78%	
N Dalley	2	2	100%	
S Feinerman	2	2	100%	
M Jessop	8	9	89%	
C Pannett	9	9	100%	
B Slade	6	7	86%	
H Smith	6	7	86%	

Vincent Community Board

1 Dunorling Street, Alexandra, Phone: 03 440 0056



Jayden Cromb
Chair
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Tony Hammington
Deputy Chair
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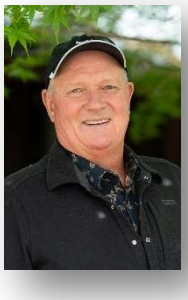
Karla Sanders

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Jim Moffitt

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Vincent Community Board Meeting Attendance 2025/26

Name	Meetings Attended	Total Meetings	Percentage	Notes
R Browne	2	2	100%	
L Claridge	1	2	50%	
J Cromb	9	9	100%	
T Hammington	9	9	100%	
D Johns	1	2	50%	
M McPherson	8	9	89%	
J Moffitt	7	7	100%	
T Paterson	2	2	100%	
K Sanders	6	7	86%	

Executive Team

Peter Kelly
Chief Executive Officer



Responsible for organisational activities
Emergency Management

Quinton Penniall
Group Manager – Infrastructure, Planning, and Regulatory



Planning
Regulatory services
Roading

Saskia Righarts
Group Manager – Governance and Business Services



Information Services
Business Risk and Procurement
Finance
Governance
Organisational Projects
Legal

Louise Fleck
General Manager – People and Culture



Human Resources
Organisational culture initiatives
Health, Safety & Wellbeing

Dylan Rushbrook
Group Manager – Community Vision



Community Development
Communications & Engagement
Economic Development
Strategy & Policy
Tourism

David Scoones
Group Manager – Community Experience



Property
Parks
Pools
Libraries
Customer Services

Julie Muir
Group Manager – Three Waters



Water
Wastewater
Stormwater



CENTRAL OTAGO
DISTRICT COUNCIL

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